VALUE CREATION BY
TRANSFORMATION & TECHNOLOGY

JBM AUTO LIMITED
Annual Report | 2018-2019

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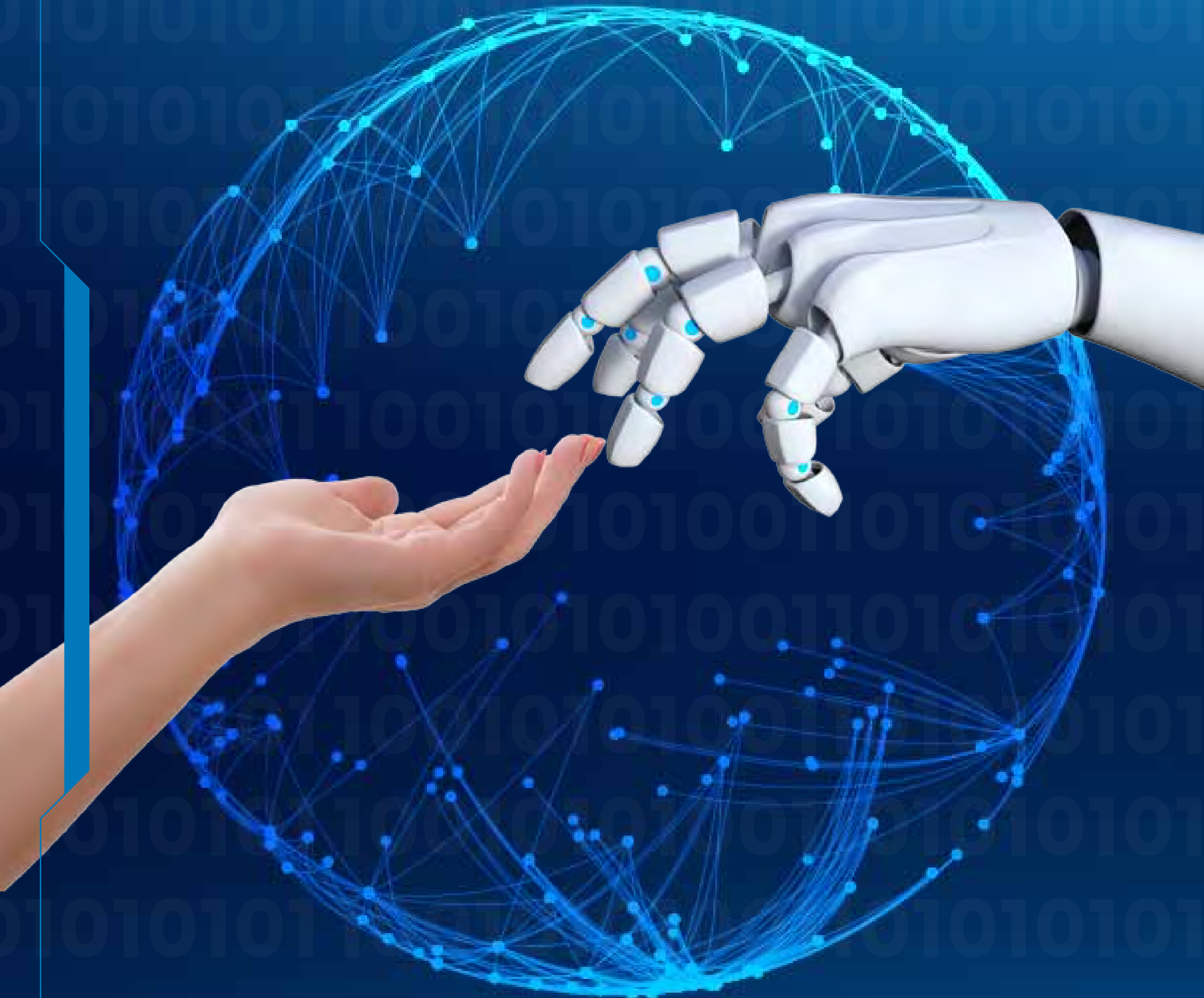
Cautionary Statement Regarding Forward-Looking Statement

The information and opinion expressed in this Annual Report may contain certain forward-looking statements relating to the future business, development and economic performance. Such statements may be subject to a number of risks and uncertainties which could cause actual developments and results to differ materially from the statements made in this Report. JBM Auto Limited 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. Furthermore, certain industry data are collected from various reports and sources publicly available. We cannot authenticate the correctness of the same and readers are requested to exercise their own judgment in assessing the risk associated with the Company.

INDUSTRIAL REVOLUTION

Industrial Revolution, in modern history, the process of change from an agrarian and handicraft economy to one dominated by industry and machine manufacturing. This process began in Britain in the 18th century and from there spread to other parts of the world. Where Industry 1.0 was characterized by use of machines and steam power, Industry 2.0 which began in 19th century was marked by mass production, assembly line and electrical energy. Advent of computers in the 20th century was revolutionizing and manufacturing was one of those positively impacted in huge way. Thus the era of Industry 3.0, highlighted by automation, computers and electronics. Today we are in the digital era, classified by heightened technological research and new techniques are coming up in a short span of time. Artificial intelligence and machine learning has changed the way manufacturing industry functions. Smart factory is an outcome of Industry 4.0.



VALUE CREATION BY TECHNOLOGY & TRANSFORMATION

Notable organizations are honored for the legacy and transformation they bring into the lives of the masses by envisioning ahead of time and inducing change which results in a ripple effect to the society at large. This is a key attribute that differentiates innovation-led organization from conventional companies. It requires proactive approach towards value creation, sustainability leading to scalability of the business. At JBM Auto, it has been our constant endeavor over the years to build and provide futuristic technology led solutions to our customers that not only provides us the competitive edge but also differentiates our product offering. JBM Auto has been a pioneer in developing a connected, smart and green mobility environment in the public transportation domain, thereby, creating and spearheading a smart mobility revolution which is much needed to foster a sustainable ecosystem.

This Value Centre driven approach has propelled the organization to grow at a consistent pace which is much higher compared to the growth of the auto industry. This can be credited to being the early adopters of the cutting-edge technology and imbibing it into our fabric of growth, leading to transformation thereby crafting one milestone to another.

JBM Auto is rapidly evolving with agility, dynamism and rigor as we are vertically integrating and imbibing technology to introduce products and solutions that improve people's lives. Like, in the initial phase of our journey, the focus was towards simpler parts and components which transitioned to complex auto systems, assemblies and solutions, i.e. from product-based approach to experience & solution-based approach. We focus on the TCO (Total Cost of Ownership) principle, wherein, the intent is driving optimum value and cost optimization from our products & solutions while constantly changing and upgrading our benchmarks.

JBM Auto is, thus, getting ready for a fast-paced business ecosystem where we will be able to align with the end consumer directly to provide customize solutions to multiple platforms single-handedly. Since we always believe in converting perceived luxury into consumer need, we strive to create solutions that are not only state of the art but also affordable, safe and comfortable. Induction of latest technology enables us to innovate and add value to all our offerings. For us growth and change go hand in hand, We are consistently evolving with the aid of right technology to retain and further consolidate our leadership position. Further, with the acquisition of Linde-Wiemann, Germany by one of our Group companies, we are now aptly armed to becoming an end to end solution provider for our customers both domestic as well as global.

We are totally aligned and focused on the JBM's concept of 'ACES' (Autonomous, Connected, Electric & Shared) which is directing the auto industry towards being future ready via smart mobility. This is in addition to adoption of Industry 4.0 and incorporating digitization and data management systems that has led to removing inefficiency, thereby resulting in better productivity. Propelled by the coherent advantages of new-age technology adoption, every new business initiative of JBM Auto metamorphosed into a continued growth trajectory encompassing all divisions.

#JBM's concept of ACES

Prowess of ACES to propel JBM Auto Ltd.'s Connected Mobility Ecosystem

During the 20th century, several revolutions occurred in transportation systems around the world – most notably the internal combustion engine (ICE), mass production of automobiles, high speed urban and interurban rail systems and construction of major roadways and limited access expressway networks. However, in the latter part of the century innovation slowed.

Now in 2019, global manufacturing currently is changing at a revolutionary speed with 'ACES' being at the core. The four advancements in technology that are coming together as ACES and are all set to define the mobility of tomorrow:

AUTONOMOUS DRIVING

Replacing drivers to improve safety cost & efficiency.

Industrial 4.0 is a subset of the Autonomous section of ACES Automation. Although they are not commercial yet, technologies to automate vehicles, eventually including eliminating the need for drivers, are moving rapidly.

CONNECTED

Big Data analytics, connectivity & Artificial Intelligence.

Connected vehicle technologies allow vehicles to talk to each other and the broader world. Navigation systems have evolved into full-fledged infotainment systems and personal assistants that proactively help drivers reach their destination, entertain them and assist them with accomplishing tasks along the way.

ELECTRIFICATION

Hybrid or electric powertrains, batteries, and electric actuators.

Electric Vehicle (EV), has re-emerged as a viable technology alternative to the conventional fossil fuels. By early 2017, 2 million electric are plying the world's roads.

SHARED OWNERSHIP

The future of moving people & goods

While public transport systems is the most preferred mobility option, taxi services and carpooling via technology driven apps have created potential for nearly all trips to be easily shared among multiple riders bearing the cost equally. This development is bound to revolutionize transportation.

During the last year, some key revolutions occurred in the transportation system around the world, most notably convergence of disruptive technology driven trends which could transform the Automotive Industry.

JBM has imbibed the megatrends into its fabric and internalised them thus calling these as JBM ACES. These are enabling us to harness the benefits of Industry 4.0 and Artificial Intelligence.

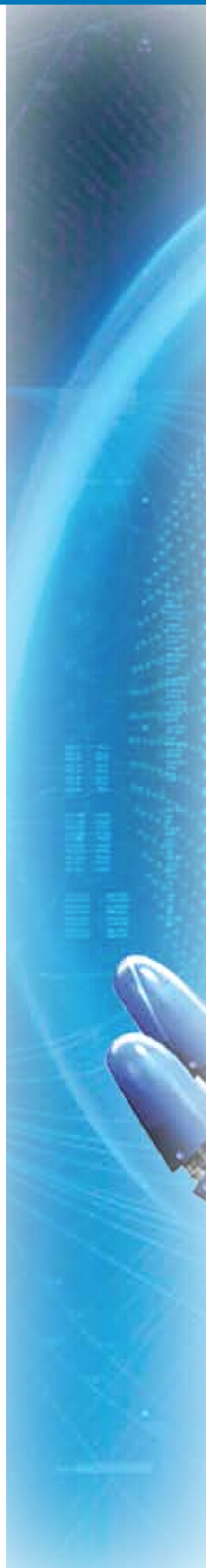
Autonomous – All vehicle health management, battery management, remote monitoring.

Connected – Digitization, real time information, first time right every time right, reduced man hours, online dashboard.

Electrification – Creating and providing a complete E-Mobility ecosystem with 'Well to Wheel' and 'Solar to Socket' concept

Shared– JBM Auto is going through the process of shared infrastructure, transformation and technology to support all our businesses and ensure seamless production.

Basis these parameters JBM has been able to reduce time to market. JBM ACES is a fast evolving technology that aligns people and resources to make sure that they are ahead of the curve.




AUTONOMOUS
CONNECTED
ELECTRIC
SHARED

#VUCA@JBM

Volatility— nature, speed, volume, and magnitude of change that defies predictable patterns

Uncertainty— lessening relevance of precedent, the past or the present in anticipating the future

Complexity— increasingly tangled web of confounding issues

Ambiguity— blur of meaning and confusion around possible interpretations

In the VUCA world today JBM has reinvented itself. This has led us to a frugal organization structure and how we are able to align with market volatility. It has led the organization to be able to adapt and manage change. So that we are able to cover fixed and variable cost. .It has made us better equipped for risk management and trouble shooting. Now we have taken another step and currently building research and various experiential exercise to zero-in on our natural advantages that we can leverage and areas which need attention.

VUCA has brought a systematic change in JBM culture where senior leaders have created an approach to types of challenging situations bought about due to external factors (eg. economics, society, advances in technology and the environment). It is not about forecasting future but creating future through action.

At JBM we have also imbibed the other connotation of VUCA which is all about empowering and enabling leadership, which is Vision, Understanding, Clarity and Agility. Where Vision is more about direction rather than about the end goal. Understanding being networked, flexible and replicable. Clarity is transparency in communication and well-defined processes. Agility is about bearing difficulties without wavering in a flexible and swift manner.

While VUCA doesn't mean that 'everything is predictable'. It certainly advocates that if we step back to take a system-level view of the world, then we can imagine that there are meta-phenomena with trend lines.

People at JBM not only understand these concept but also demonstrate a culture of openness , accountability, setting boundaries through clear expectations, and objectives, willingness to tackle tough situations, listening and communication skills, mirroring a behavior of respect of each team member. We make sure that our strategies are built on four components of VUCA .

"
FOCUSED, FAST AND FLEXIBLE IN A VUCA WORLD
"

LETTER FROM THE CHAIRMAN'S DESK

As India's fastest growing economic story unfolds a new dimension towards being a 5 trillion-dollar economy with an encouraging statistic of the manufacturing sector being projected to be 20% of the economy at 1 trillion dollars, we will continue to see increasing investments and exports, aptly supported by the smooth implementation of the goods and services tax (GST). This growth will be driven by virtue of the country's demographic dividend, and its need for infrastructure and utilities that in a way logically would drive to capacity utilization.

The Indian Government has proactively introduced various development initiatives favoring the growth of the automotive sector. The industry is currently undergoing transition towards BS-VI compliance, which was announced in March 2017. The Indian auto industry has been the fastest implementer of this change within a period of 3 years only with a high level of localization and being a global benchmark in itself. Last year, the government had announced rollout of 10,000 CNG gas stations in a decade as part of its push to reduce the dependence on oil imports. This will translate to India saving over Rs 2 lakh crore during this period, in the same time if prospective buyers transition to CNG vehicles. Further, it will also provide significant traction in the personal mobility space which will have a direct and positive impact in the future prospects of your company.

On the other hand, it is noteworthy that Ministry of Heavy Industries (MOHI) has come up with the phased manufacturing program for EVs. The move is clearly a reflection of the Government's 'Make in India' focus and will provide the much-needed motivation to domestic manufacturers of electric vehicles. The government's proposal to set up a National Mission on Transformative Mobility and Battery Storage to promote clean & connected technology shall provide impetus to a sustainable EV infrastructure in India. Infact, this will also give a boost for JBM's end-to-end Electric Vehicle ecosystem including charging infrastructure. With PMP in place now, India is well equipped and is all set to become the global leader in EVs in the next 10 years.

Further, the announcements made under the union budget directly aim towards promoting and faster deployment of EVs. The reduction of GST on EV's from 12% to 5%, exemption in customs duty on EV parts and additional income tax reduction of Rs 1.5 lakh on the interest paid on the loan to purchase these vehicles is a big push to make EVs affordable for the consumers. Additionally, the government's approval of Rs 10,000 crore for the FAME II scheme is in line with their aim to make India the manufacturing hub for EVs and will be a great booster for the industry. All this has set just the right tone towards our Honorable Prime Minister's vision of eco-friendly transportation on Indian roads by 2030.

With 13 Indian cities enlisted in the '20 World's most polluted cities', it is of great significance that the automotive industry embraces non-fossil fuel-based transport, electric vehicles, shared mobility, Bharat Stage VI emission & safety norms. In India, EVs witnessed an overall 31% growth and is well placed to move ahead with times to achieve an Autonomous, Connected, Electrified and Shared mobility future by capitalizing on the existing capabilities and building on foundational Government programmes and policies.

Your company's momentum in the EV space has been on the upswing. Keeping to our vision of having social impact on the environment played a crucial role in the OEM business of your company. I am very elated to share that your company's JV with Solaris Bus & Coach, Europe has grown from strength to strength and after successfully launching India's first 100% Electric Bus 'ECO-LIFE' under the aegis of 'Make In India', your company's has completed a 3 months on-road trial in Delhi wherein our bus achieved upto 281 kms/day range with a 100% uptime.

Moreover, the OEM division of your company has taken giant strides in the areas of R&D, new product development and new customer acquisition. Two state-of-the-art manufacturing facilities at Ballabhgarh and Kosi Kalan with R&D and testing facilities including test track and capacity of 2000 buses per annum is a clear reflection of your company's vision towards transformation and technology, creating direct and indirect jobs and that is the real value centre as I see it.

After making JBM's presence felt in Noida and Greater Noida, the 'CITYLIFE' CNG bus operation is now the lifeline of citizens and visitors of Gurugram operated by Gurugram Metropolitan City Bus Ltd. Honorable Chief Minister of Haryana Shri. Manohar Lal inaugurated and flagged off JBM Auto Ltd.'s CNG bus fleet that are equipped with state-of-art modern technology features.

"I am glad to report a 16.10% growth recorded in your company's net profit of Rs. 81.86 crore in FY19. Your company's net worth as on March 31, 2019 increased by 19.16% to Rs. 497.33 crore reflecting a corresponding increase in the book value per share to Rs. 121.91 as compared to Rs. 102.30 per share in the previous year."

In the auto component space, your company's focus remains on consistently moving up the value chain by enhancing the product range to cover all requirements of OEMS. From safety critical auto systems and other critical aggregates, your company has added capabilities towards complete CV cabin manufacturing. For the passenger vehicle segment, your company has been catering to the widest range of systems and assemblies as a full-service supplier. In FY 2018-19, your company's Sanand plant recorded its highest ever EBIDTA increase by 140% compared to FY 2017-18. Further, the plant in Pune was conferred with two prestigious recognitions - the Mahindra Supplier Business Capability award and the Tata Motors Award for Cost Competitiveness. Post the Q1 Certification from Ford, your company has started supplying critical BIW parts for Ford North America market. This Q1 certification acknowledges your company amongst the best of Ford Global Suppliers. Further, your company started production, in a record time, after completing the entire design and manufacturing of the state of art tooling, assembly, testing & validation facilities for critical Vehicle safety part i.e. Clutch and Brake Pedal Assembly for various variants of Ford. During the year, we secured new business from prestigious organizations such as PSA and Vinfast.

The year gone by has been aptly rewarding for the Indian Automobile Industry. The overall vehicle production grew by 6.26% to reach 30.92 million vehicles. The passenger vehicle segment recorded an annual growth of 2.70%, riding on a robust growth of 13.10% in the demand of utility vehicles. Moreover, the sale of commercial vehicles and two wheelers grew by 17.55% and 4.86%, respectively. The overall automobile exports in FY18-19 registered a growth of 14.50%, backed by strong growth of 16.55% in 2 wheeler and 49.00% in 3 wheeler vehicles segments. According to ACMA, the Indian Auto Components Industry is projected to grow to US$ 100 billion by 2020, backed by strong exports estimates of US$80-100 billion by 2026, from the current US$ 11.2 billion.

I am glad to report a 16.10% growth recorded in your company's net profit of Rs. 81.86 crore in FY19. Your company's net worth as on March 31, 2019 increased by 19.16% to Rs. 497.33 crore reflecting a corresponding increase in the book value per share to Rs. 121.91 as compared to Rs. 102.30 per share in the previous year.

During the year, your Company had moved a scheme of Amalgamation of JBM MA Automotive Private Limited (associate company) and JBM Auto System Private Limited (subsidiary company) with the JBM Auto Limited with the Hon'ble National Company Law Tribunal, Mumbai and Hon'ble National Company Law Tribunal, Delhi respectively. The Hon'ble National Company Law Tribunal, New Delhi Bench has approved the scheme of Amalgamation vide its order dated 14th June, 2019. Further, the Scheme of Amalgamation of JBM MA Automotive Private Limited with the Company JBM Auto Limited is under review of the Hon'ble National Company Law Tribunal, Mumbai.

To conclude, I extend my sincere appreciation to the management and the staff of the company for their valued contribution, as always. A big thanks to you, our valued stakeholders. Your faith and trust in our capabilities keeps motivating us to transform and grow from strength to strength.

I look forward to keep energizing all our stakeholders with a vision to create continued value using the prowess of transformation and technology to seamlessly scale up our capacities and capabilities.

Thank you and Jai Hind.

Surendra Kumar Arya
Chairman

CONSISTENT MOVEMENT FOR INDIAN AUTOMOTIVE INDUSTRY IN FY19

CV sales reached a new high

The commercial vehicle segment grew at an impressive rate and surpassed other auto-industry segments. The commercial vehicle segment crossed the one-million mark for the first time ever and registered a 24% increase to 1,112,176 units in FY19. The CV domestic sales, an indicator of economic activity, climbed 17.55% in the last fiscal to touch the one million sales milestone for the first time.

Three-wheelers export volume highest among segments

The three-wheeler market continued its growth momentum from last year. The FY19 witnessed a production of 1,268,700 units of three-wheelers constituting 24.79% of growth. The segment witnessed the highest volume of exports at 49% with 5,67,689 units, while the domestic sales showed an agreeable rise with 10% to 7,01,011.

Passenger Vehicle Domestic Sales Maintains Steadiness

Despite wavering fuel costs, higher interest rates and increased insurance costs; PV domestic sales have registered a modest growth with 3,377,436 units in the fiscal year ended March 31st, 2019. This constitutes a steady rise of 2.7% in the sale of cars, sports utility vehicles and minivans. Moreover, JBM Auto's esteemed customers like Ford, M&M, Honda and Tata Motors also added the good numbers in overall domestic sales. At the same time, with stabilization in fuel costs and no real increase in interest costs, it is expected that the PV segment will clock in bigger numbers in FY20.

Growing Demands and Opportunities

The government is focused on developing India into a global manufacturing hub. India is also expected to become a leader in shared mobility by 2030 which will create opportunities for electric and autonomous vehicles. GST reforms, rising EV momentum, implementation of BS-VI norms will be some of the growth propellers in FY20.

Domestic Sales Trends (in no.'s)

Category	FY15	FY16	FY17	FY18	FY19	% Increase (FY19 vs FY18)
Passenger Vehicles	2601236	2789208	3047582	3287965	3377436	2.72
Commercial Vehicles	614948	685704	714082	856453	1007319	17.62
Three Wheelers	532626	538208	511879	635698	701011	10.27
Two Wheelers	15975561	16455851	17589738	20192672	21181390	4.90
Grand Total	**19724371**	**20468971**	**21863281**	**24972788**	**26267783**	**5.19**

Export Trends (in no.'s)

Category	FY15	FY16	FY17	FY18	FY19	% Increase (FY19 vs FY18)
Passenger Vehicles	621341	653053	758727	747287	676193	(9.51)
Commercial Vehicles	86939	103124	108271	96867	99931	3.16
Three Wheelers	407600	404441	271894	381002	567689	49
Two Wheelers	2457466	2482876	2340277	2815016	3280841	16.55
Grand Total	**3573346**	**3643494**	**3479169**	**4040172**	**4629054**	**14.58**

We make Key Auto Systems, Assemblies, Tools, Dies, Buses and have now embarked on the journey of Electric Vehicles and Charging Infrastructure

WE ARE
JBM AUTO

JBM Auto Ltd. is the flagship company of the USD 2.2 billion JBM Group. The company is the leading manufacturer of auto components, tooling and buses in the country. The company's manufacturing facilities are strategically located in close proximity of leading automobile hubs of India at Delhi-NCR, Sanand, Pune, Indore, Nashik, Bangalore and Chennai. Over the years, the company has put thrust on technological excellence, innovation and supplies avant-garde products to almost all major OEMs in India. The Company is ahead of its time as far as its business blue print is concerned where it has given utmost importance to safety, agility, excellence in delivery, precision in designing, environment and community development.

OUR
BUSINESS DIVISIONS

01 COMPONENT DIVISION

It manufactures key auto systems & high-level assemblies. Most of its innovative products are safety critical items such as chassis & suspension systems like axles, twist beams, lower control arms, sub-frames, exhaust systems, air tanks, fuel tanks, complete cowl assemblies, pedal boxes; aesthetical parts like skin panels (doors, roof, rear panel, front panel, bumpers); BIW parts & assemblies (floor, upper body parts like pillar, roof header, cross car beam, cross car beam, cross truck beam, oil pan assembly) and many more.

02 TOOL ROOM DIVISION

The Tool Room division has its focus on innovation and it keeps on upgrading itself to interface with all new industry requirements and technology. It manufactures tools and dies for turnkey projects. We have added Line Building business this year alongwith major focus on safety critical items like chassis & suspension systems and key aesthetical parts like skin panels. High strength steel applications are being taken up as a key strength with new opportunities coming up for crash, safety, light-weighting requirements of multiple OEMs where we will use materials upto 980 MPA based on the customer requirements and product applicability.

03 OEM DIVISION

Bus Manufacturing:

Having long endeavor to empower the transportation segment in India, the company came up with technologically superior buses customized to suit a variety of operating patterns across different geographies. These buses have revolutionized the public transportation sector in India by providing state-of-the-art features and facilities which are unique in the Indian bus segment. The bus division deals in a diverse portfolio of buses suited across various applications like citybus, school bus and staff bus.

Electric Vehicles:

Expanding the product portfolio further, JBM introduced ECO-LIFE series, the 'Made in India' 100% electric buses in joint venture with Solaris Bus and Coach from Europe. The company's focus is to be a one-stop solution provider in the Electric Vehicles segment by providing a complete ecosystem solution for E-Mobility i.e. Electric Buses, Know-how of key aggregates like Battery, Charging Infrastructure which can be operated in different conditions across geographies. By way of its in-house R&D centres, JBM Auto offers entire range of activities right from design, development, engineering, prototyping, testing and validation making it independently competent for catering to customer needs.

4000
Employee Strength

"
YOUNG TO BE BRAVE AND OLD TO BE SMART
"

1786cr
Turnover FY 2018-19 (IND-AS)

15
state-of-the-art manufacturing facilities

"

OLD WAYS WON'T OPEN NEW DOORS

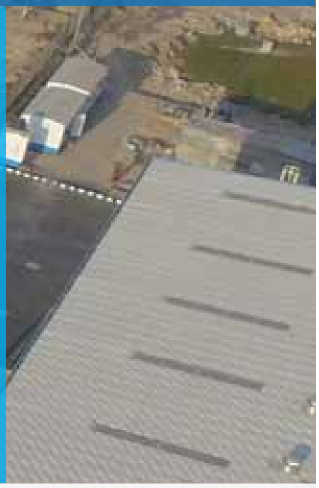
"

2157cr

Turnover FY 2018-19 (without IND-AS)

3

Business Divisions



State-of-the-art in-house R&D centre recognised by DSIR

"

INNOVATION = IDEA+LEADER+TEAM+PLAN

"

KEY CLIENTELE

ASHOK LEYLAND	DAIMLER	NISSAN	RENAULT
FCA FIAT CHRYSLER AUTOMOBILES	Ford	TOYOTA	PSA GROUPE
ISUZU	VOLVO	TAFE	
ESCORTS	HONDA	ROYAL ENFIELD	TATA TATA MOTORS
VE COMMERCIAL VEHICLES A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE		Mahindra	

GREEN ENERGY INITIATIVES HAVE BEEN INTRODUCED IN JBM AUTO BY WAY OF ITS SOLAR POWER PLANT GENERATING OVER 300 LAKH UNITS THAT WILL RESULT IN A SAVING OF OVER 27,000 TONS OF CO_2 EMISSIONS OVER ITS LIFETIME

OUR BELIEF SYSTEM

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

CUSTOMER TRUST & DELIGHT
Meet commitments, be sensitive to customer needs, address issues with clarity and speed.

INTEGRITY & ETHICS
The conscience to remain honest, sincere and just in conduct at all times.

SAFE & GREEN
A conscientious corporate citizen that prioritizes People Safety, Environment Conservation and Community welfare.

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.

KEY ACHIEVEMENTS OF **THIS FISCAL**

Component Division

Chennai

- Started production in record time of a new and state of the art tooling, assembly, testing and validation facility for manufacturing Clutch and Brake Pedal Assembly, a critical vehicle safety aggregate for various variants of Ford.
- Post the Q1 Certification from Ford, started supply of critical BIW parts for Ford North America market. This Q1 certification acknowledges your company amongst the best Ford Global Suppliers.
- Bagged the prestigious new model BIW projects from Renault Nissan and Isuzu for critical tooling and BIW parts supply.
- Became the preferred supplier for the critical car body skin panels and major inner panels for tooling and parts supply for major OEMs
- Full automation of press lines with robotised transfer for improving the productivity and quality of the plant
- Implemented integrated robot cells for critical main BIW panels assembly incorporating full automation from loading, welding, sealing, auto transfer and poka-yoke process control
- Expansion of paint shop to cater to the increased capacity
- Received Best Kaizen and 100% body accuracy capability award for critical parts supplied to Ford
- Received best supplier award for implementation of 'Synchron project' for Flow Production from Tafe.

Sanand

- JBMAS-Team Udan participated in Annual Best Practices Competition conducted by ACMA - Automotive Components Manufacturers Association in the Month of Feb-2019 and won the award for Best Safety Practices in West Zone.
- JBMAS - Sanand was awarded Ford Motor Company's Q1 certification from Ron Johnson regional STA director during Supplier conference held in the month June 2018 at Chennai, which is considered throughout the world as an indication of exceptional quality and customer satisfaction. The Q1 Certification is awarded to Ford suppliers who demonstrate excellence beyond the ISO/TS certification requirements in five critical areas: capable systems, continuous improvement, ongoing performance, superior manufacturing process and customer satisfaction. JBMAS is now eligible for Q1 Gold effective April 2019.
- JBMAS- Sanand achieved 100% Delivery performance for both it's customers FORD & HMSI in FY 2018-19.
- JBMA Sanand EBIDTA increased by 140 % w.r.t FY18.
- Quality DWM Award received from TATA Motors.
- Appreciated for Model line of SGM Assembly by TATA Motors.
- Recognition for Overall Improvement of Plant deliverables by 'New Sankalp' (WCSQ-World Class Supplier Quality) initiative, TATA Motors.
- JBMA, Sanand also appreciated for plant layout & housekeeping.
- JBMA Sanand certified for MSA by TATA Motors.
- Managed triple volume in production without increasing the capacity due to productivity & efficiency improvement and waste elimination in the press shop.

Pune

- Conferred the Mahindra Supplier Business Capability award.
- Conferred the Tata Motors Award for 'Cost Competitiveness'.
- Successful execution and flawless launch of Tata Harrier. SOP achieved well within timelines and ramp up started as per plan.
- Secured New Export Business for Vietnam.

Nashik

- Installation and commissioning of multiple Robotic Cells for BIW, Chassis and Suspension System for new models.

Tool Room Division

- Strong revenue potential is foreseen in Tooling business due to new model launches planned by current & new OEMs.
- Owing to increasing focus on 'Make in India' encouraging localization, sourcing of tooling requirement by major global OEMs is being aligned from within India. Developed over 300 new tools in FY18-19.
- Tooling capability enhanced in terms of Design and Manufacturing skills to address the increasingly demanding quality standards with the advent of high strength steels for Safety.
- Big focus on enhancing people capability through exposure and training.
- Expanded capacity and capability by overseas partnership for New Tool Room facility.
- Leveraged turnkey cabin expertise by achieving complete cabin development in an industry leading time of only 8 months thereby creating niche advantage in this space.

OEM Division

- After successful establishment of city bus services in Noida. Gurugaman – a new city bus service was successfully launched in Gurugram, Haryana. An order for 200 Citylife CNG low floor Non-AC buses was received by JBM Auto.
- Gurugaman citybus operations was inaugurated by Mr. Manohar Lal, Hon'ble Chief Minister of Haryana.
- We received an order of 30 Eco-life 9 meter 100% electric buses from Navi Mumbai Municipal Transport. The first lot of electric buses from JBMA shall operate in the economic capital of India i.e. Mumbai. These buses will save around 60 lac litres of diesel and 15,000 tons of CO_2 over 10 years of operations. Out of the 8 cities in India that have procured electric buses under the FAME-1 scheme, your company has bagged the prestigious order from Mumbai.
- The Delhi Government successfully concluded 3 months trial of our Eco-life Electric Bus. Our product supremacy was clearly established over competition during this trial run.
- Several New Products on various platforms were developed and homologated during this period.
- 12 meter 230 HP CNG Non-AC Bus – New CITYLIFE Platform developed.
- 9-meter Electric Vehicles Design and Prototype completion.
- Our R&D centre received certification by Department of Scientific and Industrial Research (DSIR). The DSIR recognition is the only program in the country that benchmarks industrial research. Overall, only about 1,800 companies are recognised by DSIR in India till date, which is miniscule considering there are about 6,000 companies listed in Bombay Stock Exchange (BSE) and there are about 1.3 million SMEs in India. Our Bus operations at NMRC, Noida ensured 99.5% availability leading to a new benchmark in city bus operation for the third year in succession.
- JBM CITYLIFE buses have clocked over 15 million kms till date.

DIGITIZATION @ JBM

At JBM Group, we witnessed and participated in major breakthrough journey of digitization in this year. Our digitization journey spans across the manufacturing supply chain and runs across business domains.
We believe that the platform for digital has huge potential for multiple organizations of various size to work and synergize within. The plethora of opportunities are huge and not everyone can be master of all the solutions. There are challenges and opportunities in each case to leverage upon in this journey.

At JBM our excellent manufacturing track records makes our responsibility towards our peers industry even more profound to lead this digital journey. We have initiated our digitization journey in 3 areas:

1. Operations improvement by using Industry 4.0 solutions

- Real time machine productivity and OEE monitoring for enhancing delivery and increase the flexibility.
- Predictive maintenance for optimizing the manpower, spare inventory and unwanted downtime
- Online Quality checking – Line inspection and on job checking data availability online
- Digital manufacturing – all relevant data of shift, manpower, products produce available online improving quality, traceability.

2. New areas explored – Artificial Intelligence projects

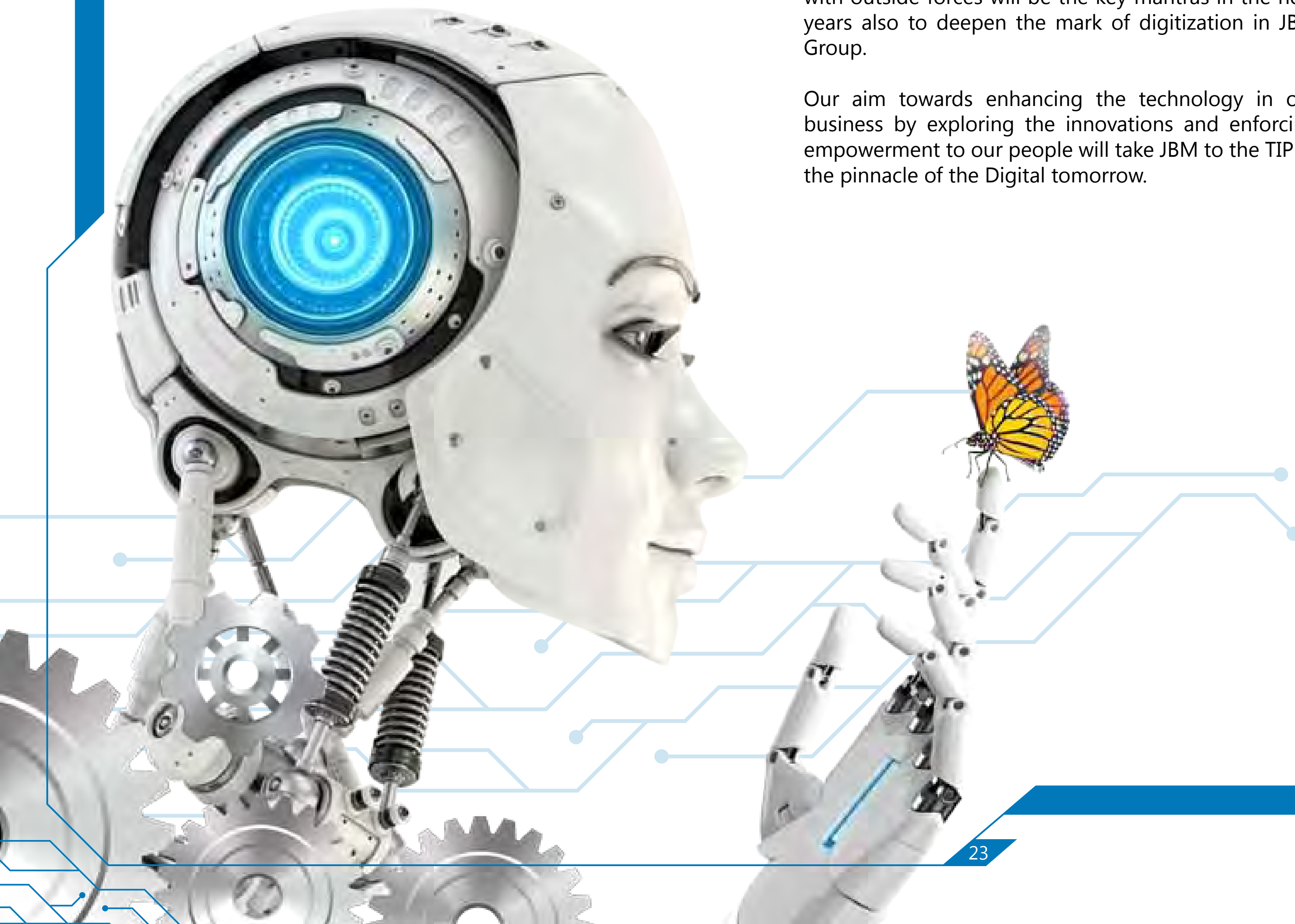
- Video analytics– Manpower availability and productivity improvement, Safety improvement basis on usage of PPEs
- Image analytics -Quality checking based on automated images and checking with master images and based on artificial intelligence
- Inhouse team building for capability enhancement– Our digital solutions are inhouse conceptualized designed and developed by our own team, who work very closely and develop agile solutions for the group.
- Having our own team for making custom solutions is the edge we have over our competitors as well as many solution providers

3. Partnership across the value chain of digital

- Startups for faster deployment and POCs
- Technology giants like Google, AWS for platform deployment
- Investment in potential startups whose synergy matches to group synergy across renewable, e-mobility and digital.

The 3 focus areas on inhouse operations improvement, new products with artificial intelligence and partnership with outside forces will be the key mantras in the next years also to deepen the mark of digitization in JBM Group.

Our aim towards enhancing the technology in our business by exploring the innovations and enforcing empowerment to our people will take JBM to the TIP of the pinnacle of the Digital tomorrow.



SKILL DEVELOPMENT INITIATIVES

Your company's Skill Development Centre (SDC) is a leading training center in promoting National Apprenticeship Promotion Scheme (NAPS). It provides apprenticeship opportunity to freshers as well as ITI pass candidates. It is an approved Examination Center for conducting All India Trade Test under Directorate General of Training, Ministry of Skill Development, Government of India. SDC is also affiliated to Automotive Skill Development Council as its training partner. In the last 4 years, we have successfully trained and placed more than 6500 candidates hailing from different parts of the country. The training courses have been customized on 'Earn & Learn' principle, thereby, helping the under privileged and tribal candidates from North East, Jharkhand, Chhattisgarh, Madhya Pradesh, etc. We have also signed an MoU with the Government ITIs to support training on dual system basis. We are pleased to mention that B. Voc. Courses in Robotics & Automation and Tool & Die Manufacturing are being offered in partnership with Haryana Vishwakarma Skill University, providing exposure to latest industry practices to the candidates. JBM Auto Ltd. has been conferred with the 'Saksham Sathi Award' in Feb'19 by the Honorable Chief Minister of Haryana. Moreover, our SDC Head has been felicitated as the National Brand Ambassador for Apprenticeship Training.

"In the last 4 years, we have successfully trained and placed more than 6500 candidates hailing from different parts of the country. The training courses have been customized on 'EARN & LEARN' principle, thereby, helping the under privileged and tribal candidates".


सक्षम साथी

CERTIFICATE

The Government of Haryana is pleased to felicitate

......JBM AUTO LIMITED FARIDABAD............ as 'Saksham Sathi' for

commendable contribution in implementation of Apprentices Act, 1961

during the year 2018-19.

We are pleased to inform that 50 students including 01 women candidate are undergoing B. Voc. Courses in Robotics & Automation and Tool & Die Manufacturing in partnership with Shri Vishwakarma Skill University, First Government Skill University. JBM Auto Limited has been consistently awarded for the second time as Winner of Saksham Sathi Award for the 2018-19 also by the Industry Minister of Government of Haryana. SDC student Ms. Lalita has won third place in National Welding League of Women Students-2019.

SUCCESSFUL LAUNCH OF **CNG BUSES IN GURUGRAM**

SOCIAL **PERFORMANCE**

JBM AUTO firmly believes in contributing to the society in a positive manner. Our societal activities endorse the concept of socio-economic equity along with environmental sustainability. We have persistently worked towards economic empowerment of the rural communities wherein we have provided economic independence to them and improved their infrastructure through our community outreach programs.

We believe that education is the best weapon that can help people to fight against poverty. So, education is one of the routes, we have taken to socially uplift the village community in rural India. We are promulgating education amongst people by adopting 'Ekal Vidyalyas', which are one-teacher run schools involved in the integrated & holistic development of rural & tribal India by educating every child.

Besides, we have been associated with several NGOs who are actively involved in imparting education to the underprivileged and are helping in character building, improving health & hygiene of people, and increasing their exposure to sports. In the healthcare stream, we have been organising in-house blood donation camps over the years for children suffering from Thalassemia. These camps have witnessed encouraging participation of our employees who have donated blood for the cause. We have also been reaching out to extend our support to distressed people and communities, the victims of natural calamities by donating to the Red Cross Foundation. We believe that good value should be instilled at a very early age, therefore, we have produced motivational CD's for distribution to various schools and institutions, which, in turn, will help nurture a healthy and ethical society.

For us, a holistic approach towards business is imperative, hence, we have taken into account both social and environmental ethos and have woven them together into our business DNA. Our ways of operating will be and are always in line with social and environmental needs that will not only help make our business viable but also create a good value for all our stakeholders.

Our sustainable approach includes:

- Managing our operational activities in an effective manner and adopting a safe strategy to reduce environmental and health hazard.
- Designing and implementing a framework that contains effective environment conservation policies.
- Instituting a Health and Safety Management Team which monitors, sets, and reviews the environmental health and safety objectives and targets.
- Practicing a sustainable manufacturing procedure wherein emphasis is on an effective waste recycling process.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Surendra Kumar Arya,
Chairman

Mr. Nishant Arya,
Director

Ms. Pravin Tripathi,
Director

Mr. Praveen Kumar Tripathi,
Director
(w.e.f 11.07.2019)

Mr. Ashok Kumar Agarwal,
Director
(upto 31.03.2019)

Mr. Sandip Sanyal,
Executive Director

Mr. Mahesh Kumar Aggarwal,
Director

Chief Financial Officer & Company Secretary
Mr. Vivek Gupta

Statutory Auditor
Sahni Natrajan and Bahl, Chartered Accountants

Share Transfer Agent
MCS Share Transfer Agent Limited

Bankers
Axis Bank Ltd.
Canara Bank Ltd.
IDFC First Bank Ltd.
Citibank N.A.
DBS Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
IndusInd Bank Ltd.
Kotak Mahindra Bank Ltd.
Standard Chartered Bank
RBL Bank Ltd.
Yes Bank Ltd.

NBFC's
Tata Capital Financial Services Ltd.
Bajaj Finance Ltd.

FINANCIAL **HIGHLIGHTS**

CONSOLIDATED

(₹ In Crores)

Particulars	FY15	FY16	FY17	FY18	FY19
Gross Sales	1747.04	1711.18	1693.48	1687.01	1786.43
Net Sales	1556.95	1517.76	1500.92	1632.88	1786.43
Other Income	4.09	6.40	14.86	10.90	23.52
Total Revenue (net of excise duty)	1561.04	1524.16	1515.78	1643.78	1809.95
EBDITA	197.04	196.54	190.67	214.58	233.91
Depreciation	39.76	58.95	50.05	55.57	58.25
Finance cost	34.92	52.75	52.75	48.58	48.76
Profit Before Tax (PBT)	122.36	84.84	97.38	123.88	139.85
Tax Expense	29.73	21.90	25.46	42.75	48.86
Profit After Tax (before adjustment to Non Controlling Interest)	92.63	62.94	71.92	81.13	90.99
Other comphrehesive income			(0.10)	0.03	(0.48)
Non controlling Interest	16.22	10.56	6.54	10.66	8.65
Total Comprehensive Income attributable to Owners of the company	76.41	52.38	65.28	70.51	81.86
Equity Share Capital	20.40	20.40	20.40	20.40	20.40
Reserve & Surplus	280.23	278.78	336.22	396.96	476.93
Net Worth	300.63	299.18	356.62	417.36	497.33
Long Term Debt Equity Ratio	0.82	0.80	0.70	0.71	0.54

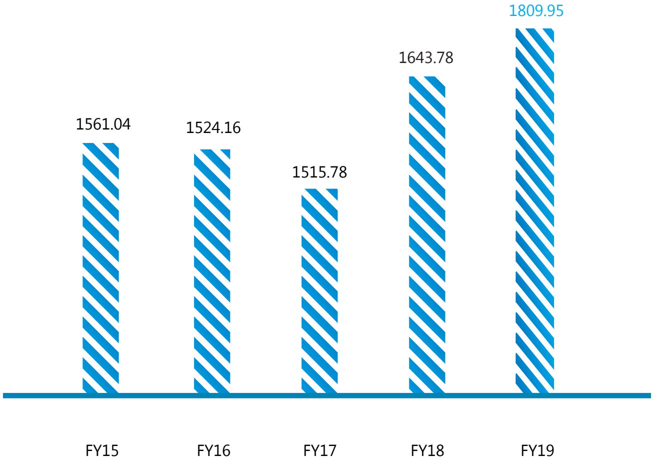
KEY INDICATORS

Particulars	FY15	FY16	FY17	FY18	FY19
EBDITA /Netsales (%)	12.66	12.95	12.70	13.14	13.09
PBT/Net Sales (%)	7.86	5.59	6.49	7.59	7.83
PAT/Net Sales (%)	4.91	3.45	4.35	4.32	4.64
RONW (PAT/Net worth)%	25.42	17.51	18.30	16.89	16.65
Earning Per Share	18.25	12.39	16.02	17.27	20.17
Cash Earning Per share	28.48	27.29	28.27	30.90	34.34
Book Value per share	73.69	73.34	87.42	102.30	121.91
Dividend Per Share	2.50	1.75	2.00	2.00	2.25
Proposed Equity Dividend(Rs in cr)	10.20	7.14	8.16	8.16	9.18
Corporate Dividend tax(Rs in cr)	0.15	0.70	1.66	1.66	1.89
Dividend Payout ratio(%) (Standalone)	30.80%	31.83%	24.72%	30.58%	22.71%
Price /Earning ratio(times)	11.98	12.14	17.36	22.06	13.19
No of share (in crore)	4.08	4.08	4.08	4.08	4.08
Market Price of Share as on 31st March(Rs)	218.70	150.40	278.10	381.05	266.00
Market Capitalisation (Rs in cr)	892.19	613.56	1134.52	1554.51	1085.16

Note:
-The figures related to Profit and Loss from FY 17 to FY 19 are as per IND AS and from FY 15 to FY 16 are as per AS.
-The figures related to Balance Sheet from FY 16 to FY 19 are as per IND AS and FY 15 are as per AS.

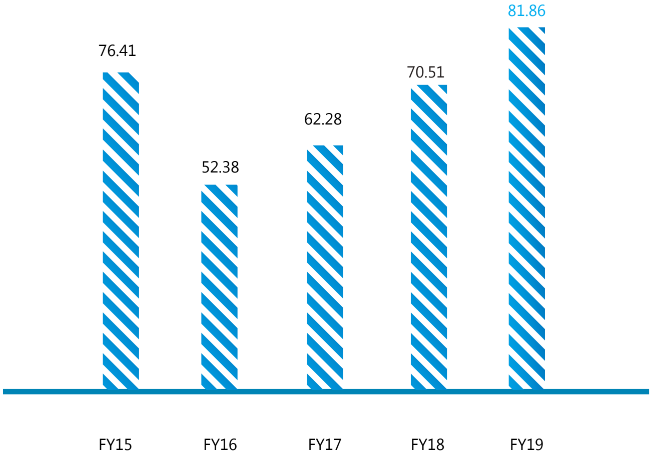
Total Income(Net of Excise Duty)

(₹ In Crore)



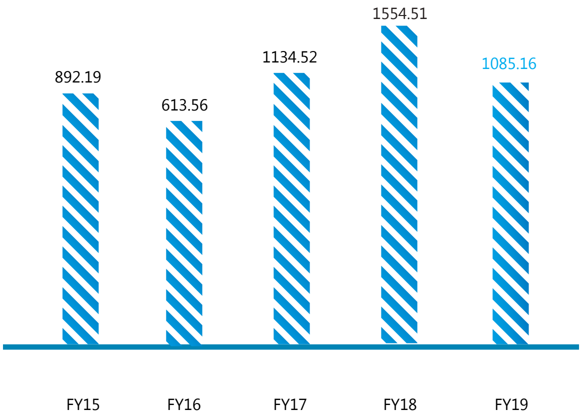
Total Comprehensive Income

(₹ In Crore)



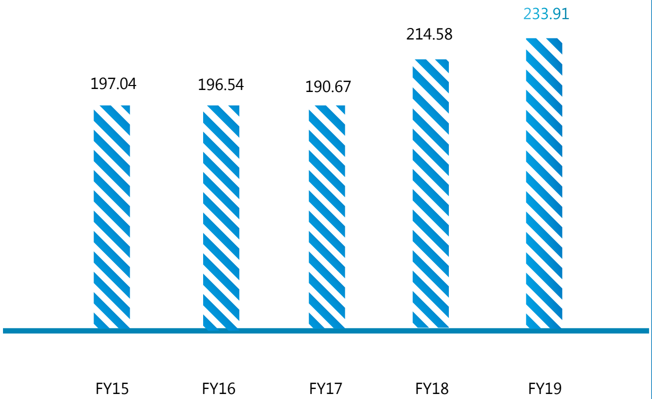
Market Capitalization

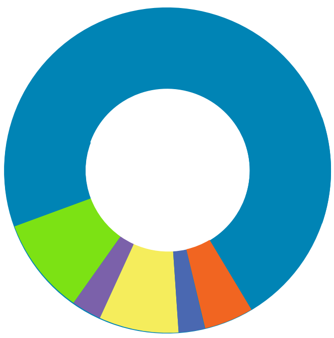
(₹ In Crore)



EBITDA

(₹ In Crore)



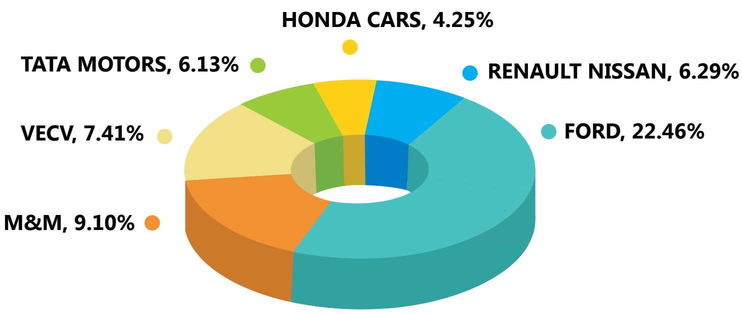


Distribution of Income 2019

(In %)

- 7.01 Profit/(loss) before share of Profit/(loss) of an associate and a joint venture
- 2.69 Finance Cost
- 7.62 Other expenses
- 3.22 Depreciation and amortisation expense
- 9.47 Employee benefits expense
- 69.99 Raw Material Consumed

Share of Revenues



Consolidated Turnover Analysis

Segment wise Turnover (net of excise duty) Breakup:

₹ in Cr.

Sl	Division	2018-19	2017-18
1	Component	1,522	1,530
2	Tool Room	143	85
3	OEM	121	18
	Total Turnover	**1,786**	**1,633**

BOARD'S REPORT

To the Members,

Your Directors are pleased to present the 23rd Annual Report of the Company for the financial year ended 31st March, 2019.

1. FINANCIAL RESULTS

The company's financial performance for the year ended 31st March 2019 is summarized below:

₹ In Crores

PARTICULARS	Standalone		Consolidated	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Revenue from operations*	993.81	765.78	1786.43	1632.88
Other Income	22.54	10.81	23.52	10.90
Total Income	1016.35	776.59	1809.95	1643.78
Profit Before Interest , Taxes and Depreciation and amortization	**137.55**	**99.41**	**233.91**	**214.58**
Less: Depreciation and amortization	30.15	25.04	58.25	55.57
Less: Finance Cost	32.22	27.00	48.76	48.58
Profit for the period before share of profit in associate and joint venture	**75.19**	**47.38**	**126.90**	**110.43**
Share of profit of associate and joint venture	-	-	12.95	13.44
Profit Before Tax	**75.19**	**47.38**	**139.85**	**123.88**
Tax Expense	26.27	15.27	48.86	42.75
Profit for the period for continuing operations	48.91	32.10	90.99	81.13
Other Comprehensive income for the year	(0.18)	0.01	(0.48)	0.03
Total Comprehensive income for the year	**48.73**	**32.11**	**90.51**	**81.17**
Less: Non-Controlling Interest	-	-	(8.65)	(10.66)
Total Comprehensive income attributable to the owner of the company	**48.73**	**32.11**	**81.86**	**70.51**

*Figures for revenue from operations are comparable numbers i.e. Excise duty has been removed as same does not form part of Revenue post GST implementation.

2. FINANCIAL HIGHLIGHTS

On Standalone Basis

During the financial year 2018-19, the Company's net revenue from operation is Rs. 993.81 crore as against Rs. 765.78 crore in the previous year, thereby registering top-line growth of 29.78% due to higher sale in our OEM division & Tool Room Division.

The profit before tax is Rs.75.19 crore in the year 2018-19 as against Rs. 47.38 crore in the previous year, thereby registering a growth of 58.70%.

On Consolidated Basis

In compliance with the applicable provisions of Companies Act, 2013 including the Indian Accounting Standard (Ind AS) 110 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the financial year 2018-19.

The Company's Consolidated Net Revenue from operations is Rs.1786.43 crore as against Rs. 1632.88 crore in the previous year, thereby registering top-line growth of 9.40%, due to higher sale in our OEM division & Tool Room Division.

The Profit before Tax for the year stood at Rs.139.85 crore as against Rs.123.88 crore in the previous year, thereby registering a growth of 12.89%.

Your Company has taken several steps to reduce the cost and increase its market share in all products.

3. DIVIDEND AND APPROPRIATION

Dividend

The Board has recommended a final dividend of Rs. 2.25/- (i.e. 45%) per equity share on fully paid-up equity shares of Rs 5/- each on equity share capital for the financial year ended 31st March 2019, which will result in an outflow of Rs. 11.07 Crore (including Dividend Distribution Tax of Rs. 1.89 Crore).

The payment of dividends is subject to the approval of the shareholders at the ensuing 23rd Annual General Meeting (AGM) of the Company and will be paid to those shareholders whose name will be appearing on the register of member on the cut-off date September 6 , 2019.

Appropriation

No amount has been transferred to the General Reserve for the financial year 2018-19.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of the business of the Company during the financial year ended 31st March, 2019.

5. COMPLIANCE WITH SECRETARIAL STANDARDS

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

6. MATERIAL CHANGES AFFECTING THE COMPANY

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2018-19 and the date of this report.

7. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with the applicable provisions of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. The details relating to amount of dividend transferred to the IEPF and corresponding shares on which dividends were unclaimed for seven (7) consecutive years, the information are available on the website of the Company at *http://www.jbmgroup.com/JBM-Auto-Ltd.php#ChildVerticalTab_27* .

8. HUMAN RESOURCES

The overall satisfaction of the employees of the Company is very high. Employees continued to take charge through collaborative approach and rigorous thinking which become possible through effective HR policies and its religious implementation. The employee's relations were peaceful and harmonious throughout the year.

9. SHARE CAPITAL AND LISTING OF SHARES

The authorized share capital of the Company is Rs. 50.00 crore and subscribed & paid up equity share capital of the company is Rs. 20.40 crore and preference share capital is Rs. 10.00 crore.

During the year, there was no addition or deletion of capital component of the Company by way of Issue of shares with differential rights, buy back of securities, issue of sweat equity shares, bonus shares, employees stock option etc.

The Company's equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The shares are actively traded on NSE and BSE and have not been suspended from trading.

10. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

A statement containing the salient features of financial statements of subsidiaries, joint venture and associates companies of the Company in the prescribed Form AOC – 1 forms a part of Consolidated Financial Statements (CFS) in compliance with section 129 (3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014.

The said form also highlights the financial performance of each of the subsidiaries and joint venture companies included in the CFS of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

In accordance with Section 136 of the Act, the financial statements of the subsidiary and associate companies are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the AGM. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company.

The Company has formulated a policy for determining material subsidiaries. The policy may be accessed on the website of the Company *http://www.jbmgroup.com/pdf/JBM-Auto-Ltd/Policy/Material-Subsidiary-Policy/JBMA_Auto_Material-Subsidiary.pdf.*

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Pursuant to section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire by rotation every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting (AGM), Consequently Mr. Nishant Arya, Director will retire by rotation at the ensuing AGM, and being eligible, offer himself for re-appointment in accordance with provisions of the Companies Act, 2013.

This is to inform that pursuant to the section 149 of the Companies Act, 2013 the shareholders of the Company in their 18th Annual General Meeting held on 24th September, 2014 had appointed Mr. Ashok Kumar Agarwal (DIN :00003988) as an Independent Director of the Company for a period of 5 (five) consecutive years i.e. from 1st April, 2014 to 31st March, 2019.

Since, the aforesaid term of 5 years has expired on the closure of business hours on 31st March, 2019, Mr. Ashok Kumar Agarwal ceases to be an Independent Director of the Company with effect from the closure of business hours on 31st March, 2019.

Further, to fulfil the requirement of Independent Director, Mr. Praveen Kumar Tripathi has been appointed as Additional Director in the category of Non-Executive Independent Director on the Board of the Company with effect from 11th July, 2019, subject to the approval of shareholders in the Annual General Meeting. A resolution seeking shareholders' approval for their appointment forms a part of the Notice of 23rd Annual General Meeting.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees for the purpose of attending meetings of Board and Committees of the Company.

None of the Directors of the Company is disqualified under section 164(2) of the Companies Act, 2013 and rules made there under.

Key Managerial Personnel (KMP)

Pursuant to the provisions of section 203 of the Companies Act, 2013 read with rules made thereunder following are designated as Key Managerial Personnel (KMP) of the Company:

(1) Mr. Sandip Sanyal - Executive Director
(2) Mr. Vivek Gupta - CFO & Company Secretary

12. COMPLIANCES UNDER COMPANIES ACT, 2013

(i) Extract Of Annual Return

In accordance with section 134(3)(a) of the Companies Act, 2013, the extract of annual return pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 in form MGT-9 is annexed herewith as **Annexure- I** and forms a part of this report.

(ii) Meetings of the Board

During the financial year 2018-19, four (4) Board Meetings were held. For details thereof kindly refer to the Corporate Governance Report forming part of this Annual Report.

(iii) Audit Committee

Detailed information of the Committee is provided in the Report on Corporate Governance forming part of this Annual Report.

(iv) Annual General Meeting

During the financial year 2018-19, Annual General Meeting of the Company was held on 4th September, 2018, at Air Force Auditorium, Subroto Park, New Delhi-110010.

(v) Committees Of The Board

Detailed information on the Board and its Committees is provided in the report on Corporate Governance forming part of this Annual Report.

(vi) Corporate Restructuring

The Company had moved into a scheme of Amalgamation of JBM MA Automotive Private Limited and JBM Auto System Private Limited with the Company JBM Auto Limited with the Hon'ble National Company Law Tribunal, Mumbai and Hon'ble National Company Law Tribunal, Delhi respectively.

The Hon'ble National Company Law Tribunal, New Delhi Bench has approved the scheme of Amalgamation (CAA – 133 (ND) 2018) vide its order dated 14th June, 2019.

Further, the Scheme of Amalgamation of JBM MA Automotive Private Limited with the Company JBM Auto Limited is under review of the Hon'ble National Company Law Tribunal, Mumbai.

(vii) Company's Policy On Appointment And Remuneration Of Directors

The criteria for determining qualifications, positive attributes and independence in terms of the Companies Act and the rules made thereunder, both in respect of independent and the other Directors as applicable has been approved by the Nomination and Remuneration Committee. The Board is well diversified and have balance of skills, experience and diversity of perspectives appropriates to the Company.

All Directors, other than Independent Directors and Executive Director, are liable to retire by rotation, unless approved by the members. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election.

The Company's policy relating to remuneration of Directors, Key Managerial Personnel and other employee are attached herewith and marked as **Annexure-II**.

(viii) Directors' Responsibility Statement

Pursuant to the provisions of clause (c) of sub- section (3) of section 134 of the Companies Act, 2013, your Directors hereby confirm that they:

i. have followed in the preparation of Annual Accounts for the financial year 2018-19, the applicable Accounting Standards and no material departures have been made for the same;

ii. 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 as at 31st March, 2019 and of the profit of the Company for the year ended on that date;

iii. had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. had prepared the annual accounts on a going concern basis;

v. have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

(ix) Declaration Of Independent Directors

The Independent Directors of the Company have given a declaration confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The term of appointment of independent Directors may be accessed on the Companies website at the link: *http://www.jbmgroup.com/pdf/JBM-Auto-Ltd/T&C-Appointment-of-Independent-Director/jbm-auto-appointment-of-Independent-directors.*

(x) Related Party Transactions

All contracts/arrangements/transactions etc. entered into by the Company with related parties were in ordinary course of business and on arm's length basis.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the policy on dealing with materiality of related party transactions, formulated by the Company.

There are no natural person(s) forming part of the Promoter(s)/Promoter(s) group which individually hold 10% or more shareholding in the Company.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in note 54 to the standalone Financial Statements of the Company.

Form AOC - 2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the **Annexure-III** to this report.

(xi) Auditors and Auditor's Report

(a) Statutory Auditors

M/s. Sahni Natarajan and Bahl, Chartered Accountants, (Firm Registration No. 002816N), were appointed as Statutory Auditors of the Company at the 21st AGM held on 18th August, 2017, to hold office for a period of five consecutive years from the conclusion of 21st AGM till the conclusion of the 26th Annual General Meeting.

M/s. Sahni Natarajan and Bahl, Chartered Accountants, have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors have issued an unmodified opinion on the financial statements for the financial year ended 31st March, 2019.

(b) Secretarial Auditors

In terms of section 204 of the Companies Act 2013 and rules made there under, CS Sunita Mathur, Practicing Company Secretary (CP No. 741) was appointed to conduct the Secretarial Audit of the Company for the financial year 2018-19. She has confirmed that she is eligible for the said appointment.

The Secretarial Audit Report for the financial year 2018-19 is annexed to this report as **Annexure-IV**.

The report is self-explanatory and do not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

(c) Internal Audit

In terms of the provisions of Section 138 read with Companies (Accounts) Rules 2014, and other applicable provisions, if any, of the Companies Act, 2013, on the recommendation of the Audit Committee, the Board of Directors of the Company had appointed M/s Mehra Goel & Co, Chartered Accountants, as Internal Auditors of the Company for the financial year 2018-19 to audit the internal function and activities of the Company and to review various operations of the Company. The Company continued to implement their suggestions and recommendations to improve the control environment.

(xii) Corporate Social Responsibility (CSR)

Your Company has also been engaged in the Vocational Skill Development in the area of fabrications, production & manufacturing in its skill development centre situated at Plot No. 16, sector -20B, Faridabad -121007 which is qualified as '**Employment Enhancing Vocational Skills**' under section 135 & schedule VII of the Companies Act, 2013. It is only through these sustained and continued efforts that your Company can build and consolidate its CSR initiatives which contribute to nation building.

CSR Policy

The CSR Policy including a brief overview of the projects or programs undertaken can be accessed at the Company's website through the Web-link: *http://www.jbmgroup.com/pdf/JBM-Auto-Ltd/Policy/CSR-Policy/JBMA_Auto_CSR_Policy.pdf.*

CSR Committee

The CSR Committee comprises of Mr. Surendra Kumar Arya (Chairman), Mr. Nishant Arya and Mr. Mahesh Kumar Aggarwal, as other members of the Committee. The Committee, inter alia, reviews and monitors the CSR. During the year under review, your Company spent Rs. 81.20 lakh on CSR activities. The amount equal to 2% of the average net profit for the past three financial years required to be spent on CSR activities was Rs. 78.20 Lakh. The detailed annual report on the CSR activities undertaken by your Company in financial year 2018-19, is annexed herewith and marked as **Annexure-V**.

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure-V** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on *http://www.jbmgroup.com/pdf/JBM-Auto-Ltd/Policy/CSR-Policy/JBMA_Auto_CSR_Policy.pdf.*

(xiii) Conservation Of Energy, Technology Absorbtion And Foreign Exchange Earnings And Outgo

Information pursuant to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013 is annexed as **Annexure-VI** and forms a part of this report.

(xiv) Remuneration Policy

The policy for selection of Directors and determining Directors independence, and the Remuneration Policy for Directors, Key Managerial Personnel & other employees are attached herewith and marked as **Annexure- II**.

(xv) Particulars Of Loans, Guarantees and Investments

Particulars of loans, guarantees and investments under Section 186 of the Companies Act, 2013 as at the end of the financial year 2018-19 are provided in the notes to standalone financial statement.

13. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and Individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of Committee meetings, etc. The above criteria are based on the guidance note on board evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive director and non-executive directors. The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the Board meeting, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

14. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with section 178 of the Act and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Company's policy relating to remuneration of Directors, Key Managerial Personnel and other employee are attached herewith and marked as **Annexure-II.**

15. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors, Internal Auditors and Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under section 143(12) of the Companies Act, 2013, including rules made thereunder.

16. CORPORATE GOVERNANCE

Your Company have taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. A separate section on Corporate Governance, forming a part of this report and requisite certificate from the Company's Secretarial Auditor confirming compliance with conditions of Corporate Governance is attached to the report on Corporate Governance.

17. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual Report. It provides details about the overall industry structure, global and domestic economic scenarios, developments in business operations/ performance of the Company's internal controls and their adequacy, risk management systems and other material developments during the financial year 2018-19.

18. INSIDER TRADING POLICY

During the year under review, the Company revised its Policy on dealing with Insider Trading, in accordance with the amendments to the applicable provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Policy is available on the website of the Company at *http://www.jbmgroup.com/pdf/JBM-Auto-Ltd/Policy/Insider-Trading-Policy/InsiderTradingCodeApril12019.pdf*

19. RISK MANAGEMENT

The Company has a well-defined process in place to ensure appropriate identification and mitigation of risks. Risk identification exercise is inter-woven with the annual planning cycle which ensures both regularity and comprehensiveness. The Company has effectively manage and identification of risks at strategic, business, operational and process levels, formulating mitigation plans and actions for the identified risks, which are driven by senior leadership.

The key strategic, business and operational risks which are significant in terms of their impact to the overall objectives of the Company along with status of the mitigation plans are periodically presented and discussed in the Board and Audit Committee meetings. Inputs from the Audit Committee and Internal Auditors are duly incorporated in the action plans. All significant risks mitigation plans are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership.

The Company, through its risk management process, aims to contain the risks within its risk appetite. There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this report.

20. INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY

The Corporate Governance policies guide the conduct of affairs of your Company and clearly delineates the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in governance. The Code of Conduct for senior management and employees of your Company (the Code of Conduct) commits management to financial and accounting policies, systems and processes. The Risk management policy and the Code of Conduct stand widely communicated across your Company at all times.

Your Company's financial statements are prepared on the basis of the significant accounting policies that are carefully selected by management and approved by the Audit Committee and the Board. These accounting policies are reviewed and updated from time to time.

Your Company uses SAP ERP systems as a business enabler and to maintain its books of account. The transactional controls built into the SAP ERP systems ensure appropriate segregation of duties, appropriate level of approval mechanisms and maintenance of supporting records. The Information Management Policy reinforces the control environment. The systems, Standard Operating Procedures and controls are reviewed by management. These systems and controls are audited by Internal Audit and their findings and recommendations are reviewed by the Audit Committee which ensures the implementation.

Based on the results of such assessments carried out by management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed.

21. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Act and Regulation 22 of the Listing Regulations.

The report on any instances of financial irregularities, breach of code of conduct, abuse of authority, disclosure of financial / price sensitive information, unethical / unfair actions concerning company vendors / suppliers, mala-fide manipulation of Company records, discrimination to the Code of Conduct in an anonymous manner.

The Policy also provides protection to the employees and business associates who report unethical practices and irregularities.

Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy.

The Whistle Blower Policy of the Company can be accessed at website of the Company at *http://www.jbmgroup.com/pdf/JBM-Auto-Ltd/Policy/Whistle-Blower-Policy/JBMA_Whistle-Blower-Policy.pdf.*

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

Complaints pending at the beginning of year	-	nil
Complaints recieved during the year	-	nil
Complaints pending at the end of the year	-	nil

23. MEETINGS OF INDEPENDENT DIRECTORS

The Independent Directors of your Company meet without the presence of the Chairman or other Non-Independent Director or any other Management Personnel except the company secretary. The Meeting is conducted in an formal and flexible manner to enable the Independent Directors to discuss matters pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), review the performance of the Company, assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. One meeting of Independent Directors were held during the year and the meeting was well attended by the Independent Directors.

24. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

25. PUBLIC DEPOSITS

During the year, your Company did not accept any public deposits under Chapter V of the Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as of 31st March, 2019.

26. EMPLOYEES STOCK OPTION PLANS/SCHEMES

No Employee Stock Options were granted to the Directors or Employees of the Company during the year under review.

27. PARTICULARS OF EMPLOYEES

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

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are form part of the annual report.

However, as per first proviso to section 136(1) of the Act, 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 a copy of such information may write to the Company Secretary at the registered office of the Company and the same will be furnished without any fee.

28. INDUSTRIAL RELATIONS

Your Company's focus continues towards propagating proactive and employee centric practices. The transformational work culture initiative, which aims to create an engaged workforce with an innovative, productive and competitive shop-floor ecosystem, continues to grow in strength. In order to develop skills and foster togetherness at the workplace, your Company rolled out multiple training and engagement programs covering a wide range of topics, viz. positive attitude, stress management, creativity, team effectiveness, safety and environment, quality tools, skill building programs, customer focus, and Code of Conduct.

Significant emphasis was also laid towards raising awareness on health and wellness of employees through annual medical check-ups and health awareness activities.

Proactive and employee-centric shop floor practices, a focus on transparent communication of business goals, an effective concern resolution mechanism, and a firm belief that employees are the most valuable assets of the Company, are the cornerstone of your Company's employee relations approach. The Industrial relations scenario continued to be largely positive across all manufacturing locations

29. AWARDS & RECOGNITIONS

During the year, the Company had received various awards and recognitions, which have been described in Management Discussion and Analysis Report, forming part of the Annual Report.

30. COST RECORDS

Maintenance of cost records as specified under section 148(1) of the Companies Act, 2013 are not applicable to the Company.

31. CREDIT RATING

CRISIL has assigned its credit rating of A1 for short term instruments and the rating for long term debt instruments is A and indicating the outlook on the long term rating as "Stable".

APPRECIATION

The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

For and on behalf of the Board of Directors of
JBM Auto Limited

Sd/-
Surendra Kumar Arya
Chairman
DIN : 00004626

Date: 12.08.2019
Place: Gurugram (Haryana)

'Annexure-I'

FORM No. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2019

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L74899DL1996PLC083073
2.	Registration Date	05.11.1996
3.	Name of the Company	JBM Auto Limited
4.	Category/Sub-category of the Company	Public Company/ Limited by shares
5.	Address of the Registered office & contact details	601, Hemkunt Chamber, 89, Nehru Place, New Delhi – 110019 Tel : 011 26427104, Fax : 01126427100
6.	Whether listed company	Yes
7.	Name, address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Ltd F-65, 1st Floor, Okhla Industrial Area, Phase- 1 New Delhi – 110020, Tel : 01141406149

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)

S. 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	73.43%
2	Tools & Dies for Automobiles	28221	14.42%
3	Buses	29109	12.12%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name & Address of the Company	CIN / GLN	Holding/Subsidiary/ Associate Company	% of share holding	Applicable Section
1	JBM Auto System Private Limited	U34300DL1998PTC314334	Subsidiary	73.89	2(87)(ii)
2	JBM Ogihara Automotive India Limited	U27100DL2009PLC187584	Subsidiary	51.00	2(87)(ii)
3	JBM Solaris Electric Vehicles Private Limited	U34300DL2016PTC315153	Subsidiary	79.89	2(87)(ii)
4	JBM Ogihara Die Tech Private Limited	U27100DL2018PTC334880	Subsidiary	51.00	2(87)(ii)
5	Indo Toolings Private Limited	U28931MP2008PTC034503	Associate	50.00	2(6)
6	JBM MA Automotive Private Limited	U29220PN2007PTC155874	Associate	50.00	2(6)

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

a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [Face Value of equity shares is Rs. 5/- each]				No. of Shares held at the end of the year [Face Value of equity shares is Rs. 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	1145659	--	1145659	2.81	1145884	--	1145884	2.81	0.001
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	24129540	--	24129540	59.15	24129540	--	24129540	59.15	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub-Total (A)(1)	**25275199**		**25275199**	**61.96**	**25275424**		**25275424**	**61.96**	0.001
(2) Foreign									
a) NRIs – Individual		--	--	--	--	--	--	--	--
b) Other Individual		--	--	--	--	--	--	--	--
c) Bodies Corp.	.	--	--	--	--	--	--	--	--
d) Banks / FI		--	--	--	--	--	--	--	--
e) Any Other		--	--	--	--	--	--	--	--
Sub-Total (A)(2)	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	**25275199**	--	**25275199**	**61.96**	**25275424**	--	**25275424**	**61.96**	0.001
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	104473	--	104473	0.26	5812	--	5812	0.01	(0.25)
b) Banks / FI	4171	1200	5371	0.01	10729	960	11689	0.03	0.02
c) Central Govt	63100	--	63100	0.15	71344	--	71344	0.17	0.02
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	4320	--	4320	0.01	4320	--	4320	0.01	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--

Continued....

Category of Shareholders	No. of Shares held at the beginning of the year [Face Value of equity shares is Rs. 5 each]				No. of Shares held at the end of the year [Face Value of equity shares is Rs. 5/ each]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (Foreign Portfolio Investors)	193089	--	193089	0.47	78957	--	78957	0.19	(0.28)
Sub-total (B)(1)	**369153**	**1200**	**370253**	**0.90**	**171162**	**960**	**172122**	**0.41**	**(0.49)**
2. Non-Institutions									
a) Bodies Corp.	--	--	--	--	--	--	--	--	--
i) Indian	8856040	1680	8857720	21.71	8661770	1440	8663210	21.24	(0.47)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	4082461	165749	4248210	10.41	4392604	88173	4480777	10.98	0.57
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1753750	--	1753750	4.30	1858865	46000	1904865	4.67	0.37
c) NRI	288352	--	288352	0.71	298566	--	298566	0.73	0.02
d) Trust	400	--	400	0.00	400	--	400	0.00	--
e) NBFC	1380	--	1380	0.00	0.00	--	--	0.00	--
Sub-total (B)(2)	**14982383**	**167429**	**15149812**	**37.13**	**15212205**	**135613**	**15347818**	**37.62**	**0.49**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**15351536**	**168629**	**15520165**	**38.04**	**15383367**	**136573**	**15519940**	**38.04**	**(0.00)**
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	**40626735**	**168629**	**40795364**	**100.00**	**40658791**	**136573**	**40795364**	**100.00**	--

b) Shareholding of Promoters & Promotor Group.

S.No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2018)			Shareholding at the end of the year (As on 31-03-2019)			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encum-bered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encum-bered to total shares	
1	Surendra Kumar Arya	118140	0.29	0.00	118140	0.29	0.00	Nil
2	Surendra Kumar Arya (HUF)	288856	0.71	0.00	288856	0.71	0.00	Nil
3	Neelam Arya	396188	0.97	0.00	396188	0.97	0.00	Nil
4	Nishant Arya	339400	0.83	0.00	339400	0.83	0.00	Nil
5	Ramrichhpal Rameshwardas Agarwal	600	0.00	0.00	600	0.00	0.00	Nil
6	Satya Priya Arya	2100	0.01	0.00	2100	0.01	0.00	Nil
7	Vishudda Ramrichhpal Aggarwal	375	0.00	0.00	600	0.00	0.00	0.00
8	JBM Builders Pvt. Limited	3030832	7.43	0.00	3030832	7.43	0.00	Nil
9	JBM Industries Limited	720	0.00	0.00	720	0`.00	0.00	Nil
10	ANS Holding Pvt.Limited	2058996	5.05	0.00	2058996	5.05	0.00	Nil
11	NAP Investment & Leasing Pvt. Limited	2274616	5.58	0.00	2274616	5.58	0.00	Nil
12	A to Z Securities Limited	4190160	10.27	0.00	4190160	10.27	0.00	Nil
13	SMC Credit Limited	7570260	18.56	0.00	7570260	18.56	0.00	Nil
14	Focal Leasing & Credit Limited	1579132	3.87	0.00	1579132	3.87	0.00	Nil
15	Shuklamber Exports Limited	3424824	8.40	0.00	3424824	8.40	0.00	Nil
	TOTAL	**25275199**	**61.96**	0.00	**25275424**	**61.96**	0.00	**0.00**

c) Change in Promoters' Shareholding as on 01-04-2018 & 31-03-2019 and their transactions

S. No	Particulars	Shareholding at the beginning of the year (As on 01-04-2018)		Date*	Increase / Decrease in Shareholding	Reason
		No of Shares	% of total shares of the Company			
1	Vishudda Ramrichhpal Agarwal	375	0.001	18.05.2018	225	Open Market Purchase

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

		Shareholding					Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
S.No	Name	No of Shares at the Beginning (01-04-18) / end of the Year (31-03-19)	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reason	Shares	% of total shares of the Company
1	Zeal Impex And Traders Private Limited	4018968	9.85	01.04.2018				
		4018968	9.85	30.03.2019	NIL	NIL		
2	Amity Infotech Pvt. Ltd.	4000000	9.81	01.04.2018				
		4000000	9.81	30.03.2019	NIL	NIL		
3	Anil Kumar Goel	630000	1.54	01.04.2018				
				11.05.2018	11576	Purchase	641576	1.57
				18.05.2018	1424	Purchase	643000	1.58
				25.05.2018	3000	Purchase	646000	1.58
				01.06.2018	1000	Purchase	647000	1.59
				08.06.2018	1000	Purchase	648000	1.59
				29.06.2018	1000	Purchase	649000	1.59
				10.08.2018	1000	Purchase	650000	1.59
				07.09.2018	1000	Purchase	651000	1.60
				28.09.2018	1000	Purchase	652000	1.60
				05.10.2018	1000	Purchase	653000	1.60
		653000	1.60	30.03.2019				
4	Arvind Kumar Sancheti	146278	0.36	01.04.2018				
				08.06.2018	-10000	Sale	136278	0.33
				21.09.2018	-1000	Sale	135278	0.33
				29.09.2018	-5000	Sale	130278	0.32
				19.10.2018	-10000	Sale	120278	0.29
				28.12.2018	6893	Purchase	127171	0.31
				25.01.2019	42270	Purchase	169441	0.42
				01.03.2019	4647	Purchase	174088	0.43
		174088	0.43	30.03.2019				
5	D Srimathi	136040	0.33	01.04.2018				
				22.06.2018	4153	Purchase	140193	0.34

Continued....

		Shareholding					Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
S.No	Name	No of Shares at the Beginning (01-04-18) / end of the Year (31-03-19)	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reason	Shares	% of total shares of the Company
				06.07.2018	2000	Purchase	142193	0.35
				03.08.2018	2786	Purchase	144979	0.36
				10.08.2018	5152	Purchase	150131	0.37
				17.08.2018	500	Purchase	150631	0.37
				24.08.2018	2594	Purchase	153225	0.38
				31.08.2018	1219	Purchase	154444	0.38
				07.09.2018	2000	Purchase	156444	0.38
				14.09.2018	1467	Purchase	157911	0.39
				21.09.2018	1000	Purchase	158911	0.39
		158911	0.39	30.03.2019				
6	Arvind Kumar J Sancheti	116357	0.29	01.04.2018				
				29.09.2018	-5000	Sale	111357	0.27
				19.10.2018	-10000	Sale	101357	0.25
				11.01.2019	26088	Purchase	127445	0.31
		127445	0.31	30.03.2019				
7	Sarita Arvind Sancheti	82684	0.20	01.04.2018				
				13.04.2018	1000	Purchase	83684	0.21
				08.06.2018	-10000	Sale	73684	0.18
				29.09.2018	-5000	Sale	68684	0.17
				19.10.2018	-10000	Sale	58684	0.14
				26.10.2018	-6000	Sale	52684	0.13
				28.12.2018	845	Purchase	53529	0.13
				31.12.2018	1450	Purchase	54979	0.13
				04.01.2019	2000	Purchase	56979	0.14
				11.01.2019	48261	Purchase	105240	0.26
		105240	0.26	30.03.2019				
8	Trupti Uday Merchant	100000	0.25	01.04.2018				
		100000	0.25	30.03.2019	NIL	NIL		
9	Sandeep Ravindra Shah	99560	0.24	01.04.2018				
		99560	0.24	30.03.2019	NIL	NIL		
10	Ganesh Srinivasan	89000	0.22	01.04.2018				
		89000	0.22	30.03.2019	NIL	NIL		

e) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (As on 01-04-2018)		Change in shareholding during the year			Cumulative Shareholding during the year (As on 31-03-2019)	
		No. of shares (Face Value Rs. 5/-each)	% of total shares of the company	Date	Increase/ Decrease in shareholding (face value Rs. 5/- each)	Reason	No. of shares (Face Value Rs. 5/-each)	% of total shares of the company
A.	**DIRECTORS**							
1.	Surendra Kumar Arya (Chairman)	118140	0.29	N.A	N.A	N.A	118140	0.29
2.	Nishant Arya (Non Executive Director)	339400	0.83	N.A	N.A	N.A	339400	0.83
3.	Sandip Sanyal (Executive Director)	Nil	NA	NA	NA	NA	NA	NA
4.	Mr. Ashok Kumar Agarwal (Non Executive Director)	Nil	N.A	NA	NA	NA	NA	NA
5.	Mr. Mahesh Kumar Aggarwal (Non-Executive Director)	Nil	N.A	NA	NA	NA	NA	NA
6.	Mrs. Pravin Tripathi (Non Executive Director)	Nil	N.A	NA	NA	NA	NA	NA

B	**KEY MANAGERIAL PERSONNEL (KMP'S)**							
1.	Vivek Gupta	1153	0.00	01.04.2018				
			0.00	01.06.2018	-72	Open market sale	1081	0.00
			0.00	02.11.2018	-21	Open market sale	1060	0.00
			0.00	11.01.2019	-64	Open market sale	996	0.00
			0.00	18.01.2019	-97	Open market sale	899	0.00
			0.00	25.01.2019	-3	Open market sale	896	0.00
			0.00	01.02.2019	-283	Open market sale	613	0.00
			0.00	08.02.2019	-64	Open market sale	549	0.00
			0.00	22.02.2019	-44	Open market sale	505	0.00

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

₹ In lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	23839.81	6790.07	-	30629.88
ii) Interest due but not paid	0.28	0.59	-	0.87
iii) Interest accrued but not due	112.59	5.53	-	118.12
Total (i+ii+iii)	**23952.68**	**6796.19**	**-**	**30748.87**
Change in Indebtedness during the financial year				
* Addition	8010.98	3878.75	-	11889.73
* Reduction	(3375.24)	(2666.00)	-	(6041.24)
Net Change	**4635.74**	**1212.75**	**-**	**5848.49**
Indebtedness at the end of the financial year				
i) Principal Amount	28444.88	7987.33	-	36432.21
ii) Interest due but not paid	1.41	-	-	1.41
iii) Interest accrued but not due	142.13	21.61	-	163.74
Total (i+ii+iii)	**28588.42**	**8008.94**	**-**	**36597.36**

Note : Indebtness does not includes the preference share capital.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

₹ In lakhs

A. Remuneration to Managing Director, Executive Directors and/or Manager:

Sl No	Particulars of Remuneration	Mr. Sandip Sanyal *(Executive Director)	Total Amount (per annum)
1	Gross salary	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others, please specify	Nil	
	Total (A)	**Nil**	**Nil**
Ceiling as per the Companies Act, 2013 : Rs. 235.97 lacs being 5% of the profit calculated as per section 198 of the Companies Act, 2013			

Note :-

Mr. Sandip Sanyal has also been appointed as Executive Director of JBM Auto System Private Limited, subsidiary of the Company w.e.f. 19th May, 2015 and drawing salary from this subsidiary only.

B. Remuneration to other Directors:

₹ In lakhs

S.N.	Particulars of Remuneration	Mr. Surendra Kumar Arya	Mr. Nishant Arya	Mr. Ashok Kumar Agarwal	Mr. Mahesh Kumar Aggarwal	Pravin Tripathi	Total Amount
1	Independent Directors						
	• Fee for attending board committee meetings	NA	NA	0.30	0.40	0.40	1.10
	• Commission	NA	NA	Nil	Nil	Nil	Nil
	• Others, please specify	NA	NA	Nil	Nil	Nil	Nil
	Total (1)	**-**	**-**	**0.30**	**0.40**	**0.40**	**1.10**
2	Other Non-Executive Directors						
	• Fee for attending Board and its 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**	**0.30**	**0.40**	**0.40**	**1.70**
	Total Managerial Remuneration	0.40	0.20	0.30	0.40	0.40	1.70
	Overall Ceiling as per the Act	Rs. 47.19 lacs being 1% of the profit calculated as per section 198 of the Companies Act, 2013					

C. Remuneration to key managerial personnel other than MD/Manager/WTD

As per the provisions of section 136(1) read with relevant proviso of Companies Act , 2013, the aforesaid information is excluded from this Annexure. Any member interested in obtaining such information's may write to the Company Secretary at the registered office of the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

S. No.	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)
1.	**A. COMPANY** Penalty Punishment Compounding **B. DIRECTORS** Penalty Punishment Compounding **C. OTHER OFFICERS IN DEFAULT** Penalty Punishment compounding	NIL				

ANNEXURE – II

NOMINATION AND REMUNERATION POLICY

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

Objective and purpose of the Policy:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Auto Component industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Effective Date:

This policy shall be effective with retrospective effect from 1st April, 2014.

Constitution of the Nomination and Remuneration Committee:

The Board has changed the nomenclature of Remuneration Committee constituted on 7th June, 2002 by renaming it as Nomination and Remuneration Committee on 30th May, 2014. The Nomination and Remuneration Committee comprises of following Directors:

S.No.	Committee Members
1.	Mr. Mahesh Kumar Aggarwal, Chairman (Independent Director)
2.	Mr. Pravin Tripathi, Member (Independent Director)
3.	Mr. Surendra Kumar Arya, Member (Non-Executive Director)

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

Definitions

- Board means Board of Directors of the Company.
- Directors mean Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Company means JBM Auto Limited.
- Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.

Key Managerial Personnel (KMP) means-

(i) Whole-time Director;

(ii) Chief Financial Officer;

(iii) Company Secretary;

(iv) Such other officer as may be prescribed under the applicable statutory provisions/ regulations.

- Senior Management means who are members of its core management team excluding Board of Directors and all members of the management one level below the Executive Director, including the functional Heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability

The Policy is applicable to;

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

General

- This Policy is divided in three parts:

Part – A covers the matters to be dealt with and recommended by the Committee to the Board,

Part – B covers the appointment and nomination and;

Part – C covers remuneration and perquisites etc.

- The key features of this Company's policy shall be included in the Board's Report.

PART – A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

PART – B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- **Appointment criteria and qualifications:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- Term / Tenure:

1. Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Director (Whole-time Director) for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

-An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

-No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

However, if a person who has already served as an Independent Director for 5 (five) years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his/her present term, for one more term of upto 5 (five) years only or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

-At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- **Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

- **Mechanism for evaluating non-executive Board members:**

The performance evaluation of non-executive members is done by the Board annually based on the criteria of attendance and contributions at Board/Committee Meetings as also for the role played other than at Meetings

- **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART – C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

- **General:**

1. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

2. The remuneration and commission to be paid to the Whole-time Director, if any shall be in accordance with the percentage / slabs / conditions laid down as per the provisions of the Companies Act, 2013, and the rules made thereunder.

3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

4. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- **Remuneration to Whole-time Director, KMP and Senior Management Personnel:**

1. Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, the company shall pay remuneration to its Whole Time Director with the previous approval of the Central Government.

3. Provisions for excess remuneration:

If Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

- **Remuneration to Non-Executive / Independent Director:**

1. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Board's Diversity Policy

JBMA recognizes and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately.

All Board appointments, whenever required shall be made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

The Nomination and Remuneration Committee ('the Committee') shall review and assess Board composition on behalf of the Board and recommend the appointment of new Directors, whenever the need for the same arises.

In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

'ANNEXURE –III'

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 Contracts / arrangements/ transactions	Salient terms of Contracts / arrangements/ 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 advance if any	Date on Which the Special Resolution was passed in general meeting as required under first proviso to section 188
Nil									

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 Contracts / arrangements/ transactions	Salient terms of Contracts / arrangements/ transactions including the value if any	Date(s) of approval by the Board/ Audit committee	Amount paid as advance, if any
1	Neel Metal Products Limited	Public Company in which Director is 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	15.05.2018	Nil

'ANNEXURE –IV'

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
JBM AUTO LIMITED
601, Hemkunt Chamber ,
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 March 31 , 2019 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, 2019 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 Disclosure 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

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 , Woman Director 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 laws, rules, regulations and guidelines.

I further report that in accordance to Clause 17(1A) of LODR special resolution will be passed at ensuing AGM approving appointment of Mr. Mahesh Kumar Aggarwal, Independent Director of the Company, wef 1st April, 2019 who has already attained the age of 75 years,

I further report that during the audit period,

1. The term of appointment of Mr. Ashok Kumar Agarwal, Independent director of the Company has expired on 31st March, 2019. Therefore, he ceases to be a Director w.e.f. the closure of business hours on 31st March, 2019.

2. The Company had moved a scheme of Amalgamation of JBM MA Automotive Private Limited and JBM Auto System Private Limited with the Company JBM Auto Limited with the Hon'ble National Company Law Tribunal, Mumbai and Hon'ble National Company Law Tribunal, Delhi respectively.

   The Hon'ble National Company Law Tribunal, New Delhi Bench has approved the scheme of Amalgamation (CAA – 133 (ND) 2018) vide its order dated 14th June, 2019.

3. Further, the Scheme of Amalgamation of JBM MA Automotive Private Limited with the Company JBM Auto Limited is under review of the Hon'ble National Company Law Tribunal, Mumbai.

Place: **New Delhi**
Date: **24.06.2019**

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. Wherever equired, we have obtained The Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of 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: 24.06.2019

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

ANNEXURE – V

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: Rs. 3,909.81 Lakhs

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

The Company during the financial year 2018-19 was required to spend Rs. 78.20 Lakhs towards CSR activities.

Details of CSR spent during the financial year:

a. Total amount to be spent for the financial year Rs. 81.20 Lakhs
b. Amount unspent : NIL
c. Manner in which the amount spent during the financial year is detailed below:

₹ In lakhs

(1) SI No.	(2) CSR Project or activity identified	(3) Sector in Which the project is covered	(4) Location (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 vocational skills.	Plot No. 16, Sector-20B, Faridabad, Haryana	78.20	81.20	81.20	Directly by Company
TOTAL				**78.20**	**81.20**	**81.20**	

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 – VI

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

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 futuristic Electric Vehicle (EV) technology from the joint venture partners M/S Solaris Bus & Coach S.A., Poland. Entire 100% Electric Vehicle integration technology is being learnt and indigenized in association with our JV partner. A team of our R&D engineers have travelled Poland and learnt the important aspects of EV aggregates and integration.

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

This technology adaption resulted in New Product Development of EV platform and variants, 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	2018-19	NA
No Technology imported	2017-18	NA
1. Adaptation of 100% Electric Vehicle (EV) technology 2. For manufacturing of subframe component, front suspension, LWR arms assembly R/L for Honda WRV	2016-17	Yes

(iv) Expenditure incurred on research and development

Sl. No.	Particulars	Amount Rs. in Lakhs
(a)	Revenue Expenditure	1568.68
(b)	Capital expenditure	103.63
	Total	**1672.31**

C. Foreign Exchange Earnings and Outgo

Particulars	Amount Rs. in Lakhs
Foreign exchange earned in terms of actual inflow	1044.92
Foreign exchange outgo in terms of actual outflow	2095.48

MANAGEMENT DISCUSSION & ANALYSIS

A. OVERVIEW OF THE ECONOMY

1. Global Economy

In a June 2019 publication, titled Global Economic Prospects: Heightened Tensions, Subdued Investment, the World Bank forecast that global economic growth is likely to ease to 2.6% in 2019 before inching up to 2.7% in 2020. It clarified that the financial strain in emerging market and developing economies, triggered by sluggish investment and risks of rising trade barriers, renewed financial stress and sharper-than-expected slowdowns in several major economies, should subside next year. However, although these economies will stabilize, economic momentum would remain weak.

By 2021, the World Bank expects growth to gradually rise to 2.8% on the back of continued benign global financing conditions, as well as a modest recovery in emerging market and developing economies.

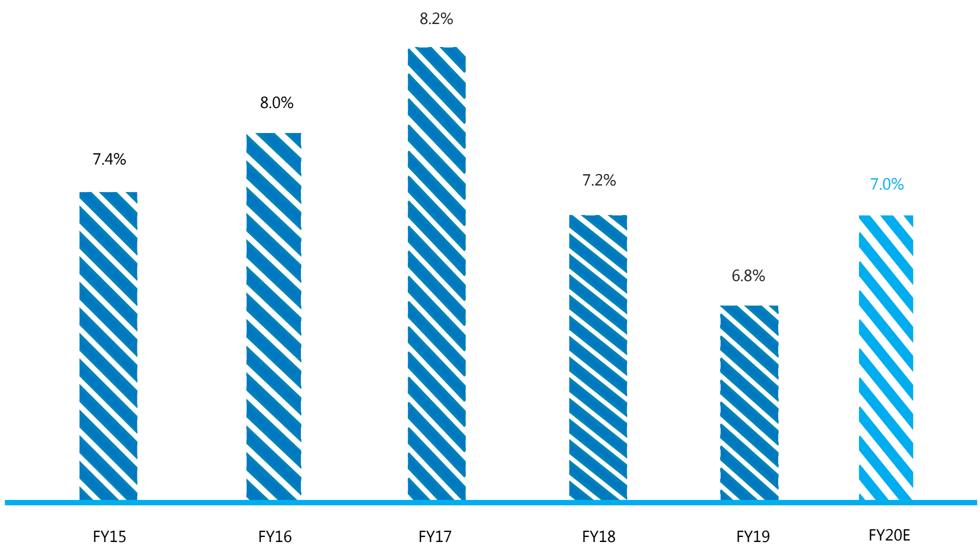
Source: World Bank Report

2. Indian Economy

The financial year gone by was a difficult one for the Indian economy. GDP growth slowed to 6.8% in FY19 from 7.2% in FY18 and 8.2% in FY17. There were consecutive external shocks, including a spike in oil prices and threats of a trade war, amongst others. On the domestic front, India saw a slowdown in consumption and investment and an asset-liability mismatch which rocked the financial system that was just recovering from the balance sheet crisis. Nevertheless, moving past policy uncertainty and with steady oil and currency rates, economic growth is expected to recover, on the back of lower interest rates and a normal monsoon, which should maintain the strong agricultural sector performance. As per the Economic Survey – 2019, the government has estimated gross domestic product growth of 7% for FY20.

Source: Statistics Times

India's GDP Growth (in %)



In the first budget of the incumbent government's second term, a road map was presented that would lead India to become a USD 5 trillion economy by 2025. It outlined some mega investment-oriented initiatives, especially in the infrastructure. It also focusing on core issues of health, sanitation, water and the general welfare of the people. It also sought to strengthen the foundation of New India which is on the cusp of a wave of technological changes that will be game changers for growth and development.

Source: Economic Survey - 2019

The automotive industry has welcomed the government's support for the electric vehicle industry in the announcements in the Union Budget 2019. Auto industry body SIAM (Society of Indian Automobile Manufacturers) has said in a statement that the auto industry is happy that the Finance Minister has extended wholehearted support to electric mobility, but has requested for various relief measures also from the Government to help the automotive industry emerge from the current slowdown, it is facing today.

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. The country has retained its position as the third largest start-up base in the world with over 4,750 technology start-ups.

India's labour force is expected to touch 160-170 million by 2020, based on the rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

With more than 50% of the country's population being below the age of 25, as the economy grows, there is plenty of scope for growth in the demand for vehicles over the years.

Source: https://www.ibef.org/economy/indian-economy-overview

B. AUTOMOTIVE INDUSTRY IN INDIA IN FY19

The automotive sector has emerged as one of the important sectors of the Indian economy. It accounts for 7% of India's GDP and 45% of manufacturing GDP and employs about 19 million people both directly and indirectly. The government's Automotive Mission Plan (AMP) 2016-26 envisions the industry to grow around four times by FY26 with approximately 10% CAGR for vehicle sales volumes.
Currently, the Indian automotive industry is going through a transformative phase towards making safer, more environment friendly vehicles that not just conform to global norms but set benchmarks too.

The ministry of Road Transport and Highways has mandated that cars manufactured after 1st July should be equipped with features such as airbags, seat-belt reminders, and audio alarm systems that are triggered at high speeds, to improve driving safety. Additionally, new crash test requirements, which include full frontal, offset frontal and side impact testing, will be implemented from October 2019. Most importantly, the industry is moving towards the Bharat Stage VI (BS VI) emission standards, which are slated to be implemented from April 2020.

This transformation phase has brought some challenges as to meet the new norms an expensive overhaul of diesel engine technology will be necessary, without which automobile manufacturers may have to shut down production of their diesel automobiles.
Slowdown in credit financing due to the ongoing liquidity crisis at Non-Banking Financial Corporations (NBFCs) is also one of the factors which has kept the disbursement to the automotive sector subdued.

The recent rate cut by the central bank of India may help to push the auto industry to overcome these challenges and boost auto demand.

However, the challenging market scenario is likely to affect the growth of automotive industry in FY20 as against FY19.

i) Investments

Recognising the potential of India, both as a production hub as well as a market for automobiles over the medium to long term, there has been a flow of foreign funds into the country. The automobile industry has attracted Foreign Direct Investment (FDI) worth USD 2.62 billion (Rs 18,309 crore) during FY19, according to Department of Industrial Policy and Promotion (DIPP).

Source: DDIP

ii) Performance of the Auto industry in FY19

- **Production**

The industry produced a total 309.15 Lac vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in FY19 as against 290.94 Lac in FY18, registered a growth of 6.26%.

- **Domestic Sales**

Total Domestic sale was 262.68 Lac vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in FY19 as against 249.81 Lac in FY18, registered a growth of 5.15%.

- Passenger Vehicles sales grew by 2.70% in FY19. Within the Passenger Vehicles, the sales of Passenger Cars, Utility Vehicle & Vans grew by 2.05%, 2.08% and 13.10%, respectively.

- Commercial Vehicles sales grew by 17.55% in FY19. Within the Commercial Vehicle, sale of Medium & Heavy Commercial Vehicles (M&HCVs) and Light Commercial Vehicles (LCVs) grew by 14.66% and 19.46% respectively.

- Three Wheelers sales grew by 10.27% in FY19. Within Three Wheelers segment, Passenger Carrier sales and Goods Carrier grew by 10.62% and 8.75% respectively.

- Two Wheelers sales grew by 4.86% in FY19. Within Two Wheelers segment, Scooters declined by 0.27%, whereas Motorcycles and Mopeds grew by 7.76% and 2.41% respectively.

- **Exports**

Overall automobile exports grew by 14.50%. in FY19.

Passenger Vehicles exports declined by 9.64% while Commercial Vehicles, Three Wheelers and Two Wheelers registered a growth of 3.17%, 49.00% and 16.55% respectively.

The Automobile Production, Domestic Sales and Export Sale (No. of Vehicles in lakhs)

	Production			Domestic Sales			Export Sale		
Category	**FY19**	**FY18**	**% growth**	**FY19**	**FY18**	**% growth**	**FY19**	**FY18**	**% growth**
Passenger Vehicles	40.26	40.20	0.14	33.77	32.89	2.70	6.76	7.48	-9.64
Commercial Vehicles	11.12	8.95	24.20	10.07	8.57	17.55	1.00	0.97	3.17
Three Wheelers	12.69	10.22	24.12	7.01	6.36	10.27	5.68	3.81	49.00
Two Wheelers	245.03	231.55	5.82	211.81	202.00	4.86	32.81	28.15	16.55
Quadricycle#	0.05	0.02		0.01	0.00		0.04	0.02	0.00
Grand Total	**309.15**	**209.94**	**6.26**	**262.68**	**249.81**	**5.15**	**46.29**	**40.43**	**14.50**

Source: SIAM

iii) Current Scenario of Auto industry in Q1 FY20

In the first quarter of FY20 (Q1 FY20), Industry production across all categories declined by 10.53% to 72.16 Lac vehicles as against 80.65 Lac in Q1 FY19.

Domestic sales across all categories declined by 12.35% to 60.85 Lac units against 69.43 Lac units in Q1 FY19. Within the all categories, Passenger Vehicle sales declined 18.42% to 7.13 Lac units against 8.73 Lac in Q1 FY19.

Overall automobile exports remained more or less constant, growing by 0.16% in the same period. Passenger Vehicles and Two Wheeler exports grew by 3.55% and 3.12% respectively while Commercial Vehicles and Three Wheelers registered a de-growth of 52.41% and 12.97%.

Source: SIAM

C. INDIAN AUTO-COMPONENT INDUSTRY

The Indian auto-components industry has been growing at a healthy rate over the past few years. After clocking a robust 18.3% to reach a size of USD 51.2 billion in FY18, it has clocked a growth of 14.5% in FY19.

This industry accounts for around 2.3% of India's GDP and employs as many as 5 million people. According to an IBEF report, various factors contribute to the potential of this sector, including the stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment. The total value of India's automotive exports grew from USD 10.9 billion in FY17 to USD 13.5 billion in FY18. It has accelerated by 17.1% to reach USD 15.16 billion in FY19 due to a pick-up in the global scenario.

The Indian auto-components industry comprises of two distinct sectors - organised and unorganised. The organised sector produces high-value precision instruments which meet the needs of Original Equipment Manufacturers (OEMs). The unorganised sector, on the other hand, comprises low-valued products, which usually find use in the 'aftermarket' category.

Looking ahead, an Auto Ancillaries Sector Analysis report by equitymaster forecasts that the auto-components industry is expected to follow OEMs in adoption of electric vehicle technologies. The global move towards electric vehicles will generate new opportunities for automotive suppliers. The mass conversion to electric vehicles may generate a USD 300 billion domestic market for EV batteries in India by 2030. The IBEF forecasts that over the next decade, this shift towards greater use of electric/electronic/hybrid vehicles will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development. Further, it expects the Indian auto-components industry is set to become the third largest in the world by 2025 as Indian auto-component makers are well positioned to benefit from the globalisation of the sector as exports potential could be increased by up to USD 30 billion by 2021.

The capital expenditure by the domestic automotive component manufactures is expected at around Rs 24,000 crore (USD 33.26 billion) over the FY19 and FY20

Source: CRISIL Auto Components Report

D. INDIAN ELECTRIC VEHICLE SCENARIO

Opportunities for Electric vehicle in India

India's existing capabilities—including its dynamic public and private-sector leadership, entrepreneurial culture, ability to build infrastructure right the first time, and a unique confluence of IT and manufacturing skills—could enable it to lead the world in advanced mobility solutions. India's current mobility system reflects many of the underlying properties of the emerging mobility paradigm. India could leapfrog the conventional mobility model and achieve a shared, electric, and connected mobility future by capitalizing on these existing conditions and building on foundational government programmes and policies.

National policies, such as the National Electric Mobility Missions of 2020 (NEMMP) are designed to encourage EV deployment and manufacturing in India. The high share of services and low private-vehicle ownership supports service-oriented manufacturing. Recent policy announcements, private-sector activity, and headline news indicate significant convergence among key stakeholders. A transformed mobility future will require participation and collaboration across diverse stake holder groups. India's public transit system is young and still being built, providing an opportunity to retrofit existing transport hubs and properly site new ones. The Government of India is a major investor in multimodal logistics and transport hub projects (e.g., Delhi-Mumbai industrial Corridor). Private-sector service providers and bus aggregators are eager to fill India's Intermediary public transit gap.

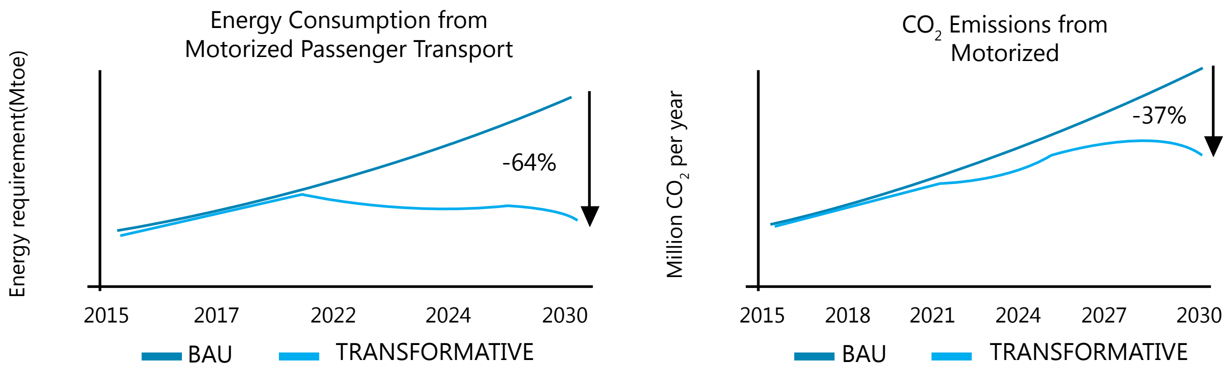
Progress of the Electric Vehicle mission in India

The Economic Survey – 2019 outlines two distinct reasons why India must promote Electric Vehicles and related components on the lines of the US automotive hub of Detroit. The first is that India is the third largest crude oil importer in the world and secondly, its cities feature prominently in the list of the most polluted cities in the world. According to the survey, road transport contributes around 90% of the total emissions in the transport sector in India. Further, given the large dependence on oil imports, it is imperative to shift the focus to alternative fuels to support mobility in a sustainable manner.

The market share of electric cars is around 39% in Norway; it is around 2% in China whereas in Indian the share of electric cars is barely 0.06%. Electric two-wheelers comprise a major part of EV sales, with sales of around 54,800 in 2018, and electrification of two-wheelers and buses has picked up pace in recent years. Overall, there is a distinct shift towards newer avenues for the transportation industry with rapidly globalisation and the opening up of world markets.

There are some basic constraints that our country faces in its march towards making EV more mainstream and acceptable i.e. the cost of lithium-ion batteries and sourcing of lithium and cobalt as well as the lack of public infrastructure in the form of charging infra on roads and highways.

However, in spite of these challenges, our country is anticipated to have significant growth in electric vehicles. Making India's passenger mobility shared, electric and connected can cut its energy demand by 64% and carbon emissions by 37%. Supportive conditions and existing capabilities position India to lead the world in advanced mobility solutions. Parts of the mobility puzzle are emerging but yet have to be put together in a single country. India has a growing portfolio supporting a mobility leapfrog and establish a foundation for shared, electric, and connected mobility future.



FIGURES ES-1 - ES-2: MODELED ENERGY REQUIREMENT FOR PASSENGER MOBILITY (LEFT) AND RESULTANT CO2 EMISSIONS (RIGHT) FOR "BUSINESS-AS-USUAL" (BAU) AND "TRANSFORMATIVE" SCENARIOS, 2015-2030

Union Budget 2019-20 - Electric Vehicle Impetus

The Union Budget – 2019-20 rolled out a range of initiatives to boost the electric mobility segment. Although there have been many challenges to a faster and wider adoption of EVs, including charging infrastructure, higher cost of ownership and technological challenges, the finance minister tried to address some other concerns in the Budget.

The Government has reduced the GST rate to 5% from 12% on the purchase of EVs. Tax rebate of Rs 1.5 lakh was also introduced on the interest paid on loan taken to purchase EVs to individual taxpayers. Exemption in customs duty on specific imports related to electric vehicles to reduce the cost of these vehicles was also granted by the government.

Additionally, support would be given to include solar batteries and set up the charging network.

The aim is to provide affordable and environment-friendly public transportation options for the common man.

E. TIME TO MOVE AHEAD

A report by Bloomberg New Energy Finance (NEF) expects that by 2040, 57% of all vehicle sales and 30% of passenger vehicle sales will be electric. By mid-2020, it expects price parity between ICE-based vehicles and EVs. By 2030, it expects Internal Combustion Engine (ICE) vehicles to peak before its decline begins. JBMA, in support of the government's vision, has been creating innovative solutions in the electric vehicle space. It has complete conviction that a disruption of the current transport systems will give way to the adoption of more eco-friendly electric vehicles in the system.

Eco-Life is our first offering in this direction. We are committed to offering a complete ecosystem solution for e-mobility, thus supporting a green and sustainable environment.

The Big e-Mobility Push

The future Indian Mobility trends reflect heavily on ACES - Autonomous, Connected, Electric and Shared transport patterns. The government is firm on its commitment towards a greener and sustainable environment which is directly aligned with the deployment of e-mobility in the Indian transportation domain. JBMA has been focused towards bringing in path breaking innovations by way of its products, systems and solutions in the electric vehicle space. Compared to the previous year, we have marched ahead substantially in creating a holistic and seamless solution addressing the forthcoming requirements of the future. Your company has developed in-house capabilities offering a complete ecosystem solution for e-mobility.

FAME II to provide much needed impetus

During FAME I, an investment of 3500 crores was sanctioned by the Government and only 8 metropolitan cities procured buses. Your company was able to procure a key order of electric buses for Navi Mumbai, the upcoming economic capital of the country.

The Government of India approved FAME II to boost electric mobility development and deployment at a much faster pace pan India. With a total proposed approved outlay of a Rs 10,000-crore for three years till 2022 under this scheme, India has set a target of achieving 30% electric mobility by 2030 in order to cut reliance on fossil fuels to curb pollution and reduce its import bill. FAME II also offers upfront incentives on purchase of electric vehicles besides setting up charging infrastructure and focusing on electrification of public transport. Through the FAME II scheme, an extension of FAME I, the government plans to support 10 lakh electric two-wheelers, 5 lakh three-wheelers, 55,000 four-wheelers and 7,000 buses. Rs. 1,000 crores have been earmarked for setting up charging stations for electric vehicles in India.

Under FAME II, high level of localisation is also being emphasized for E-buses. Thus, based on the credentials and positive feedback, your company is very well positioned in the coming years.

Huge Opportunity for JBMA

The Government of India is targeting 100% electrification in the public transportation segment by 2030. To support this, there will be need for huge charging infrastructure to cater to large population of e-vehicles in coming years. Ministry of Heavy Industries (MOHI) is actively promoting Electric Mobility through the FAME II policy. Based on these conducive developments, the Group is actively pursuing its course to be a complete Ecosystem Provider for Electric Mobility with Vertical Integration of Electric Vehicles, Key Components / Aggregates along with Charging Infrastructure.

Being hopeful of the futuristic needs arising in India, JBM Group is proactively working to establish a complete E-mobility ecosystem that can cater to the requirement of electric mobility in India. We are focused towards value added products that can be localized. These include battery pack, power electronic & distribution, electric motor, transmission and others.

Battery Pack	Power Electronic & Distribution	Electric Motor	Transmission	Others
Lithium Cells & Modules	Power Management System	Traction Motors	Differential	System Integration
Battery Mgmt. System(controller)	Wiring Harness	Motor Controller	Fixed Gear Transmission	Collision Protection System
Battery Thermal Mangement	DC Converter	Cooling System for motor & controller		Electric Power Steering/brakes
	Connectors and Cable Jacketing			Brake Controller for Regenerative braking
	Relay/ Shunts			EV Air Conditioning/ heating system

Way forward

We are gearing up for the future by establishing the key success factors which are necessary to not only withstand the change but to also make optimum use of it. A globally competent and skilled workforce combined with the state-of- the-art infrastructure is our strength and we aim to leverage it further to attain inorganic growth. Our well recognized market presence with a strong and diverse portfolio is marked by our capabilities in various segments that we operate in, which boasts the technical prowess, high quality production and cost. In the current scenario, with the government going all out to promote the transition to EVs and the use of clean energy, your Company is ideally placed to ride the imminent wave in the sector and secure a leading position in this sunrise industry.

The recent acquisition of Linde Wiemann by JBM Group enables higher manufacturing ability, fuel efficiency, safety and affordability to absorb more electronic systems (approximately 50% in electronics and megatronics). This will further help the JBM Group to access new products, increase the number of its global customers, and competitiveness in India. It will also benefit from the German company's strengths in electric vehicle components and battery structure and systems. Crash norms as we are seeing multiple technologies are available where different kind of steel & aluminium can be utilized for creating affordable, aspirational vehicles for the Indian population.

F. YOUR COMPANY'S PERFORMANCE IN FY19

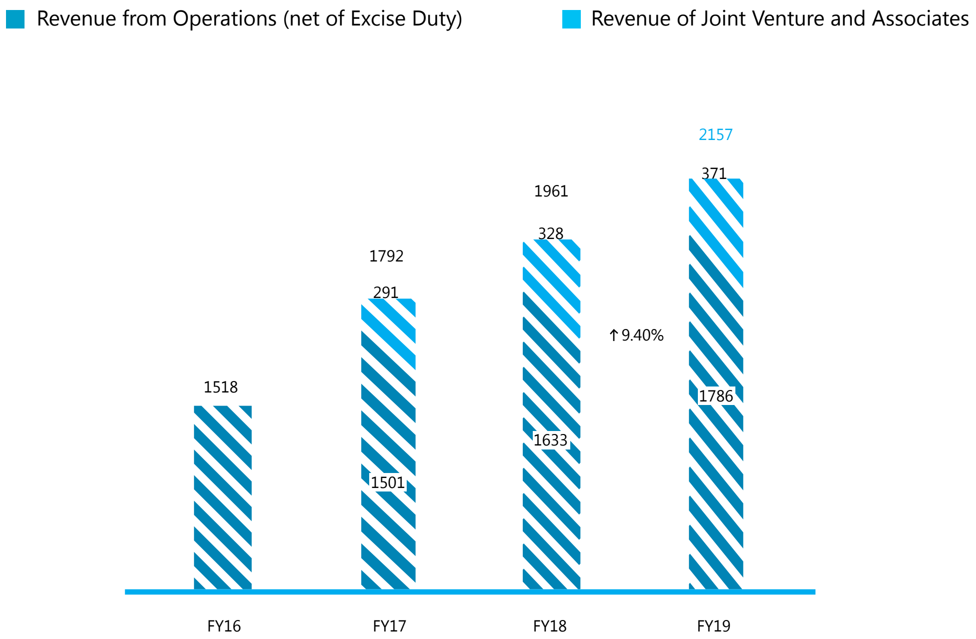
Your Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 with a transition date of April 1, 2016. Accordingly, these financial have been prepared in accordance with Indian Accounting Standards ("Ind AS").

Highlights of consolidated results:

- In FY19, Net Revenue from operations increased by 9.40% to Rs.1786.43 crores as against Rs. 1632.88 crores in FY18 due to higher sales in Tooling and OEM division.
    - o Net Revenue of Tool Room Division increased by 68% to Rs. 143.31 crores as against Rs. 84.95 crores in FY18. Tool Room has achieved highest ever sale in FY19.
    - o OEM Division revenue increased to Rs. 120.50 crores as against Rs. 17.69 crores in FY18.
    - o Component division is almost at PAR with last year due to lower volume of our customers mainly Ford.
- Total Comprehensive Income attributable to owners of the company increased by 16.10% to Rs. 81.86 crore as against Rs. 70.51 crore in FY18. Increase in profit contributed by Tool Room & OEM Division consequential to higher sale.
- Net worth of the Company as on 31st March 2019 increased by 19.16% to Rs 497.33 crores as against Rs. 417.36 crores on 31st March 2018.
- The book value per share has increased by 19.17% to Rs. 121.91 per share as against Rs. 102.30 per share.
- The Earnings per share has increased by 16.79% to Rs. 20.17 per share as against Rs 17.27 per share in FY18.
- The Long-Term Debt Equity ratio of the Company improved to 0.54 times as on 31st March 2019 as against 0.71 times as on 31st March 2018. Debt in your company has been reduced by Rs. 30.26 crores.

REVENUE FROM OPERATIONS

(₹ In Crore)

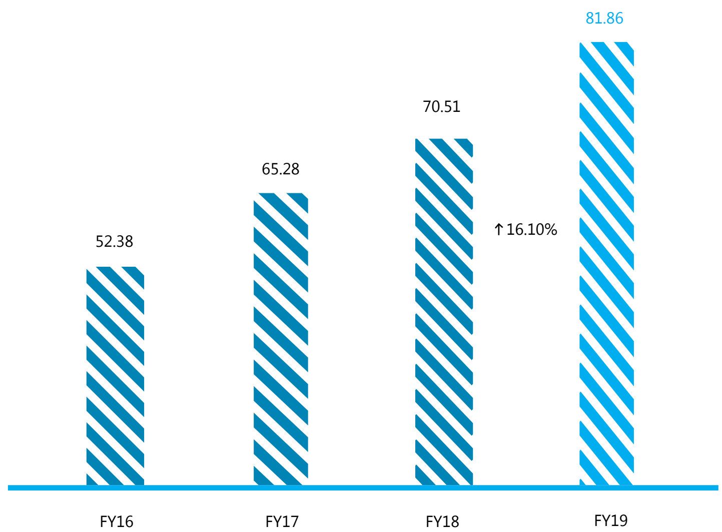


* Figures for FY17 onwards are as per INDAS and it does not include revenue of Joint Venture and Associates. However comparable consolidated revenue considering Joint Venture and Assosicates are also depicted above.

*Net Revenue from operations increased by 9.40% to Rs.1786.43 crores as against Rs. 1632.88 crores in FY18 due to higher sales in Tooling and OEM division and your company has reported CAGR of 12.43% over the period of last three years.

TOTAL COMPREHENSIVE INCOME

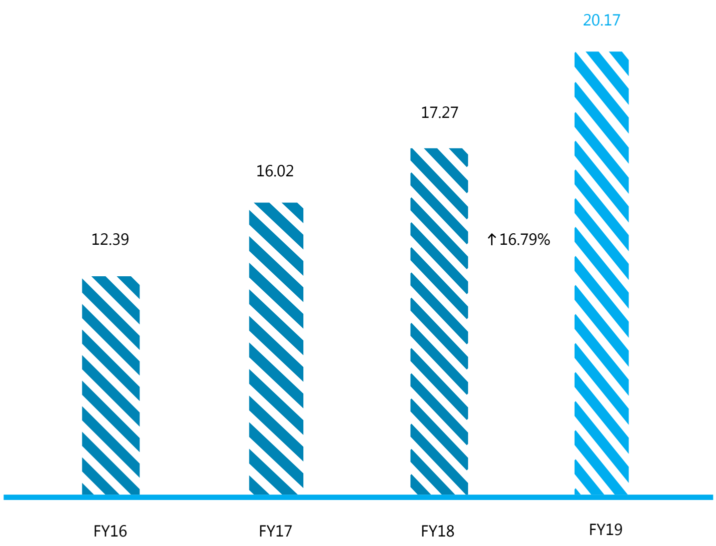
(₹ In Crore)



*Total Comprehensive Income from operations increased by 16.10% to Rs. 81.86 crores as against Rs. 70.51 crores in FY18 due to higher sales in Tooling and OEM division and your company has reported CAGR of 16.05% over the period of last three years.

Earning Per Share

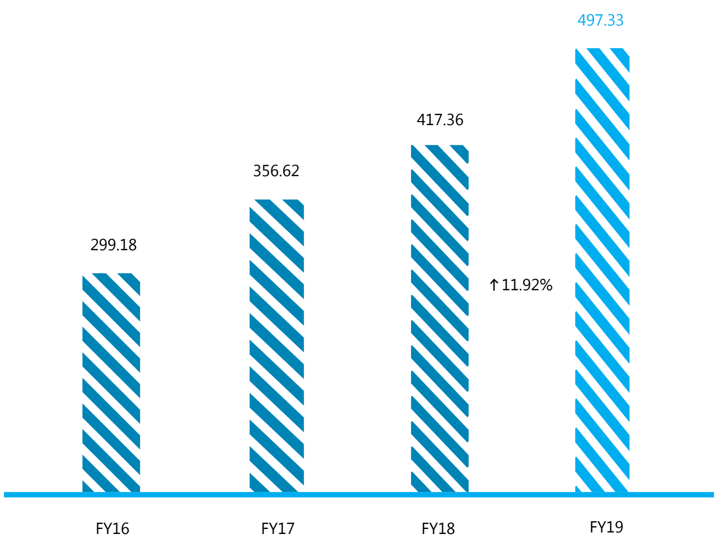
(In ₹)



*The Earnings per share has increased by 16.79% to Rs. 20.17 per share as against Rs 17.27 per share in FY18.

NET WORTH

(₹ In Crore)



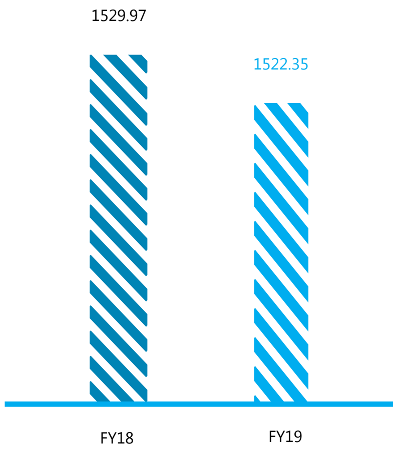
*Net worth of the company increased to Rs. 497.33 crores consequential to profit earned during the year of Rs. 81.86 crores.

G. SEGMENT WISE PERFORMANCE

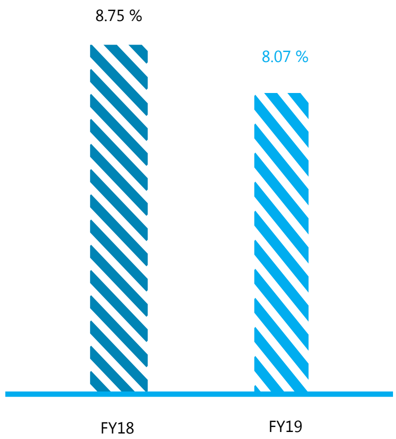
The segment wise performance of the Company during FY19 is as follows:

COMPONENT DIVISION

NET REVENUE
(₹ In Crore)



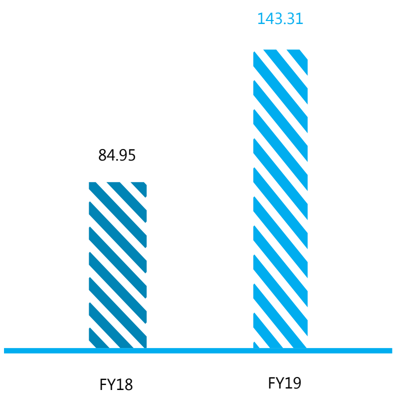
EBIT in % of Sales



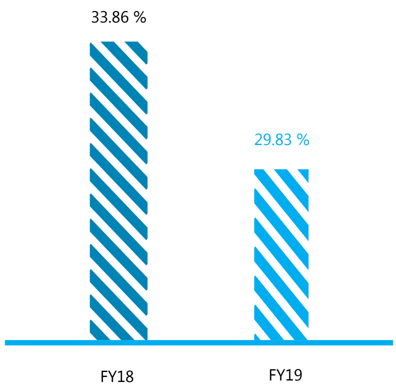
1. Component Division sales were marginally down due to lower volumes, mainly in case of Ford.
2. EBIT margin is down due to increase in steel prices and higher depreciation (some capex for new models of M&M, VECV etc. were undertaken during the year. Growth in these models is expected in FY20)

TOOL ROOM DIVISION

NET REVENUE
(₹ In Crore)

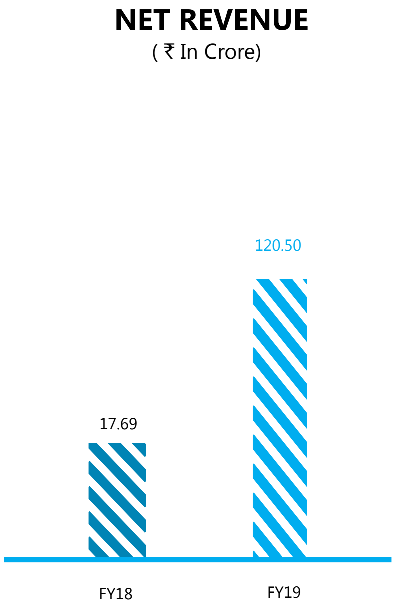


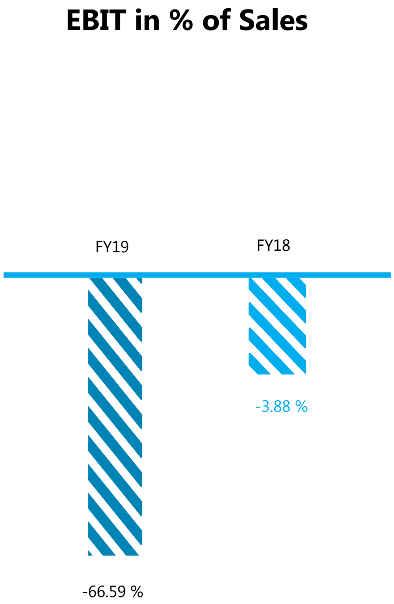
EBIT as % of Sales



Tool room division sale is increased by 68% and EBIT increased by Rs. 13.99 crores to Rs. 42.75 crores in FY19 as against Rs. 28.76 crores in FY 18. EBIT % is down as compared to previous year due to strategic business acquisition. We are expecting further increase in Tool room division sales in FY20 due to localisation of tooling in India and various new model launches by OEM's.

OEM DIVISION





OEM Division sale increase due to the sale of Buses for Gurugram Metropolitan City Bus Limited, resulting in improvement in EBIT margin. OEM division is expected to deliver positive EBIT margin in FY20.

H. BUSINESS LOOK

1. COMPONENT DIVISION

The global economic uncertainties and sweeping changes across the industry are the forces that are shaping the market dynamics. The long-term prospects of the industry are definitely perceived as a huge opportunity. Navigating complex and changing competitive landscape would require auto ancillaries to adopt a multi-pronged approach. Subsequently, OEMs are increasingly opting for modules and sub-assemblies as against manufacturing individual components leading to vendor rationalization. Therefore, the ability of Indian ancillaries to transit to module and system suppliers and simultaneously compete with deep-pocketed and technology-rich global majors will matter.

The industry would need to commit significant resources for these emerging technologies and simultaneously navigate investments in current businesses. The interplay between emission (leapfrogging from Bharat Stage IV (BS-IV) emission regulations to Bharat Stage VI (BS-VI) norms by April 2020), electrification, safety and in-vehicle connectivity is expected to increase use of electronics in vehicles. Focus on localization of components and technologies will be a key area of investment for the industry. This would require higher R&D spend for Indian ancillaries. However, leapfrogging to BS-VI will be a blessing in disguise for Indian Automotive Industry as henceforth it will be able to directly compete with Global players.

Your company manages the different ventures of the company and provides direction to drive growth by creating value for all its stakeholders. JBMA's diversified product portfolio encompasses a wide portfolio in component category and its multiple businesses have deep manufacturing and design capabilities to cater to various customer requirements. Strong vertical and horizontal integration has been the cornerstone of the evolution and growth of your company.

Your company produces structural parts and assemblies with HLSA steel alloys and, in doing so, has become an industry beacon in the Light weighting area. Your company believes that its light weighting initiatives along with various OEMS, in both steel and aluminum products which will help in improving the overall vehicle efficiency. Light weighting is here to stay, being driven by regulation, market trends and consumer preference. Our assembly expertise particularly in B Pillars, cross members, control arms, battery trays, engine cradles or steel components has positioned us strongly in the light weighting area.

Your Company focuses on the design, development and production of metal components and structure systems for the automotive industry and is a leading supplier of products which includes skin panels and closure parts, structural and body components, bumpers and dashboard crossbeams, chassis, suspension, exhaust systems, air tanks, fuel tanks, oil pans, bumpers, cowl assemblies. Electric vehicles will give your company great opportunities in a variety of new products, such as battery housings, new generation body components etc.

The company has adopted various indigenous technologies delivering low cost products along with prototyping techniques that will eventually lead to reduction in product development cycle which will in turn lead to increasing business from Indian and Global OEMs. Your company has in-house surface treatment facilities for supplying the above components in painted condition as per Indian and Global OEM requirements. Over the years, JBMA has maintained a healthy share of business for supplying these parts across various models of leading OEMs.

Your Company has been enhancing its product range to cover the entire range for all OEMs in the passenger vehicle, commercial vehicle, Two Wheelers, Three wheelers, Agricultural and Construction segments. Company focus has been to move up the value chain from stampings to welded sub-assemblies, skin panels and auto systems catering to safety norms, crash norms and BS-VI requirements. On the export front, it has secured new business to serve OEMs in France, Sweden and Japan.

The company has also garnered new business of manufacturing skin panels for International OEMs and as a Tier 1 supplier has been entrusted to develop these panels for such premium vehicles, out of which majority will be exported from India.

Your company has technical collaboration agreements with leading global players for various product categories, which supplements its in-house product development capabilities and aids in adapting to OEM's changing technological requirements. The combination of In-house R&D and the state of the art manufacturing plants provide an end to end solution to the customer by virtue of which your company has developed the capability of producing parts out of high tensile material to compensate for the overall vehicle weight reduction and to meet enhanced safety norms.

Your company is actively engaged with the prestigious OEMs in the early stages of development providing complete solutions enveloping bench marking and VA/VE.

Your company has been progressing rapidly in the arena of being a full service supplier in the field of Chassis, Suspension and Pedal Box (Brake and Clutch Pedals) assemblies for different customers deploying the latest design software such as NX and Catia, CAE software's such as Nastran, Hyperworks and Simulia (Abaqus). Our engineers have been trained in Japan and are well versed in the design, development and testing aspects.

2. TOOL ROOM DIVISION

Your company has increased business by adding new customers and entered in the area of developing complete turnkey BIW solutions for OEMs which has enhanced the product portfolio with multiple developments of critical assemblies like Cross car beam and Break pedals. Special skills and capability in the area of Scanning, Engineering, Design, Robotic simulation, Door Roller Hemming have added to the overall business growth and market share of company. Tooling Division has clocked 68% revenue growth in FY19 and is optimistic for higher growth in coming years.

Our thrust on up-gradation of skills and technology continues.

Way forward

- o Participating with OEM's VA/VE activities for the cost improvement of overall vehicle budget and becoming the preferred supplier for new business.
- o Enhancing capability for the development of tooling at competitive cost by adopting latest manufacturing and design technologies.
- o Substantial quality improvement in Skin and Ultra High strength steel part up to 980mpa through cold stamping on tandem and transfer tooling.
- o Emphasizing on global business for export of dies and robotic solutions.
- o Foreseeing increment on Electric Vehicle mobility, we are enhancing our skills to develop EV related products.
- o Direct Business from OEM's for complete line building.
- o Focus on Factory layout development skills for Turnkey projects.
- o Our time to market in the tooling business has reduced substantially in last few years due to modularity, carry over parts etc which has resulted higher ROI.
- o Becoming a supplier at global platform and FSS (Full-Service Supplier) i.e., from design to delivery in the tooling industry

3. OEM DIVISION

Since the launch of the bus division of your company, we have been consistently working towards developing and introducing new products which are hi-tech and align perfectly to the changing requirements of the market. In the process, your company has successfully been able to acquire new customers across various geographies of the country. Last year, we developed JBM CITYLIFE 12m 230 HP CNG Non-AC Bus, a new platform in the CITYLIFE series city buses.

Your company launched 'Gurugaman', a new city bus service in Gurugram, Haryana last year. An order for 200 nos. of Citylife- 12m CNG Low Floor Non-AC bus was received by your company. The 'Gurugaman' city bus operations were flagged off by Shr. Manohar Lal, Hon'ble Chief Minister of Haryana. JBM CITYLIFE buses are already deployed on various routes within the city. Our 'CITYLIFE' CNG low floor Bus Operation has completely redefined the public transportation system within the city of Gurugram, being operated by Gurugram Metropolitan City Bus Ltd. (GMCBL). The bus service has connected the major residential sectors, commercial centers, transit hubs like metro stations, railway station, etc. offering the much-needed connectivity to the local populace residing and commuting to the city daily for work, etc.

Our 12 meter "Gurugaman" CNG bus is fuel efficient and provides around 20% better fuel efficiency as compared to competition. The completely low floor city bus is built on a monocoque structure which is made up of high-grade coated steel to provide better safety, ride and handling and higher life. Our bus is fully equipped with many other features along with Intelligent Telematics System (ITS) and Passenger Information System (PIS) for convenience and security of all the passengers, with a special focus of women and elderly passenger.

Your buses have travelled an accumulated mileage of 15 million kilometers ever since launch. 99.65% (almost 100%) is our uptime for the buses, which means a hassle free, comfortable and safe mode of travel for the commuters. Thus, your company is gaining strong foundation and credibility in the market.

The Joint venture between JBM Auto Ltd. and Solaris Bus & Coach, S.A. Poland has been instrumental in the development of various platforms in our electric bus portfolio. A slew of new products, 100% electric buses are in pipeline on multiple platforms in the near future. The Delhi Govt. successfully concluded trial of the Eco-life 12m Electric Bus, wherein the vehicle was clearly able to establish its supremacy over its competition.

The above Joint venture secured its first ever order for supply of 30 ECO-LIFE 9-meter 100% Electric Buses to Navi Mumbai Municipal Transport (NMMT), Mumbai.

In last few years, your company has identified E-mobility as one of the fastest growing sectors and had aptly started work towards capability development in this domain with regard to not only the product bus also its components and aggregates, the charging infrastructure and also towards development of the entire e-vehicle ecosystem. This strategy, of developing in-house capabilities, is perfectly aligned with the future direction of growth and development of E-mobility which is being strongly supported by the Government of India.

There was exponential growth in the OEM segment last year which provided a fillip to the overall revenue of the company. The OEM revenue rose by 680% from Rs. 17.69 Cr to Rs. 120.50 Cr. We are further on a growth trajectory in the upcoming years.

I. KEY RECOGNITION & ACHIEVEMENT

1. During the year, the Government of Haryana has felicitated JBM Auto Ltd. with Memento and Certificate of Recognition as “Saksham Sathi” for the commendable contribution in the implementation of Apprentices Act, 1961 during the year 2018-19.

2. During the year, “Volvo Eicher Commercial Vehicles” has awarded your company for new product development and setting global standards of Quality and Delivery. It is great matter of prestige since this is awarded to very limited suppliers who attain consistent thresholds of excellence defined by the OEM.

3. FORD recognized for “Implementation of Lean Project” in B515 MCA D-Pillar Weld Assembly Line

4. Recognition from Ford for remarkable contribution towards “Sustaining the 100% Framing BC Capability & Delivering Quality B Car (B515 MCA)”

J. WORKING CAPITAL MANAGEMENT

Effective working capital management and fund planning help your Company to attain operational efficiency. Our focus is on timely realization of receivables and on optimizing inventory levels based on JiT supply to customers. This enables us to reduce our working capital requirements. Your Company borrows funds from the banks with which it has credit, factoring/ invoice, and discounting facilities to avoid fixed interest liability.

K. ENTERPRISE RISK MANAGEMENT

Your Company recognizes that every business is prone to internal and external risks, including risks around compliance, operational, strategic and many others. Many of these risks are inherent in the enterprise structure of any organization and may interfere with an organization’s operations and objectives. The Company takes responsibility to proactively identify and address risks and opportunities to protect and create value for its stakeholders.

The Company is committed to managing the enterprise using a risk-based approach to appropriately manage the broad spectrum of risks and to ensure achievement of its strategic, operational, reporting and compliance objectives. Some of the crucial risks impacting the Company’s overall governance are detailed below:

(i) Safety risk

Considering the nature of the industry, our manufacturing facilities are prone to safety risks. Therefore, the Company continuously strives to promote sound safety practices through:

- Implementation of behavior-based safety at its manufacturing facilities
- Adoption of a Safety Management System (SMS) based on leading safety standards
- Regular audits to assess on-ground implementation of various processes prescribed by the SMS

Each plant has an emergency response plan, which is periodically tested through mock drills drawn up to meet any eventuality. Critical safety incidents are also reviewed by the senior leadership team for root-cause analysis and to prevent subsequent recurrence.

(ii) Statutory compliance risk

The Company has a well-structured, documented and demonstrable compliance framework that helps the management monitor and report compliance risk and exposure to the Board. The Board periodically reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances.

With a view to devise a system to monitor and ensure compliance with all the applicable laws, compliances are classified and monitored under the following broad heads:

- Corporate Laws
- Tax Laws
- Labour Laws
- Environment, Health and Safety Laws

Various cross-functional teams work together to ensure compliance in the above areas and to keep up with the rapid pace of regulatory changes.

(iii) Sustainability risk

Your Company has articulated a vision for its key sustainability/environmental themes. These themes include reduction of power consumption, emphasis on renewable energy and hazardous waste reduction, among others. Substantial progress has been made in all the identified themes in the past five years.

(iv) Ethical behaviour

The Company places due emphasis on deployment of ethical and fair business practices while running its operations. Ethical behavior is promoted in the organization through periodic communication and by making all employees aware of its code of conduct. The Company also has a whistle-blower policy to ensure suspected or actual violations to the code are reported, investigated and acted upon.

(v) Information security risk & Disaster Recovery

Various IT applications used by the Company are exposed to the internet. Also, with the new and emerging cyber-attacks and hacking threats, the information security risk has increased. The Company manages the risk by identifying possible threats/events that may compromise the confidentiality, integrity and availability of information and pro-actively mitigating them. Substantial investments have been made in advanced IT tools to enhance the information security capabilities. The Company has also adopted a five-element framework based on data lifecycle. A complete range of initiatives have been undertaken/identified in all the elements of this framework.

(vi) Currency risk

The Company also has dealings in foreign currency, including import of raw materials and capital goods. Hence, an adverse and unforeseen fluctuation can impact its margins and profitability. The Company tries to balance its risk exposure by closely monitoring it and taking currency hedges whenever required. However, there is a limitation on the extent of risk mitigation, especially in case of extremely adverse currency fluctuations.

(vii) Human capital risk

Human capital risk is a critical risk for any business. It has elements of attraction, retention and engagement of talent; employee relations at plants/ offices; etc. These areas are being continuously worked upon through various initiatives and processes. The Company believes proper management of human capital is key to achieve the strategic and operational goals of an organization.

(viii) Customer risk

The Company has a rigorous complaint management process in place, which enables swift and prompt corrective actions to mitigate the risk of losing connection with customers. Further, the Company implements several programs to cement relationships with customers and influencers through a variety of platforms, including digital.

L. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has implemented adequate internal controls and risk management processes that are commensurate with the nature of business, and size and complexity of its operations. Appropriate internal control policies and procedures have been set up to provide reasonable assurance on:

- Effectiveness and efficiency of its operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations

The compliance with these policies and procedures is ingrained into the management review process. Moreover, the Company regularly reviews them to ensure both relevance and comprehensiveness. Identification of deviations from the laid-down processes are being addressed through systemic approach. Various data analytics reports run as a part of routine monitoring activities by all functions, which also assist in identifying exceptions.

The organization continuously assesses effectiveness of its internal controls across multiple functions and locations through extensive internal audit exercises that deploy an amalgam of modern and traditional audit tools. The internal audit program is reviewed by the Audit Committee to ensure comprehensive coverage of the areas. Proactive steps are taken to ensure compliance with various upcoming regulations through deployment of cross-functional teams. The Company uses robust IT tools for minimizing errors and lapses, identifying exceptional trends through data analysis and tracking crucial compliances. The Company also encourages the employees to adopt fair, compliant and ethical practices. It continues to stay committed to the areas of control and compliance, to ensure the highest standards of governance.

M. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

For your company the people are the biggest assets and for the all-round development of its employees at all levels various initiatives are taken at regular intervals. To maintain discipline, your Company instituted a code of conduct outlining policies concerning various stakeholders. These policies include items concerning issues such as working hours, wages, Employee Relations, Prohibition of Discrimination, PoSH, Whistle-Blower, protection of privacy, concern for the human rights of the foreign nationals, trainees and operators.

Various engagement activities like Sports Week, Annual Day, Outbound training programs and other similar events are organized for employee welfare and motivation.

Regular training programs are organized to keep the employees updated in their respective spheres of work field, further enhancing their skill levels. This initiative ensures improved performance, boosts morale and improves behavior which culminates into high-quality end products resulting in customer delight. Your Company imparts training to all fresh recruits to ensure that they work in sync to achieve our goal and be a part of our journey to take the organization to new heights. To assist employees in leading the happy family life, the training programs for spouses are conducted. Regular programs for spiritual and ethical topics are also conducted periodically.

Your Company also focuses on grooming the existing talent base, to enable them to take positions of greater responsibility within the organization. By conducting various developmental initiatives through MDP (Management Development Programs) specially designed for 3 different levels. Also, the SDP (Supervisory Development Program) is conducted for the supervisors. A proper skill matrix and training is being prepared for the blue-collar employees.

With an intention of developing Internal Capabilities, we initiated a series of Programs for developing Internal Trainers. This will help in Developing Subject Matter Experts, People Capabilities and controlling cost for conducting various trainings.
To gain outside in perspective, we nominate high potential employees for exclusive and prestigious programs conducted by external agencies like VLFM (Visionary Leaders for Manufacturing) by CII (Confederation of Indian Industry), EPP by LMI (Leadership Management International) and various programs by MACE.

The Employee Engagement was also an area of focus during the year. Beyond conducting Engagement Surveys, the focus was laid on post survey Action Planning and improvement activities to improve workplace environment and control attrition.

All the new recruits are trained to become socially, professionally and culturally integrated through well-structured induction program. Your company nurture innovative thought processes and culture. This is the theme of our people engagement initiatives. In line with this, your Company have a strong thrust on quality which is achieved through activities like Kaizen and quality circle. 5S is being done at all level to improve the productivity and efficiency of the employees.

The ongoing initiative of TUK (Tayari Udaan Ki) continued with full vigor during this year also. All the plants of your company participated in various TUK projects of improving quality, productivity and reducing costs etc. which are reviewed on quarterly basis and annual rewards are given.

Our employees are also an integral part of corporate social responsibility programs through blood donation drives etc. All employees are made aware of and have access to the central database of HR policies covering all aspects of welfare, benefits and administration. Keeping in pace with the modern technology the company has started automation of HR processes in a big way which will continue in the next year to bring in more efficiency, and real time approach in overall HR processes.

N. SKILL DEVELOPMENT

Skill Development Centre established by the company is leading in implementation of National Apprenticeship Promotion Scheme, a flagship initiative of Ministry of Skill Development & Entrepreneurship, Government of India for Fresher and ITI Pass artisans to get hands on industry exposure, and also encourages National Apprenticeship Training Scheme for Diploma & Graduate Engineers promoted by Ministry of HRD. Your SDC is also an approved Examination Center for conducting All India Trade Tests under Directorate General of Training under MSDE. It is also affiliated with Automotive Skill Development Council.

We have trained & placed more than 6500 candidates in last 5 years from different parts of the country. All our training courses are on Earn & Learn Principle helping the under-privileged, tribal candidates from North-East, Jharkhand, Chhattisgarh, Haryana, UP and MP etc... We have also signed MoUs with Government ITIs to support training on Dual System. Your students secured 2nd, 3rd and 4th positions in top 5 of Haryana State in Welding.

We are pleased to inform that your Company has signed an MoU with Shri Vishwakarma Skill University, Haryana (1st Government Skill University) to offer Post-Graduate Level Courses i.e. M.Voc in Robotics & Automation in addition to the existing Graduate Level - B. Voc courses in Tool & Die Manufacturing and Robotic & Automation field in dual-system following Earn-while-you-learn principle.

Your Company has been consistently awarded for the second time as Winner of Saksham Sathi Award for the year 2018-19 also by Government of Haryana.

Furthermore, the Hon'ble Chief Minister of Haryana, Shri Manohar Lal has also recognized and awarded JBM for the outstanding work and contribution in the area of skill development.

O. RESEARCH & DEVELOPMENT

Your Company focuses on developing in-house R&D capabilities in three major areas – OEM Division, Components Division, and Tooling Division.

- **OEM Division**

The R&D Center is a recognized in-house R&D unit by the Ministry of Science and Technology, DSIR (Department of Scientific and Industrial Research), Technology Bhavan, New Mehrauli Road, Delhi for the 4th year in succession. Main objective of R&D is to develop new Product Models using newer technology to meet the customer requirements emerging market. The R&D team comprises of professional experts from various Domain and Global Design. It has already designed, developed, and homologated true low floor CNG, Diesel and 100% Electric Bus Platforms successfully based on advanced global technologies.

The OEM R&D Centre at Kosi received a Re-certification till 2021 by Department of Scientific and Industrial Research (DSIR). Such initiatives will continue to bolster people development, deployment of technologies etc. Your R&D Centre has a slew of new products under development for the launch in the coming future.

The OEM Division has a State-of-the-art R&D center which constantly works to innovate new designs and develop new Bus models for various applications in the domestic emerging Markets. R&D center is fully equipped with world class R&D facilities like CAD Design Center, Bus Prototype development facilities, Laboratory/ Vehicle testing and validation facilities and a dedicated test track. There is a dedicated instrumentation lab also available now to acquire real time data and RLDA (Road Load Data Acquisition) during various applications which goes as an input during initial phase of Product Design.

Your Company's R&D team has developed a long-term strategy for next 5 years. This Road map is for New Products as well as for adoption of newer technologies. Looking at the sensitivity towards "Environmental Concern" in the foreseeable future we have taken a resolution to stay with the cleaner and green fuels. It has been concluded that post March 2020, your company will be producing only cleaner fuel like CNG and Green Vehicles i.e. 100% electric vehicles, for various applications.

In the new Products development area, we have worked on many new products this year also. New version of 12-meter 100% Electric Vehicle has already been proto-typed with increased seating capacity and enhanced customer value preposition. This development also resulted in increased Localization content and signification weight reduction. Other significant developments include entry into entirely new platform in 100% EV- 9-meter Platform. This 9-meter EV bus is currently under the process of Market Launch. In Conventional Fuel Buses, our Non-AC CNG variant of 12-meter City life was developed and homologated with more efficient structure and launched as Gurugaman City Bus services, at Gurugram in a record time.

Your Company's R&D center will continue to focus on new product development as per forthcoming regulations while delivering value by enhancing product performance, especially Electronics/ ITS, NVH (noise and vibration) reduction and fuel efficiency enhancement. It will continue to focus on producing environment friendly vehicles that will enhance cost efficiency and overall ownership cost in the entire product portfolio. New technology adoption like EV vehicles related technology, Euro VI emission related technology etc. will be at the nucleus of all our upcoming Products and innovations. Internal process of TNI (Training Need Identification) has been initiated that helps to strengthen the core design, electrical and electronics and validation/testing functions. A comprehensive capability improvement plan has been curated to improve the organizational capability to take on forthcoming challenges.

Component and Tooling Division

Your R&D department has launched many initiatives for development of its People and Products such as:

- Benchmarking activity- For finding better features in terms of Design, Process, Initiatives for review mechanism of new product launch,
- Proto Facility- For validation and verification of design concepts.

Such initiatives will continue to bolster people development and deployment of technologies etc.

P. ENVIRONMENT, HEALTH, AND SAFETY (EHS)

Environment, Health and Safety (EHS) is one of the primary focus areas for your Company. The Company considers compliance to statutory EHS requirements as the minimum performance standard and is committed to go beyond and adopt stricter standards wherever appropriate. All the Company's manufacturing facilities are certified to the ISO environment certification. Therefore, the Company is committed to:

1. Establish measure, monitor, assess and continuously improve health, safety and environmental performance through compliance management and control of hazardous waste.
2. Comply with all environmental, occupational health and safety (OH&S) and other statutory/regulatory requirements.
3. Regularly upgrade knowledge and skills of employees through training and development.
4. Effective management of operational activities to minimize the adverse impact of operations on the environment, health and safety.
5. implement effective policies for environment conservation.
6. Establish an environmental health and safety management team continually monitors, sets, and reviews the environment, health and safety objectives and targets.
7. Reduce waste and implement effective recycling of waste at manufacturing operations.

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

Q. THE ROAD AHEAD

The rapidly globalizing world is opening 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 USD 30 billion by 2021.

The Automotive Mission Plan 2026 aims to propel the Indian Automotive industry to be the engine of 'Make in India' program. Over the next decade, the Indian Automotive Sector is likely to contribute in excess of 12% of the country's GDP and comprise more than 40% of its manufacturing sector. The Automotive Industry impacts several related industries (e.g. Iron & Steel, Aluminium, Lead, Rubber, Glass, Machine tools, Moulds & dies, Chemicals and Capital Goods including several services industries such as Logistics.

DISCLAIMER

The information and opinion expressed in this section of the Annual Report consists of 'Outlook and forward looking statements' 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

1. PHILOSOPHY OF THE COMPANY ON CORPORATE GOVERNANCE

JBM Auto Limited ("JBMA") aspires to reach the highest standards of Corporate Governance, while emphasising on transparency, creating a sustainable culture and setting industry-leading benchmarks. Our philosophy of Corporate Governance is built on a foundation of ethical and transparent business operations. Through this philosophy, the Company fosters a culture, focusing on well-embedded balance between performance and organisational health. This culture inspires trust among all stakeholders and strengthens the Board and management accountability.

The Company has adopted the values of good governance, sustainability and teamwork to create long-term value for its stakeholders. The practice of responsible governance has enabled it to achieve sustainable growth, while meeting the aspirations of its stakeholders and fulfilling societal expectations. Leveraging the principles of integrity, execution excellence, customer orientation and leadership in an ethical manner, the Company continues to take the necessary steps towards growth and to enhance value for its shareholders. The sound governance processes and systems guide the Company on its journey towards continued success.

2. GOVERNANCE STRUCTURE

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

Board of Directors

The Company recognizes and embraces the importance of a diverse Board in its success and it believes that a truly diverse Board would leverage differences in thought, perspective, knowledge, skill and industry experience, which will enrich Board discussions and enable effective decision making. The Board has an optimal mix of Executive and Non-Executive Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses. The Board effectively separates the functions of governance and management to balance the deliverables.

The composition and size of the Board is reviewed periodically to ensure that the Board is a wholesome blend of Directors with complementary skill-sets. The Company has a three-tier governance structure:

(i) Strategic supervision

The Board of Directors occupies the top most tier in the governance structure. it plays a role of strategic supervision that is devoid of involvement in the task of strategic management of the Company. The Board lays down strategic goals and exercises control to ensure that the Company is progressing to fulfill stakeholders' aspirations.

(ii) Strategic management

The Strategic Management is composed of the senior management of the Company and operates upon the directions of the Board.

(iii) Executive management

The function of Executive Management is to execute and realize the goals that are laid down by the Board and the Senior Management.

3. BOARD OF DIRECTORS

Composition of Board

As on 31st March, 2019, the Board comprised of 6 (six) members, 3 (three) of which are Independent Directors constituting half of the Board strength, 2 (two) are Non- Executive / Promoter Directors and 1 (one) Executive Director.

The composition of the Board is in conformity with the requirements of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 as well as the Companies Act, 2013 read with the Rules issued thereunder.

Changes in the Board

During the year under review, based on the recommendations of the Nomination & Remuneration Committee, the Board of Directors approved the re-appointment of Mr. Mahesh Kumar Aggarwal for a second term of five years as a Non-Executive Independent Director of the Company, w.e.f. 1st April, 2019 to 31st March, 2024. Further, as required under regulation 17(1) of SEBI Listing Regulations, Mr. Mahesh Kumar has attained the age of 75 years. Therefore, the proposal for his re-appointment will be placed before the shareholders for their approval at the ensuing 23rd AGM of the Company.

Further, the term of appointment of Mr. Ashok Kumar Agarwal, Non-Executive Independent Director of the Company has expired w.e.f. 31st March, 2019. Therefore, he ceased to be a Director of the Company w.e.f the closure of business hours on 31st March. 2019.

Further, The Board of Director has appointed Mr. Praveen Kumar Tripathi as an Additional Director w.e.f. 11th July, 2019 and the same will be placed before the shareholders for their approval at the ensuing 23rd AGM of the Company.

Board Procedures and flow of information

The dates of Board meetings are decided well in advance and are given under general shareholders information forming part of this report. In case of matters requiring urgent approval of the Board, resolutions are passed through circulation. The Company also provides video conferencing facility to its Directors to enable them to participate in the discussions held at the meetings, when it may not be possible for them to be physically present for the meeting.

The Board meets at least once in a quarter to, inter alia, review quarterly standalone and consolidated financial results/statements, compliance report(s) of all laws applicable to the Company, regulatory developments, minutes of the Board Meetings of subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, risk management, details of joint ventures or collaborations, any other proposal from the management, etc.

Availability of information to the Board

The Chairman of the Board and the Company Secretary determine the agenda for every meeting along with explanatory notes. The Board has unrestricted access to all Company-related information. The agenda for the meetings is circulated well in advance to the Directors to ensure that sufficient time is provided to Directors to prepare for the meeting.

All material information is circulated to the Directors before the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The members of the top management of the Company are invited to attend meetings of the Board and make presentations to the Board on matters including but not limited to the Company's performance, strategic plans etc.

The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standards. Thereafter, the minutes are entered in the minutes book within 30 (thirty) days of conclusion of the meetings, subsequent to incorporation of the comments, if any, received from the Directors.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the shareholders of the Company.

Meeting of Independent Directors'

Schedule IV of the Companies Act, 2013 and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of non – Independent Directors.

During the financial year 2018-19, the Independent Directors met on 6th March, 2019 and inter alia, discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Induction and Familiarisation of Board Members

The Company conducts familiarization programme for independent Directors to enable them to understand their roles, rights and responsibilities. Presentations are also made at the Board meetings which facilitates them to clearly understand the business of the Company and the environment in which the Company operates. They are also provided a platform to interact with multiple levels of management and are provided with all the documents required and/or sought by them to have a good understanding of Company's operations, businesses and the industry as a whole. Further, they are periodically updated on material changes in regulatory framework and its impact on the Company.

Moreover, when new Director(s) are inducted on the Board, an information pack is handed over to them which includes, Company profile, Company's Codes and Policies, Strategy and such other operational information which will enable them to understand the Company and its business(es) in a better way.

The familiarization programme of directors forms part of Company's Nomination and Remuneration Policy and can be viewed on the Company's website www.jbmgroup.com

Other Relevant Details of Directors:

Sl. No.	Name of Directors	Category	Inter-se relationship	Shareholding in the Company *	No. of Directorship(s)**	No. of Committee(s)***		Directorship in other Listed Entities
						Member	Chairman	
1	Mr. Surendra Kumar Arya	Non-Executive Chairman	Father of Mr. Nishant Arya	118140	10	1	1	Jay Bharat Maruti Ltd. (Chairman and Managing Director)
2	Mr. Sandip Sanyal	Executive Director	-	-	3	-	-	NA
3	Mr. Nishant Arya	Non-Executive Director	Son of Mr. Surendra Kumar Arya	339400	9	2	-	Jay Bharat Maruti Ltd. (Non Executive -Non Independent Director)
4	Mr. Ashok Kumar Agarwal#	Independent Director	-	-	3	2	-	NA
5	Mr. Mahesh Kumar Aggarwal	Independent Director	-	-	2	-	1	NA
6	Mrs. Pravin Tripathi	Independent & Woman Director	-	-	6	4	-	1. Minda Industries Limited (Non Executive-Independent Director) 2. Jay Bharat Maruti Ltd. (Non Executive-Independent Director) 3. PTC India Financial Services Ltd. (Non Executive-Independent Director)
7	Mr. Praveen Kumar Tripathi##	Independent Director	-	-	3	-	-	1. Indiabulls Real Estate Ltd. (Non Executive-Independent Director) 2. Indiabulls Integrated Services Ltd. (Non Executive-Independent Director)

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.

** Excludes Directorship of Private Companies and Foreign Companies.

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

Mr. Ashok Kumar Agarwal ceased to be an Independent Director w.e.f. the closure of business hours on 31st March, 2019.

Mr. Praveen Kumar Tripathi has been appointed as additional Director in the category of Non-Executive Independent Director w.e.f. 11th July, 2019.

Board Meetings held during the Year

The Board met four times during the financial year 2018-19 i.e. on 15th May, 2018, 6th August, 2018, 13th November, 2018, and 11th February, 2019.

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 Board Meetings attended				Attendance at last AGM held on 04.09.2018
		15.05.2018	06.08.2018	13.11.2018	11.02.2019	
1.	Mr. Surendra Kumar Arya	√	√	√	√	Yes
2.	Mr. Nishant Arya	√	√	√	√	Yes
3.	Mr. Ashok Kumar Agarwal	√	x	√	√	Yes
4.	Mr. Mahesh Kumar Aggarwal	√	√	√	√	Yes
5.	Mr. Sandip Sanyal	√	√	√	√	Yes
6.	Mrs. Pravin Tripathi	√	√	√	√	Yes

Selection of new Directors

The Board is responsible for the selection of new Directors. The Board delegates the screening and selection process to the Nomination and Remuneration Committee, which consists majority of Independent Directors. The Committee, based on defined criteria, makes recommendations to the Board on the induction of new Directors.

Succession planning

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavor to introduce new perspectives while maintaining experience and continuity. By integrating workforce planning with strategic business planning, the Company puts the necessary financial and human resources in place so that its objectives can be met. Our Board includes Six Directors with broad and diverse skills and viewpoints to aid the Company in advancing its strategy. in addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

Declarations

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company.

Based on intimations/disclosures received from the Directors periodically, none of the Directors of the Company hold memberships/ chairmanships more than the prescribed limits.

Skills/Experience/ Competence of the Board

As stipulated under Schedule V of the SEBI Listing Regulations, core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

Chart/Matrix of such core skills/expertise/competencies is given below:

(i) Knowledge - understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates;
(ii) Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders;
(iii) Strategic thinking and decision making;
(iv) Financial Skills;
(v) Professional skills and knowledge to assist the ongoing aspects of the business.

Certificate from Practicing Company Secretary

The Company has received a certificate from Mrs. Sunita Mathur, practicing Company Secretary to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same forms part of this report as Enclosure-2.

4. COMMITTEES OF THE BOARD

The Board has constituted various committees with specific terms of reference in line with the provisions of the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder. The Board periodically reviews the composition and terms of reference of its Committees in order to comply with any amendments/modifications to the provisions relating to composition of Committees under the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder.

The Company currently has 4 (four) statutory mandatory committees of the Board, namely Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee, Corporate Social Responsibility (CSR) Committee and one non-mandatory / internal committees viz. Finance Committee with specific terms of reference/scope to focus on the issue and ensure expedient resolution of diverse matters. The Committees operate as empowered agents of Board as per their charter/ terms of reference.

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 placed before the Board for discussion/noting.

The resolutions passed by all committees are placed before the Board and noted by the Directors at the Board meetings. The role, composition and terms of reference of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee including the number of meetings held during the year ended 31st March, 2019 and the related attendance are as follows:

A. Audit Committee

The Audit Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Act and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The primary objective of the Audit Committee of the Board is to discharge responsibilities relating to accounting and reporting of financial practices adopted by the Company and its subsidiaries, surveillance of internal financial control systems as well as accounting and audit activities.

The terms of reference of the Audit Committee include:

1. Reviewing the Company's financial reporting process and the disclosure of its financial information to ensure the financial statement is correct, sufficient and credible.

2. Reviewing the adequacy of internal audit function, the structure of the internal audit department, reporting structure coverage and frequency of internal audit.

3. Reviewing the Statutory and Internal Auditor's independence and performance and scrutinizing the effectiveness of the entire audit process.

4. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, reporting structure coverage.

5. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

6. Reviewing, with the management, the quarterly and annual financial statements and the Auditors' report before submission to the Board for approval, focusing primarily on:

   a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report.
   b. Compliance with accounting standards and changes in accounting policies and practices and reasons for the same.
   c. Major accounting entries involving estimates based on exercise of judgment by management.
   d. Audit qualifications and significant adjustments arising out of audit.
   e. Significant adjustments made in the financial statements arising out of Audit findings.
   f. Compliance with listing and other legal requirements relating to financial statements.
   g. Disclosure of any related party transactions.

7. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue rights issue, preferential issue, etc.), the statement of funds utilised for purposes if any, other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

8. Reviewing with management, the periodical financial statements.

9. Reviewing with the management, external and internal auditors, the adequacy of internal financial control systems, frequency of internal audit, significant findings by internal auditors and follow up there on.

10. Discussing with external auditors, nature and scope of audit as well as having post-audit discussions.

11. Reviewing the Company's financial and risk management policies.

12. Reviewing Whistle Blower Mechanism (vigil mechanism as per of the Companies Act, 2013).

13. Reviewing Management Discussion and Analysis Report, management letters / letters of internal control weaknesses issued by the statutory auditors, if any, internal audit reports relating to internal control weaknesses.

14. Approving any transactions or subsequent modifications of transactions with related parties.

Audit Committee attendance

The Audit Committee met four times during the financial year 2018-19 on 15th May, 2018, 6th August, 2018, 13th November, 2018 and 11th February, 2019:

S. No	Name of Members	Designation	Category	No. of Meetings attended			
				15.05.2018	06.08.2018	13.11.2018	11.02.2019
1.	Mr. Mahesh Kumar Aggarwal	Chairman	Independent	√	√	√	√
2.	Mr. Surendra Kumar Arya	Member	Non- Independent	√	√	√	√
3.	Mr. Ashok Kumar Agarwal	Member	Independent	√	×	√	√
4.	Mrs. Pravin Tripathi	Member	Independent	√	√	√	√

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

The Committee's terms of reference are in consistent with the provisions of SEBI Corporate Governance Code and of the Companies Act, 2013.

B. Nomination and Remuneration Committee

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as provided under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Act, besides other terms as referred by the Board. The terms of reference of the Nomination and Remuneration Committee include:

1. Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. Reviewing and recommending the remuneration, if any, of Whole-Time Director of the Company.

Composition and Meetings

Our Nomination and Remuneration Committee comprised three members as on 31st March, 2019:

S. No.	Name of the Directors	Designation	Category
1	Mr. Mahesh Kumar Aggarwal	Chairman	Independent Director
2	Mr.Ashok Kumar Agarwal	Member	Independent Director
3	Mr. 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.

During the year, the Committee met once on 25th March, 2019 and all the members were present in the meeting.

Remuneration to Executive / Whole-Time Director

Mr. Sandip Sanyal, Executive Director of the Company has also been appointed as the Executive Director of JBM Auto System Private Limited, a subsidiary of the Company and draws whole salary from this subsidiary Company only. No remuneration was paid to the Executive Director by the Company during the financial year ended 31st March, 2019.

Sitting fees to Directors

₹ in lakhs

Name of Directors	Board Meeting	Audit Committee Meeting	Total
Mr. Surendra Kumar Arya	0.20	0.20	0.40
Mr. Ashok Kumar Agarwal	0.15	0.15	0.30
Mr. Mahesh Kumar Aggarwal	0.20	0.20	0.40
Mr. Nishant Arya	0.20	-	0.20
Mr. Sandip Sanyal	-	-	-
Mrs. Pravin Tripathi	0.20	0.20	0.40
Total	**0.95**	**0.75**	**1.70**

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, 2019. The Committee consists of the following Members:

S. No.	Name of the Directors	Designation	Category
1	Mr. Surendra Kumar Arya	Chairman	Non-Executive Director
2	Mr. Ashok Kumar Agarwal	Member	Independent Director
3	Mr. Nishant Arya	Member	Non-Executive Director
4	Mrs. Pravin Tripathi	Member	Independent Director

Mr. Vivek Gupta is the Compliance Officer as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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.

All the complaints were responded and resolved 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 2018-19.

D. Corporate Social Responsibility (CSR) Committee

The Committee's primary role is to assist the Company in discharging its social responsibilities. It monitors the implementation of the Corporate Social Responsibility Policy and oversees Company's sustainability initiatives. The Committee's constitution and terms of reference meet with the requirements of the Act and Rules made thereunder. its terms of reference include:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy (CSR Policy) or its modification which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013.
2. To recommend the amount of expenditure to be incurred on the activities as prescribed under CSR Policy.
3. To monitor the CSR Policy of the Company from time to time.
4. To formulate and recommend to the Board - policies, principles and practices to foster the sustainable growth of the Company and to respond to evolving public sentiment and government regulations.
5. To aid management in setting strategy, establishing goals and integrating sustainability into daily business activities across the Company.
6. To review and advise the Board on Company's sustainability reporting and sustainability targets.
7. To review management's risk assessment and risk management policies and procedures with respect to sustainability impact and consideration.

The Committee met once during FY 2018-19 on May 15, 2018. All the members were present in the meeting. The Composition of committee is as follows:

S. No.	Name of the Directors	Designation	Category
1	Mr. Surendra Kumar Arya	Chairman	Non-Executive Director
2	Mr. Nishant Arya	Member	Non-Executive Director
3	Mr. Mahesh Kumar Aggarwal	Member	Independent Director

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

5. BOARD EVALUATION

One of the key responsibilities of the Board and the Nomination & Remuneration Committee includes establishment of a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairman.

During the year under review, a structured evaluation were undertaken for evaluation of performance of Directors, Board as a whole and Committees of the Board based on various parameters such as skills and experience to perform the role, level of participation, contribution to strategy, degree of oversight, professional conduct and independence.

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

a. Appointment criteria and qualification

The Nomination & Remuneration Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director of the Board and recommend to the Board his / her appointment. For the appointment of KMP (other than Managing / Whole-time Director or Manager) or Senior Management, a person should possess adequate qualification, expertise and experience for the position for which he / she is considered for the appointment.

b. Term

The Term of the Directors including Whole Time Director / Independent Director shall be governed as per the provisions of the Companies Act, 2013 and Rules made thereunder and Listing Regulations, as amended from time to time. Whereas the term of the KMP (other than the Whole-time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

c. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013 or under any other applicable Act, Rules and Regulations there under and/or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Nomination and Remuneration Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel.

d. Remuneration of Executive Director, KMP and Senior Management

The remuneration / compensation, etc., as the case may be, to the Executive Director will be determined by the Nomination and Remuneration Committee and recommended to the Board for approval. The remuneration, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company, wherever required, and shall be in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder.

e. Remuneration to Non-Executive / Independent Director

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and Listing Regulations, as amended from time to time.

f. Details of Remuneration Paid to the Directors (Executive Diretcor)

Mr. Sandip Sanyal is the Executive Director of the Company was also appointed as Executive Director of the Company for a period of 5 years with effect from May 18, 2015.

₹ In Lakhs

S. No.	Names of the Directors	Salary & Allowances (Fixed)	Other benefits and perquisites (Fixed)	Stock options, Pension etc.	Total
1.	Mr. Sandip Sanyal	Nil	Nil	Nil	**Nil**

7. GENERAL SHAREHOLDER INFORMATION

(a) Forthcoming Annual General Meeting (AGM): Day, Date, Time and venue

The 23rd Annual General Meeting of the Company is scheduled on 14th September, 2019 at Air Force Auditorium, Dhaula Kuan, New Delhi at 12:00 noon.

(b) Listing on Stock Exchanges

The Company's equity shares are actively traded on the following stock exchanges:

Stock Exchanges	Address
BSE Limited	5th Floor, P.J. Towers, Dalal Street, Mumbai-400001
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051

Stock Codes

The Stock Codes of the Company's securities are as follows:

Stock Exchanges	Security Code	Type of Security
BSE Limited	532605	Equity Shares
National Stock Exchange of India Limited (NSE)	JBMA	Equity Shares

Listing fees for the financial year 2019 -2020 has been paid to both, BSE Limited and National Stock Exchange of India Limited. Annual custodian charges of Depository have also been paid to NSDL and CDSL for the same period.

(c) Book Closure Date

The register of members and share transfer books of the company will remain closed from 7th September, 2019 to 14th September, 2019 (both days inclusive), for the purpose of Annual General Meeting and payment of dividend.

(d) Dividend Payment Date

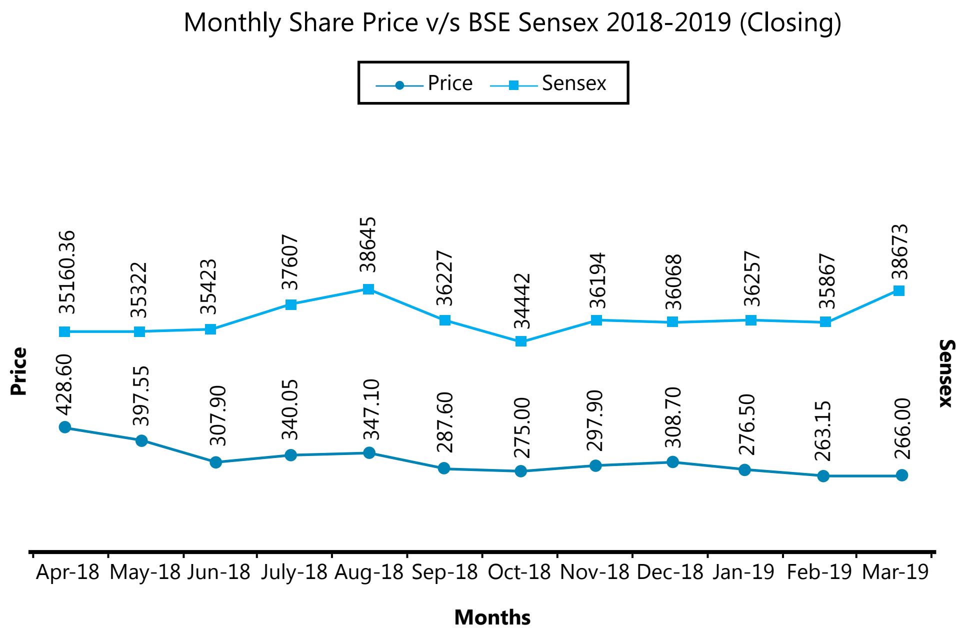
The Board has recommended dividend of Rs. 2.25 i.e (45%) per equity share having face value of Rs. 5 each for the financial year ended 31st March, 2019 subject to approval of the members in the forthcoming Annual General Meeting. The said dividend, if approved, by the shareholders shall be paid to all the members as on the date of Annual General Meeting within the statutory limit of 30 days from the date of declaration.

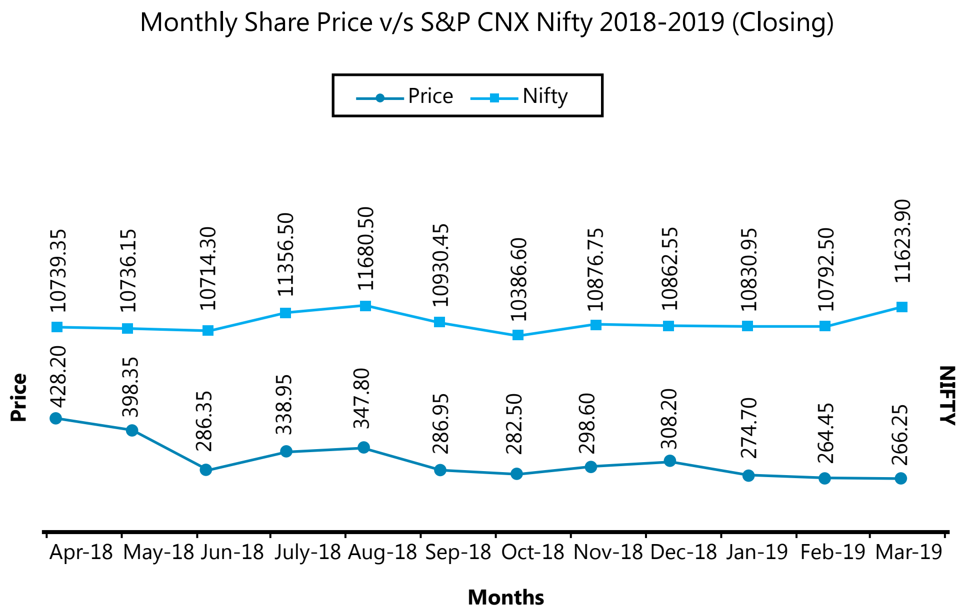
(e) Market Price Data – the monthly high and low prices of the Company's shares at BSE and NSE for the financial year ended 31st March, 2019 are as follows:

MONTH(S) 2018-19	NSE		BSE	
	High (In Rs.)	Low (In Rs.)	High (In Rs.)	Low (In Rs.)
April, 2018	454.10	385.00	457.25	387.00
May, 2018	447.70	374.90	446.75	375.00
June, 2018	401.95	286.35	400.00	287.15
July, 2018	354.70	294.45	354.00	292.25
August, 2018	392.80	338.45	392.00	334,00
September, 2018	368.95	282.00	374.95	266.05
October, 2018	347.60	256.05	316.65	250.00
November, 2018	328.00	273.00	328.00	275.00
December, 2018	324.45	274.05	324.60	273.30
January, 2019	317.75	260.00	317.00	261.85
February, 2019	297.75	241.20	293.00	230.00
March, 2019	303.65	257.00	306.90	255.55

(f) Performance in comparison to broad-based indices such as BSE Sensex.

The Chart below shows the comparison of the Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex and NSE Nifty for the financial year ended 31st March, 2019 (based on month end closing):





(g) Suspension from trading:

No Securities of the Company has been suspended from trading on any of the stock exchanges where they are listed.

(h) Share Transfer System

The share transfer activities in respect of the shares in physical mode are carried out by MCS Share Transfer Agent Limited. The share Transfer requests which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being in order and complete in all aspects.

(i) Registrar and Share 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

(j) Transfer of Unclaimed Dividend amounts to Investor Education and Protection Fund

The Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years to the investor Education and Protection Fund (IEPF) established by the Central Government.

Members who have not so far encashed their dividend warrant(s) are requested to seek revalidation of dividend warrants by writing to the Company's Registrar and Transfer Agents, MCS Share Transfer Agent Limited or Company, immediately without any further delay.

Information w.r.t unclaimed dividends due for transfer to the Investor Education and Protection Fund (IEPF) is as follows:

S. No.	Financial Year	Date of AGM in which Dividend declared	Proposed date of transfer to IEPF
1.	2011-12	26th September, 2012	31st October, 2019
2.	2012-13	9th September, 2013	14th October, 2020
3.	2013-14	24th September, 2014	29th October, 2021
4.	2014-15	22nd September, 2015	27th October, 2022
5.	2015-16	3rd September, 2016	8th October, 2023
6.	2016-17	18th August, 2017	23rd September, 2024
7.	2017-18	4th September, 2018	9th October, 2025

(k) Distribution of Shareholding as on 31st March, 2019 (On the basis of Ownership)

Category Code	Category of Shareholders	Number of Shareholders	No. of shares held	Percentage (%)
A	**Shareholding of Promoter and Promoting Group**			
1	Indian	15	25275424	61.96
2	Foreign	-		-
	Sub Total(A)	**15**	**25275424**	**61.96**
B	**Public Shareholding**			
1	**Institutions**			
a	Mutual Funds/ UTI	1	5812	0.01
b	Financial Institutions / Banks	2	11689	0.03
c	Central Government/ State Government(s) (IEPF)	1	71344	0.18
d	Insurance Companies	1	4320	0.01
e	Foreign Institutional Investors	-		-
f	Foreign Portfoliol Investors	6	78957	0.19
	Sub-Total (B)(1)	**11**	**172122**	**0.42**
2	**Non-Institutions**			
a	Bodies Corporate	293	8663210	21.23
b	Individual shareholders holding nominal share capital up to ` 2 Lacs	17596	4480777	10.98
c	Individual shareholders holding nominal share capital in excess of 2 Lacs	14	1904865	4.67
d	Trust	1	400	0.001
e	NRI	391	298566	0.73
f	NBFC	-	-	-
	Sub-Total (B)(2)	**18295**	**15346018**	**37.62**
	Total Public Shareholding (B)(1)+(B)(2)	**18306**	**15519940**	**38.04**
	Grand Total (A+B)	**18321**	**40795364**	**100.00**

Note: *

Pursuant to amendment in Regulation 31 of the Securities and Exchange Board of india (Listing Obligations and Disclosure Requirements) Regulations, 2015 a public shareholder and a non-public non-promoter shareholder has to provide the details of their shareholding along with their PAN number. Earlier the details of the shareholding had to be given by the promoters and promoter groups only. in addition to the above, the shareholding of the public shareholder and non-public non-promoter shareholder has to be consolidated on the basis of PAN and folio number in order to avoid multiple disclosures of shareholding of the same person.

In Compliance with the above amendment, shareholding shown on the basis of PAN and folio number in order to avoid multiple disclosures of shareholding of the same person. As on 31st March, 2019, the total number of folios as per register of members are 19873.

(l) Shareholding Pattern by Size as on 31st March, 2019 (On the basis of Shares held)

S.No.	Category	Shares	% of Shares	No of shareholders	% of Total Shareholders dues
1	1- 500	1517204	3.72	18137	91.26
2	501 - 1000	651852	1.60	837	4.21
3	1001 - 2000	682974	1.67	460	2.31
4	2001 - 3000	329493	0.81	133	0.67
5	3001 - 4000	255809	0.63	72	0.36
6	4001 - 5000	232925	0.57	50	0.25
7	5001 - 10000	639240	1.57	91	0.46
8	10001 -50000	1223570	3.00	65	0.34
9	500001- 100000	787056	1.93	10	0.05
10	100001 & above	34475241	84.50	18	0.09
	Total:	**40795364**	**100.00**	**19873**	**100.00**

(m) Dematerialization of Shares and Liquidity

As on 31st March, 2019, Shareholding is held in dematerialized form as per details mentioned below: - Trading in Equity Shares of the Company is permitted only in dematerialized form.

S. No.	Mode of holding	No of Holders	Shares	% to total issued Equity
1	PHYSICAL	579	136573	0.34
2	NSDL	10846	8824736	21.63
3	CDSL	8448	31834055	78.03
	Total:	**19873**	**40795364**	**100.00**

(n) International Securities Identification Number (ISIN) for equity shares of the Company

The DEMAT ISIN of the Company's equity shares is INE927D01028.

(o) Commodity price risk or foreign exchange risk and hedging activities:

Company is not having much exposure to foreign exchange and there is a natural hedging partly available in terms of exports made by the Company.

In respect of price risk of raw materials used for manufacturing purpose the same is taken care of as per industry requirement.

(p) Outstanding ADR or GDR or warrants or any convertible instruments

There are no Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments as on 31st March, 2019.

(q) Plants Locations (JBM Auto Ltd.):

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.
Plant IX	-	Plot No. 80, Sector-3, Pithampur industrial Area - 454775, Dist. Dhar, Indore (M.P)

Skill Development Centre (SDC)

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

(r) Address for Correspondence:

Registered Office:

601, Hemkunt Chamber 89, Nehru Place,
Tel.: 011-26427101-06, 41709881
Fax: 011-26511512, E-mail: vivek.gupta@jbmgroup.com

Corporate Office:

Plot no. 9, Institutional Area, Sector-44 Delhi - 110 019,
Gurgaon- 122003, Haryana
Fax: 91-124-4674599 Tel: 91-124-4674500

Investor Correspondence:

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: vivek.gupta@jbmgroup.com

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

(s) For Shares held in Physical form

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.

(t) For Shares held in Demat form

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.

(u) For all matters relating to investor relations please contact:

Pursuant to SEBI Circular, the Company has created an email ID exclusively for redressal of investor's grievances. The investors can send their grievance to the specific email ID i.e., *jbmainvestor@jbmgroup.com*

8. OTHER DISCLOSURES

a) Related Party transactions:

All transaction entered into by the Company with related parties, during the financial year 2018-19, were in ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report.

Also, the Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with the Rules issued thereunder and relevant provisions of Listing Regulations.

The Audit Committee, during the financial year 2018-19, has approved Related Party Transactions along with granting omnibus approval in line with the Policy of dealing with and materiality of Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The related party transactions entered into by the Company pursuant to the omnibus approval granted by the Audit Committee is reviewed at least on a quarterly basis by the said Committee.

The policy on dealing with and materiality of Related Party Transactions has been placed on the Company's website and can be accessed at the following web link: *http://www.jbmgroup.com/pdf/JBM-Auto-Ltd/Policy/Policy-on-Related-Party-Transaction/JBMA_Auto_tp.pdf*

There are no materially significant Related Party Transactions of the Company which have potential conflict with the interests of the Company at large.

b) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years:

The Company has complied with all the requirements of the Stock Exchange(s) and SEBI on matters relating to Capital Markets. There were no penalties imposed or strictures passed against the Company by SEBI, stock exchange(s) on which the shares of the Company are listed or any statutory authority in this regard, during the last 3 (three) years.

c) Vigil Mechanism and Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy and an effective Vigil Mechanism system to provide a formal mechanism to its Directors, Employees and Business Associates to voice concerns in a responsible and effective manner regarding suspected unethical matters involving serious malpractice, abuse or wrongdoing within the organization and also safeguards against victimization of Directors/ Employees and Business Associates who avail of the mechanism.

No personnel were denied access to the Audit Committee of the Company with regards to the above. 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@jbmgroup.com; or
Letter	:	The Vigilance Officer, JBM Auto Limited, 601, Hemkunt Chambers, 89, Nehru Place, New Delhi – 110 019

d) 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.

e) Compliance with the Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant Companies (Accounting Standards) Rules, 2015 (as amended) and the relevant provision of the Companies Act, 2013.

f) 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.

g) 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**.**

h) Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

The Company has engaged the services of CS Sunita Mathur (CP No. 741), Practicing Company Secretary and Secretarial Auditor of the Company for providing this certification.

The Company is publishing the said Secretarial Compliance Report, on voluntary basis and the same has been annexed as Enclosure - 1 to this Report forming part of this Annual Report.

i) Recommendations of Committees of the Board

There were no instances during the financial year 2018-19, wherein the Board had not accepted recommendations made by any committee of the Board.

9. GENERAL BODY MEETINGS

(a) **The location and time of last three Annual General Meetings (AGM) are as follows:**

For the Year	2015-16	2016-17	2017-18
	20th AGM	**21st AGM**	**22nd AGM**
Date & Time	3rd September, 2016 at 10.30 A.M	18th August, 2017 at 12.30 P.M	4th September, 2018 at 12.30 P.M.
Location	Air force Auditorium, Subroto Park, New Delhi -110010	Air force Auditorium, Subroto Park, New Delhi -110010	Air force Auditorium, Subroto Park, New Delhi -110010

(b) Special Resolutions passed in the previous three Annual General Meetings:-

Year	Special Resolution passed
2015-2016	No Special Resolution passed in the 20th AGM
2016-2017	No Special Resolution passed in the 21st AGM
2017-2018	Approval for the issue of securities through various means passed in the 22nd AGM as special resolution

(c) Special Resolution (s) passed last year through Postal Ballot-detail of voting pattern and the procedure thereof:

None of the businesses proposed in last year required passing a resolution through Postal Ballot.

(d) Person who conducted the postal ballot exercise

Not applicable

(e) Special resolution(s) proposed to be conducted through postal ballot

None of the businesses at the ensuing AGM requires to be conducted through postal ballot.

10. MEANS OF COMMUNICATION

(a) Publication of financial 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.

(b) 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.

- 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;
- Quarterly/Half Yearly/ Annual Financial Results;
- Shareholding Pattern;

- Corporate disclosures made to Stock exchanges;
- 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.
- Unpaid Dividends
- Various Policies, etc.

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

(c) 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.

(d) 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.

(e) 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.

13. CEO / CFO CERTIFICATION

The Executive Director and the Chief Financial Officer 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.

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 2019.

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.jbmgroup.com.

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

Place: Gurugram (Haryana)
Date: 28.05.2019

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, 2019 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/-	**Sd/-**
(Sandip Sanyal)	**(Vivek Gupta)**
Executive Director	**Chief Financial Officer**
	& Company Secretary

Place: Gurugram (Haryana)
Date: 28.05.2019

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, 2019 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 April, 2018 to 31st March, 2019.

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 per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

Sd/-
(Sunita Mathur)
Practicing Company Secretary
C.P. No. 741
FCS-1743

Place: New Delhi
Date: 24.06.2019

Enclosure - 1

Secretarial compliance report of JBM Auto Limited for the year ended 31st March 2019

I Sunita Mathur have examined:

1) all the documents and records made available to us and explanation provided by JBM Auto Limited – CIN: L74899DL1996PLC083073 ("the listed entity"),

2) the filings/ submissions made by the listed entity to the stock exchanges,

3) website of the listed entity,

4) any other document/ filing, as may be relevant, which has been relied upon to make this certification or the financial year ended 31.03.2019 ("Review Period") in respect of compliance with the provisions of :

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");
(c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
(d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(e) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
(g) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(h) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(i) Securities and Exchange Board of India(Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013
(j) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(k) Securities and Exchange Board of India (Depository Participants) Regulations, 1996;
(l) Any other regulations, circulars etc issued by SEBI applicable to the Company.

and based on the above examination, I/We hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder as applicable to it . However regulations mentioned above under clause (d) , (f) ,(g), (h) & (i) are not applicable to the Company during the review period;
(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my/our examination of those records.
(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
NIL				

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

Sd/-
(Sunita Mathur)
Practicing Company Secretary
C.P. No. 741
FCS-1743

Place: New Delhi
Date: 15.04.2019

Enclosure - 2

CERTIFICATE

Pursuant to clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulation 2015, (LODR) in respect to JBM Auto Limited
(CIN: : L74899DL1996PLC083073) I hereby certify that :

On the basis of written representation /declarations received from the Directors and taken on record by the Board of Directors as on March 31,2019 , none of the Directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI /Ministry of Corporate Affairs or any such statutory authorities.

In accordance to Clause 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 special resolution is being passed at ensuing AGM approving appointment of Mr. Mahesh Kumar Aggarwal, Independent Director of the Company, wef 1st April, 2019 who has already attained the age of 75 years.

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

Place: New Delhi
Date: 24.06.2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JBM AUTO LIMITED

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **JBM AUTO LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and the notes to the Standalone Ind AS Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, (the Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Revenue Recognition in terms of Ind AS 115 "Revenue from Contracts with Customers" This is a newly applicable Accounting Standard on Revenue which prescribes five steps revenue recognition model which involves identifying the contract with the customer, identifying the separate performance obligations in the contract, determining the transaction price, allocating the transaction price to the separate performance obligations and recognizing revenue over the period of time / at a point in time depeanding upon how the entity satisfies its performance obligations. Refer Note No. 27 to the Standalone Ind AS Financial Statements.	Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. Selected a sample of contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and satisfaction of performance obligations. We performed following substantive procedures over revenue recognition with specific focus on whether there is single performance obligation or multiple performance obligations in the contract and whether the performance obligation is being satisfied over the period of time or at a point in time: Read, analysed and identified the distinct performance obligations in these contracts. Compared these performance obligations with that identified and recorded by the Company. Considered the terms of the contracts to verify the transaction price used to allocate to separate performance obligations. Checked whether the performance obligation is being satisfied over the period of time or at a point in time. Performed analytical procedures for reasonableness of revenues disclosed.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch, 2019 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 the requirements of section 197(16) of the Act, as amended:

   In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year.

h. 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 as amended, 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 Standalone Ind AS Financial Statements- Refer Note No. 36 of the Standalone Ind AS Financial Statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
Membership No. 083762

Place: Gurugram
Date: May 28, 2019

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON STANDALONE IND AS FINANCIAL STATEMENTS OF JBM AUTO LIMITED

(This is the annexure referred to in Para 1 of 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

(i) In respect of the Fixed Assets:

(a) The Company has maintained proper records showing the full particulars including quantitative details and situation of fixed assets.

(b)The fixed assets covering significant value were physically verified during the year by the management at such intervals which in our opinion, provides for the physical verification of all the Fixed Assets at reasonable interval having regard to the size of the Company and nature of its business. In our opinion and according to the information and explanations given to us by the management, no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and on the basis of examination of records of the Company, the title deeds of immovable properties are held in the name of the Company except as given below:

S. No.	Total No. of Cases	Nature	Gross Block (Rs. in Lakhs)	Net Block (Rs. in Lakhs)	Remarks
1	One	Leasehold land	10.18	7.77	Land situated at Sector 24 Faridabad, Haryana

(ii) Inventories, except goods-in-transit and stock lying with the third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. There were no material discrepancies noticed on physical verification of inventories as compared to the book records.

(iii) In respect of loans, secured or unsecured, granted by the Company to the companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"):

(a) In our opinion and according to the information and explanations given to us, the terms and conditions of grant of such loans are not prejudicial to the Company's interest.

(b) The schedule for repayment of principal and payment of interest has been stipulated and repayments of principal amounts and/or receipts of interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the year-end.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits as defined under the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) In our opinion and according to the information and explanations given to us, the maintenance of the cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) In respect of the statutory and other dues:

(a) In our opinion and according to the information and explanations given to us, 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, Goods and Services Tax, Cess and any other material statutory dues as applicable with the appropriate authorities. In our opinion and according to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, disputed demand for Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax which have not been deposited with relevant authorities as on March 31, 2019 are given as under:

S.No.	Name of Statue	Nature of Dues	Amount due (Rs. in Lakhs)*	Year to which amount relates	Forum where dispute is pending
1	Uttar Pradesh Value Added Tax Act, 2008	Sales Tax Interest	6.70	2009-10	High Court, West Bengal
2	Finance Act, 1994 (Service Tax)	Service Tax, Penalty/ Interest	5.06	1999-2000	CESTAT, Chandigarh
		Service Tax, Penalty/ Interest	9.34	2001-02	Commissioner (A), Faridabad
		Service Tax, Penalty/ Interest	8.30	2001-02	CCE- Delhi-IV, Faridabad
		Service Tax	79.32	2013-14	Commissioner (A), Noida
		Service Tax, Penalty/ Interest	2.50	2015-17	Commissioner (A), Ahmedabad
		Service Tax, Penalty/ Interest	0.46	2017-18	Commissioner (A), Ahmedabad
3	The Central Excise Act, 1944	Excise Demand	7.72	2000-01	CESTAT, Chandigarh
		Excise Duty & Penalty	226.56	2007-08	CESTAT, Chandigarh
		Excise Duty & Penalty	86.26	2008-09	Commissioner (A), Faridabad
		Excise Duty & Penalty	22.82	2011-15	CESTAT, Allahabad
		Excise Duty & Penalty	66.08	2011-12	Add. Comm. C.E, Ahmedabad
		Excise Duty	17.52	2013-16	Superintendent Excise Pithampur
		Excise Duty & Penalty	106.26	2010-11	CESTAT, West Zonal Bench, Ahmedabad
		Interest on Excise Duty	4.99	2012-13	AC, CE, Faridabad – II
		Interest on Excise Duty	3.10	2012-13	CESTAT, Ahmedabad
		Excise Duty	28.60	2015-16	AC, CE, D-111, Bhiwadi
4	Custom Act, 1962	Custom Duty, Penalty & Interest	278.36	2011-14	CESTAT, Delhi
5	Income Tax Act, 1961	Income Tax	202.85	AY 2013-14	ITAT
		Income Tax	176.29	AY 2014-15	ITAT

*Total amount deposited in respect of disputed demands is Rs. 64.96 Lakhs.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions & banks. The Company has not borrowed from Government or by way of debentures.

(ix) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purpose for which those are raised.

(x) According to the information and explanations given to us and to the best of our knowledge and belief, no fraud by the Company or any fraud on the Company by its officers and employees has been noticed or reported by the Company during the year.

(xi) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not paid/provided managerial remuneration during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.

(xii) According to the information and explanations given to us and to the best of our knowledge and belief, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into with the Related Parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and details have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us and to the best of our knowledge and belief, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) According to the information and explanations given to us and to the best of our knowledge and belief, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No.: 002816N

Sudhir Chhabra
Partner
Membership No. 083762

Place: Gurugram
Date: May 28, 2019

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON STANDALONE IND AS FINANCIAL STATEMENTS OF JBM AUTO LIMITED

(This is the annexure referred to in Para 2(f) of 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

Report on the Internal Financial Controls over financial reporting 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 March 31, 2019 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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 (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 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 Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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 and according to the best of our information and according to explanations given to us, 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 March 31, 2019, 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 Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
Membership No. 083762

Place: Gurugram
Date: May 28, 2019

JBM Group

CIN L74899DL1996PLC083073
Standalone Balance Sheet as at March 31, 2019

₹ In Lakhs

		Note No.	As at 31st March,2019	As at 31st March, 2018
I.	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	3(a)	23,714.30	21,420.34
	(b) Capital work in progress		3,313.61	2,147.10
	(c) Intangible assets	3(b)	8,060.27	5,079.19
	(d) Intangible assets under development		2,711.44	4,114.34
	(e) Financial assets			
	(i) Investments	5	8,753.73	7,613.58
	(ii) Loans	6	1,092.44	200.89
	(iii) Other non-current financial assets	7	156.11	240.00
	(f) Other non-current assets	8	847.24	1,258.57
			48,649.14	**42,074.00**
	Current assets			
	(a) Inventories	9	14,475.10	14,311.09
	(b) Financial assets			
	(i) Trade receivables	10	36,577.98	18,988.00
	(ii) Cash and cash equivalents	11	25.49	51.30
	(iii) Other bank balances	12	50.60	46.73
	(iv) Other current financial assets	13	1,300.90	1,294.28
	(c) Other current assets	14	6,221.09	2,121.97
			58,651.16	**36,813.37**
	Total Assets		**107,300.30**	**78,887.37**
II.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	15	2,039.77	2,039.77
	(b) Other equity	16	23,783.85	19,114.62
			25,823.62	**21,154.38**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	17	13,226.06	15,258.96
	(ii) Other non-current financial liabilities	18	498.65	-
	(b) Provisions	19	396.34	279.59
	(c) Deferred tax liability (net)	20	2,383.72	1,422.76
	(d) Other non-current liabilities	21	341.17	709.83
			16,845.94	**17,671.14**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	22	22,297.08	15,453.51

₹ In Lakhs

		Note No.	As at 31st March,2019	As at 31st March, 2018
	(ii) Trade payables	23		
	Total Outstanding Dues to Micro and Small Enterprises		170.09	204.94
	Total Outstanding Dues of Creditors other than Micro and Small Enterprises		23,094.72	15,077.43
	(iii) Other current financial liabilities	24	7,118.22	5,597.31
	(b) Other current liabilities	25	11,565.38	3,520.39
	(c) Provisions	26	146.31	104.03
	(d) Current tax liabilities (net)		238.94	104.24
			64,630.74	**40,061.85**
	Total Equity and Liabilities		**107,300.30**	**78,887.37**

Significant Accounting Policies 2

The accompanying Notes are forming part of these financial statements

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : Gurugram (Haryana)
Dated : 28th May, 2019

For and on behalf of Board of Directors
JBM Auto Limited

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

CIN L74899DL1996PLC083073

Standalone Statement of Profit and Loss for the year ended 31st March, 2019

₹ In Lakhs

		Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I.	**Revenue from operations**	27	99,381.32	78,895.72
II.	**Other income**	28	2,254.44	1,080.87
III.	**Total Income (I+II)**		**101,635.76**	**79,976.59**
IV.	**Expenses**			
	Cost of materials consumed	48	66,158.44	52,443.26
	Changes in inventories of finished goods & work in progress	29	3,478.61	(417.17)
	Excise duty	51	-	2,317.60
	Employee benefits expense	30	9,415.26	8,496.24
	Finance costs	31	3,221.59	2,700.04
	Depreciation and amortization expense	4	3,014.61	2,503.55
	Other expenses	32	8,828.72	7,195.41
	Total Expenses		**94,117.23**	**75,238.93**
V.	**Profit before tax (III-IV)**		**7,518.53**	**4,737.66**
VI.	**Tax Expense**	33		
	(1) Current Tax		1,860.18	1,033.30
	(2) Deferred tax (credit)/charge		714.93	488.97
	(3) Earlier years		52.26	5.07
			2,627.37	**1,527.33**
VII.	**Profit after tax for the year (V-VI)**		**4,891.16**	**3,210.33**
VIII.	**Other Comprehensive Income**	34		
	Items that will not be reclassified to Statement of Profit and loss:			
	(i) gain/(loss) of defined benefits plans		(27.42)	0.87
	(ii) Income tax expenses on gain/(loss) on defined benefits plans		9.58	(0.29)
	Total Other Comprehensive Income		**(17.84)**	**0.57**
IX.	**Total Comprehensive Income (VII+VIII)**		**4,873.32**	**3,210.91**
X.	**Earnings per equity share: (Face Value of ₹ 5/-each)**	35		
	(1) Basic		11.99	7.87
	(2) Diluted		11.99	7.87

Significant Accounting Policies 2

The accompanying Notes are forming part of these financial statements
As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : Gurugram (Haryana)
Dated : 28th May, 2019

For and on behalf of Board of Directors
JBM Auto Limited

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

CIN L74899DL1996PLC083073
Standalone Statement of Changes in Equity for the year ended 31st March, 2019

A Equity Share capital

₹ In Lakhs

	Balance as at 01st April 2017	Changes in equity share capital during the year	Balance at the end of 31st March 2018	Changes in equity share capital during the year	Balance at the end of 31st March 2019
Equity Share capital	2,039.77	-	2,039.77	-	2,039.77

B Other Equity

	General Reserve	Retained Earnings	Total
Balance as at 01.04.2017	**862.45**	**16,023.27**	**16,885.72**
Profit for the year	-	3,210.33	3,210.33
Other comphrehensive income/(loss) for the year	-	0.57	0.57
Dividends distributed during the year (including CDT)	-	(982.01)	(982.01)
Balance as at 31.03.2018	**862.45**	**18,252.17**	**19,114.62**
Profit for the year	-	4,891.16	4,891.16
Other comphrehensive income/(loss) for the year	-	(17.84)	(17.84)
Impact on account of adoption of Ind AS 115	-	779.53	779.53
Dividends distributed during the year (including CDT)	-	(983.62)	(983.62)
Balance as at 31.03.2019	**862.45**	**22,921.40**	**23,783.85**

The accompanying Notes are forming part of these financial statements

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : Gurugram (Haryana)
Dated : 28th May, 2019

For and on behalf of Board of Directors
JBM Auto Limited

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

CIN L74899DL1996PLC083073
Standalone Cash Flow Statement for the year ended 31st March 2019

₹ In Lakhs

		For the year ended March 2019		For the year ended March 2018	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Profit before tax		7,518.53		4,737.66
	Adjustments for :				
	Depreciation and amortization expense	3,014.61		2,503.55	
	Finance costs	3,221.59		2,700.04	
	Unrealised exchange loss/(gain) (net)	30.45		(15.02)	
	Deferred income on deferred component of financial instrument	(393.45)		(393.45)	
	Interest income	(74.79)		(11.00)	
	Loss/(Profit) on sale of property, plant & equipment (net)	35.73		(18.30)	
	Bad Debts/Provision for doubtful debts	25.33		-	
	Rental income	(26.39)		-	
			5,833.08	**-**	**4,765.82**
	Operating profit before working capital changes		**13,351.61**		**9,503.48**
	Adjustments for :				
	Trade and other receivables	(19,020.65)		(2,214.46)	
	Inventories	(2,187.77)		(2,162.63)	
	Trade and other liabilities	16,189.97	(5,018.45)	(884.54)	(5,261.63)
	Cash generated from operations		**8,333.16**		**4,241.85**
	Direct taxes paid (Net)	(1,522.25)	(1,522.25)	(1,105.52)	(1,105.52)
	Net Cash flow from operating activities		**6,810.91**		**3,136.33**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of property, plant & equipment and intangible assets (including CWIP and intangible assets under development)	(7,574.87)		(4,487.02)	
	Proceeds from sale of property, plant & equipment	272.82		59.96	
	Loan given	(800.00)		-	
	Interest received	74.79		11.00	
	Rental income	26.39		-	
	Purchase of non current investments (including share application money)	(900.15)		(720.00)	
	Net Cash used in Investing Activities		**(8,901.03)**		**(5,136.06)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Repayment of non current borrowings	(6,041.23)		(4,709.24)	
	Proceeds from non current borrowings	5,000.00		7,777.78	
	Increase/(Decrease) in current borrowings(net)	6,843.57		2,252.93	
	Finance cost paid	(2,754.40)		(2,307.67)	
	Dividend paid (including CDT)	(983.62)		(982.01)	
	Net Cash flow from Financing Activities		**2,064.31**		**2,031.79**
	Net Increase/(Decrease) in Cash and cash equivalents		**(25.81)**		**32.07**
	Cash and cash equivalents at the beginning of the year (Refer Note No. 11)		**51.30**		**19.24**
	Cash and cash equivalents at the end of the year (Refer Note No. 11)		**25.49**		**51.30**

Notes:

1 The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard - 7 on "Cash Flow Statement"
2 Trade and other receivables includes loans and advances.
3 IND AS 7 cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the requirement following disclosure is made:

₹ In Lakhs

	As at 01st April 2018	Cash inflows/ (outflows)	Acquisition/ Foreign exchange movement/ Fair value changes	As at 31st March 2019
Borrowings- Non Current	19,931.38	(1,041.23)	417.79	19,307.94
Borrowings- Current	15,453.51	6843.57	-	22,297.08
Lease liabilities	95.09	(6.76)	9.99	98.32
	35,479.98	**5795.58**	**427.78**	**41,703.34**

4 The previous year figures have been regrouped/ rearranged wherever considered necessary.
5 Figures in bracket represents cash outflow

The accompanying Notes are forming part of these financial statements

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : Gurugram (Haryana)
Dated : 28th May, 2019

For and on behalf of Board of Directors
JBM Auto Limited

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS

1. General Information

JBM Auto Limited (the "Company") is a public limited company incorporated under the Companies Act 1956 having its registered office at 601, Hemkunt chambers, 89, Nehru place, New Delhi. The Company is engaged in the automotive business that manufactures and sell sheet metal components, tools, dies & moulds and buses including sale of spare parts, accessories & maintenance contract of Buses. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorize for issue on May 28, 2019.

2. Significant Accounting Policies

2.1 Statement of Compliance

The Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.
All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

The principal accounting policies are set out below.

2.3 Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

2.4 Revenue Recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers", with effect from April 01, 2018 using the cumulative effect method whereby the effect of applying this standard is recognized at the date of initial application (i.e. April 01, 2018). Accordingly, the comparative information in the Financial Statements is not restated.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty upto 30th June, 2017 and net of returns, cash discount, trade allowances, sales incentives and value added taxes. The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

Sale of Products

Revenue from contracts with customers is recognized on transfer of control of promised goods to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Sale of Services

Revenue from services are recognized as related services are performed.

NOTES FORMING PART OF FINANCIAL STATEMENTS

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;

2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Dividend and interest income

Dividend income from investments is recognized when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. For all Financial instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). Interest income is included in other income in the Statement of Profit and Loss. Interest income in respect of financial instruments measured at fair value through profit or loss is included in other income.

Royalty Income

Revenue from royalty is recognised on an accrual basis in accordance with the substance of the relevant arrangement.

2.5 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee
Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

Rental expense on operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

The Company as a lessor
Leases in which the Company does not transfer substantially all the risks and the rewards of ownership of an assets are classified as operating lease. Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease.

2.6 Foreign Currencies

Functional and Presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in Other Comprehensive Income or the Statement of Profit and Loss is also recognised in Other Comprehensive Income or the Statement of Profit and Loss respectively).

2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Where the funds used to finance a qualifying asset form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest, which is computed as per effective interest method, and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.8 Employee Benefits

Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Post-employment obligations

Defined benefit plans

The Company has defined benefit plans namely gratuity fund for employees. The gratuity fund is recognised by the Income Tax Authorities and is administered through Trust set up by the Company. Any shortfall in the size of the fund maintained by the Trust is additionally provided for in profit or loss.

The liability or asset recognised in the Balance Sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuary using the projected unit credit method.

NOTES FORMING PART OF FINANCIAL STATEMENTS

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner. The Company's contribution is charged to revenue every year. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to State Plans namely Employees' State Insurance Fund and Labour welfare fund, Labour Welfare Fund are charged to the Statement of Profit and Loss every year.

Termination Benefits

A liability for the termination benefit is recognised when the Company can no longer withdraw the offer of the termination benefit.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

NOTES FORMING PART OF FINANCIAL STATEMENTS

2.10 Property, Plant and Equipment (PPE)

Property, Plant and Equipment (PPE) are stated at cost of acquisition, net of accumulated depreciation and accumulated impairment losses, if any. The cost of tangible asset includes purchase cost (net of rebates and discounts) including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use. Freehold land is measured at cost and is not depreciated.

Interest cost incurred on qualifying asset is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to the Statement of Profit and Loss during the reporting period in which they have incurred.

Transition to IND AS

On transition to Ind AS, the Company had elected to continue with the carrying value of its property, plant and equipment recognised as at April 01, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is ready to use to allocate their cost, net of their residual values, over their estimated useful lives of the assets as prescribed in Schedule II of the companies Act, 2013 except in respect of the following assets where estimated useful life is determined as per management's estimate based on technical advice which considered the nature of assets, the usage of asset, expected physical wear & tear:

Property, plant and equipment	Useful lives based on technical evaluation
Plant & machinery and Electric Installation	20 years
Pallets, Tools & Dies	8 years
Finance Leasehold land	Over the remaining period of leasehold from the date of commissioning of plant

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

2.11 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost of acquisition and are stated net of accumulated amortization and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Internally generated intangible assets

Research costs are charged to the Statement of Profit and Loss in the year in which they are incurred. Product development costs incurred on new vehicle platform and new products are recognized as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future economic benefits.

The costs capitalized include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Interest cost incurred on qualifying asset is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

Capitalized development expenditure is measured at cost less accumulated amortization and accumulated impairment, if any.

Transition to IND AS

On transition to Ind AS, the Company had elected to continue with the carrying value of its intangible asset recognised as at April 01, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

Amortisation methods and useful lives

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life. 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 amortised as follows:-

Residual Value is considered as Nil in the below cases:

Nature of Assets	Life
Technical knowhow	5 years
License fees, Design, Technical know-how & Prototype related to OEM division	10 years
Computer software	3 years

The amortisation period and method are reviewed atleast at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2.12 Inventories

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

Raw Material is recorded at cost on a weighted average cost formula

Stores & spares are recorded at cost on a weighted average cost formula

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

By products and scrap are valued at net realizable value.

Machinery spares (other than those qualified to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

NOTES FORMING PART OF FINANCIAL STATEMENTS

2.13 Provisions and contingencies

Provisions

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are determined based on best management estimate required to settle the obligation at balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

Contingent asset being a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, is not recognized but disclosed in the financial statements.

2.14 Business Combinations

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interests method.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

(i) Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets.

(ii) Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

NOTES FORMING PART OF FINANCIAL STATEMENTS

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test: The contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test: The contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

(iii) Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

(iv) Equity investment in Subsidiaries, Associates and Joint Ventures

Investments representing equity interest in subsidiaries, associates and joint ventures are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

(v) Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

(vi) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

(vii) Cash and cash equivalents

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, cheques and balances with bank and short term highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the Cash Flow Statement. Book overdraft is shown within other financial liabilities in the Balance Sheet and forms part of operating activities in the Cash Flow Statement.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(viii) Impairment of financial assets:

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- financial assets measured at amortised cost
- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to :

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

(ix) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients
- The right to receive cash flows from the asset has expired.

(x) Foreign Exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

Financial liabilities and equity instruments

(xi) Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(xii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(xiii) Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through Statement of Profit and Loss.

(xiv) Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

(xv) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss.

(xvi) Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in Statement of Profit and Loss.

(xvii) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

(xviii) Derivative Financial Instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on nature of the hedging relationship and the nature of the hedged item.

(xix) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.16 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

NOTES FORMING PART OF FINANCIAL STATEMENTS

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Balance Sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

2.17 Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the result is anti-dilutive.

2.18 Government Grants & Subsidies

Government Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

2.19 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

2.20 Royalty

The Company pays/accrues for royalty in accordance with the relevant license agreements.
The lump-sum royalty incurred towards obtaining technical assistance/technical know-how and engineering support to manufacture a new model is recognized as an intangible asset. Royalty payable on sale of products i.e. running royalty is charged to Statement of Profit and loss as and when incurred.

2.21 Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II) of the Companies Act 2013, unless otherwise stated.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 3(a): PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

								Asset taken on finance lease		
Particulars	**Free-hold Land**	**Buildings**	**Plant and Equipment**	**Furniture and Fixtures**	**Vehicles**	**Office Equipment (including Computer System)**	**Total (A)**	**Leasehold land**	**Total (B)**	**TOTAL (A+B)**
Gross Block										
As at April 01, 2017	**254.93**	**5,619.13**	**15,564.91**	**117.11**	**219.34**	**355.01**	**22,130.43**	**1,998.95**	**1,998.95**	**24,129.38**
Additions	-	29.40	333.31	1.70	137.45	49.14	550.98	-	-	550.98
Disposals	-	-	(33.47)	-	(18.59)	(3.24)	(55.30)	-	-	(55.30)
As at March 31, 2018	**254.93**	**5,648.53**	**15,864.75**	**118.81**	**338.20**	**400.90**	**22,626.12**	**1,998.95**	**1,998.95**	**24,625.07**
Additions	118.34	787.78	3,619.12	43.00	67.33	69.72	4,705.29	-	-	4,705.29
Disposals	-	-	(440.70)	-	(2.56)	(1.31)	(444.56)	-	-	(444.56)
- Other (Refer Note 2 below)	-	-	-	-	-	-	-	(156.11)	(156.11)	(156.11)
As at March 31, 2019	**373.27**	**6,436.30**	**19,043.18**	**161.81**	**402.98**	**469.31**	**26,886.85**	**1,842.85**	**1,842.85**	**28,729.70**
Accumulated Depreciation										
As at April 01, 2017	**-**	**203.89**	**1,188.36**	**15.30**	**29.22**	**103.68**	**1,540.44**	**23.21**	**23.21**	**1,563.65**
Charged For the year	-	207.10	1,272.09	13.39	33.24	105.42	1,631.24	23.34	23.34	1,654.58
Adjustment on Disposals	-	-	(5.97)	-	(6.52)	(1.01)	(13.51)	-	-	(13.51)
As at March 31, 2018	**-**	**410.99**	**2,454.48**	**28.69**	**55.94**	**208.09**	**3,158.17**	**46.56**	**46.56**	**3,204.73**
Charged For the year	-	214.98	1,540.35	24.14	46.16	97.35	1,922.98	23.71	23.71	1,946.68
Adjustment on Disposals	-	-	(133.79)	-	(1.45)	(0.78)	(136.01)	-	-	(136.01)
As at March 31, 2019	**-**	**625.97**	**3,861.04**	**52.83**	**100.65**	**304.65**	**4,945.14**	**70.26**	**70.26**	**5,015.40**
Net Block										
As at March 31, 2018	**254.93**	**5,237.54**	**13,410.27**	**90.12**	**282.26**	**192.81**	**19,467.95**	**1,952.40**	**1,952.40**	**21,420.34**
As at March 31, 2019	**373.27**	**5,810.34**	**15,182.14**	**108.98**	**302.33**	**164.65**	**21,941.71**	**1,772.59**	**1,772.59**	**23,714.30**

Notes

1.The lease hold land at Faridabad amounting to Rs 36.37 lakhs 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. Leasehold land included land at Singur amounting to Rs 156.11 lakhs has been transferred in Other non Current Financial Assets during current Year. (Refer Note No 7 & 42)

3. Certain borrowings of the Company have been secured against Property, Plant and Equipment. (Refer Note No 17 & 22)

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 3(b) : INTANGIBLE ASSETS

₹ In Lakhs

Particulars	Technical Knowhow	Computer Software	Prototype	License Fees	Total
Gross Block					
As at April 01, 2017	**791.42**	**201.11**	**3,788.10**	**1,259.73**	**6,040.36**
Additions	-	12.36	612.16	-	624.51
As at March 31, 2018	**791.42**	**213.47**	**4,400.26**	**1,259.73**	**6,664.87**
Additions	-	45.90	4,003.10	-	4,049.01
As at March 31, 2019	**791.42**	**259.37**	**8,403.36**	**1,259.73**	**10,713.88**
Accumulated Amortisation					
As at April 01, 2017	**211.02**	**25.93**	**359.36**	**140.39**	**736.71**
Charged For the year	221.20	80.05	407.32	140.39	848.97
As at March 31, 2018	**432.23**	**105.99**	**766.68**	**280.78**	**1,585.68**
Charged For the year	221.20	60.84	645.49	140.39	1,067.93
As at March 31, 2019	**653.43**	**166.83**	**1,412.17**	**421.17**	**2,653.61**
Net Block					
As at March 31, 2018	**359.19**	**107.48**	**3,633.58**	**978.95**	**5,079.19**
As at March 31, 2019	**137.99**	**92.54**	**6,991.19**	**838.56**	**8,060.27**

Note 4 : DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Depreciation/Amortization on Property, Plant & Equipment	1,946.68	1,654.58
Amortization on Intangible Assets	1,067.93	848.97
	3,014.61	**2,503.55**

NOTES FORMING PART OF FINANCIAL STATEMENTS

NON CURRENT FINANCIAL ASSETS
(Carried at amortised cost)

₹ In Lakhs

	As at 31st March,2019	As at 31st March,2018

NOTE 5 : NON CURRENT INVESTMENTS
Investment in Equity Instruments

Subsidiary (At cost)		
1,83,90,000 (P Y 31.03.2018 : 1,83,90,000) Equity Shares of Rs.10/- each fully paid up of JBM Auto System Private limited	2,945.82	2,945.82
Joint Ventures (At cost)		
1,19,84,657(P Y 31.03.2018 : 48,08,000) Equity Shares of Rs.10/- each fully paid up of JBM Solaris Electric Vehicles Private Limited	1,198.46	480.80
2,00,000 (P Y 31.03.2018 : 2,00,000) Equity Shares of Rs. 10/ each fully paid up of INDO Toolings Private Limited.	20.00	20.00
11,219,994 (P Y 31.03.2018 : 11,219,994) Equity Share of Rs. 10/- each fully paid up of JBM Ogihara Automotive India Limited	1,122.00	1,122.00
42,24,900 (P Y 31.03.2018 : Nil), Equity Shares of Rs. 10/- each fully paid up of JBM Ogihara Die Tech Private Limited **(Refer Note No 44)**	422.49	-
Associate (At cost)		
3,04,49,600 (P Y 31.03.2018 : 3,04,49,600) Equity Shares of Rs. 10/- each fully paid up of JBM MA Automotive Private Limited	3,044.96	3,044.96
	8,753.73	**7,613.58**
Aggregate amount of unquoted investments	**8,753.73**	**7,613.58**
Aggregate amount of impairment in value of investments	**-**	**-**

NOTE 6 : LOANS
(Unsecured, Considered good)

Loan to joint Venture Company*	800.00	-
Security deposits	292.44	200.89
	1.092.44	**200.89**

***Refer Note No. 54**

NOTE 7 : OTHER NON CURRENT FINANCIAL ASSETS
(Unsecured, considered good)

Recoverable from WBIDC*	156.11	-
Share application money given	-	240.00
	156.11	**240.00**

***Refer Note No 42**

NOTE 8 : OTHER NON CURRENT ASSETS
(Unsecured, considered good)

Capital advances	154.56	543.01
Prepaid rent	557.04	580.03
Advance income tax (Net of provision)	135.64	135.53
	847.24	**1,258.57**

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NOTE 9 : INVENTORIES

(Carried at lower of cost and net realisable value)*

Raw materials	9,693.95	6,569.68
Raw materials in transit	322.81	35.77
Work in progress	3,537.23	6,699.13
Work in progress in transit	-	309.16
Finished Goods	90.04	97.59
Stores, spares & consumables	773.24	522.28
Scrap	57.83	77.48
	14,475.10	**14,311.09**

- *The mode of valuation of inventory has been stated in Note No. 2.12
- Certain borrowings of the Company have been secured against inventories (Refer Note No. 17 & 22)
- The cost of inventories recognised as an expense during the year is ₹ 71,819.49 lakhs (P.Y. ₹ 53,711.12 lakhs)

CURRENT FINANCIAL ASSETS

(Carried at amortised cost)

NOTE 10 : TRADE RECEIVABLE (Unsecured)

- Considered good	36,577.98	18,988.00
- Considered doubtful	44.96	19.63
	36,622.94	**19,007.63**
Less: Provision for doubtful debts	44.96	19.63
	36,577.98	**18,988.00**

- Certain borrowings of the Company have been secured against Receivables (Refer Note No. 17 & 22)
- Debts amounting to ₹ 1,980.87 lakhs (P.Y. : 31.03.2018 ₹ 1,001.76 lakhs) is due by private companies in which director is a director or a member.
- Amount due from Related Parties ₹ 3,439.77 lakhs (P.Y. ₹ 2,070.27 lakhs)

NOTE 11 : CASH AND CASH EQUIVALENTS

Cash in hand	14.52	7.64
Balances with banks		
- In Current account	10.97	43.67
	25.49	**51.30**

NOTE 12 : OTHER BANK BALANCES

In Fixed Deposit account more than 3 months original Maturity but less than 12 month maturity	29.69	27.97
Balances with banks		
- In Unpaid Dividend account	20.91	18.76
	50.60	**46.73**

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NOTE 13 : OTHER CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

Royalty receivable	28.26	119.25
Claim receivable (Refer Note No. 46)	1,105.00	1,105.00
Other financial assets	167.64	70.03
	1300.90	**1,294.28**

NOTE 14 : OTHER CURRENT ASSETS

(Unsecured, considered good)

Subsidy receivable	1655.02	1,012.33
Balance with statutory/government authorities	633.60	575.59
Sales tax/VAT recoverable	4.03	4.62
Advance to suppliers	879.78	422.28
Contract Assests	2.904.46	-
Other assets	144.20	107.15
	6,221.09	**2,121.97**

NOTE 15 : EQUITY SHARE CAPITAL

A. Authorised

8,00,00,000 (P.Y. 8,00,00,000) Equity Shares of ₹ 5 /- each	4,000.00	4,000.00
100,00,000 (P.Y. 100,00,000) Preference Shares of ₹ 10/- each	1,000.00	1,000.00
	5,000.00	**5,000.00**

B. Issued, Subscribed and Fully Paid Up

4,07,95,364 (P.Y. 4,07,95,364) Equity Shares of ₹ 5/- each fully paid up	2,039.77	2,039.77
	2,039.77	**2,039.77**

i) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period.

Number of equity shares outstanding at the beginning of the year	40,795,364	40,795,364
Add: issued/cancelled during the year	-	-
Number of equity shares outstanding at the end of the year	40,795,364	40,795,364

ii) Terms/rights attached to equity shares

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 Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES FORMING PART OF FINANCIAL STATEMENTS

iii) Details of shareholders holding more than 5% equity shares in the Company (Refer Note No .49).

iv) Aggregate number of shares issued as bonus share during 5 year immediately preceding 31st March ,2019

The company has alloted 2,03,97,682 fully paid up equity shares of face value ₹ 5 each during the year ended 31.03.2015 pursuant to a bonus issue approved by the shareholders through a postal ballot.

₹ In Lakhs

NOTE 16 : OTHER EQUITY

	Ratained Earnings	General Reserve	Total
As at 01.04.2018	**18,252.17**	**862.45**	**19,114.62**
Profit for the year	4,891.16	-	4,891.16
Other comphrehensive income/(loss) for the year	(17.84)	-	(17.84)
Impact on account of adoption of Ind AS 115	779.53	-	779.53
Dividends distributed during the year (including CDT)*	(983.62)	-	(983.62)
As at 31.03.2019	**22,921.40**	**862.45**	**23,783.85**
As at 01.04.2017	**16,023.27**	**862.45**	**16,885.72**
Profit for the year	3,210.33	-	3210.33
Other comphrehensive income/(loss) for the year	0.57	-	0.57
Dividends distributed during the year (including CDT)*	(982.01)	-	(982.01)
As at 31.03.2018	**18,252.17**	**862.45**	**19,114.62**

* During the year 2018-19, the Company has paid dividend of ₹ 2/- per share (PY ₹ 2 per share) on fully paid-up equity share of ₹ 5 each amounting to ₹ 983.62 lakhs (PY ₹ 982.01 lakhs) (including dividend distribution tax thereon of ₹ 167.71 lakhs (PY ₹ 166.10 lakhs)

The Board at its meeting held on May 28th, 2019 has recommended a dividend @ 45% i.e. ₹ 2.25 /- per share (on fully paid up equity share of ₹ 5/-each) for the year ended 31st March 2019. This equity dividend is subject to approval by shareholders at the Annual General Meeting. The total estimated equity dividend to be paid is ₹ 1106.57 Lakhs (including dividend distribution tax thereon of ₹188.68 Lakhs).

NON CURRENT FINANCIAL LIABILITIES
(Carried at amortised cost)

₹ In Lakhs

		As at 31st March, 2019	As at 31st March, 2018
NOTE 17 : NON CURRENT BORROWINGS			
A.	**Term Loan from banks (Secured)***		
	In Rupee	7,885.13	5,635.37
B.	**Term loan From Others (Secured)****		
	In Rupee	6,250.00	6,875.00
		14,135.13	**12,510.37**
	Less: Current Maturities of term loans	3,093.44	3,375.24
		11,041.69	**9,135.13**

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

		As at 31st March, 2019	As at 31st March, 2018
C.	**Inter corporate loan (unsecured)**		
	From others	-	2,666.00
D.	**Finance lease obligations (unsecured)**	98.32	95.09
E.	**Liability component of financial instruments (unsecured)**	5,172.81	4,755.01
		5,271.13	**7,516.11**
	Less:		
	Current maturities of Inter Corporate loan	-	1,333.33
	Current maturities of finance lease obligations	6.76	5.01
	Current maturities of liability component of financial instruments	3080.00	53.93
		2,184.37	**6,123.84**
		13,226.06	**15,258.96**

* Term loan of ₹ Nil (P.Y ₹ 625.83) lakhs is secured by First Pari-Passu charge on the movable and immovable fixed assets of Indore, Greater Noida & Faridabad and Second Pari-Passu charge on all the current assets of the Company both present and future situated at Faridabad, Indore & Greater Noida.

Term loan of ₹ 2,222.22 lakhs (P.Y ₹ 2,500.00 lakhs) has exclusive charge on plant & machinery to the tune of 1.5X coverage of the term loan value.

Term loan of ₹ 156.25 lakh (P.Y ₹ 781.25 lakhs) 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, Pithampur 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 ₹ 506.65 lakhs (P.Y ₹ 1,728.29 lakhs) 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 of Indore, Greater Noida and Faridabad Plants (both present & future)

Term loan of ₹ 5,000.00 lakhs (P.Y. Nil) is secured by pari Passu charge on the movable fixed assets of the Company giving 1.30X excluding movable fixed assets charged exclusively to lenders.

** Term loan of ₹ 1,250.00 lakhs (P.Y ₹ 1,875.00 lakhs) has exclusive charge on plant & machinery of the Company with a minimum asset cover of 1.50X (as per WDV). Second Pari Passu charge on all current assets of Sanand unit, both present and future.

Term loan of ₹ 5,000.00 lakhs (P.Y ₹ 5,000.00 lakhs) is secured by pari Passu charge over the movable fixed assets of the company with a minimum asset cover of 1.30X.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Maturity Profile

Term of Repayment of loan	Balance as at 31.03.2019 ₹ in lakhs	No of Yearly / Quarterly/ Monthly Installment	Balance Installment as at 31.03.2019	Rate of Interest
Term Loan from Bank	156.25	16 Quartely	1	MCLR linked rate
Term Loan from Bank	298.31	16 Quartely	2	MCLR linked rate
Term Loan from Bank	208.34	48 Quartely	4	Base Rate Linked Rate
Term Loan from Bank	2,222.23	18 Monthly	16	MCLR linked rate
Term Loan from Bank	5,000.00	16 Quartely	16	MCLR linked rate
Term loan From Others	1,250.00	16 Quartely	8	MCLR linked rate
Term loan From Others	5,000.00	16 Quartely	16	MCLR linked rate
Liability component of financial instruments	5,172.81	Bullet		10.50%

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NOTE 18 : OTHER NON CURRENT FINANCIAL LIABILITIES

Payable for Capital Goods	498.65	-
	498.65	**-**

NOTE 19 : PROVISIONS

Provision for employee benefits	396.34	279.59
	396.34	**279.59**

NOTE 20 : DEFERRED TAX LIABILITY (NET)

Deferred tax liability

Difference between book depreciation & depreciation under Income Tax Act 1961.	5,059.56	4280.73
Deferred tax assets		
Provision for Doubtful debts	(15.71)	(6.79)
Claim under Sec 43B of Income tax Act 1961	(230.57)	(175.58)
MAT Credit available	(2,429.56)	(2,675.59)
Deferred tax liability / (asset) (net)	**2,383.72**	**1,422.76**

Deferred tax liability & deferred tax asset has been offset as they relate to the same government taxation laws.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Major components of deferred tax liability/(assets) arising on account of temporary difference are as follows:

₹ In Lakhs

	As at 01.04.2018	Movement during the year	As at 31.03.2019
Difference between book depreciation & depreciation under Income Tax Act 1961.	4,280.73	778.84	5.059.56
Provision for doubtful debts	(6.79)	(8.92)	(15.71)
Claim under Sec 43B of Income tax Act, 1961	(175.58)	(54.99)	(230.57)
MAT Credit available	(2,675.59)	246.03	(2,429.56)
Net Amount	**1,422.76**	**960.96**	**2,383.72**
	As at 01.04.2017	**Movement during the year**	**As at 31.03.2018**
Difference between book depreciation & depreciation under Income Tax Act 1961.	3,142.67	1,138.06	4,280.73
Provision for doubtful debts	(6.06)	(0.73)	(6.79)
Claim under Sec 43B of Income tax Act, 1961	(141.46)	(34.12)	(175.58)
MAT Credit available	(2,061.35)	(614.24)	(2,675.59)
Net Amount	**933.80**	**488.96**	**1,422.76**

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018
NOTE 21 : OTHER NON CURRENT LIABILITIES		
Deferred component of financial instruments	341.17	709.83
	341.17	**709.83**

CURRENT FINANCIAL LIABILITIES
(Carried at amortised cost)

NOTE 22 : CURRENT BORROWINGS

	As at 31st March, 2019	As at 31st March, 2018
A. Loan Repayable on Demand from Banks (Secured)*		
Cash Credit	1,142.95	1,623.20
B. Others Loans From Banks (Secured)*		
Working capital demand loans	13,166.80	9,100.00
Buyers credit	-	606.24
	14,309.75	**11,329.44**
C. Loans Repayable on Demand from Banks (Unsecured)		
Bill discounting/PO financing	7,987.33	4,124.07
	7,987.33	**4,124.07**
	22,297.08	**15,453.51**

* 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 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 ₹ 1671.80 lakhs (P.Y ₹.525.21 Lakhs) 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 unit, Gujarat of the Company, both present and future.

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NOTE 23 : TRADE PAYABLES*

Total Outstanding Dues to Micro and Small Enterprises	170.09	204.94
Total Outstanding Dues of Creditors other than Micro and Small Enterprisese	**23,094.72**	15,077.43
	23,264.81	**15,282.37**

***Refer Note No. 47**

NOTE 24 : OTHER CURRENT FINANCIAL LIABILITIES

Current maturities of liability component of financial instruments	3,080.00	53.93
Current maturities of finance lease obligations	6.76	5.01
Current maturities of term loans & inter corporate loan	3,093.44	4,708.57
Interest accrued but not due on borrowings	163.74	118.12
Interest accrued and due on borrowings	1.41	0.87
Unpaid/unclaimed dividend	20.91	18.76
Payable for capital goods	288.59	232.67
Employee related liabilities	330.31	370.81
Security deposits	133.06	88.57
	7,118.22	**5,597.31**

NOTE 25 : OTHER CURRENT LIABILITIES

Deferred component of financial instruments	368.66	393.45
Statutory dues payable	753.82	772.93
Advance from customers	10,239.35	2,183.80
Others (including advance from employees for vehicles)	203.55	170.21
	11,565.38	**3,520.39**

NOTE 26 : PROVISIONS

Provision for employee benefits	146.31	104.03
	146.31	**104.03**

	For the year ended 31st March, 2019	**For the year ended 31st March, 2018**

NOTE 27 : REVENUE FROM OPERATIONS*

Sale of products	90,731.41	70,204.17
Sale of services	2,186.24	3,310.86
Other operating revenue	6,463.67	5,380.69
	99,381.32	**78,895.72**

* Refer Note No. 51 & 52

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

	For the year ended 31st March, 2019	For the year ended 31st March, 2018

NOTE 28 : OTHER INCOME

Rent	26.39	-
Interest on security & other deposits*	74.79	11.00
Profit on sale of property plant & equipment (Net)	-	18.30
Royalty	118.51	119.25
Subsidy	1,350.70	414.36
Deferred Income on deferred component of financial instruments	393.45	393.45
Miscellaneous income	290.60	124.51
	2,254.44	**1,080.87**

*In relation to financial assets classified at amortised cost	74.79	11.00

NOTE 29 : CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS

Opening inventories :		
Work in Progress (including in transit material)	7,008.29	6,616.06
Finished goods	97.59	72.66
	7,105.88	**6,688.71**
Less : Closing inventories :		
Work in Progress (including in transit material)	3,537.23	7008.29
Finished goods	90.04	97.59
	3,627.27	**7,105.88**
(Increase)/ Decrease in Finished Goods & Work in Progress	**3,478.61**	**(417.17)**

NOTE 30 : EMPLOYEE BENEFITS EXPENSE

Salaries & wages	9,886.68	8,755.00
Contribution to provident and other funds	432.30	422.33
Staff welfare expenses	374.43	392.60
	10,693.41	**9,569.92**
Less: Transferred to Project Commissioned/under Commissioning	1,278.15	1,073.68
	9,415.26	**8,496.24**

NOTE 31 : FINANCE COSTS

Interest on borrowings	3,152.53	2,555.81
Interset on liability component of financial instruments	497.80	457.37
Interest- others	99.33	74.15
Other borrowing costs	30.62	37.91
	3,780.28	**3,125.24**
Less: Transferred to Project Commissioned/under Commissioning	558.69	425.20
	3,221.59	**2,700.04**
In relation to financial liabilities classified at amortised cost	**3,650.33**	**3,013.19**

The weighted average rate for capitalisation of interest relating to general borrowings was approximately 9.32% and 9.65% for the years ended March 31, 2019 and March 31, 2018, respectively.

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

	For the year ended 31st March, 2019	For the year ended 31st March, 2018

NOTE 32 : OTHER EXPENSES

Stores consumed	1,114.18	838.51
Manufacturing expenses	2,238.53	1,196.84
Power & fuel	1,450.96	1,375.41
Packing materials consumed	340.01	397.16
Rent (including land lease rent)	182.01	142.68
Rates & taxes	94.51	98.50
Insurance	35.65	35.98
Repair & Maintenance		
- Building	48.70	43.37
- Machinery	728.25	449.37
- Others	152.31	175.92
Loss on sale of property, plant and equipment (net)	35.73	-
Provision for bad & doubtful debts	25.33	-
Freight & forwarding charges	1,254.24	1,200.55
Exchange fluctuation(Net)	22.59	0.68
Royalty	139.58	245.00
Other administrative expenses	1,249.44	1,066.21
	9,112.02	**7,266.18**
Less: Transferred to Project Commissioned/under Commissioning	283.30	70.78
	8,828.72	**7,195 .41**

NOTE 33 : INCOME TAX EXPENSE

(a) Income tax expense recognised in Statement of Profit and Loss		
Current tax in respect of the current year	1,860.18	1,033.30
Minimum Alternate Tax credit entitlement	-	(614.24)
Deferred tax in respect of the current year	714.93	1,103.21
Earlier Years	52.26	5.07
	2,627.37	**1,527.33**
(b) Income Tax Expense recognised in Other Comprehensive Income		
Income tax expense/(income) on Remeasurement of Defined Benefit Obligations	(9.58)	0.29
	(9.58)	**0.29**
	2,617.79	**1,527.62**

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows:

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Profit before tax	7,518.53	4737.66
Rate of tax		
At country's statutory income tax rate (P.Y. MAT)	34.94%	21.34%
Computed Tax expense	**2,627.28**	**1,011.09**
Tax Effect of :		
Effect of concession and other allowances	(1,968.78)	-
Effect of Disallowances and reversals	1,201.69	22.21
Current Tax Provision (A)	**1,860.18**	**1,033.30**
Minimum Alternate Tax credit entitlement (B)	**-**	**(614.24)**
Deferred Tax Expense		
Incremental Deferred Tax Liability on account of PPE and Intangible Assets	778.84	1,138.06
Incremental Deferred Tax Assets on account of Temporary Allowances/Dis-allowances under Income Tax Act, 1961	(63.91)	(34.85)
Deferred tax Expense (C)	**714.93**	**1,103.21**
Adjustments in respect of taxes earlier years (D)	**52.26**	**5.07**
Tax expenses recognised in Statement of Profit and Loss (A+B+C+D)	**2,627.37**	**1,527.33**

NOTE 34 : OTHER COMPREHENSIVE INCOME

Items that will not be reclassified to statement of profit and loss		
gains/(losses) on defined benefits plans	(27.42)	0.87
Income tax expense on gain/(loss) on defined benefits plans	9.58	(0.29)
	(17.84)	**0.57**

NOTE 35: EARNING PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares, unless the effect of potential dilutive equity share is antidilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit after tax (₹ in Lakhs)	4,891.16	3,210.33
-Weighted Average Number of Equity Shares (Outstanding During the Year)	40,795,364	40,795,364
-Face Value of share (₹)	5.00	5.00
Basic Earning per share (Amount in ₹)	11.99	7.87
Diluted Earning per share (Amount in ₹)	11.99	7.87

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 36 : CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent liabiities

(Claims against the Company not acknowledged as debts)

₹ In Lakhs

Particulars		31-Mar-19	31-Mar-18
a	Income Tax Matters	379.14	801.07
b	Excise, Custom and Service Tax Matters	1,018.21	1,062.56
c	Sales Tax and VAT Matters	6.70	6.70

Against above demands, an amount of ₹ 64.96 lakhs (P.Y. ₹ 57.42 lakhs) has been paid under dispute.
It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

B. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	31-Mar-19	31-Mar-18
Property, Plant and Equipment	842.96	718.65

C. Other Commitments

Particulars	31-Mar-19	31-Mar-18
Letter of Credit issued by bankers and outstanding	2,039.63	790.84
Bank Guarantees	30.00	-

D. Other Pending Litigation:
The Company has filed legal suit against one of the customer for recovery of dues amounting to Rs. 340.80 Lakhs(including damage charges). The matter is pending before Hon'ble commercial court at Ahmedabad. The Company expects to recover the same.

NOTE 37 : Auditor's Remuneration (Excluding Taxes)

Statutory Auditors	31-Mar-19	31-Mar-18
A) Statutory Audit Fees	14.00	14.00
B) Tax Audit Fees	7.00	7.00
C) Taxation Matters	3.00	-
D) Other Services	9.43	9.00
E) Reimbursement of expenses	3.13	1.66

NOTE 38 : Disclosure required under Section 186(4) of Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

NOTES FORMING PART OF FINANCIAL STATEMENTS

Details of Investment made by the Company are as follows:

S No	Name of Investee Company	Class of Share	No. of Shares	(₹ in Lakhs)	Stake (%) in Investee Company after considering investment made during the year
1	JBM Solaris Electric Vehicles Private Limited	Equity	7,176,657	717.67	79.89% of Equity Shares
2	JBM Ogihara Die Tech Private Limited	Equity	4,224,900	422.49	51% of Equity Shares

Details of loans given by the Company are as follows:

S No	Name of Party	Relationship	Amount (₹ in Lakhs)	Purpose
1	JBM Solaris Electric Vehicles Private Limited	Joint Venture	800.00	Business Expansion

NOTE 39 : SEGMENT INFORMATION

As per Indian Accounting Standard (Ind AS) 108 on "Operating Segment" segment information has been provided under Notes to Consolidated Financial Statements.

NOTE 40 : The expenditure incurred by in house R&D Centre approved by DSIR on scientific research during the year is as under:

₹ In Lakhs

Particular	Year Ended 31st March 2019	Year Ended 31st March 2018
Revenue Expenditure	1568.68	1,383.96
Capital Expenditure	103.63	21.03
Total	**1,672.31**	**1,404.99**

NOTE 41 : DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

Particulars		31-Mar-19	31-Mar-18
(i) Gross amount required to be spent by the Company during the year		78.20	70.37
(ii) Amount spent during the year ending on March 31, 2019:	In cash	Yet to be paid in cash	Total
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (i) above			
– Others (Skill Development Centre)*	81.20	-	81.20
(ii) Amount spent during the year ending on March 31, 2018:			
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (i) above			
– Others (Skill Development Centre)*	72.37	-	72.37

* The Company has set up Skill Development Centre to enhance employability in society thereby increasing availability of skilled personnel for the Company and society at large.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 42 : The company was allotted plot no. A-4, measuring 10 acres of land situated at P.S. Singur, Dist. Hooghly, comprised within TATA Small Car Project vendor park on lease for a period of 90 Years for manufacturing of components, spare parts, aggregates etc. vide allotment letter dated 14.05.2007 from the West Bengal Industrial Development Corporation Limited(WBIDC).The Company had paid the lease premium amounting to ₹ 150.00 lakhs on 14.05.2007 (Receipt No. 2870 dated 14.05.2007 issued by West Bengal Industrial Development Corporation Limited.) On 31.08.2016, the Hon'ble Supreme Court of India in the case of Kedar Nath Yadav Vs. State of West Bengal & Others has quashed the land acquisition by West Bengal Government from farmers. In view of above order, Supreme Court held that land allotted by WBIDC to TATA Motors and its vendors become infructuous. Subsequent to the above decisions of Supreme Court, the allotment of land to us has also become infructuous.

In view of above, further the company has transferred ₹ 156.11 Lakhs from Leasehold Land to other non current Financial Assets

NOTE 43 : DURING THE YEAR, THE FOLLOWING EXPENDITURE HAS BEEN CAPITALIZED IN OEM DIVISION:

₹ In Lakhs

Nature of expenses	Capitalized from opening CWIP	Capitalized from C Y Expenses	Total Capitalized
Manpower Cost	1,235.65 (156.40)	532.36 (162.66)	1,768.01 (319.06)
Finance Cost	249.55 -	144.34 (41.25)	393.90 (41.25)
Other Expenses	17.74 (2.49)	3.93 (0.80)	21.67 (3.29)
Total	**1,502.94 (158.89)**	**680.63 (204.71)**	**2,183.58 (363.60)**

Note: Figures in brackets represents previous year's amounts

NOTE 44 : During the Year, the Company has entered into a Joint Venture Agreement with M/s Jay Bharat Maruti Limited and M/s Ogihara (Thailand) Company Limited for setting up a new tool room . The same was duly informed to NSE and BSE vide company letter dated 12th May, 2018. The Company is holding 51% paid up equity share capital into the joint venture company (JBM Ogihara Die Tech Private Limited).

NOTE 45 : In their meeting held on 01.03.2018, the Board of Directors of the Company has approved the Scheme of Amalgamation of JBM Auto System Private Limited ("Subsidiary Company") and JBM MA Automotive Private Limited ("Associate Company") with JBM Auto Limited from appointed date 01.04.2017 subject to obtaining of necessary Regulatory Approvals. Pending such Regulatory Approvals no adjustment has been made in the above financial statements.

NOTE 46 : Claim receivable represents ₹ 1,105.00 lakhs receivable from one of the customer against the claim made for compensation, on account of loss for the underutilisation of resources due to less volume purchased by the customer.

NOTE 47 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED ACT, 2006") IS AS UNDER:

	Particulars	31-Mar-19	31-Mar-18
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	170.09	204.94
(ii)	the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
(iii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iv)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	Nil	Nil
(v)	the amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(vi)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	Nil	Nil

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 48 : Cost of material consumed has been computed by adding purchase to the opening stock and deducting closing stock verified physically by the management.

NOTE 49 : DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARE CAPITAL

Name of Shareholder	31-Mar-19		31-Mar-18	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 5 each fully paid up				
SMC Credit Limited	7,570,260	18.56	7,570,260	18.56
A to Z Securities Limited	4,190,160	10.27	4,190,160	10.27
Zeal Impex & Traders Private Limited	4,018,968	9.85	4,018,968	9.85
Amity Infotech Private Limited	4,000,000	9.81	4,000,000	9.81
JBM Builders Private Limited	3,030,832	7.43	3,030,832	7.43
Shuklamber Exports Limited	3,424,824	8.39	3,424,824	8.39
NAP Investment & Leasing Private Limited	2,274,616	5.58	2,274,616	5.58
ANS Holding Private Limited	2,058,996	5.05	2,058,996	5.05

NOTE 50 : LEASES

OPERATING LEASE : COMPANY AS LESSEE

The Company leases mainly office facilities under cancellable operating lease agreements. Minimum lease payments under operating lease are recognized on a straight line basis over the term of the lease. Rent expense for operating leases for the year ended March 31, 2019 and March 31, 2018 was ₹ 182.01 Lakhs and ₹142.68 Lakhs respectively. There are no restrictions imposed by the lease agreements and there is a sub leases and rental income from this sub lease is ₹ 26.40 Lakhs (PY ₹9.12 lakhs) There are no contingent rents. The operating lease agreements are renewable on a periodic basis. Some of these lease agreements have price escalation clause.

FINANCE LEASE: COMPANY AS LESSEE

The Company has taken land under finance leases. The following is the summary of future minimum lease rental payments under finance leases entered into by the Company:

₹ In Lakhs

Particulars	As at 31 March 2019		As at 31 March 2018	
	Minimum Lease payment	Present Value of Minimum Lease payment	Minimum Lease payment	Present Value of Minimum Lease payment
Not Later than 1 Year	6.76	6.12	6.76	6.12
Later than one year but not later than five years	27.03	19.18	27.03	19.18
Later than five years	2,235.51	73.02	2,242.27	69.79
Total minimum lease commitments	**2,269.30**	**98.32**	**2,276.06**	**95.09**
Less : Future finance charges	2,170.98		2,180.97	
	98.32		**95.09**	

There are no sub leases and no contingent rents. Certain finance lease agreements are renewable at the end of the lease period. There is price escalation clause in certain lease agreements.

NOTE 51 : EXCISE DUTY

Consequent to the introduction of Goods & Service Tax (GST) with effect from 1st July 2017 Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard -115 on Revenue and Schedule III of the Companies Act 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of revenue. Accordingly the figures for the periods upto 30th June 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding.

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	For the Year Ended 31, March 2019	For the Year Ended 31, March 2018
A Gross Sales/Income from Operations	99,381.32	78,895.72
B Excise Duty	-	2,317.60
C Gross Sales/Income from Operation excluding Excise Duty (A-B)	**99,381.32**	**76,578.12**

NOTE 52 : REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) Revenue from contracts with customers disaggregated based on nature of product or services

₹ In Lakhs

Particular	For the Year Ended 31, March 2019	For the Year Ended 31, March 2018
Revenue from Sale of Products		
Components	66,306.21	62,777.10
Tool & Dies	13,466.73	7,052.44
Buses	10,958.48	374.63
	90,731.41	**70,204.17**
Revenue from Sale of Services		
Components	331.57	364.67
Tool & Dies	780.95	1,556.48
Buses	1,073.72	1,389.71
	2,186.24	**3,310.86**
Other Operating Revenue		
Components	6,335.00	5,317.39
Tool & Dies	50.75	31.49
Buses	18.04	4.42
Others	59.87	27.39
	6,463.67	**5,380.69**
Total	**99,381.32**	**78,895.72**

(b) The table below represents summary of contract assets and liabilities relating to contracts with customers:

	As at 31 March 2019	As at 31 March 2018
Receivables	36,577.98	18,988.00
Contract assets	2,904.46	-
Contract liabilities*	2,942.12	

* included in Advance from Customers

(c) The revenue recognised in the reporting period from the contract liability outstanding at the beginning of the period is ₹ 1,001.06 lakhs.

(d) The amounts receivable from customers become due after expiry of credit period which ranges from 30 to 180 days. There is no significant financing component in any transaction with the customers.

(e) Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product in component division is satisfied at a point in time or over the period of time depending upon nature of the contract.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Revenue from Tooling Business is recognised over time by measuring progress towards satisfaction of performance obligation and it determined that the input method is the best method for measuring progress of the tooling development because there is a direct relationship between the Company's effort (i.e., costs incurred) and the transfer of tooling to the customer. The company recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Revenue from OEM Division (Sale of Buses) is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of Bus in OEM division is satisfied at a point in time or over the period of time depending upon nature of the contract.

(f) The Company provides agreed upon performance warranty for selected range of products. The amount of liability towards such warranty is immaterial.

(g) The transactions price allocated to the performance obligations relating to tool development (unsatisfied or partially satisfied) is ₹ 6,441.58 lakhs. The Company expects to recognise revenue related to unsatisfied obligation within one year from the reporting period.

(h) The Company does not have any significant adjustment between the control price and the revenue recognised in Statement of profit & loss.

(i) The Company has adopted IND AS 115 "Revenue from Contracts with Customers", with effect from April 01, 2019 using the cumulative effect method whereby the effect of applying of this standadrd is recognised at the date of initial application (i.e. April 01, 2018). Accordingly, the comparative information in the financial statements is not restated. There is an impact of ₹ 779.53 lakhs which have been credited in Retained Earnings as at April 01, 2018.

NOTE 53 : EMPLOYMENT BENEFITS

A. Defined Benefit Plans as per Ind AS 19 Employee Benefits:

Gratuity
The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. These benefits are funded.

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet.

These Plans typically expose the Company to acturial risks such as : Investment risk, Interest rate risk, Longevity risk and Salary risk.

Investment Risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest Risk : The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk : The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Disclosure of gratuity

(i) Amount recognised in the Statement of Profit and Loss is as under:

₹ In Lakhs

Description	**For the year ended 31, March 2019**	**For the year ended 31, March 2018**
Current service cost	76.37	66.40
Net interest cost	12.27	7.54
Past service cost	-	18.34
Amount recognised in the Statement of Profit and Loss	**88.64**	**92.28**

(ii) Amount recognised in Other Comprehensive Income is as under:

Description	**For the year ended 31, March 2019**	**For the year ended 31, March 2018**
Actuarial loss/(gain) recognised during the year		
- Change in demographic assumptions	9.50	-
- Change in financial assumptions	46.86	(9.28)
- Experience variance (i.e. actual experience vs assumptions)	8.75	(11.22)
Return on plan assets, excluding amount recognised in net interest expenses	(37.69)	19.64
Amount recognised in the Other Comprehensive Income	**27.42**	**(0.87)**

(iii) Movement in the Present value of Defined Benefit Obligation recognised in the Balance Sheet is as under:

Description	**As at 31, March 2019**	**As at 31, March 2018**
Present value of defined benefit obligation as at the beginning of the year	456.74	386.44
Current service cost	76.37	66.40
Interest cost	34.69	28.38
Actuarial loss/(gain) arising from :		
- change in demographic assumptions	9.50	-
- change in financial assumptions	46.86	(9.28)
- experience variance (i.e. actual experience vs assumptions)	8.75	(11.22)
Benefits paid	(37.07)	(22.32)
Past service cost	-	18.34
Present value of defined benefit obligation as at the end of the year	**595.84**	**456.74**

(iv) Movement in the plan assets recognised in the Balance Sheet is as under:

Description	**As at 31, March 2019**	**As at 31, March 2018**
Fair Value of plan assets at beginning of the year	295.20	283.72
Interest income plan assets	22.42	20.84
Actual company contributions	11.00	25.22
Return on plan assets, excluding amount recognised in net interest expense	37.69	(19.64)
Benefits paid	(27.69)	(14.94)
Fair Value of plan Assets at the end of the year	**338.62**	**295.20**

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

(v) Major categories of plan assets:

Asset Category	As at 31, March 2019	As at 31, March 2018
Insurer Managed Funds	100%	100%

(vi) Analysis of Amounts Recognised on Other Comprehensive (Income)/Loss at year end

Description	Year Ended 31, March 2019	Year Ended 31, March 2019
Amount recognized in OCI, beginning of period	(12.70)	(11.83)
Actuarial (gain)/loss on arising from change in demographic assumption	9.50	-
Actuarial (gain)/loss on arising from change in financial assumption	46.86	(9.28)
Experience variance (i.e. actual experience vs assumptions)	8.75	(11.22)
Return on plan assets (excluding interest)	(37.69)	19.64
Total remeasurements recognized in OCI	**27.42**	**(0.87)**
Amount recognized in OCI, End of Period	**14.72**	**(12.70)**

(vii) Reconciliation of Balance Sheet Amount

Particulars	As at 31, March 2019	As at 31, March 2018
Present value of obligation	595.84	456.74
Fair value of plan assets	338.63	295.20
Surplus/(deficit)	(257.21)	(161.54)
Effect of assets ceiling, if any	-	-
Net Assets/(Liability)	**(257.21)**	**(161.54)**

(viii) Current / Non-Current Bifurcation

Particulars	As at 31, March 2019	As at 31, March 2018
Current benefit obligation	90.81	58.72
Non - current benefit obligation	505.03	398.02
(Asset)/liability recognised in the Balance Sheet	**595.84**	**456.74**

(ix) Actuarial assumptions

Description	As at 31, March 2019	As at 31, March 2018
Discount rate	7.55%	7.60%
Future basic salary increase	6.00%	5.00%
Expected rate of return on plant assets	7.55%	7.60%
Mortality (% of IALM 06-08)	100.00%	100.00%
Normal retirement age	58 Years	58 Years
Attrition/withdrawal rate (per annum)	8.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

(x) Maturity Profile of Defined Benefit Obligation

Expected Cash Flow over the next (Valued on undiscounted basis)	As at 31, March 2019	As at 31, March 2018
1 year	90.81	58.72
2 to 5 years	246.83	155.40
6 to 10 years	313.17	242.59
More than 10 years	468.37	519.28

(xi) Sensitivity analysis for gratuity liability

Description	As at 31, March 2019	As at 31, March 2018
Defined Benefit Obligation (Base)	595.84	456.74
Description	**As at 31, March 2019**	**As at 31, March 2018**
Defined Benefit Obligation - change in discount rate		
- Discount rate increase by 1.00 %	558.02	422.60
- Discount rate decrease by 1.00 %	638.47	495.81
Defined Benefit Obligation - change in salary rate		
- Salary rate increase by 1.00 %	637.70	495.66
- Salary rate decrease by 1.00 %	557.87	422.15

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defind benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the Balance Sheet.

The Company is expected to contribute ₹ 350.26 lakhs to Defined Benefit Plan Obligation Funds in next year

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

B Other Long Term Benefits as per Ind AS 19 Employee Benefits:

Leave Encashment and Compensated absences (Unfunded)
The leave obligations cover the Company's liability for sick and earned leaves.

(i) Amount recognised in the Statement of Profit and Loss is as under:

Description	For the year ended 31, March 2019	For the year ended 31, March 2018
Current service cost	48.90	50.81
Interest cost	15.30	12.14
Actuarial loss/(gain) recognised during the year:		
- Change in demographic assumptions	7.38	-
- Change in financial assumptions	22.81	(4.32)
- Experience variance (i.e. actual experience vs assumptions)	65.67	41.40
Amount recognised in the Statement of Profit and Loss	**160.06**	**100.03**

NOTES FORMING PART OF FINANCIAL STATEMENTS

(ii) Movement in the liability recognised in the Balance Sheet is as under:

₹ In Lakhs

Description	As at 31, March 2019	As at 31, March 2018
Present value of defined obligation as at the beginning of the year	201.43	**165.28**
Current service cost	48.90	50.81
Interest cost	15.30	12.14
Actuarial loss/(gain) recognised during the year		
-change in demographic assumptions	7.38	-
-change in financial assumptions	22.81	(4.32)
-experience variance (i.e. actual experience vs assumptions)	65.67	41.40
Benefits paid	(92.18)	(63.89)
Present value of defined obligation as at the end of the year	**269.31**	**201.43**

(iii) Current / Non-Current Bifurcation

Particulars	As at 31, March 2019	As at 31, March 2018
Current benefit obligation	39.36	24.65
Non - current benefit obligation	229.94	176.77
(Asset)/Liability Recognised in the Balance Sheet	**269.30**	**201.43**

(iv) Sensitivity Analysis

Description	As at 31, March 2019	As at 31, March 2018
Present Value of Obligation (Base)	269.30	201.43
Description	As at 31, March 2019	As at 31, March 2018
Present Value of Obligation - change in discount rate		
- Discount rate increase by 1.00 %	251.36	185.61
- Discount rate decrease by 1.00 %	289.66	219.67
Present Value of Obligation - change in salary rate		
- Salary rate increase by 1.00 %	289.78	219.97
- Salary rate decrease by 1.00 %	250.96	185.11

(v) Actuarial assumptions

Description	As at 31, March 2019	As at 31, March 2018
Discount rate	7.55%	7.60%
Future basic salary increase	6.00%	5.00%
Normal retirement Age	58 years	58 years
Mortality (% of IALM 06-08)	100.00%	100.00%
Attrition/withdrawal rate	8.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

C. Defined Contribution and Other Plans

Contributions are made to the Provident and Other funds. The contributions are normally based upon a proportion of the employee's salary.

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

The Company has recognized the following amounts in the Statement of Profit and Loss :

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018
Employer's contribution to Provident and Pension fund*	257.24	251.07
Employer's contribution to Employee State insurance *	20.83	30.82
Employer's contribution to Labour Welfare fund*	0.93	0.86

* Included in contribution to provident & other funds under employee benefit expenses (Refer Note No - 30)

NOTE 54 : RELATED PARTY DISCLOSURES :

The list of related parties as identified by the management is as under:

Subsidiaries	- JBM Auto System Private Limited
Associates	- JBM MA Automotive Private Limited (w.e.f 01.02.2018)
Joint Ventures	- JBM Ogihara Automotive India Limited
	- JBM Solaris Electric Vehicles Private Limited
	- JBM Ogihara Die Tech Private Limited (w.e.f 05.06.2018)
	- INDO Toolings Private Limited
	- JBM MA Automotive Private Limited (upto 31.01.2018)
Key Management personnel:	- Mr. Sandip Sanyal, Executive Director
	- Mr. Vivek Gupta, CFO & Company Secretary
Post employement benefit plan of the Comany	-JBM Auto Group Gratuity Scheme Trust

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	Subsidiary		Joint Venture/ Associates		Key Manangement personnel		Gratuity Trust		Total	
Purchase of Capital Goods										
JBM MA Automotive Private Limited	-	-	108.00	-	-	-	-	-	108.00	-
Total	**-**	**-**	**108.00**	**-**	**-**	**-**	**-**	**-**	**108.00**	**-**
Sale of Goods (including Excise) #										
JBM Auto System Private Limited	1,275.98	406.37	-	-	-	-	-	-	1,275.98	406.37
JBM MA Automotive Private Limited	-	-	1,977.39	1,402.91	-	-	-	-	1,977.39	1,402.91
JBM Ogihara Automotive India Limited	-	-	-	1,103.35	-	-	-	-	-	1,103.35
JBM Solaris Electric Vehicles Private Limited	-	-	-	6.10	-	-	-	-	-	6.10
INDO Toolings Private Limited	-	-	14.69	-	-	-	-	-	14.69	-
JBM Ogihara Die Tech Private Limited			0.49	-					0.49	-
Total	**1,275.98**	**406.37**	**1,992.57**	**2,512.36**	**-**	**-**	**-**	**-**	**3,268.55**	**2,918.73**
Sale of Capital Goods (including Excise)										
JBM MA Automotive Private Limited	-	-	71.51	-	-	-	-	-	71.51	-
INDO Toolings Private Limited	-	-	3.11	-					3.11	
JBM Ogihara Automotive India Limited	-	-	-	1.34	-	-	-	-	-	1.34
JBM Solaris Electric Vehicles Private Limited	-	-	224.68	-	-	-	-	-	224.68	-
Total	**-**	**-**	**299.30**	**1.34**	**-**	**-**	**-**	**-**	**299.30**	**1.34**
Other Income										
JBM MA Automotive Private Limited	-	-	1.03	-	-	-	-	-	1.03	-
JBM Ogihara Automotive India Limited	-	-	118.51	119.25	-	-	-	-	118.51	119.25
JBM Solaris Electric Vehicles Private Limited	-	-	479.37	742.43	-	-	-	-	479.37	742.43
Total	**-**	**-**	**598.91**	**861.68**	**-**	**-**	**-**	**-**	**598.91**	**861.68**
Purchase of Goods										
JBM Auto System Private Limited	1,420.03	2,076.33	-	-	-	-	-	-	1,420.03	2,076.33
JBM MA Automotive Private Limited	-	-	775.97	249.38	-	-	-	-	775.97	249.38
JBM Ogihara Die Tech Private Limited	-	-	2.83	-	-	-	-	-	2.83	-
INDO Toolings Private Limited	-	-	1,238.23	759.15	-	-	-	-	1,238.23	759.15
Total	**1,420.03**	**2,076.33**	**2,017.03**	**1,008.53**	**-**	**-**	**-**	**-**	**3,437.06**	**3,084.86**

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	Subsidiary		Joint Venture/ Associates		Key Manangement personnel		Gratuity Trust		Total	
Other Expenses										
JBM Auto System Private Limited	-	1.30	-	-	-	-	-	-	-	1.30
JBM MA Automotive Private Limited	-	-	20.55	11.64	-	-	-	-	20.55	11.64
Total	**-**	**1.30**	**20.55**	**11.64**	**-**	**-**	**-**	**-**	**20.55**	**12.94**
Other Expenses Reimbursed										
JBM Auto System Private Limited	46.04	-	-	-	-	-	-	-	46.04	-
JBM MA Automotive Private Limited	-	-	5.36	-	-	-	-	-	5.36	-
JBM Solaris Electric Vehicles Private Limited	-	-	54.91	138.72	-	-	-	-	54.91	138.72
JBM Ogihara Die Tech Private Limited			13.09	-					13.09	-
Total	**46.04**	**-**	**73.36**	**138.72**	**-**	**-**	**-**	**-**	**119.40**	**138.72**
Other Reimbursement										
JBM Solaris Electric Vehicles Private Limited	-	-	106.59	-	-	-	-	-	106.59	-
Total	**-**	**-**	**106.59**	**-**	**-**	**-**	**-**	**-**	**106.59**	**-**
Contribution to Gratuity Trust										
JBM Auto Group Gratuity Scheme Trust	-	-	-	-	-	-	11.00	25.22	11.00	25.22
Total	**-**	**-**	**-**	**-**	**-**	**-**	**11.00**	**25.22**	**11.00**	**25.22**
Rental Income										
JBM Ogihara Die Tech Private Limited	-	-	0.85	-	-	-	-	-	0.85	-
JBM Solaris Electric Vehicles Private Limited	-	-	25.54	9.12	-	-	-	-	25.54	9.12
Total	**-**	**-**	**26.39**	**9.12**	**-**	**-**	**-**	**-**	**26.39**	**9.12**
Interest Income on Inter Corporate Loan										
JBM Solaris Electric Vehicles Private Limited	-	-	63.01	-	-	-	-	-	63.01	-
Total	**-**	**-**	**63.01**	**-**	**-**	**-**	**-**	**-**	**63.01**	**-**
Investment/Share application money given										
JBM Solaris Electric Vehicles Private Limited	-	-	477.67	720.00	-	-	-	-	477.67	720.00
JBM Ogihara Die Tech Private Limited	-	-	422.49	-	-	-	-	-	422.49	-
Total	**-**	**-**	**900.16**	**720.00**	**-**	**-**	**-**	**-**	**900.16**	**720.00**
Inter Corporate Loan Given										
JBM Solaris Electric Vehicles Private Limited	-	-	800.00	-	-	-	-	-	800.00	-
Total	**-**	**-**	**800.00**	**-**	**-**	**-**	**-**	**-**	**800.00**	**-**

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	Subsidiary		Joint Venture/ Associates		Key Manangement personnel		Gratuity Trust		Total	
Remuneration paid to KMP's and their relatives										
Mr. Vivek Gupta	-	-	-	-	44.99	34.95	-	-	44.99	34.95
Total	**-**	**-**	**-**	**-**	**44.99**	**34.95**	**-**	**-**	**44.99**	**34.95**
Receivables/(Payables)										
JBM Auto System Private Limited	(8,227.17)	(946.94)	-	-	-	-	-	-	(8,227.17)	(946.94)
JBM MA Automotive Private Limited	-	-	746.63	1,001.76	-	-	-	-	746.63	1,001.76
JBM Ogihara Automotive India Limited	-	-	103.81	229.00	-	-	-	-	103.81	229.00
JBM Solaris Electric Vehicles Private Limited	-	-	623.50	625.33	-	-	-	-	623.50	625.33
INDO Toolings Private Limited	-	-	85.32	214.18	-	-	-	-	85.32	214.18
JBM Ogihara Die Tech Private Limited	-	-	11.39	-	-	-	-	-	11.39	-
Total	**(8,227.17)**	**(946.94)**	**1,570.65**	**2,070.27**	**-**	**-**	**-**	**-**	**(6,656.51)**	**1,123.33**
Inter Corporate Loan Receivables										
JBM Solaris Electric Vehicles Private Limited	-	-	800.00	-	-	-	-	-	800.00	-
Total	**-**	**-**	**800.00**	**-**	**-**	**-**	**-**	**-**	**800.00**	**-**
Advance Recoverable										
JBM Auto Group Gratuity Scheme Trust	-	-	-	-	-	-	71.94	44.26	71.94	44.26
Total	**-**	**-**	**-**	**-**	**-**	**-**	**71.94**	**44.26**	**71.94**	**44.26**
Dividend Paid										
Mr. Vivek Gupta	-	-	-	-	0.01	0.03	-	-	0.01	0.03
Total	**-**	**-**	**-**	**-**	**0.01**	**0.03**	**-**	**-**	**0.01**	**0.03**

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Remuneration paid to KMP's and their relatives*	Mr. Vivek Gupta	
	2018-19	**2017-18**
(a) short-term employee benefits;	40.10	32.65
(b) other long-term benefits;	4.89	2.30
Total	**44.99**	**34.95**

* Remuneration paid to KMP's does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

Terms and conditions of transactions with related parties

The sales to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year - end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Consequent to the indroduction of Goods & Service Tax (GST) with effect from 1st July 2017 Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard -115 on Revenue and Schedule III of the Companies Act 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of revenue. Accordingly the figures for the periods upto 30th June 2017 are not strictly relatable to those thereafter.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 55 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.These include recognition and measurement of financial instruments, estimates of useful lives and residual value of property, plant and equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

(i) Land on finance lease – Company as lessee

The Company has obtained various lands from the Government for purpose of plants and manufacturing facilities. These lands are having various tenures, generally 90 years and at the end of lease term, the lease could be extended for another term or the land could be returned to the Government Authority. The Company has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, annual rental, transfer / retention of significant risks and rewards of ownership of land determined the lease as finance leases and accordingly accounted the same in the financial statements.

(ii) Operating lease commitments – Company as lessor

The Company has entered into sub leasing arrangements wherein the Company is receiving lease rental income. The Company has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, lease rental income, fair value of the land, transfer /retention of significant risks and rewards of ownership of land determined the lease as operating leases.

(iii) Operating lease commitments – Company as lessee

The Company has entered into leasing arrangements wherein the Company is required to pay monthly lease rentals. The Company has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, lease rental income, fair value of the land, transfer / retention of significant risks and rewards of ownership of land determined the lease as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Gratuity benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates. Further details about the assumptions used, including a sensitivity analysis, are given in **Note no. 53** .

NOTES FORMING PART OF FINANCIAL STATEMENTS

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Company's past history and other factors at the end of each reporting period.

(iv) Estimates related to useful life of Property, Plant and Equipments and Intangible Assets :

Depreciation on property plant and equipment is calculated on a straight-line basis over the useful lives estimated by the management. These rates are in line with the lives prescribed under Schedule II of the Companies Act, 2013.

The management has re-estimated useful lives and residual values of its assets. The management based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment & intangible assets.

(v) Impairment of Assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

(vi) Contingent liabilities

The contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company evaluates the obligation through Probable, Possible or Remote model ('PPR'). In making the evaluation for PPR, the Company take into consideration the Industry perspective, legal and technical view, availability of documentation/agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The Company provides the liability in the books for probable cases, while possible cases are shown as contingent liability. The remotes cases are not disclosed in the financial statements.

(vii) Taxes

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit and Loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 56: FINANCIAL INSTRUMENTS

A. Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, opitimisation of working capital requirements and deployment of surplus funds into various investment options.

'The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, loans and borrowings less cash and cash equivalents.

₹ In Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Net debt	41,677.85	35,428.69
Total equity	25,823.61	21,154.38
Net debt to equity ratio(times)	**1.61**	**1.67**

B. Fair value measurements

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants.

C. Categories of financial instruments

₹ In Lakhs

	As at 31 March 2019		As at 31 March 2018	
Particulars	**Carrying Value**	**Fair Value**	**Carrying Value**	**Fair Value**
Financial assests measured at amortised cost*				
Loans	1,092.44	1,092.44	200.89	200.89
Other Non current financial assets	156.11	156.11	240.00	240.00
Trade Receivables	36,577.98	36,577.98	18,988.00	18,988.00
Cash and cash equivalents	25.49	25.49	51.30	51.30
Other Bank Balances	50.60	50.60	46.73	46.73
Other current financial assests	1,300.90	1,300.90	1,294.28	1,294.28
Total financial assets measured at amortized cost - (i)	**39,203.52**	**39,203.52**	**20,821.20**	**20,821.20**

*Does not include investments in subsidiary, Joint ventures and Associate which are carried at cost in accordance with Ind AS 27 "Separate Financial Statements"

NOTES FORMING PART OF FINANCIAL STATEMENTS

Financial liabilities measured at amortised cost

₹ In Lakhs

	As at 31 March 2019		As at 31 March 2018	
Non current borrowings*	19,406.26	19,406.26	20,026.47	20,026.47
Other non-current financial liabilities	498.65	498.65	-	-
Current borrowings	22,297.08	22,297.08	15,453.51	15,453.51
Trade payables	23,264.81	23,264.81	15,282.37	15,282.37
Other current financial liabilities	938.03	938.03	829.80	829.80
Total financial liabilities measured at amortised cost	**66,404.84**	**66,404.84**	**51,592.15**	**51,592.15**

*including current maturities of non current borrowings

Carring value of loans, other financial assets, trade receivables, cash and cash equivalents, other bank balances, Borrowings ,other financial liabilities , trade payables are considered to be same as their fair value.

There have been no transfer among levels during the year

D. Financial risk management

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

D.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

a) Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and foreign currency loans and borrowings (Foreign currency buyer's credit).

Foreign Currency Exposure that have not been hedged by derivative Instrument are given below.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Liabilities/Assets	Foreign Currency (In Lakhs)		INR Equivalent (In Lakhs)	
	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
Liabilities				
USD	18.40	8.21	1,272.52	535.96
JPY	41.67	249.52	26.05	154.22
SEK	1.70	2.45	12.69	18.45
EURO	0.30	0.18	23.59	14.51
Assets				
USD	4.22	4.17	291.94	271.43
Euro	4.39	4.23	340.81	340.92
JPY	-	22.98	-	13.07
CNY	0.29	-	2.95	-

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, SEK,CNY and JPY exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

Impact on Profit / (loss) for the year for a 5% change:

₹ In Lakhs

Particulars	Depreciation in INR		Appreciation in INR	
Payables	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
USD /INR	(63.63)	(26.80)	63.63	26.80
JPY/INR	(1.30)	(7.71)	1.30	7.71
SEK/INR	(0.63)	(0.92)	0.63	0.92
EURO/INR	(1.18)	(0.73)	1.18	0.73

Particulars	Depreciation in INR		Appreciation in INR	
Receivables	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
USD /INR	14.60	13.57	(14.60)	(13.57)
EURO/INR	17.04	17.05	(17.04)	(17.05)
JPY/INR	-	0.65	-	(0.65)
CNY/INR	0.15	-	(0.15)	-

b) Interest rate risk management

The Company is exposed to interest rate risk because Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The Company's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Impact on Profit / (loss) for the year for a 50 basis point change:

₹ In Lakhs

	Increase/decrease in basis points	Effect on profit before tax
As at 31, March 2019		
Borrowings	+50	(177.92)
Borrowings	-50	177.92
As at 31, March 2018		
Borrowings	+50	(139.82)
Borrowings	-50	139.82

D.2 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

D.3 Liquidity risk management

Liquidity risk refers to the risk that the Company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of non-current borrowings, current borrowings and trade payables etc. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 1 year	1 to 5 years	more than 5 years	Total
Year ended 31-Mar-19				
Non current borrowings*	6,180.20	14,148.72	2,235.51	22,564.43
Other Non Current Financial Liability	-	498.65	-	498.65
Current borrowings	22,297.08	-	-	22,297.08
Trade payables	23,264.81	-	-	23,264.81
Other financial liabilities	938.03	-	-	938.03
	52,680.12	**14,647.38**	**2,235.51**	**69,563.01**
Year ended 31-Mar-18				
Non current borrowings*	4,795.33	16,654.82	2,242.27	23,692.43
Current borrowings	15,453.51	-	-	15,453.51
Trade payables	15,282.37	-	-	15,282.37
Other financial liabilities	829.80	-	-	829.80
	36,361.01	**16,654.82**	**2,242.27**	**55,258.11**

NOTES FORMING PART OF FINANCIAL STATEMENTS

* including current maturities of non current borrowings on contractual undiscounted payments

NOTE 57 : EVENTS AFTER THE REPORTING PERIOD

There are no reportable events that ocurred after the end of the reporting period.

NOTE 58 : AMENDMENTS TO STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED BY THE COMPANY

Ind AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases,and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months,unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements of the amendment and its effect on the financial Statements.

Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.
Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

The accompanying Notes are forming part of these financial statements.

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : Gurugram (Haryana)
Dated : 28th May, 2019

For and on behalf of Board of Directors
JBM Auto Limited

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JBM AUTO LIMITED

Report on the Audit of Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **JBM AUTO LIMITED** (hereinafter referred to as "the Parent") and its Subsidiary (the Parent and its Subsidiary together referred to as "the Group"), its Associate and Joint Ventures which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and the notes to the Consolidated Ind AS Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (the Ind AS) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Associate and Joint Ventures as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group and its Associate and Joint Ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Revenue Recognition in terms of Ind AS 115 "Revenue from Contracts with Customers" This is a newly applicable Accounting Standard on Revenue which prescribes five steps revenue recognition model which involves identifying the contract with the customer, identifying the separate performance obligations in the contract, determining the transaction price, allocating the transaction price to the separate performance obligations and recognizing revenue over the period of time / at a point in time depending upon how the entity satisfies its performance obligations. Refer Note No. 28 to the Consolidated Ind AS Financial Statements.	Our audit procedures included considering the appropriateness of the Group's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. Selected a sample of contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and satisfaction of performance obligations. We performed following substantive procedures over revenue recognition with specific focus on whether there is single performance obligation or multiple performance obligations in the contract and whether the performance obligation is being satisfied over the period of time or at a point in time: Read, analysed and identified the distinct performance obligations in these contracts. Compared these performance obligations with that identified and recorded by the Group. Considered the terms of the contracts to verify the transaction price used to allocate to separate performance obligations. Checked whether the performance obligation is being satisfied over the period of time or at a point in time. Performed analytical procedures for reasonableness of revenues disclosed.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Ind AS Financial Statements and our Auditor's Report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associate and Joint Ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Companies included in the Group and of its Associate and Joint Ventures are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Associate and Joint Ventures 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS 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 Ind AS Financial Statements by the Directors of the Parent Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the Companies included in the Group and of its Associate and Joint Ventures are responsible for assessing the ability of the Group and of its Associate and Joint Ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its Associate and Joint Ventures are also responsible for overseeing the financial reporting process of the Group and of its Associate and Joint Ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group, its Associate and its Joint Ventures companies which are companies incorporated in India, has adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of its Associate and Joint Ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its Associate and its Joint Ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and of its Associate and Joint Ventures to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS Financial Statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the Independent Auditors. For the other entities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The Consolidated Ind AS Financial Statements include the Group's share of net profit of Rs. 858.23 Lakhs for the year ended 31st March, 2019 and total comprehensive income of Rs. 847.47 Lakhs for the year ended 31st March 2019 as considered in the Consolidated Ind AS Financial Statements, in respect of one Associate and three Joint Ventures, whose financial statements / financial information have not been audited by us. 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 Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Associate and Joint Ventures , and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid Associate and Joint Ventures , is based solely on the reports of the other auditors.

Our opinion on the Consolidated Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 Ind AS Financial Statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

   d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent Company as on 31 March 2019 taken on record by the Board of Directors of the parent Company and the reports of the statutory auditors of its Subsidiary Company, Associate Company and Joint Venture Companies incorporated in India, none of the directors of the Group Companies, its Associate Company and Joint Venture Companies incorporated in India is disqualified as on 31 March 2019 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

Based on our Audit and on the consideration of the reports of the other auditors on separate financial statements of Associate and Joint Ventures, we report that the remuneration paid by the Subsidiary Company and one Associate Company during the year is in accordance with the provisions of section 197 of the Act. Further, we report that the Parent Company and four Joint Venture companies have not paid any managerial remuneration during the year.

h) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the Associate and Joint Ventures, as noted in the 'Other matter' paragraph:

(i) The Consolidated Ind AS Financial Statements disclose impact of pending litigations on the consolidated financial position of the Group and of its Associate and Joint Ventures- Refer Note No. 38 of the Consolidated Ind AS Financial Statements.

(ii) The Group and its Associate and Joint Venture Companies did not have any material foreseeable losses on long term contracts including derivative contracts.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company, its Subsidiary Company, Associate Company and of its Joint Venture companies incorporated in India.

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No: 002816N

Sudhir Chhabra
Partner
Membership No. 083762

Place: Gurugram
Date: May 28, 2019

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON CONSOLIDATED IND AS FINANCIAL STATEMENTS OF JBM AUTO LIMITED

(This is the annexure referred to in Para 1(f) of 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

Report on the Internal Financial Controls over Financial Reporting 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 Ind AS Financial Statements of the Company as of and for the year ended 31st March, 2019, we have audited the internal financial controls over financial reporting of **JBM AUTO LIMITED** (hereinafter referred to as "the Parent Company"), and its Subsidiary Company, its Associate Company and Joint Venture 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 Parent Company, its Subsidiary Company, its Associate Company and Joint Venture 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 respective Companies 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its Subsidiary Company, its Associate Company and its Joint Venture Companies, which are companies incorporated in India, 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 the 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 audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its Subsidiary Company, its Associate Company and its Joint Venture Companies, which are companies incorporated in India.

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 and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent Company, its Subsidiary Company, its Associate Company and Joint Venture 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, 2019, based on the internal control over financial reporting criteria established by the respective Companies 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.

Other Matters

Our aforesaid report 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 one Associate and three Joint Venture companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not qualified in respect of this matter.

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No: 002816N

Sudhir Chhabra
Partner
Membership No. 083762

Place: Gurugram
Date: May 28, 2019

CIN L74899DL1996PLC083073

Consolidated Balance Sheet as at 31st March, 2019

₹ In Lakhs

		Note No.	As at 31st March, 2019	As at 31st March, 2018
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	3(a)	51,509.13	50,674.79
	(b) Capital work in progress		3,402.02	2,215.52
	(c) Intangible assets	3(b)	8,086.12	5,109.48
	(d) Intangible assets under development		2,711.44	4,114.34
	(e) Investments accounted for using equity method	5(a)	9,701.21	7,715.01
	(f) Financial assets			
	(i) Investments	5(b)	1,300.42	1,354.96
	(ii) Loans	6	1,327.47	527.05
	(iii) Other non current financial assets	7	156.11	240.00
	(g) Other non-current assets	8	1,005.76	1,532.33
			79,199.68	**73,483.46**
	Current assets			
	(a) Inventories	9	23,110.67	23,518.19
	(b) Financial assets			
	(i) Trade receivables	10	50,171.92	35,497.06
	(ii) Cash and cash equivalents	11	1,061.45	192.43
	(iii) Other bank balances	12	51.50	55.85
	(iv) Loans	13	300.00	-
	(v) Other current financial assets	14	1,382.44	1,308.01
	(c) Other current assets	15	8,078.11	9,312.85
			84,156.09	**69,884.40**
	Assets held for sale	54	-	110.93
	Total Assets		**163,355.77**	**143,478.79**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	16	2,039.77	2,039.77
	(b) Other equity	17(a)	47,692.86	39,695.83
	(i) Equity attributable to the owners of the company		49,732.63	41,735.60
	(ii) Non-controlling interests	17(b)	8,201.12	7,336.55
			57,933.75	**49,072.15**

₹ In Lakhs

	Note No.	As at 31st March, 2019	As at 31st March, 2018
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	18	17,930.92	22,529.40
(ii) Other non current financial liabilities	19	498.65	-
(b) Provisions	20	702.21	502.99
(c) Deferred tax liability (net)	21	4,560.35	3,573.39
(d) Other non-current liabilities	22	378.65	726.50
		24,070.78	**27,332.28**
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	23	35,768.12	27,564.26
(ii) Trade payables	24		
Total Outstanding Dues to Micro and Small Enterprises		236.44	401.62
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		31,962.91	25,287.24
(iii) Other current financial liabilities	25	10,095.92	8,547.82
(b) Other current liabilities	26	2,818.76	4,712.67
(c) Provisions	27	230.15	177.00
(d) Current tax Liability (net)		238.94	383.74
		81,351.24	**67,074.36**
Total Equity and Liabilities		**163,355.77**	**143,478.79**

Significant Accounting Policies 2

The accompanying Notes are forming part of these financial statements

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : Gurugram (Haryana)
Dated : 28th May, 2019

For and on behalf of Board of Directors
JBM Auto Limited

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

CIN L74899DL1996PLC083073

Consolidated Statement of Profit and Loss for the year ended 31st March,2019

₹ In Lakhs

		Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I.	Revenue from operations	28	178,643.25	168,701.32
II.	Other income	29	2,352.11	1,090.22
III.	**Total Income (I+II)**		**180,995.36**	**169,791.54**
IV	**Expenses**			
	Cost of materials consumed	47	123,060.11	113,839.59
	Changes in inventories of finished goods and work in progress	30	3,596.67	69.26
	Excise duty	50	-	5,413.49
	Employee benefits expense	31	17,133.19	16,549.70
	Finance costs	32	4,875.86	4,857.89
	Depreciation and amortization expense	4	5,825.14	5,556.89
	Other expenses	33	13,813.99	12,461.76
	Total Expenses		**168,304.96**	**158,748.57**
V.	**Profit before share of Joint Ventures/ Associates and tax (III-IV)**		**12,690.40**	**11,042.98**
VI.	**Add : Share of Profit of Joint Ventures/Associates**		**1,294.93**	**1,344.87**
VII.	**Profit before tax (V+VI)**		**13,985.33**	**12,387.85**
VIII.	**Tax Expense**	34		
	(1) Current year		4,007.08	3,698.46
	(2) Deferred tax		867.19	569.33
	(3) Earlier years		12.14	6.74
			4,886.41	**4,274.54**
IX.	**Profit after tax for the year (VII-VIII)**		**9,098.92**	**8,113.31**
X.	**Other comprehensive income**	35		
	Items that will not to be reclassified to Statement of Profit and Loss :			
	(i) gains/(losses) on defined benefits plans		(73.61)	5.14
	(ii) Income tax expense on gain/(loss) on defined benefit plans		25.23	(1.71)
	Total Other Comprehensive Income		**(48.38)**	**3.43**
XI.	**Total Comprehensive Income (IX +X)**		**9,050.53**	**8,116.75**
XII.	**Profit for the year attributable to:**			
	Owners of the Company		8,229.19	7,046.61
	Non Controlling interest		869.73	1,066.70

₹ In Lakhs

		Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
XIII.	**Other comprehensive income for the year attributable to:**			
	Owners of the Company		(43.22)	4.00
	Non Controlling interest		(5.17)	(0.57)
XIV.	**Total Comprehensive Income for the year attributable to:**			
	Owners of the Company		8,185.97	7,050.62
	Non Controlling interest		864.56	1066.13
XV.	**Earnings per equity share: (face value of ₹ 5/- each)**	36		
	(1) Basic		20.17	17.27
	(2) Diluted		20.17	17.27

Significant Accounting Policies 2

The accompanying Notes are forming part of these financial statements

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : Gurugram (Haryana)
Dated : 28th May, 2019

For and on behalf of Board of Directors
JBM Auto Limited

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

CIN L74899DL1996PLC083073

Consolidated Statement of Changes in Equity for the year ended 31st March 2019

A Equity Share capital

₹ In Lakhs

	Balance as at 01st April 2017	Changes in equity share capital during the year	Balance as at 31st March 2018	Changes in equity share capital during the year	Balance as at 31st March 2019
Equity share capital	2,039.77	-	2,039.77	-	2,039.77

B Other Equity

	General Reserve	Capital Reserve on consolidation	Retained Earnings	Total attributable to the owners of the Company	Non-controlling interests
Balance as at 01.04.2017	**2,507.27**	**1,161.06**	**29,954.13**	**33,622.46**	**6,270.43**
Profit for the year	-	-	7,046.61	7,046.61	1,066.70
Previous year adjustments	-	-	4.76	4.76	-
Other comprehensive income/(loss) for the year	-	-	4.00	4.00	(0.57)
Dividends distributed during the year (including CDT)	-	-	(982.01)	(982.01)	-
Balance as at 31.03.2018	**2,507.27**	**1,161.06**	**36,027.50**	**39,695.83**	**7,336.55**
Profit for the year	-	-	8,229.19	8,229.19	869.73
Other adjustments#	-	-	15.15	15.15	-
Other comprehensive income/(loss) for the year			(43.22)	(43.22)	(5.17)
Impact on account of adoption of Ind AS 115	-	-	779.53	779.53	-
Dividends distributed during the year (including CDT)	-	-	(983.62)	(983.62)	-
Balance as at 31.03.2019	**2,507.27**	**1,161.06**	**44,024.53**	**47,692.86**	**8,201.12**

Other adjustment includes ₹ 4.21 lakhs relates to previous year tax of joint venture company and ₹ 10.94 lakhs for government grant related to transition period, received by joint venture company.

The accompanying Notes are forming part of these financial statements

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : Gurugram (Haryana)
Dated : 28th May, 2019

For and on behalf of Board of Directors
JBM Auto Limited

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

CIN L74899DL1996PLC083073

Consolidated Cash Flow Statement for the year ended 31st March 2019

₹ In Lakhs

		For the year ended 31st March 2019		For the year ended 31st March 2018	
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Profit before tax		**13,985.33**		12,387.85
	Adjustments for :				
	Depreciation and amortization expense	5,825.14		5,556.89	
	Unrealised exchange loss/(Gain) (net)	96.18		(2.69)	
	Finance costs	4,875.86		4,857.89	
	Interest income	(121.26)		(20.32)	
	Share in Profit of Joint Ventures/Associate	(1,294.93)		(1,344.87)	
	Previous year adjustment in profits of subsidiary and joint ventures	-		4.76	
	(Profit)/Loss on sale of property plant and equipment (net)	56.10		(15.17)	
	Deferred Income on deferred component of financial instrument	(393.45)		(393.45)	
	Rental income	(26.40)		-	
	Bad Debts/ Provision for doubtful debts	25.33		-	
			9042.58		8,643.02
	Operating profit before working capital changes		**23,027.91**		**21,030.87**
	Adjustments for :				
	Trade and other receivables	(10,687.38)		(5,230.20)	
	Inventories	(1,616.23)		(1,951.23)	
	Trade and other liabilities	4,805.89	(7,497.72)	(4,097.34)	(11,278.77)
	Cash generated from operations		15,530.19		9,752.10
	Direct taxes paid (net)	(3,636.46)	(3,636.46)	(2,828.10)	(2,828.10)
	Net Cash flow from Operating Activities		**11,893.73**		**6,924.00**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of property, plant and equipment and intangible assets (including CWIP and intangible assets under development)	(8,957.31)		(5,480.34)	
	Proceeds from sale of property, plant & equipment	364.97		67.45	
	Loans given	(1,100.00)		-	
	Interest received	121.26		20.32	
	Rental income	26.40		-	
	Purchase of non-current investements (including share application money)	(900.58)		(755.47)	
	Proceeds from sale of investements	54.96		-	
	Net Cash used in Investing Activities		**(10,390.31)**		**(6,148.03)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Repayment of non current borrowings	(8,446.53)		(6,778.28)	
	Proceeds from non current borrowings	5,000.00		11,258.79	
	Increase/(Decrease) in current borrowings (net)	8,203.85		179.52	
	Finance cost paid	(4,408.10)		(4,469.90)	
	Dividend paid (including CDT)	(983.62)		(982.01)	
	Net Cash used in Financing Activities		**(634.40)**		**(791.87)**

₹ In Lakhs

		For the year ended 31st March 2019		For the year ended 31st March 2018	
	Net Increase/(Decrease) in Cash and cash equivalents		**869.02**		(15.90)
	Cash and cash equivalents at the beginning of the year (Refer Note No. 11)		**192.43**		208.34
	Cash and cash equivalents at the end of the year (Refer Note No. 11)		**1,061.45**		192.43

Notes:

1. The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard - 7 on "Cash Flow Statement".
2. Trade and other receivables includes loans and advances.
3. The previous year figures have been regrouped/rearranged whereever considered necessary.

4. IND AS 7 cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the requirement following disclosure is made:

₹ In Lakhs

	As at 01st April 2018	Cash flows	Acquisition/Foreign exchange movement/ Fair value changes	As at 31st March 2019
Borrowings- Non Current	29,607.10	(3,446.53)	417.79	26,578.37
Borrowings- Current	27,564.26	8,203.85	-	35,768.12
Lease liabilities	95.09	(6.76)	9.99	98.32
	57,266.46	**4750.56**	**427.48**	**62,444.81**

5. Figures in bracket represents cash outflow

The accompanying Notes are forming part of these financial statements

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

Sudhir Chhabra
Partner
M.No. 083762

Place : Gurugram (Haryana)
Dated : 28th May, 2019

For and on behalf of Board of Directors
JBM Auto Limited

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

General Information

JBM Auto Limited (the "Company") is a public limited company incorporated under the Indian Companies Act 1956 having its registered office at 601, Hemkunt chambers, 89, Nehru place, New Delhi. The Company is engaged in the automotive business that manufactures and sells sheet metal components, tools dies & moulds and buses including sale of spare parts, accessories & maintenance contract of buses. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorize for issue on May 28, 2019.

1. Basis of preparation and presentation

1.1 Statement of Compliance

The Consolidated Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

1.2 Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

All assets and liabilities have been classified as current or non-current according to the group's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the group has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

1.3 Basis of Consolidation and Equity Accounting

The Consolidated Financial Statements have been prepared in accordance with Ind AS 103-"Business Combinations", Ind AS 110 "Consolidated Financial Statements", Ind AS 111 "Joint Arrangements", Ind AS 112 "Disclosure of Interests in Other Entities", Ind AS 28 "Investments In Associates and Joint Ventures" and other accounting pronouncements of the Institute of Chartered Accountants of India.
The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the JBM Auto Limited i.e. year ended March 31, 2019.

The Consolidated Ind AS 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 Standalone Ind AS Financial Statements. Accounting policies of consolidated companies have been changed where necessary to ensure consistency with the policies adopted by the group.

The amounts shown in respect of Other Equity comprise the amount of the relevant reserves as per the Balance Sheet of the Parent Company and its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has right to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control cease.

The Company combines the financial statements of its Subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gain/loss on transactions between group companies are eliminated.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Excess of purchase consideration and the acquisition date non-controlling interest over the acquisition date fair value of identifiable assets acquired and liabilities assumed is recognised as Goodwill. Goodwill arising on acquisitions is reviewed for impairment annually. Where the fair values of the identifiable assets and liabilities exceed the cost of acquisition, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Change in Equity and Consolidated Balance Sheet respectively.

Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.
Interests in joint ventures are accounted for using the equity method of accounting, after initially being recognized at cost in the consolidated balance sheet.

Associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost in the consolidated balance sheet.

Equity Method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable are recognized as a reduction in the carrying amount of the investments.

When the Company's share of losses in equity accounted investments equals or exceeds its interests in the entity, including any other unsecured long term receivables, the group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gain on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interests in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments is tested for impairment.

Changes in Ownership Interests

The group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received in recognized within equity.

When the group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

Particulars of Subsidiary, Joint Ventures and Associate consolidated

S. No.	Name of the Company	Relationship	Country of Incorporation	% Holding as on 31 March 2019
Subsidiary				
1.	JBM Auto System Private Limited	Subsidiary	India	73.89
Joint Ventures				
1.	JBM Ogihara Automotive India Limited	Joint Venture	India	51.00
2.	JBM Ogihara Die Tech Private Limited	Joint Venture	India	51.00
3.	JBM Solaris Electric Vehicles Private Limited	Joint Venture	India	79.89
4.	INDO Toolings Private Limited	Joint Venture	India	50.00
Associate				
1.	JBM MA Automotive Private Limited	Associate	India	50.00

2. Significant Accounting policies

2.1 Use of Estimates and Judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

2.2 Revenue Recognition

The Group has adopted Ind AS 115 "Revenue from Contracts with Customers", with effect from April 01, 2018 using the cumulative effect method whereby the effect of applying this standard is recognized at the date of initial application (i.e. April 01, 2018). Accordingly, the comparative information in the Financial Statements is not restated.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty upto 30th June, 2017 and net of returns, cash discount, trade allowances, sales incentives and value added taxes. The Group recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below.

Sale of Products

Revenue from contracts with customers is recognized on transfer of control of promised goods to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services.

Sale of Services

Revenue from services are recognized as related services are performed.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:
1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Dividend and interest income

Dividend income from investments is recognized when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. For all Financial instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). Interest income is included in other income in the Statement of Profit and Loss. Interest income in respect of financial instruments measured at fair value through profit or loss is included in other income.

Royalty Income

Revenue from royalty is recognised on an accrual basis in accordance with the substance of the relevant arrangement.

2.3 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the group's policy on borrowing costs.

Rental expense on operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

The Group as a lessor

Leases in which the company does not transfer substantially all the risks and the rewards of ownership of an assets are classified as operating lease. Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease.

2.4 Foreign Currencies

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in Other Comprehensive Income or the Statement of Profit and Loss is also recognised in Other Comprehensive Income or the Statement of Profit and Loss respectively).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

2.5 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.Where the funds used to finance a qualifying asset form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the group during the year.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest, which is computed as per effective interest method, and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.6 Employee Benefits

Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Post-employment obligations

Defined benefit plans

The group has defined benefit plans namely gratuity fund for employees. The gratuity fund is recognised by the income tax authorities and is administered through Trust set up by the Group. Any shortfall in the size of the fund maintained by the Trust is additionally provided for in profit or loss.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Defined contribution plans

The group has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner and Superannuation Fund. The group's contribution is charged to revenue every year. The group has no further payment obligations once the contributions have been paid. The group's contribution to State Plans namely Employees' State Insurance Fund Scheme and Labour Welfare Fund are charged to the Statement of Profit and Loss every year.

Termination Benefits

A liability for the termination benefit is recognised when the group can no longer withdraw the offer of the termination benefit.

2.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

2.8 Property, Plant and Equipment (PPE)

Property, Plant and Equipment (PPE) are stated at cost of acquisition, net of accumulated depreciation and accumulated impairment losses, if any. The cost of tangible asset includes purchase cost (net of rebates and discounts) including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use. Freehold land is measured at cost and is not depreciated.

Interest cost incurred on qualifying asset is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to the Statement of Profit and Loss during the reporting period in which they have incurred.

Transition to IND AS

On transition to Ind AS, the Group had elected to continue with the carrying value of its property, plant and equipment recognised as at April 01, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is ready to use to allocate their cost, net of their residual values, over their estimated useful lives of the assets as prescribed in Schedule II of the companies Act, 2013 except in respect of the following assets where estimated useful life is determined as per management's estimate based on technical advice which considered the nature of assets, the usage of asset, expected physical wear & tear:

Property, plant and equipment	Useful lives based on technical evaluation
Plant & equipment and Electric Installation	20 years
Pallets, Tools & Dies	8 years
Finance Leasehold land	Over the remaining period of leasehold from the date of commissioning of plant

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

2.9 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost of acquisition and are stated net of accumulated amortization and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Internally generated intangible assets

Research costs are charged to the Statement of Profit and Loss in the year in which they are incurred. Product development costs incurred on new vehicle platform and new products are recognized as intangible assets, when feasibility has been established, the group has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future economic benefits.

The costs capitalized include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use.

Interest cost incurred on qualifying asset is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other term borrowings if no specific borrowings have been incurred for the asset.

Capitalized development expenditure is measured at cost less accumulated amortization and accumulated impairment, if any.

Transition to IND AS

On transition to Ind AS, the Group had elected to continue with the carrying value of its intangible assests recognised as at April 01, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Amortisation methods and useful lives

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life. 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 amortised as follows:-

Residual Value is considered as Nil in the below cases:

Nature of Assets	Life
Technical knowhow	5 years
License fees, design, technical know-how & prototype related to OEM division	10 years
Computer software	3 years

The amortisation period and method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Impairment of tangible and intangible Assets

At the end of each reporting period, the group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2.10 Inventories

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

Raw Material is recorded at cost on a weighted average cost formula;
Stores & spares are recorded at cost on a weighted average cost formula.
Finished goods and work-in-process are valued at raw material cost plus cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.
By products and scrap are valued at net realizable value.

Machinery spares (other than those qualified to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.11 Provisions and contingencies

Provisions

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are determined based on best management estimate required to settle the obligation at balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

Contingent asset being a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group, is not recognized but disclosed in the financial statements.

2.12 Business Combinations

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interests method.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

(i) Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets.

(ii) Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the objective of the group's business model is to hold the financial asset to collect the contractual cash flows.

- Cash flow characteristic test: the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test: the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss

(iii) Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the group can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

(iv) Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on Remeasurement recognised in profit or loss.

(v) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

(vi) Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and balances with bank and short term highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft is shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

(vii) Impairment of financial assets

The group assesses impairment based on expected credit losses (ECL) model to the following:
- financial assets measured at amortised cost
- financial assets measured at fair value through other comprehensive income

Expected credit loss is measured through a loss allowance at an amount equal to:

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the group always measures the loss allowance at an amount equal to lifetime expected credit losses.

(viii) Derecognition of financial assets

A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.
- The right to receive cash flows from the asset has expired.

(ix) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

Financial liabilities and equity instruments

(x) Classification of debt or equity

Debt or equity instruments issued by the group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(xi) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

(xii) Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through Statement of Profit and Loss.

(xiii) Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the group prior to the end of financial year which are unpaid.

(xiv) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss.

(xv) Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in Statement of Profit and Loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(xvi) Derecognition of financial liabilities

The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or have expired.

(xvii) Derivative Financial Instruments

The group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on nature of the hedging relationship and the nature of the hedged item.

(xviii) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

2.14 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

2.15 Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the result is anti-dilutive.

2.16 Government Grants & Subsidies

Government Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions. Government grants are recognised in profit or loss on a systematic basis over the periods in which the group recognises as expenses the related costs for which the grants are intended to compensate.

2.17 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

2.18 Royalty

The group pays/accrues for royalty in accordance with the relevant license agreements.
The lump-sum royalty incurred towards obtaining technical assistance/technical know-how and engineering support to manufacture a new model is recognized as an intangible asset. Royalty payable on sale of products i.e. running royalty is charged to Statement of Profit and loss as and when incurred.

2.19 Assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

2.20 Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II) of the Companies Act 2013, unless otherwise stated.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3(a): PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

								Asset taken on finance lease		
Particulars	**Freehold Land**	**Buildings**	**Plant and Equipment**	**Furniture and Fixtures**	**Vehicles**	**Office Equipment (including computer system)**	**Total (A)**	**Leasehold land**	**Total (B)**	**TOTAL (A+B)**
Gross Block										
As at April 01, 2017	**254.93**	**14,017.13**	**36,695.69**	**170.69**	**245.08**	**635.31**	**52,018.84**	**5,166.47**	**5,166.47**	**57,185.31**
Additions	-	71.82	870.62	8.00	161.83	114.11	1,226.38	1,253.27	1,253.27	2,479.65
Disposals	-	-	(44.49)	-	(18.59)	(3.96)	(67.04)	-	-	(67.04)
As at March 31, 2018	**254.93**	**14,088.94**	**37,521.82**	**178.69**	**388.33**	**745.47**	**53,178.17**	**6,419.75**	**6,419.75**	**59,597.92**
Additions	118.34	839.37	4,805.50	49.63	131.83	94.89	6,039.57	-	-	6,039.57
Disposals	-	-	(442.51)	-	(14.13)	(1.31)	(457.94)	-	-	(457.94)
-Others (Refere note 2 below)	-	-	-	-	-	-	-	(156.11)	(156.11)	(156.11)
As at March 31, 2019	**373.27**	**14,928.31**	**41,884.81**	**228.32**	**506.04**	**839.05**	**58,759.80**	**6,263.64**	**6,263.64**	**65,023.44**
Accumulated Depreciation										
As at April 01, 2017	**-**	**497.23**	**3,398.29**	**39.78**	**36.52**	**201.80**	**4,173.62**	**68.02**	**68.02**	**4,241.64**
Charge for the year	-	514.02	3,807.03	38.03	41.85	217.97	4,618.90	77.96	77.96	4,696.86
Adjustment on diposals	-	-	(7.70)	-	(6.52)	(1.16)	(15.38)	-	-	(15.38)
As at March 31, 2018	**-**	**1,011.25**	**7,197.62**	**77.81**	**71.84**	**418.62**	**8,777,14**	**145.98**	**145.98**	**8,923.12**
Charge for the year	-	522.81	3,850.70	30.36	67.93	186.02	4,657.82	81.17	81.17	4,738.99
Adjustment on diposals	-	-	(134.01)	-	(13.01)	(0.78)	(147.80)	-	-	(147.80)
As at March 31, 2019	**-**	**1,534.06**	**10,914.31**	**108.17**	**126.76**	**603.86**	**13,287.16**	**227.15**	**227.15**	**13,514.31**
Net Block										
As at March 31, 2018	**254.93**	**13,077.69**	**30,324.20**	**100.87**	**316.49**	**326.85**	**44,401.03**	**6,273.76**	**6,273.76**	**50,674.79**
As at March 31, 2019	373.27	**13,394.25**	**30,970.50**	**120.15**	**379.28**	**235.18**	**45,472.65**	**6,036.48**	**6,036.48**	**51,509.13**

Notes

1. The lease hold land at Faridabad amounting to ₹ 36.37 lakhs is yet to be registered in the name of the Group. The Group has obtained "no objection certificate" from lessor to get registration of same in the name of the Group.
2. Leasehold land included land at Singur amounting to ₹ 156.11 lakhs has been transferred in Other non Current Financial Assets during current Year. (Refer Note No 7)
3. Certain borrowings of the Group have been secured against Property, Plant and Equipment. (Refer Note No 18 & 23)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3(b) : INTANGIBLE ASSETS

₹ In Lakhs

Particulars	Technical Knowhow	Computer Software	Prototype	License Fees	Total
Gross Block					
As at April 01, 2017	**791.42**	**233.68**	**3,788.10**	**1,259.73**	**6,072.92**
Additions	-	27.36	612.16	-	639.51
As at March 31, 2018	**791.42**	**261.03**	**4,400.26**	**1,259.73**	**6,712.43**
Additions	-	59.69	4,003.10	-	4,062.80
As at March 31, 2019	791.42	320.72	8,403.36	1,259.73	10,775.23
Accumulated Amortisation					
As at April 01, 2017	**211.02**	**32.15**	**359.36**	**140.39**	**742.93**
Charge for the year	221.20	91.12	407.32	140.39	860.03
As at March 31, 2018	**432.23**	**123.26**	**766.68**	**280.78**	**1,602.95**
Charge for the year	221.20	79.07	645.49	140.39	1,086.15
As at March 31, 2019	653.43	202.33	1,412.17	421.17	2,689.11
Net Block					
As at March 31, 2018	**359.19**	**137.77**	**3,633.58**	**978.95**	**5,109.48**
As at March 31, 2019	**137.99**	**118.39**	**6,991.19**	**838.56**	**8,086.12**

NOTE 4 : DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Depreciation/ Amortization on Property, Plant and Equipment	4,738.99	4,696.86
Amortization on Intangible Assets	1086.15	860.03
	5,825.14	**5,556.89**

₹ In Lakhs

NOTE 5 (a): INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	As at 31st March, 2019	As at 31st March, 2018
Associate		
3,04,49,600 (P.Y. 31.03.2018 : 3,04,49,600) Equity Shares of Rs. 10/- each fully paid up of JBM MA Automotive Private Limited	6,195.96	5,443.34
Joint Ventures		
42,24,900 (P.Y. 31.03.2018 : Nil), Equity Shares of Rs. 10/- each fully paid up of JBM Ogihara Die Tech Private Limited (Refer Note No 44)	409.95	-
2,00,000 (P Y 31.03.2018 : 2,00,000), Equity Shares of Rs. 10/ each fully paid up of INDO Toolings Private Limited.	-	-
1,19,84,657(P.Y. 31.03.2018 : 48,08,000) Equity Shares of Rs.10/- each fully paid up of JBM Solaris Electric Vehicles Private Limited	1,131.65	452.06
11,219,994 (P.Y. 31.03.2018 : 11,219,994) Equity Share of Rs. 10/- each fully paid up of JBM Ogihara Automotive India Limited	1,963.65	1,819.61
	9,701.21	**7,715.01**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NON CURRENT FINANCIAL ASSETS
(Carried at amortised cost, unless stated otherwise)

NOTE 5(b): NON-CURRENT INVESTMENTS

Investment in Equity Shares in others (at fair value through profit & loss)		
NIL (P.Y : 31.03.2018: 5,49,550) Equity Shares of Rs.10/- each fully paid of IRIS Ecopower Venture Private Limited	-	54.96
2,100 (P.Y : 31.03.2018: NIL) Equity Shares of Rs.10/- each fully paid of Premchander Wind Farms Power Limited	0.21	-
1,00,00,000 (P.Y. 31.03.2018 : 1,00,00,000) Equity Shares of Rs.10/- each of Yorozu JBM Automotive Tamilnadu Private limited	1,000.00	1,000.00
2,100 (P.Y : 31.03.2018: NIL) Equity Shares of Rs.10/- each fully paid of Puvaneswari Enterprises Wind Farms Power Limited	0.21	-
Investment in Preference Shares in others (at fair value through profit & loss)		
2,40,000 (P.Y: 31.03.2018 : 2,40,000) 1% Optionally Convertible Non-Cumulative Redeemable Preference shares of Rs 10 each at a premium of Rs 115 per share of Neel Industries Private Limited	300.00	300.00
	1,300.42	**1,354.96**
Aggregate value of unquoted investment	**1,300.42**	**1,354.96**
Aggregate amount of impairment in value of Investments	-	-

NOTE 6 : LOANS

(Unsecured, considered good)

Security deposits	527.47	527.05
Loan to Joint Venture Company*	800.00	-
	1,327.47	**527.05**

***Refer Note No. 53**

NOTE 7 : OTHER NON-CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

Share application money given	-	240.00
Recoverable from WBIDC	156.11	**-**
	156.11	**240.00**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NOTE 8 : OTHER NON CURRENT ASSETS

(Unsecured, considered good)

Capital advances	247.67	754.27
Prepaid rent	557.04	580.03
Advance tax (net of provision)	138.55	135.53
Stamp duty paid under protest	62.50	62.50
	1,005.76	**1,532.33**

NOTE 9 : INVENTORIES

(Carried at lower of cost and net realisable value)*

Raw materials	15,487.35	12,965.30
Raw materials in transit	357.11	35.77
Work in progress	4,964.92	8,217.39
Work in progress in transit	-	309.16
Finished goods	468.39	503.43
Stores, spares & consumables	1,710.98	1,359.15
Scrap	121.92	127.99
	23,110.67	**23,518.19**

-* The mode of valuation has been stated in Note No 2.10
-Certain borrowings of the Company has been secured against inventories (Refer Note No. 18 & 23)
-The cost of inventories recognised as an expense during the year was ₹ 1,30,509.44 lakhs (P.Y ₹ 1,17,698.57 Lakhs)

CURRENT FINANCIAL ASSETS

(Carried at amortised cost)

NOTE 10 : TRADE RECEIVABLES (Unsecured)

- Considered good	50,171.92	35,497.06
- Considered doubtful	44.96	19.63
	50,216.88	35,516.69
Less: provision for doubtful debts	44.96	19.63
	50,171.92	**35,497.06**

- Certain borrowings of the Company have been secured against Receivables (Refer Note No. 18 & 23).
- Debts amounting to ₹ 2,063.82 lakhs(P.Y. : 31.03.2018: ₹ 1,066.71 lakhs) is due by private companies in which director is a director or a member.
- Amount due from related parties ₹ 2,106.62 lakhs (PY ₹ 2,072.69 lakhs)

NOTE 11 : CASH AND CASH EQUIVALENTS

Cash in hand	15.60	11.83
Balances with banks		
- In Current account	1,045.85	180.61
	1,061.45	**192.43**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NOTE 12 : OTHER BANK BALANCES

In fixed deposit account more than 3 months original maturity but less than 12 months maturity	29.69	27.97
Margin money with bank	0.90	9.12
In unpaid dividend account	20.91	18.76
	51.50	**55.85**

NOTE 13 : LOANS

(Unsecured and Considered good)

Inter Corporate loan	300.00	-
	300.00	**-**

NOTE 14 : OTHER CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

Claim receivable	1,105.00	1,105.00
Royalty receivable	28.26	119.25
Other financial assets	249.18	83.76
	1,382.44	**1,308.01**

NOTE 15 : OTHER CURRENT ASSETS

(Unsecured, considered good)

Subsidy receivable	1,655.02	1,012.33
Balance with statutory/government authorities	633.60	599.78
Sales Tax/VAT recoverable	4.03	4.62
Advance to suppliers	2,701.77	7,561.96
Contract Assests	2,904.46	-
Other assets	179.23	134.15
	8,078.11	**9,312.85**

NOTE 16 : EQUITY SHARE CAPITAL

a) Authorised

8,00,00,000(P.Y: 8,00,00,000) Equity Shares of ₹ 5 /- each	4,000.00	4,000.00
100,00,000 (P.Y. 100,00,000) Preference Shares of ₹ 10/- each	1,000.00	1,000.00
	5,000.00	**5,000.00**

b) Issued, subscribed and fully paid up

4,07,95,364 (P.Y. 4,07,95,364) Equity Shares of ₹ 5 /- each fully paid up	2,039.77	2,039.77
	2,039.77	2,039.77

i) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period.

Number of shares outstanding at the beginning of the year	40,795,364	40,795,364
Add: issued/cancelled during the year	-	-
Number of shares outstanding at the end of the year	40,795,364	40,795,364

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

ii) Terms/rights attached to equity shares

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 Directors 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.

iii) Details of shareholders holding more than 5% equity shares in the Company. (Refer Note No. 48)

iv) Aggregate number of shares issued as bonus share during 5 year immediately preceding 31st March ,2019

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 pursuant to a bonus issue approved by the shareholders through a postal ballot.

NOTE 17(a) : OTHER EQUITY

₹ In Lakhs

	General Reserve	Retained Earnings	Capital Reserve on consolidation	Total
As at 01.04.2018	**2,507.27**	**36,027.50**	**1,161.06**	**39,695.83**
Profit for the year	-	8,229.19	-	8,229.19
Other adjustments#	-	15.15	-	15.15
Other comprehensive income/(loss) for the year	-	(43.22)	-	(43.22)
Impact on account of adoption of Ind AS 115		779.53		779.53
Dividends distributed during the year (including CDT)*	-	(983.62)	-	(983.62)
As at 31.03.2019	**2,507.27**	**44,024.53**	**1,161.06**	**47,692.86**
As at 01.04.2017	**2,507.27**	**29,954.13**	**1,161.06**	**33,622.46**
Profit for the year	-	7,046.61	-	7,046.61
Previous year adjustments	-	4.76	-	4.76
Other comprehensive income/(loss) for the year	-	4.00	-	4.00
Dividends distributed during the year (including CDT)*	-	(982.01)	-	(982.01)
As at 31.03.2018	**2,507.27**	**36,027.50**	**1,161.06**	**39,695.83**

* During the year 2018-19, the Company has paid dividend of ₹ 2/- per share (PY ₹ 2 per share) on fully paid-up equity share of ₹ 5 each amounting to ₹ 983.62 lakhs (PY ₹ 982.01 lakhs) (including dividend distribution tax thereon of ₹ 167.71 lakhs (PY ₹ 166.10 lakhs)

The Board at its meeting held on May 28th, 2019 has recommended a dividend @ 45% i.e. ₹ 2.25 /- per share (on fully paid up equity share of ₹ 5/-each) for the year ended 31st March 2019. This equity dividend is subject to approval by shareholders at the Annual General Meeting. The total estimated equity dividend to be paid is ₹ 1106.57 Lakhs (including dividend distribution tax thereon of ₹ 188.68 Lakhs).

Other adjustment includes ₹ 4.21 lakhs relates to previous year tax of joint venture company and ₹ 10.94 lakhs for government grant related to transition period, received by joint venture company.

₹ In Lakhs

NOTE 17(b) : NON-CONTROLLING INTERESTS

	As at 31st March, 2019	As at 31st March, 2018
Non-controlling interests	8,201.12	7,336.55
	8,201.12	**7,336.55**

Refer " Statement of Changes in Equity " for movement in Non-controlling interest.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

		As at 31st March, 2019	As at 31st March, 2018

NON CURRENT FINANCIAL LIABILITIES
(Carried at amortised cost)

NOTE 18 : NON CURRENT BORROWINGS

		As at 31st March, 2019	As at 31st March, 2018
A.	**Term loan from banks (secured)***		
	In Rupee	10,311.81	9,762.64
B.	**Term loan from others (secured)****		
	In Rupee	11,093.75	12,423.45
		21,405.56	**22,186.09**
	Less: Current Maturities of term loans	5,659.01	5,780.53
		15,746.55	**16,405.56**
C.	**Inter corporate loan (unsecured)**		
	From others	-	2,666.00
D.	**Finance lease obligations (unsecured)**	98.32	95.09
E.	**Liability component of financial instruments (unsecured)**	5,172.81	4,755.01
		5,271.13	**7,516.11**
	Less:		
	Current maturities of inter corporate loan	-	1,333.33
	Current maturities of finance lease obligations	6.76	5.01
	Current maturities of liability component of financial instruments	3,080.00	53.93
		2,184.37	**6,123.84**
		17,930.92	**22,529.40**

*Term loan of ₹ Nil (P.Y. ₹ 625.83) lakhs is secured by First Pari-Passu charge on the movable and immovable fixed assets of Indore, Greater Noida & Faridabad and Second Pari-Passu charge on all the current assets of the Company both present and future situated at Faridabad, Indore & Greater Noida. Term loan of ₹ 2,222.22 lakhs (P.Y. ₹ 2,500.00 lakhs) has exclusive charge on plant & machinery to the tune of 1.5X coverage of the term loan value.

Term loan of ₹ 156.25 lakh (P.Y ₹ 781.25 lakhs) 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,pithampur 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 ₹ 506.65 lakhs (P.Y ₹ 1,728.29 lakhs) 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 of Indore, Greater Noida and faridabad Plants (both present & future)

Term loan of ₹ 5,000.00 lakhs is secured by pari Passu charge on the movable fixed assets of the company giving 1.30X excluding movable fixed assets charged exclusively to lenders.

Term loan of subsidiary company amounting to ₹ 375.00 lakhs (P.Y ₹ 750.00 lakhs) is First Charge on the movable assets (except those exclusively charged to Term Lenders and Ford India) of the Company's MM Nagar Plant Located in Kanchipuram - 603204 (Tamilnadu). First Charge on the movable assets (except those exclusively charge to term lenders and ford India) of the Company's Plant located at Oragadam, Tamil Nadu. First charge on pari pasu basis along with DBS (for its ECB) on the immovable assets of the Company's plant located at Plot No RNS-1, Renault & Nissan Suppliers Park, SIPCOT Industrial Growth Centre, Oragadam, Tamil Nadu.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Term loan of subsidiary company amounting to ₹ 2051.68 (P.Y ₹ 3,377.27 lakhs) is secured by First Pari Passu charge on the movable and immovable fixed assets at Sanand Unit. Exclusive charge on machinery funded by bank. Asset cover of 1.5x to be maintained.

**Term loan of ₹ 1,250.00 lakhs (P.Y ₹ 1,875.00 lakhs) has exclusive charge on plant & machinery of the Company with a minimum asset cover of 1.50X (as per WDV) as acceptable by lender. Second Pari Passu charge on all current assets of Sanand unit, both present and future.

Term loan of ₹ 5,000.00 lakhs (P.Y ₹ 5,000.00 lakhs) is secured by pari Passu charge over the movable fixed assets of the company with a minimum asset cover of 1.30X.

Term loan of subsidiary company amounting to ₹ 2,343.75 lakhs (P.Y ₹ 2,500.00 lakhs) is secured by Pari Passu charge on Movable & immovable Fixed assets of the company on MM Nagar, Orgadum (Tamil nadu) with Minimum asssets cover of 1.3x

Term loan of subsidiary company amounting to ₹ 2500 lakhs (PY ₹ 2,500 lakh) is secured by Pari Passu charge on Movable & immovable Fixed assets of the company on MM Nagar, Orgadum (Tamil nadu) with Minimum asssets cover of 1.3x

Term loan of subsidiary company amounting to ₹ NIL (P.Y ₹ 548.45 lakhs) is secured by exclusive charge on Tata Steel Limited and Tata Steel Processing & Distribution Limited stocks of the borrower funded by lender, both present and future.

Maturity Profile

Term of Repayment of Loan	Balance as at 31.03.2019 ₹ in lakhs	No of Yearly/ Quarterly/ Monthly Instalments	Balance Installment	Rate of Interest
Term loan from Bank	156.25	16 Quarterly	1	MCLR linked rate
Term loan from Bank	298.31	16 Quarterly	2	MCLR linked rate
Term loan from Bank	5,000.00	16 Quarterly	16	MCLR linked rate
Term loan from Bank	208.34	48 Monthly	4	Base Rate Linked Rate
Term loan from Bank	2,222.23	18 Quarterly	16	MCLR linked rate
Term loan from Bank	1,666.67	18 Quarterly	12	MCLR linked rate
Term loan from Bank	375.00	16 Quarterly	4	MCLR linked rate
Term loan from Bank	385.02	16 Quarterly	2	MCLR linked rate
Term loan from others	1,250.00	16 Quarterly	8	MCLR linked rate
Term loan from others	5,000.00	16 Quarterly	16	MCLR linked rate
Term loan from others	2,343.75	16 Quarterly	15	SBI Based linked rate
Term loan from others	2,500.00	16 Quarterly	16	SBI Based linked rate
Liability component of financial Instrument	5,172.81	Bullet		10.50%

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NOTE 19 : OTHER NON CURRENT FINANCIAL LIABILITIES

Payable for capital goods	498.65	-
	498.65	**-**

NOTE 20 : PROVISIONS

Provision for employee benefits	702.21	502.99
	702.21	**502.99**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NOTE 21 : DEFERRED TAX LIABILITY (NET)

Deferred tax liability

Difference between book depreciation & depreciation under Income Tax Act 1961.	7,503.17	6,671.44
Deferred tax assets		
Deferred tax on unrealised gains	(79.63)	(96.67)
Provision for doubtful debts	(15.71)	(6.79)
Claim under Sec 43B of Income Tax Act,1961	(417.93)	(319.00)
Mat credit available	(2,429.56)	(2,675.59)
Deferred tax liability / (asset)	**4,560.35**	**3,573.39**

Deferred tax liability & deferred tax asset have been offset as they relate to the same government taxations laws.

Major components of deferred tax liability/(asset) arising on account of temporary difference are as follows:

₹ In Lakhs

	As at 01.04.2018	Movement during the year	As at 31.03.2019
Difference between book depreciation & depreciation under Income Tax Act 1961.	6,671.44	831.73	7,503.17
Deferred tax on unrealised gain	(96.67)	17.04	(79.63)
Provision for doubtful debts	(6.79)	(8.92)	(15.71)
Claim under Sec 43B of Income Tax Act,1961	(319.00)	(98.93)	(417.93)
MAT credit available	(2,675.59)	246.03	(2,429.56)
Net deferred tax liability	**3,573.39**	**986.96**	**4,560.35**

	As at 01.04.2017	Movement during the year	As at 31.03.2018
Difference between book depreciation & depreciation under Income Tax Act 1961.	5,521.67	1,149.77	6,671.44
Deferred tax on unrealised gain	(113.55)	16.88	(96.67)
Provision for doubtful debts	(6.06)	(0.73)	(6.79)
Claim under Sec 43B of Income Tax Act,1961	(199.96)	(119.04)	(319.00)
MAT credit available	(2,330.64)	(344.95)	(2,675.59)
Net deferred tax Liability	**2,871.45**	**710.94**	**3,573.39**

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

NOTE 22 : OTHER NON CURRENT LIABILITIES

Deferred component of financial instruments	341.17	709.83
Other (including advance from employees for vehicles)	37.48	16.67
	378.65	**726.50**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018

CURRENT FINANCIAL LIABILITIES
(Carried at amortised cost)

NOTE 23 : CURRENT BORROWINGS*

A.	**Loan repayable on demand from banks (secured)***		
	Cash credit	4,099.99	2,130.64
B.	**Other loans from banks (secured)***		
	Working capital demand loans	21,666.80	19,300.00
	Buyers credit	-	606.24
	Bill Discounting	2,014.00	1,403.31
		27,780.79	**23,440.19**
C.	**Loan repayable on demand from banks (unsecured)**		
	Bill Discounting /PO Financing	7,987.33	4,124.07
		7,987.33	**4,124.07**
		35,768.12	**27,564.26**

* 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 unit, Gujarat) and by way of second charge on entire moveable assets of the company (excluding moveable assets of Sanand unit, Gujarat) both present and future. Facility utilised of ₹ 1671.80 lakhs (P.Y ₹ 525.21 Lakhs) is secured by exclusive first charge on the entire current assets of Sanand unit, Gujarat of the Company and second charge on movable fixed assets including plant and machinery at Sanand unit, Gujarat of the Company, both present and future.
There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

Borrowings of subsidiary company is secured by first charge on current assets of the subsidiary company ranking pari passu inter se between the company's bankers.

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

NOTE 24 : TRADE PAYABLES*

Total Outstanding Dues to Micro and Small Enterprises	236.44	401.62
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	31,962.91	25,287.24
	32,199.35	**25,688.86**

*** Refer Note No. 46**

NOTE 25 : OTHER CURRENT FINANCIAL LIABILITIES

Current maturities of liability component of financial instruments	3,080.00	53.93
Current maturities of finance lease obligations	6.76	5.01
Current maturities of term loans & inter corporate loan	5,659.01	7,113.87
Interest accrued but not due on borrowings	268.97	222.77
Interest accrued and due on borrowings	1.41	0.87
Unpaid/unclaimed dividend	20.91	18.76
Payable for capital goods	327.29	403.90
Employee related Liabilities	583.51	625.14
Security Deposits	148.06	103.57
	10,095.92	**8,547.82**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018
NOTE 26 : OTHER CURRENT LIABILITIES		
Deferred component of financial instruments	368.66	393.45
Statutory dues payable	1,195.82	1,903.47
Advance from customers	1,050.73	2,245.54
Others (including advance from employees for vehicles)	203.55	170.21
	2,818.76	**4,712.67**
NOTE 27 : PROVISIONS		
Provision for employee benefits	230.15	177.00
	230.15	**177.00**

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
NOTE 28 : REVENUE FROM OPERATIONS*		
Sale of products	159,674.31	150,154 .88
Sale of services	3,253.64	4,231.44
Other operating revenue	15,715.30	14,315.00
	178,643.25	**168,701.32**

*** Refer Note No. 50 & 51**

NOTE 29 : OTHER INCOME		
Interest on security & other deposits*	121.26	20.32
Royalty	118.51	119.25
Subsidy	1,350.70	414.36
Profit on sale of property plant & equipment (net)	-	18.32
Deferred Income on deferred component of financial instruments	393.45	393.45
Rental Income	26.40	-
Miscellaneous income	341.79	124.51
	2,352.11	**1,090.22**
*In relation to financial assets classified at amortised cost	121.26	20.32
NOTE 30 : CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS		
Opening inventories:		
Work in Progress (including in transit material)	8 ,526.55	8,442.89
Finished goods	503.43	656.35
	9,029.98	**9,099.24**
Less : Closing inventories :		
Work in Progress (including in transit material)	4,964.92	8,526.55
Finished goods	468.39	503.43
	5,433.31	**9,029.98**
Increase/ (Decrease) in finished goods & work in progress	**3,596.67**	**69.26**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
NOTE 31 : EMPLOYEE BENEFITS EXPENSE		
Salaries & wages	16,420.66	15,646.34
Contribution to provident and other funds	730.22	702.42
Staff welfare expense	1,260.46	1,274.63
	18,411.34	**17,623.38**
Less: Transferred to Project Commissioned /Under Commissioning	1,278.15	1,073.68
	17,133.19	**16,549.70**

NOTE 32 : FINANCE COSTS

Interest on borrowings	4,781.28	4,645.98
Interest- others	119.54	122.28
Interest on liability component of financial instruments	497.80	457.37
Other borrowing costs	35.92	57.45
	5,434.55	**5,283.08**
Less: Transferred to Project Commissioned /under Commissioning	558.69	425.20
	4,875.86	**4,857.89**
In relation to financial liabilities classified at amortised cost	5,279.08	5,103.35

The weighted average rate for capitalisation of interest relating to general borrowings was approximately 9.32% and 9.65% for the years ended March 31, 2019 and 2018, respectively.

NOTE 33 : OTHER EXPENSES

Stores consumed	1,678.02	1,601.57
Manufacturing expenses	2,238.53	1,196.84
Power & fuel	2,863.48	2,914.57
Packing materials consumed	689.65	971.99
Rent (including land lease rent)	202.64	161.96
Rates & taxes	143.58	138.28
Insurance	57.50	56.22
Repair & maintenance:		
Machinery	1,484.99	1,216.17
Buildings	128.57	97.64
Others	750.23	689.40
Loss on sale of property, plant and equipment (net)	56.10	3.15
Provision for bad & doubtful debts	25.33	-
Freight & forwarding charges	1,473.94	1,430.15
Exchange fluctuation(net)	110.41	1.86
Royalty	139.58	245.00
Other administrative expenses	2,054.74	1,807.73
	14,097.29	**12,532.54**
Less: Transferred to Project Commissioned /under Commissioning	283.30	70.78
	13,813.99	**12,461.76**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	For the year ended 31st March, 2019	For the year ended 31st March, 2018

NOTE 34 : INCOME TAX EXPENSE

(a) Income tax expense recognised in Statement of Profit and Loss		
Current tax in respect of the current year	4,007.08	3,698.46
Minimum Alternate Tax credit entitlement	11.53	(614.24)
Deferred tax In respect of the current year	855.66	1,183.57
Earlier Years	12.14	6.74
	4,886.41	**4,274.54**
(b) Income tax expense recognised in Other Comprehensive Income		
Income tax expense/(income) on Remeasurement of Defined Benefit Obligations	(25.23)	1.71
	(25.23)	1.71
	4,861.18	**4,276.24**

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows:

Profit before tax	**13,985.33**	**12,387.85**
At country's statutory income tax rate	**34.94%**	**34.61%**
Computed tax expense	**4,887.03**	**4,287.19**
Weighted Deduction for research and development expenses	(292.19)	(243.12)
Tax effect of change in rate of tax	42.80	359.42
Due to different tax rate of Joint Venture Company	(11.83)	-
MAT Credit entitlement	-	(122.20)
Earlier year tax	12.14	6.74
Disallowances/(allowances)	248.45	(13.49)
Total tax expense recognised in Statement of Profit and Loss	**4,886.41**	**4,274.54**

NOTE 35 : OTHER COMPREHENSIVE INCOME

Items that will not be reclassified to profit or loss		
(i) gains/(losses) on defined benefits plans	(73.61)	5.14
(ii) Income tax expense on gain/(loss) on defined benefits plans	25.23	(1.71)
	(48.38)	**3.43**

NOTE 36 : EARNING PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares, unless the effect of potential dilutive equity share is antidilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	For the year ended 31st March, 2019	For the yer ended 31st March, 2018
Profit after tax attributable to owners of the company (₹ in Lakhs)	8,229.19	7,046.61
-Weighted Average Number of Equity Shares (Outstanding during the year)	40,795,364	40,795,364
-Face Value of share (₹)	5.00	5.00
Basic Earning per share (Amount in ₹)	20.17	17.27
Diluted Earning per share (Amount in ₹)	20.17	17.27

NOTE 37 : a) DETAILS OF GROUP COMPANIES

S.No	Name of the company	Relationship	Country of Incorporation	Percentage of ownership	
				As at 31.03.2019	**As at 31.03.2018**
1	JBM Auto System Private Limited	Subsidiary	India	73.89%	73.89%
2	JBM Ogihara Automotive India Limited	Joint Venture	India	51.00%	51.00%
3	JBM Solaris Electric Vehicles Private Limited	Joint Venture	India	79.89%	80.00%
4	INDO Toolings Private Limited	Joint Venture	India	50.00%	50.00%
5	JBM Ogihara Die Tech Private Limited (w.e.f 05.06.2018)	Joint Venture	India	51.00%	-
6	JBM MA Automotive Private Limited	Associate	India	50.00%	50.00%

Note : Joint Ventures and Associate are consolidated as per the Equity Method.

b) Non Controlling Interests (NCI)

Set out below the summarised financial information for subsidiary that has non controlling interests that are material to the Group.
JBM Auto System Private Limited

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018
Summarised Balance Sheet		
Current Assets	35,912.07	34,205.02
Asset Held for sale	-	110.93
Current liabilities	26,993.33	27,959.44
Net Current Assets	**8,918.74**	**6,356.51**
Non-Current Assets	29,603.07	31,308.03
Non-Current Liabilities	7,304.47	9,757.81
Net Non Current Assets	**22,298.60**	**21,550.22**
Net Assets	**31,217.34**	**27,906.73**
% Of Ownership Interest held by the Non-Controlling Interest	26.11%	26.11%
Accumulated Non-Controlling Interest	**8,201.12**	**7,336.55**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	For the year ended 31st March, 2019	For the yer ended 31st March, 2018
Summarised Statement of Profit and Loss		
Revenue	81,867.83	92,115.72
Profit for the Year	3,330.40	4,084.63
Other Comprehensive Income	(19.79)	(2.18)
Total Comprehensive Income	**3,310.61**	**4,082.45**
% Of Ownership Interest held by the Non-Controlling Interest	**26.11%**	**26.11%**
Profit allocated to Non- Controlling Interest	864.56	1,066.13
Dividend paid to NCI	-	-

Summarised cash flows		
Cash flow from Operating activity	5,071.15	3,745.81
Cash used in Investing activity	(1,487.52)	(1,011.98)
Cash used in Financing activity	(2,688.80)	(2,781.81)
Net Increase/(Decrease) In cash & cash equivalents	**894.83**	**(47.98)**

c) Summarised financial information of Joint Ventures and Associates.

The table below provides summarised financial information (based on separate financial statement) for those Joint Venture and Associates:

	Joint Ventures				**Associate**
Particulars	JBM Ogihara Die Tech Private Limited*	JBM Ogihara Automotive India Limited	JBM Solaris Electric Vehicles Private Limited	INDO Toolings Private Limited	JBM MA Automotive Private Limited
As at 31st March 2019					
Current Assets					
- Cash and Cash Equivalents	8.66	0.73	0.05	29.66	16.85
- Other Assets	155.87	2,036.85	517.53	2,638.32	18,270.07
Total Current Assets (A)	**164.53**	**2,037.58**	**517.58**	**2,667.98**	**18,286.92**
Total Non - Current Assets (B)	**1,218.16**	**4,382.20**	**2,392.25**	**778.63**	**24,707.65**
Current Liabilities					
- Financial Liabilities (Excluding Trade and other payables and Provisions)	571.40	855.73	663.55	471.85	11,400.77
- Other Liabilities	7.48	1,352.59	29.79	1,991.10	11,529.40
Total Current Liabilities (C)	**578.88**	**2,208.32**	**693.34**	**2,462.95**	**22,930.17**
Non-Current Liabilities					
- Financial Liabilities (Excluding Trade and other payables and Provisions)	-	331.53	800.00	893.70	5,745.00
- Other Liabilities	-	200.69	-	45.64	1,466.37
Total Non-Current Liabilities (D)	**-**	**532.23**	**800.00**	**939.34**	**7,211.37**
Net Assets (A+B-C-D)	**803.81**	**3,679.23**	**1,416.49**	**44.32**	**12,853.03**

* Became Joint Venture w.e.f 5th June 2018

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	Joint Ventures				Associate
Particulars	JBM Ogihara Die Tech Private Limited *	JBM Ogihara Automotive India Limited	JBM Solaris Electric Vehicles Private Limited	INDO Toolings Private Limited	JBM MA Automotive Private Limited
As at 31st March 2018					
Current Assets					
- Cash and Cash Equivalents	-	42.17	12.96	1.99	24.49
- Other Assets	-	4,587.06	220.15	1,320.36	14,208.01
Total Current Assets(A)	**-**	**4,629.23**	**233.11**	**1,322.35**	**14,232.50**
Total Non - Current Assets(B)	**-**	**4,574.72**	**1,480.71**	**673.72**	**18,131.36**
Current Liabilities					
- Financial Liabilities (Excluding Trade and other payables and Provisions)	-	2,306.29	885.63	315.46	7,060.08
- Other Liabilities	-	3,066.09	23.10	885.65	8,729.25
Total Current Liabilities(C)	**-**	**5,372.38**	**908.73**	**1,201.11**	**15,789.33**
Non-Current Liabilities					
- Financial Liabilities (Excluding Trade and other payables and Provisions)	-	218.55	-	819.56	3,879.44
- Other Liabilities	-	216.20	-	36.59	1,249.76
Total Non-Current Liabilities(D)	**-**	**434.75**	**-**	**856.15**	**5,129.19**
Net Assets (A+B-C-D)	**-**	**3,396.82**	**805.08**	**(61.19)**	**11,445.34**

* Became Joint Venture w.e.f 5th June 2018

Reconciliation to carrying amounts:

As at 31st March 2019					
Opening Net Assets	**-**	**3,396.81**	**565.08**	**(61.18)**	**11,445.33**
Equity share capital issued during the year	828.41	-	899.00	-	-
Profit / (Loss) for the year	(24.59)	282.38	(47.59)	105.98	1,398.49
Other adjustments#	-	8.24	-	-	21.88
Other Comprehensive Income	-	(8.19)	-	(0.47)	(12.69)
Closing Net Assets	**803.82**	**3,679.24**	**1,416.49**	**44.32**	**12,853.01**
Unrealised Profit on Property, Plant & Equipment	-	-	-	-	(461.09)
Equity Component of preference share capital	-	-	-	(312.95)	-
Total	**803.82**	**3,679.24**	**1,416.49**	**(268.63)**	**12,391.92**
Group's Share in %	51.00%	51.00%	79.89%	50.00%	50.00%
Group's Share in ₹	409.95	1,876.41	1,131.59	(134.31)	6,195.96
Loss adjusted with advance to supplier	-	-	-	134.31	-
Add: Goodwill	-	87.24	-	-	-
Carrying Amount of Investment	**409.95**	**1,963.65**	**1,131.59**	**-**	**6,195.96**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Other adjustments includes ₹ 8.24 lakhs relates to previous year tax amount of joint venture company and ₹ 21.88 lakhs relates to government grant related to transition period received in joint venture company.

₹ In Lakhs

	Joint Ventures				Associate
Particulars	JBM Ogihara Die Tech Private Limited *	JBM Ogihara Automotive India Limited	JBM Solaris Electric Vehicles Private Limited	INDO Toolings Private Limited	JBM MA Automotive Private Limited
As at 31st March 2018					
Opening Net Assets	**-**	**3,333.51**	**(9.88)**	**162.94**	**9,653.23**
Equity share capital issued during the year			600.00	-	
Profit / (Loss) for the year		63.41	(30.98)	(225.24)	1,783.03
Previous year Adjustments		-	5.95	-	-
Other Comprehensive Income		(0.11)	-	1.12	9.08
Closing Net Assets	**-**	**3,396.81**	**565.08**	**(61.18)**	**11,445.34**
Unrealised Profit on Property, Plant & Equipment	-	-	-	-	(558.66)
Equity Component of preference share capital	-	-	-	(312.95)	-
Total	**-**	**3,396.81**	**565.08**	**(374.13)**	**10,886.68**
Group's Share in %	-	51.00%	80.00%	50.00%	50.00%
Group's Share in ₹	-	1,732.37	452.06	(187.07)	5,443.34
Loss adjusted with advance to supplier		-	-	187.07	-
Add: Goodwill		87.24	-	-	-
Carrying Amount of Investment	**-**	**1,819.61**	**452.06**	**-**	**5,443.34**

* Became Joint Venture w.e.f 5th June 2018

d) Summarised Statement of Profit and Loss

	Joint Ventures				Associate
Particulars	JBM Ogihara Die Tech Private Limited *	JBM Ogihara Automotive India Limited	JBM Solaris Electric Vehicles Private Limited	INDO Toolings Private Limited	JBM MA Automotive Private Limited
For the year ended 31st March 2019					
Revenue (Gross)	-	12,618.68	-	3,984.49	44,849.46
Interest Income	-	-	0.1	69.11	7.98
Depreciation and Amortisation	-	431.71	12.62	18.20	1,665.32
Interest expense	-	121.45	-	103.12	1,063.90
Profit or loss from continuing operations	(24.59)	325.61	(47.59)	151.59	2,109.83
Income tax expenses	-	43.23	-	45.60	711.34
Other comprehensive income	**-**	**(8.19)**	**-**	**(0.47)**	**(12.69)**
Total Comprehensive income	**(24.59)**	**274.19**	**(47.59)**	**105.51**	**1,385.80**

* Became Joint Venture w.e.f 5th June 2018

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	Joint Ventures				Associate
Particulars	JBM Ogihara Die Tech Private Limited *	JBM Ogihara Automotive India Limited	JBM Solaris Electric Vehicles Private Limited	INDO Toolings Private Limited	JBM MA Automotive Private Limited
For the year ended 31st March 2018					
Revenue (Gross)	-	16,378.92	-	2,209.02	44,049.15
Interest Income	-	-	-	57.23	9.86
Depreciation and Amortisation	-	411.22	-	15.80	1,443.83
Interest expense	-	105.80	-	98.09	714.82
Profit or loss from continuing operations	-	50.85	(30.98)	(224.56)	2,814.46
Income tax expenses	-	(12.56)	-	0.67	1,031.43
Other comprehensive income	**-**	**(0.11)**	**-**	**1.12**	**9.08**
Total Comprehensive income	**-**	**63.30**	**(30.98)**	**(224.12)**	**1,792.11**

* Became Joint Venture w.e.f 5th June 2018

e) The Group, based on Joint Venture Agreement and other relevant documents, has assessed that though the Group has voting power in excess of 50% in the companies listed below, it does not have unilateral control over their relevant activities (e.g. operating and financial decision making). Accordingly, these companies have been classified as Joint Ventures.

S.No	Name of Company
1	JBM Ogihara Automotive India Limited
2	JBM Solaris Electric Vehicles Private Limited
3	JBM Ogihara Die Tech Private Limited*

* Became Joint Venture w.e.f 5th June 2018

NOTE 38 : CONTINGENT LIABILITIES AND COMMITMENTS

A Contingent liabilities

(Claims against the Group not acknowledged as debts)

₹ In Lakhs

Particulars		31-Mar-19	31-Mar-18
a	Income Tax matters	420.94	842.87
b	Excise, Customs and Service Tax Matters	1,018.21	1,062.56
c	Sales Tax and VAT Matters	6.70	6.70

It is not practicable for the group to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

Against above demands, an amount of ₹ 64.96 lakhs (P.Y ₹ 57.42 lakhs) has been paid under dispute.

B. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	31-Mar-19	31-Mar-18
Property, Plant and Equipment	932.89	1,173.98

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

C. Other Commitments

₹ In Lakhs

Particulars	31-Mar-19	31-Mar-18
Letter of credit issued by bankers and outstanding	2039.63	2,805.88
Bank Guarantees	30.00	43.27

D. Other Pending Litigation:
The Group has filed legal suit against one of the customer for recovery of dues amounting to ₹ 340.80 Lakhs(including damage charges). The matter is pending before Hon'ble commercial court at Ahmedabad. The Company expects to recover the same.

CONTINGENT LIABILITIES AND COMMITMENTS OF ASSOCIATE/JOINT VENTURES

A Contingent liabilities

(Claims against the Company not acknowledged as debts)

Particulars		31-Mar-19	31-Mar-18
a	Income Tax matters	34.96	34.96
b	Excise, Customs and Service Tax Matters*	292.06	292.06
c	Sales Tax and VAT Matters	2.76	116.38
d	Other money for which the company is contingently liable	3.82	3.82
e	MIDC Demand for Differential Land Premium	65.82	107.32

* Against this amount of ₹ 10.38 lakhs has been deposited

B. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for	31-Mar-19	31-Mar-18
Property, Plant and Equipment	700.06	2,409.36

C. Other Commitments

Particulars	31-Mar-19	31-Mar-18
Bank Guarantees	464.24	112.53

NOTE 39 : Auditor's Remuneration (Excluding Taxes)

Statutory Auditors	31-Mar-19	31-Mar-18
A) Statutory Audit Fees	32.00	32.00
B) Tax Audit Fees	8.00	8.00
C) Taxation Matters	3.00	-
D) Other Services	9.43	9.00
E) Reimbursement of expenses	3.80	2.42

NOTE 40 : SEGMENT INFORMATION

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

The Group has three principal operating and reporting segments; viz. is given below:

Primary Segment Reporting

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

(a) **Sheet Metal Components, Assemblies & Sub-assemblies (Component Division) :** Engaged in the business of manufacturing of automobiles parts for commercial and passenger vehicles.

(b) **Tool, Dies & Moulds (Tool Room Division) :** Segment manufactures dies for the sheet metal segment or sells dies.

(c) **OEM Division :** Segment includes activities related to Development, Design, Manufacture, Assembly and Sale of Bus as well as parts, accessories and maintenance contracts of the same.

B. Inter Segment Transfer Pricing

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

Revenue from Operations #

Interest income, rental income, dividend income, income recognised on sale of assets and investment are excluded from segment revenue. Transactions between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the Statement of Profit and Loss.

₹ In Lakhs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Segment Revenue from Operation		
A) Component Division	152,234.71	158,264.77
B) Tool Room Division	14,330.72	8,725.23
C) OEM Division	12,050.24	1,768.75
D) Others	59.87	27.39
Total	**178,675.54**	**168,786.14**
Less : Inter segment revenue	32.29	84.81
Net Segment revenue from operations	**178,643.25**	**168,701.32**
Unallocated Income :		
Interest Income	121.27	20.32
Other Income	2,230.85	1,069.90
Total Revenue as per Statement of Profit and Loss	**180,995.37**	**169,791.54**
Segment Results		
Profit before tax and finance cost from each segment		
A) Component Division	12,292.43	13,387.00
B) Tool Room Division	4,274.84	2,875.96
C) OEM Division	(467.87)	(1,178.02)
D) Others	1,466.87	815.92
Total	**17,566.27**	**15,900.86**
Less : Finance Cost	4,875.86	4,857.89
Profit before share of profit of Joint Ventures/Associates	**12,690.40**	**11,042.98**
Add: Share of Profit of Joint Ventures/Associates	1,294.93	1,344.87
Profit before tax	**13,985.33**	**12,387.85**
less: Tax Expenses	4,886.41	4,274.54
Profit after tax	**9,098.92**	**8,113.31**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Segment Depreciation

₹ In Lakhs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
A) Component Division	4,585.52	4,571.11
B) Tool Room Division	143.25	142.04
C) OEM Division	1,086.31	832.82
D) Others/Unallocable	10.06	10.91
Total	**5,825.14**	**5,556.89**

Segment Assets

Segment Assets are allocated based on the operations of the segment and the physical location of the asset. Assets not used directly in operations of the segment like investment, other common assets are reported as unallocated assets.

Particulars	As at 31.03.2019	As at 31.03.2018
A) Component Division	98,777.72	99,616.75
B) Tool Room Division	25,669.05	16,952.65
C) OEM Division	25,518.08	15,013.08
D) Others	13,390.92	11,896.31
Total	**163,355.77**	**143,478.79**

Segment Liabilities

Segment Liabilities are allocated based on the operations of the segment. Liabilities not used directly in operations of the segment common liabilities like borrowings are reported as unallocated liabilities.

Particulars	As at 31.03.2019	As at 31.03.2018
A) Component Division	38,246.07	42,944.65
B) Tool Room Division	11,880.30	4,453.69
C) OEM Division	14,682.67	7,182.44
D) Others	12,690.33	9,003.71
Total	**77,499.38**	**63,584.49**
E) Unallocable		
Deferred component of financial liability	709.83	1,103.28
Non-current borrowings	26,676.69	29,702.20
Others	536.13	16.67
Total	**105,422.02**	**94,406.64**

Disclosure for disagreegation of revenue and segment revenue are given on similar parameteres.

As per Indian Accounting Standard 108 - Operating Segments, the Group has reported segment information on consolidated basis including businesses conducted through its subsidiaries.

The group is mainly engaged in the business in India and exports are not material. Hence in the context of Indian Accounting Standard - 108 "Operating Segments" it is considered the only reportable segment.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Revenue from transactions with a single external customer amounting to 10% or more of the group's revenues is as follows:

₹ In Lakhs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Customer 1 #	40,111.05	42,631.10
Customer 2 #	22,021.04	10,061.70

The Figures for the Year Ended 31st March 2019 are strictly not relatable to P.Y 31st March 2018 as Consequent to introduction of Goods and Services Tax (GST) with effect from 1st July,2017 Central Excise , Value Added Tax (VAT) etc. have been subsumed into GST. In Accordance with Indian Accounting Standard-115 on Revenue and Schedule III of the Companies Act 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of the Revenue.

NOTE 41 : The expenditure incurred by in house R&D Centre approved by DSIR on scientific research during the year is as under:

₹ In Lakhs

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Revenue Expenditure	1568.68	1383.96
Capital Expenditure	103.63	21.03
Total	**1672.31**	**1404.99**

NOTE 42 : DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

₹ In Lakhs

Particulars		31-Mar-19	31-Mar-18
(i) Gross amount required to be spent by the group during the year		180.55	179.50
(ii) Amount spent during the year ending on March 31, 2019:	**In cash**	**Yet to be paid in cash**	**Total**
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (i) above			
– Others (Skill Development Centre)*	132.55	-	132.55
– Suman Nirmal Minda Charitable Trust	51.00		51.00
(iii) Amount spent during the year ending on March 31, 2018:			
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (i) above			
– Others (Skill Development Centre)*	181.57	-	181.57

* The Group has set up Skill Development Centre to enhance employability in society thereby increasing availability of skilled personnel for the Group and society at large.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 43 : DURING THE YEAR, THE FOLLOWING EXPENDITURE HAS BEEN CAPITALIZED IN OEM DIVISION:

₹ In Lakhs

Nature of expenses	Capitalized from opening CWIP	Capitalized from C Y Expenses	Total Capitalized
Manpower Cost	1,235.65 (156.40)	532.36 (162.66)	1,768.01 (319.06)
Finance Cost	249.55 -	144.34 (41.25)	393.90 (41.25)
Other Expenses	17.74 (2.49)	3.93 (0.80)	21.67 (3.29)
Total	**1,502.94** **(158.89)**	**680.63** **(204.71)**	**2,183.58** **(363.60)**

Note: Figures in brackets represents previous year's amounts

NOTE 44 : During the year, the Group has entered into a Joint Venture Agreement with M/s Jay Bharat Maruti Limited and M/s Ogihara (Thailand) Company Limited for setting up a new tool room . The same was duly informed to NSE and BSE vide company letter dated 12th May, 2018.. The Group is holding 51% paid up equity share capital into the joint venture company (JBM Ogihara Die Tech Private Limited).

NOTE 45 : In their meeting held on 01.03.2018, the Board of Directors of the Company has approved the Scheme of Amalgamation of JBM Auto System Private Limited ("Subsidiary Company") and JBM MA Automotive Private Limited ("Associate Company") with JBM Auto Limited from Appointed Date 01.04.2017 subject to obtaining of necessary Regulatory Approvals. Pending such Regulatory Approvals no adjustment has been made in the above financial statements.

NOTE 46 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED ACT, 2006") IS AS UNDER:

₹ In Lakhs

	Particulars	31-Mar-19	31-Mar-18
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	236.44	401.62
(ii)	the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	3.90
(iii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iv)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	Nil	16.06
(v)	the amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	19.96
(vi)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	Nil	3.90

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Group.

NOTE 47 : Cost of materials consumed has been computed by adding purchase to the opening stock and deducting closing stock verified physically by the management.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 48: DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARE CAPITAL

Name of Shareholders	31-Mar-19		31-Mar-18	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 5 each fully paid up				
SMC Credit Limited	7,570,260	18.56	7,570,260	18.56
A to Z Securities Limited	4,190,160	10.27	4,190,160	10.27
Zeal Impex & Traders Private Limited	4,018,968	9.85	4,018,968	9.85
Amity Infotech Private Limited	4,000,000	9.81	4,000,000	9.81
JBM Builders Private Limited	3,030,832	7.43	3,030,832	7.43
Shuklamber Exports Limited	3,424,824	8.39	3,424,824	8.39
NAP Investment & Leasing Private Limited	2,274,616	5.58	2,274,616	5.58
ANS Holding Private Limited	2,058,996	5.05	2,058,996	5.05

NOTE 49 : LEASES

OPERATING LEASE : GROUP AS LESSEE

The group leases mainly office facilities under cancellable operating lease agreements. Minimum lease payments under operating lease are recognized on a straight line basis over the term of the lease. Rent expense for operating leases for the year ended March 31, 2019 and March 31, 2018 was ₹ 202.64 Lakhs and ₹ 161.96 Lakhs respectively. There are no significant restrictions imposed by the lease agreements and there is a sub leases and rental income from this sub lease is ₹ 26.40 Lakhs (P.Y. ₹ 9.12 Lakhs). There are no contingent rents. The operating lease agreements are renewable on a periodic basis. Some of these lease agreements have price escalation clause.

FINANCE LEASE: GROUP AS LESSEE

The group has taken land under finance leases. The following is the summary of future minimum lease rental payments under finance leases entered into by the Group:

₹ In Lakhs

Particulars	As at 31 March 2019		As at 31 March 2018	
	Minimum Lease Payment	Present Value of Minimum Lease Payment	Minimum Lease Payment	Present Value of Minimum Lease Payment
Not Later than 1 Year	6.76	6.12	6.76	6.12
Later than one year but not later than five years	27.03	19.18	27.03	19.18
Later than five years	2,235.51	73.02	2,242.27	69.79
Total minimum lease commitments	**2,269.30**	**98.32**	**2,276.06**	**95.09**
Less: Future finance charges	2,170.98		2,180.97	
	98.32		**95.09**	

There are no sub leases and no contingent rents. Certain finance lease agreements are renewable at the end of the lease period. There is price escalation clause in certain lease agreements.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 50 : EXCISE DUTY

Consequent to the introduction of Goods & Service Tax (GST) with effect from 1st July 2017 Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard -115 on Revenue and Schedule III of the Companies Act 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of revenue. Accordingly the figures for the periods upto 30th June 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding.

₹ In Lakhs

Particulars	Fo the year ended 31.03.2019	For the year ended 31.03.2018
A Gross Sales/Income from Operations	178,643.25	168,701.32
B Excise Duty	-	5,413.49
C Gross Sales/Income from Operations excluding Excise Duty (A-B)	178,643.25	163,287.83

NOTE 51 : REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) Revenue from contracts with customers disaggregated based on nature of product or services

₹ In Lakhs

Particular	Fo the year ended 31.03.2019	For the year ended 31.03.2018
Revenue from Sale of Product		
Component	135,249.11	142,727.82
Tool & Dies	13,466.72	7,052.43
Buses	10,958.48	374.62
Others	-	-
	159,674.31	**150,154.88**
Revenue from Sale of Services		
Component	1,398.97	1,285.25
Tool & Dies	780.95	1,556.48
Buses	1,073.72	1,389.70
Others	-	-
	3,253.64	**4,231.44**
Other operating Revenue		
Component	15,586.64	14,251.69
Tool & Dies	50.75	31.49
Buses	18.04	4.42
Others	59.87	27.39
	15,715.30	**14,315.00**
Total	**178,643.25**	**168,701.32**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(b) The table below represents summary of contract assets and liabilities relating to contracts with customers:

₹ In Lakhs

	As at 31 March 2019	As at 31 March 2018
Receivables	50,171.92	35,497.06
Contract assets	2,904.46	-
Contract liabilities*	2,942.12	-

*Included in advance from customers.

(c) The revenue recognised in the reporting period from the contract liability outstanding at the beginning of the period is ₹ 1,001.06 lakhs.

(d) The amounts receivable from customers become due after expiry of credit period which ranges from 30 to 180 days. There is no significant financing component in any transaction with the customers.

(e) Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product in component division is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract because this is when the customer get benefit from the components.

Revenue from Tooling Business is recognized over time by measuring progress towards satisfaction of performance obligation and it determined that the input method is the best method for measuring progress of the tooling development because there is a direct relationship between the Group's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Group recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Revenue from OEM Division (Sale of Buses) is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of Bus in OEM division is satisfied at a point in time or over the period of time depending upon the nature of the contract.

(f) The Group provides agreed upon performance warranty for selected range of products. The amount of liability towards such warranty is immaterial.

(g) The transactions price allocated to the performance obligations relating to tool development (unsatisfied or partially satisfied) is ₹ 6,441.58 lakhs. The Group expects to recognise revenue related to unsatisfied obligation within one year from the reporting period.

(h) The Group does not have any significant adjustment between the control price and the revenue recognised in Statement of profit & loss.

(i) The Group has adopted IND AS 115 "Revenue from Contracts with Customers", with effect from April 01, 2019 using the cumulative effect method whereby the effect of applying of this standadrd is recognized at the date of initial application (i.e. April 01, 2018). Accordingly, the comparative information in the financial statements is not restated. There is an impact of ₹ 779.53 lakhs which have been credited in Retained Earnings as at April 01, 2018.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 52 : EMLOYEE BENEFITS

A. Defined Benefit Plans as per Ind AS 19 Employee Benefits:

Gratuity

The group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. These benefits are funded.

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet.

These Plans typically expose the group to actuarial risks such as : Investment risk, Interest rate risk, Longevity risk and Salary risk.

Investment Risk

The Probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest Risk

The Plan exposes the group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Disclosure of gratuity

(i) Amount recognised in the Statement of Profit and Loss is as under:

₹ In Lakhs

Description	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Current service cost	119.36	102.45
Net interest cost	25.46	17.99
Past service cost	-	18.34
Amount recognised in the Statement of Profit and Loss	**144.82**	**138.78**

(ii) Amount recognised in Other Comprehensive Income is as under:

₹ In Lakhs

Description	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Actuarial loss/(gain) recognised during the year		
- Change in demographic assumptions	12.96	-
- Change in financial assumptions	49.45	(15.63)
- Experience variance (i.e. actual experience vs assumptions)	32.29	(1.69)
Return on plan assets, excluding amount recognised in net interest expenses	(36.86)	19.79
Amount recognised in the Other Comprehensive Income	**57.84**	**2.47**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iii) Movement in the Present Value of Defined Benefit Obligation recognised in the Balance Sheet is as under:

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Present value of defined benefit obligation as at the beginning of the year	**678.72**	**579.84**
Current service cost	119.36	102.45
Interest cost	51.78	42.69
Actuarial loss/(gain) recognised during the year		
Change in demographic assumptions	12.96	-
change in financial assumptions	49.45	(15.63)
experience variance (i.e. actual experience vs assumptions)	32.29	(1.69)
Benefits paid	(59.07)	(47.28)
Past service cost	-	18.34
Present value of defined benefit obligation as at the end of the year	**885.48**	**678.72**

(iv) Movement in the plan assets recognised in the Balance Sheet is as under:

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Fair Value of plan assets at beginning of year	**345.82**	**335.90**
Interest income plan assets	26.32	24.70
Actual company contributions	11.12	44.91
Return on plan assets, excluding amout recognised in net interest expense	36.86	(19.79)
Benefits paid	(49.69)	(39.90)
Fair Value of plan Assets at the end of the year	**370.43**	**345.82**

(v) Major categories of plan assets:

₹ In Lakhs

Asset Category	31-Mar-19	31-Mar-18
Insurer Managed Funds	100%	100%

(vi) Analysis of amounts recognised on other comprehensive (income)/loss at period end:

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Amount recognized in OCI, beginning of period	(1.09)	(3.56)
Actuarial (gain)/loss on arising from change in demographic assumption	12.96	-
Actuarial (gain)/loss on arising from change in financial assumption	49.45	(15.63)
Experience variance (i.e. actual experience vs assumptions)	32.29	(1.69)
Return on plan assets (excluding interest)	(36.86)	19.79
Total remeasurement recognized in OCI	**57.83**	**2.47**
Amount recognized in OCI, end of Period	**56.74**	**(1.09)**

(vii) Reconciliation of Balance Sheet Amount

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Present value of obligation	885.48	678.72
Fair value of plan assets	370.43	345.82
Surplus/(Deficit)	(515.04)	(332.89)
Effect of assets ceiling, if any	-	-
Net assets/(liability)	**(515.04)**	**(332.89)**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(viii) Current / Non-Current Bifurcation

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Current Benefit Obligation	157.38	110.85
Non - Current Benefit Obligation	728.09	567.87
(Asset)/Liability Recognised in the Balance Sheet	**885.48**	**678.72**

(ix) Actuarial assumptions

Description	31-Mar-19	31-Mar-18
Discount rate	7.55-7.60%	7.60-7.70%
Future basic salary increase	4-6%	4-5%
Expected rate of interest on plan assets	7.55-7.60%	7.60-7.70%
Mortality (% of IALM 06-08)	100.00%	100.00%
Normal retirement age	58 Years	58 Years
Attrition/withdrawal rate (per annum)	5.00-8.00%	5.00%

(x) Maturity Profile of Defined Benefit Obligation

₹ In Lakhs

Expected Cash Flow over the next (Valued on undiscounted basis)	31-Mar-19	31-Mar-18
1 year	108.91	74.72
2 to 5 years	344.30	224.73
More than 5 years	1351.25	1229.94

(xi) Sensitivity analysis for gratuity liability

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Defined Benefit Obligation (Base)	885.48	678.72

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Defined Benefit Obligation - change in discount rate		
- Discount rate increase by 1.00 %	823.37	625.37
- Discount rate decrease by 1.00 %	956.24	740.15
Defined Benefit Obligation - change in salary rate		
- Salary rate increase by 1.00 %	956.22	740.63
- Salary rate decrease by 1.00 %	822.22	624.11

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the Balance Sheet.

The Group is expected to contribute Rs 416.83 lakhs to Defined Benefit Plan Obligation Funds in next year.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

B. Other Long Term Benefits as per Ind AS 19 Employee Benefits:

Leave Encashment and Compensated absences (Unfunded)
The leave obligations cover the group liability for sick and earned leaves.

(i) Amount recognised in the Statement of Profit and Loss is as under:

₹ In Lakhs

Description	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Current service cost	68.48	112.77
Past service cost	-	-
Interest cost	24.92	18.97
-Change in demographic assumptions	7.11	-
-Change in financial assumptions	23.77	(7.14)
-Experience variance (i.e. actual experience vs assumptions)	80.79	37.10
Amount recognised in the Statement of Profit and Loss	**205.09**	**161.71**

(ii) Movement in the liability recognised in the Balance Sheet is as under:

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Present value of defined benefit obligation as at the start of the year	326.45	257.61
Current service cost	68.48	112.77
Past service cost	-	-
Interest cost	24.92	18.97
Actuarial loss/(gain) recognised during the year	-	-
Change in demographic assumptions	7.11	-
change in financial assumptions	23.77	(7.14)
experience variance (i.e. actual experience vs assumptions)	80.79	37.10
Benefits paid	(130.35)	(92.87)
Present value of defined benefit obligation as at the end of the year	**401.18**	**326.45**

(iii) Current / Non-Current Bifurcation

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Current benefit obligation	56.63	45.50
Non - current benefit obligation	344.55	280.95
(Asset)/Liability Recognised in the Balance Sheet	**401.18**	**326.45**

(iv) Sensitivity analysis

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Present Value of Obligation (Base)	401.18	326.45

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Present Value of Obligation - change in discount rate		
- Discount rate increase by 1.00 %	374.22	302.05
- Discount rate decrease by 1.00 %	431.92	354.60
Present Value of Obligation - change in salary rate		
- Salary rate increase by 1.00 %	432.30	355.18
- Salary rate decrease by 1.00 %	373.44	310.18

(v) Actuarial assumptions

Description	31-Mar-19	31-Mar-18
Discount rate	7.55-7.60%	7.60-7.70%
Future basic salary increase	4.00-6.00%	4.00-5.00%
Normal retirement age	58 years	58 years
Mortality (% of IALM 06-08)	100.00%	100.00%
Attrition turnover/withdrawal rate	5.00-8.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

C. Defined Contribution and Other Plans

Contributions are made to the Provident Fund, Super Annuation Fund and Other Plans. The contributions are normally based upon a proportion of the employee's salary.

The Group has recognized the following amounts in the Statement of Profit and Loss :

₹ In Lakhs

Description	31-Mar-19	31-Mar-18
Employer's Contribution to Provident and Pension fund*	474.20	437.00
Employer's Contribution to Superannuation Fund*	-	0.51
Employer's Contribution to Employee State insurance*	61.09	74.98
Employer's Contribution to Labour Welfare fund*	1.11	1.05

* included in contribution to provident & other funds under employee benefit expenses (Refer Note No 31).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 53 : RELATED PARTY DISCLOSURES :

The list of related parties as identified by the management is as under:

Associates	- JBM MA Automotive Private Limited (w.e.f 01.02.2018)
Joint Ventures	- JBM Ogihara Automotive India Limited - JBM Solaris Electric Vehicles Private Limited - INDO Toolings Private Limited - JBM Ogihara Die Tech Private Limited (w.e.f 05.06.2018) - JBM MA Automotive Private Limited (upto 31.01.2018)
Key Management personnel:	- Mr. Sandip Sanyal, Executive Director - Mr. Vivek Gupta, CFO & Company Secretary
Post employment benefit plan of the group	JBM Auto Group Gratuity Scheme Trust JBM Auto System Private Limited Group Gratuity Scheme Trust

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	Associates/Joint Ventures		Key Management personnel		Gratuity Trust		Total	
Purchase of Capital Goods								
JBM MA Automotive Private Limited	108.00	-	-	-	-	-	108.00	-
Total	**108.00**	**-**		**-**	**-**	**-**	**108.00**	**-**
Sale of Goods (including Excise)#								
JBM MA Automotive Private Limited	1,977.39	1,402.91	-	-	-	-	1,977.39	1,402.91
JBM Ogihara Automotive India Limited	39.57	1,105.77	-	-	-	-	39.57	1,105.77
JBM Solaris Electric Vehicles Private Limited	-	6.10	-	-	-	-	-	6.10
JBM Ogihara Die Tech Private Limited	0.49	-	-	-	-	-	0.49	-
INDO Toolings Private Limited	14.69	-	-	-	-	-	14.69	-
Total	**2,032.13**	**2,514.78**	**-**	**-**	**-**	**-**	**2,032.13**	**2,514.78**
Sale of Capital Goods (including Excise)								
JBM MA Automotive Private Limited	71.51	-	-	-	-	-	71.51	-
INDO Toolings Private Limited	3.11	-	-	-	-	-	3.11	-
JBM Ogihara Automotive India Limited	-	1.34	-	-	-	-	-	1.34
JBM Solaris Electric Vehicles Private Limited	224.68	-	-	-	-	-	224.68	-
Total	**299.29**	**1.34**	**-**	**-**	**-**	**-**	**299.30**	**1.34**
Other Income								
JBM MA Automotive Private Limited	1.03	-	-	-	-	-	1.03	-
JBM Ogihara Automotive India Limited	118.51	119.25	-	-	-	-	118.51	119.25
JBM Solaris Electric Vehicles Private Limited	479.37	742.43	-	-	-	-	479.37	742.43
Total	**598.91**	**861.68**	**-**	**-**	**-**	**-**	**598.91**	**861.68**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	Associates/Joint Ventures		Key Management personnel		Gratuity Trust		Total	
Purchase of Goods								
JBM MA Automotive Private Limited	775.97	249.38	-	-	-	-	775.97	249.38
JBM Ogihara Die Tech Private Limited	2.83	-	-	-		-	2.83	-
INDO Toolings Private Limited	1,238.23	759.15	-	-	-	-	1,238.23	759.15
Total	**2,017.03**	**1,008.53**	**-**	**-**	**-**	**-**	**2,017.03**	**1,008.53**
Others Expenses								
JBM MA Automotive Private Limited	20.55	11.64	-	-	-	-	20.55	11.64
Total	**20.55**	**11.64**	**-**	**-**	**-**	**-**	**20.55**	**11.64**
Others Expenses Reimbursed								
JBM MA Automotive Private Limited	5.36	-	-	-	-	-	5.36	-
JBM Ogihara Die Tech Private Limited	13.09	-	-	-	-	-	13.09	-
JBM Solaris Electric Vehicles Private Limited	54.91	138.72	-	-	-	-	54.91	138.72
Total	**73.36**	**138.72**	**-**	**-**	**-**	**-**	**73.36**	**138.72**
Other Reimbursement								
JBM Solaris Electric Vehicles Private Limited	106.59	-	-	-	-	-	106.59	-
Total	**106.59**	**-**	**-**	**-**	**-**	**-**	**106.59**	**-**
Contribution to Gratuity Scheme Trust								
JBM Auto Group Gratuity Scheme Trust	-	-	-	-	11.00	25.22	11.00	25.22
JBM Auto System Private Limited Group Gratuity Scheme Trust	-	-	-	-	0.12	19.69	0.12	19.69
Total	**-**	**-**	**-**	**-**	**11.12**	**44.91**	**11.12**	**44.91**
Rent Income								
JBM Ogihara Die Tech Private Limited	0.85	-	-	-	-	-	0.85	-
JBM Solaris Electric Vehicles Private Limited	25.54	9.12	-	-	-	-	25.54	9.12
Total	**26.39**	**9.12**	**-**	**-**	**-**	**-**	**26.39**	**9.12**
Interest Income on Inter Corporate Loan								
JBM Solaris Electric Vehicles Private Limited	63.01	-	-	-	-	-	63.01	-
Total	**63.01**	**-**	**-**	**-**	**-**	**-**	**63.01**	**-**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	Associates/Joint Ventures		Key Management personnel		Gratuity Trust		Total	
Investment/Share application money given								
JBM Solaris Electric Vehicles Private Limited	477.67	720.00	-	-	-	-	477.67	720.00
JBM Ogihara Die Tech Private Limited	422.49	-	-	-	-	-	422.49	-
Total	**900.16**	**720.00**	**-**	**-**	**-**	**-**	**900.16**	**720.00**
Inter Corporate Loan Given								
JBM Solaris Electric Vehicles Private Limited	800.00	-	-	-	-	-	800.00	-
Total	**800.00**	**-**	**-**	**-**	**-**	**-**	**800.00**	**-**
Remuneration paid to KMP's and their relatives								
Mr. Sandip Sanyal	-	-	49.88	46.67	-	-	49.88	46.67
Mr. Vivek Gupta	-	-	44.99	34.95	-	-	44.99	34.95
Total	**-**	**-**	**94.87**	**81.62**	**-**	**-**	**94.87**	**81.62**
Receivables/(Payable)								
JBM MA Automotive Private Limited	746.63	1,001.76	-	-	-	-	746.63	1,001.76
JBM Ogihara Automotive India Limited	111.65	231.42	-	-	-	-	111.65	231.42
JBM Solaris Electric Vehicles Private Limited	623.50	625.33	-	-	-	-	623.50	625.33
INDO Toolings Private Limited	85.32	214.18	-	-	-	-	85.32	214.18
JBM Ogihara Die Tech Private Limited	11.40	-	-	-	-	-	11.40	-
Total	**1,578.50**	**2,072.69**	**-**	**-**	**-**	**-**	**1,578.50**	**2,072.69**
Inter Corporate Loan Receivables								
JBM Solaris Electric Vehicles Private Limited	800.00	-	-	-	-	-	800.00	-
Total	**800.00**	**-**	**-**	**-**	**-**	**-**	**800.00**	**-**
Advance Recoverable								
JBM Auto Group Gratuity Scheme Trust	-	-	-	-	71.94	44.26	71.94	44.26
Total	**-**	**-**	**-**	**-**	**71.94**	**44.26**	**71.94**	**44.26**
Dividend Paid								
Mr. Vivek Gupta	-	-	0.01	0.03	-	-	0.01	0.03
Total	**-**	**-**	**0.01**	**0.03**	**-**	**-**	**0.01**	**0.03**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

Remuneration paid to KMP's and their relatives*	Mr. Sandeep Sanyal		Mr. Vivek Gupta	
	2018-19	**2017-18**	**2018-19**	**2017-18**
(a) short-term employee benefits;	49.88	46.67	40.10	32.65
(b) other long-term benefits;	-	-	4.89	2.30
Total	**49.88**	**46.67**	**44.99**	**34.95**

* Remuneration paid to KMP's does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

Terms and conditions of transactions with related parties

The sales to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year - end are unsecured and interest free (other than loans) and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2019, the group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Consequent to the indroduction of Goods & Service Tax (GST) with effect from 1st July 2017 Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard -115 on Revenue and Schedule III of the Companies Act 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of revenue. Accordingly the figures for the periods upto 30th June 2017 are not strictly relatable to those thereafter.

NOTE : 54 Assets Held for Sale

₹ In Lakhs

	As at 31st March, 2019	As at 31st March, 2018
Plant & Equipment	-	110.93

During the year 2018-19, the Group has disposed off asset held for sale. No impairment loss was recognised on reclassification of the plant & equipment as held for sale. These assets were sold at a loss of ₹ 23.81 Lakhs.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE : 55 Additional Information, as required under schedule III to the companies Act 2013, of enterprises consolidated as subsidiary/ Associate/Joint Ventures.

₹ In Lakhs

Name of the entity in the group	Net Assets i.e. Total assets minus total liabilities		Share in Profit/(loss)		Share in other comprehen-sive income		Share in Total comprehensive income	
	Year Ended 31st March 2019		Year Ended 31st March 2019		Year Ended 31st March 2019		Year Ended 31st March 2019	
	As % of consolidated net assets	Amount (In lakhs)	As % of consolidated profit & loss	Amount (In lakhs)	As % of consolidated other comprehensive income	Amount (In lakhs)	As % of consolidated Total comprehensiv income	Amount (In lakhs)
Parent								
JBM Auto Limited	44.57	25,823.62	53.76	4,891.16	36.87	(17.84)	53.85	4,873.32
Subsidiaries								
JBM Auto System Private Limited	53.88	31,217.34	36.60	3,330.40	40.90	(19.79)	36.58	3,310.61
Non-Controlling Interest								
JBM Auto System Private Limited	14.16	8,201.12	9.56	869.73	10.68	(5.17)	9.55	864.56
Associate (Investment as per equity method)								
JBM MA Automotive Private Limited	10.69	6,195.96	8.03	730.98	13.12	(6.35)	8.01	724.63
Joint Ventures (Investment as per equity method)								
JBM Ogihara Automotive Private Limited	3.39	1,963.65	1.58	144.01	8.63	(4.18)	1.55	139.83
JBM Solaris Electric Vehicles Private Limited	1.95	1,131.66	(0.42)	(38.08)	-	-	(0.42)	(38.08)
INDO Toolings Private Limited	-	-	0.58	52.99	0.49	(0.24)	0.58	52.75
JBM Ogihara Die Tech Private Limited	0.71	409.95	(0.14)	(12.54)	-	-	(0.14)	(12.54)
Total	**129.35**	**74,943.29**	**109.55**	**9,968.65**	**110.69**	**(53.57)**	**109.55**	**9,915.10**
Less: Adjustment arising out of consolidation	**(29.36)**	**(17,009.54)**	**(9.56)**	**(869.73)**	**(10.68)**	**5.17**	**(9.55)**	**(864.57)**
Total	**100.00**	**57,933.75**	**100.00**	**9,098.92**	**100.00**	**(48.38)**	**100.00**	**9,050.53**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 56 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.These include recognition and measurement of financial instruments, estimates of useful lives and residual value of property, plant and equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The group continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

(i) Land on finance lease – Group as lessee

The Group has obtained various lands from the Government for purpose of plants and manufacturing facilities. These lands are having various tenures, generally 90 years and at the end of lease term, the lease could be extended for another term or the land could be returned to the Government Authority. The Group has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, annual rental, transfer / retention of significant risks and rewards of ownership of land determined the lease as finance leases and accordingly accounted the same in the financial statements.

(ii) Operating lease commitments – Group as lessor

The Group has entered into sub leasing arrangements wherein the group is receiving lease rental income. The group has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, lease rental income, fair value of the land, transfer /retention of significant risks and rewards of ownership of land determined the lease as operating leases.

(iii) Operating lease commitments – Group as lessee

The Group has entered into leasing arrangements wherein the group is required to pay monthly lease rentals. The group has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, lease rental income, fair value of the land, transfer / retention of significant risks and rewards of ownership of land determined the lease as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the group. Such changes are reflected in the assumptions when they occur.

(i) Gratuity benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates. Further details about the assumptions used, including a sensitivity analysis, are given in Note 52 .

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the group past history and other factors at the end of each reporting period.

(iv) Estimates related to useful life of property, plant and equipment & intangible assets

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful lives estimated by the management. These rates are in line with the lives prescribed under Schedule II of the Companies Act, 2013.
The management has re-estimated useful lives and residual values of its assets. The management based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment & intangible assets.

(v) Impairment of Assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

(vi) Contingent liabilities

The contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group. The group evaluates the obligation through Probable, Possible or Remote model ('PPR'). In making the evaluation for PPR, the group take into consideration the Industry perspective, legal and technical view, availability of documentation/agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The group provides the liability in the books for probable cases, while possible cases are shown as contingent liability. The remotes cases are not disclosed in the financial statements.

(vii) Taxes

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit and Loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 57 : FINANCIAL INSTRUMENTS

A. Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, opitimisation of working capital requirements and deployment of surplus funds into various investment options

The management of the Group reviews the capital structure of the Group on regular basis. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, loans and borrowings less cash and cash equivalents.

₹ In Lakhs

Particulars	31-Mar-19	31-Mar-18
Net debt	61,383.36	57,074.03
Total equity	49,732.63	41,735.60
Net debt to equity ratio (times)	**1.23**	**1.37**

B. Fair value measurements

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

The fair value of investment in unquoted equity/preference shares has been estimated using a Discounted Cash Flow (DCF)/ Dividend yield/ Yield to Maturity method / NAV method. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of various estimates within the range can be reasonably asserted and are used in management's estimate of fair value for these unquoted equity/preference shares. The assessment of the future risk is done by analyzing various financial ratios. The future cash-outflows are projected after applying any probability of non-payment of dividend and principal amount.

Fair value of the Group's financial assets that are measured at fair value on a recurring basis:

There are certain Group's financial assets which are measured at fair value at the end of each reporting period. There have been no transfer among level 3 during the period. Following table gives information about how the fair values of these financial assets are determined:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

Financial assets at fair value through profit and loss	**Fair value as at March 31, 2019**		
	Level 1	Level 2	Level 3
Investment in Equity Shares in others	-	-	1,000.42
Investment in Preference Shares in others	-	-	300.00

Financial assets at fair value through profit and loss	**Fair value as at March 31, 2018**		
	Level 1	Level 2	Level 3
Investment in Equity Shares in others	-	-	1,054.96
Investment in Preference Shares in others	-	-	300.00

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2019, 31 March 2018 are as shown below:

Description	Valuation technique	Significant unobservable inputs	Sensitivity
Investment in Equity shares	DCF method	Risk adjusted discount Rate: 31st March 2019: 10.85% 31st March 2018: 11.42%	1% Increase/(Decrease) in discount rate would result in (decrease)/ increase in fair value by: 31st March 2019: Rs. (130.00) Lakhs/ Rs. 176.00 Lakhs 31st March 2018: Rs.(129.62) Lakhs/ Rs. 177.03 Lakhs
Investment in Preference shares	Dividend Yield & NAV Method	Discount Rate (G-Sec): 31st March 2019: 7.35% 31st March 2018: 7.42%	1% Increase/(Decrease) in discount rate would result in (decrease)/increase in fair value by: 31st March 2019: Rs. (6.86) Lakhs/ Rs. 7.58 Lakhs 31st March 2018: Rs. (5.79) Lakhs/ Rs. 6.90 Lakhs

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Reconciliation of movement in fair value of equity and preference shares:

₹ In Lakhs

Particulars	Investment in Equity shares	Investment in preference shares
As at 1 April 2017	**1,019.49**	**300.00**
Investment made during the year	35.46	-
Investment sold during the year	-	-
Gain/(loss) on change in fair value recognised in Profit and Loss	-	-
As at 31 March 2018	**1,054.96**	**300.00**
Investment made during the year	0.42	-
Investment sold during the year	(54.96)	-
Gain/(loss) on change in fair value recognised in Profit and Loss	-	-
As at 31 March 2019	**1,000.42**	**300.00**

C. Categories of financial instruments

FINANCIAL ASSETS*

Financial assets measured at amortised cost

₹ In Lakhs

Particulars	As at 31 March 2019		As at 31 March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Loans (Non-current)	1,327.47	1,327.47	527.05	527.05
Other non-current financial assets	156.11	156.11	240.00	240.00
Trade receivables	50,171.92	50,171.92	35,497.06	35,497.06
Cash and cash equivalents	1,061.45	1,061.45	192.43	192.43
Other bank balances	51.50	51.50	55.85	55.85
Loans (current)	300.00	300.00	-	-
Other current financial assets	1,382.44	1,382.44	1,308.01	1,308.01
Total financial assets measured at amortised cost - (i)	**54,450.89**	**54,450.89**	**37,820.40**	**37,820.40**

Financial assets measured at FVTPL

₹ In Lakhs

Particulars	As at 31 March 2019		As at 31 March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Investment in equity shares in others	1,000.42	1,000.42	1,054.96	1,054.96
Investment in preference shares in others	300.00	300.00	300.00	300.00
Total financial assets measured at FVTPL - (ii)	**1,300.42**	**1,300.42**	**1,354.96**	**1,354.96**
Total financial assets (i) + (ii)	**55,751.31**	**55,751.31**	**39,175.36**	**39,175.36**

* Does not include investments in Joint ventures and Associate which are accounted for as per equity method.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Financial liabilities measured at amortised cost

₹ In Lakhs

Particulars	As at 31 March 2019		As at 31 March 2018	
	Carrying Value	**Fair Value**	**Carrying Value**	**Fair Value**
Non-current borrowings*	26,676.69	26,676.69	29,702.20	29,702.20
Other non-current financial liabilities	498.65	498.65	-	-
Current borrowings	35,768.12	35,768.12	27,564.26	27,564.26
Trade payables	32,199.36	32,199.36	25,688.86	25,688.86
Other current financial liabilities	1,350.15	1,350.15	1,375.02	1,375.02
Total financial liabilities measured at amortised cost	**96,492.97**	**96,492.97**	**84,330.34**	**84,330.34**

* including current maturities of non-current borrowings

Carrying value of loan, other financial assets, trade receivables, cash and cash equivalents, other bank balances, Borrowings ,other financial liabilities , trade payables are considered to be same as their fair value

There have been no transfer among levels during the year

D. Financial risk management

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

Market risk
Credit risk; and
Liquidity risk

D.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

a) Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and foreign currency loans and borrowings (Foreign currency buyer's credit).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Foreign currency exposure that have not been hedged by derivative instrument are given below.

Liabilities/Assets	Foreign Currency (in lakhs)		INR Equivalent (in lakhs)	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Liabilities				
USD	19.94	25.17	1,379.33	1,638.88
JPY	41.67	249.52	26.05	154.22
SEK	1.70	2.45	12.69	18.45
EURO	1.24	0.41	96.27	33.38
Assets				
USD	4.22	4.17	291.94	271.43
Euro	4.39	4.23	340.81	340.92
JPY	-	22.98	-	13.07
CNY	0.29	-	2.95	-

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, SEK,CNY and JPY exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

Impact on Profit / (loss) for the year for a 5% change:

₹ In Lakhs

Particulars	Depreciation in INR		Appreciation in INR	
Payables	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
USD /INR	(68.97)	(81.94)	68.97	81.94
JPY/INR	(1.30)	(7.71)	1.30	7.71
SEK/INR	(0.63)	(0.92)	0.63	0.92
EURO/INR	(4.81)	(1.67)	4.81	1.67

Particulars	Depreciation in INR		Appreciation in INR	
Receivables	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
USD /INR	14.60	13.57	(14.60)	(13.57)
EURO/INR	17.04	17.05	(17.04)	(17.05)
JPY/INR	-	0.65	-	(0.65)
CNY/INR	0.15	-	(0.15)	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

b) Interest rate risk management

The Group is exposed to interest rate risk because Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates .

Impact on Profit / (loss) for the year for a 50 basis point change:

₹ In Lakhs

	Increase/decrease in basis points	Effect on profit before tax
31-Mar-19		
Borrowings	+50	(281.63)
Borrowings	-50	281.63
31-Mar-18		
Borrowings	+50	(248.75)
Borrowings	-50	248.75

D.2 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Group.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Group result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

D.3 Liquidity risk management

Liquidity risk refers to the risk that the Group can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of long term borrowings, short term borrowings and trade payables etc. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

	Less than 1 year	1 to 5 years	More than 5 years	Total
As at 31-Mar-19				
Non-current borrowings*	8,745.77	18,853.58	2,235.51	29,834.86
Other non current financial liabilities	-	498.65		498.65
Current borrowings	35,768.12	-	-	35,768.12
Trade payables	32,199.36	-	-	32,199.36
Other financial liabilities	1,350.15	-	-	1,350.15
	78,063.39	**19,352.23**	**2,235.51**	**99,651.13**
As at 31-Mar-18				
Non-current borrowings	7,200.62	23,925.26	2,242.27	33,368.15
Current borrowings	27,564.26	-	-	27,564.26
Trade payables	25,688.86	-	-	25,688.86
Other current financial liabilities	1,375.02	-	-	1,375.02
	61,828.77	**23,925.26**	**2,242.27**	**87,996.29**

* including current maturities of non current borrowings on contractual undiscounted payments

NOTE 58 : EVENTS AFTER THE REPORTING PERIOD

There are no reportable events that occurred after the end of the reporting period.

NOTE 59 : AMENDMENTS TO STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED BY THE COMPANY

Ind AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

• Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

• Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

• Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

• An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.
The Group is evaluating the requirements of the amendment and its effect on the financial Statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements of the amendment and its effect on the financial Statements.

Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.
Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the Consolidated financial statements.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling .

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the Consolidated financial statements.

The accompanying Notes are forming part of these financial statements

As per our report of even date attached

For Sahni Natarajan and Bahl
Chartered Accountants
Firm Registration No. : 002816N

For and on behalf of Board of Directors
JBM Auto Limited

Sudhir Chhabra
Partner
M.No. 083762

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Place : Gurugram (Haryana)
Dated : 28th May, 2019

Vivek Gupta
Chief Financial Officer
& Company Secretary

FORM NO. 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/Associate Company/Joint Ventures

Part A: Subsidiaries

₹ In Lakhs

S.No.	Particulars	JBM Auto System Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
2	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
3	Share Capital	2,489.00
4	Reserves and Surplus	28,728.30
5	Total Assets	65,515.07
6	Total Liabilities	34,297.77
7	Investments	1,300.42
8	Turnover	81,867.83
9	Profit before Taxation	5,171.85
10	Provision for Taxation	1,841.48
11	Profit after Taxation	3,330.37
12	Proposed Dividend	0.00
13	% of Shareholding	73.89%

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

2. Name of subsidiaries which have been liquidated or sold during the year - NA

Part "B": Joint Ventures and Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ In Lakhs

Particulars	Joint Ventures/Associate				Associate
	JBM Ogihara Die Tech Private Limited	**JBM Ogihara Automotive India Limited**	**JBM Solaris Electric Vehicles Private Limited**	**INDO Toolings Private Limited**	**JBM MA Automotive Private Limited**
1. Latest Audited Balance Sheet	**31.03.2019**	**31.03.2019**	**31.03.2019**	**31.03.2019**	**31.03.2019**
2. Shares of Associate/Joint Ventures held by the Company on the year end					
a) No. of shares	4,224,900	11,219,994	11,984,657	200,000	30,449,600
b) Amount of Investment in Joint venture & Associate	422.49	1,122.00	1,198.46	20.00	3,044.96
c) Extent of holding %	51.00%	51.00%	79.89%	50.00%	50.00%
3. Description how there is Significant Influence	As per JV Agreement	As per JV Agreement	As per JV Agreement	As per JV Agreement	Note-1
4. Reason why the Associate/Joint Venture is not consolidated	NA	NA	NA	NA	NA
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	409.95	1,876.41	**1,131.63**	**22.16**	**6,426.51**
6. Profit / Loss for the year*					
1. Considered in Consolidation	(12.54)	139.84	(38.02)	52.76	692.90
2. Not considered in Consolidation		-	-	-	-

1. There are no Associates/joint ventures which are yet to commence operations.

2 .There are no associates/joint ventures which have been liquidated or sold during the year.

Note 1 : The Company has Power to Participate in the financial and/or operating policy decision but does not have control or joint control over those policies.

*** Based on total comprehensive income**

For and on behalf of the Board of Directors of **JBM AUTO LIMITED**

Surendra Kumar Arya
Chairman
DIN 00004626

Sandip Sanyal
Executive Director
DIN 07186909

Vivek Gupta
Chief Financial Officer
& Company Secretary

Place : Gurugram (Haryana)
Dated : 28th May, 2019

JBM Group

REGISTERED OFFICE:

JBM Auto Limited
601, Hemkunt Chambers,
89, Nehru Palce, New Delhi-110019
Ph. : 91-11-26427104-6,
Fax : 91-11-26427100
email : corp.communications@jbmgroup.com
www.jbmgroup.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:

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

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

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

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

Plot No. 118, Sector – 59,
HSIDC, Industrial Estate,
Ballabhgarh - 121004,
Faridabad ,Haryana

A-4, Industrial Estate,
Kosi Kotwan,
Dist. Mathura, Uttar Pradesh.

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

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

Plot-1 1,
Ford supplier's park,
S.P.Koil Post, Chengalpattu Taluk,
MM nagar Kanchipuram -603204
Tamil Nadu

Plot-2 RNS 1
Renault-Nissan Supplier,s park,
Orgadam, sriperumpudur Taluk,
Kanchipuram -603109 tamil Nadu

Plot-3 Plot No. AV-13
Ford supplier park, BOL,
Industrial Estate, GIDC
Sanand-II-382170 (Gujrat)

Plot-1 C-1/2 MIDC,
Chakan Telegaon Road,
Chakan, Pune -410501(maharastra)

Plot-1 Building No .06
Onsite supplier park,
Toyota Kirloskar motors pvt ltd,
Plot no 1 Bidadi Industrial area
Ramnagaram -562109 (karnataka)

Plot -1 Survey No 113 /2A
Village Harnia Khedi,
Opp Veterinary College AB Road,
Tehsil MHOW, Indore -453446(MP)

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

C/O NMRC Bus Depot,
Fresco Chowk, Janpath Road,
Sector-90, Noida-201301

Plot No. 80, Sector-3,
Pithampur industrial Area - 454775,
Dist. Dhar, Indore (M.P)