

JBM Auto Limited
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JBMA/SEC/2016-17/
5th September, 2016

BSE Ltd.
Phiroze Jeejeebhoy Tower,
Dalal Street
Mumbai - 400 001

The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No.C/1, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051

Sub: Submission of Annual Report of 20th Annual General Meeting of the Company as per requirement of regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2016

Sir,

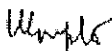
We are herewith submitting copy of Annual Report of 20th Annual General Meeting of the Company which is held on Saturday, the 3rd September, 2016 at Air Force Auditorium, Subroto Park, New Delhi - 110 010 at 10:30 A.M as per requirement of regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2016.

This is for your information and record please.

Thanking You,

Yours truly,

For JBM Auto Limited


(Vivek Gupta)
Chief Financial Officer
& Company Secretary

Encl.: As above

Works:

Plant II : Plot No. 5, Sector 31, Kasna Indl. Area, Greater Noida, Gautam Budh Nagar-201 306 T:+91 120 4522500, F:+91 120 4522504
Plant III : 71-72, M.I.D.C. Satpur, Nashik - 422 007 T: +91 253 2207297 F: +91 253 2360559
Plant IV : Plot No. B-2, Survey No. 1, Tata Motors Vendor Park, Sanand, Ahmedabad - 382 170 (Gujrat) T:+91 2717 645180
Plant V : Plot No. 157-E, Sector 3, Pithampur Industrial Area, Distt. Dhar-454 775 (M.P.)
Plant VI : SP-1/891, RIICO Industrial Area, Pathredi, Distt. Alwar, Rajasthan -303107
Corp. Office : Plot No. 9, Institutional Area, Sector 44, Gurgaon-122003 (Hr.) T:+91-124-4674500, 4674550 F:+91-124-4674599
Regd. Office : 601, Hemkunt Chambers, 89, Nehru Place, New Delhi - 110 019 T: +91 11 26427104, F: +91 11 26427100
CIN : L74899DL1996PLC083073



**Moving up
the Value Chain**

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Moving up the Value Chain



In the ever-evolving era of technology, the companies are compelled to find innovative ways to stay aligned to the momentum and stay in the competition. Manufacturing industry is also attuned to this wave and undergoing rapid transformation. The essence of this metamorphosis lies in shifting and upgrading from the low end of the value chain to the notches above and being the avant-garde. For a company it can be summarized as moving up the value chain from parts to assemblies, assemblies to systems, systems to vehicle and complementing partnerships and Joint Ventures.

From this perspective and in order to foster growth, we took a quantum leap from auto systems manufacturing into vehicle manufacturing thereby moving up the value chain. The buses built by the Company are state-of-the-art and ultra-modern. The prerogative for our bus division is to provide comfort and safety to its commuters. Our R&D team has actively done global benchmarking and adapted world class aggregates with latest technology like Independent Front Suspension (IFS), Inverted Portal Axle (IPA) and multiplexing in our bus segment.

As a future readiness measure we have taken a number of steps where the focus has been optimizing energy cost. Independent feeder has been installed at Faridabad unit to ensure continuous availability of power. We have entered into an agreement with Indian Energy Exchange (IEX) for the purchase of electricity units at competitive rates through the bidding process. We continuously monitor and maintain sustainable power consumption

level which results in optimization of energy consumption. In order to avoid wastage and ensure optimal cost of energy, Energy Audits are conducted at regular intervals. We have installed energy efficient LED light in office areas and also installed energy efficient motors in paint shop. This has resulted in 30% less power consumption on an average than conventional motors.

In our pursuit to manufacture products with consistent quality we have adopted the best-in-class processes, like the Just in time (JIT), Kaizen, Low cost optimization, Lean manufacturing among others, to ensure implementation of 'the JBM way'. These processes are targeted towards improvement in the Return On Investment (ROI) of business, by reducing in-process inventory and its carrying costs.

Collectively these measures on the various fronts of production, optimization in consumption in energy, enhanced product quality have led to sustained value creation. Over the last five year we have been continuously growing where Net Sales grew at a CAGR of 15.85% and PAT grew at a CAGR of 19.47%. As we move ahead we are committed to continue to move up the value chain and also continuously add value to our stakeholders.

At JBM Auto, we are relentlessly working towards the needs of our customers and incorporating their requirements and delivering them upto their expectations. We have placed tremendous thrust on customer focus and continues to bond with them.





JBM Auto Ltd.

Journey: One story at a time

JBM Auto Limited, established in 1996, is the flagship company of the USD 1.35 Billion diversified JBM Group. The Company is an automotive company that manufactures key auto systems and city buses. The Company over the last two decades has focused on technological excellence and is supplying products to almost all major OEMS in India. JBM Auto aims to be a pioneer for initiatives related to sustainable transportation solution aiding towards passenger comfort and safety.

Vision

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

Values

Integrity & Ethics: The conscience to remain honest, sincere and just in conduct at all times.

Ownership & Commitment: Accountability towards undertaken tasks with complete responsibility of outcomes.

Respect & Teamwork: Foster trust, appreciate diversity of ideas, harness individual potential and channelize it to accomplish greater group goals.

Customer Trust & Delight: Meet commitments, be sensitive to customer needs, address issues with clarity and speed.

Safe & Green: A conscientious corporate citizen that prioritizes People Safety, Environment Conservation and Community welfare.



Company Business Divisions

Bus Division

JBM Auto unveiled 'ECOLIFE' – India's first 100% Electric Bus in the AutoExpo in Feb 2016. The Diesel variant of 'CITYLIFE' was also launched at the expo. The Company currently has orders for the CNG Variant 'CITYLIFE' buses. CNG variant of CITYLIFE has successfully undergone the product validation process.

Component Division

JBM Auto's Component division manufactures metal components, sub-assemblies & assemblies. The Body-in-White parts constitute all major sheet metal parts contained in outer body of the vehicle. This division also manufactures skin panels, chassis & suspension systems, Cross Car/Truck Beam, etc.

Tool Room Division

High precision is a prerequisite for tool making which can be achieved only via extensive collaboration with the customer. In order to conform to the CTQs the Company's tool rooms are continuously upgraded to inter face with the latest industry-grade software and technology.



Key Clientele Base



Chairman's Message



Dear Shareholders,

I am delighted to get this opportunity to connect with you rather I look forward to giving you a holistic account of the year gone by and the promising future that awaits your Company.

During the year 2015-16, the global macroeconomic growth continued to stagnate around 3.0% with divergent traits across the advanced and developing economies. China's economic rebalancing acts have given kneejerk reaction to all the economies. On the other hand, India emerged as one of the fastest growing economies in the world. During the FY 2015-16 India registered a GDP growth of 7.6%. The softening of commodity prices and crude oil in particular, augurs well for India.

The Government's initiatives of 'Smart Cities' and fast tracking highways construction, is favorable for the public transport domain. To ensure a hassle-free journey, the Government of India has introduced uniform bus body code. The applies to all companies and individuals engaged in bus manufacturing or bus body building and all types of buses are covered under the bus code. The Government's move to down play the role of unorganised sector in the bus manufacturing business is paving the way for a uniform structure to the bus segment and also ensuring heightened quality and safety of the products.

We seek to achieve this goal by executing our strategies across segments of passenger cars, farm equipments and commercial vehicles by implementing advanced technology with quality standards. Our bus manufacturing division is equipped with modern European technology which will set a bench mark for the industry.

Our goal is not simply to sell individual products, but rather to understand our clients' objectives and fashion cohesive solutions that help achieve those objectives.

Our newly established manufacturing plant in Sanand & Indore for manufacturing auto components will cater to Ford and other customers in the region. The initial investment for this plant is ₹ 200 Crores. We have set up a plant in Indore with an initial investment of ₹ 100 Crores.

The automobile industry produced a total of 23,960,409 vehicles including passenger vehicles, commercial vehicles, three wheelers and two wheelers in FY15-16 as against 23,358,047 in FY14-15, registering a marginal growth of 2.58% Y-o-Y. The Passenger Vehicles segment grew by 7.24% in FY15-16, over the previous year. The Commercial Vehicles (CVs) segment registered a growth of 11.51% in FY15-16, against FY14-15. Within the CVs segment, the Medium and Heavy Commercial Vehicles (M&HCVs) grew by 29.91% and Light Commercial Vehicles grew by 0.30% respectively in FY15-16, over the previous year. The Three Wheeler and Two Wheeler sales grew by 1.03% and 3.01% respectively in FY15-16, over the previous fiscal.

During the year your Company achieved a total income of ₹ 1524.16 Crores as against ₹ 1561.04 Crores recorded in the previous year. However, EBITDA has marginally increased to ₹ 196.54 Crores from ₹ 195.02 Crores as a result of improved operational efficiencies. The EBITDA margin stood at 12.9% as against 12.5% in the previous year. The intense efficiency enhancement measures across our operating businesses are now yielding measurable results that would continue in the future. Innovation is core of everything we do. We take a design-led approach to building the best user experience in the world, combined with seamless, efficient functionality. We firmly abide by our long term strategy of investing in the future to drive sustained growth and stay ahead of competition. We are never hesitant of confronting new challenges and will

continue to excel our competition, by engaging in effective strategic planning and flawless execution.

We are progressing well in the bus segment. Our CNG & Diesel bus 'CITYLIFE' and electric bus 'ECOLIFE', which was unveiled in the Auto Expo-2016 have received a good response.

I remain optimistic for the future of the industry. The Government's committed efforts towards its flagship initiative 'Make in India' is encouraging local manufacturers and has put India on a Global Manufacturing arena. This is bound to augment sales of auto components. With the monsoon progressing well, the rural demand for automobiles would pick up in the coming months, thus increasing the demand for auto components.

I would like to thank all our shareholders for their continued support in FY15-16, and all our dynamic employees, who have consistently pushed themselves enabling a steady progress for the Company. I am grateful for the trust and confidence you have placed in us.

Best Regards

Surendra Kumar Arya
Chairman

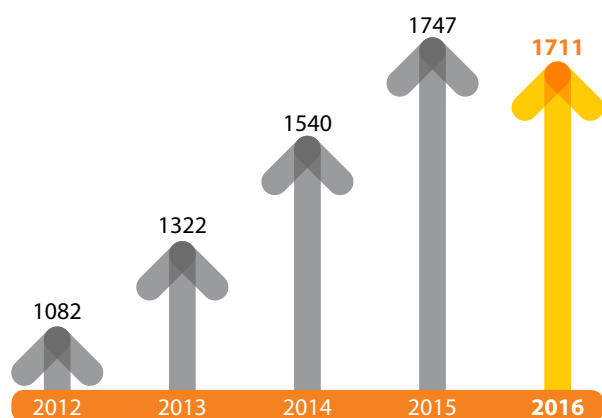
Financial Highlights

Consolidated

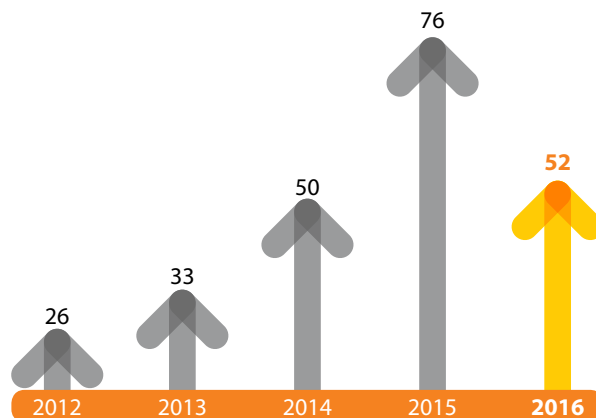
(₹ In Crores)

Particulars	2016	2015	2014	2013	2012
Gross Sales	1711.18	1747.04	1540.41	1321.85	1082.33
Net Sales	1517.76	1556.95	1363.89	1170.96	967.32
Other Income	6.40	4.09	5.59	3.81	5.78
Total Income (Gross)	1717.58	1751.13	1546.00	1325.66	1088.11
Profit Before Depreciation & Tax (PBDT)	143.79	162.12	124.17	92.95	78.18
Profit Before Tax (PBT)	84.84	122.36	84.02	59.84	47.84
Profit After Tax (PAT)	52.38	76.41	50.21	32.60	25.88
Equity Share Capital	20.40	20.40	10.20	10.20	10.20
Reserve & Surplus	323.27	280.23	227.06	158.54	129.54
Net Worth	343.67	300.63	237.36	168.74	139.74
PBT/Net Sales (%)	5.59	7.86	6.16	5.11	4.95
PAT/Net Sales (%)	3.45	4.91	3.68	3.24	2.68
RONW (PAT/Net worth)%	15.24	25.42	21.16	22.49	18.52
Debt Equity Ratio	0.64	0.79	0.52	0.96	1.37

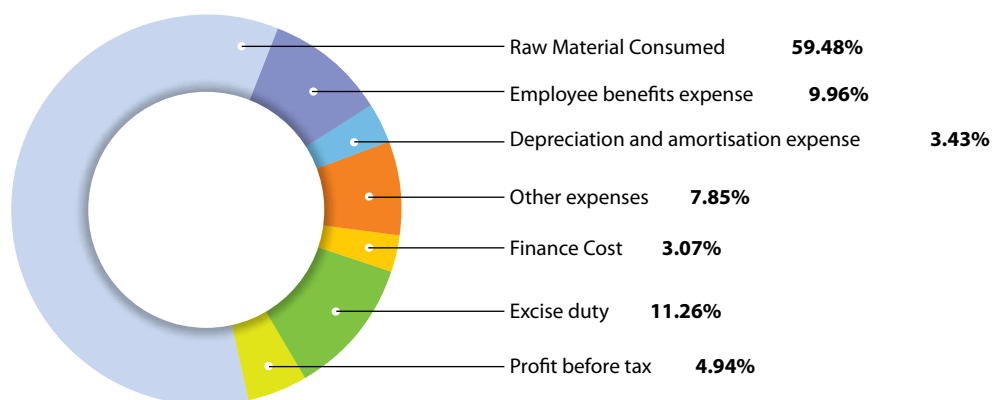
Gross Sale (Consolidated)



PAT (Consolidated)



Distribution of Income 2016







Operational Highlights

- Production of CNG variant of 'CITYLIFE' has started.
- Product validation process for 'CITYLIFE' CNG has been successfully accomplished.
- Unveiled 'ECOLIFE' India's 100 % Electric Bus, in the Auto Expo 2016.
- Launched 'CITYLIFE' Diesel variant at the Auto Expo 2016.
- Started new manufacturing plant in Sanand (Gujarat) & Indore (Madhya Pradesh) with investment of ₹ 300 Crores, for manufacturing auto components to primarily cater to Ford and other customers.



Swot Analysis

For JBM Auto Ltd.



Strengths

- Manufacturing with world class processes like JIT, Kaizen.
- Manufacturing of 'Citylife' buses started and received order of 200 buses.
- Unveiled Electric bus 'Ecolife' in auto expo this year, held in Noida.
- Implementation of latest technological advancements would improve operating efficiency significantly.
- State-of-the-art technology to facilitate manufacturing products at par with global standards.
- Our facilities have advanced technologies with Automation, Inhouse tooling, Engineering and Design and Light Weighing.
- Expertise in manufacturing of Skin panels and Complex high level Sub Assemblies.



Opportunities

- Diversifying the portfolio which will substantially reduce the risk.
- Large customer base will help in accelerating growth.
- Alliances with international companies will help in adding new customers.
- Emerging as Global platform supplier.
- Vertical integration by venturing into bus manufacturing will improve the scope for scaling up.
- Programme Management will add up further to skill up-gradation which will improve the quality of work force.



Weaknesses

- Competitive solutions in auto components may result in reduced margins.



THREATS

- Slowdown in international markets may impact exports.



Corporate Information

Board of Directors

Mr. Surendra Kumar Arya
Chairman

Mr. Ashok Kumar Agarwal
Director

Mr. Mahesh Kumar Aggarwal
Director

Mr. Nishant Arya
Director

Mrs. Vimal Vasisht
Director

Mr. Sandip Sanyal
Executive Director

Chief Financial Officer & Company Secretary

Mr. Vivek Gupta

Statutory Auditors

Mehra Goel & Co.,
Chartered Accountants

Share Transfer Agent

MCS Share Transfer Agent Limited

Bankers

Axis Bank Ltd.

Canara Bank

Central Bank of India

Citi Bank N.A.

DBS Bank Ltd.

HDFC Bank Ltd.

ICICI Bank Ltd.

IndusInd Bank Ltd.

Kotak Mahindra Bank Ltd.

Standard Chartered Bank

RBL Bank Ltd. (earstwhile known as Ratnakar Bank Ltd.)

Yes Bank Ltd.

NBFC

Tata Capital Financial Services Ltd.

Directors' Report

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 20th Annual Report on the business and operations of the Company together with the audited accounts of your Company for the year ended 31st March, 2016.

1. FINANCIAL HIGHLIGHTS

(₹ In crore)

Particulars	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Total Revenue	578.17	608.50	1524.16	1561.04
Profit Before Tax	24.76	39.18	84.84	122.36
Less: Tax expenses	0.14	5.57	21.90	29.73
Profit After Tax	24.63	33.60	62.94	92.64
Less: Minority Interest	-	-	10.56	16.23
Profit After Tax (after Minority Interest)	24.63	33.60	52.38	76.41
Balance brought forward	104.03	84.39	194.08	137.93
Add: Previous year adjustment in Profit of subsidiary and joint venture.	-	-	0.24	-
Profit available for appropriation	128.66	117.99	246.22	214.34
Less: Dividend	7.94	11.00	7.94	11.00
Less: Dividend Tax	0.72	1.46	1.74	2.64
Less: Transfer to General Reserve	0.50	1.50	3.67	6.62
Balance carried forward to Balance Sheet	119.49	104.03	232.87	194.08

2. DIVIDEND AND APPROPRIATION

(A) DIVIDEND

Your Directors are pleased to recommend a final dividend of ₹ 1.75 (i.e. 35%) per equity share for the financial year 2015-16 (last year ₹ 2.50 per equity share). The payment of dividend is subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

(B) APPROPRIATION

During the financial year 2015-16, an amount of ₹ 0.50 crore (₹ 1.50 crore in the financial year 2014-15) was transferred to the General Reserves of the Company.

3. STATE OF THE COMPANY'S AFFAIRS

During the year under review, on standalone basis, your Company achieved a total revenue of ₹ 578.17 crore as against ₹ 608.50 crore in the previous year, a decrease of 4.98 %. The Profit after Tax (PAT) decreased to ₹ 24.63 crore in the financial year 2015-16, as compared to ₹ 33.60 crore in the previous year.

During the year under review, on consolidated basis, your Company achieved a total revenue of ₹ 1524.16 crore as compared to ₹ 1561.04 crore in the previous year, a slight decrease of 2.36%. The profit after tax (after minority interest) decreased to ₹ 52.38 crore in the financial year 2015-16 as compared to ₹ 76.41 crore in the previous year.

4. ROLL-OVER OF PREFERENCE SHARES

During the year under review, your Company has approved the roll-over of 50,00,000 (Fifty Lacs) 8% Non-Cumulative, Redeemable Preference Shares of Face Value of ₹ 10/- (Rupees Ten only) each allotted on 26.12.2009 to M/s Neel Metal Products Limited, which were due for redemption on 25.12.2015, for a further period of six years from the date of roll-over (i.e. six years from 25.12.2015).

5. CORPORATE GOVERNANCE REPORT

Your Company is committed to achieve the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set by the Regulators/ applicable laws.

A Report on Corporate Governance along with a Certificate from the Secretarial Auditor of the Company regarding the compliance of conditions of Corporate Governance as stipulated under Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given separately and forms part of the Annual Report.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of the Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a detailed analysis of the Company's operational and financial performance as well as the initiatives taken by the Company in key functional areas such as Human Resources, Quality etc. are given separately in the Management Discussion and Analysis Report, which forms part of this Annual Report.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Directors

During the year under review, Mr. Sandip Sanyal (DIN:07186909) was appointed as a Whole-Time Director (designated as "Executive Director") of the Company w.e.f. 18th May, 2015 and the same was approved by the members in the 19th Annual General meeting of the Company held on 22nd September 2015 and Mr. Hans Raj Saini, Executive Director of the Company stepped down from the Board w.e.f. 6th June, 2015. The Board of Directors placed on record their sincere appreciation for his valuable contribution made to the Company during his tenure of Directorship.

Mr. Surendra Kumar Arya (DIN: 00004626) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommend his re-appointment. A brief profile and other details as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the Notice of 20th Annual General Meeting of the Company.

(ii) Key Managerial Personnel

Mr. Sandip Sanyal, Executive Director of the Company was appointed as Key Managerial Personnel w.e.f. 18th May, 2015 in terms of Section 203 of the Companies Act, 2013. There was no other change in Key Managerial Personnel of the Company.

8. COMPLIANCE UNDER COMPANIES ACT, 2013

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

8.1. Extract of Annual Return

An extract of Annual Return in Form MGT-9 as on 31st March 2016 is attached as **Annexure-I** to this Report.

8.2. Board Meetings

During the year, 4 meetings of the Board of Directors were held. The details of the meetings are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in Companies Act, 2013.

8.3. Directors' Responsibility Statement

Your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013 that

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

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

8.4. Declaration of Independence

The Company has received declarations from all the Independent Directors under section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16(1)(b) of Listing Regulations. The terms of appointment of Independent Directors may be accessed on the Company's website at the link: <http://www.jbm-group.com/pdfs/jbm-auto-appointment-of-Independent-directors.pdf>.

8.5. Remuneration Policy

The Policy for selection of Directors including criteria for determining qualifications, positive attributes and Directors' Independence and the Remuneration Policy for Directors, Key Managerial Personnel and other employees, as required under sub-section (3) of Section 178 of the Companies Act, 2013 are available on the Company's website, which may be accessed at the weblink: <http://www.jbm-group.com/pdfs/Nom-remu-Policy.pdf>.

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

The details of loans given, investments made are given in the notes to the financial statements. The Company has neither given guarantee nor provided any security to anyone during the year under review.

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

All transactions entered into by the Company with the related parties were in the Ordinary Course of Business and on arm's length basis. The Audit Committee granted omnibus approval for the transactions which were foreseen and repetitive in nature and the same were reviewed by the Audit Committee periodically.

There were no material related party transactions made during the year under review, which were in conflict with the interest of the Company. Suitable disclosures as required under AS-18 have been given in Note No. 24 of the financial statements.

The Policy on 'materiality of and dealing with the related party transactions', as approved by the Board may be accessed on the Company's website at the link: http://www.jbm-group.com/pdfs/JBMA_Auto_tp.pdf

The detail particulars on contracts or arrangements with the related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC - 2 is attached herewith and marked as **Annexure - II**.

8.8. Auditors and Auditors' Report

(A) Statutory Auditors

M/s. Mehra Goel & Co, Chartered Accountants, the Statutory Auditors of the Company were appointed to hold office upto the conclusion of the 21st Annual General Meeting of the Company. The Company seeks ratification of the appointment of the Statutory Auditors at the ensuing Annual General Meeting.

The Report given by the Auditors on the financial statement of the Company is part of the Annual Report. The notes on the financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications, reservations or adverse remark or disclaimer made by the Auditors in their Report.

(B) Secretarial Auditor

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Ms. Sunita Mathur, Company Secretary in Practice, New Delhi to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2016. Their Secretarial Audit Report (in Form MR-3) is attached as **Annexure-III** to this Report. There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditor, in the Secretarial Audit report.

8.9. CORPORATE SOCIAL RESPONSIBILITY

The CSR expenditure incurred by your Company during the financial year 2015-16 was ₹ 0.63 crore which was higher than the statutory requirement of 2% of the average net profit for the last three financial years.

The CSR initiatives of your Company were under the thrust area of vocational training, which is being imparted by the Company in its Skill Developments Centre (SDC) situated at Plot No. 16, Sector-20 B, Faridabad-121007, Haryana.

The composition of the CSR Committee consisting of:

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

Your Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2016, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as **Annexure-IV** to this Report.

8.10. BOARD EVALUATION

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. Accordingly, the Board has devised the following parameters for the performance evaluation of Directors and Committees :-

- Board dynamics and relationships.
- Information flows.
- Decision making
- Relationship with stakeholders.
- Company performance and strategy.
- Tracking Board and committees' effectiveness.
- Peer evaluation.

Pursuant to the provisions of the Companies Act, 2013 and under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors at their meeting without the participation of the Non-Independent Directors and Management, considered/evaluated the Boards' performance, performance of the Chairman and other Non-Independent Directors.

The Board subsequently evaluated its own performance, the working of its Committees and the Independent Directors (without participation of the Director being evaluated) based on the above parameters.

8.11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under the provision of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is attached herewith and marked as **Annexure-V** to this report.

9. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company promotes a healthy and congenial working environment irrespective of gender, caste, creed or social class of the employees and value every individual and committed to protect the dignity and respect of every individual.

The Company has always endeavored for providing a better and safe environment free of sexual harassment at all its work places.

During the year under review, no cases of sexual harassment against women employees at any of its work place were filed under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

10. DISCLOSURES

(a) Audit Committee

The Audit Committee comprises of three Independent Directors & one Non-Executive Director namely Mr. Ashok Kumar Agarwal (Chairman), Mr. Mahesh Kumar Aggarwal, Mrs. Vimal Vasisht and Mr. Surendra Kumar Arya as members. All the recommendations made by the Audit Committee were accepted by the Board.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of two Independent Directors & one Non-Executive Director namely Mr. Mahesh Kumar Aggarwal (Chairman), Mr. Ashok Kumar Agarwal and Mr. Surendra Kumar Arya as members.

(c) Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Whistle Blower Policy and the same is available on the website of the Company, under the web link: http://www.jbm-group.com/pdfs/JBMA_Whistle-Blower-Policy.pdf. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. It is confirmed that no Director/Employee has been denied access to the Chairman of the Audit Committee and that the complaints received were addressed properly during the year.

(d) Public Deposits

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 including any statutory modification(s) or re-enactment(s) for the time being in force and as such no amount of principal or interest was outstanding on the date of the Balance Sheet.

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

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

(f) Internal Control Systems and their adequacy

The Directors have laid down proper and adequate system of internal financial controls to be followed by the Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the adequacy and completeness of accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

To have robust internal financial controls, the Company has in place Standard Operating Procedures for all its critical business processes. Extensive use of SAP and other software systems have also resulted in strengthening the internal financial controls and accurate reporting of operational and financial data.

The Company endeavors to constantly upgrade internal financial controls system and periodic evaluation of the same is undertaken by the Senior Management and the Audit Committee of the Board.

(g) Subsidiary Companies

Your Company has the following two subsidiaries:

- (i) JBM Auto System Private Limited, and
- (ii) JBM Ogihara Automotive India Limited

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

- (a) Mr. Mahesh Kumar Aggarwal, Independent Director of the Company has been nominated on the Board of its material subsidiary - JBM Auto System Private Limited and Mr. Sandip Sanyal, the Key Managerial Personnel (KMP) of the Company is also the KMP of its material subsidiary. They are actively involved in monitoring the progress of Subsidiary Companies.
- (b) The Audit Committee periodically reviews the financial statements, in particular, the investments made by the Subsidiary Companies.
- (c) The minutes of the Board Meetings of the subsidiary companies are placed at the Board Meeting of the Company.
- (d) The Policy for determining 'material' subsidiary as required under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is hosted on the website of the Company under the web link http://www.jbm-group.com/pdfs/JBMA_Auto_Material-Subsidiary.pdf

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

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

(i) Consolidated Financial Statements

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

(j) Particulars of Employees and Related Disclosures

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

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

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

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

(l) **Material changes and commitments affecting financial position of the company:**

There are no material changes and commitments, affecting the financial position, which has occurred between the end of the financial year of the company i.e. 31st March, 2016 and the date of Directors Report i.e. 30th May, 2016.

(m) **Risk Management**

The Company's risk management practices primarily focus on the effectiveness of strategic programs in improving the competitive position and differentiation in market segments, the momentum of new initiatives to achieve long term business aspirations, preparedness to address any incidents that may cause business disruptions to the physical and technological infrastructure, strengthening internal controls and detect fraudulent activity, leadership development and monitoring possible impact of changes in our regulatory environment.

11. ACKNOWLEDGMENT AND APPRECIATION

Your Directors wish to thank and deeply acknowledge the co-operation, assistance and support extended by the Central Government, the State Government, the Bankers, the Financial Institutions, Customers, Vendors and members of the Company. The Directors also wish to place on record their appreciation for all round co-operation and contribution made by the employees at all levels.

For and on behalf of the Board of Directors

Place: Gurugram (Haryana)

Date: 30th May, 2016

Sd/-

Surendra Kumar Arya
Chairman

FORM MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2016

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Sheet Metal Components for Automobiles	25910	87.82
2	Tools & Dies for Automobiles	28221	12.04

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary /Associate	% of Shares held	Applicable Section
1	JBM Auto System Private Limited	U34300TN1998PTC046810	Subsidiary	73.89	2(87)(ii)
2	JBM Ogihara Automotive India Limited	U27100DL2009PLC187584	Subsidiary	51.00	2(87)(ii)
3	Indo Toolings Private Limited	U28931MP2008PTC034503	Associate	50.00	2(6)
4	JBM MA Automotive Private Limited	U29220PN2007PTC155874	Associate	50.00	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (face value of equity share is ₹ 5/- each)				No. of Shares held at the end of the year (face value of equity share is ₹ 5/- each)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1153684	0	1153684	2.83	1152484	0	1152484	2.83	0.00
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	24129540	0	24129540	59.15	24129540	0	24129540	59.14	0.01
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):	25283224	-	25283224	61.98	25282024	-	25282024	61.97	0.01

Category of Shareholders	No. of Shares held at the beginning of the year (face value of equity share is ₹ 5/- each)				No. of Shares held at the end of the year (face value of equity share is ₹ 5/- each)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	25283224	0	25283224	61.98	25282024	-	25282024	61.97	0.01
B. Public shareholding									
1. Institutions									
a) Mutual Funds	0	1200	1200	0	215437	1200	216637	0.53	0.53
b) Banks / FI	0	1200	1200	0	2200	1200	3400	0.01	0.01
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Co.	4320	0	4320	0.01	4320	0	4320	0.01	0
g) FIs	3942	480	4422	0.01	1015809	480	1016289	2.49	2.48
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	8262	2880	11142	0.02	1237766	2880	1240646	3.04	3.01
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	9079554	8880	9088434	22.28	8528630	8880	8537510	20.93	1.35
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3039961	277431	3317392	8.13	3137990	277431	3381654	8.29	0.16
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2873487	0	2873487	7.04	2148355	0	2148355	5.27	1.77
c) NRI	221685	0	221685	0.54	205175	0	205175	0.50	0.04
Sub-total (B)(2):-	15214687	286311	15500998	38.00	14020150	252544	14272694	34.99	3.01
Total Public Shareholding (B) = (B)(1) + (B)(2)	15222949	289191	15512140	38.02	15257916	255424	15513340	38.03	0.01
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A + B + C)	40506173	289191	40795364	100	40539940	255424	40795364	100	0

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Surendra Kumar Arya	118140	0.29	Nil	118140	0.29	Nil	-
2	Surendra Kumar Arya (HUF)	288856	0.71	Nil	288856	0.71	Nil	-
3	Neelam Arya	336160	0.82	Nil	336160	0.82	Nil	-
4	Nishant Arya	339400	0.83	Nil	339400	0.83	Nil	-
5	Esha Arya	60028	0.15	Nil	60028	0.15	Nil	-
6	Ram Richhpal Agarwal	8200	0.02	Nil	7000	0.01	Nil	0.01
7	Satya Priya Arya	2100	0.01	Nil	2100	0.01	Nil	-
8	Vishudha Devi Arya	800	0.00	Nil	800	0.00	Nil	-
9	JBM Builders Private Limited	3030832	7.43	Nil	3030832	7.43	Nil	-
10	JBM Industries Limited	720	0.00	Nil	720	0.00	Nil	-
11	ANS Holding Private Limited	2058996	5.05	Nil	2058996	5.05	Nil	-
12	NAP Investment & Leasing Pvt. Limited	2274616	5.58	Nil	2274616	5.58	Nil	-
13	A To Z Securities Limited	4190160	10.27	Nil	4190160	10.27	Nil	-
14	SMC Credits Limited	7570260	18.56	Nil	7570260	18.56	Nil	-
15	Focal Leasing & Credits Limited	1579132	3.87	Nil	1579132	3.87	Nil	-
16	Shuklamber Exports Limited	3424824	8.40	Nil	3424824	8.40	Nil	-
	Total	25283224	61.98	Nil	25282024	61.97	Nil	0.01%

(iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares at the beginning (01.04.2015)/ end of the year (31.03.2016)	% of total Shares of the Company				No. of Shares	% of total Shares of the company
1	Mr. Ram Richhpal Aggarwal	8,200	0.02	01.04.2015				
				17.07.2015	(200)	Transfer	8,000	0.02
				11.09.2015	(100)	Transfer	7,900	0.02
				18.09.2015	(100)	Transfer	7,800	0.01
				25.09.2015	(100)	Transfer	7,700	0.01
				30.09.2015	(100)	Transfer	7,600	0.01
				09.10.2015	(600)	Transfer	7,000	0.01
		7,000	0.01	31.03.2016				

* Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to your Company.

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

Sl. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-15 to 31-03-16)	
		No of Shares at the Beginning (31-03-15) /end of the Year (31-03-16)	% of total shares of the Company				Shares	% of total shares of the Company
1	Zeal Impex and Traders Private Limited	4018968	9.85	31.03.2015				
		4018968	9.85	31.03.2016	NIL	NIL		
2	Amity Infotech Pvt. Ltd.	4000000	9.81	31.03.2015				
		4000000	9.81	31.03.2016	NIL	NIL		
3	Premier Investment Fund Limited	95050	0.23	22.05.2015				
				29.05.2015	116150	Purchase	211200	0.52
				12.06.2015	14650	Purchase	225850	0.55
				19.06.2015	8759	Purchase	234609	0.58
				26.06.2015	20284	Purchase	254893	0.62
				30.06.2015	5456	Purchase	260349	0.64
				03.07.2015	16376	Purchase	276725	0.68
				13.07.2015	23881	Purchase	300606	0.74
				07.08.2015	9919	Purchase	310525	0.76
				28.08.2015	176897	Purchase	487422	1.19
				04.09.2015	84921	Purchase	572343	1.4
				11.09.2015	95472	Purchase	667815	1.64
				18.09.2015	12489	Purchase	680304	1.67
				30.09.2015	13000	Purchase	693304	1.7
				09.10.2015	22000	Purchase	715304	1.75
				16.10.2015	20000	Purchase	735304	1.8
				30.10.2015	20200	Purchase	755504	1.85
				06.11.2015	22800	Purchase	778304	1.91
				20.11.2015	12773	Purchase	791077	1.94
				27.11.2015	28227	Purchase	819304	2.01
				04.12.2015	9500	Purchase	828804	2.03
				11.12.2015	92500	Purchase	921304	2.26
				18.12.2015	26700	Purchase	948004	2.32
				25.12.2015	2000	Purchase	950004	2.33
				08.01.2016	3480	Purchase	953484	2.34
				29.01.2016	-20193	Sale	933291	2.29
				12.02.2016	-3000	Sale	930291	2.28
				19.02.2016	5265	Purchase	935556	2.29
				04.03.2016	5000	Purchase	940556	2.31
				11.03.2016	4500	Purchase	945056	2.32
		945056	2.32	31.03.2016				

Sl. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-15 to 31-03-16)	
		No of Shares at the Beginning (31-03-15) /end of the Year (31-03-16)	% of total shares of the Company				Shares	% of total shares of the Company
4	Anil Kumar Goel	739931	1.81	31.03.2015				
				10.04.2015	69	Purchase	740000	1.81
				01.05.2015	2000	Purchase	742000	1.82
				05.06.2015	3000	Purchase	745000	1.83
				12.06.2015	3000	Purchase	748000	1.83
		748000	1.83	31.03.2016				
5	IDFC Equity Opportunity Series 2	35621	0.09	22.05.2015				
				29.05.2015	55178	Purchase	90799	0.22
				05.06.2015	74201	Purchase	165000	0.4
				19.06.2015	6061	Purchase	171061	0.42
				26.06.2015	28939	Purchase	200000	0.49
				03.07.2015	3169	Purchase	203169	0.5
				28.08.2015	8600	Purchase	211769	0.52
		211769	0.52	31.03.2016				
6	Arvind Kumar J Sancheti	152624	0.37	31.03.2015				
				14.08.2015	3050	Purchase	155674	0.38
				21.08.2015	6100	Purchase	161774	0.4
				22.01.2016	5800	Purchase	167574	0.41
		161524	0.41	31.03.2016	-6050	Sale		
7	D Srimathi	133040	0.33	31.03.2015				
		133040	0.33	31.03.2016	NIL	NIL		
8	Trupti Uday Merchant	120000	0.29	31.03.2015				
		120000	0.29	31.03.2016	NIL	NIL		
9	Arvind Kumar Sancheti	87552	0.21	31.03.2015				
				14.08.2015	7497	Purchase	95049	0.23
				21.08.2015	2500	Purchase	97549	0.24
				11.12.2015	2754	Purchase	100303	0.25
		103903	0.25	31.03.2016	3600	Purchase		
10	Lincoln P Coelho	100000	0.25	31.03.2015				
		100000	0.25	31.03.2016	NIL	NIL		

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.		Shareholding		Change in shareholding during the year			Cumulative Shareholding during the year	
		No. of shares at the beginning of the year (face value ₹ 5/- each)	% of total shares of the company	Date	Increase/Decrease in shareholding (face value ₹ 5/- each)	Reason	No. of shares (face value ₹ 5/- each)	% of total shares of the company
A	DIRECTORS							
1	Surendra Kumar Arya (Chairman)	118140	0.29	-	-	-	118140	0.29
2	Nishant Arya (Non-Executive Director)	339400	0.83	-	-	-	339400	0.83
3	Sandip Sanyal (Executive Director)	Nil	Nil	Nil	NA	NA	NA	NA
4	Mr. Ashok Kumar Agarwal (Non-Executive Director)	Nil	Nil	NA	NA	NA	NA	NA
5	Mr. Mahesh Kumar Aggarwal (Non-Executive Director)	Nil	Nil	NA	NA	NA	NA	NA
6	Mrs. Vimal Vasisht (Non-Executive Director)	Nil	Nil	NA	NA	NA	NA	NA
B	Key Managerial Personnel (KMP's)							
1	Vivek Gupta, (CFO & Co. Secretary)	1300	0.003	-	-	-	1300	0.003

V. INDEBTEDNESS

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

	(₹ In Lacs)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	21,708.74	3,737.48	-	25,446.22
ii) Interest due but not paid	21.07			21.07
iii) Interest accrued but not due	96.95			96.95
Total (i + ii + iii)	21,826.76	3,737.48	-	25,564.24
Change in Indebtedness during the financial year :				
• Addition	4,590.72		-	4,590.72
• Reduction	4,797.06	956.53	-	5,753.59
Net Change	(206.34)	(956.53)		(1162.87)
Indebtedness at the end of the financial year :				
i) Principal Amount	21,502.40	2,780.95	-	24,283.35
ii) Interest due but not paid	11.06			11.06
iii) Interest accrued but not due	100.55			100.55
Total (i + ii + iii)	21,614.01	2,780.95	-	24,394.96

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sl. no.	Particulars of Remuneration	Mr. H. R. Saini (upto 06.06.2015)*	Mr. Sandip Sanyal (per annum w.e.f. 18.05.2015)**	Total Amount (per annum)
1	Gross salary: (a) Salary as per provisions contained in section 7(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	5,00,479 23,100	Nil Nil	5,00,479 23,100
2	Stock Option	Nil	Nil	-
3	Sweat Equity	Nil	Nil	-
4	Commission -as % of profit -others, specify...	Nil	Nil	
5	Others, (Provident Fund)	35,684	Nil	35,684
	Total (A)	5,59,263	Nil	5,59,263

Ceiling as per the Act : ₹ 121.85 lakhs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

Note :-

* Mr. Hans Raj Saini, Executive Director of the Company has retired from the Directorship of the Company w.e.f. 6th June, 2015. The salary as Executive Director was paid to him upto 6th June, 2015.

** Mr. Sandip Sanyal was appointed as Executive Director of the Company w.e.f. 18th May, 2015. No salary is being paid to him throughout the year 2015-16. Mr. Sandip Sanyal was also appointed as Executive Director of JBM Auto System Private Limited, subsidiary of company w.e.f. 19th May, 2015 and drawing salary from this subsidiary.

B. Remuneration to other Directors:

(₹ In Lacs)

Sl. no	Particulars of Remuneration	Mr. Surendra Kumar Arya	Mr. Nishant Arya	Mr. Ashok Kumar Agarwal	Mr. Mahesh Kumar Aggarwal	Mrs. Vimal Vasisht	Total Amount
1	Independent Directors						
	● Fee for attending board / committee meetings	NA	NA	0.20	0.40	0.30	0.90
	● Commission	NA	NA	Nil	Nil	Nil	Nil
	● Others, please specify	NA	NA	Nil	Nil	Nil	Nil
	Total (1)	-	-	0.20	0.40	0.30	0.90
2	Other Non-Executive Directors						
	● Fee for attending board / committee meetings	0.40	0.20	NA	NA	NA	0.60
	● Commission	Nil	Nil	NA	NA	NA	Nil
	● Others, please specify	Nil	Nil	NA	NA	NA	Nil
	Total (2)	0.40	0.20	-	-	-	0.60
	Total (B) = (1 + 2)	0.40	0.20	0.20	0.40	0.30	1.50
	Total Managerial Remuneration	0.40	0.20	0.20	0.40	0.30	1.50
	Overall Ceiling as per the Act	₹ 24.37 Lacs (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)					

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

(₹ In Lacs)

Sl. no	Particulars of Remuneration of Key Managerial Personnel	CEO	CFO & Company Secretary	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	23.79	23.79
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	NA	0.32-	0.32-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	NA	-	-
2	Stock Option	NA	-	-
3	Sweat Equity	NA	-	-
4	Commission	NA	-	-
	- as % of profit		-	-
	- others, specify		-	-
5	Others, (Provident Fund)	NA	1.96	1.96
	TOTAL	NA	26.07	26.07

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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

ANNEXURE – II

FORM NO. AOC – 2

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

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

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

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

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

Sl. No	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any:
1	Arcelor Neel Tailored Blank Pvt. Ltd.	Private Company in which a Director of the Company is a Director	Purchase of goods or Material	Ongoing transactions	Based on transfer pricing guidelines	18.05.2015	Nil
2	Gurera Industries Ltd.	Public Company in which Director is a Director holding more than 2% of its paid up Share capital	Payment of Lease Rent	Ongoing transactions	Based on transfer pricing guidelines	18.05.2015	Nil
3	Indo Toolings Pvt. Ltd.	Associate Company	Sale and Purchase of goods or Material and Availing or rendering of services	Ongoing transactions	Based on transfer pricing guidelines	18.05.2015	Nil
4	JBM Auto System Pvt. Ltd.	Subsidiary Company	Sale of goods or Material	Ongoing transactions	Based on transfer pricing guidelines	18.05.2015 & 12.08.2015	Nil
5	FJM Cylinders Pvt. Ltd.	Private Company in which a Director of the Company is a Director	Sale and Purchase of goods	Ongoing transactions	Based on transfer pricing guidelines	18.05.2015 & 12.08.2015	Nil
6	JBM MA Automotive Pvt. Ltd.	Associate Company	Sale and Purchase of goods or Material and Availing or rendering of services	Ongoing transactions	Based on transfer pricing guidelines	18.05.2015 & 05.11.2015	Nil

Sl. No	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any:
7	JBM Ogihara Automotive India Ltd	Subsidiary Company	Availing or rendering of services	Ongoing transactions	Based on transfer pricing guidelines	18.05.2015	Nil
8	JBM Industries Ltd	Public Company in which Director is a Director holding more than 2% of its paid up share capital	Sale and Purchase of goods or Material and Availing or rendering of services	Ongoing transactions	Based on transfer pricing guidelines	18.05.2015 & 05.11.2015	Nil
9	Neel Metal Products Ltd	Public Company in which Director is a Director holding more than 2% of its paid up share capital	Sale and Purchase of goods or Material and Availing or rendering of services And Leasing of property	Ongoing transactions	Based on transfer pricing guidelines	18.05.2015	Nil

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
JBM AUTO LIMITED
601, Hemkunt Chambers,
89 Nehru Place,
New Delhi-110019

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company JBM Auto Limited for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made under the Act;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made under the Act;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under the Act;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under the Act to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB).
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i) SEBI (Listing Obligation and Discloser Requirements) Regulations, 2015
- (vi) Other applicable laws specifically applicable to the Industry to which the Company belongs, as identified by the Management, that is to say:
 - The Motor Vehicles Act, 1988
 - The Petroleum Act, 1934
 - The Environment (Protection) Act, 1986
 - The Water (Prevention and Control of Pollution) Act, 1974
 - The Air (Prevention and Control of Pollution) Act, 1981

I have also examined compliance with the applicable clauses of the following:

- I) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- II) Listing agreement entered into by the Company with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

During the period under review the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, and Listing Agreement etc. mentioned above.

I further report that

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

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

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

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

I further report that during the audit period,

1. the Company has approved the roll over of the redemption of Preference Shares issued to M/s Neel Metal Products Limited for a further period of 6 (Six) years from the date of roll over with the consent of Preference Shareholders. The Company in its Board Meeting held on 12th August 2015, approved the special resolution to roll over 50,00,000 (Fifty lac) 8% Non-Cumulative, Redeemable Preference Shares of Face Value ₹ 10/- (Rupees Ten only) each of the Company issued at a price of ₹ 60/- (Rupees Sixty only) each i.e. at a nominal value of ₹ 10/- (Rupees Ten only) and a premium of ₹ 50/- (Rupees Fifty only) per share allotted on 26.12.2009 to M/s Neel Metal Products Limited which were due for redemption on 25.12.2015 to the intent that the said preference shares will be redeemed at a later date (i.e. the said preference shares shall be redeemable on the expiry of 6 (Six) years from the date of roll over (i.e. six years from 25.12.2015) with an option to the Company /preference shareholders to redeem the same at any time earlier than the date of redemption).

Place: New Delhi
Date: 30th May, 2016

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

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

‘ANNEXURE A’

**To
The Members
JBM AUTO LIMITED
601, Hemkunt Chambers,
89 Nehru Place,
New Delhi-110019**

Our report of even date is to be read along with this letter

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the company.

**Place: New Delhi
Date: 30th May, 2016**

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

ANNEXURE – IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

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

The Composition of the CSR Committee consisting of:

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

Average net profit of the Company for last three financial years

Average net profit: ₹ 3,151.81 Lacs

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

The Company during the financial year 2015-16 was required to spend ₹ 63.04 Lacs towards CSR

Details of CSR spent during the financial year:

- a. Total amount to be spent for the financial year: ₹63.04 Lacs
- b. Amount unspent : NIL
- c. Manner in which the amount spent during the financial year is detailed below:

(1) Sl. No.	(2) CSR Project or activity identified	(3) Sector in which the project is covered	(4) Locations (Unit)	(5) Amount outlay	(6) Amount Spent on the project or programs	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agencies
1	Vocational Skills	Promoting education, including special education and vocation skills.	Plot No. 16, Sector-20B, Faridabad, Haryana	63.04	63.46	63.46	Directly by the Company
TOTAL				63.04	63.46	63.46	

RESPONSIBILITY STATEMENT BY THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

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

Sd/-
Sandip Sanyal
 Executive Director

Sd/-
Surendra Kumar Arya
 Chairman
 CSR Committee

ANNEXURE – V

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULE, 2014

A. CONSERVATION OF ENERGY

(i) Steps taken for conservation of energy

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

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

(ii) Energy cost reduction

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

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

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

Company is considering using the various alternate source of energy.

(iv) Capital Investment on energy conservation equipment's

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

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption

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

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

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

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

Detail of Technology Imported	Year of Import	Whether the Technology been fully absorbed
No Technology imported	2015-16	NA
For manufacturing of subframe component front suspension, LWR Arm Assembly R/L for Honda Mobilio.	2014-15	Yes
For Manufacturing of assembly of Front Lower, Front Sub Frame, rear Axle Beam for Honda Brio	2013-14	Yes

(iv) Expenditure incurred on research and development

		(₹ in Lacs)
Sl. No.	Particulars	Amounts
(a)	Capital	88.55
(b)	Recurring	1,992.60
	Total	2,081.15

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

		(₹ in Lacs)
Particulars		Amounts
Foreign exchange earned in terms of actual inflow		282.19
Foreign exchange outgo in terms of actual outflow		1,779.05

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. ECONOMY OVERVIEW

• International Economy-Global View

Global financial crisis is now seven years behind us, still the world's economy is struggling to regain momentum. In 2015, global economic activity remained subdued, with world output slowing down further to 3.1%. Emerging markets and developing economies grew 4%, a Year-on-Year deceleration for the fifth consecutive year. Growth continues to falter in advanced economies and, while there is considerable divergence of performance across emerging markets and developing economies, their overall growth remains below potential. Looking ahead, the prospects of global growth remain muted. The challenges faced by these economies and markets, including the fall-out of sluggish advanced economy growth, tighter financial conditions, and stubbornly low commodity prices, though the latter impacts economies differently, depending on their nature of trade.

Developed economies which are key markets for Automobile grew at a modest rate of 1.9% in aggregate – US (2.4%), UK (2.2%), Euro Area (1.6%) and Japan (0.5%), hampered by weak demand, unfavorable demographics and low productivity growth.

Although global growth is projected to accelerate gradually, a wide range of risks threaten to derail the recovery, including a sharper-than-expected slowdown in major emerging markets, sudden escalation of financial market volatility, heightened geopolitical tensions, slowing activity in advanced economies, and diminished confidence in the effectiveness of policies to spur growth.

• Domestic Economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17. The steps taken by the government in recent times have shown positive results as India's Gross Domestic Product (GDP) at factor cost at constant (2011-12) prices 2015-16 is Rs 113.5 trillion (US\$ 1.668 trillion), as against Rs 105.5 trillion (US\$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6 per cent. The economic activities which witnessed significant growth were 'financing, insurance, real estate and business services' at 11.5 per cent and 'trade, hotels, transport, communication services' at 10.7 per cent.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. The Make in India initiative is expected to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Currently, the manufacturing sector in India contributes over 15 per cent of the GDP. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP.

India's GDP numbers for quarter January-March, 2016 stood at 7.9 per cent as against 7.3 per cent in October-December, 2015, powered by a rebound in farm output and an improvement in electricity generation and mining production in the fourth quarter of the fiscal thereby making it the fastest growing economy in the world.

The Introduction of various measures including single window clearances, ease of doing business, introduction of GST, restructuring of Taxes have made India a very attractive Investment destination and currently India being looked upon as an economy which will contribute significantly to the growth of the World economy and balance out the de-growth faced by the developed economies.

B. INDIAN AUTOMOTIVE INDUSTRY

The Indian automotive industry accounts for 45% of the country's manufacturing Gross Domestic Product (GDP), 7.1% of the country's GDP and employs about 19 million people, both directly and indirectly.

The industry produced a total of 23,960,409 vehicles, including passenger vehicles, commercial vehicles, three wheelers and two wheelers in April-March 2016 as against 23,358,047 in April-March 2015, registering a marginal growth of 2.58% over the last year.

India's western and southern regions outpaced the North in passenger vehicle sales growth in fiscal 2016. The West reported an expansion of 8 percent, and South even better at 11 percent, compared with 5 percent in both northern and eastern regions that was also lower than the India's average of 7 percent.

The overall Commercial Vehicles (CVs) segment registered a growth of 11.51% in April-March, 2016. In CVs, the Medium and Heavy Commercial Vehicle (M&HCVs) segment grew by 29.91% and Light Commercial Vehicle segment grew by 0.30% during the period April, 2015 to March, 2016. Three Wheelers' sales grew by 1.03% in April-March, 2016 over the same period of the previous year. Two Wheelers' sales registered a growth of 3.01% in April-March, 2016 over April-March, 2015.

● Exports

In April-March, 2016, overall automobile exports grew by 1.91 percent. Passenger Vehicles, Commercial Vehicles, Three Wheelers and Two Wheelers registered a growth of 5.24 percent, 16.97 percent (-) 0.78 percent and 0.97 percent respectively in April-March, 2016 over April-March, 2015.

Automobiles Exports Trends during the last Six Financial Years

Category	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Passenger Vehicles	4,44,326	5,08,783	5,59,414	5,96,142	6,21,341	6,53,889
Commercial Vehicles	74,043	92,258	80,027	77,050	86,939	1,01,689
Three Wheelers	2,69,968	3,61,753	3,03,088	3,53,392	4,07,600	4,04,441
Two Wheelers	15,31,619	19,75,111	19,56,378	20,84,000	24,57,466	24,81,193
Grand Total	23,19,956	29,37,905	28,98,907	31,10,584	35,73,346	36,41,212

Source: SIAM

C. AUTO COMPONENT INDUSTRY IN INDIA

The Indian auto-components industry has experienced healthy growth over the last few years. Some of the factors attributable to this include: a buoyant end-user market, improved consumer sentiment and return of adequate liquidity in the financial system. A stable government framework, increased purchasing power, large domestic market, and an ever increasing development in infrastructure have made India a favorable destination for investment.

Over the last decade, the automotive components industry has scaled three times to US\$ 40 billion in 2015 while exports have grown even faster to US\$ 11 billion. This has been driven by strong growth in the domestic market and increasing globalization (including exports) of several Indian suppliers.

According to the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is expected to register a turnover of US\$ 100 billion by 2020 backed by strong exports ranging between US\$ 80- US\$ 100 billion by 2026, from the current US\$ 11.2 billion.

The cumulative Foreign Direct Investment (FDI) inflows into the Indian automobile industry during the period April 2000 – March 2016 were recorded at US\$ 15.07 billion, as per data by the Department of Industrial Policy and Promotion (DIPP).

The Government of India's Automotive Mission Plan (AMP) 2016–2026 envisages creation of an additional 50 million jobs along with an ambitious target of increasing the value of the output of the sector to up to Rs 18,89,000 crore (US\$ 282.65 billion). The face of Indian Auto Industry is also changing with the youth of the country making a big chunk of purchases. The Aesthetics, features, comfort and safety etc. have become major considerations for purchasing cars and consequently for the last two years the demand for SUVs and similar vehicles is increasing. The Cars like Maruti Vitara Breeza, Hyundai Creta, Ford Eco Sport are driving change in the market.

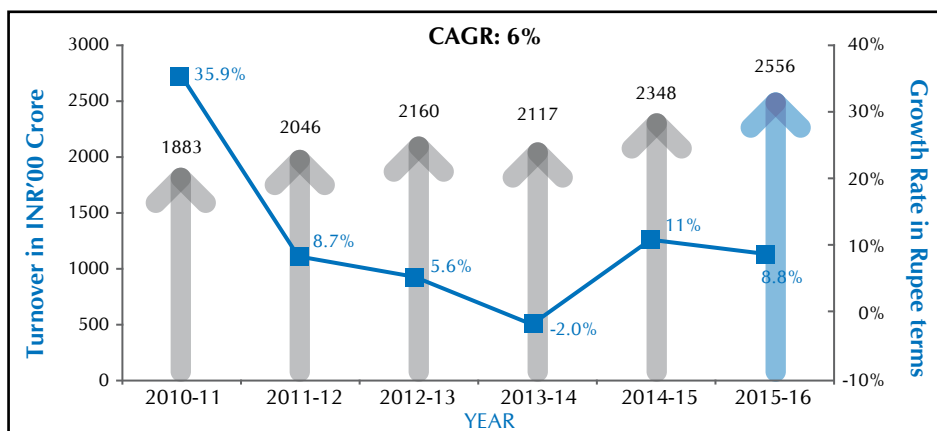
The rapidly globalizing world is opening up newer avenues for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development.

The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalization of the sector as exports potential could be increased by up to four times to US\$ 40 billion by 2020.

The Indian Auto Industry is also facing challenges as Indian Government is taking steps to move towards Green by banning diesel vehicles and promoting electric and hybrid cars. These sudden changes have brought a stiff challenge for many Automotive

OEMs who have made lot of investment towards R&D etc. for diesel vehicles or the OEMs which mainly manufacture diesel vehicles. However, this is a transition stage and will ultimately enhance the opportunities in the Auto Industry and thereby its contribution towards the growth of Indian economy at large.

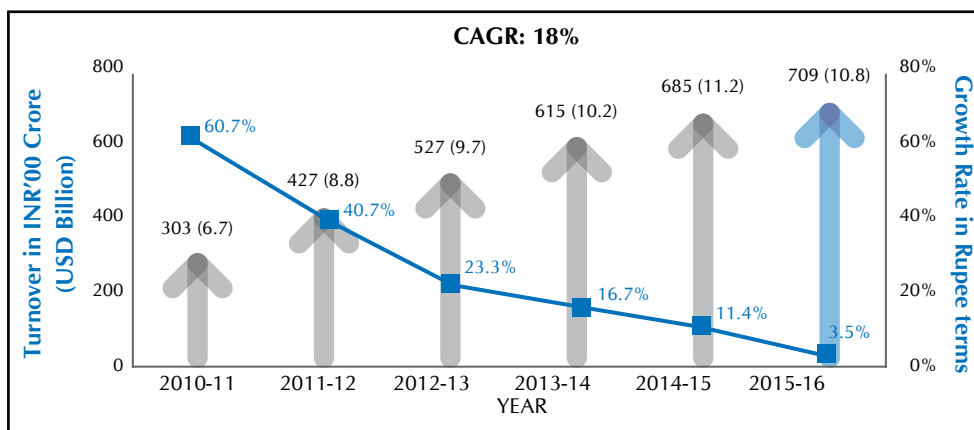
Turnover Auto Components Industry: 2015-16



(Turnover includes supplies to OEMs, after market sales and exports)

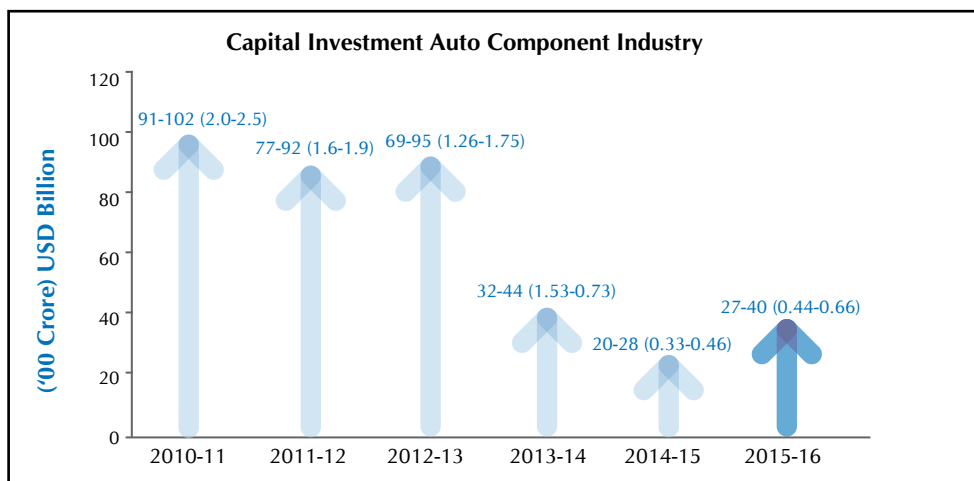
Source: ACMA

Exports - Auto Component Industry



Source: ACMA

Capital Investment Auto Component Industry



Source: ACMA

● **OPPORTUNITIES:**

1. Manufacturing and Imports free from licensing and approvals.
2. Increased budgets for R&D activities.
3. 100% FDI permitted without prior Govt. approval.
4. WTO compliant policies (no import restrictions and reduced tariff levels).

D. OPERATIONAL/FINANCIAL PERFORMANCE HIGHLIGHTS (ON CONSOLIDATION BASIS)

Total Income: In FY 2015-16, the Company achieved a total income of ₹ 1524.16 crore as against ₹ 1561.04 crore recorded in the previous year. Inspite of the fall in prices of raw material by 15-20% the Company was able to maintain its revenue levels closer to last year. The Component Division's revenue was ₹ 1450.79 crore, contributing close to 96% of the total income. Revenue from the Tool Room Division was down by 22.02% and stood at ₹ 76.79 crore.

EBITDA: In FY 2015-16, the Company recorded EBITDA of ₹ 196.54 crore as against ₹ 197.04 crore recorded in the previous year.

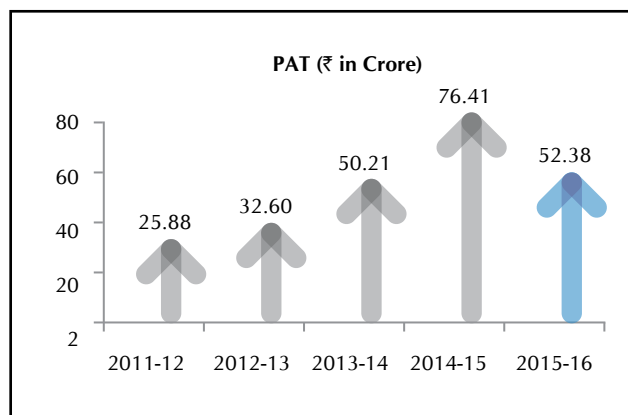
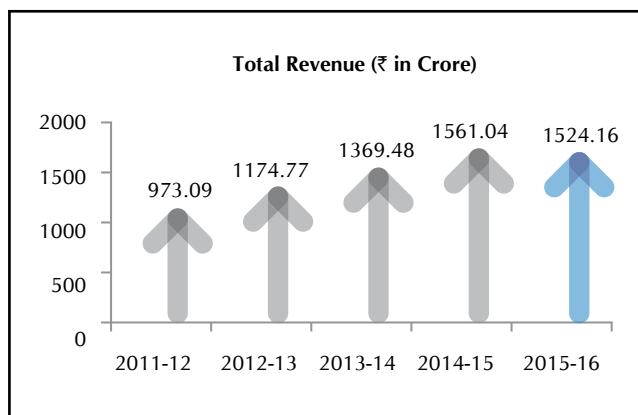
Net Profit: In FY 2015-16, the Company achieved a net profit (after minority interest) of ₹ 52.38 crore as compared to ₹ 76.41 crore of FY 2014-15, a decrease of 31.45% primarily attributed to high interest and depreciation cost resulting from Increased investments in new plants. As the new plants become fully operational, the PAT is expected to be recovered in the coming financial years. Moreover, the adverse impact of Product mix changes are expected to reverse considering higher tooling revenue expected in FY 2017.

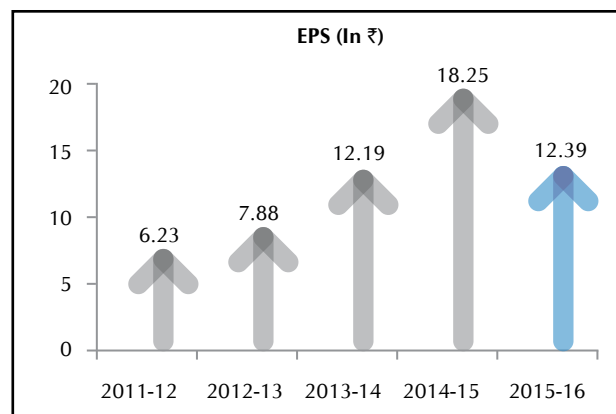
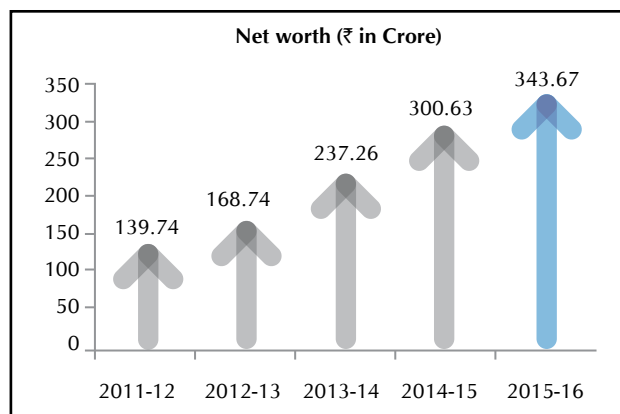
Dividend: The Board has recommended a dividend of ₹ 1.75 per equity share for the FY 2015-16 (₹ 2.50 per equity share in FY 2014-15).

Net Worth: The net worth of the Company reached to ₹ 343.67 crore as on 31st March, 2016 (₹ 300.63 crore as on 31st March, 2015), a YoY growth of 14.31%.

Debt Equity Ratio: The Debt Equity ratio of the Company improved to 0.64 times as on 31st March, 2016 as against 0.79 times in the previous year, which is due to reduction in long term debt from ₹ 236.98 crore in FY 2014-15 to ₹ 221.15 crore in FY 2015-16.

● **Consolidated Performance of your company for Past 5 year**





• Segment Wise Performance

The segment wise performance of the Company during 2015-16 is as follows:

(₹ in crore)

Particulars	Component Division		Tool Room Division		Bus Division	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Total Revenue (including other income)	1446.37	1461.36	77.02	99.68	-	-
Profit before interest & tax	118.51	129.30	24.24	22.86	(13.78)	(1.29)

• Business Outlook

Components Division

The prospects of the auto component industry are closely linked to the economic growth. However, the company has been continuously working on improving its operating efficiency through adoption of latest technology in manufacturing like alternate material, high tensile steel forming, frugal engineering and automation. The value chain enhancement is being achieved through vertical integration. Global quality standards at local cost are being implemented in operations enabling the company to become preferred supplier on global platform.

As the automakers are rapidly advancing towards technology up-gradations to meet stringent emission & safety norms, the company has forayed into developing parts & assemblies using high tensile material resulting in the lighter weight & ensuring safety norms. The company is closely working with the OEMs to partner new advancements to cater to emerging vistas as a forerunner in the segment.

Product portfolio has been significantly enhanced for commercial vehicle segments that includes chassis & suspension parts, air tanks, fuel tanks, exhaust systems & complete cowl assemblies

The company has bagged a prestigious export business from a leading CV maker in Japan.

Tool Room Division:

From tooling prospective, JBMA is targeting on the development of tooling's for advance technology, high value items like, Dies for high strength steels, Skin panels, Transfer dies, Robotic cells and Chassis and suspension systems. With OEMs introducing more and more new India specific models, business outlook for tooling is progressive in terms of technology and scale of business.

• Bus Division :

Bus Division-CNG & Diesel Variant

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

Fully developed in India, the CNG base model of 'CITY LIFE' having undergone the product validation process has secured the homologation certificate as well. Company has received Orders for supplying Buses to NMRC and work is in full swing to complete the order satisfactorily.

E. AWARDS & ACCOLADES

During the year under review, the Company has been awarded with the "Elite set of the 10 greatest value creators in the Fortune India 500 Companies".

Fortune 500, the most respected name in the field of corporate excellence in the world, is about the world's largest Companies, commonly known as the Fortune 500 companies.

The first ever Fortune India Next 500 rankings have been announced in the month of August, 2015 at a showcase event at Hotel J. W. Marriot, Aerocity, New Delhi attended by the leading names of Indian business & economy. Shri. Piyush Goyal, the Hon'ble Minister of State with Independent Charge for Power, Coal and New & Renewable Energy, Govt. of India was the chief guest at the events.

Mr. S. K. Arya, the Chairman and Mr. Nishant Arya, the Director of the Company were felicitated in the awards ceremony for their foresight, determination and commitment, which helped the JBM Auto make it to the elite set of the 10 greatest value creators in the Fortune India 500 segment.

F. WORKING CAPITAL MANAGEMENT

The Company follows prudent working capital management practices and does adequate planning for managing its day-to-day requirements of working capital funds. It focuses on timely receivables realizations (mostly through RTGS mode) and optimum inventory levels considering the JIT supply to customers, which helps in reducing the working capital requirement. Most of the payment mechanism is linked with receivables from customers and to bridge the gap, the Company borrows funds from the banks on short term basis.

G. RISK MANAGEMENT SYSTEM

The Company is exposed to external and internal risks associated with the business. Its operations are directly dependent on the growth of the Indian automotive industry. The general economic conditions have an influence on the automotive industry as well as on the operations of the Company. The Company has laid down well-structured procedures for monitoring the risk management plan, which is integrated with operations, for identification, categorization and prioritization of various risks like: operational, financial and strategic business risks. Operational risks are managed through an Enterprise Risk Management system, with periodic reviews and controls. Apart from regular operational risk, the Company is also exposed to the following risks:

Slowdown in Economy/Industry

Risk: Slowdown in an economy or industry can have severe impact on the Company's profitability.

Mitigation: The Company has a sound management, which proactively prepares for any slowdown in the industry or economy. The Company is widening its product base and entering into new business segments to cushion from a slowdown in any particular segment.

Manufacturing Inputs cost

Risk: The Company is dependent on factors which significantly affect the manufacturing costs like power and fuel, consumables, packing and forwarding, which are external factors and beyond the Company's control. Any significant rise in such cost may affect the Company's profitability.

Mitigation: The Company actively works to improve the operational efficiency of the plants to normalize the impact from a rise in input cost. It usually passes on the increase or decrease in input cost to its customers.

Fuel Prices

Risk: Any substantial increase in petroleum prices can impact the purchasing power of customers, resulting in the decrease in sale of automobiles.

Mitigation: This is an external risk beyond the Company's control. However, it has a well-diversified business portfolio which helps it to minimize the impact.

Interest rates

Risk: Any substantial change in the monetary policy of the RBI resulting into high financial cost and tightening of liquidity can significantly impact the profitability of the Company.

Mitigation: The Company has well qualified management professionals who keep a close watch on the major economic indicators and takes precautionary measures to avoid any deep impact on its profitability.

Technology

Risk: The Company is sensitive to the technology changes in its product line. Any significant change in component designing and development or obsolescence in existing technology can impact its profitability.

Mitigation: The Company continuously upgrades its technological base to meet the changing demands of modern times.

Regulatory compliance

Risk: The Company operations are exposed to the rules, regulations and policies of the Government. Any significant change in the regulatory compliances can have an adverse impact on it.

Mitigation: The Company has a sound and well qualified professional management team which ensures that all the compliances which are necessitated by the law are adhered to.

Foreign Exchange Rate

Risk: Any significant changes in the foreign exchange rates vis-à-vis the Indian Rupee can have an adverse impact on the Company's profitability.

Mitigation: The Company has an appropriate policy for transactions in foreign exchange and follows a sound hedging strategy without exposing itself to undue risks.

H. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's Internal Control System has been designed to provide for:

1. Accurate recording of all the quantitative transaction with proper internal checks and prompt reporting.
2. Strictly adherence to applicable accounting standards and policies.
3. Proper compliance with applicable statutes, policies and procedures.
4. Effective and efficient use of resources and safeguarding of assets.
5. The Company's in house Internal audit department, carried out periodic audits at all locations and functions based on the plans approved by the Audit Committee. The summary of the Internal Audit observations and status of implementation are submitted to the Audit Committee which reviews it on a regular basis and concerns, if any, are reported to the Board. The Company follows the standard operating procedure for all the business processes, with the aim to have robust internal financial controls. It is strengthening its existing internal control in routine transactions by segregating the duties in ERP. Apart from that, it is in the process of creating standard role for all modules and the assigning of authorization in ERP. The Company has successfully implemented all modules of ERP and is using SAP in its day-to-day working and business activities for MIS and control purposes.

I. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

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

Their competency and trained workforce are the key reasons for growth of the Company. To enhance the productivity, the Company has developed its people by providing innovative and professional environment. It has an efficient recruitment policy and robust human resource management processes, which enables to attract and retain competent & talented employees. When we hire people, we look for positive attitude and exemplary behavior so that they can imbibe our value system. Company has also ensured 100% strict implementation of Biometric system of attendance for control and administration purposes.

To keep ourselves abreast with time and technology, we regularly assess the competencies critical for the development of our

business and arrange for appropriate training and development programs to cater different learning needs of our employees in the areas of technology, management, leadership, cultural and other soft skills.

We are a learning organization. We encourage an environment, which helps to leverage the knowledge of every employee through training programs like Operational leadership, Decision Making, Problem Solving, Result Orientation, Strategic Planning etc. by renowned Soft Skill Trainers.

The Company observes special weeks with themes of Safety, Quality, 5-S and Kaizen. Apart from these formal weeks, we have various celebrations such as Environment Day, Annual day, Women's Day, Health and Yoga Classes, to name a few. These activities motivates the employees and help in improving their bonding with the Company. JBM's premise is full of energy, vitality, enthusiasm and passion. As a part of continuous process for talent acquisition and enhancement, the Company has introduced various policies as well as reward and recognition programs.

Another major initiative called ISQ has been launched to inculcate the culture of three non-negotiable values – Integrity, Safety and Quality within the company various events like Posters, Slogan, Creative Art, Rangoli competitions including Quiz contest are being regularly organized to achieve this goal..

Similarly, another major initiative called "TUK" (Tayaari Udaan Ki) has been rolled out to reinforce three operating principles of rigorous thinking, collaborative approach and taking charge within the Organization. This program is also aimed at institutionalizing objective method of problem solving.

As one of CSR activity we organize Blood Donation Camps with support of Red Cross Society.

To harness the leadership skills of the employees, the Company has extended the "MEGA - DRIVE" Leadership Development Program, which is conducted by Inhouse Leadership development team in association with Global Leadership Development Experts. This program is helping the Company in developing a team of young employees at the middle management level as prospective leaders and thus supporting the succession planning of the company.

The Company had 747 permanent employees as on 31st March, 2016. The industrial relations remained peaceful and cordial throughout the year.

J. RESEARCH AND DEVELOPMENT

The Company is focusing heavily on developing in-house R&D capabilities in three major areas comprising Bus division, Components division and Tooling division.

The strategic approach for developing R&D capability is driven by customer requirements and targets at achieving quick time to market for new products by deploying latest technologies and skilled and experienced resources using extensive global and local benchmarking.

● **Bus Division**

A state of the art Research & Development center has been set up at Kosi in order to design and develop new models of Buses. This is a fully equipped R&D facility with a CAD design center, Prototyping facilities, Vehicle validation facilities and a dedicated test track. The strong R&D team consists of domestic as well as global experts.

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

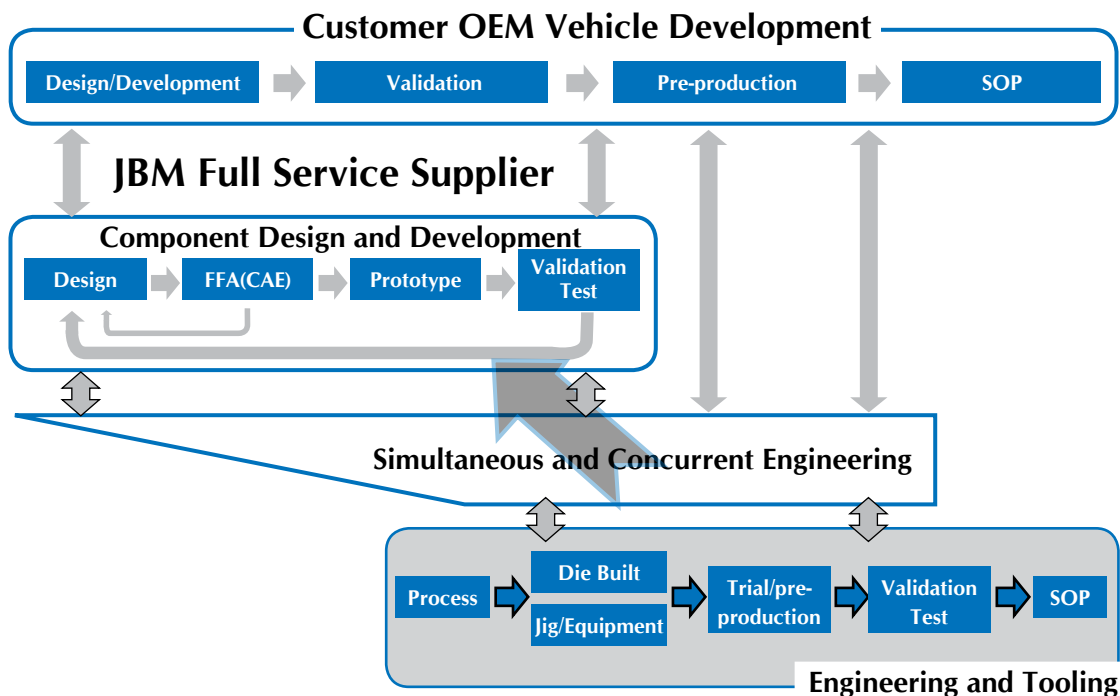
The R&D Centre is currently engaged in expanding the product portfolio of buses. We have already successfully designed, developed, and homologated true low floor CNG and Diesel Bus platforms based on latest global technology.

The key areas, where our R&D center will be focusing in future, is on development of the products as per forthcoming regulations, delivering value by enhancing product performance specially NVH (noise & vibration) reduction, fuel efficiency, environment friendly vehicles and bringing cost efficiency in entire product portfolio.

● **Component & Tooling division**

Leveraging the strong in-house R&D capabilities, the company is focusing on continuous improvement through adoption of new technologies and benchmarking to enhance quality, reduce cost and optimize time to market to maintain leadership in both components and tooling sector.

Through the application of advanced technologies, the company is actively engaged in providing design services, tooling and components to meet customer requirements as a full service supplier.



The key focus areas for over all development are Simulation, Feasibility Analysis and Development of dies for High Strength Steels.

Simulations:

More and more use of simulation software's is providing pre information of forming and spring back analysis and hence able to get robust design and process. It solves difficult problems even before start of actual manufacturing, thereby saving lot of development time and provides quality product.

Feasibility analysis:

Our experienced team involves with OEMs at early stage of product development. With support of wide experience and simulation software's our designers suggest changes to OEM product designers for making part simpler, cost effective and feasible.

High Strength Steels:

We got success in developing parts up to 980 mpa. OEMs are getting more confidence on our capabilities and are diverting imports to local manufacturing in India. The percentage of usages of High strength steel is increasing. Our capability to develop dies for high strength steel will play a major role in acquiring new business from OEMs in the upcoming models.

K. ENVIRONMENTAL HEALTH AND SAFETY

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

- Establish measure, monitor, assess and continually improve health, safety and environmental performance through compliance management and control of hazardous waste.
- Comply with all environmental, occupational health, safety (OH&S) and other statutory/ regulatory requirements.
- Regular upgrade of the knowledge and skill of employees through professional development and training.

- d) Effective management of operational activities to minimize the adverse impact of operations on the environment, health and safety.
- e) Implement effective policies for environment conservation.
- f) Establish an environmental health and safety management team to continually monitors, sets and reviews the environment, health and safety objectives and targets.
- g) Reduce waste and implement effective recycling of waste in manufacturing operations.

Going forward, the Company will continue to align its business development to support inclusive growth, social equity and concern for the environment, thereby creating value for all its stakeholders.

L. OPPORTUNITIES FOR THE INDIAN AUTO COMPONENT INDUSTRY

1. **Favorable economic environment:** The majority of the macroeconomic indicators have been positive, indicating a steady revival in the economy. The country is witnessing a favorable investment environment in all the sectors, including automobile, resulting in increased demands and supply of auto components.
2. **Global Components Sourcing Hub:** The Indian auto component industry is one of India's sunrise industries with tremendous growth prospects. It has emerged, from being a low-key supplier of components to the domestic market, to a significant player in the global automotive supply chain. Several global suppliers are increasing procurement from their Indian subsidiaries or partners due to the cost advantage and the sound engineering knowledge of skilled man power.
3. **Improving Product Development Capabilities:** There is a substantial enhancement in research and development investment over the past few years and many laboratories are being setup to conduct analysis, simulation and engineering animations. The increased sourcing and investment from global OEMs from India is turning the country into a preferred designing and manufacturing base for them. The domestic players are also acquiring global companies to gain access to the latest technology and are expanding their client base.
4. **Huge Export Opportunities:** As per the latest industry report, India's share of the global auto component exports is just 1% as compared to China's 10% and 2.5% of South Korea. Apart from that, the industry earns only 29% (Including OEM exports) of its total revenues from exports which is on the lower side, if we compare the same with 60-70% of Thailand and Turkey. Clearly, Indian suppliers have a huge untapped opportunity when it comes to exports. Industry experts also believe that there is considerable potential and opportunity to export components worth USD 20 billion to China alone.
5. **Improved Highway to Boost Bus Industry:** The government has initiated massive up-gradation of existing national highways and started the construction of expressways which will link major Indian cities, namely, the Golden Quadrilateral Project, the Ganga Expressway, the Pathankot-Ajmer Expressway, the Eastern and Western Peripheral Expressway and many others. Surface transport is bound to gain on the back of the new crop of highways and expressways. Bus travel, being the primary mode of preferred transport for holidays, business and social visits, is expected to increase, which will augment, significantly, the demand for bus and luxury coaches in the coming years.
6. **100 Smart Cities to Increase Demand for Buses:** The government has initiated the ambitious project of 100 smart cities where the focus will be on smart urbanization and integrated transport system. These cities are expected to revamp and develop their network for buses (primary and feeder) for the daily commuting of people, to give them safe and comfortable travel. There is a huge opportunity for bus manufacturers who have a comprehensive product range, to cater to the demand which is expected to emerge in the foreseeable future.
7. **Supportive Government Policies**
 - a. The Government of India encourages foreign investment in the automobile sector and allows 100% FDI under the automatic route, subject to all the applicable regulations and the law.
 - b. The manufacturing and imports in this sector are exempt from licensing and approvals.
 - c. The Indian Government has announced the **AMP-26**
 - i. Indian automotive industry to grow 3.5 to 4 times of the current value of ₹ 4,64,000 crore to ₹ 18,88,500 crore (Optimistic base).
 - ii. Indian automotive industry to be among the top three automotive industries in the world.
 - iii. India to generate 65 million more jobs.

- iv. The sector to contribute 12% of India's GDP.
- d. The National Automotive Testing and R&D Infrastructure Project (NATRiP): The Project aims to create core global competencies in the automotive sector in India and facilitate seamless integration of the Indian automotive industry with the world, as also to position the country prominently on the global automotive map. This project is not only the largest, but one of the most significant initiatives in the automotive sector, with an aim to place testing infrastructure commensurate with global standard for safety and emission and will increase India's automotive research and development capabilities. The Government has made a commitment of close to USD 388.5 million till date, for the project and seven testing facilities have been inaugurated till date.
- e. The Department of Heavy Industries and Public Enterprises has created a USD 200 million fund to modernize the auto components industry, by providing an interest subsidy on loans and investment in new plants and investment.
- f. Key Provisions of the 2015-16 Union Budget
 - i. The Government has exempted the excise duty on the parts of tractors, removed from one or more factories of a tractor manufacturer to another factory of the same manufacturer, for the manufacture of tractors.
 - ii. The Government has increased the custom duty from 10% to 40% on commercial vehicles imported as completely built units (CBUs) to encourage foreign OEMs to set-up assembly units in India.
- g. The Government is planning to implement an "End of Life" policy for automotive vehicles and components which is in line with safety and preservation of environment. This policy is expected to ensure the retirement of vehicles after a stipulated usage, thereby creating demand for new and more efficient vehicles.
- h. **Implementation of Bus Code:** The Government has come up with the bus building code to ensure that buses are built as per stipulated standards related to safety, design and comfort. The implementation and updating of the Bus Code in 2014, the Government has clearly down played the role of the unorganized sector in the bus manufacturing business, thereby giving a uniform structure to the bus segment and also ensuring the quality and safety of the products.
- i. Auto component Sector, like many other manufacturing sectors will be a beneficiary of long awaited GST legislation, which will mark the roll out of second generation reforms in India. This will minimize the indirect taxation and limit it to Centre and State GST.

Moving to a GST regime will be beneficial for the Indian economy on multiple counts, and though its impact on growth will be negative in the short-run, it is expected to be positive in the long-run, says a report. Hopes are high that the long-standing Goods and Services Tax (GST), which has been pending for more than a decade, will be passed in this monsoon Parliament session.

M. CHALLENGES FACING THE INDIAN AUTO COMPONENTS INDUSTRY

- **Global competition:** The Indian auto component industry is facing challenges from other low cost countries like China, Taiwan, and Thailand, etc.
- **Infrastructure challenges:** The Indian components industry faces problems for basic infrastructure needs like power and transportation cost. As per Industry estimates, power cost is more than twice that of Thailand and the time taken in transportation is also on the higher side. Power is also not available all the time. The Companies have to make their own provision for power which is expensive.
- **Rupee depreciation:** The component industry sources raw material from other countries especially the metal and chemicals used in painting. Any sharp depreciation of the Indian rupee against the USD or Euro is seen as a major drawback to the Indian component industry.
- **New technologies:** The development of new technologies like fuel cells and hydrogen powered vehicles may affect the auto component industry.
- **Availability of unskilled and skilled labour:** There is a constant pressure for the industry to retain its unskilled and skilled labour at optimum cost. Alternative income generation schemes being promoted by the Government is leading to lesser availability of unskilled labour. At present, due to the increased domestic competition, it is becoming difficult to retain the talented and motivated people at reasonable cost.

- **Building R&D competence and ecosystem:** The industry is still lacking in R&D competencies compare to the US and European standards. One of the primary reasons is low investment as a part of the total income by the Indian component manufacturer as compared to their global peers.

Diesel ban impact: Owing to recent diesel bans, Indian carmakers face depressing sales growth. That is not the only challenge. The automobile industry is also in a nervous race against time to meet newer, stricter emission norms. This January, the government advanced the deadline to implement the Bharat Stage VI emission and fuel standards, or the Euro norms, as they are popularly known, to April 2020 from 2023. It took Europe and other developed markets 10 years to upgrade to the new norms. India has far less time to make the transition.

N. THE ROAD AHEAD

The prospects of the auto component industry are closely linked to the automobile industry, which in turn, is linked to the country's economic growth. We believe that the Central Government has initiated various policy changes which are expected to bring economic stabilization which will further boost the investment climate and market sentiment. Hence, based on that assumption, the Company is expecting that its revenue in the coming years will grow steadily.

The ambitious 'Make in India' initiative is expected to boost the domestic manufacturing, specially the auto component industry. The macro economic situation is getting increasingly better with an estimated growth rate of around 8%, low inflation, on the back of low commodity prices and lower interest rates, compared to the past few years (though the scope for further reduction exists) are giving a positive outlook and indicating that the Indian auto sector is poised to grow further from the current level.

The domestic and foreign car makers have lined up investments to the tune of USD 10 billion over the next few years, for creating more capacities and entering into newer segments and geographies. The proposed investments are expected to cement the 'Brand India' image globally by the 'Make in India' initiatives. With such investments, the auto components industry is naturally expected to get major boost. The developing countries like ours having large population base, have inherent and large potential for growth opportunities. In India, we have only 7 Cars against the population of every 1000 persons as compared to more than 500 in developed countries like USA and Europe. Likewise, we have only 0.75 buses for each 1000 persons, much lower than the developed countries. This huge gap is a big opportunity for the auto industry. Government of India have initially set the target to have at least 20 cars per 1000 of population and at least 1.5 buses for 1000 persons. The Govt. of India has started initiatives like "Skill India" and "Make in India" to make India a manufacturing hub.

The Company is continuously working to improve its operating efficiency and quality and is diversifying its product range and adding optimal capacity, as per the requirements of the customers. The Company has a sound business model which uses the latest technology and machinery and also takes continuous measures for cost optimization. Even as the current market situation poses challenges, it believes that there is significant room for growth. The focus going forward, will be to capitalize on the opportunity and to leverage the scalability that the Company has achieved in its operations in previous year.

DISCLAIMER:

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

REPORT ON CORPORATE GOVERNANCE

Your Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2016.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is about maximizing Shareholders Value Legally, Ethically and Sustainably. Your Company believes that Corporate Governance is a prerequisite for attaining sustainable growth in this competitive world. At, JBM Auto Limited ("JBMA") the goal of Corporate Governance is to ensure fairness for every stakeholder. We believe that sound Corporate Governance is critical to enhance and retain investor trust. We always seek to ensure that our performance is driven by integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long-term shareholder value.

The Securities and Exchange Board of India ("SEBI") on 2nd September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") with an aim to consolidate and streamline the provisions of the Listing Regulations for different segments of capital markets to ensure better enforceability. The Listing Regulations were effective from 1st December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within 6 (six) months from the effective date. Your Company has entered into Listing Agreement with BSE Limited and the National Stock Exchange of India Limited during the month of February, 2016.

JBMA endeavors its best to constantly comply with these aspects in the letter and spirit, in addition to the statutory compliances as required under Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. GOVERNANCE STRUCTURE

At JBMA, the Board is committed to practice the highest level of Corporate Governance across all our business functions. Your Company has an optimum mix of eminent professionals on the Board of Directors with members from diverse experience and expertise. The appropriate composition of the Board of Directors enables in maintaining the independence of the Board and separates its functions of governance and management.

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

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

3. BOARD OF DIRECTORS

A. Composition of the Board as on 31st March, 2016

Category of Directors	Nos.
Non-Executive & Independent Directors (including one Woman Director)	3
Other Non-Executive Directors	2
Executive Director	1
Total	6

As on 31st March, 2016, the Board of Directors of the Company comprises of 6 (Six) Directors, (one Executive and five Non-Executive Directors). The Board comprises two Non-Executive/Promoter Directors, one Executive Director and three Non-Promoter and Independent Directors who do not have any material pecuniary relationship or transaction with the Company, its Promoters, its Directors and its Senior Management, which may affect their independence. The Board has a Non-Executive Chairman.

The Company meets the requirements, as stipulated under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to the composition of Independent and Non-Independent Directors including the Woman Director on the Board of the Company.

B. Appointment of Directors

During the year under review, Mr. Sandip Sanyal (DIN : 07186909) was appointed as a Whole-time Director (designated as 'Executive Director') under the category of Key Managerial Personnel (KMP) w.e.f. 18th May, 2015.

C. Board Training and Induction

At the time of appointment, the Directors are provided with necessary documents/ brochures, reports and internal policies, code of conduct for Board of Directors and Senior Management Personnel to enable them to familiarize with the Company's procedures and practices at the time of appointment. The Directors are also explained in detail the compliances required under the various Acts including the Companies Act, 2013 and SEBI Act, 1992 and other Regulations.

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

The above initiatives helps the Directors to understand the Company, its business and the regulatory framework in which the Company operates and equip them to effectively discharge their duties as Directors of the Company.

D. Other Relevant Details of Directors:

Sl. No.	Name of Directors	Category	Inter-se relationship	No. of other Directorship(s)*	No. of Committee(s) **	
					Member	Chairman
1	Mr. Surendra Kumar Arya	Non-Executive Chairman	Father of Mr. Nishant Arya	9	3	1
2	Mr. Sandip Sanyal	Executive	NA	1	0	0
3	Mr. Nishant Arya	Non-Executive	Son of Mr. Surendra Kumar Arya	8	1	0
4	Mr. Ashok Kumar Agarwal	Independent	NA	2	2	1
5	Mr. Mahesh Kumar Aggarwal	Independent	NA	1	1	0
6	Mrs.Vimal Vasisht	Independent	NA	0	2	0

* Excludes Directorship of JBM Auto Limited, Private Companies and Foreign Companies.

**Committee means Audit Committee and Stakeholders Relationship Committee including membership held in said committees of the Company.

E. Board Meetings held during the Year

The Board met four times during the financial year 2015-16 i.e. on 18th May, 2015, 12th August, 2015, 5th November, 2015 and 13th February, 2016. The Board meets at least once in each quarter to review the quarterly financial results and other items on the Agenda. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

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

S. No	Name of Directors	No. of Meetings attended				Attendance at last AGM held on 22.09.2015
		18.05.2015	12.08.2015	05.11.2015	13.02.2016	
1.	Surendra Kumar Arya	√	√	√	√	Yes
2.	Nishant Arya	√	√	√	√	Yes
3.	Ashok Kumar Agarwal	√	√	×	×	Yes
4.	Mahesh Kumar Aggarwal	√	√	√	√	Yes
5.	Vimal Vasisht	√	√	√	√	Yes
6.	Sandip Sanyal	×	√	√	√	Yes
7.	Hans Raj Saini	√	×	×	×	NA

F. Shareholding of Directors

Name	No of Equity Shares held
Surendra Kumar Arya*	118140
Nishant Arya	339400
Ashok Kumar Agarwal	Nil
Mahesh Kumar Aggarwal	Nil
Vimal Vasisht	Nil
Sandip Sanyal	Nil
Total	457540

Note : * Shareholding of Surendra Kumar Arya (HUF) holding 2,88,856 shares of the company has not been added in the shareholding of Surendra Kumar Arya as Director.

G. Familiarization programmes for Independent Directors

The details of training and familiarization programmes imparted to the Independent Directors are available on the website of the Company, which may be accessed at the link: <http://www.jbm-group.com/pdfs/fpid.pdf>

H. Succession Plan

The Nomination and Remuneration Committee works in co-ordination with the Board on the leadership succession plan and prepares contingency plans for succession in case of exigencies.

4. COMMITTEES OF THE BOARD

With a view to have more focused attention on business and for better governance and accountability, the Board has constituted various Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee and Finance Committee.

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

A. Audit Committee

The composition of the Audit Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Audit Committee comprises of four members, out of which 3 members of the Committee are the Independent Directors. All the members of the Audit Committee are financially literate and have expertise in the financial management.

Our Audit Committee comprised of four members as on 31st March, 2016. The Committee consists of the following Members:

- i) Ashok Kumar Agarwal, Chairman - Independent Director
- ii) Mahesh Kumar Aggarwal, Member - Independent Director
- iii) Surendra Kumar Arya, Member - Non-Executive Director
- iv) Vimal Vasisht*, Member - Independent Director

* appointed w.e.f. 12th August 2015

Audit Committee attendance

The Audit Committee held four meetings during the financial year 2015-16. These were held on 18th May, 2015, 12th August, 2015, 5th November, 2015 and 13th February, 2016:

S. No	Name of Directors	No. of Meetings attended			
		18.05.2015	12.08.2015	05.11.2015	13.02.2016
1.	Ashok Kumar Agarwal	√	√	×	×
2.	Surendra Kumar Arya	√	√	√	√
3.	Mahesh Kumar Aggarwal	√	√	√	√
4.	Vimal Vasisht	-	-	√	√

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

The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 22nd September, 2015.

The Committee's terms of reference are in consistent with the provisions SEBI Corporate Governance Code and of the Companies Act, 2013. Generally, the Committee oversees the financial reporting process, recommendation of appointment/removal/fee etc. of external auditors, review of the adequacy of Internal Control System for financial reporting, review of quarterly/half-yearly/annual financial statements before submission to the 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.

B. Nomination and Remuneration Committee

The composition of the nomination and remuneration committee is in alignment with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Our Nomination and Remuneration Committee comprised three members as on 31st March, 2016:

- i) Mahesh Kumar Aggarwal, Chairman - Independent Director
- ii) Ashok Kumar Agarwal, Member - Independent Director
- iii) Surendra Kumar Arya, Member - Non-Executive Director

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

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

Nomination and Remuneration Committee attendance

During the financial year 2015-16, one meeting of the Nomination and Remuneration Committee was held on 18th May, 2015 and all the Directors were present in the meeting.

S. No	Name of Directors	No. of Meetings attended
		18.05.2015
1.	Maresh Kumar Aggarwal	√
2.	Ashok Kumar Agarwal	√
3.	Surendra Kumar Arya	√

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

(Amount in ₹)

Sl. no.	Particulars of Remuneration	Hans Raj Saini (upto 06.06.2015)*	Sandip Sanyal (per annum w.e.f. 18.05.2015)**	Total Amount (per annum)
1	Gross Salary: (a) Salary as per the provisions contained in section 7(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	5,00,479 23,100	Nil Nil	5,00,479 23,100
2	Stock Option	Nil	Nil	-
3	Sweat Equity	Nil	Nil	-
4	Commission -as % of profit -others, specify	Nil	Nil	
5	Others, (Provident Fund)	35,684	Nil	35,684
	Total (A)	5,59,263	Nil	5,59,263

Ceiling as per the Act : ₹ 121.85 lakhs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

Note :-

* Mr. Hans Raj Saini, Executive Director of the Company has retired from the Directorship of the Company w.e.f. 6th June, 2015. The salary as Executive Director was paid to him upto 6th June, 2015.

** Mr. Sandip Sanyal was appointed as Executive Director of the Company w.e.f. 18th May, 2015. No salary is being paid to him throughout the year 2015-16. Mr. Sandip Sanyal was also appointed as Executive Director of JBM Auto System Private Limited, subsidiary of Company w.e.f. 19th May, 2015 and drawing salary from this subsidiary.

The details of sitting fees paid to other Non-Executive Directors during the financial year 2015-16 are as under:

(₹ in Lacs)

Sitting Fee paid to Directors			
Name of Director	Board Meeting	Audit Committee Meeting	Total
Surendra Kumar Arya	0.20	0.20	0.40
Ashok Kumar Agarwal	0.10	0.10	0.20
Maresh Kumar Aggarwal	0.20	0.20	0.40
Nishant Arya	0.20	-	0.20
Vimal Vasisht	0.20	0.10	0.30
Total	0.90	0.60	1.50

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of its Committees.

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

C. Stakeholders' Relationship Committee

The composition of the Stakeholders' Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholders' Relationship Committee has the mandate to review and redress the stakeholders' grievances.

Our Stakeholders' Relationship Committee comprised of four Non-Executive Directors as on 31st March, 2016.

The Committee consists of the following Members:

- i) Surendra Kumar Arya, Chairman - Non-Executive Director
- ii) Ashok Kumar Agarwal, Member - Independent Director
- iii) Nishant Arya*, Member - Non-Executive Director
- iv) Vimal Vasisht*, Member - Independent Director

* appointed w.e.f. 12th August, 2015

The Board appointed Mr. Vivek Gupta as the Compliance Officer for SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 1st December, 2015

The terms of reference of the Committee includes enquiring into and redressing the complaints of the shareholders and the investors and to resolve the grievance of the security holders of your Company.

The Committee deals with transfer, transmission, issue of duplicate Share Certificates, re-materialization of shares, shareholders grievance and other related matters.

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

The Company has obtained the following Certificates from the Practicing Company Secretary:

- Certificate regarding Transfer/Transmission of Shares under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Compliance Certificate under Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations.
- Reconciliation of Share Capital Report for reconciliation of shares of the Company pursuant to SEBI Circular No. D&CC/FITTC/CIR-16/2002 dated 31st December, 2002 read with Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996.

All the complaints were responded by the Company/ Registrar and Share Transfer Agent - MCS Share Transfer Agent Limited, appropriately and there were no complaints pending at the end of the financial year 2015-16.

The Number of Shareholders' grievances / complaints received and resolved during the financial year 2015-16 are as follows:

Investors grievances details:	
No. of complaints received during the year	15
No. of complaints resolved during the year	15
No. of complaints pending at the end of the year	Nil

D. Corporate Social Responsibility (CSR) Committee

The composition of the CSR Committee is in compliance of the provisions of Section 135 of the Companies Act, 2013. The composition of the Corporate Social Responsibility Committee as at 31st March, 2016 is as under:

- i) Surendra Kumar Arya, Chairman - Non-Executive Director
- ii) Nishant Arya, Member - Non-Executive Director
- iii) Mahesh Kumar Aggarwal, Member - Independent Director

While aiming to earn profit through the year, the Company keeps an eye on its social and environmental responsibilities and to fulfill the needs and expectations of the society at large.

The CSR committee is also responsible for overseeing the activities/functioning of the Skill Development Centre located at Sector 20 B, Faridabad, Haryana.

During the year, one meeting of CSR Committee was held on 13th February, 2016 which was attended by all the members of the Committee.

The CSR Committee has adopted a Corporate Social Responsibility Policy, which is available on the website of the Company. The same may be accessed at the web link: http://www.jbm-group.com/pdfs/JBMA_Auto_CSR_Policy.pdf

E. Risk Management Committee

The composition of the Risk Management Committee as at 31st March, 2016 is as under:

- i) Nishant Arya, Chairman
- ii) Ashok Kumar Agarwal, Member
- iii) Vivek Gupta, CFO & Company Secretary

F. Finance Committee

The composition of the Finance Committee as at 31st March, 2016 is as under:

- i) Surendra Kumar Arya, Chairman
- ii) Ashok Kumar Agarwal, Member
- iii) Nishant Arya, Member
- iv) Vimal Vasisht, Member

G. Independent Directors

The Company has three Independent Directors having expertise in their respective field/profession. None of the Independent Directors are Promoter of the Company or its subsidiaries or associate Company. They do not have any pecuniary relationship with the Company, its subsidiaries or associate Companies or their Promoters, Directors, or Senior Management Personnel and do not hold two percent or more of the total voting power in the Company.

All Independent Directors, at the first meeting of the Board in which they participate and thereafter at the first meeting of the Board in every financial year, gives a declaration that they meet the criteria of independence as required under Section 149(7) of the Companies Act, 2013. All Independent Directors maintain their limits of Directorships as required under Regulation 25 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The terms and conditions of their appointment have been disclosed on the website of the Company.

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 5th November, 2015 to review the performance of Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors found the performance of Non-Independent Directors (including Chairman) and the Board as well as flow of information between the Management and the Board to be satisfactory. All Independent Directors were present in the meeting.

5. CEO / CFO CERTIFICATION

The CEO/ED and the CFO have issued certificate pursuant to the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that the financial statements do not contain any untrue statement and the statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

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

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

7. DISCLOSURES

(i) There are no materially significant related party transactions of your Company which have potential conflict with the interests of the Company at large.

(ii) Strictures and Penalties

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

(iii) Vigil Mechanism / Whistle Blower Policy

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

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

The Policy has been placed on the website of your Company and can be accessed through the following link:http://www.jbm-group.com/pdfs/JBMA_Whistle-Blower-Policy.pdf

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

E-mail: wbp.jbma@jbm.co.in or

Letter: The Vigilance Officer, JBMA Auto Limited, 601, Hemkunt Chambers, 89, Nehru Place New Delhi – 110019.

(iv) Prevention of Insider Trading

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

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

(v) Compliance with the Accounting Standards

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

(vi) Internal Controls

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

The Company has complied with the requirements as prescribed under Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

All the legal compliances under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard had been completed.

(vii) Code of Conduct

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and Senior Management Personnel. The Code of Conduct has been displayed on the Company's website- <http://www.jbm-group.com/pdfs/CoC-for-BM-SMP.pdf>

The Code of Conduct lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

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

8. GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting

Date	:	3 rd September, 2016
Time	:	10.30 a.m.
Venue	:	Air Force Auditorium, Subroto Park, New Delhi-110010
Date of Book Closure	:	Saturday, 27 th August, 2016 to Saturday, 3 rd September, 2016 (both days inclusive).

(ii) Financial calendar

Financial Year	:	1 st April, 2015 to 31 st March, 2016
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Tentative Schedule for declaration of results during the financial year 2016-17

1st Quarter	:	July/ August, 2016
2nd Quarter	:	October / November, 2016
3rd Quarter	:	January/ February, 2017
Annual Result	:	April / May, 2017

(iii) Dividend Payment Date

The dividend, if declared, will be paid within 30 days from the date of 20th Annual General Meeting.

(iv) LISTING ON STOCK EXCHANGES

Presently the shares of your Company are listed at:

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001, Tel No. 022 - 22721233-34 Fax 022-22722061/41/39/37 Security Code: 532605	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 Fax 022- 26598237/66418125/126 Security Code: JBMA
ISIN NO. for NSDL & CDSL : INE 927D 01028	

The listing fees have already been paid to BSE and NSE and annual custodian fees has been paid to NSDL and CDSL for the financial year 2016-17.

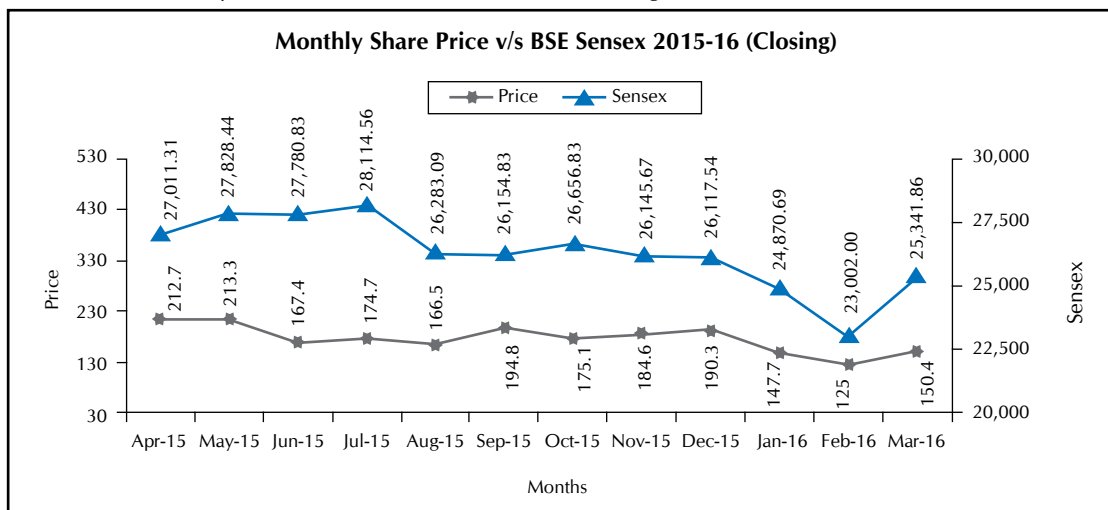
(v) Market Price Data

Share Price Movement: The monthly High / Low Prices and Volume during the financial year 2015-16 are as follows:

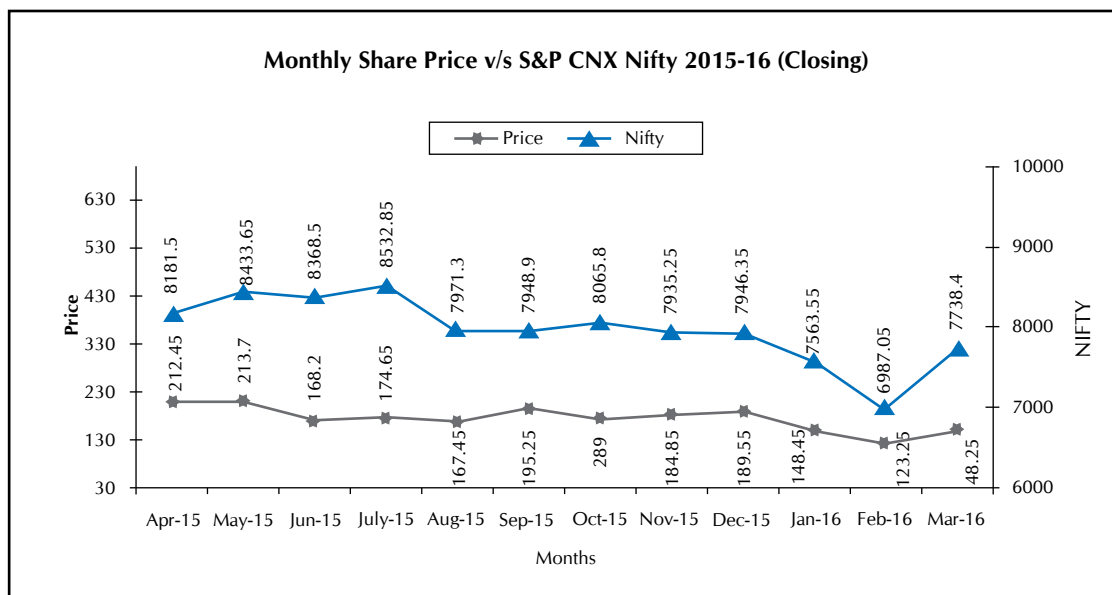
Month	BSE LIMITED("BSE")			National Stock Exchange ("NSE")		
	High (₹)	Low (₹)	Volume (No.)	High(₹)	Low(₹)	Volume(No.)
April, 2015	277	209.1	310975	278.00	208.10	11,05,901
May, 2015	258	203.3	365803	258.80	204.00	16,55,062
June, 2015	215	160.3	168003	216.00	160.35	9,08,367
July, 2015	193.2	167	138230	193.35	166.30	6,91,789
August, 2015	195.6	134.8	339018	197.00	134.10	17,51,859
September, 2015	205	158.5	257171	205.50	157.00	12,40,731
October, 2015	205	166.2	69011	205	166.30	3,79,046
November, 2015	193.4	166.2	98038	194	168.00	5,11,617
December, 2015	216	180.8	108420	234.2	180.25	7,28,601
January, 2016	196.9	146	52064	196.00	146.00	2,60,602
February, 2016	154.7	101	117898	159.00	103.10	3,23,035
March, 2016	155	122	112604	153.40	121.95	2,33,265

(vi) Performance in comparison to broad-based Indices.

The Chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the year 2015-16 (based on month end closing):



The Chart below shows the comparison of your Company's share price movement on NSE vis-à-vis the movement of the NSE Nifty for the year 2015-16 (based on month end closing):



(vii) **Registrar and Transfer Agent** : MCS Share Transfer Agent Limited
F – 65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi - 110020
Tel No. 011-41406149, Fax No. 011-41709881, E-mail: admin@mcsregistrars.com

(viii) Share Transfer System

The share transfer activities in respect of the shares in physical mode are carried out by MCS Share Transfer Agent Limited.

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

A summary of the approved transfers, transmissions, rematerialisation etc, are placed before the Board of Directors from time to time as per Listing Regulations. Your Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force) and files a copy of the said certificate with BSE & NSE.

(ix) Nomination facility for shareholding

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

(x) Distribution of Shareholding as on 31st March, 2016

No. of equity shares	Shareholders		Equity Shares	
	Nos.	% of total	Nos.	% of total
1-500	9925	88.21	948455	2.32
501-1000	592	5.26	456639	1.12
1001-2000	384	3.41	554732	1.36
2001-3000	90	0.80	224970	0.55
3001-4000	60	0.53	220390	0.54
4001-5000	36	0.32	164125	0.40
5001-10000	73	0.65	506573	1.24
10001-50000	61	0.54	1264257	3.10
50001-100000	11	0.10	835667	2.05
100001 and above	20	0.18	35619556	87.31
Total	11252	100.00	40795364	100.00

(xi) Dematerialization of Shares and liquidity as on 31st March, 2016

Category	No. of Shareholders	Percentage (%)	Shares Held	Percentage(%)
Physical	1572	13.97	255424	0.63
NSDL	6490	57.68	9553112	23.42
CDSL	3190	28.35	30986828	75.96
Total	11252	100.00	40795364	100

The 99.37% of the shareholding of the Company is in dematerialised form as on 31.03.2016 and there is sufficient liquidity in the stock.

(xii) Statement showing Public Shareholding of more than 1% of the Paid-up Capital as on 31st March, 2016

S. No.	Name of the Shareholder	Number of shares held	Shares as a percentage of total number of shares
1	Zeal Impex and Traders Pvt. Ltd.	4018968	9.85
2	Amity Infotech Pvt. Ltd	4000000	9.81
3	Anil Kumar Goel	748000	1.83
4	Premier Investment Fund Limited	945056	2.32
	TOTAL	9712024	23.81

(xiii) Shareholding pattern (%) as on 31st March, 2016

Category code	Category of Shareholder	Number of Shareholders	Percentage (%)
(A)	Shareholding of Promoter and Promoter Group		
1	Indian	16	61.97
2	Foreign	-	-
	Sub Total(A)	16	61.97

Category code	Category of Shareholder	Number of Shareholders	Percentage (%)
(B)	Public Shareholding		
1	Institutions		
(a)	Mutual Funds/ UTI	3	0.53
(b)	Financial Institutions / Banks	3	0.01
(c)	Central Government/ State Government(s)	0	0.00
(d)	Insurance Companies	1	0.01
(e)	Foreign Institutional Investors	4	2.49
	Sub-Total (B)(1)	11	3.04
2	Non-Institutions		
(a)	Bodies Corporate	266	20.93
(b)	Individual shareholders holding nominal share capital up to ₹ 2 Lacs	10720	8.29
(c)	Individual shareholders holding nominal share capital in excess of ₹ 2 Lacs	18	5.27
(d)	NRI	221	0.50
	Sub-Total (B)(2)	11225	34.99
	Total Public Shareholding (B)(1) + (B)(2)	11236	38.03
	Grand Total (A + B)	11252	100.00

(xiv) **Valuation of Shares:** The closing price of the Company's share as on 31st March, 2016 on the Stock Exchange is given below.

Sl. No.	Name of the Stock Exchanges	Share price (Amt. in ₹)
1.	BSE Limited ("BSE")	150.40
2.	National Stock Exchange of India Ltd. ("NSE")	148.25

(xv) **Market Capitalization:** Based on the closing quotation of ₹ 150.4 as at 31st March, 2016 at BSE, market capitalization of the Company works out to be ₹ 6135.62 crore.

(xvi) **Outstanding ADR/GDR/Warrants or any convertible instruments**

As on 31st March 2016, the Company has no outstanding GDR/ADR/Warrants/or any other convertible instruments

(xvii) **Plant Location**

- Plant I - Plot No. 133, Sector-24, Faridabad-121005, Haryana
Ph: +91-129-4090200 Fax: +91-129-2234230.
- Plant II - Plot No. 5, Sector-31, Kasna Industrial Area, Greater Noida-201306, Uttar Pradesh,
Ph.: +91-120-4522500, 2341417, 2341429, Fax:- +91-120-2341423.
- Plant III - 71-72, MIDC, Satpur, Nashik – 422007, Maharashtra
Ph: +91-253-2360548, Fax: +91-253-2360558.
- Plant IV - Plot No. B-2, Survey No.1, Tata Motors Vendor Park, Sanand - 382170, Ahmedabad, Gujarat
Ph: +91-2717-645180

Plant V	- Plot No. 118, Sector – 59, HSIDC, Industrial Estate, Ballabhgarh, 121004, Faridabad Haryana.
Plant VI	- A-4, Industrial Estate, Kosi Kotwan, Dist. Mathura, Uttar Pradesh.
Plant VII	- Plot No. 157-E, Sector-3, Pithampur Industrial Area - 454775, Dist. Dhar, Indore (M.P).
Plant VIII	- Plot No. SP-891, Pathredi Industrial Area, Bhiwadi - 301707, Dist. Alwar, Rajasthan.

Skill Development Centre (SDC)

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

(xviii) Investor Services

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

Mr. Vivek Gupta

Chief Financial Officer & Company Secretary
JBM Auto Limited
601, Hemkunt Chamber 89, Nehru Place,
New Delhi - 110 019, Tel.: 011-26427101-06,
Fax: 011-26511512, E-mail: vgupta@jbm.co.in

MCS Share Transfer Agent Limited

(Unit: JBM Auto Ltd.)

F – 65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi - 110020,
Tel No. 011-41406149, Fax No. 011-41709881
E-mail: admin@mcsregistrars.com

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

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

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

Exclusive E-Mail ID for Members & Investors

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

(xix) Payment of dividend through any of the electronic mode of payment facility

The Company shall use the facility of electronic clearing services, direct credit, real time gross settlement, national electronic funds transfer etc for making payment of dividend. But where it is not possible to use electronic mode of payment, 'payable-at-par' warrants or cheques will be issued and where the amount payable as dividend exceeds one thousand and five hundred rupees, the 'payable-at-par' warrants or cheques shall be sent by speed post.

(xx) Unclaimed Dividends

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund (IEPF) established by the Government. As the Company did not declare dividend in the financial year 2008-09, so the Company need not transfer any amount to the said fund.

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

S. No.	Financial year	Date of AGM in which Dividend declared	Proposed date of transfer to IEPF
1	2008-09	No Dividend declared	-
2	2009-10	20 th September, 2010	25 th October, 2017
3	2010-11	15 th September, 2011	20 th October, 2018
4	2011-12	26 th September, 2012	31 st October, 2019
5	2012-13	9 th September, 2013	14 th October, 2020
6	2013-14	24 th September, 2014	29 th October, 2021
7	2014-15	22 nd September, 2015	27 th October, 2022

9. GENERAL BODY MEETINGS

(i). Particulars of past three Annual General Meetings

AGM for the financial year	Date & Time of AGM	Venue
2014-2015	22 nd September, 2015 at 11:00 A.M	Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, A. P. S. Colony, Delhi Cantt., New Delhi - 110 010
2013-2014	24 th September, 2014 at 11:00 A.M	Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, A. P. S. Colony, Delhi Cantt., New Delhi - 110 010
2012-2013	9 th September, 2013 at 12:30 P.M	M.P.C.U. Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054

(ii) Whether any Special Resolutions passed in the previous 3 AGMs: Yes

AGM Year	Details of Special Resolution
2014-2015	i) Appointment of Mr. Sandip Sanyal (DIN: 07186909), as a Whole Time Director (to be designated as an "Executive Director") for a period of 5 (Five) years ii) To Roll over the redemption of Preference Shares issued to M/s Neel Metal Products Limited for a further period of 6 (Six) years from the date of roll over
2013-2014	i) Re-appointment of Mr. Hans Raj Saini as Executive Director for a period of 1 year w.e.f June 7, 2014. ii) Alteration of Capital Clause of the Memorandum of Association of the Company iii) Approval for Issue of Securities
2012-2013	Pursuant to section 81(1A) of the Companies Act, 1956, approval for issue of Shares on Private Placement basis not exceeding ₹ 30,00,00,000/- (Rupees Thirty crore only).

(iii) Postal Ballot

No Postal Ballot was conducted during the financial year 2015-16.

10. MEANS OF COMMUNICATION

(i) Publication of quarterly results:

Quarterly, half-yearly and annual financial results of the Company were published in leading newspapers Financial Express, Business Standard (English) English Editions; and in Jansatta, Business Standard, New Delhi (Hindi Language) Hindi Edition.

(ii) Website:

In compliance with the Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly/Half yearly/ Nine-months and Annual financial results along with the applicable policies of the Company etc.

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

- Details of Business
- Details of establishment of Vigil Mechanism/ Whistle Blower Policy
- Criteria of making payments to Non-Executive Directors.
- Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances.
- Details of agreements entered into with the media companies and/or their associates.
- Quarterly/Half Yearly/ Annual Financial Results
- Shareholding Pattern
- Corporate disclosures made to Stock exchanges
- Unpaid Dividends
- Various Policies, etc.
- Terms and Conditions of appointment of Independent Directors;
- Composition of various committees of Board of Directors;
- Code of Conduct of Board of Directors and Senior Management Personnel;
- Details of familiarization programmes imparted to Independent Directors including the following details:-

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

(iii) Stock Exchange

Your Company makes timely disclosures of necessary information to the BSE Limited and the National Stock Exchange of India Limited in terms of the Listing Regulations and other rules and regulations issued by the SEBI.

(iv) NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & the Listing Centre:

NEAPS is a web-based application designed by NSE for corporates.

BSE Listing is a web-based application designed by BSE for corporates.

All periodical compliance filing viz. Shareholding Pattern, Corporate Governance Report, Corporate Announcements, Financial Results, etc. are made electronically through using NEAPs and Corp-filing portal of NSE & BSE respectively.

(v) SCORES (SEBI Complaints Redressal System)

SEBI commenced processing of investor complaints in a centralized web based complaints redressal system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

11. GREEN INITIATIVE IN CORPORATE GOVERNANCE

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

12. CORPORATE GOVERNANCE CERTIFICATE

The Secretarial Auditor's certificate on corporate governance is attached.

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

COMPLIANCE WITH CODE OF CONDUCT AND ETHICS

As provided under Regulation 17 and 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel of the Company have confirmed the compliance with the Code of Conduct and Ethics for the year ended 31st March 2016.

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

Place: Gurugram (Haryana)
Date: 30th May, 2016

For JBM Auto Limited
Sd/-
Sandip Sanyal
(Executive Director)

CEO / CFO CERTIFICATION

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

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading
 - ii. these statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct
- c. We accept responsibility of establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiency in the design or operations of such internal control, if any, of which we are aware and the steps we have taken to rectify these deficiencies
- d. We have indicated to the Auditors and the Audit Committee:
 - i. significant changes in such internal control during the year, if any;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any;
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system for financial reporting.

Yours faithfully
Sd/-
(Sandip Sanyal)
Executive Director

Place: Gurugram (Haryana)
Date: 30th May, 2016

Sd/-
(Vivek Gupta)
Chief Financial Officer
& Company Secretary

CERTIFICATE ON CORPORATE GOVERNANCE

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

We, have examined the compliance of conditions of Corporate Governance by JBM Auto Limited (hereinafter referred to as "the Company"), for the year ended 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in regulation 15(2) of the Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

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

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

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

Place: New Delhi
Date: 30th May, 2016

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying standalone financial statements of **JBM Auto Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate Internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as on 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "Annexure A" our report on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the Directors as on 31st March 2016, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2016, from being appointed as a Director in terms of section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial Statements- **Refer Note 17** to the financial statements.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts-**Refer Note 21** to the financial statements.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Nitish Kumar Chugh
Partner
M. NO.: 512742

Place: Gurugram (Haryana)
Dated: 30th May 2016

ANNEXURE A (Referred to in paragraph 1 of our report of even date)

(i) In respect of Fixed Assets:

- (a) The company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The fixed assets covering significant value have been physically verified by the management during the year, which in our opinion is reasonable, having regards to the size of the Company and the nature of its business. On the basis of the information and explanations given by the management, no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company *except leasehold land at Singur, West Bengal and leasehold land at Sector 24 Faridabad, Haryana.*

(ii) In respect of Inventory:

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 31st March 2016, 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.

In our opinion and according to the information and explanations given to us, discrepancies noticed on physical verification were not material and these have been properly dealt with in the books of account.

- (iii) In our opinion and according to information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to information and explanations given to us, the company has not given any loan, made any investments, given any guarantees, or provided any securities covered under section 185 and 186 of the Companies Act, 2013 during the year.
- (v) To the best of our knowledge and according to information and explanations given to us, the company has not accepted any deposits covered under section 73 or any other provisions of the Companies Act, 2013.
- (vi) To the best of our knowledge and according to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of Statutory dues:
 - (a) The company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities, *however there has been a slight delay in few cases.* Also there were no undisputed dues in arrears as at 31st March, 2016 for a period of more than six months from the date they become payable.

- (b) The disputed statutory dues of Income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax aggregating ₹ 2959.62 Lacs (net of paid under protest) that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of the Dues	Period to which the amount Pertains	Amount (₹ in Lacs)	Forum where dispute is pending
Haryana Value Added Tax Act, 2003	Sales Tax & Penalty/ Interest	Financial Year 2011-12	793.50	Joint Excise & Taxation Commission
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax & Penalty/ Interest	Financial Year 2009-10	40.15	Addl. Comm. (Appeal), Noida
	Sales Tax & Penalty/ Interest	Financial Year 2011-12	6.75	Addl. Comm. (Appeal), Noida
Central Sales Tax Act, 1956	CST	Financial Year 2010-11	564.00	Addl. Comm. (Appeal), Noida
Finance Act, 1994 (Service Tax Provisions)	Excise Duty & Penalty	Financial Year 1999-2000	30.72	CCE(A)- Delhi-I
	Service Tax & Penalty	Financial Year 2001-02	15.53	CCE(A), Delhi-I
	Service Tax & Penalty	Financial Year 2001-02	8.30	CCE- Delhi-IV, Fbd.
The Central Excise Act, 1944	Excise Duty & Penalty	Financial Year 2000-01	7.72	CESTAT - Delhi
	Excise Duty & Penalty	Financial Year 2007-08	226.56	CESTAT / CCE- Delhi-IV, Fbd.
	Excise Duty & Penalty	Financial Year 2008-09	86.26	CESTAT - Delhi / CCE- Delhi-IV, Fbd.
	Excise Duty & Penalty	Financial Year 2006-07	6.08	CESTAT - Delhi
	Excise Duty & Penalty	Financial Year 2009-10	4.54	CESTAT, East Zonal Bench, Kolkata
	Excise Duty & Penalty	Financial Year 2010-11 & 2011-12	275.06	Writ petition HC- Mumbai.
	Excise Duty & Penalty	Financial Year 2010-11	110.40	CESTAT, West Zonal Bench, Ahmedabad
Custom Act, 1962	Custom Duty	Financial Year 2011 - 2014	168.29	Principal Commissioner of Customs, (Import) ICD, TKD, New Delhi
Income Tax Act, 1961	Income Tax	Assessment Year 2008-09	2.71	ITAT
	Income Tax	Assessment Year 2009-10	16.61	ITAT
	Income Tax	Assessment Year 2010-11	54.13	ITAT
	Income Tax	Assessment Year 2011-12	126.21	ITAT
	Income Tax	Assessment Year 2012-13	194.92	ITAT
	Income Tax	Assessment Year 2013-14	202.85	CIT(Appeal)
	Penalty	Assessment Year 2010-11	3.33	CIT(Appeal)
	Penalty	Assessment Year 2011-12	15.00	CIT(Appeal)

- (viii) To the best of our knowledge and according to information and explanations given to us, the company has not defaulted in repayment of loan or borrowing to financial Institution, Banks, Government or dues to Debenture holders.
- (ix) To the best of our knowledge and according to information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purpose for which the loans were obtained.
- (x) Based upon the audit procedure performed and information and explanations given by the Management, no frauds by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

- (xi) To the best of our knowledge and according to information and explanations given to us, Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) To the best of our knowledge and according to information and explanations given to us, the company is not a Nidhi Company.
- (xiii) To the best of our knowledge and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements, as required by the Accounting Standards.
- (xiv) To the best of our knowledge and according to information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. However during the year Redeemable Preference Shares has been rolled over for a period of 6 years.
- (xv) To the best of our knowledge and according to information and explanations given to us, the company the company has not entered into any non-cash transactions with Directors or persons connected with him.
- (xvi) To the best of our knowledge and according to information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India, Act, 1934.

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

Place: Gurugram (Haryana)
Dated: 30th May 2016

Nitish Kumar Chugh
Partner
M. NO.: 512742

ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **JBM Auto Limited** ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Gurugram (Haryana)
Dated: 30th May 2016

Nitish Kumar Chugh
Partner
M. NO.: 512742

Balance Sheet

as at 31st March, 2016

(₹ In Lacs)

Particulars	NOTE NO.	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
I. EQUITY AND LIABILITIES			
Shareholders' Funds	2		
(a) Share Capital		3039.77	3039.77
(b) Reserves and Surplus		17747.13	16150.82
		20786.90	19190.59
Non-Current Liabilities	3		
(a) Long term borrowings		7787.09	9784.48
(b) Deferred Tax Liability (Net)		2186.89	2173.31
(c) Other Long term Liabilities		43.63	174.53
		10017.61	12132.32
Current Liabilities	4		
(a) Short-term borrowings		12960.66	13063.00
(b) Trade payables		20614.35	10352.94
(c) Other current liabilities		6519.06	6056.33
(d) Short-term provisions		990.55	1462.47
		41084.62	30934.75
TOTAL		71889.13	62257.66
II. ASSETS			
Non-current assets			
(a) Fixed Assets (Net)	5		
(i) Tangible Assets		23473.92	23876.68
(ii) Intangible Assets		5095.22	4799.14
(iii) Capital Work in Progress		690.50	196.77
(iv) Intangible asset under Development		1727.82	437.71
(b) Non-current investments	6	7132.78	7132.78
(c) Long term loans and advances	7	1467.24	211.21
(d) Other non-current assets	8	-	107.74
		39587.48	36762.03
Current assets	9		
(a) Inventories		15758.73	8901.82
(b) Trade receivables		12152.63	12383.67
(c) Cash and Bank Balances		298.25	402.23
(d) Short term Loans & advances		1482.66	1865.71
(e) Other current assets		2609.38	1942.19
		32301.65	25495.62
TOTAL		71889.13	62257.66
Significant Accounting Policies	1		

Notes 1 to 36 form integral part of Financial Statements

As per our report attached
For Mehra Goel & Co.
Chartered Accountants
FRN: 000517N

Nitish Kumar Chugh
Partner
M.No. 512742

Surendra Kumar Arya
Chairman
DIN 00004626

Nishant Arya
Director
DIN 00004954

Mahesh Kumar Aggarwal
Director
DIN 00004982

Ashok Kumar Agarwal
Director
DIN 00003988

Place : Gurugram (Haryana)
Dated : 30th May, 2016

Sandip Sanyal
Executive Director
DIN 07186909

Vimal Vasisht
Director
DIN 06928805

Vivek Gupta
Chief Financial Officer
& Company Secretary

Statement of Profit and Loss

for the year ended 31st March, 2016

(₹ In Lacs)

Particulars	NOTE NO.	Figures for the current reporting period	Figures for the Previous reporting period
I. Revenue from Operations			
Gross Revenue from Operations	10	64833.86	68346.41
Less : Excise duty/Service tax		8139.35	8335.65
Net Revenue from Operations		56694.50	60010.76
II. Other Income	11	1122.30	839.32
III. Total Revenue (I + II)		57816.81	60850.08
IV. EXPENSES			
Cost of materials consumed		42607.04	42205.17
Changes in inventories of finished goods & work in progress	12	(5372.73)	(285.48)
Employee benefits expense	13	7163.17	5848.43
Finance costs	14	2840.59	2122.39
Depreciation and amortization expense		2100.68	1591.48
Other expenses	15	6001.81	5652.09
TOTAL EXPENSES		55340.56	57134.08
V. Profit before exceptional and extraordinary items and tax (III-IV)		2476.25	3716.00
VI. Exceptional items		-	201.51
VII. Profit before tax (V + VI)		2476.25	3917.51
VIII. Tax Expense			
(1) Current year		433.07	752.43
(2) MAT Adjusted		(433.07)	(428.04)
(3) Deferred tax		13.58	232.83
		13.58	557.22
IX. Profit after tax for the year (VII-VIII)		2462.67	3360.30
X Earnings per equity share:	16		
(1) Basic		5.84	8.04
(2) Diluted		5.84	8.04
Significant Accounting Policies	1		

Notes 1 to 36 form integral part of Financial Statements

As per our report attached
For Mehra Goel & Co.
 Chartered Accountants
 FRN: 000517N

Nitish Kumar Chugh
 Partner
 M.No. 512742

Surendra Kumar Arya
 Chairman
 DIN 00004626

Nishant Arya
 Director
 DIN 00004954

Mahesh Kumar Aggarwal
 Director
 DIN 00004982

Ashok Kumar Agarwal
 Director
 DIN 00003988

Place : Gurugram (Haryana)
 Dated : 30th May, 2016

Sandip Sanyal
 Executive Director
 DIN 07186909

Vimal Vasisht
 Director
 DIN 06928805

Vivek Gupta
 Chief Financial Officer
 & Company Secretary

Cash Flow Statement

For the year 2015-16

(₹ In Lacs)

Particulars	March, 2016		March, 2015	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax and extraordinary items		2476.25		3917.51
Adjustment for :				
Depreciation	2100.68		1591.48	
Finance Cost	2741.29		2064.92	
Unrealised Exchange loss/(Gain) (Net)	10.56		30.41	
Interest income	(17.50)		(19.13)	
Loss/(Profit) on sale of assets (Net)	(42.70)		(4.06)	
Bad Debts/Provision for Doubtful Debts	3.74		3.98	
Dividend Income	(451.95)	4344.12	(367.80)	3299.80
Operating Profit before Working Capital Changes		6820.37		7217.30
Adjustment for :				
Trade and other receivables	(837.21)		2212.30	
Inventories	(6863.92)		(1505.38)	
Trade and other liabilities	9837.86	2136.72	(5291.62)	(4584.71)
Cash Generated From Operations		8957.09		2632.59
Direct taxes paid (Net)	(613.43)	(613.43)	(771.33)	(771.33)
Net Cash From Operating activities		8343.66		1861.26
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of fixed assets/CWIP	(4039.65)		(6601.93)	
Proceeds from sale of fixed assets	129.64		19.00	
Interest received	17.50		19.13	
Dividend received	451.95		367.80	
Net Cash used in Investing activities		(3440.57)		(6196.00)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of long term loans	(3590.68)		(2321.43)	
Proceeds from long term loans	2720.18		7758.30	
Increase/(Decrease) in Short Term Loans	(110.27)		1649.26	
Interest paid	(2747.70)		(2264.74)	
Dividend/Dividend Tax Paid	(1278.59)		(350.90)	
Net cash flow from financing activities		(5007.06)		4470.50
Net Increase in Cash and Bank balance		(103.98)		135.77
Cash and cash equivalents (Opening Balance)		402.23		266.46
Cash and cash equivalents (Closing Balance)		298.25		402.23

Notes:

- The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on "Cash Flow Statement"
- Trade and other receivables includes loans and advances.
- The previous year figures have been regrouped/ rearranged wherever considered necessary.
- Cash and Cash equivalents includes ₹ 10.36 Lacs (Previous Year ₹ 6.47 Lacs) in respect of unclaimed dividend, the balance of which is not available to the company.
- Figures in bracket represents cash outflow

Notes 1 to 36 form integral part of Financial Statements

As per our report attached

For Mehra Goel & Co.

Chartered Accountants

FRN: 000517N

Nitish Kumar Chugh

Partner

M.No. 512742

Surendra Kumar Arya

Chairman

DIN 00004626

Nishant Arya

Director

DIN 00004954

Mahesh Kumar Aggarwal

Director

DIN 00004982

Ashok Kumar Agarwal

Director

DIN 00003988

Place : Gurugram (Haryana)

Dated : 30th May, 2016

Sandip Sanyal

Executive Director

DIN 07186909

Vimal Vasisht

Director

DIN 06928805

Vivek Gupta

Chief Financial Officer

& Company Secretary

Notes Forming Part of Financial Statements

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

b) USE OF ESTIMATES

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

c) REVENUE/EXPENDITURE RECOGNITION

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

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

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

d) GOVERNMENT GRANTS

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

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

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

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

e) EXTRA-ORDINARY ITEMS

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

f) EXCEPTIONAL ITEMS

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

g) FIXED ASSETS

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

Notes Forming Part of Financial Statements

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

h) ASSETS IN THE COURSE OF CONSTRUCTION

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

i) INTANGIBLE ASSETS

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

- | | |
|---|------------|
| a) Computer software | – 3 years |
| b) Technical know-how | – 5 years |
| c) License fees, Design, Technical know-how & Prototype Related to Bus Division | – 10 years |

j) IMPAIRMENT OF ASSETS

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

k) DEPRECIATION

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

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

Individual assets costing ₹ 5000/- or less are depreciated in full, at the time of purchase. Depreciation on incremental cost arising on account of translation of foreign currency liabilities for acquisition of fixed assets is provided as aforesaid over the residual life of the respective assets.

l) INVENTORIES

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

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

Finished Goods and Work in Process valued at raw material cost plus cost of conversion and other costs incurred in bringing the inventory to its present location and condition

By Product and Scrap are valued at net realizable value.

m) INVESTMENTS

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

Notes Forming Part of Financial Statements

n) FOREIGN EXCHANGE TRANSACTIONS

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

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

o) BORROWING COST

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

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

p) EMPLOYEE'S BENEFITS

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

q) CLAIMS

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

r) EXCISE DUTY

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

s) RESEARCH AND DEVELOPMENT COSTS

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

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

Notes Forming Part of Financial Statements

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

t) TAX EXPENSE

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

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

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted as on the balance sheet date.

Deferred tax asset arising from temporary differences are recognized to the extent there is virtual certainty of realization of asset in future.

u) PROPOSED DIVIDEND

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

v) PROVISION AND CONTINGENT LIABILITY

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

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

w) DERIVATIVE FINANCIAL INSTRUMENTS

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

x) CONTINGENCIES & COMMITMENTS

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

Notes Forming Part of Financial Statements

NOTE 2 : SHAREHOLDERS' FUND

		(₹ In Lacs)	
		March, 2016	March, 2015
(a)	SHARE CAPITAL		
A.	Authorised		
	8,00,00,000 (P.Y. 8,00,00,000) Equity Shares of ₹ 5/- each	4000.00	4000.00
	1,00,00,000 (P.Y. 1,00,00,000) Preference Shares of ₹ 10/- each	1000.00	1000.00
		5000.00	5000.00
B.	Issued, Subscribed and Paid Up		
	4,07,95,364 (P.Y. 4,07,95,364) Equity Shares of ₹ 5/- each fully paid up	2039.77	2039.77
	50,00,000 (P.Y. 50,00,000) 8% Non-Cumulative Redeemable Preference Shares of ₹10/- each [Redeemable after 6 years from the date of allotment i.e. 25th December, 2015]	500.00	500.00
	50,00,000 (P.Y. 50,00,000) 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each [Redeemable after 6 years from the date of allotment i.e. 14th February 2014]	500.00	500.00
		3039.77	3039.77
i)	Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.		
	Number of equity shares outstanding at the beginning of the year	40795364	10198841
	Add: Increase in number of shares due to split/sub-division of equity share.	-	10198841
	Add: Number of Bonus shares issue during the year	-	20397682
	Number of equity shares outstanding at the end of the year	40795364	40795364
	Number of Preference Shares outstanding at the beginning of the year	10000000	10000000
	Add: Number of Preference Shares issued during the year	5000000	-
	Less : Number of Preference Shares redeemed during the year	(5000000)	
	Number of Preference Shares outstanding at the end of the year	10000000	10000000
ii)	Terms/rights attached to equity shares and preference share		
a)	The company has one class of equity shares having par value of ₹ 5/- per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of Director is subject to the approval of shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.		
b)	In F.Y. 2009-10, the Company issued 50,00,000 (Fifty Lacs) Non Cumulative Redeemable Preference Share of ₹ 10/- (Rupees Ten only) each at a premium of ₹ 50/- (Rupees Fifty only) per share. Preference Share carry non cumulative dividend @ 8% p.a and does not have voting rights. Such preference shares are redeemable after six years from the date of allotment i.e. 26th December, 2009 the same has been rolled over during the year for a period of 6 years. During the F.Y. 2013-14, the Company has issued 50,00,000 (Fifty Lacs) Non Cumulative Redeemable Preference Share of ₹ 10/- (Rupees Ten only) each at a premium of ₹ 50/- (Rupees Fifty only) per share. Preference Share carry non cumulative dividend @ 8% p.a and does not have voting rights. These preference shares are redeemable after six years from the date of allotment i.e. 14th February, 2014. In the event of liquidation of the Company, the holders of preference shares will have priority over equity shares in payment of dividend and repayment of capital.		
iii)	Share holding Pattern (Refer Note no .18)		
iv)	Aggregate number of shares issued as bonus share during 5 year immediately preceding March ,2016		
	The company has allotted 2,03,97,682 fully paid up equity shares of face value ₹ 5 each during the year ended 31.03.2015.		

Notes Forming Part of Financial Statements

		(₹ In Lacs)	
		March, 2016	March, 2015
(b) RESERVES AND SURPLUS			
A. Securities Premium Account			
As per last Balance Sheet	4985.79	6005.67	
Less: Utilised on issue of Bonus share	-	(1019.88)	
	4985.79	4985.79	
B. General Reserve			
As per last Balance Sheet	762.45	669.00	
Add : Transferred from Surplus balance	50.00	150.00	
Less : Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013	-	(56.55)	
	812.45	762.45	
C. Surplus			
As per last Balance Sheet	10402.58	8438.55	
Add:- Profit after tax for the Year	2462.67	3360.30	
Less:- Appropriations			
- Dividend on Preference Shares Paid	(29.51)	-	
- Dividend on Preference Shares Proposed	(50.49)	(80.00)	
- Dividend on Equity Shares Proposed*	(713.92)	(1019.88)	
Dividend Tax**			
- Equity Shares	(72.43)	(146.38)	
Transfer to General Reserve	(50.00)	(150.00)	
Closing Balance	11948.90	10402.58	
TOTAL (A + B + C)	17747.13	16150.82	

* The board of Director has recommended a final dividend of ₹ 1.75 per share(P.Y ₹ 2.5 per share) having face value of ₹ 5 each which is subject to the approval of the shareholders in the ensuing Annual General meeting.

** The company had during the year 2015-16 received dividend from subsidiaries company amounting to ₹ 451.95 Lacs on which corporate dividend tax was paid by the subsidiaries company under the provision of section 115(O) of Income Tax Act 1961. Dividend tax on proposed dividend has been provided accordingly.

NOTE 3:- NON CURRENT LIABILITIES

		(₹ In Lacs)	
		March, 2016	March, 2015
(a) LONG TERM BORROWINGS			
A. SECURED			
Term Loan from banks			
In Foreign Currency*	185.94	878.28	
In Rupee**	8635.61	11492.82	
Vehicle Loans From Banks***	1.14	12.11	
Term loan From Other			
In Rupee****	2500.00	-	
	11322.69	12383.22	
Less: Current Maturities of long term borrowings	3535.61	2598.74	
	7787.09	9784.48	

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

Notes Forming Part of Financial Statements

- **** Term Loan of ₹ 180.00 Lacs is secured by First Pari Passu charge on the entire movable fixed assets including plant & machinery situated at Sanand, Gujrat unit of the company and by First Pari Passu charge by way of equitable mortgage on the immovable property situated at Nashik, Maharastra unit of the company . The Term Loan of ₹ 865.53 Lacs is secured by First Pari Passu charge by way of Equitable Mortgage of leasehold land situated at Sanand, Gujrat subleased by Tata Motors Limited & on the movable fixed assets including plant & machinery situated at Sanand, Gujarat unit of the Company. Term loan of ₹ 1387.50 Lacs is secured by First Pari-Passu charge(shared by DBS) on the movable and immovable fixed assets of Indore, Greater Noida & Faridabad and Second Pari-Passu charge of the on all the current assets of the company both present and future situated at faridabad, Indore & Greater Noida.
- Term loan of ₹ 2031.25 Lacs is secured by First Pari Passu charge on the entire movable and immovable assets of Indore unit located at plot no 157 E sec-3, pitampura Industrial area, Dhar - 454775 ,Indore , Madhya Pradesh, both present and future and also the entire movable and immovable assets situated at Greater Noida and Faridabad, both present and future. Second Pari Passu charge on the entire current assets of the company both present and future situated at Faridabad, Indore and Greater Noida Units.
- Term loan of ₹ 4171.54 Lacs is secured by First Pari Passu charge on both movable and immovable fixed assets of the Company at Indore, Greater Noida and Faridabad plant (both present & future) Second Pari Passu charge on the current assets Indore, Greater Noida and faridabad Plants (both present & future)
- ***** Secured by hypothecation of specific vehicles.
- ****** Term loan of ₹ 2500 Lacs has exclusive charge on plant & machinery of the Company with a minimum asset cover of 1.50X (as per WDV) as acceptable by the lender. Second Pari pasu charge on all current assets of Sanand unit, both present and future.

Term of Repayment of Loan	₹ In Lacs	No. of Quarterly/ Monthly installments	Balance Installment	Rate of interest
Foreign Currency Loan	185.94	16 Quartely	1	3 Months USD LIBOR Linked rate
Rupee Loan	865.53	20 Quartely	3	Base Rate Linked Rate
Rupee Loan	180.00	20 Quartely	2	Base Rate Linked Rate
Rupee Loan	2031.25	16 Quartely	13	Base Rate Linked Rate
Rupee Loan	1387.50	16 Quartely	12	Base Rate Linked Rate
Rupee Loan	2088.20	16 Quartely	14	Base Rate Linked Rate
Rupee Loan	2083.14	48 Monthly	40	Base Rate Linked Rate
Rupee Loan	2500.00	16 Quartely	16	Base Rate Linked Rate

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

		(₹ In Lacs)	
		March, 2016	March, 2015
(b)	DEFERRED TAX LIABILITY (NET)		
	Timing Differences on account of		
	1) Deferred Tax liability		
	- Difference between book depreciation & depreciation under Income Tax Act 1961.	2572.53	2284.80
	2) Deferred Tax Assets		
	- Provision for Doubtful debts	(14.21)	(14.47)
	- Claim under Sec43 (B) of Income tax Act	(94.83)	(67.90)
	- Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013	-	(29.12)
	- Unabsorbed Depreciation (Refer note 27)	(276.60)	-
	3) Net Deferred Tax liability (1-2)	2186.89	2173.31
(c)	OTHER LONG TERM LIABILITIES		
	Payable for capital goods	43.63	174.53
		43.63	174.53

Notes Forming Part of Financial Statements

NOTE 4:- CURRENT LIABILITIES

		(₹ In Lacs)	
		March, 2016	March, 2015
(a)	SHORT TERM BORROWINGS		
A.	SECURED		
	Loans from Banks		
	- Cash Credit*	1799.42	976.79
	- Working Capital Demand Loans*	8100.00	7500.00
	- Buyers credit / External Commercial Borrowing*	280.28	848.74
		10179.71	9325.52
B.	UNSECURED		
	Loans from Banks		
	- Working Capital Loan From Bank**	2780.95	3737.48
		12960.66	13063.00
* Secured by hypothecation on pari passu interse between banks by way of first charge on current assets of the company (excluding current assets of Sanand, Gujarat unit and Indore, Madhya Pradesh unit) and by way of second charge on entire moveable assets of the company (excluding moveable assets of Sanand, Gujarat unit) both present and future. Facility utilised of ₹400.00 Lacs is secured by exclusive first charge on the entire current assets of Sanand, Gujrat unit of the Company and second charge on movable fixed assets including plant and machinery at Sanand, Gujrat unit of the Company, both present and future, further secured by second paripassu by way of equitable mortgage on immovable property situated at Nashik, Maharashtra unit of the Company.			
** Represents bills discounted with bankers			
(b)	TRADE PAYABLES*	20614.35	10352.94
		20614.35	10352.94
* In terms of Section 22 of Micro, Small & Medium Enterprises Development Act 2006, the outstanding to these enterprises are required to be disclosed. However, these enterprises are required to get registered under the Act. On communicating with them no enterprise has filed any registration certification with the Company. Hence, the disclosure of required information is not applicable.			
(c)	OTHER CURRENT LIABILITIES		
	Current maturities of Long term borrowings	3535.61	2598.74
	Interest accrued but not due on borrowings	100.55	96.95
	Interest accrued and due on borrowings	11.06	21.07
	Unpaid/Unclaimed Dividend	10.36	6.47
		3657.58	2723.23
	Other payables		
	Payable for Capital Goods	368.95	413.13
	Statutory Dues Payable	135.70	150.83
	Employee related Liabilities	338.18	254.79
	Advance from customers	1587.51	2003.93
	Others	431.13	510.43
		2861.47	3333.10
		6519.06	6056.33
(d)	SHORT TERM PROVISIONS		
	Provision for employee benefits	156.52	162.53
	Provision for Income tax (Net of Advance tax)	-	53.67
	Provision for Proposed Dividend		
	- Preference Shares	50.49	80.00
	- Equity Shares	713.92	1019.88
	Provision for Dividend Tax on Proposed Dividend	69.62	146.38
		990.55	1462.47

Notes Forming Part of Financial Statements

NOTE 5 : FIXED ASSETS

Description	Gross Block				Depreciation				Net Block			
	As at 01.04.2015	Additions during the year	Other Adjustments*	Sales/ Disposal during the year	Total as at 31.03.2016	As at 01.04.2015	For the year	Other Adjustments**	Written Back/ Adjustment on sales/disposal	Total as at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Tangible Assets												
Land (Freehold)	254.93	-	-	-	254.93	-	-	-	-	-	254.93	254.93
Land (Lease Hold)	2758.93	-	-	-	2758.93	149.91	44.99	-	-	194.90	2564.03	2609.02
Building	6281.67	232.61	-	25.43	6488.85	677.59	200.39	-	-	877.97	5610.88	5604.08
Plant & Machinery	22684.84	733.61	(2.52)	185.72	23230.40	7770.36	1069.27	-	130.17	8709.46	14520.93	14914.47
Furniture & Fixtures	193.96	33.88	-	-	227.84	98.14	23.27	-	-	121.41	106.43	95.82
Office Equipments	561.15	120.19	-	3.84	677.50	325.91	87.42	-	2.51	410.82	266.68	235.24
Vehicles	309.09	30.36	-	36.53	302.92	145.98	37.50	-	30.59	152.89	150.03	163.11
Total	33044.56	1150.65	(2.52)	251.53	33941.37	9167.88	1462.84	-	163.27	10467.46	23473.92	23876.68
Intangible Assets												
Computer Software	405.31	3.69	-	-	409.00	333.18	30.94	-	-	364.12	44.88	72.13
Technical Know-how	951.67	9.55	49.03	-	1010.24	187.62	192.85	-	-	380.47	629.77	764.04
Prototype	2572.61	871.66	-	-	3444.27	10.39	273.03	-	-	283.42	3160.85	2562.22
Licence fees	1406.81	-	-	-	1406.81	6.06	141.03	-	-	147.09	1259.73	1400.76
Total	5336.40	884.89	49.03	-	6270.33	537.26	637.84	-	-	1175.10	5095.22	4799.14
Total	38380.96	2035.55	46.51	251.53	40211.69	9705.14	2100.68	-	163.27	11642.56	28569.14	28675.82
Previous year	27792.11	10516.91	146.40	74.46	38380.96	8077.53	1620.86	56.30	49.54	9705.14	28675.82	19714.58
Capital Work in Progress											2418.32	634.48

NOTES :-

* Other Adjustments includes loss of ₹ 46.51 Lacs (P.Y. ₹ 129.05 Lacs) on account of Exchange Fluctuation and NIL (P.Y. ₹ 29.38) Lacs on account of depreciation capitalised and NIL (P.Y. ₹ 304.43 Lacs) on account of borrowing cost.

** Other Adjustments includes NIL (P.Y. ₹ (29.38) Lacs) depreciation Capitalised and impact of transitional adjustment for depreciation as per schedule to the companies act, 2013 amounting to NIL (P.Y. ₹ 85.68 Lacs)

1. The Lease hold Land at Faridabad amounting to ₹ 36.37 Lacs is yet to be registered in the name of the Company. The Company has obtained "No Objection Certificate" from lessor to get registration of same in the name of the Company.
2. Lease hold land includes land at Singur in West Bengal amounting to ₹ 156.11 Lacs is yet to be registered in the name of the company.
3. The Company has adopted component accounting as required under schedule II to the companies act, 2013 from 01st April, 2015. The reassessed useful life of the components identified is in line with the existing useful life of the assets used by the company for the purpose of depreciation. The impact of this reassessment is not material.

Notes Forming Part of Financial Statements

NOTE 6: NON CURRENT INVESTMENTS

	(₹ In Lacs)	
	March, 2016	March, 2015
TRADE- UNQUOTED (fully paid up) at Cost		
Investment in Equity Instrument		
Subsidiaries		
11,219,994 (P.Y. 11,219,994) Equity Share of ₹ 10/- each fully paid up of JBM Ogihara Automotive India Limited	1122.00	1122.00
1,83,90,000 (P.Y. 1,83,90,000) Equity Shares of ₹10/- each fully paid up of JBM Auto System Private limited	2945.82	2945.82
Joint Ventures		
3,04,49,600 (P.Y. 3,04,49,600) Equity Shares of ₹ 10/- each fully paid up of JBM MA Automotive Private Limited	3044.96	3044.96
2,00,000 (P.Y. 2,00,000) Equity Shares of ₹ 10/ each fully paid up of INDO Tooling Private Limited.	20.00	20.00
	7132.78	7132.78
Aggregate value of unquoted investment	7132.78	7132.78

NOTE 7: LONG TERM LOANS AND ADVANCES

	(₹ In Lacs)	
	March, 2016	March, 2015
(Unsecured, considered good)		
Capital advances	142.56	33.39
Security Deposit	207.32	177.83
Mat Recoverable	1117.36	-
	1467.24	211.21

NOTE 8: OTHER NON CURRENT ASSETS

	(₹ In Lacs)	
	March, 2016	March, 2015
Hedging Gain Recoverable	-	107.74
	-	107.74

NOTE 9: CURRENT ASSETS

	(₹ In Lacs)	
	March, 2016	March, 2015
(a) INVENTORIES		
Raw material	6487.03	4674.84
Raw Material in transit	-	401.04
Work in process	8535.25	3154.67
WIP in transit	127.96	20.45
Finished Goods	67.21	75.06
Stores, spares & consumables	507.96	485.33
Scrap	33.32	90.44
	15758.73	8901.82

Notes Forming Part of Financial Statements

(₹ In Lacs)		
	March, 2016	March, 2015
(b) TRADE RECEIVABLES		
(Unsecured, considered good)		
Debts overdue for more than six months for due date		
- Considered good	400.77	348.33
- Considered doubtful	45.98	42.58
	446.75	390.91
Less: Provision for doubtful debts	45.98	42.58
	400.77	348.33
Other debts, considered good	11751.86	12035.34
	12152.63	12383.67
(c) CASH AND BANK BALANCE		
A Cash and Cash Equivalents		
Cash in hand	14.25	15.93
Balances with Banks		
- In Current account	229.71	333.85
- In Unpaid Dividend account	10.36	6.47
Deposits for less than 3 Months Maturity*	38.87	44.14
B Other Bank balances		
In Fixed Deposit account (3-12 Months Maturity)*	5.06	1.84
	298.25	402.23
* Under Bank's lien and includes Interest Accrued ₹ 3.24 Lacs (P.Y. ₹ 3.54 Lacs) there on		
(d) Short Term Loans & advances		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	670.84	439.32
Advance to suppliers	685.13	742.10
MAT Credit	-	684.29
Advance income tax (Net of provision)	126.69	-
	1482.66	1865.71
(e) Other Current Asset		
Balance of Modvat/ Cenvat	2220.54	1529.97
Sales Tax/VAT Recoverable	328.52	269.80
Hedging Gain Recoverable	60.33	142.41
	2609.38	1942.19

NOTE 10: REVENUE FROM OPERATIONS

(₹ In Lacs)		
	March, 2016	March, 2015
Sale of Products	60828.09	62869.21
Sale of Services	653.61	849.04
Other operating Revenue	3352.17	4628.16
Gross Revenue from Operations	64833.86	68346.41

Notes Forming Part of Financial Statements

NOTE 11: OTHER INCOME

	(₹ In Lacs)	
	March, 2016	March, 2015
Dividend from Subsidiary	451.95	367.80
Interest (TDS ₹ 0.37 Lacs (P.Y. ₹ 0.39 Lacs)	17.50	19.13
Profit on Sale of Fixed Assets (Net)	42.70	4.06
Royalty (TDS ₹ 11.24 Lacs (P.Y. ₹ 11.90 Lacs)	112.42	119.00
Subsidy	488.11	313.96
Miscellaneous Income	9.63	15.37
	1122.30	839.32

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

	(₹ In Lacs)	
	March, 2016	March, 2015
Opening stocks :		
Work in process	3154.67	2828.88
Finished goods	75.06	115.37
	3229.73	2944.25
Less : Closing stocks :		
Work in process	8535.25	3154.67
Finished Goods	67.21	75.06
	8602.46	3229.73
(Increase)/ Decrease in stocks	(5372.73)	(285.48)

NOTE 13: EMPLOYEE BENEFITS EXPENSE

	(₹ In Lacs)	
	March, 2016	March, 2015
Salaries & wages	6943.15	6159.11
Contribution to ESI, PF and other funds	241.89	236.41
Staff welfare	336.03	276.12
	7521.06	6671.63
Less: Transferred to Project Commissioned/under Commissioning	357.89	823.20
	7163.17	5848.43

NOTE 14: FINANCE COST

	(₹ In Lacs)	
	March, 2016	March, 2015
Interest to Banks- term loans	1197.79	961.73
Interest- others	1543.50	1361.95
Other Financial Charges*	21.07	29.58
Applicable net (Gain)/Loss on foreign currency transactions and translation	78.24	30.93
	2840.59	2384.19
Less: Transferred to Project Commissioned/under Commissioning	-	261.80
	2840.59	2122.39

* includes interest paid on Income Tax & TDS amounting to ₹ 1.52 Lacs (P.Y. ₹ 10.00 Lacs)

Notes Forming Part of Financial Statements

NOTE 15: OTHER EXPENSES

	(₹ In Lacs)	
	March, 2016	March, 2015
Stores consumed	891.03	718.21
Manufacturing expenses	620.28	642.43
Power & fuel	1116.48	1080.05
Packing Material	242.74	313.61
Machinery repairs and maintenance	415.56	386.22
Rent (including land lease rent)	102.25	95.98
Rates & taxes	74.20	80.52
Insurance	26.72	21.26
Repair & Maintenance		
- Building	33.51	35.24
- Others	171.14	162.54
Bad Debts written off	0.34	17.82
Provision for Bad & Doubtful Debts	3.40	(13.84)
Freight & Forwarding charges	827.30	931.74
Exchange Fluctuation(Net)	5.77	106.91
Royalty	374.85	382.77
Other Administrative Expenses*	1097.05	878.66
	6002.62	5840.11
Less: Transferred to Project Commissioned/under Commissioning	0.81	188.02
	6001.81	5652.09

* Includes ₹ (4.62) Lacs (P.Y. ₹ (0.11) Lacs) on account of Excise Duty Provision on change in stock.

NOTE: 16 EARNING PER SHARE

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
a) Profit after tax as per Statement of Profit & Loss (₹ In Lacs)	2462.67	3360.30
b) Preference dividend and dividend tax (₹ In Lacs)	80.00	80.00
c) Net profit available for equity share holders (₹ In Lacs)	2382.67	3280.30
Total Equity Shares (No's)	40795364	40795364
Basic/Diluted Earnings per Share (₹5/-)	5.84	8.04

NOTE: 17 CONTINGENT LIABILITIES

			(₹ In Lacs)
Sr. No.	Particulars	As on March 31, 2016	As on March 31, 2015
i)	Letter of Credit outstanding	1662.28	1293.03
ii)	Guarantees issued by the Bank on behalf of the Company	277.26	418.57
iii)	Claims against the Company not acknowledged as debt	3158.15	871.17

Notes Forming Part of Financial Statements

NOTE: 18 DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% SHARE CAPITAL AS ON THE BALANCE SHEET DATE

Name of Shareholders	31.03.2016		31.03.2015	
	No. of Shares	% held in Shareholding	No. of Shares	% held in Shareholding
I) Equity Shares of ₹ 5 each fully paid up				
SMC CREDITS LIMITED	7570260	18.56	7570260	18.56
A to Z SECURITIES LIMITED	4190160	10.27	4190160	10.27
ZEAL IMPEX & TRADERS PRIVATE LIMITED	4018968	9.85	4018968	9.85
AMITY INFOTECH PRIVATE LIMITED	4000000	9.81	4000000	9.81
SHUKLAMBER EXPORTS LIMITED	3424824	8.40	3424824	8.40
JBM BUILDERS PVT LIMITED	3030832	7.43	3030832	7.43
NAP INVESTMENT & LEASING PVT LIMITED	2274616	5.58	2274616	5.58
ANS HOLDING PRIVATE LIMITED	2058996	5.05	2058996	5.05
II) Preference Shares of ₹ 10 each fully paid up				
NEEL METAL PRODUCTS LIMITED	10000000	100.00	10000000	100.00

NOTE: 19 AUDITOR'S REMUNERATION

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

	(₹ In Lacs)	
	2015-16	2014-15
A Audit fee	14.00	13.00
B Tax audit fees	7.00	6.00
C Taxation matter	2.09	2.10
D Others	9.00	8.00

NOTE: 20 SEGMENT INFORMATION

i) Primary Segment Reporting

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

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

B. Inter Segment Transfer Pricing

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

Notes Forming Part of Financial Statements

ii) Segment Revenues, Results and other information

(₹ In Lacs)

	Sheet Metal Components, Assemblies & sub-assemblies		Tools, dies & Moulds		Bus Division		Total of Reportable Segments	
	2016	2015	2016	2015	2016	2015	2016	2015
External Sales	49791.37	50970.24	6826.21	8973.15	-	-	56617.58	59943.40
Inter Segment Sales	19.16	29.57	-	-	-	-	19.16	29.57
Segment Revenues	49810.53	50999.81	6826.21	8973.15	-	-	56636.74	59972.97
Segment Results	3386.80	3156.82	2447.40	2371.41	(1377.65)	(128.60)	4456.55	5399.66
Segment Assets	37615.51	37563.32	7251.93	4779.10	17967.48	9729.96	62834.92	52072.38
Segment Liabilities	16662.97	9248.40	3932.78	2675.94	2996.28	1202.96	23592.02	13127.30
Capital Expenditure	973.82	3162.39	136.27	38.92	2474.90	2796.88	3584.99	5998.19
Depreciation/ Amortization	1352.95	1435.58	100.53	123.10	628.79	24.22	2082.27	1582.90

Reconciliation of Reportable Segment with the Financial Statements:

(₹ In Lacs)

	Revenues		Results/ Net Profit		Assets		Liabilities	
	2016	2015	2016	2015	2016	2015	2016	2015
Total Reportable Segments	56636.74	59972.97	4456.55	5399.66	62834.92	52072.38	23592.02	13127.30
Inter segment sales/ Adjustments	(19.16)	(29.57)	-	-	-	-	-	-
Other Income	202.48	353.78	-	-	-	-	-	-
Corporate /unallocated (Net)	996.75	754.42	(1980.30)	(1482.14)	9054.21	10185.27	25323.32	27766.45
Taxes/ Deferred Tax	-	-	(13.58)	(557.22)	-	-	2186.89	2,173.31
As per Financial statements	57816.81	61051.60	2462.67	3360.30	71889.13	62257.66	51102.23	43067.07

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

NOTE: 21 The Company uses forward exchange contracts and other derivative contracts to hedge against its foreign currency exposures relating to the underlying transactions on its capital and revenue account. The Company does not use these contracts for trading or speculative purpose.

i. Derivative contracts remaining outstanding as on 31.03.2016

Nos. of Contracts		Equivalent USD (USD in Lacs)		INR Equivalents (₹ In Lacs)	
2016	2015	2016	2015	2016	2015
1	1	2.79	13.97	185.94	878.28

Notes Forming Part of Financial Statements

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

(Figure In Lacs)

	As at March 31, 2016	As at March 31, 2015
Liabilities		
In Euros (€)	2.40	7.24
(Equivalent approximate in INR)	181.04	491.49
In US Dollar (\$)	4.66	11.78
(Equivalent approximate in INR)	310.00	739.85
In JPY (¥)	583.33	833.33
(Equivalent approximate in INR)	346.32	436.33
In SEK (kr)	1.50	0.17
(Equivalent approximate in INR)	12.26	1.26
Assets		
In Euros (€)	2.97	5.49
(Equivalent approximate in INR)	221.27	368.96
In USD (\$)	1.40	1.62
(Equivalent approximate in INR)	92.23	100.96

NOTE: 22 Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for ₹ 353.65 Lacs (Previous year ₹ 674.14 Lacs).

NOTE: 23 RETIREMENT BENEFITS

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

i. Provident Fund

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

	2016	2015
Employer's Contribution to Provident Fund*	230.32	190.44

ii. State Plans

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

	2016	2015
Employer's contribution to Employee State Insurance*	10.68	10.10
Employer's contribution to Welfare Fund*	0.89	0.79

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

Notes Forming Part of Financial Statements

iii. Defined Benefit Plans

- a) Contribution to Gratuity Fund – Employee's Gratuity Fund scheme of the company is managed by a trust (Life Insurance Corporation of India).
- b) Leave Encashment/ Compensated Absence

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

i) Actuarial Assumptions	2016		2015	
	Leave Encashment/ Compensated Absence	Employee Gratuity Fund	Leave Encashment/ Compensated Absence	Employee Gratuity Fund
Discount Rate (per annum)	7.80%	7.80%	7.90%	7.90%
Rate of increase in compensation levels	5%	5%	5%	5%
Rate of return on plan assets	N.A.	8%	N.A.	9%
Expected Average remaining working lives of employees (years)	23.44	23.44	22.96	22.96

(₹ In Lacs)

ii) Change in the obligation during the year ended 31st March, 2016	2016		2015	
	Leave Encashment/ Compensated Absence	Employee Gratuity Fund	Leave Encashment/ Compensated Absence	Employee Gratuity Fund
Present value obligation as at the beginning of year	126.68	280.14	91.68	225.03
Interest cost	10.03	22.18	6.35	16.42
Past Service cost			-	
Current service cost	34.46	52.68	57.10	48.58
Curtailement cost		-	-	-
Settlement cost		-	-	-
Benefit paid	(50.26)	(14.38)	(22.67)	(34.27)
Actuarial (gain)/loss on Obligations	12.95	(15.60)	(5.77)	24.37
Present value obligation as at the end of year	133.86	325.02	126.68	280.14

(₹ In Lacs)

iii) Change in fair value plan Assets	2016		2015	
	Leave Encashment/ Compensated Absence	Employee Gratuity Fund	Leave Encashment/ Compensated Absence	Employee Gratuity Fund
Fair value of Plan Assets as at the beginning of year	-	243.28	-	236.30
Expected return on Plan Assets	-	21.94	-	20.67
Contributions	-	13.54	-	11.95
Withdrawals		(10.32)	-	(25.26)
Actuarial gain/(loss) on Obligations	-	(1.84)	-	(0.38)
Fair value of Plan Assets as at the end of year	-	266.60	-	243.28

Notes Forming Part of Financial Statements

(₹ In Lacs)

iv) Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets	2016		2015	
	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
Present value obligation as at the end of year	133.86	325.02	126.68	280.14
Fair value of Plan Assets as at the end of year	-	266.60	-	243.28
Funded Status	-	-	-	-
Present value of unfunded obligation as at the end of year	-	-	-	-
Unfunded Actuarial (gains)/Losses	-	-	-	-
Unfunded Net Asset/(Liability) recognized in Balance Sheet*	(133.86)	(58.42)	(126.68)	(36.86)

(₹ In Lacs)

v) Expenses recognized in Statement of Profit and Loss	2016		2015	
	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
Current service cost	34.46	52.68	57.10	48.58
Past Service cost	-	-	-	-
Interest cost	10.03	22.18	6.34	16.42
Expected return on Plan Assets	-	(21.94)	-	(20.67)
Curtailement cost	-	-	-	-
Settlement cost	-	-	-	-
Net Actuarial (gain)/loss recognized during the year	12.95	(13.76)	(5.77)	24.76
Total Expense recognized in Statement of Profit and Loss #	57.44	39.16	57.68	69.09

* Expected short term liability of ₹ 22.66 Lacs (P.Y. ₹ 35.85 Lacs).

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

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

Notes Forming Part of Financial Statements

NOTE: 24 STATEMENTS OF TRANSACTIONS WITH RELATED PARTIES

Subsidiaries	Joint Ventures	Key Management personnel and their relatives
JBM Ogihara Automotive India Limited.	JBM MA Automotive Private Limited.	Mr. H.R. Saini, Executive Director upto 06th June, 2015
JBM Auto System Private Limited	INDO Toolings Private Limited.	Mr Sandip Sanyal, Executive Director w.e.f. 18th May, 2015

(₹ In Lacs)

	2015-16				2014-15			
	Subsidiar-ies	Joint Ven-tures	Key Man-agement personnel and their relatives	Total	Subsidiar-ies	Joint Ven-tures	Key Man-agement personnel and their relatives	Total
Purchase of capital goods								
Indo Toolings Private Limited	-	-	-	-	-	24.31	-	24.31
Total	-	-	-	-	-	24.31	-	24.31
Sale of Goods & Job work								
JBM Ogihara Auto motive India Limited	711.72	-	-	711.72	11.94	-	-	11.94
JBM Auto System Private Limited	695.43	-	-	695.43	486.97	-	-	486.97
JBM MA Automotive Private Limited	-	496.54	-	496.54	-	112.89	-	112.89
Indo Toolings Private Limited	-	-	-	-	-	4.44	-	4.44
Total	1,407.15	496.54	-	1,903.69	498.91	117.33	-	616.24
Sale of Capital Goods								
JBM Auto System Private Limited	51.87	-	-	51.87	-	-	-	-
Total	51.87	-	-	51.87	-	-	-	-
Purchase of the goods								
JBM MA Automotive Private Limited	-	232.66	-	232.66	-	33.74	-	33.74
JBM Auto System Private Limited	200.14	-	-	200.14	-	-	-	-
Indo Toolings Private Limited	-	265.53	-	265.53	-	456.29	-	456.29
Total	200.14	498.19	-	698.33	-	490.03	-	490.03
Others Expenses								
JBM Auto System Private Limited	-	-	-	-	0.01	-	-	0.01
JBM MA Automotive Private Limited.	-	1.55	-	1.55	-	0.50	-	0.50
Indo Toolings Private Limited	-	-	-	-	-	6.62	-	6.62
Total	-	1.55	-	1.55	0.01	7.12	-	7.13

Notes Forming Part of Financial Statements

(₹ In Lacs)

	2015-16				2014-15			
	Subsidiar-ies	Joint Ven-tures	Key Man-agement personnel and their relatives	Total	Subsidiar-ies	Joint Ven-tures	Key Man-agement personnel and their relatives	Total
Other Exp Recovered								
JBM MA Automotive Private Limited.	-	9.40	-	9.40	-	4.03	-	4.03
Indo Toolings Private Limited	-	-	-	-	-	1.43	-	1.43
JBM Auto System Private Limited	-	-	-	-	24.54	-	-	24.54
Total	-	9.40	-	9.40	24.54	5.46	-	30.00
Others Income								
JBM Ogihara Automotive India Limited	197.00	-	-	197.00	119.00	-	-	119.00
JBM Auto System Private Limited	367.00	-	-	367.00	367.80	-	-	367.80
Total	564.00	-	-	564.00	486.80	-	-	486.80
Managerial Remuneration								
Mr. H. R. Saini	-	-	5.59	5.59	-	-	30.52	30.52
Total	-	-	5.59	5.59	-	-	30.52	30.52
Amount Recoverable								
JBM Auto System Private Limited	295.10	-	-	295.10	156.11	-	-	156.11
JBM MA Automotive Private Limited.	-	584.08	-	584.08	-	900.56	-	900.56
Indo Toolings Private Limited.	-	52.51	-	52.51	-	67.96	-	67.96
JBM Ogihara Automotive India Limited	255.52	-	-	255.52	97.91	-	-	97.91
Total	550.62	636.59	-	1187.21	254.02	968.52	-	1222.54

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

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

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

Notes Forming Part of Financial Statements

(₹ In Lacs)		
Details of Assets	Year Ended March 31, 2016	Year Ended March 31, 2015
Fixed Assets – Net Block		
- Tangible	7576.85	7546.42
- Intangible	16.25	13.56
- Capital Work in Progress	252.96	432.03
Non Current Investments	300.00	300.00
Deferred Tax Asset	30.99	29.98
Long term loans and advances	723.74	431.06
Inventories	1939.34	1827.44
Trade receivables	3938.45	2583.87
Cash and Cash equivalents	109.29	333.61
Other Current Assets	599.68	613.31
Details of Liabilities		
Long Term Borrowings	708.33	625.00
Other long term Liabilities	3132.96	2747.50
Long term provisions	51.64	52.59
Deferred Tax Liability	575.66	365.90
Short Term Borrowings	1691.44	2475.27
Trade Payables	2765.05	2252.13
Other Current Liabilities	1437.30	933.63
Short Term Provisions	35.94	83.32
Detail of Income		
Revenue from operations (Net)	16761.86	16268.70
Other Income	3.79	9.08
Detail of Expenses		
Cost of Material Consumed	11440.44	10874.57
Changes in inventories of Finished Goods and Work in progress	(92.18)	402.85
Employees Benefits Expense	1579.17	1396.41
Finance Cost	344.96	395.50
Depreciation and Amortization Expense	652.94	652.36
Other Expenses	2154.26	1907.79
Tax Expense	208.76	212.18
Details of Contingent Liabilities		
Capital commitments	1781.63	90.49

NOTE: 26 The Expenditure incurred by in house R&D Centre approved by DSIR on scientific research eligible for deduction under section 35(2AB) of the Income Tax Act, 1961 is as under:

(₹ In Lacs)		
Particular	2015-16	2014-15
Recurring Expenditure	1992.60	319.36
Capital Expenditure	88.55	271.85
Total	2081.15	591.21

NOTE: 27 The Company has recognized deferred tax asset on unabsorbed depreciation based upon virtual certainty supported by confirmed orders from customers which will results in sufficient taxable profit.

Notes Forming Part of Financial Statements

NOTE: 28 Corporate Social Responsibility Expenses:

- a) Gross amount required to be spent by the company during the year 2015-16 – ₹ 63.04 Lacs(P.Y. 45.19 Lacs)
- b) Amount spent during the year on :

(₹ In Lacs)

	In cash*	Yet to be paid	Total
Construction/acquisition of any assets	- (8.77)	- (-)	- (8.77)
Purpose other than above	63.46 (36.51)	- (-)	63.46 (36.51)
	63.46 (45.28)	- (-)	63.46 (45.28)

Represents actual outflow during the year

Note: Figures in brackets represents previous year's amounts

- c) Related party Transaction in relation to Corporate Social Responsibility : NIL
- d) Provision movement during the year 2015-16: NIL

NOTE: 29 Company has reviewed the useful life of intangible assets and revised the useful life of Prototype, design, technical know-how and related License fees of Bus Division from 7 years to 10 years based on the expected pattern of consumption of economic benefits and in accordance with the rebuttable presumption that the useful life of asset will not exceed 10 years from the date asset is available for use, effective April 1, 2015. Consequently, amortization for the year is lower and profit before tax is higher by ₹ 177.85 Lacs.

NOTE: 30 The Company has filed a writ petition with the Hon'ble High Court of Kolkatta, West Bengal for injunction restraining the Govt. of West Bengal for acting in terms of Singur Land rehabilitation and Development Act, 2011. The Division Bench of the Kolkata High Court had held that the Singur Act was unconstitutional and had therefore struck down the Act. The State Government has challenged the said judgment of the Kolkata High Court before the Hon'ble Supreme Court and the same is still pending. Meanwhile the Division Bench had granted a stay on the said order dated 21st June, 2012 which has also been extended by Supreme Court. By virtue of the order of stay, the State Government is still retaining the possession of the Singur land.

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

NOTE: 31 On 5th November, 2014, a fire occurred in the administration block of the Sector-59 unit (Ballabgarh, Haryana) of the Company. All the records, documents, computer system etc. were burnt. The Company has filed the insurance claim against the loss, which is pending for settlement. No provision has been made for the same. Any variation from insurance claim filed will be accounted for as and when it is realized

NOTE: 32 During the year, the following expenditure has been capitalized in Bus Division:

Nature of Expense	Capitalized from opening CWIP	Capitalized from Current Year expenses	Total Expense Capitalized
Manpower cost	154.43 (559.24)	167.78 (668.77)	322.21 (1228.02)
Finance cost	19.55 (65.63)	- (242.24)	19.55 (307.87)
Other expense	34.80 (460.51)	0.81 (197.25)	35.61 (657.76)
Total	208.78 (1085.38)	168.58 (1108.26)	377.36 (2193.65)

Note: Figures in brackets represents previous year's amounts

Notes Forming Part of Financial Statements

NOTE: 33 Consumption of Raw materials and Components has been computed by adding purchase to the opening stock and deducting closing stock verified physically by the management.

NOTE: 34 Trade and Other Receivables and Payables are subject to confirmation.

NOTE: 35 Additional information pursuant to the general instructions for preparation of Statement of Profit and Loss of Schedule III of the Companies Act, 2013 are as under:

i. OPENING, CLOSING STOCK AND SALES

Products	Opening Stock	Closing Stock	Sales	Closing WIP
Finished Goods				
Components, Assemblies and Sub-assemblies	75.06 (115.37)	67.21 (75.06)	53890.53* (53782.24)	2624.40 (1703.08)
Tools, Dies and Moulds			7565.07** (9934.82)	1830.00 (1425.00)
Bus			- -	4080.85 -
Others			3378.26 (4629.35)	- (26.59)

Includes Components produced on Job Work for ₹ 450.80 Lacs (P.Y. ₹ 309.98 Lacs)

** Includes Tools produced on Job Work for ₹ 202.81 Lacs (P.Y. ₹ 212.01 Lacs)

Note: Figures in brackets represents previous year's amounts

ii. CONSUMPTION OF RAW MATERIALS AND COMPONENTS

Particular	2016	2015
1. Component	24890.43	25874.38
2. Metal Sheet	14341.41	11461.65
3. Die Material	3375.20	4869.14
TOTAL	42607.04	42205.17

(₹ In Lacs)

iii. CIF VALUE OF IMPORTS

Particular	2016	2015
1. Raw Material	1266.20	1716.74
2. Stores & Spares	89.00	78.77
3. Capital Goods	44.55	666.00

(₹ In Lacs)

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

Particulars	2016		2015	
	Value	% age	Value	% age
a) Raw Material & Components				
1. Imported	1436.23	3.37	2125.75	5.04
2. Indigenous	41170.81	96.63	40079.42	94.96
Total	42607.04	100.00	42205.17	100.00
b) Stores & Spares				
1. Imported	91.33	10.25	152.42	21.73
2. Indigenous	799.70	89.75	548.93	78.27
Total	891.03	100.00	701.35	100.00

(₹ In Lacs)

Notes Forming Part of Financial Statements

v. EXPENDITURE INCURRED IN FOREIGN CURRENCY

(₹ In Lacs)

Particular	2016	2015
1. Travelling	7.26	15.50
2. Interest on ECB's	10.28	10.88
3. Interest on Term Loan	42.51	90.54
4. Job Work Charges	20.25	13.30
5. Freight, Warehouse & Other Charges	-	5.22
6. Professional & technical Fees	13.60	514.90
7. Royalty	285.40	260.58

vi EARNINGS IN FOREIGN CURRENCY

(₹ In Lacs)

Particular	2016	2015
1. FOB value of Exports	282.19	818.13

NOTE: 36 Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

As per our report attached
For Mehra Goel & Co.
Chartered Accountants
FRN: 000517N

Nitish Kumar Chugh
Partner
M.No. 512742

Surendra Kumar Arya
Chairman
DIN 00004626

Nishant Arya
Director
DIN 00004954

Mahesh Kumar Aggarwal
Director
DIN 00004982

Ashok Kumar Agarwal
Director
DIN 00003988

Place : Gurugram (Haryana)
Dated : 30th May, 2016

Sandip Sanyal
Executive Director
DIN 07186909

Vimal Vasisht
Director
DIN 06928805

Vivek Gupta
Chief Financial Officer
& Company Secretary

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying consolidated financial statements of **JBM Auto Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries and jointly controlled entities; together referred to as "the Group", comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- (a) We did not audit the financial statements / financial information of one jointly controlled entity, whose financial statements / financial information reflect total assets of ₹ 904.86 Lacs as at 31st March, 2016, total revenues of ₹ 969.73 Lacs and net cash flows amounting to ₹ 2.08 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of aforesaid jointly controlled entity, and our report in terms of sub-sections (3) and of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements / financial information of one subsidiary and one jointly controlled entity, whose financial statements / financial information reflect total assets of ₹78502.18 Lacs as at 31st March, 2016, total revenues of ₹ 87817.55 Lacs and net cash flows amounting to ₹ (277.61) Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and jointly controlled entity, and our report in terms of sub-sections (3) and of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and jointly controlled entity is based solely on such unaudited financial statements / financial information.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries and jointly controlled entities incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors in respect of entities audited by them and representation received from the management for entities un-audited.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries and jointly controlled entities incorporated in India including relevant records relating to the preparation of the consolidated financial statements as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors in respect of entities audited by them and representation received from the management for entities un-audited.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other auditors in respect of entities audited by them and representation received from the management for entities un-audited, for all the entities incorporated in India, none of the Directors of the Group companies is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and jointly controlled entities and the operating effectiveness of such controls, refer to our separate report in Annexure: and

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 21 to the consolidated financial statements.
 - (ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts as at 31st March, 2016 as it appears from our examination of the books and records of the Holding Company and the reports of the other auditors in respect of entities audited by them and representation received from the management for entities un-audited –Refer Note 25 to the consolidated financial statements.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended 31st March, 2016 as it appears from our examination of the books and records of the Holding Company and the reports of the other auditors in respect of entities audited by them and representation received from the management for entities un-audited.

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

Nitish Kumar Chugh
Partner
M. NO.: 512742

Place: Gurugram (Haryana)
Dated: 30th May 2016

“ANNEXURE” TO THE INDEPENDENT AUDITOR’S REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2016, We have audited the internal financial controls over financial reporting of JBM AUTO LIMITED (hereinafter referred to as “the Holding Company”) and its subsidiary companies, and jointly controlled companies, which are companies incorporated in India, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Holding company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the reports of the other auditors in respect of entities audited by them and representation received from the management for entities un-audited referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India as it appears from our examination of the books and records of the Holding Company and the reports of the other auditors in respect of entities audited by them and representation received from the management for entities un-audited.

OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to the audited one jointly controlled company is based on the corresponding reports of the other auditors and in so far as it relates to the unaudited one subsidiary company and one jointly controlled company, is based on representation received from the management (also refer para (a) and (b) of Other Matters of the Independent Auditors' Report above.) Our opinion is not qualified in respect of this matter.

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

Nitish Kumar Chugh
Partner
M. NO.: 512742

Place: Gurugram (Haryana)
Dated: 30th May 2016

Consolidated Balance Sheet

as at 31st March, 2016

(₹ In Lacs)

Particulars	NOTE NO.	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
I. EQUITY AND LIABILITIES			
Shareholders' Funds	2		
(a) Share Capital		3039.77	3039.77
(b) Reserves and Surplus		32327.43	28023.10
		35367.20	31062.87
Minority Interest		7463.18	6618.17
Non-Current Liabilities	3		
(a) Long term borrowings		14891.77	18603.24
(b) Deferred Tax Liability		5250.56	4177.62
(c) Other Long term liabilities		3180.11	3505.59
(d) Long term provisions		189.18	70.71
		23511.62	26357.16
Current Liabilities	4		
(a) Short-term borrowings		30457.66	25535.45
(b) Trade payables		38780.22	22144.46
(c) Other current liabilities		14870.61	12128.51
(d) Short-term provisions		1435.02	1620.41
		85543.51	61428.83
TOTAL		151885.51	125467.03
II. ASSETS			
Non-current assets			
(a) Fixed Assets	5		
(i) Tangible Assets		65916.28	64330.69
(ii) Intangible Assets		5115.43	4816.40
(iii) Capital Work in Progress		982.59	758.98
(iv) Intangible assets under development		1727.82	437.71
(b) Non-current investments	6	1600.00	1600.00
(c) Deferred tax assets	3(b)	30.99	29.98
(d) Long term loans and advances	7	3933.63	1069.30
(e) Other non-current assets	8	-	517.59
		79306.74	73560.66
Goodwill		87.24	87.24
Current assets	9		
(a) Inventories		28804.15	17835.15
(b) Trade receivables		29127.80	23026.79
(c) Cash and Bank Balances		749.54	1128.21
(d) Short term advances		9524.47	6152.30
(e) Other current assets		4285.57	3676.68
		72491.53	51819.13
TOTAL		151885.51	125467.03
Significant Accounting Policies	1		

Notes 1 to 36 form integral part of Financial Statements

As per our report attached

For Mehra Goel & Co.

Chartered Accountants

FRN: 000517N

Nitish Kumar Chugh

Partner

M.No. 512742

Surendra Kumar Arya

Chairman

DIN 00004626

Nishant Arya

Director

DIN 00004954

Mahesh Kumar Aggarwal

Director

DIN 00004982

Ashok Kumar Agarwal

Director

DIN 00003988

Place : Gurugram (Haryana)

Dated : 30th May, 2016

Sandip Sanyal

Executive Director

DIN 07186909

Vimal Vasisht

Director

DIN 06928805

Vivek Gupta

Chief Financial Officer

& Company Secretary

Statement of Consolidated Profit and Loss

for the period ended 31st March, 2016

(₹ In Lacs)

Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
I. Revenue from Operations			
Gross Revenue from Operations	10	171118.27	174703.79
Less : Excise duty		19342.24	19008.97
Net Revenue from Operations		151776.03	155694.82
II. Other Income	11	639.93	409.08
III. Total Revenue (I + II)		152415.96	156103.90
IV. EXPENSES			
Cost of Materials consumed		108599.57	110234.02
Changes in inventories of finished goods and work in progress	12	(6430.61)	287.77
Employee benefits expense	13	17102.03	13929.56
Finance Costs	14	5275.23	3491.65
Depreciation and amortization expense	5	5895.14	3975.80
Other expenses	15	13490.71	12150.17
TOTAL EXPENSES		143932.07	144068.98
V. Profit before exceptional and extraordinary items and tax (III-IV)		8483.89	12034.92
VI. Exceptional items		-	201.51
VII. Profit before tax (V + VI)		8483.89	12236.44
VIII. Less: Tax Expense			
- Current year		1804.58	2247.13
- MAT Adjusted		(1134.58)	(722.74)
- Deferred tax		1072.51	1447.86
- Earlier years		447.85	0.32
		2190.36	2972.57
IX. Profit after tax (before adjustment for Minority Interest) (VII - VIII)		6293.53	9263.86
X. Share of (Profit)/ Loss transferred to Minority Interest		(1055.86)	(1622.51)
XI. Profit after tax (after adjustment for Minority Interest) (IX-X)		5237.67	7641.35
XII. Earnings per equity share:	19		
(1) Basic		12.39	18.25
(2) Diluted		12.39	18.25
Significant Accounting Policies	1		

Notes 1 to 36 form integral part of Financial Statements

As per our report attached

For Mehra Goel & Co.

Chartered Accountants

FRN: 000517N

Nitish Kumar Chugh

Partner

M.No. 512742

Surendra Kumar Arya

Chairman

DIN 00004626

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DIN 00004982

Ashok Kumar Agarwal

Director

DIN 00003988

Place : Gurugram (Haryana)

Dated : 30th May, 2016

Sandip Sanyal

Executive Director

DIN 07186909

Vimal Vasisht

Director

DIN 06928805

Vivek Gupta

Chief Financial Officer

& Company Secretary

Consolidated Cash Flow Statement

For the Year 2015-16

(₹ In Lacs)

Particulars	March, 2016		March, 2015	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax and extraordinary items		8483.21		12236.44
Adjustment for :				
Depreciation	5895.14		3975.80	
Unrealised Exchange loss/(Gain) (Net)	2.23		(9.19)	
Finance Cost	5216.35		3428.33	
Interest income	(19.67)		(21.99)	
(Profit)/Loss on sale of assets (Net)	(58.63)		(11.43)	
Bad Debts/Provision for Doubtful Debts	3.74	11039.15	3.98	7365.51
Operating Profit before Working Capital Changes		19522.36		19601.95
Adjustment for :				
Trade and other receivables	(10469.93)		(1190.90)	
Inventories	(10976.52)		(1988.75)	
Trade and other liabilities	19480.35	(1966.11)	(7712.24)	(10891.90)
Cash Generated From Operations		17556.26		8710.06
Direct taxes paid (Net)	(2962.76)	(2962.76)	(2073.71)	(2073.71)
Net Cash From Operating Activities		14593.50		6636.35
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of fixed assets	(11770.78)		(19917.35)	
Proceeds from sale of fixed assets	148.03		57.21	
Subsidy received	35.97		116.42	
Interest received	19.67		21.99	
Purchase of Investment	-		(300.00)	
Net Cash used in Investing Activities		(11567.12)		(20021.73)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Long Term Loans	(6276.68)		(5089.57)	
Proceeds from Long term loans	4693.16		15908.74	
Increase/(Decrease) in Short Term loans	4921.90		7228.33	
Interest paid	(5220.40)		(3623.06)	
Dividend Paid	(1523.03)		(650.09)	
Net cash flow from financing activities		(3405.05)		13774.34
Net Increase in Cash and Bank balance		(378.67)		388.95
Cash and cash equivalents (Opening Balance)		1128.21		739.26
Cash and cash equivalents (Closing Balance)		749.54		1128.21

Notes:

- The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on "Cash Flow Statement"
- Trade and other receivables include loans and advances.
- The previous year figures have been regrouped/ rearranged wherever considered necessary.
- Cash and Cash equivalents includes ₹ 10.36 Lacs (Previous Year ₹ 6.47 Lacs) in respect of unclaimed dividend, the balance of which is not available to the company.
- Figures in bracket represents cash outflow

Notes 1 to 36 form integral part of Financial Statements

As per our report attached

For Mehra Goel & Co.

Chartered Accountants

FRN: 000517N

Nitish Kumar Chugh

Partner

M.No. 512742

Surendra Kumar Arya

Chairman

DIN 00004626

Nishant Arya

Director

DIN 00004954

Mahesh Kumar Aggarwal

Director

DIN 00004982

Ashok Kumar Agarwal

Director

DIN 00003988

Place : Gurugram (Haryana)

Dated : 30th May, 2016

Sandip Sanyal

Executive Director

DIN 07186909

Vimal Vasisht

Director

DIN 06928805

Vivek Gupta

Chief Financial Officer

& Company Secretary

Notes Forming Part of Consolidated Financial Statements

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF CONSOLIDATION

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

A. BASIS OF ACCOUNTING

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

B. PRINCIPLES OF CONSOLIDATION

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

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

C. OTHER SIGNIFICANT ACCOUNTING POLICIES

1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Notes Forming Part of Consolidated Financial Statements

2. USE OF ESTIMATES

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

3. REVENUE/EXPENDITURE RECOGNITION

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

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

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

4. GOVERNMENT GRANTS

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

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

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

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

5. EXTRA-ORDINARY ITEMS

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

6. EXCEPTIONAL ITEMS

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

7. FIXED ASSETS

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

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

8. ASSETS IN THE COURSE OF CONSTRUCTION

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

Notes Forming Part of Consolidated Financial Statements

9. INTANGIBLE ASSETS

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

- | | |
|---|------------|
| a) Computer software | – 3 years |
| b) Technical know-how | – 5 years |
| c) License fees, design, Technical know-how & Prototype related to Bus Division | – 10 years |

10. IMPAIRMENT OF ASSETS

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

11. DEPRECIATION

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

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

Individual assets costing ₹ 5000/- or less are depreciated in full, at the time 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.

Depreciation has been provided on straight line method at rate higher than the schedule II for one of the subsidiary company

Assets	Years
Furniture & Fixture, Motor Car and Office Equipment	3

In respect of assets whose useful lives has been revised, the unamortized depreciable amount is charged over the remaining lives of the assets,

12. INVENTORIES

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

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

Finished Goods and Work in Process valued at raw material cost plus cost of conversion and other costs incurred in bringing the inventory to its present location and condition

By Product and Scrap are valued at net realizable value.

In case of one subsidiary company and one joint venture company inventory is valued at lower of cost, determined on the weighted average bases and net realizable value.

13. INVESTMENTS

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

Notes Forming Part of Consolidated Financial Statements

14. FOREIGN EXCHANGE TRANSACTIONS

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

- 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.

15. BORROWING COST

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

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

16. EMPLOYEE'S BENEFITS

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

17. CLAIMS

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

18. EXCISE DUTY

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

19. RESEARCH AND DEVELOPMENT COSTS

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

- i) The technical feasibility of completing the intangible asset so that it will be available for use or sale

Notes Forming Part of Consolidated Financial Statements

- ii) Its intention to complete the asset
- iii) How the asset will generate future economic benefits
- iv) The availability of adequate resources to complete the development and to use or sell the asset
- v) The ability to measure reliably the expenditure attributable to the intangible asset during development.

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

20. TAX EXPENSE

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

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

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted as on the balance sheet date.

Deferred tax asset arising from temporary differences are recognized to the extent there is virtual certainty of realization of asset in future.

21. PROPOSED DIVIDEND

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

22. PROVISION AND CONTINGENT LIABILITY

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

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

23. DERIVATIVE FINANCIAL INSTRUMENTS

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

24. CONTINGENCIES & COMMITMENTS

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

Notes Forming Part of Consolidated Financial Statements

NOTE 2 : SHAREHOLDERS' FUND

		(₹ In Lacs)	
		March, 2016	March, 2015
(a)	SHARE CAPITAL		
A.	Authorised		
	8,00,00,000 (P.Y. 8,00,00,000) Equity Shares of ₹ 5/- each	4000.00	4000.00
	1,00,00,000 (P.Y. 1,00,00,000) Preference Shares of ₹ 10/- each	1000.00	1000.00
		5000.00	5000.00
B.	Issued, Subscribed and Paid Up		
	4,07,95,364 (P.Y. 4,07,95,364) Equity Shares of ₹ 5/- each fully paid up	2039.77	2039.77
	50,00,000 (P.Y. 50,00,000) 8% Non-Cumulative Redeemable Preference Shares of ₹10/- each [Redeemable after 6 years from the date of allotment i.e. 25th December, 2015]	500.00	500.00
	50,00,000 (P.Y. 50,00,000) 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each [Redeemable after 6 years from the date of allotment i.e. 14th February 2014]	500.00	500.00
		3039.77	3039.77
i)	Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.		
	Number of shares outstanding at the beginning of the year	40795364	10198841
	Add: Increase in number of shares due to split/sub-division of equity shares.	-	10198841
	Add: Number of Bonus shares issue during the year	-	20397682
	Number of shares outstanding at the end of the year	40795364	40795364
	Number of Preference Shares outstanding at the beginning of the year	10000000	10000000
	Add: Number of Preference Shares issued during the year	5000000	-
	Less: Number of Preference share redeemed during the period	(5000000)	-
	Number of Preference Shares outstanding at the end of the year	10000000	10000000

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

- a) The company has one class of equity shares having par value of ₹ 5/- per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of Director is subject to the approval of shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.
- b) In F.Y. 2009-10, the Company issued 50,00,000 (Fifty Lacs) Non Cumulative Redeemable Preference Share of ₹ 10/- (Rupees Ten only) each at a premium of ₹ 50/- (Rupees Fifty only) per share. Preference Share carry non cumulative dividend @ 8% p.a and does not have voting rights. Such preference shares are redeemable after six years from the date of allotment i.e. 26th December, 2009 the same has been rolled over during the year for a period of 6 years. During the F.Y. 2013-14, the Company has issued 50,00,000 (Fifty Lacs) Non Cumulative Redeemable Preference Share of ₹ 10/- (Rupees Ten only) each at a premium of ₹ 50/- (Rupees Fifty only) per share. Preference Share carry non cumulative dividend @ 8% p.a and does not have voting rights. These preference shares are redeemable after six years from the date of allotment i.e. 14th February, 2014. In the event of liquidation of the Company, the holders of preference shares will have priority over equity shares in payment of dividend and repayment of capital.

iii) Shareholding Pattern (Refer Note No. 20)

iv) Aggregate number of shares issued as bonus share during 5 year immediately preceding March, 2016

The company has allotted 20397682 fully paid up equity shares of face value ₹ 5 each during the year ended 31.03.2015.

Notes Forming Part of Consolidated Financial Statements

		(₹ In Lacs)	
		March, 2016	March, 2015
(b) RESERVES AND SURPLUS			
A. Capital Reserve			
As per last Balance Sheet	1836.79	1720.37	
Add: Subsidy received	35.97	116.42	
	1872.75	1836.79	
B. Securities Premium Account			
As per last Balance Sheet	4985.79	6005.67	
Less: Premium Utilised on Issue of Bonus share	-	(1019.88)	
	4985.79	4985.79	
C. General Reserve			
As per last Balance Sheet	1792.27	1186.99	
Add : Transferred from Surplus balance	367.00	662.00	
Add : Previous Year Adjustment in profits of subsidiary & Joint Venture	24.00	-	
Less : Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013	-	(56.72)	
	2183.27	1792.27	
D. Surplus			
As per last Balance Sheet	19408.26	13792.77	
Less : Previous year adjustment in profits of Subsidiary and Joint Ventures	(24.00)	-	
Add:- Profit after tax for the Year	5237.67	7641.35	
Less: Appropriations			
- Dividend on Preference Shares Paid	(29.51)	-	
- Dividend on Preference Shares Proposed	(50.49)	(80.00)	
- Dividend on Equity Shares Proposed*	(713.92)	(1019.88)	
Less: Dividend Tax**			
- Equity Shares	(174.39)	(263.97)	
Less: Transferred to General Reserves	(367.00)	(662.00)	
Balance carried to Balance Sheet	23286.62	19408.26	
	32327.43	28023.10	

* The board of Director has recommended a final dividend of ₹ 1.75 per share (Previous year ₹ 2.5 per share) having face value of ₹ 5 each which is subject to the approval of the shareholders in the ensuing Annual General meeting.

** The company had during the year 2015-16 received dividend from subsidiary companies amounting to ₹ 451.95 Lacs on which corporate dividend tax was paid by the subsidiary company under the provision of section 115(O) of Income Tax Act 1961. Dividend tax on proposed dividend has been provided accordingly.

Notes Forming Part of Consolidated Financial Statements

NOTE 3:- NON CURRENT LIABILITIES

		(₹ In Lacs)	
		March, 2016	March, 2015
(a)	LONG TERM BORROWINGS		
A.	SECURED		
	Term Loans from banks		
	In Foreign Currency*	748.44	2190.78
	In Rupee**	17440.06	20745.27
	Vehicle Loans From Banks***	1.14	12.11
	From Others ****	3925.00	750.00
		22114.64	23698.16
	Less: Current Maturities of long term borrowings	7222.87	5094.92
		14891.77	18603.24

* ₹ 185.94 Lacs Secured by First Pari Passu charge on the current assets of the Company (Excluding those from Sanand, Gujrat unit) and by Second Pari Passu charge on the Movable and Immovable fixed assets of the Greater Noida, Uttar Pradesh and Faridabad, Haryana unit of the Company. The Subsidiary, JBMAS has external commercial borrowings of ₹ 562.50 Lacs is secured by First Pari Passu charge over the goods and current assets and mortgage by deposit of title deeds by first and exclusive charge over immovable properties situated at Oragadam.

** Term Loan of ₹ 180.00 Lacs is secured by First Pari Passu charge on the entire movable fixed assets including plant & machinery situated at Sanand, Gujrat unit of the company and by First Pari Passu charge by way of equitable mortgage on the immovable property situated at Nashik, Maharashtra unit of the company. The Term Loan of ₹ 865.53 Lacs is secured by First Pari Passu charge by way of Equitable Mortgage of leasehold land situated at Sanand, Gujrat subleased by Tata Motors Limited & on the movable fixed assets including plant & machinery situated at Sanand, Gujarat unit of the Company. Term loan of ₹ 1387.50 Lacs is secured by First Pari-Passu charge(shared by DBS) on the movable and immovable fixed assets of Indore, Greater Noida & Faridabad and Second Pari-Passu charge of the on all the current assets of the company both present and future situated at faridabad, Indore & Greater Noida.

Term loan of ₹ 2031.25 Lacs is secured by First Pari Passu charge on the entire movable and immovable assets of Indore unit located at plot no 157 E sec-3, pitampura Industrial area, Dhar - 454775, Indore, Madhya Pradesh, both present and future and also the entire movable and immovable assets situated at Greater Noida and Faridabad, both present and future. Second Pari Passu charge on the entire current assets of the company both present and future situated at faridabad, Indore and Greater Noida Units.

Term loan of ₹ 4171.54 Lacs is secured by First Pari Passu charge on both movable and immovable fixed assets of the Company at Indore, Greater Noida and Faridabad plant (both present & future) Second Pari Passu charge on the current assets Indore, Greater Noida and faridabad Plants (both present & future)

The Subsidiary, JBMAS has medium term loan of ₹ 6494.25 Lacs, secured by First Pari Passu charge on the movable and immovable fixed assets at Sanand Unit. First Pari Passu charge over movable fixed assets of the company situated at Oragadam Plant

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

The Subsidiary, JBM Ogihara has term loan of ₹ 810.00 Lacs, secured by First Pari Passu charge on the movable fixed assets and equitable mortgage over lease hold rights of land and building situated at plot No. 1, Bidadi Industrial Area, Ramanagar Bengaluru, Karnataka and further secured by Second Pari Passu charge on the entire current assets of company, both present and future.

*** Secured by hypothecation of specific Vehicles.

**** The Subsidiary, JBM Ogihara has a term loan of ₹ 500.00 Lacs First Paripasu charge on movable Fixed Assets of the borrower. Second Paripasu charge on entire current assets of the borrower, both present & future. Collateral: First Paripasu charge by way of equitable mortgage and leasehold rights of land and building, situated at Plot no.1, Bidadi Industrial area, Ramanagara, Bengaluru, Karnataka.

Notes Forming Part of Consolidated Financial Statements

The Joint Venturer, JBM MA has outstanding loan of ₹ 924.99 Lacs (50% share) is secured by First Pari Passu charge on movable fixed assets of the company & immovable fixed assets situated at C-1/2 MIDC, Chakan - Talegaon Road, Chakan, Pune 410 501, India and Second Pari Passu charge on the entire current assets of the company.

*** Term loan of ₹ 2500.00 Lacs has exclusive charge on plant & machinery of the Company with a minimum asset cover of 1.50X (as per WDV) as acceptable by the lender. Second Pari pasu charge on all current assets of Sanand unit, both present and future.

Term of Repayment of Loan	₹ In Lacs	No. of Quarterly/ Monthly installments	Balance Installment	Rate of interest
Foreign Currency Loan	185.94	16 Quarterly	1	3 Months USD LIBOR Linked rate
Foreign Currency Loan	562.50	16 Quarterly	3	3 Months USD LIBOR Linked rate
Rupee Loan	865.53	20 Quartely	3	Base Rate Linked Rate
Rupee Loan	180.00	20 Quartely	2	Base Rate Linked Rate
Rupee Loan	2031.25	16 Quartely	13	Base Rate Linked Rate
Rupee Loan	1387.50	16 Quartely	12	Base Rate Linked Rate
Rupee Loan	2088.20	16 Quartely	14	Base Rate Linked Rate
Rupee Loan	2083.34	48 Monthly	40	Base Rate Linked Rate
Rupee Loan	2500.00	16 Quartely	16	Base Rate Linked Rate
Rupee Loan	6494.25	16 Quartely	14	Base Rate Linked Rate
Rupee Loan	1500.00	16 Quartely	16	Base Rate Linked Rate
Rupee Loan	624.99	18 Quartely	15	Base Rate Linked Rate
Rupee Loan	300.00	18 Quartely	18	Base Rate Linked Rate
Rupee Loan	285.00	24 Quartely	4	Base Rate Linked Rate
Rupee Loan	525.00	23 Quartely	7	Base Rate Linked Rate
Rupee Loan	500.00	54 Monthly	54	Base Rate Linked Rate

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

(₹ In Lacs)		
	March, 2016	March, 2015
(b) DEFERRED TAX LIABILITY (Net)		
Timing Differences on account of		
1) Deferred Tax liability		
- Difference between book depreciation & depreciation under Income Tax Act 1961.	5695.06	4477.04
2) Deferred Tax Assets		
- Provision for Doubtful debts	(14.21)	(14.47)
- Claim under Sec43 (B) of Income tax Act	(108.96)	(74.80)
- Deferred Tax asset on carried forward losses & unabsorbed depreciation (Refer Note No. 31)	(352.32)	(269.37)
- Impact of Transitional adjustment for Depreciation as per Schedule II to the companies Act, 2013	-	29.24
3) Net Deferred Tax liability (1-2)	5219.57	4147.64
(c) OTHER LONG TERM LIABILITIES		
Advance received from customer	1860.44	1698.34
Payable for capital goods	43.63	1807.25
Other payable	1276.03	-
	3180.11	3505.59
(d) LONG TERM PROVISION		
Provision for Employee benefits	189.18	70.71
	189.18	70.71

Notes Forming Part of Consolidated Financial Statements

NOTE 4:- CURRENT LIABILITIES

		(₹ In Lacs)	
		March, 2016	March, 2015
(a) SHORT TERM BORROWINGS			
SECURED			
Loans from Banks			
- Cash Credit*		2548.60	1663.68
- Working Capital Demand Loans*		19904.30	15036.21
- Buyers credit / External Commercial Borrowing**		3395.32	2805.98
From Others		45.73	377.29
UNSECURED			
Loans from Banks			
-Working Capital Loan ***		4563.70	5652.29
		30457.66	25535.45

* Secured by hypothecation on pari-passu inter-se between banks by way of first charge on current assets of the company (excluding current assets of Sanand, Gujarat unit and Indore, Madhya Pradesh unit) and by way of second charge on entire movable assets of the company (excluding movable assets of Sanand, Gujarat unit) both present and future. Facility utilised of ₹.400.00 Lacs is secured by exclusive first charge on the entire current assets of Sanand, Gujarat unit of the Company and second charge on movable fixed assets including plant and machinery at Sanand, Gujarat unit of the Company, both present and future, further secured by second pari-passu by way of equitable mortgage on immovable property situated at Nashik, Maharashtra unit of the Company.

The subsidiary, JBM Auto System Private Limited has outstanding secured short term loan of ₹ 11804.30 Lacs is Secured by first charge on current assets of the company ranking pari-passu inter se between the company's bankers.

The subsidiary, JBM Ogihara Automotive India Limited has outstanding secured short term loan of ₹ 524.21 Lacs is secured by first charge on entire current assets of the company both present and future and further secured by second charge by way of equitable mortgage over lease hold rights of land & building situated at Plot No. 1, Bidadi Industrial Area, Ramanagar Bengaluru, Karnataka and extension of charge by way of hypothecation over entire fixed assets of the company.

The Joint venturer, Indo Toolings Private Limited has outstanding secured short term loan of ₹ 137.37 (50% share) Lacs is secured against entire current assets of the Company, existing and future.

The Joint venturer, JBM MA Automotive Private Limited has outstanding secured short term loan of ₹ 87.19 (50% share) Lacs is secured by First pari-passu charge on the entire current assets of the company, both present & future and Second pari-passu charge on movable fixed assets of the company & immovable fixed assets situated at C-1/2 MIDC, Chakan - Talegaon Road, Chakan, Pune 410 501, India.

** At BPLR Linked Rate

*** It represents bills discounted by banker's

Notes Forming Part of Consolidated Financial Statements

(₹ In Lacs)		
	March, 2016	March, 2015
(b) TRADE PAYABLES	38780.22	22144.46
	38780.22	22144.46
(c) OTHER CURRENT LIABILITIES		
Current maturities of Long term borrowings	7222.87	5094.92
Current maturities of deferred liabilities	-	0.74
Interest accrued but not due on borrowings	188.53	182.57
Interest accrued and due on borrowings	11.06	21.07
Unpaid/Unclaimed Dividend	10.36	6.47
	7432.82	5305.76
Other Payables		
Capital Creditors	870.90	1494.87
Statutory Dues Payable	918.99	1277.21
Employee related Liabilities	674.22	640.87
Advance from customers	4479.62	2735.08
Deposit from customer	10.63	-
Others	483.45	674.72
	7437.80	6822.76
	14870.61	12128.51
(d) SHORT TERM PROVISIONS		
Provision for employee benefits	254.33	215.55
Provision for Proposed Dividend		
- Preference Shares	50.49	80.00
- Equity Shares	713.92	1019.88
Provision for Dividend Tax on Proposed Dividend	170.97	179.37
Provision for income Tax	245.32	125.60
	1435.02	1620.41

Notes Forming Part of Consolidated Financial Statements

NOTE 5 : FIXED ASSETS

Description	Gross Block					Depreciation				Net Block		
	As at 01.04.2015	Additions during the year	Other Adjustments*	Sales/ Disposal during the year	Total as at 31.03.2016	As at 01.04.2015	For the year	Other Adjustments**	Written Back/ Adjustment on sales/disposal	Total as at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Tangible Assets												
Land (Freehold)	254.93	-	-	-	254.93	-	-	-	-	0.00	254.93	254.93
Land (Lease Hold)	6502.32	96.23	-	-	6598.55	457.64	100.53	-	-	558.16	6040.39	6044.68
Building	17758.37	859.48	-	25.43	18592.42	2490.07	553.12	-	-	3043.19	15549.23	15268.30
Plant & Machinery	71218.13	5470.92	103.12	288.81	76503.37	29161.51	4343.82	-	233.25	33272.09	43231.28	42056.61
Furniture & Fixtures	351.31	42.84	-	-	394.15	169.53	50.07	-	-	219.60	174.55	181.78
Office Equipments	949.41	318.81	-	7.78	1260.44	607.40	153.83	-	5.31	755.92	504.52	342.01
Vehicles	379.33	30.36	-	36.53	373.16	196.96	45.41	-	30.59	211.78	161.38	182.38
	97413.80	6818.66	103.12	358.55	103977.03	33083.11	5246.79	-	269.16	38060.73	65916.28	64330.69
Intangible Assets												
Computer Software	505.93	17.14	-	-	523.06	416.54	41.44	-	-	457.97	65.09	89.39
Technical Know-How	951.67	9.55	49.03	-	1010.24	187.62	192.85	-	-	380.47	629.77	764.04
Prototype	2572.61	871.66	-	-	3444.27	10.39	273.03	-	-	283.42	3160.85	2,562.22
Licence fees	1406.81	-	-	-	1406.81	6.06	141.03	-	-	147.09	1259.71	1,400.76
	5437.02	898.34	49.03	-	6384.39	620.61	648.34	-	-	1268.95	5115.43	4816.40
Total	102850.81	7717.00	152.15	358.55	110361.42	33703.72	5895.14	-	269.16	39329.69	71031.71	69147.09
Previous Year	76620.75	26567.79	(220.23)	117.49	102850.82	29713.78	4005.18	56.47	71.71	33703.72	69147.09	46906.97
Capital Work in Progress											2710.41	1196.69

NOTES :-

* Other Adjustments includes loss of ₹ 46.51 Lacs (P.Y. ₹ 129.05 Lacs) on account of Exchange Fluctuation and NIL (P.Y. ₹ 29.38) Lacs on account of depreciation and ₹ 105.64 Lacs (P.Y. ₹ 304.43 Lacs) on account of borrowing cost.

** Other Adjustments includes NIL (P.Y. ₹ (29.38) Lacs) depreciation Capitalised and impact of transitional adjustment for depreciation as per schedule to the companies act, 2013 amounting to NIL (P.Y. ₹ 85.85 Lacs)

1. The Lease hold Land at Faridabad amounting to ₹ 36.37 Lacs is yet to be registered in the name of the Company. The Company has obtained "No Objection Certificate" from lessor to get registration of same in the name of the Company.
2. Lease hold land includes land at Singur in West Bengal amounting to ₹ 156.11 Lacs is yet to be registered in the name of the company.
3. The Company has adopted component accounting as required under schedule II to the companies act, 2013 from 01st April, 2015. The reassessed useful life of the components identified is in line with the existing useful life of the assets used by the company for the purpose of depreciation. The impact of this reassessment is not material.

Notes Forming Part of Consolidated Financial Statements

NOTE 6: NON CURRENT INVESTMENTS

	(₹ In Lacs)	
	March, 2016	March, 2015
TRADE- UNQUOTED (fully paid up) at Cost		
Investment in Equity Instrument		
267,000 (P.Y. 2,67,000) Equiy Shares of ₹ 10/- each fully paid up in Pitampura Auto Cluster Limited	13.35	13.35
10,000,000 (P.Y. 10,000,000) Equity Shares of ₹10/- each in Yorozu JBM Automotive Tamilnadu Private limited	1000.00	1000.00
Investment in Preference Shares		
57,33,000 (P.Y.- 57,33,000) 4% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Pitampura Auto Cluster Limited	286.65	286.65
2,40,000 (P.Y 2,40,000) 1% Optionally Convertible Non-Cumalative Redeemable Preference shares in Neel Industries Private Limited	300.00	300.00
	1600.00	1600.00
Aggregate value of unquoted investment	1600.00	1600.00

NOTE 7: LONG TERM LOANS AND ADVANCES

	(₹ In Lacs)	
	March, 2016	March, 2015
(Unsecured, considered good)		
Capital advances	903.69	475.38
Security Deposit	236.96	225.82
Mat Recoverable	2354.77	285.47
Advance tax	364.66	82.62
Others	73.56	-
	3933.63	1069.30

NOTE 8: OTHER NON CURRENT ASSETS

	(₹ In Lacs)	
	March, 2016	March, 2015
(Unsecured, considered good)		
Hedging Gain Recoverable	-	115.89
Others	-	401.70
	-	517.59

Notes Forming Part of Consolidated Financial Statements

NOTE 9: CURRENT ASSETS

		(₹ In Lacs)	
		March, 2016	March, 2015
(a) INVENTORIES			
Raw material		15293.76	10491.20
Raw material in Transit		11.76	401.04
Work in process		11262.93	4941.94
WIP in transit		127.46	39.35
Stores, spares & consumables		1176.23	1075.05
Scrap		39.57	96.21
Finished Goods		892.44	790.36
		28804.15	17835.15
(b) TRADE RECEIVABLES			
(Unsecured)			
Debts outstanding for more than six months from due date			
- Considered good		528.39	517.86
- Considered doubtful		45.98	42.58
		574.37	560.44
Less: provision for doubtful debts		45.98	42.58
		528.39	517.86
Other debts, considered good		28599.41	22508.93
		29127.80	23026.79
(c) CASH AND BANK BALANCE			
A Cash and Cash Equivalents			
Cash in hand		18.39	17.76
Balances with Banks			
- In Current account		664.40	1045.92
- In Unpaid Dividend account		10.36	6.47
Deposits for less than 3 Months Maturity		38.87	44.14
B Other Bank balances			
In Fixed Deposit account (3-12 Months Maturity)*		17.52	13.93
		749.54	1128.21
* Under Bank's lien and includes Interest Accrued ₹3.24 Lacs (P.Y. ₹ 3.54 Lacs) there on			
(d) SHORT TERM LOANS & ADVANCES			
(Unsecured ,considered good, unless otherwise stated)			
Advanced recoverable in cash or in kind or for value to be received		1041.26	2552.21
Advance to suppliers		8098.24	2522.42
Security deposits		258.28	196.19
MAT Credit Available		-	684.29
Advance income tax		126.69	197.19
		9524.47	6152.30
(e) OTHER CURRENT ASSETS			
Balance of Modvat/ Cenvat		3842.55	3258.56
Sales Tax/VAT Recoverable		382.69	275.71
Hedging Gain recoverable		60.33	142.41
		4285.57	3676.68

Notes Forming Part of Consolidated Financial Statements

NOTE 10: REVENUE FROM OPERATIONS

	(₹ In Lacs)	
	March, 2016	March, 2015
Sale of Products	155621.50	155502.57
Sale of Services	1670.07	1786.56
Other Operating Revenue	13826.70	17414.66
Gross Revenue from Operations	171118.27	174703.79

NOTE 11: OTHER INCOME

	(₹ In Lacs)	
	March, 2016	March, 2015
Interest {TDS ₹ 0.37 Lacs (P.Y. ₹ 0.39 Lacs)}	19.67	21.99
Subsidy	488.11	313.96
Profit on Sale of Fixed Assets (Net)	58.71	11.43
Miscellaneous Income	73.43	61.70
	639.93	409.08

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

	(₹ In Lacs)	
	March, 2016	March, 2015
Opening Stocks :		
Work in process	4936.64	5327.70
Finished goods	790.36	687.07
	5727.00	6014.77
Less : Closing Stocks :		
Work in process	11265.17	4936.64
Finished Goods	892.44	790.36
	12157.61	5727.00
Increase/ (Decrease) in Stocks	(6430.61)	287.77

NOTE 13 : EMPLOYEE BENEFITS EXPENSE

	(₹ In Lacs)	
	March, 2016	March, 2015
Salaries & wages	15362.57	12869.31
Contribution to ESI, PF and other funds	587.54	540.27
Staff welfare	1509.81	1343.18
	17459.92	14752.76
Less: Transferred to Project Commissioned /Under Commissioning	357.89	823.20
	17102.03	13929.56

Notes Forming Part of Consolidated Financial Statements

NOTE 14: FINANCE COST

	(₹ In Lacs)	
	March, 2016	March, 2015
Interest to Banks- term loans	3586.27	2263.81
Interest- others	1630.08	1423.28
Other Financial Charges*	86.28	35.43
Applicable net (Gain)/Loss on foreign currency transactions and translation	78.24	30.93
	5380.87	3753.45
Less: Transferred to Project Commissioned /Under Commissioning	105.65	261.80
	5275.23	3491.65

* includes interest paid on Income Tax & TDS amounting to ₹ 1.52 Lacs (P.Y. ₹ 10.00 Lacs)

NOTE 15: OTHER EXPENSES

	(₹ In Lacs)	
	March, 2016	March, 2015
Stores consumed	1777.96	1688.08
Manufacturing expenses	1523.44	1452.43
Power & fuel	2928.20	2573.66
Packing Material	421.06	465.01
Machinery repairs and maintenance	1033.13	977.01
Rent (including land lease rent)	427.16	395.53
Rates & taxes	105.53	174.69
Insurance	52.03	41.30
Repair & maintenance		
- Building	114.96	88.22
- Others	924.38	785.23
Bad Debts written off	0.34	17.82
Loss on sale of assets/written off (Net)	0.08	-
Provision for Bad & Doubtful Debts	3.40	(13.84)
Freight & Forwarding charges	1088.18	1196.34
Exchange fluctuation(Net)	135.60	89.94
Miscellaneous expenses *	2956.08	2406.77
	13491.52	12338.19
Less: Transferred to Project Commissioned /Under Commissioning	0.81	188.02
	13490.71	12150.17

* Includes ₹ 21.13 Lacs (P.Y. ₹ 19.05 Lacs) on account of Excise Duty Provision on change in stock.

NOTE: 16 THE SUBSIDIARIES CONSIDERED IN THE CONSOLIDATED FINANCIAL STATEMENTS

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

NOTE: 17 THE JOINT VENTURES CONSIDERED IN CONSOLIDATED FINANCIAL STATEMENTS

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

Notes Forming Part of Consolidated Financial Statements

NOTE: 18 In respect of jointly controlled Entities, the Company's share of Assets, Liabilities, income and expenditure of the joint venture companies are as follows:

(₹ In Lacs)		
Particulars	2016	2015
Assets		
Fixed Assets	7846.06	7992.01
Non- Current Investments	300.00	300.00
Long term loans & advances	723.74	431.06
Current Assets	6586.76	5358.23
Deferred Tax Asset	30.99	29.98
Liabilities		
Non-Current Liabilities and Provisions	4468.59	3372.50
Short term Borrowings	1691.44	2475.13
Current Liabilities and Provisions	4238.30	3634.98
Income	16765.65	16277.78
Expenses	16288.35	15841.66

NOTE: 19 EARNING PER SHARE

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
a) Profit after tax as per Statement of Profit & Loss (₹ In Lacs)	5237.67	7641.35
b) Preference dividend and dividend tax thereon (₹ In Lacs)	181.95	197.59
c) Net profit available for equity share holders (₹ In Lacs)	5055.72	7443.76
Total Equity Shares (No's)	40795364	40795364
Basic/Diluted Earnings per Share (₹ 5/-)	12.39	18.25

NOTE: 20 DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% SHARE CAPITAL AS ON THE BALANCE SHEET DATE

Name of Shareholders	31.03.2016		31.03.2015	
	No. of Shares	% held in Shareholding	No. of Shares	% held in Shareholding
I) Equity Shares of ₹ 5 each fully paid up				
SMC CREDITS LIMITED	7570260	18.56	7570260	18.56
A to Z SECURITIES LIMITED	4190160	10.27	4190160	10.27
ZEAL IMPEX & TRADERS PRIVATE LIMITED	4018968	9.85	4018968	9.85
AMITY INFOTECH PRIVATE LIMITED	4000000	9.81	4000000	9.81
SHUKLAMBER EXPORTS LIMITED	3424824	8.40	3424824	8.40
JBM BUILDERS PVT LIMITED	3030832	7.43	3030832	7.43
NAP INVESTMENT & LEASING PVT LIMITED	2274616	5.58	2274616	5.58
ANS HOLDING PRIVATE LIMITED	2058996	5.05	2058996	5.05
II) Preference Shares of ₹ 10 each fully paid up				
NEEL METAL PRODUCTS LIMITED	10000000	100.00	10000000	100.00

Notes Forming Part of Consolidated Financial Statements

NOTE: 21 CONTINGENT LIABILITIES

		(₹ In Lacs)	
Sr. No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
i)	Letter of Credit outstanding	2362.67	1318.10
ii)	Guarantees issued by the Bank on behalf of the Company	335.63	418.57
iii)	Claims against the Company not acknowledged as debt	3743.74	1176.48

NOTE: 22 AUDITOR'S REMUNERATION

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

		(₹ In Lacs)	
		2015-16	2014-15
A	Audit fee	41.27	36.22
B	Tax audit fees	9.90	7.28
C	Taxation matter	2.98	3.10
D	Others	12.29	14.99

NOTE: 23 SEGMENT INFORMATION

i) Primary Segment Reporting

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

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

B. Inter Segment Transfer Pricing

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

ii) Segment Revenues, Results and other information

		(₹ In Lacs)						
	Sheet Metal Components, Assemblies & sub-assemblies		Tools, dies & Moulds		Bus Division		Total of Reportable Segments	
	2016	2015	2016	2015	2016	2015	2016	2015
External Sales	144019.92	145779.72	7678.79	9847.74	-	-	151698.71	155627.46
Inter Segment Sales	1059.32	29.57	-	-	-	-	1059.32	29.57
Other Income	617.24	400.20	22.69	8.88	-	-	639.93	409.08
Segment Revenues	145696.48	146209.49	7701.48	9856.62	-	-	153397.96	156066.11
Segment Results	11850.97	12929.98	2423.67	2286.44	(1377.65)	(128.60)	12896.99	15087.81
Segment Assets	116723.37	99838.29	8110.53	5683.53	17967.48	9729.96	142801.38	115251.78
Segment Liabilities	47837.12	31696.89	4251.73	2993.53	2996.28	1202.97	55085.13	35893.39
Capital Expenditure	6403.81	23708.65	145.94	62.26	2474.90	2796.88	9024.64	26567.79
Depreciation/ Amortization	5158.20	3823.84	108.15	127.74	628.79	24.22	5895.14	3975.80

Notes Forming Part of Consolidated Financial Statements

Reconciliation of Reportable Segment with the Financial Statements:

(₹ In Lacs)

	Revenues		Results/ Net Profit		Assets		Liabilities	
	2016	2015	2016	2015	2016	2015	2016	2015
Total Reportable Segments	153397.96	156066.11	12896.99	15087.81	142800.30	115251.78	55085.14	35893.39
Inter segment sales/ Adjustments	(1059.32)	(29.57)	-	-	-	-	-	-
Corporate unallocated/ Others (Net)	77.32	67.36	(4413.10)	(2851.37)	9054.21	10185.27	48719.43	47714.98
Taxes/ Deferred Tax	-	-	(2190.36)	(2972.57)	30.99	29.98	5250.56	4177.62
As per Financial statements	152415.96	156103.90	6293.53	9263.86	151885.51	125467.03	109055.13	87785.99

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

NOTE: 24 Estimated amount of contracts remaining to be executed on capital account (Net of advances) not provided for ₹ 2135.28 Lacs (P.Y. ₹ 2317.89 Lacs).

NOTE: 25 The Company uses derivative contracts to hedge the interest rates and currency risk on its capital account. The Company does not use these contracts for trading or speculative purpose.

i. Derivative contracts remaining outstanding as on 31.03.2016

Nos. of Contracts		Equivalent USD (USD in Lacs)		INR Equivalents (₹ In Lacs)	
2016	2015	2016	2015	2016	2015
2	2	14.29	40.80	748.44	2190.78

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

(Figure in Lacs)

	As at March 31, 2016	As at March 31, 2015
Liabilities		
In Euros (€)	2.70	7.72
(Equivalent approximate in INR)	203.44	523.66
In US Dollar (\$)	77.87	57.85
(Equivalent approximate in INR)	5,159.84	3610.37
In SEK (kr)	1.50	0.17
(Equivalent approximate in INR)	12.26	1.26
In JPY (¥)	626.50	839.73
(Equivalent approximate in INR)	371.74	439.66
Assets		
In Euros (€)	2.97	5.49
(Equivalent approximate in INR)	221.27	368.96
In US Dollar (\$)	1.40	1.62
(Equivalent approximate in INR)	92.23	100.96

Notes Forming Part of Consolidated Financial Statements

NOTE: 26 RETIREMENT BENEFITS

The Company has calculated the benefits provided to employees as under

i. Provident Fund

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

	2016	2015
Employer's Contribution to Provident Fund*	495.73	453.15

ii. State Plans

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

	2016	2015
Employer's contribution to Employee State Insurance*	17.58	69.71
Employer's contribution to Welfare Fund*	74.23	1.01

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

iii. Defined Benefit Plans

- Contribution to Gratuity Fund – Employee's Gratuity Fund scheme of the company is managed by a trust (Life Insurance Corporation of India).
- Leave Encashment/ Compensated Absence

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

i) Actuarial Assumptions	2016		2015	
	Leave Encashment/ Compensated Absence	Employee Gratuity Fund	Leave Encashment/ Compensated Absence	Employee Gratuity Fund
Discount Rate (per annum)	7% to 9%	7% to 9%	7% to 9%	7% to 9%
Rate of increase in compensation levels	5% to 8%	5% to 8%	5% to 8%	5% to 8%
Rate of return on plan assets	N.A.	8% to 9%	N.A.	8% to 9%
Expected Average remaining working lives of employees (years)	9 to 29	9 to 29	10 to 25	10 to 25

(₹ In Lacs)

ii) Change in the obligation during the year ended 31st March, 2016	2016		2015	
	Leave Encashment/ Compensated Absence	Employee Gratuity Fund	Leave Encashment/ Compensated Absence	Employee Gratuity Fund
Present value obligation as at the beginning of the year	151.99	473.47	119.32	395.91
Interest cost	11.66	35.37	8.22	30.38
Past Service cost	-	-	-	-
Current service cost	50.80	102.32	71.91	89.54
Curtailment cost	-	-	-	-
Settlement cost	-	-	-	-
Benefit paid	(60.42)	(36.01)	(32.04)	(66.06)
Actuarial (gain)/loss on Obligations	11.57	8.65	(15.42)	23.71
Present value obligation as at the end of the year*	165.60	583.80	151.99	473.47

Notes Forming Part of Consolidated Financial Statements

(₹ In Lacs)

iii) Change in fair value plan Assets	2016		2015	
	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
Fair value of Plan Assets as at the beginning of the year	-	359.48	-	342.35
Expected return on Plan Assets	-	32.01	-	30.60
Contributions	-	31.06	-	45.07
Withdrawals	-	(17.84)	-	(56.08)
Actuarial gain/(loss) on Obligations	-	(4.64)	-	(2.46)
Fair value of Plan Assets as at the end of the year	-	400.07	-	359.48

(₹ In Lacs)

iv) Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets	2016		2015	
	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
Present value obligation as at the end of the year	165.60	583.80	151.99	473.47
Fair value of Plan Assets as at the end of the year	-	400.07	-	359.48
Funded Status	-	-	-	-
Present value of unfunded obligation as at the end of the year.	-	-	-	245.48
Unfunded Actuarial (gains)/Losses	-	-	-	-
Unfunded Net Asset/(Liability) recognized in Balance Sheet*	-	(183.73)	-	(114.00)

(₹ In Lacs)

v) Expenses recognized in Profit and Loss Account	2016		2015	
	Leave Encashment/Compensated Absence	Employee Gratuity Fund	Leave Encashment/Compensated Absence	Employee Gratuity Fund
Current service cost	50.80	102.32	71.91	89.54
Past Service cost	-	-	-	-
Interest cost	11.66	35.37	8.22	30.38
Expected return on Plan Assets	-	(32.01)	-	(30.60)
Curtailment cost	-	-	-	-
Settlement cost	-	-	-	-
Net Actuarial (gain)/loss recognized during the year	11.57	13.29	(15.42)	26.18
Total Expense recognized in Profit and Loss Account#	74.03	118.80	64.71	115.50

*This pertains to Long term Liability worked in respect of deferred leave only. Expected short term liability of ₹ 30.77 Lacs (P.Y. ₹ 35.85 Lacs).

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

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

Notes Forming Part of Consolidated Financial Statements

NOTE: 27 STATEMENTS OF TRANSACTIONS WITH RELATED PARTIES

Joint Venture/Associates	Key Management personnel and their relatives
JBMMA Automotive Private Limited	Mr. H.R. Saini, Executive Director upto 06th June, 2015
IndoToolings Private Limited	Mr Sandip Sanyal, Executive Director w.e.f. 18th May, 2015
Ogihara (Thailand) Co. Ltd	
MA SRL (formerly Known as MA SPA)	

(₹ In Lacs)

	2015-16			2014-15		
	Joint Ventures	Key Management personnel and their relatives	Total	Joint Ventures	Key Management personnel and their relatives	Total
Purchase of the goods						
MA SRL	-	-	-	12.12	-	12.12
Ogihara (Thailand) Co.Ltd	1081.02	-	1081.02	-	-	-
JBMMA Automotive Private Limited	116.33	-	116.33	16.87	-	16.87
IndoToolings Private Limited	132.77	-	132.77	228.15	-	228.15
Total	1330.12	-	1330.12	257.14	-	257.14
Sale of goods & Jobworks						
JBMMA Automotive Private Limited	248.27	-	248.27	56.45	-	56.45
IndoToolings Private Limited	-	-	-	2.22	-	2.22
Total	248.27	-	248.27	58.67	-	58.67
Others Expenses						
JBMMA Automotive Private Limited	0.78	-	0.78	0.25	-	0.25
IndoToolings Private Limited	-	-	-	3.31	-	3.31
Ogihara (Thailand) Co. Ltd.	74.94	-	74.94	79.34	-	79.34
Total	75.72	-	75.72	82.90	-	82.90
Others Expenses Recovered						
JBMMA Automotive Private Limited	4.70	-	4.70	2.02	-	2.02
IndoToolings Private Limited	-	-	-	0.72	-	0.72
MA SRL	0.58	-	0.58	0.20	-	0.20
Total	5.28	-	5.28	2.94	-	2.94
Other Income						
MA SRL	0.08	-	0.08	0.44	-	0.44
Total	0.08	-	0.08	0.44	-	0.44
Managerial Remuneration						
Mr. H. R. Saini	-	5.59	5.59	-	30.52	30.52
Mr Sandip Sanyal	-	57.36	57.36	-	-	-
Total	-	62.95	62.95	-	30.52	30.52

Notes Forming Part of Consolidated Financial Statements

(₹ In Lacs)

	2015-16			2014-15		
	Joint Ventures	Key Management personnel and their relatives	Total	Joint Ventures	Key Management personnel and their relatives	Total
Amount Recoverable						
JBMM Automotive Private Limited	292.04		292.04	450.28	-	450.28
IndoToolings Private Limited	26.25		26.25	33.98	-	33.98
MA SRL	4.20	-	4.20	31.72	-	31.72
Ogihara (Thailand) Co. Ltd	-	-	-	311.73		311.73
Total	322.49	-	322.49	827.71	-	827.71
Amount Payable						
Ogihara (Thailand) Co. Ltd.	187.56	-	187.56	71.54	-	71.54
Total	187.56	-	189.03	71.54	-	72.72

NOTE : 28 The Company has filed a writ petition with the Hon'ble High Court of Kolkatta, West Bengal for injunction restraining the Govt. of West Bengal for acting in terms of Singur Land rehabilitation and Development Act, 2011. The Division Bench of the Kolkata High Court had held that the Singur Act was unconstitutional and had therefore struck down the Act. The State Government has challenged the said judgment of the Kolkata High Court before the Hon'ble Supreme Court and the same is still pending. Meanwhile the Division Bench had granted a stay on the said order dated 21st June, 2012 which has also been extended by Supreme Court. By virtue of the order of stay, the State Government is still retaining the possession of the Singur land.

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

NOTE: 29 On 5th November, 2014, a fire occurred in the administration block of the Sector-59 unit (Ballabgarh, Haryana) of the Company. All the records, documents, computer system etc. were burnt. The Company has filed the insurance claim against the loss, which is pending for settlement. No provision has been made for the same. Any variation from insurance claim filed will be accounted for as and when it is realized

NOTE: 30 Company has reviewed the useful life of intangible assets and revised the useful life of Prototype, design, technical Know-how and related License fees of Bus Division from 7 years to 10 years based on the expected pattern of consumption of economic benefits and in accordance with the rebuttable presumption that the useful life of asset will not exceed 10 years from the date asset is available for use, effective April 1, 2015. Consequently, amortization for the year is lower and profit before tax is higher by ₹ 177.85 Lacs.

NOTE: 31 The Company has recognized deferred tax asset on unabsorbed depreciation based upon virtual certainty supported by confirmed orders from customers which will results in sufficient taxable profit.

Notes Forming Part of Consolidated Financial Statements

NOTE: 32 Additional Information, as required under schedule III to the companies Act 2013, of enterprises consolidated as subsidiary/ Joint Venture.

S. no	Name of Enterprises	Net Assets i.e Total assets minus total liabilities				Share in profit & loss			
		2015-16		2014-15		2015-16		2014-15	
		As % of consolidated net asset	Amount (In Lacs)	As % of consolidated net asset	Amount (In Lacs)	As % of consolidated Profit & loss	Amount (In Lacs)	As % of consolidated net asset	Amount (In Lacs)
1 Parent									
	JBM Auto Limited	48.53%	20786.90	50.93%	19190.59	47.02%	2462.67	43.98%	3360.30
2 Subsidiaries									
	JBM Auto System Private Limited	49.78%	21319.88	49.17%	18527.68	64.75%	3,391.34	70.03%	5351.25
	JBM Oghara Automotive India Limited	7.14%	3057.14	7.19%	2710.35	6.63%	347.38	6.01%	459.27
3 Minority Interest									
	JBM Auto System Private Limited	13.11%	5616.23	12.90%	4860.58	(16.91%)	(885.65)	(18.29%)	(1397.47)
	JBM Oghara Automotive India Limited	3.54%	1514.46	3.78%	1425.09	(3.25%)	(170.21)	(2.95%)	(225.04)
	Indo Toolings Private Limited	0.78%	332.50	0.88%	332.50	-	-	-	-
4 Joint venture									
	JBM MA Automotive Private Limited	10.93%	4679.82	10.95%	4127.73	9.85%	516.12	6.59%	503.18
	Indo Toolings Private Limited	0.96%	409.39	1.19%	448.21	(0.74%)	(38.81)	(0.88%)	(67.07)
	Total	134.76%	57716.31	136.99%	51622.74	107.35%	5622.84	104.49%	7984.41
	Less : Adjustment arising out of consolidation	(34.76%)	(14885.93)	(36.99%)	(13941.69)	(7.35%)	(385.17)	(4.49%)	343.06
	Total	100.00%	42830.38	100.00%	37681.04	100.00%	5237.67	100.00%	7641.35

NOTE: 33 One of the subsidiary company has received an Order dated 8th September, 2014 issued under the Rajasthan Stamp Act, 1998 by the Collector of Stamps, Alwar, Rajasthan for the levy of Stamp Duty amounting to ₹ 2.49 Cr including interest and penalty towards registration of the land situated at Pathredi, Rajasthan. The Company has filed writ petition with the Hon'ble Rajasthan High Court, Jaipur dated 18th August, 2015 for filing the rectification petition with the Tax Board, Ajmer. A Revision petition has been filed by the company with the tax board, Ajmer after depositing 25% of the demand amounting to ₹ 0.62 Cr on 30th December, 2015. Last date of hearing was on 3rd March 2016, wherein the stay order has been extended to 14th September 2016.

NOTE: 34 Consumption of Raw materials and Components has been computed by adding purchase to the opening stock and deducting closing stock verified physically by the management.

NOTE: 35 Trade and Other Receivables and Payables are subject to confirmation.

NOTE: 36 Previous year figures have been regrouped and/ or rearranged wherever considered necessary.

As per our report attached
For Mehra Goel & Co.
Chartered Accountants
FRN: 000517N

Nitish Kumar Chugh
Partner
M.No. 512742

Surendra Kumar Arya
Chairman
DIN 00004626

Nishant Arya
Director
DIN 00004954

Mahesh Kumar Aggarwal
Director
DIN 00004982

Ashok Kumar Agarwal
Director
DIN 00003988

Place : Gurugram (Haryana)
Dated : 30th May, 2016

Sandip Sanyal
Executive Director
DIN 07186909

Vimal Vasisht
Director
DIN 06928805

Vivek Gupta
Chief Financial Officer
& Company Secretary

FORM AOC-1

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

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

Part "A": Subsidiaries

(All amounts in ₹ Lakhs, unless otherwise stated)

S. no	Name of Subsidiary	JBM Auto System Private Limited		JBM Ogihara Automotive India Limited	
1	Reporting period	31.03.2016	31.03.2015	31.03.2016	31.03.2015
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA
3	Share capital	2489.00	2489.00	2200.00	2200.00
4	Reserves & surplus	18830.88	16038.68	857.13	510.35
5	Total assets	63919.50	50403.38	8890.92	7065.53
6	Total Liabilities	42599.62	31875.70	5833.79	4355.18
7	Investments	1300.00	1300.00	-	-
8	Turnover	71965.30	72114.77	7901.99	8527.05
9	Profit before taxation	5185.09	7326.23	521.65	687.46
10	Provision for taxation	1793.75	1974.98	174.28	228.20
11	Profit after taxation	3391.34	5351.25	347.37	459.27
12	Dividend	497.80	497.80	-	165.00
13	% of shareholding	73.89	73.89	51.00	51.00

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

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

Part "B": Joint Ventures

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

(All amounts in ₹ Lakhs, unless otherwise stated)

S. no	Name of Subsidiary	JBM Ma Automotive Private Limited		Indo Toolings Private Limited	
1	Latest audited Balance Sheet Date	31.03.2016	31.03.2015	31.03.2016	31.03.2015
2	Shares of Joint Ventures held by the company on the year end				
	a) No of share	30449600	30449600	200000	200000
	b) Amount of Investment in Joint Venture	3044.96	3044.96	20.00	20.00
	c) Extend of Holding%	50%	50%	50%	50%
3	Description of how there is significant influence	50%	50%	50%	50%
4	Reason why the joint venture is not consolidated	NA	NA	NA	NA
5	Net worth attributable to shareholding as per latest audited Balance Sheet	4679.82	4127.73	409.39	448.21
6	Profit/Loss for the year	1032.24	1006.37	(77.63)	(134.14)
	i. Considered in Consolidation	516.12	503.18	(38.82)	(67.07)
	ii. Not Considered in Consolidation	516.12	503.19	(38.81)	(67.07)

As per our report attached

For Mehra Goel & Co.

Chartered Accountants

FRN: 000517N

Nitish Kumar Chugh
Partner
M.No. 512742

Surendra Kumar Arya
Chairman
DIN 00004626

Nishant Arya
Director
DIN 00004954

Mahesh Kumar Aggarwal
Director
DIN 00004982

Ashok Kumar Agarwal
Director
DIN 00003988

Place : Gurugram (Haryana)
Dated : 30th May, 2016

Sandip Sanyal
Executive Director
DIN 07186909

Vimal Vasisht
Director
DIN 06928805

Vivek Gupta
Chief Financial Officer
& Company Secretary



REGISTERED OFFICE:

JBM Auto Limited

601, Hemkunt Chambers,
89, Nehru Place, New Delhi-110019.
Ph.: 91-11-26427104-6
Fax: 91-11-26427100
email : corp@jbm.co.in
www.jbm-group.com

CORPORATE OFFICE:

JBM Auto Limited

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

WORKS:

- Plant I - Plot No. 133, Sector-24, Faridabad - 121005, Haryana
Ph: +91-129-4090200, Fax: +91-129-2234230.
- Plant II - Plot No. 5, Sector-31, Kasna Industrial Area,
Greater Noida-201306, Uttar Pradesh.
Ph.: +91-120-4522500, 2341417, 2341429, Fax:- +91-120-2341423.
- Plant III - 71-72, MIDC, Satpur, Nashik - 422007, Maharashtra
Ph: +91-253-2360548, Fax: +91-253-2360558.
- Plant IV - Plot No. B-2, Survey No.1, Tata Motors Vendor Park,
Sanand - 382170, Ahmedabad, Gujarat
Ph: +91-2717-645180
- Plant V - Plot No. 118, Sector - 59, HSIDC, Industrial Estate,
Ballabhgarh - 121004, Faridabad, Haryana.
- Plant VI - A-4, Industrial Estate, Kosi Kotwan, Dist. Mathura, Uttar Pradesh.
- Plant VII - Plot No. 157-E, Sector-3, Pithampur Industrial Area - 454775,
Dist. Dhar, Indore (M.P).
- Plant VIII - Plot No. SP-891, Pathredi Industrial Area, Bhiwadi - 301707,
Dist. Alwar, Rajasthan.

SKILL DEVELOPMENT CENTRE (SDC)

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

JBM AUTO LIMITED

Registered Office: 601, Hemkunt Chambers,
89, Nehru Place, New Delhi - 110 019
CIN : L74899DL1996PLC083073
E-mail: corp@jbm.co.in; Website: www.jbm-group.com
Ph. 011-26427104 -06; Fax: 011-26427100

**NOTICE**

NOTICE is hereby given that the 20th Annual General Meeting of the members of JBM Auto Limited will be held on Saturday, 3rd Day of September, 2016 at 10:30 a.m. at the Air Force Auditorium, Subroto Park, New Delhi-110010 to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2016 including the Audited Balance Sheet as at 31st March, 2016, the Statement of Profit & Loss for the year ended on that date, Report of the Board of Directors and Auditors thereon.
2. To declare Dividend on equity shares.
3. To appoint a Director in place of Mr. Surendra Kumar Arya (DIN: 00004626), who retires by rotation and being eligible, offers himself for re-appointment.
4. **To ratify the appointment of Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provision, if any, of the Companies Act, 2013 and Rules made thereunder, as amended from time to time, pursuant to the recommendation of Audit Committee and Board of Directors, the appointment of M/s. Mehra Goel & Co., Chartered Accountants (Firm Registration No. 000517N), be and is hereby ratified as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration as may be fixed by the Board of Directors in consultation with the Auditors of the Company."

**By Order of the Board of Directors
For JBM Auto Limited**

Place: Gurugram (Haryana)
Date : 30.05.2016

Sd/-
VIVEK GUPTA
Chief Financial Officer
& Company Secretary
M. No. F7918

NOTES:

1. **A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the Company. The instrument appointing proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. In term of Section 152 of the Companies Act, 2013, Mr. Surendra Kumar Arya (DIN: 00004626), Director of the Company will retire at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. A brief profile and other details as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given under note no. 25 to the notice.
5. Members are requested to bring their copy of Annual Report to the meeting.
6. Members / Proxies should bring the attendance slip for attending the meeting and should be handed over at the entrance of meeting place. In case of joint holders attending the meeting, only such joint holder whose name is higher in the order of names will be entitled to vote. The corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
7. Pursuant to the provisions of Section 72 of the Companies Act, 2013, the shareholders holding shares in physical form may file nomination in the Form SH-13 with M/s MCS Share Transfer Agent Ltd., the Registrar and Share Transfer Agent of the Company. In respect of shares held in electronic / dematerialized form, the nomination form may be filed with the respective Depository Participant.
8. Members are requested to write their client ID and DP ID number or folio number, whichever is applicable in attendance slip for attending the meeting.

9. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Saturday between 11:00 a.m. and 1:00 p.m. upto the date of Annual General Meeting.
10. The Company has notified the closure of Register of Members and Share Transfer book from 27.08.2016 to 03.09.2016 (both days inclusive) for determining the name of members eligible for dividend on equity shares, if declared at the meeting.
11. The dividend on Equity Shares, if declared at the meeting, will be credited / dispatched within 30 days from the date of the Annual General Meeting, to those members whose names shall appear on the Company's Register of Members on 27th August, 2016; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
12. Members holding shares in identical order of names in more than one folio are requested to write to the Company or its Registrar and Share Transfer Agent and send their share certificates to enable consolidation of their holdings into one folio.
13. Members holding shares in dematerialized form are requested to intimate all the changes pertaining to their details of Bank account, power of attorney, change of address / name etc. to their depository participants only and not to the Company's Registrar and Share Transfer Agents to provide efficient and better services to the members.
14. Under Section 125(C) of the Companies Act, 2013, the amount of dividend remaining unpaid and unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Since, Company had not declared any dividend for the financial year ended March 31, 2009 (FY 2008-09), no unpaid dividend is required to be transferred to the Investor Education & Protection Fund (IEPF).
15. Members seeking further information about the accounts are requested to write to the Company at least 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.
16. Non-Resident Indian Members are requested to inform MCS, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
17. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and the MCA circular, no gifts/coupons shall be distributed at the Meeting.
18. Members may kindly note that bags, eatables, laptops, arms, ammunitions or any other harmful/dangerous objects are not allowed inside the Auditorium.
19. Members may also note that the Notice of 20th Annual General Meeting and Annual Report for the year 2015-16 are also available at the Company's website: www.jbm-group.com for their download.
20. The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in the Corporate Governance" by allowing paperless compliance by the Companies and as per Rule 18 of the Companies (Management and Administration) Rule, 2014 allowed Companies to send any notice / document (including Annual Report) to its members via e-mail. To support this green initiative of the Government in letter and spirit, the Company has taken initiative to collect e-mail addresses of all its members.

Members holding shares in physical form are requested to provide/ update their e-mail addresses to MCS Share Transfer Agent Ltd. (Registrar and Share Transfer Agent). Members holding shares in dematerialized form may kindly update their e-mail address with their respective Depository Participant (DP's).

21. Voting through electronic means

- I. In compliance of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide remote e-voting facility to the members of the Company to exercise their right to vote in respect of the resolutions to be passed at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 31.08.2016 (9:00 a.m.) and ends on 02.09.2016 (5:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 26.08.2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/ Depository Participants(s)] :

- (i) Open e-mail and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Name of the company".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy(PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@bjm.co.in with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose e-mail IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - VIII. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
 - IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e.26.08.2016.
 - X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 26.08.2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - XIII. CS Sunita Mathur (Membership No. FCS 1743, CP No. 741) Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.jbm-group.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited & National Stock Exchange of India Limited, Mumbai.
22. The members may address their correspondence either to the Company at its registered office or MCS Share Transfer Agent Ltd., the Registrar and Share Transfer Agent. Please quote your folio number, e-mail address, telephone & fax number (if any) for prompt reply.
23. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar & Share Transfer Agent.
24. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
25. **Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile and other details of Director eligible for re-appointment vide item no. 3 is as follows:**

Sl. No.	Particulars	Mr. Surendra Kumar Arya
1.	DIN	00004626
2.	Date of Birth	10.11.1957
3.	Date of appointment	01.08.2000
4.	Qualifications	B. Sc.
5.	Experience in specific functional areas	Having experience of more than 32 years in Automobile and Engineering Industry and also has a dynamic business & leadership skills.
6.	Directorship held in other listed entities	Jay Bharat Maruti Limited
7.	Membership / Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholders' Relationship Committee)	i. Member, Audit Committee - Jay Bharat Maruti Limited ii. Member, Audit Committee – JBM Auto Limited iii. Chairman, Stakeholder's Relationship Committee – JBM Auto Limited
8.	Number of Shares held in the Company	1,18,140 equity shares
9.	Relationship with any Director(s) of the Company	Mr. Nishant Arya, Director

**By Order of the Board of Directors
For JBM Auto Limited**

Place: Gurugram (Haryana)
Date : 30.05.2016

Sd/-
VIVEK GUPTA
Chief Financial Officer
& Company Secretary
M. No. F7918

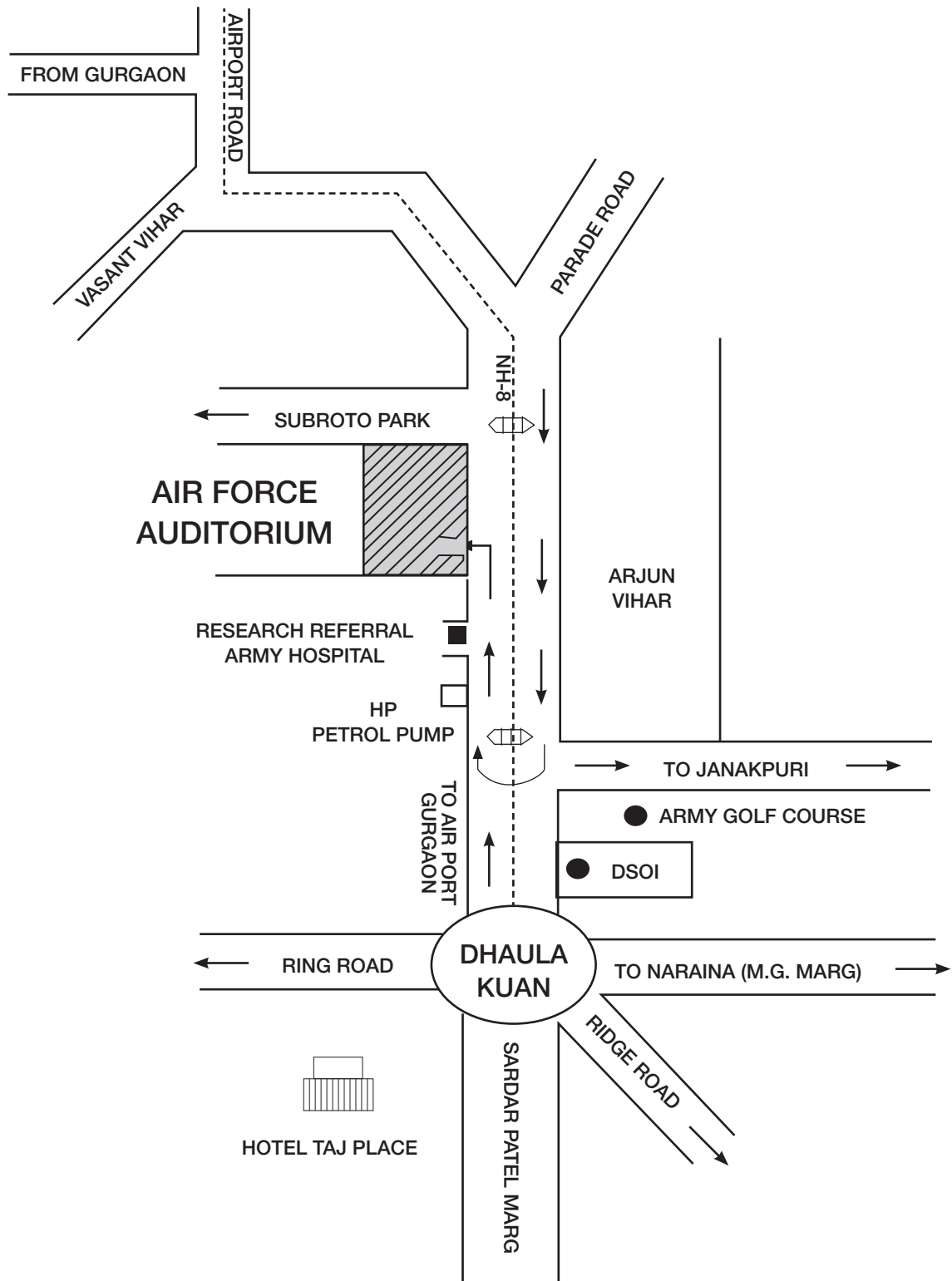
NOTICE FOR SHAREHOLDERS/INVESTORS FOR UNPAID DIVIDENDS

1. The Shareholders / Investors of JBM Auto Limited are notified that in pursuance of the section 125C of the Companies Act, 2013 (the Act), the Company is required to transfer the amount of Dividends that remain unclaimed / unpaid for a period of 7 (seven) years from the date on which they were declared, to the Investor Education and Protection Fund (IEPF) established under Section 205C of the Companies Act, 1956.
2. Dividend declared during the following financial years shall fall due for transfer to IEPF on completion of a period of seven years from the respective date of declaration of Dividend. A table containing the due dates for transfer to IEPF for various years is given below for the information of the Shareholders/Investors:

Financial Year	Rate of Dividend	Proposed date for transfer to IEPF
2008-09	Nil	N.A.
2009-10	15%	25 th October, 2017
2010-11	20%	20 th October, 2018
2011-12	15%	31 st October, 2019
2012-13	20%	14 th October, 2020
2013-14	30%	29 th October, 2021
2014-15	50%	27 th October, 2022

3. Shareholders / Investors who have not encashed their Dividend Warrants, if any, for any of the aforesaid Financial Years, are requested to lodge their claims by quoting their respective Folio No./DP ID/Client ID with Company at the following address:
Company Secretary
JBM Auto Limited
Plot No. 133, Sector-24,
Faridabad -121005
Haryana
Ph: 0129-4090200
Email: vgupta@jbm.co.in; jbmmainvestor@jbm.co.in
4. Shareholders are advised to ensure that their claims for unpaid / unclaimed dividend are lodged timely so as to reach the same on or before the date indicated against each year in the table at Sr. No. 2 above. The claims received after these dates shall not be entertained and the amount outstanding shall be transferred to IEPF.
5. Shareholders are requested to note that after the transfer of the amount to IEPF, no claim for payment shall lie in respect thereof to the Bank and/or to the Fund.

ROUTE MAP OF THE VENUE OF 20TH ANNUAL GENERAL MEETING OF
JBM AUTO LIMITED





JBM AUTO LIMITED

CIN: L74899DL1996PLC083073

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

ATTENDANCE SLIP

I hereby record my presence at the 20th ANNUAL GENERAL MEETING of the Company to be held on Saturday, 3rd day of September, 2016 at 10:30 a.m. at Air Force Auditorium, Subroto Park, New Delhi-110010.

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

Father's/Husband's Name _____ (In Block Letters)

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

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

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

Note:

- Members/Proxies are requested to bring the duly filled in Attendance Slip to the 20th Annual General Meeting, to be handed over at the meeting.
- If you intend to appoint a proxy, please deposit duly filled Proxy Form either at the Registered Office of the Company or at the office of its Registrar & Share Transfer Agent at least 48 hours before the meeting.



JBM AUTO LIMITED

CIN: L74899DL1996PLC083073

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):

Registered address:

E-mail Id:Folio No/ Client Id:DP ID.....

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:Address:.....

.....E-mail Id:

Signature:....., or failing him

2. Name:Address:.....

.....E-mail Id:

Signature:....., or failing him

3. Name:Address:.....

.....E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the company, to be held on the Saturday, 3rd Day of September, 2016 at 10:30 a.m. at the Air Force Auditorium, Subroto Park, New Delhi-110010 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	RESOLUTIONS	For	Against
1	To receive, consider and adopt the financial statements of the Company for the year ended 31 st March, 2016 including the audited Balance Sheet as at 31 st March, 2016, the statement of Profit and Loss for the year ended on that date and the report of the Board of Directors and Auditors' thereon.		
2	To declare Dividend on equity shares		

3	To appoint a Director in place of Mr. Surendra Kumar Arya (DIN: 00004626), who retires by rotation and being eligible, offers himself for re-appointment		
4	To ratify the appointment of Auditors and to fix their remuneration		

Signed this _____ day of _____ 2016

Signature of Shareholder

Affix Revenue
Stamp of
₹ 1/-

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.