



JBF Industries Limited

Annual Report 2011-2012



JBF Industries Limited

Regd Office : Survey No. 273, Village Athola, Silvassa, Dadra & Nagar Haveli

Corporate Office : 8th Floor, Express Towers, Nariman Point, Mumbai - 400 021.

NOTICE TO MEMBERS

Notice is hereby given that the Thirtieth Annual General Meeting of the members of JBF Industries Limited will be held on Friday, 28th September, 2012, at Daman Ganga Resort, Silvassa, at 11.30 a.m.

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2012 and Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Mr. Prakash Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Mrs. Veena Arya, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint Director in place of Mr. Krishen Dev, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Director in place of Mr. B R Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
6. To declare dividend on Preference Shares and on Equity Shares of the Company.
7. To appoint M/s Chaturvedi & Shah, Chartered Accountants, Mumbai, as Statutory Auditors of the Company to hold Office till the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS

8. To consider and if thought fit, to pass with or without modification (s) the following resolution as **Special Resolution**

"RESOLVED THAT pursuant to Section 198, 269, 309 and other provisions, as applicable of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, as recommended by the remuneration committee of the Board and by the Board of Directors in their meeting held on 29th May, 2012 and subject to the approval of Central Government, if required, the consent of the Company hereby accord to the re-appointment of Mr. Bhagirath C. Arya, as Executive Chairman of the Company for a period of Three years effective from 1.10.2012 to 30.09.2015, on the terms and conditions including remuneration as set out herein below with power to the Board of Directors/ Committee authorized by the Board to alter or determine the conditions thereof from time to time:

"RESOLVED THAT Mr. Bhagirath C Arya, as Executive Chairman be paid

1. a monthly salary, at the rate of ₹ 26,17,835 [Rupees Twenty Six Lacs Seventeen Thousand Eight Hundred Thirty Five Only] payable on the last working day of each calendar month subject to deduction of all the taxes which the Company is required to deduct ;
2. monthly House Rent Allowance at the rate of 10% of the Basic Salary in case no accommodation is provided by the Company ;

And that

1. Reimbursement of medical expenses incurred for himself, wife and dependant children subject to a maximum of ₹ 2,18,153 [Rupees Two Lacs Eighteen Thousand One Hundred Fifty Three Only] per month ;
2. He will be entitled to claim Telephone, Fax, Gas, Electricity, Water, Furnishings, car and other expenses upto ₹ 1,50,000 [Rupees One Lac Fifty Thousand Only] per month ;
3. He will be entitled to subscribe for the membership of any two clubs upto ₹ 2,50,000 [Rupees Two Lacs Fifty Thousand Only] per year ;
4. He will be entitled to participate upto ₹ 3,14,140 [Rupees Three Lacs Fourteen Thousand One Hundred Forty Only] per month towards Provident Fund, Superannuation, Group Insurance, Retirement and any other schemes provided by the Company for the benefit of its Senior Executives ;
5. He will be entitled for Gratuity not exceeding half months' salary for each completed year of service as per Gratuity Act ;
6. He will be entitled for Leave Travel Allowance for himself, wife and dependant children within India and abroad upto ₹ 2,18,153 [Rupees Two Lacs Eighteen Thousand One Hundred Fifty Three Only] per month ;

7. He will be entitled to one month's leave for every 11 months of service or such leave as the exigencies of the business shall permit and as may be mutually agreed. However, the total monetary value of encashed leave at the end of the Tenure will not be included in the Computation of ceiling of perquisites ;

RESOLVED FURTHER THAT notwithstanding anything contained herein above, in any financial year, the remuneration payable to the appointee shall be within the limits stated in sub Section II of the Part II of the Schedule XIII to the Companies Act, 1956, as may be amended from time to time.

"RESOLVED FURTHER THAT the commission not exceeding 1% of the Net Profits of the Company shall be paid to Mr. Bhagirath C Arya, annually subject to a ceiling of 100% of the annual salary

"RESOLVED FURTHER THAT the remuneration payable as aforesaid shall be paid to Mr. Bhagirath C Arya as minimum remuneration in accordance with the applicable provisions of the Companies Act, 1956 in the case of absence or inadequacy of profits in any financial year during the term and the Board of Directors be and are hereby authorised to vary or increase, augment, reduce or enhance the scope of the remuneration and perquisites including the monetary value, thereof as referred to hereinabove to the extent upto ₹ 5 Crores per year of the gross amount of remuneration excluding the amount of commission payable to him, however, the same may be enhanced, augmented, altered, or varies in accordance with any guidelines regarding payment of managerial remuneration under the Companies Act, 1956 from time to time in force, and that the agreement between the Company and Mr. Bhagirath C Arya, suitably amended to give effect to those amendments."

9. To consider and if thought fit, to pass with or without modification (s) the following resolution as a **Special Resolution**

"RESOLVED THAT in accordance with applicable sections and provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, and as recommended by the remuneration committee and by the Board of Directors in their meeting held on 29th May, 2012, and subject to the approval of Central Government, if required, Mr. Rakesh Gothi, who holds office as CEO & Managing Director of the Company till 31st December, 2012, be and is hereby re-appointed as CEO & Managing Director of the Company for further period of Five years w.e.f. 1st January, 2013, and that, Mr. Rakesh Gothi as CEO & Managing Director, be paid a monthly salary at the rate of ₹ 4,11,400 [Rupees Four Lacs Eleven Thousand Four Hundred Only] with effect from 1st April, 2012, payable on the last working day of each calendar month subject to deduction of all the taxes which the Company is required to deduct."

And that he will be entitled for

1. Monthly House Rent Allowance at the rate of 10% of the basic Salary ;
2. Reimbursement of entertainment expenses upto a maximum of ₹ 3,630 [Rupees Three Thousand Six Hundred Thirty Only] per month ;
3. Reimbursement of education and books and periodicals expenses equivalent to ₹ 2,493 [Rupees Two Thousand Four Hundred Ninety Three Only] and ₹ 3,630 [Rupees Three Thousand Six Hundred Thirty Only] per month respectively ;
4. Leave Travel Allowance equivalent to ₹ 4,11,396 [Rupees Four Lacs Eleven Thousand Three Hundred Ninety Six Only] per year ;
5. Reimbursement of medical expenses incurred for himself, wife and dependant children subject to a maximum of ₹ 4,11,396 [Rupees Four Lacs Eleven Thousand Three Hundred Ninety Six Only] per year ;
6. Reimbursement of the Expenses of Telephone / Fax installed at his residence used for business purposes shall be borne by the Company ;
7. The use of the Company car with chauffeur and actual expenses for upkeep of a car ;
8. Gratuity not exceeding half months' salary for each completed year of service as per Gratuity Act ;
9. Participation in the Provident Fund and any other schemes provided by the Company for the benefit of its Senior Executives ;

10. He will be entitled to one month's leave for every 11 months of service or such leave as the exigencies of the business shall permit and as may be mutually agreed. However, the total monetary value of encashed leave at the end of the Tenure will not be included in the Computation of ceiling of perquisites ;

"RESOLVED FURTHER THAT the remuneration payable as aforesaid shall be paid to Mr. Rakesh Gothi, CEO & Managing Director as minimum remuneration in accordance with the applicable provisions of the Companies Act, 1956 in the case of absence or inadequacy of profits in any financial year during the term of his office and the Board of Directors be and are hereby authorised to vary or increase, augment, reduce or enhance the scope of the remuneration and perquisites including the monetary value, thereof as referred to hereinabove to the extent of ₹ 1 Crore (Rupees One Crore only) provided that the same may be enhanced, augmented, altered, or varies in accordance with any guidelines regarding payment of managerial remuneration under the Companies Act, 1956 from time to time in force and that the agreement between the Company and Mr. Rakesh Gothi, CEO & Managing Director shall be suitably amended to give effect to those amendments."

10. To consider and if thought fit, to pass with or without modification (s) the following resolution as a **Special Resolution**

"RESOLVED THAT in accordance with applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, and as recommended by the remuneration committee and by the Board of Directors in their meeting held on 29th May, 2012, Mr. P N Thakore, who holds office as CFO & Director-Finance of the Company till 31st August, 2012, be and is hereby re-appointed as CFO & Director-Finance of the Company for further period of Three years w.e.f. 1st September, 2012, and that, Mr. P N Thakore, CFO & Director-Finance, be paid a monthly salary at the rate of ₹ 2,54,100 [Rupees Two Lacs Fifty Four Thousand One Hundred Only] with effect from 1st April, 2012, payable on the last working day of each calendar month subject to deduction of all the taxes which the Company is required to deduct."

And that he will be entitled for

1. Reimbursement of Motor Car Expenses upto ₹ 16,720 [Rupees Sixteen Thousand Seven Hundred Twenty Only] per month ;
2. Reimbursement of telephone expenses equivalent to ₹ 3,850 [Rupees Three Thousand Eight Hundred Fifty Only] per month ;
3. Reimbursement of books and periodicals expenses equivalent to ₹ 3,003 [Rupees Three Thousand Three Only] per month ;
4. Leave Travel Allowance equivalent to ₹ 2,54,100 [Rupees Two Lacs Fifty Four Thousand One Hundred Only] per year ;
5. Reimbursement of medical expenses incurred for himself, wife and dependant children subject to a maximum of ₹ 15,000 [Rupees Fifteen Thousand Only] annually ;
6. Participation in the Provident Fund and any other schemes provided by the Company for the benefit of its Senior Executives ;
7. Gratuity not exceeding half months' salary for each completed year of service as per Gratuity Act ;
8. To one month's leave for every 11 months of service or such leave as the exigencies of the business shall permit and as may be mutually agreed. However, the total monetary value of encashed leave at the end of the Tenure will not be included in the Computation of ceiling of perquisites ;

"RESOLVED FURTHER THAT the remuneration payable as aforesaid shall be paid to Mr. P N Thakore, CFO Director-Finance as minimum remuneration in accordance with the applicable provisions of the Companies Act, 1956 in the case of absence or inadequacy of profits in any financial year during the term of his office and that the Board of Directors be and is hereby authorised to vary or increase, or enhance the scope of the remuneration and perquisites including the monetary value thereof, as referred to hereinabove to the extent of ₹ 60 lacs (Rupees Sixty Lacs only) provided that the same may be enhanced, altered, or varied in accordance with any guidelines regarding payment of managerial remuneration under the Companies Act, 1956, from time to time in force and that the agreement between the Company and Mr. P N Thakore, CFO & Director-Finance, be suitably amended to give effect to those amendments."

11. To consider and if thought fit, to pass with or without modification (s) the following resolution as a **Special Resolution**

"RESOLVED THAT in accordance with applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, and as recommended by the remuneration committee and by the Board of Directors in their meeting held on 29th May, 2012, Mr. N K Shah, who holds office as Director-Commercial of the Company till 31st August, 2012, be and is hereby re-appointed as Director-Commercial of the Company for further period of Three years w.e.f. 1st September, 2012, and that, Mr. N K Shah, Director-Commercial, be paid a monthly salary at the rate of ₹ 1,65,000 [Rupees One Lac Sixty Five Thousand Only] with effect from 1st April, 2012, payable on the last working day of each calendar month subject to deduction of all the taxes which the Company is required to deduct."

And that he will be entitled for

1. Monthly House Rent Allowance equivalent to ₹ 33,000 [Rupees Thirty Three Thousand Only] per month ;
2. Leave Travel Allowance equivalent to ₹ 1,65,000 [Rupees One Lac Sixty Five Thousand Only] per year ;
3. Reimbursement of medical expenses incurred for himself, wife and dependant children subject to a maximum of ₹ 1,65,000 [Rupees One Lac Sixty Five Thousand Only] annually ;
4. Reimbursement of entertainment expenses upto ₹ 3,083 [Rupees Three Thousand Eighty Three Only] per month and Travelling expenses for business purposes at actual;
5. Reimbursement of education and books and periodicals expenses equivalent to ₹ 1,650 [Rupees One Thousand Six Hundred Fifty Only] and ₹ 3,100 [Rupees Three Thousand One Hundred Only] per month respectively ;
6. Reimbursement of Actual Telephone expenses incurred by him per month ;
7. The use of the Company car with chauffeur and expenses for upkeep of the car which will be borne by the Company ;
8. Participation in the Provident Fund and any other schemes provided by the Company for the benefit of its Senior Executives ;
9. Gratuity not exceeding half months' salary for each completed year of service as per Gratuity Act ;
10. To one month's leave for every 11 months of service or such leave as the exigencies of the business shall permit and as may be mutually agreed. However, the total monetary value of encashed leave at the end of the Tenure will not be included in the Computation of ceiling of perquisites ;

"RESOLVED FURTHER THAT the remuneration payable as aforesaid shall be paid to Mr. N K Shah, Director-Commercial as minimum remuneration in accordance with the applicable provisions of the Companies Act, 1956 in the case of absence or inadequacy of profits in any financial year during the term of his office and that the Board of Directors be and is hereby authorised to vary or increase, or enhance the scope of the remuneration and perquisites including the monetary value thereof, as referred to hereinabove to the extent of 20% of the Gross amount of remuneration but the same may be enhanced, altered, or varied in accordance with any guidelines regarding payment of managerial remuneration under the Companies Act, 1956, from time to time in force and that the agreement between the Company and Mr. N K Shah, Director-Commercial, be suitably amended to give effect to those amendments."

12. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**

"RESOLVED THAT in accordance with the applicable laws and subject to the approval of the Central Government, Reserve Bank of India and other competent authorities, if required and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions which may be agreed to by the Board of Directors of the Company and / or by a duly authorized committee thereof for the time being exercising powers conferred by the Board of Directors (hereinafter referred to as 'Board') the consent of the Company be and is hereby accorded to the Board to do investment in Indian or Foreign wholly owned subsidiary companies and their subsidiaries and/or in any other Indian or Foreign wholly owned subsidiaries formed or to be formed, upto ₹ 2,500 crores in addition to the permissible limit of investment under Section 372A of the Companies Act, 1956, by way of loan, guarantee, subscription to equity share capital and other securities and / or by any other way as decided by the Board of Directors of Company.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings on behalf of the Company by affixing the Common Seal according to the provisions of Articles of Association of the Company, as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

NOTES :

1. A member is entitled to appoint a proxy to attend and vote on his behalf. The proxy need not be a member.
2. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
3. The members are requested to bring their copy of Annual Report to the meeting and fill the Attendance Slip for attending the Meeting.
4. The Register of Members & Share Transfer Book of the Company shall remain closed from 11th August, 2012 to 17th August, 2012 [both days inclusive] for determining the names of the members eligible for dividend, if approved.
5. Dividend, if declared at the Annual General Meeting, will be paid on or after the date of Annual General Meeting through NECS mode, who have selected NECS mode and by way of dividend warrants to other shareholders.
6. Shareholders are requested to address their correspondence in connection with Dividend Payments, to the Company.
7. The Company has sent notices and annual accounts by way of electronic mode to the shareholders whose email address was registered with the Company and the shareholders who have not registered email address with the company, were sent notices and annual accounts by post and they are requested to register the email address with company and
8. The annual accounts of the subsidiary companies and the draft service contract entered into with Mr. Bhagirath C Arya, Mr. Rakesh Gothi, Mr. P N Thakore and Mr. N K Shah, will be kept open for inspection at the Registered and Corporate Offices of the Company and that of the respective subsidiary companies between 11 am to 1 pm on all working days (Monday to Friday) except on holidays, up to the date of meeting.

BY ORDER OF THE BOARD OF DIRECTORS

UJJWALA APTE
COMPANY SECRETARY

Place : Mumbai.
Date : 29th May, 2012.

ANNEXURE TO NOTICE EXPLANATORY STATEMENT

As required under Section 173(2) of the Companies Act, 1956, the following Explanatory Statement will set out all material facts relating to items of special business mentioned in the Notice.

Item No. 8

Mr. Bhagirath C Arya, was appointed on 25th September, 2010, as Executive Chairman of the Company to hold office with effect from 1st April, 2011. He was paid remuneration based the terms and conditions approved by the shareholders 29th July, 2006 till the date of this Annual General Meeting. The Board has proposed and passed the resolution in their meeting held 29th May, 2012 for the re-appointment of Mr. Bhagirath C Arya, as Executive Chairman of the Company for a further period of Three years w.e.f. 1st October, 2012, on such remuneration & on such terms and conditions as mentioned in the resolution under item no. 8 of this notice.

Sr. No.	Details	
1.	Salary	₹ 26,17,835 per month.
2.	House Rent Allowance	₹ 2,61,784 per month.
3.	Medical Benefits	₹ 2,18,153 per month.
4.	Leave Travel Concession for himself and family	₹ 2,18,153 per month.
5.	Club Fees	₹ 2,50,000 per year.
6.	Contribution to PF.	As per Company rules.
7.	Car	Company car with chauffeur and car expenses at actual.
8.	Gratuity	Half month's salary for each completed year of service as per Gratuity Act.
9.	Telephone	At actuals.
10.	Leave Encashment	As per Company rules.
11.	I. GENERAL INFORMATION	
	a. Nature of Industry	Fibres & Plastics
	b. Date or expected date of commencement of commercial production	N.A. as existing Company.

(Contd....)

JBF Industries Limited

Regd Office : Survey No. 273, Village Athola, Silvassa, Dadra & Nagar Haveli

Corporate Office : 8th Floor, Express Towers, Nariman Point, Mumbai - 400 021.

ATTENDANCE SLIP

D.P.Id*	Client Id* / Folio No.		No. of Share(s) held:
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NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at Annual General Meeting of the Company held on Friday, 28th September, 2012, at 11.30 a.m at Daman Ganga Resort, Silvassa, Dadra & Nagar Haveli.

Signature of the Shareholder or Proxy

* Applicable to investors holding shares in electronics form

II. INFORMATION ABOUT THE APPOINTEE	
a. Background Details	Qualified Electrical Engineer.
b. Past Remuneration	Salary ₹ 410.71 Lacs and Perquisites ₹ 31.26 Lacs
c. Recognition or Awards	2011 Supplier Performance Silver Award to the Company under the leadership of Mr. Bhagirath C Arya.
d. Job Profile and his suitability	Over 35 years all round experience in the Fibre and Polyester Industry.
e. Expected increase in productivity and profit in measurable terms	Expected increase of 8.37% in sales turnover to ₹ 4,750 crores for the year ended March, 2013, giving increase in profit at 150% over previous year.
III. OTHER INFORMATION	
a. Reason for Loss and inadequate profits	Extraordinary conditions arising due to exchange rate variations and larger amount of derivative losses.
IV. DISCLOSURE	As mentioned above the appointment & remuneration payable to the appointee needs to be approved by the members in general meeting and accordingly this resolution is placed before the members.

The members are requested to treat this as an extract of the agreement within the meaning of Section 302 of the Companies Act, 1956.

None of the Directors of the Company except Mr. Bhagirath C Arya, Chairman and Mrs. Veena Arya, Director are interested in the resolution mentioned in Item No. 8.

Item No. 9

Mr. Rakesh Gothi, was appointed on 20th September, 2007, to hold office as CEO & Managing Director, of the Company for Five years with effect from 1st January, 2008. The tenure of his office expires on 31st December, 2012. The Board has proposed and passed the resolution in their meeting held 29th May, 2012 for the re-appointment of Mr. Rakesh Gothi, as CEO & Managing Director of the Company for a further period of five years w.e.f. 1st January, 2013, on such remuneration & on such terms and conditions approved by the Board of Directors.

None of the Directors of the Company except Mr. Rakesh Gothi, is interested in the resolution.

Item No. 10 & 11

Mr. P N Thakore, and Mr. N K Shah, Directors of the Company were appointed on 25th September, 2009, to hold office as Director-Finance and Director-Commercial of the Company respectively for three years with effect from 1st September, 2009. The tenure of their office expires on 31st August, 2012, The Board has proposed and passed the resolution in their meeting held 29th May, 2012 for the re-appointment of Mr. P. N. Thakore, as Director-Finance & CFO and Mr. N K Shah, as Director-Commercial, of the Company for a further period of three years w.e.f. 1st September, 2012, on such remuneration & on such terms and conditions as mentioned in resolutions under item nos 10 and 11.

None of the Directors of the Company except Mr. P. N. Thakore is interested in the resolution.

Item No. 12

The Company had obtained members approval on 25th September, 2009, for investment in subsidiaries upto ₹ 1,500 crores. Company's new subsidiary JBF Petrochemicals Limited, is implementing project to manufacturing Purified Terephthalic Acid (PTA) in Mangalore SEZ and will require financial support from our Company. The Board of Directors proposed resolution mentioned under item no. 9 of this notice to enable the Company to give financial support to JBF Petrochemicals Ltd., and other subsidiaries by way of giving loans and/or guarantees or investing further in their share capitals, from ₹ 1,500 crores to ₹ 2,500 crores. The members are requested to give their consent to the Board of Directors to take necessary action.

None of the Directors is concerned or interested in the resolution.

BY ORDER OF THE BOARD OF DIRECTORS

UJJWALA APTE
COMPANY SECRETARY

Place : Mumbai.
Date : 29th May, 2012.

JBF Industries Limited

Regd Office : Survey No. 273, Village Athola, Silvassa, Dadra & Nagar Haveli

Corporate Office : 8th Floor, Express Towers, Nariman Point, Mumbai - 400 021.

PROXY FORM

D.P.Id*	Client Id* / Folio No.	No. of Share(s) held:
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I/We being member/members of the JBF Industries Limited, hereby appoint _____ of _____

or failing him _____ of _____ as my/our proxy to attend and vote for me/us

and on my/our behalf at Annual General Meeting of the Company held on Friday, 28th September, 2012, at 11.30 a.m at Daman Ganga Resort, Silvassa, Dadra & Nagar Haveli.

Signed this _____ day of _____ 2012.

Affix
Rev.
Stamp

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Note : Notice of Annual General Meeting is enclosed with this Annual Report



JBF Industries Limited

Corporate Information

Board of Directors

Bhagirath C. Arya
Chairman

Rakesh Gothi
Managing Director & CEO

P. N. Thakore
Director-Finance & CFO

N. K. Shah
Director-Commercial

Veena Arya
Director

Krishen Dev
Director

B. R. Gupta
Director

Prakash V. Mehta
Director

Sunil Diwakar
Director

Ravishankar Shinde (Nominee-LIC)
Director

Company Secretary

Ujjwala G. Apte

Auditors

Chaturvedi & Shah
Chartered Accountants

Internal Auditors

Bhuwania & Agrawal Associates
Chartered Accountants

Solicitors

Malvi Ranchoddas & Co.

Main Bankers

Bank of Baroda
State Bank of India
Bank of India
Andhra Bank

IDBI Bank Ltd.
Standard Chartered Bank
Barclays Bank PLC

Indian Overseas Bank
ICICI Bank Ltd
DBS Bank Ltd

Registered Office

Survey No. 273, Village Athola,
Silvassa, Dadra & Nagar Haveli.

Corporate Office

8th Floor, Express Towers,
Nariman Point, Mumbai - 400 021.

Plants

- Survey No. 273, Village Athola, Dadra & Nagar Haveli, Silvassa.
- 156/2, Village Saily, Saily-Rakholi Road, Dadra & Nagar Haveli, Silvassa.
- Plot No. 11 and 215 to 231, Sarigam GIDC Indl. Area, Tal : Umbergaon, Sarigam, Vapi, Gujarat

Subsidiaries

JBF PETROCHEMICALS LTD.

JBF GLOBAL PTE. LTD.

JBF RAK LLC

Registered Office

Survey No. 273, Village Athola, Dadra &
Nagar Haveli, Silvassa.

138, Robinson Road,
17-00, The Corporate Office,
Singapore - 068900.

P. O. Box : 6574
Ras Al Khaimah,
U.A.E.

Works

No. 4-214, P. B. No. 001,
Industrial Plot No.9, Mangalore SEZ,
Village Bajpe, Dakshina Kannada,
Karnataka – 574142.

R & T Agents

M/s. Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West),
Mumbai-400 078.

Annual General Meeting

Friday, 28th September, 2012,
at 11.30 a.m.
Daman Ganga Resort,
Silvassa

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Thirtieth Annual Report together with the Audited Accounts of the Company for the financial year ended on 31st March, 2012.

FINANCIAL RESULTS

Particulars	[₹ in crores]	
	Year ended on 31st March, 2012. [Audited]	Year ended on 31st March, 2011. [Audited]
Total Revenue	4512.56	3582.83
Profit before Depreciation & Tax	112.26	264.95
Less : Depreciation	83.94	73.37
Profit before Tax	28.32	191.58
Less : Provision for Current Taxation	5.60	50.93
Less : MAT Credit Entitlement	(5.18)	--
Less : Provision for Deferred Tax	(20.88)	9.31
Less : Taxes for Earlier Years	--	(0.08)
Net Profit for the year	48.78	131.42
Less : Prior period Adjustments	0.10	0.11
Profit brought forward from previous year	377.56	329.13
Surplus available for appropriations	426.24	460.44
Less : Transfer to General Reserve	5.00	13.15
Less : Transfer to Debenture Redemption Reserve	3.26	3.25
Less : Short Provision of Dividend in previous year	0.04	--
Less : Tax paid on short provision of dividend	0.01	--
Less : Dividend Distribution Tax for earlier year written back	--	(0.14)
Less : Proposed Dividend on Preference Shares (previous year ₹ 36,457)	0.72	0.00
Less : Proposed Dividend on Equity Shares	57.62	57.32
Less : Dividend Distribution Tax on Proposed Dividend	9.46	9.30
Balance of Profit carried to Balance Sheet	350.13	377.56

DIVIDEND

As per the terms, dividend will be paid @ 2.5% per annum to Preference Shareholders on Cumulative Redeemable Preference Shares of ₹ 100 each.

The Board of Directors has recommended dividend of ₹ 8 (Rupees Eight only) per share (@ 80%) on the Equity Share Capital of the Company. Dividend will be paid to equity shareholders if approved by members at the Annual General Meeting.

The equity shares issued on exercise of options under ESOS before the date of book closure will be considered for the payment of dividend.

DIRECTORS

Mr. Prakash Mehta, Mrs. Veena Arya, Mr. Krishen Dev and Mr. B R Gupta, Directors are retiring by rotation and being eligible, offer themselves for re-appointment.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms part of the Directors' Report and is annexed hereto.

PERFORMANCE

The overall production of Polyester Chips during the year has increased from 4,84,389 MT in 2010-11 to 5,04,332 MT in 2011-12, reflecting an increase of 4.12%.

The overall production of POY during the year has increased from 2,11,017 MT in 2010-11 to 2,28,251 MT in 2011-12, reflecting an increase of 8.17%.

Net revenue from Operations of the Company also increased from ₹ 3,560.46 Crores in 2010-11 to ₹ 4,383.32 Crores in 2011-12, reflecting an increase of 23.11%.

ISSUE OF EQUITY SHARES

During the year 3,71,167 equity shares were issued to Directors & employees, who have exercised their options under ESOS.

As the result of the above, the issued equity share capital has gone up to ₹ 72,01,91,230.

ISSUE OF CUMULATIVE REDEEMABLE PREFERENCE SHARES

During the year ended 31st March, 2012, Company has issued 61,77,837 – 2.5% Cumulative Redeemable Preference Shares of ₹ 100 each to Bank of India.

As a result of the above the issued preference share capital has gone up to ₹ 88,39,20,000.

SUBSIDIARIES

Company has 100% Indian Subsidiary namely JBF Petrochemicals Limited and also overseas subsidiary company JBF Global Pte Ltd at Singapore, which has JBF RAK LLC, UAE, has its subsidiary.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. In accordance with the Accounting Standard AS-21, the audited Consolidated Financial Statements including the Financial Information of Subsidiary Companies are provided in the Annual Report.

Annual Accounts of the subsidiary companies and the related detailed information will be available to any member of the Company who may be interested in obtaining the same. The annual accounts of the Subsidiary Companies will also be kept open for inspection at the Registered and Corporate Offices of the Company and that of the respective Subsidiary Companies.

Company's project for setting up of 1.2 million tonne PTA Project at SEZ at Mangalore through the wholly owned subsidiary i.e. JBF Petrochemicals Ltd., is progressing as per schedule. Necessary government approvals relating to environment has been obtained and application for other approvals are under process. The Project is expected to be commissioned by end of 2014.

RISK MANAGEMENT

The Board of Directors regularly reviews risks and threats in the business and takes suitable steps to safeguard Company's interest.

INSURANCE

All the properties of the Company including buildings, plant and machinery and stocks have been adequately insured.

FIXED DEPOSITS

During the year Company has not accepted any Fixed Deposits and as such, no amount of principal or interest on account of Fixed Deposits is outstanding as on the date of Balance Sheet.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956, the Directors report that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to Standard Auditing Practices except the provision of marked to market loss of derivatives contracts.
2. Such Accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended on 31st March, 2012.
3. Proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities.
4. The annual accounts have been prepared on a Going Concern Basis.

CORPORATE GOVERNANCE

To comply with conditions of Corporate Governance, pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a Management Discussion and Analysis Statement, Corporate Governance Report and Auditors' Certificate, are included in the Annual Report.

Code of Conduct for Directors and Employees of the Company, has been communicated to them and a copy has been pasted on the web site of Company.

AUDITORS

M/s Chaturvedi & Shah, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

The Company has received a certificate from the proposed Auditors to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of the sub-section 3 of section 226 of the Companies Act, 1956.

AUDITORS' OBSERVATIONS ON STANDALONE AND CONSOLIDATED ACCOUNTS

In order to hedge the Company's exposure to foreign exchange and interest rate, the Company has entered into derivative contracts. All realized derivative losses aggregating to ₹ 167.77 Crores for the year ended 31st March, 2012 has been charged to Statement of Profit & Loss. The mark to market losses in respect of the above derivative contracts as on 31st March, 2012 aggregating to ₹ 47.48 Crores has not been provided in the books of account, since the Company is of the view that, loss may be payable only if loss conditions are triggered on observation dates, which, is contrary to the requirements of announcement by the Institute of Chartered Accountants of India. The losses in respect of above derivative contracts will be accounted for on actual settlements. Further, one of the bankers with whom, derivative transaction is outstanding had approved a line of credit to fund derivative losses partly as debt, convertible debt and preference shares.

The Auditors of the Company have qualified their reports regarding the non-provision of marked to market losses of derivative contracts amounting to ₹ 47.48 Crores as on 31st March, 2012, with consequential effect of ₹ 31.66 Crores on Profit after Tax.

COST ACCOUNTING RECORDS

The Company has maintained cost accounting records in respect of manufacture of Polyester Chips, Polyester Filament Yarn and Polyester Processed Yarn as required for the year ended 31st March, 2012.

COST AUDITORS

The Ministry of Corporate Affairs (MCA) has introduced The Companies (Cost Audit Report) Rules, 2011 vide its notification no. GSR 430(E) dated June 3, 2011. These rules make it mandatory for industries to appoint a Cost Auditor within 90 days of the commencement of the financial year. The Cost Accounts Records maintained by your Company for the Products - Polyester Chips, Polyester Filament Yarn and Polyester Processed Yarn are subject to yearly audit by qualified Cost Auditors.

Based on the Audit Committee recommendations at its meeting held on May 29, 2012, the Board has approved the appointment of Ms. Devashree P. Vijayakar, Cost Accountant as the Cost Auditor of the Company for the financial year 2012-2013, subject to approval of the Central Government.

EMPLOYEES STOCK OPTION SCHEME

During the year under review 3,71,167 options were exercised by the Directors & employees and equal number of equity shares were allotted. Listing formalities were duly completed after the allotment of these shares. Disclosure of Particulars is annexed to this report as an "Annexure C" to the Directors Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

A Statement containing necessary information as required under Section 217(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is annexed to this report as an "Annexure A" to the Directors Report.

PARTICULARS OF EMPLOYEES

The information required under the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, and forming part of the Report is annexed hereto as an "Annexure B" to the Directors Report.

FOREIGN EARNINGS/OUT GOINGS

Foreign Exchange earnings by way of exports and interest and Miscellaneous Income were ₹ 549.47 Crores and ₹ 1.45 Crores respectively against outgo of ₹ 894.16 Crores on import of raw materials, colours chemicals & oils, stores spares & consumables and ₹ 33.29 Crores of foreign exchange were invested in imported capital equipments for the growth of the Company.

APPRECIATION

The Board of Directors would like to express their grateful appreciation for the assistance, support and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review.

The employees of the Company contributed significantly in achieving the results. The Directors take this opportunity of thanking them and hope that they will maintain their commitment to excellence in the years to come.

For and on behalf of the Board of Directors

BHAGIRATH C ARYA
CHAIRMAN

Place: Mumbai
Date: 29th May, 2012.

ANNEXURE TO THE DIRECTORS REPORT**ANNEXURE A**

A Statement containing necessary information as required under section 217(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988. The relevant information is given below:-

A. POWER & FUEL CONSUMPTION

	For the year Ended 31.03.2012	For the year Ended 31.03.2011
1. Electricity		
Purchased Units (in thousands)	241,810	207,008
Total Amount (₹ in crores)	103.89	70.95
Rate / per unit (₹)	4.30	3.43
2. Furnace Oil		
Consumed (Kgs in thousands)	1,663	2,281
Total Amount (₹ in crores)	6.09	5.78
Rate/ per kg (₹)	36.61	25.35
3. Light Diesel Oil & HSD		
Consumed (Ltrs in thousands)	321	2,351
Total Amount (₹ in crores)	1.43	8.00
Rate/ per Ltr (₹)	44.43	34.04
4. Natural Gas		
Consumed (Gcal)	392,450	382,622
Total Amount (₹ in crores)	112.78	76.52
Rate/ per Gcal (₹)	2,873.82	1,999.77

B. CONSUMPTION PER UNIT OF PRODUCTION

	For the year Ended 31.03.2012	For the year Ended 31.03.2011
1. Electricity (kwh /Ton of Product)		
a) Polyester Filament Yarn (POY)	895	604
b) Polyester Chips	46	25
c) Polyester Processed Yarn	1,558	1,303
2. Furnace Oil (Kgs/Ton of Product)		
a) Polyester Chips	3	5
3. Light Diesel Oil & HSD (Ltrs/Ton of Product)		
a) Polyester Filament Yarn (POY)	1	9
b) Polyester Chips	0	0
c) Polyester Processed Yarn	1	42
4. Natural Gas (Gcal/Ton of Product)		
a) Polyester Chips	0.80	0.82

Annexure B

Statement of particulars of employees pursuant to the provision of section 217 (2a) of the Companies Act, 1956 & forming a part of the Directors Report for the year ended 31st March, 2012
A. Employed throughout the Financial Year under review and were in receipt of Remuneration for Financial Year in the aggregate of not less than ₹ 60,00,000/-

Sr. No	Name	Age (years)	Designation	Remuneration (gross)	Qualification	Experience (years)	Date of Commencement of Employment	Last Employment
1.	Mr. Bhagirath Arya	61	Executive Chairman	₹4,41,96,938	B. E. ELECTRICAL	39	8/10/1983	Not Applicable
2.	Mr. Rakesh Gothi	61	Managing Director	67,04,554	B. TECH, MS, MBA	32	1/1/1997	J.K. Synthetics Ltd

Notes : Remuneration as shown above includes salary, allowances, medical benefits, contribution to provident fund, superannuation scheme and other perquisites.
Subject to Central Government Approval.

Annexure C

JBF ESOS 2009

	Grant 1	#Grant 2 & 3	#Grant 4	Total
(a) Options granted (Grant 1 was in the year 2009-10, Grant 2 & 3 in year 2010-11 and Grant 4 in current year)	2154000	45000	5019	2204019
(b) Pricing Formula	₹ 60.00	₹ 60.00	₹ 60.00	
(c) Options vested	1436000	33000	--	1469000
(d) Options exercised	900871	27000	--	927871
(e) Total number of shares arising as a result of exercise of options	900871	27000	--	927871
(f) Options lapsed (as at 31st March, 2012)	277261	--	--	277261
(g) Variation of terms options	No change during the year			
(h) Money realized by exercise of options	54052260	1620000		55672260
(i) Total number of options in force (as at 31st March, 2012)	975868	18000	5019	998887
(j) 1. Employee wise details of options granted during the year to				
Mr. N. K. Thombre	2019			
Mr. Sanjay Vishwakarma	3000			
2. Employees to whom more than 5% options granted during the year (as above)	Nil	Nil	As above	
3. Employees to whom options more than 1% of issued capital granted during the year	Nil	Nil	Nil	Nil
(k) Diluted EPS, pursuant to issue of shares on exercise of options				6.63
(l) 1. Method of calculation of employee compensation cost	Calculation is based on intrinsic value method			
2. Intrinsic Value per share	₹ 36.40	₹ 99.50 and ₹ 116.55	₹ 103.70	
3. Difference between the above and employee compensation cost that shall have been recognized if it had used the fair value of the options	Employee compensation cost would have been higher by ₹ 51,66,050/- had the Company used fair value method for accounting the options issued under ESOS.			
4. Impact of this difference on Profits and on EPS of the Company	Profits would have been lower by ₹ 51,66,050/- and EPS would have been lower by ₹ 0.07, had the Company used fair value method of accounting the options issued under ESOS.			
(m) 1. Weighted average exercise price	₹ 60.00	₹ 60.00	₹ 60.00	
2. Weighted average fair value of options based on Black Scholes methodology	₹ 51.39	₹ 100.54 & ₹ 128.82	₹ 115.08	
(n) Significant assumptions used to estimate fair value of options including weighted average				
1. Risk free interest rate	7%	7%	8%	
2. Expected life	Average life taken as 2 years from date of grant, except for Grant 2 & 4 where it is less than 1 year.			
3. Expected volatility	39%	39% & 42%	40%	
4. Expected dividends	Not considered separately included, factored in volatility working			
5. Closing market price of share on a date prior to date of grant	₹96.40	₹ 159.50 & ₹ 176.55	₹ 163.70	

Out of 277261 options surrendered, 50019 options were re-granted to eligible employees as per the scheme.

MANAGEMENT DISCUSSION AND ANALYSIS

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand, foreign exchange fluctuations and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

1. WORLD ECONOMIC SCENARIO

With visible signs of recovery in the United States during the second half of 2011 and proactive views being adopted in the euro area in response to its deepening economic crisis, the threats of major economic crisis have slackened. It is expected therefore that some recovery will likely resume in the major advanced economies, whereas there could be a faster pace in most emerging and developing economies. However, political issues in various countries tend sometime to override the immediate concerns and fundamental changes required to achieve healthy growth over the medium term.

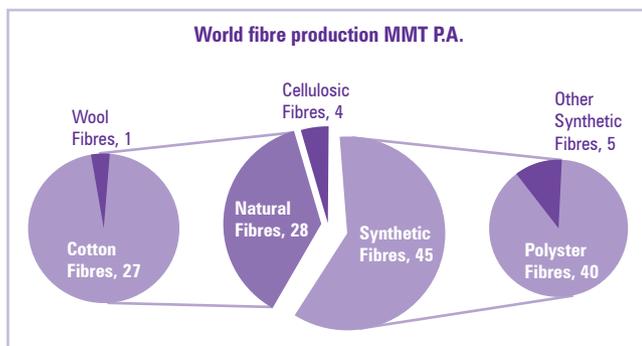
According to International Monetary Fund (IMF), Global growth can drop by a half percent point from 4% in 2011 to 3.5% in 2012 due to weak activity during the second half of 2011 and the first half of 2012. There have been adverse banking sector developments in the euro area. The cascading effect of problems in Europe could impact the other advanced economies during 2012.

As is being seen, many advanced economies have made substantial improvements by way of strong medium term fiscal consolidation programs. At the same time, emerging and developing economies continue to benefit from past policy improvements. Continuous proactive decision will be required further by these advanced economies to avoid flare up again in the euro area. Similar actions will compulsorily have to emerge in United States for making improvements on economic parameters.

There has been a general pessimism due to a feeling of loss of demand and slowdown in growth in all regions relative to the current period. Providing of stimulus for higher demand growth in surplus economies toward higher consumption, and supported by more market-determined exchange rates, would help strengthen prospects for such economies as well as those of the rest of the world.

2. WORLD POLYESTER SCENARIO

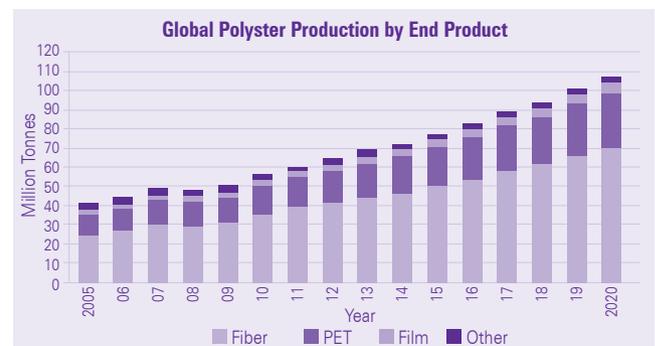
The Total World Fiber production for all various fibers i.e. cotton and non cotton is estimated to have increased by about 8% over the previous year to an all-time high of around 77 million tonnes in 2011. 64% of this total production amounting to around 45 million tonnes is in the Synthetic category, which grew by around 8% over the previous year. The balance 36%, amounting to around 28 million tonnes, is in the Natural Fibers category, which grew by around 7% over the previous year.



SOURCE : JBF INTERNAL RESEARCH

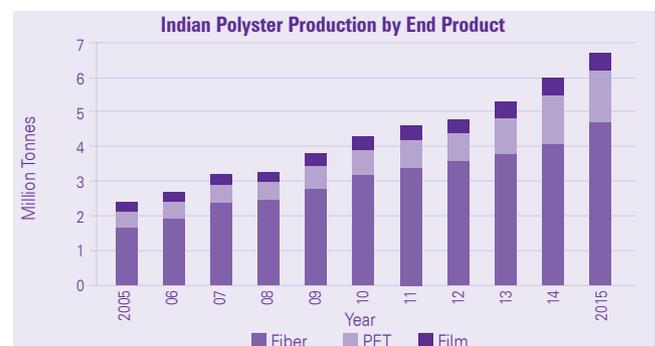
As regard to natural fibers, global cotton production grew for the second straight year in 2011, up 7.7% to around 27mn tonnes, as its acreage increased due to a sharp increase in cotton prices. Leading the group was China and India, and production also sharply increased in Pakistan, Australia, Africa and Turkey, but decreased in the U.S. due to droughts. Global cotton fiber production declined by almost 20% from 2004 to 2009, equivalent to a drop of almost 5m tonnes, before a partial recovery during 2010-2011. Meanwhile, polyester fiber continued to gain its share in global fiber supply, passing 50% in 2011. Although the market for polyester fiber is now substantially larger than that of cotton, the condition of the polyester market will remain subject to variations in cotton supply. Cotton production and inventory increased during 2011 and its prices have approximately halved since their peak in March 2011, but remain significantly higher than historical averages, which has resulted in increased demand for Polyester fiber market globally.

Polyesters account for around 40 million tonnes of the Synthetic category in 2011, a single highest share of about 82%. However, apart from the fiber applications there are other non fiber applications in Polyester, like Polyester Film and Polyester PET for bottles, totaling to around 21 million tonnes in 2011, having grown by around 25% over the previous year. Consequently, the world Polyester production amounted to around 61 million tonnes in 2011 resembling 10% growth from the previous year. Going forward, it is expected that the global polyester production will surpass 100 million tonnes by 2020, with around 70% production coming from the polyester fiber category and around 25% production coming from polyester PET for bottles.



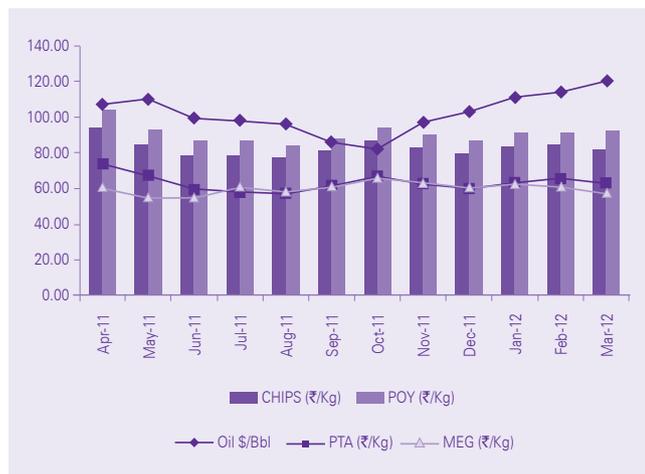
SOURCE : JBF INTERNAL RESEARCH

In India, the Polyester industry has grown by around 9% over the previous year and stands at around 4.6 million tonnes by the end of 2011. The growth has been driven by a healthy growth in Polyester Filament Yarn, which accounts to around half of the total production, as well as a robust growth of over 15% in Polyester PET for bottles. Going forward India's polyester production is expected to reach around 6.5 million tonnes by 2015 with around 60% of the production coming from the polyester fiber category and around 20% production coming from the polyester PET for bottles.



SOURCE : JBF INTERNAL RESEARCH

Last year began with tight raw material availability and prices, especially for PTA. This was attributed largely due to the boom in the polyester film demand in FY 2011 due to shutdown of certain polyester film global capacities, resulting in global mismatches in the supply and demand scenario of the raw materials. Although, the year ended with raw material prices coming to normalized levels, but supply constraints continued in India due to certain PTA plants not running at optimum levels.



As shown above, the raw material prices remained volatile during the year owing to supply related constraints in with reference to PTA. This resulted in some volatility in prices of the Polyester Yarn and Polyester Chips for the year as well.

3. CURRENT YEAR'S PERFORMANCE

Highlights		Year 2011-12	Year 2010-11	% Change
Total Shipments				
Polyester Chips	MT	273,233	276,376	(1.14)
Polyester Filament Yarn(POY)	MT	218,261	198,585	9.91
Polyester Processed Yarn	MT	8,579	8,484	1.12
Total		500,073	483,445	3.44
Net revenue from Operations	₹ in Crores	4,383.32	3,560.46	23.11
Profit before Interest, Depreciation and Tax	₹ in Crores	235.82	352.17	(33.04)
Finance costs	₹ in Crores	123.56	87.22	41.66
Depreciation and amortisation expenses	₹ in Crores	83.94	73.37	14.41
Current Taxation (Net)	₹ in Crores	0.42	50.85	(99.17)
Deferred Tax	₹ in Crores	(20.88)	9.31	(324.27)
Net Profit	₹ in Crores	48.78	131.42	(62.88)
Earning per share (EPS) - Basic	₹	6.68	19.53	(65.80)
- Diluted	₹	6.63	18.81	(64.75)
Equity Shares- No. of Shares as on 31st March.	Nos.	72,019,123	71,647,956	0.52
No of Shares for basic EPS	Nos.	71,790,521	67,240,621	6.77
No of Shares for Diluted EPS	Nos.	72,360,358	69,798,468	3.67

4. CASH FLOW ANALYSIS

₹ in crores

Sources of Cash	2011-12	2010-11
Cash from Operations	337.43	409.30
Income from Investing Activities	34.15	11.41
Proceeds from Term Borrowings (net of repayment)	299.02	278.11
Proceeds from Equity	2.23	86.48
Net gain on Foreign currency transactions	--	5.31
Sale of Investments (Net)	138.60	4.38
Total	811.43	794.99
Use of Cash		
Net Capital Expenditure	202.23	230.21
Increase in Working Capital	231.75	154.69
Finance Cost (including Currency & interest Swap)	136.82	98.73
Dividend paid (Incl. Tax on Dividend)	66.67	43.32
Tax paid (net)	21.00	54.59
Net loss on Foreign currency transactions	43.29	--
Investment in Subsidiary Company	25.00	161.14
Shares/FCCB Issue Expenses	--	3.13
Increase in cash & Cash Equivalent	84.67	49.18
Total	811.43	794.99

5. EXPANSION PLANS AT JBF

The company's current capacity of chips stands at around 6,80,000 Tonnes per annum and for POY at around 2,62,000 Tonnes per annum. In the year 2011-12, at JBF RAK, U.A.E., the company has added one more line for production of Polyester Film, so as to increase the Film capacity from the current level of 66,000 Tonnes per annum to 100,000 Tonnes per annum.

PTA PROJECT AT MANGALORE, STATE OF KARNATAKA, INDIA:

While recognizing the fact that the size of operation at both India and U.A.E. over the period of next 2 / 3 years the company would be more than 1.2 Million Tonnes per annum of Polyester and implying thereby the requirement of PTA to the extent of nearly 1 million Tonnes per annum, the company has embarked on setting up a green field PTA Project at Mangalore SEZ, India. The company has been allotted land for this purpose at SEZ in Mangalore. The company has also received Environmental Clearance and Consent to Establish for this project. The financial closure for this purpose has also been completed and technology for this project has also been finalized. It is expected that the project would be completed by around end of 2014.

DEBOTTLENECKING ACTIVITY TO INCREASE BOTTLE GRADE (PET) CHIPS CAPACITY

In view of the higher profitability of Bottle Grade Chips, by way of debottlenecking activities, company has decided to convert part of the chips capacity to produce higher quantity of Bottle Grade Chips. This activity is likely to be completed by around September 2012.

6. SWOT ANALYSIS

The following describes the Strength, Weaknesses, Threats and Opportunities faced by the company.

STRENGTHS:

- The company has plants outside India and this Geographical Spread outside India enables overcoming of risk of regional constraints being faced on several occasions.
- Company is producer of diversified varieties of chips as well as POY and FDY Yarns, which helps in lowering market risks and also adds to profitability.

WEAKNESSES:

- a. In view of Major reliance on local suppliers for PTA, company is subject to occasional shortages following unplanned shutdowns due to Technical problems at plant(s) of local supplier(s)
- b. Major reliance on imports of MEG.

OPPORTUNITIES:

- a. JBF will continue to explore various avenues and keep evaluating the viability of any opportunity that may arise for backward integration into production of Polyester Raw Materials, as its capacity now warrant fairly high Raw Material requirements.
- b. Exports now look more attractive with strengthening of the Dollar against the Rupee.

THREATS:

- a. Weakening rupee creating a major risk of forex losses.
- b. High volatility in Raw material prices leading to unanticipated situation of carry forward of high priced inventory.

7. HUMAN RESOURCES

JBF recognizes that its people are most valuable resources and therefore as a policy of nurturing talent and ensuring that there is growth and their capabilities grow in relation to the growth of the company. The human resources function takes into account the capability, commitment and sincerity while evaluating talent within the company and suitable reward structure is in place to ensure maximum employees satisfaction. Regular training programs have been in place to improve the work capability at various levels in order to improve the competencies and skills.

8. SAFETY, HEALTH AND ENVIRONMENT

JBF Industries Limited, as a responsible manufacturer of Polyester Chips and Polyester Yarn is committed to take adequate precautions related to safety, health and environment

The company has well established policy and guidelines for and ensures its implementation through regular training, audits and close monitoring of SHE activities.

Some highlights for the year gone by and practices adopted are as under:

A. SAFETY

- No Fatal Accident occurred in the period FY'12
- There is provision of safe and healthy workplace to ensure that personnel are properly trained and have appropriate safety and emergency equipment.
- A periodic review of the safety system is carried out to ensure that the safety practices adopted are uniform and follow the well laid out policies and procedures.
- For all new contracts, safety briefing is being done before the job is carried out.
- Employees including the contract workmen are being imparted necessary health and safety induction and provided with appropriate training (including proper usage of PPE's, safe working at height, electrical safety).
- Company believes instilling a sense of duty in every employee towards personal safety, as well as that of others who may be affected by the employee's actions.
- On regular basis interaction is done with the project team for building safety culture.
- Employees are also trained for handling emergencies through periodic mock drill.

- Quarterly safety audit is being done through safety committee members & External Safety Audit is been done through National Safety Council.
- As a motivational effort, National Safety Day, Fire Service Day is being celebrated on a large scale.
- First Aid Awareness Training being given to employees through ST. John's Ambulance.
- All fire Extinguishers are checked and inspected through external agencies.
- Joint Safety Analysis (JSA) and Plant Safety Inspection (PSI) is being done on regular basis with the involvement of Plant Executives.
- Safety training to employees is been imparted through internal faculty as well as External Agencies
- Providing and maintaining the CCTV cameras, fire alarm system.etc.

B. HEALTH

- No occupational disease observed
- Pre-employment and Periodic Health check up for all employees is being carried out regularly.
- Counselling for Health Check up is being followed by the medical officer at regular interval to keep the track record on occupational health
- Toilets and Drinking water facility provided and they are being regularly inspected for its cleanliness.

C. ENVIRONMENT

- Environment conservation and sustainable development are the continuous focus point of the company and for this, continual improvement in the environmental standard is an important aspect of the Company's business objectives.
- All the environment protection and pollution abatement measures are carried out inside the company itself to ensure that all the stipulated environmental standards are strictly followed.
- Employees are educated to be accountable for environmental stewardship and encouraged to seek innovative ways to improve the environmental aspects of operations
- Continuous effort in reduction of fuel consumption.
- Promotion of efficient use of energy and natural resources through cost-effective conservation and energy management programs.
- Reduction and where possible elimination of waste through recycling and disposal off all waste through safe and responsible methods
- Third party Environment monitoring is being conducted quarterly through External Agencies.
- Company is having efficient water management system which includes recyclability of treated effluent.
- Environment Day Celebration is being conducted on a large scale and tree plantation is been done to celebrate the occasion.
- Rainwater harvesting concept being implemented.

D. RISK MANAGEMENT

- The company identifies and manages its strategic, operational, financial and compliance risks through proactive management oversight and business processes.

The company is certified for ISO 9001:2008 (Quality Management System), ISO 14001:2004 (Environment Management System) and OHSAS 18001:2007 (Occupational Health and Safety Assessment System). Company's objectives of SHE are not merely to comply with the standards but to adopt practices which are considered to be the best in the industry.

CORPORATE GOVERNANCE REPORT

COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an essential element of JBF Industries Limited's business practices and value system. The major facets of company's corporate governance codes and policy are :

1. Highest level of transparency and accountability.
2. All operations and actions should serve the goal of enhancing share holder value.
3. Commitment to highest level of customer's satisfaction.
4. Total compliance towards statutory aspects including environmental standards.
5. Continuous activities towards sustained developments of the company.

The Company strongly believes that good corporate governance ultimately leads to growth and competitive strength and the corporate governance norms are the foundations of all procedures at the Board and operational levels.

BOARD OF DIRECTORS

COMPOSITION & CATEGORY OF DIRECTORS

The Board of Directors consists of 10 Directors out of which 5 are Independent. The Company has an Executive Chairman. The proportion of Non-Executive Directors to Executive Directors complies with the provisions of listing agreement with Stock Exchanges.

The category and designation of the Directors is as follows :

Name of Director	Designation	Category
Mr. Bhagirath C Arya	Executive Chairman	Executive & Promoter
Mr. Rakesh Gothi	Managing Director	Executive
Mr. P. N. Thakore	Director- Finance	Executive
Mr. N. K. Shah	Director-Commercial	Executive
Mrs. Veena Arya	Director	Non Executive & Promoter
Mr. Krishen Dev	Director	Non Executive & Independent
Mr. B. R. Gupta	Director	Non Executive & Independent
Mr. P. V. Mehta	Director	Non Executive & Independent
Mr. Sunil Diwakar	Director	Non Executive & Independent
Mr. Ravishankar Shinde	Director (LIC Nominee)	Non Executive & Independent

CEO & CFO

Mr. Rakesh Gothi, Managing Director, and Mr. P. N. Thakore, Director-Finance, are designated as Chief Executive Officer (CEO) and Chief Finance Officer (CFO) of the Company respectively.

DIRECTORS RETIRING BY ROTATION IN THIS ANNUAL GENERAL MEETING.

Mr. Prakash Mehta, Mrs. Veena Arya, Mr. Krishen Dev and Mr. B. R. Gupta Directors are retiring by rotation.

BRIEF PROFILE OF RETIRING DIRECTORS

Mr. Prakash Mehta, is graduated in law from Bombay University and became an advocate. In the year 1966, qualified as a Solicitor and since then he has been practising as an Advocate and Solicitor, has considerable experience in the field of corporate law and he was appointed as a Notary in 1996.

Mr. Mehta is on the Boards of Advani Hotels & Resorts Ltd., Bharat Bijlee Ltd., Camphor and Allied Products Ltd., Hikal Ltd., India Safety Vaults Ltd., Mukand Ltd., Mukand Engineers Ltd., PCS Technologies Ltd., W. H. Brady & Co. Ltd., and member of the Managing Committee of "The Bombay Incorporated Law Society".

He is also member of Committees of different Companies as mentioned under :

<u>Audit Committee</u>	<u>Investors Grievance Committee</u>	<u>Remuneration Committee</u>
Bharat Bijlee Ltd.,	Bharat Bijlee Ltd., and	Bharat Bijlee Ltd.,
Advani Hotels & Resorts (I) Ltd.,	Hikal Ltd.,	Hikal Ltd.,
Mukund Engineers Ltd., Hikal Ltd., and Mukund Ltd.,		Mukund Ltd., and Advani Hotels & Resorts (I) Ltd.,

Mr. Mehta holds 30,000 shares of the Company as on 31st March, 2012.

Mrs. Veena Arya, holds Masters Degree in Arts and has been a Promoter of the Company. She is a Director of the Company since 1989.

Mrs. Arya holds 14078 shares of the Company as on 31st March, 2012.

Mr. Krishen Dev, a Chemical Engineer by training, has over 41 years of experience, specialising in polyester filaments. Previously, Mr. Dev has also been associated with Reliance Industries Ltd., Century Enka Ltd., and DCM Ltd.

Mr. Dev is on the Board of Everest Kanto Cylinder Ltd., and Powerica Ltd. He is member of Audit & Investment Committees and Chairman of Remuneration Committee of Everest Kanto Cylinder Ltd., and also member of Audit Committee of Powerica Ltd.

Mr. Dev holds 30,000 shares of the Company as on 31st March, 2012.

Mr. B. R. Gupta, is M.A. (English), LL.B. and Fellow of Insurance Institute of India. Mr. Gupta is the former Executive Director of the Life Insurance Corporation of India and was working as Consultant (Investment) to GIC India till December, 2000. Mr. Gupta has worked with LIC for over 36 years in various capacities and has had extensive experience in the operations of the life insurance industry, specifically in the areas of investment, marketing, underwriting and administration. Mr. Gupta has also worked in the investment department of the LIC for 10 years and headed the department as Executive Director. He was responsible for Managing LIC's portfolio comprising a variety of investments. Subsequent to his retirement, till May 1999, he functioned as the Investment Advisor to LIC. He had also been a Member of "The Administrative Committee of Insurance Institute of India", "The debt Committee of the NSE" and "The Secondary Market Advisory Committee of SEBI".

Mr. Gupta is on the Boards of Aditya Birla Nuvo Ltd., HOV Services Ltd., JBF Petrochemicals Ltd., and JBF RAK LLC. Mr. Gupta has been an Advisor to IL&FS Academy for Insurance and Finance Ltd., an initiative of IL&FS group for several years and at present he is advisor to Trinity Global Educations Pvt Ltd. He is also member of Audit Committee of Aditya Birla Nuvo Ltd., and Chairman of Audit Committee of HOV Services Ltd. He is also Chairman of Investor Grievance Committee of HOV Services Ltd.

Mr. Gupta holds 10,500 shares of the Company as on 31st March, 2012.

MEETING OF THE BOARD OF DIRECTORS

During the Financial Year 2011-2012 the Board of Directors met 5 times on 26th May, 2011, 4th August, 2011, 26th September, 2011, 10th November, 2011 and 8th February, 2012.

Attendance of Directors at the Board Meetings, last Annual General Meetings and Number of other Directorship and Chairmanship / Membership of Committee of each Director in various Companies.

Name of the Director	Attendance Particulars		No. of Directorships and Committee Memberships / Chairmanships		
	Board Meetings	Last AGM	*Other Directorship	**Committee Membership	**Committee Chairmanships
Bhagirath C Arya	4	No	1	Nil	Nil
Rakesh Gothi	5	Yes	1	1	Nil
P. N. Thakore	5	Yes	Nil	Nil	Nil
N. K. Shah	5	Yes	Nil	Nil	Nil
Veena Arya	2	No	Nil	Nil	Nil
Krishen Dev	4	Yes	2	2	Nil
Prakash Mehta	2	No	10	7	Nil
B. R. Gupta	5	Yes	3	3	2
Sunil Diwakar	2	No	8	5	Nil
Ravishankar Shinde	3	No	Nil	Nil	Nil

* Other than Foreign and Private Limited Companies.

** In accordance with Clause 49, Membership/Chairmanship of only the Audit Committee and Shareholders/Investors Grievance Committee of all Public Limited companies (Excluding JBF Industries Limited), has been considered.

RESOLUTIONS BY CIRCULATION

Two Resolutions were proposed and passed during the year by Circulation.

PROCEDURES AT THE BOARD MEETINGS

The Board of Directors meet at least once in every quarter to review performance of the company along with the financial results. The functions of the Board are effectively and efficiently discharged by briefing each Board member of developments that have taken place.

Apart from the quarterly meetings additional meetings are also convened if required for the specific needs of the Company, by giving appropriate notice.

The Board may also approve urgent matters by passing resolutions by circulations, if permitted by law.

In the various meetings, the proceedings of subsidiaries JBF RAK LLC, JBF Global Pte Ltd. and JBF Petrochemicals Limited were placed before the Board for their notification.

The Board has ensured the review of compliance reports of all laws applicable to the Company and quarterly reviewed the compliance reports. There are no instances of non compliance noticed in such reviews.

The Board notes different risk factors involved in the business and analysis of the same. The different risks involved are mitigated by analysing existing controls and facilities.

The Board is given presentation covering Finance, Sales and Marketing & Operations of the Company, before taking the quarterly results of the Company on record.

RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS

The minutes of the proceedings of each Board and Committee Meetings are recorded by the Company Secretary. Draft Minutes are circulated to all the members of the Board/Committee for their comments.

The minutes of the proceedings of the meetings are entered in the Minute Book within 30 days from the date of the conclusion of meeting.

BOARD COMMITTEES

I. AUDIT COMMITTEE

The Audit Committee comprises of 3 (Three) Independent & Non-Executive Directors namely Mr. B. R. Gupta, (Chairman), Mr. Krishen Dev and Mr Sunil Diwakar. All the members of the Audit Committee possess financial/ accounting expertise.

The terms of reference stipulated by the Board to the Audit Committee are, as contained in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, as follows:

POWERS OF AUDIT COMMITTEE

The audit committee shall have following powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

ROLE OF AUDIT COMMITTEE

The role of the audit committee shall include the following :

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings statements.
 - (e) Compliance with listing and other legal requirements relating to financial statements.
 - (f) Disclosure of any related party transactions.
 - (g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussing with the internal auditors of any significant findings and follow up there on.
9. 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.

10. Discussing with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. Looking into the reasons for substantial defaults if any, in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Approving of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Reviewing of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.)
14. Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.

REVIEW OF INFORMATION BY AUDIT COMMITTEE

The Audit Committee shall mandatorily review the following informations:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee) submitted by Management.
- Internal audit reports relating to internal control weakness.
- Management letters / letters of internal control weaknesses issued by the statutory auditors; and
- The appointment, removal and terms of remuneration of Internal Auditors shall be subject to review by the Audit Committee.

MEETING OF THE AUDIT COMMITTEE

During the Financial Year 2011-2012 the Audit Committee met 4 times on 26th May, 2011, 4th August, 2011, 10th November, 2011, and 8th February, 2012.

Mr. Rakesh Gothi, Managing Director, Mr. P. N. Thakore, Director-Finance, Mr. N. K. Shah, Director-Commercial, Statutory Auditors, Internal Auditors and General Manager Accounts were invited to attend the Audit Committee Meetings.

Attendance of each Member at the Audit Committee meetings held during the year:

Name	Position	Meetings Held	Meetings Attended
Mr. B. R. Gupta	Chairman	4	4
Mr. Krishen Dev	Member	4	3
Mr. Sunil Diwakar	Member	4	1

The Company Secretary acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting.

II. SHAREHOLDERS / INVESTOR GRIEVANCE COMMITTEE

The Investor Grievance Committee comprises of 3 (Three) Independent, Non-Executive Directors, namely Mr. B. R. Gupta (Chairman), Mr. Prakash Mehta and Mr. Sunil Diwakar.

The Investor Grievance Committee meets once in every quarter to review and to take note of the Compliance Reports submitted to the Stock Exchanges and grievances of the shareholders.

MEETING OF THE INVESTOR GRIEVANCE COMMITTEE

During the Financial Year 2011-2012 the Investor Grievance Committee met 4 times on 26th May, 2011, 4th August, 2011, 10th November, 2011 and 8th February, 2012.

Attendance of each Member at the Investor Grievance Committee meetings held during the year:

Name	Position	Meetings Held	Meetings Attended
Mr. B. R. Gupta	Chairman	4	4
Mr. Sunil Diwakar	Member	4	2
Mr. Prakash Mehta	Member	4	2

The total number of complaints received and replied to the satisfaction of the shareholders during the year was 28. Pending complaints as on 31st March, 2012, were Nil.

COMPLIANCE OFFICER

Mrs. Ujjwala Apte, Company Secretary of the Company, has been recognised as Chief Compliance Officer.

III. REMUNERATION COMMITTEE

The Remuneration Committee comprises of 3 (Three) Independent Non-Executive Directors namely, Mr. Prakash Mehta (Chairman), Mr. B R Gupta, Mr. Sunil Diwakar.

Remuneration Committee met once on 26th May, 2011, during the financial year 2011 – 2012.

Attendance of each Member at the Remuneration Committee meeting held during the year:

Name	Position	Meetings Held	Meetings Attended
Mr. Prakash Mehta	Chairman	1	Nil
Mr. B R Gupta	Member	1	1
Mr. Sunil Diwakar	Member	1	1

As per the resolution passed by the members of the company held on 20th September, 2007 & 30th December, 2008, the Board of Directors is authorised to vary, increase, or enhance the scope of the remuneration and perquisites including the monetary value thereof to the extent of ₹ 1 Crore (Rupees One Crore only) to Mr. Rakesh Gothi, CEO & Managing Director, ₹ 60 Lacs (Rupees Sixty Lacs) to Mr. P. N. Thakore, CFO & Director-Finance and 20% of the Gross amount of remuneration to Mr. N K Shah, Director-Commercial. However, the increase in remuneration of Executive Directors beyond the said limits, fresh resolution will be put up before the members for their approval.

This Committee has been constituted to recommend the increase / modifications in the Remunerations of the Managing Director, Whole-time / Executive Directors based on their performance and defined assessment criteria. The aggregate value of salary and perquisites are as follows :

Name of the Director	Salary (₹ In Lacs)	Commission (₹ In Lacs)	Perquisites (₹ In Lacs)	Total (₹ In Lacs)	Service Contract	
					Tenure*	Notice Period**
Mr. Bhagirath Arya	410.71	--	31.26	441.97#	5 years	3 months
Mr. Rakesh Gothi	62.69	--	4.35	67.05	5 years	3 months
Mr. P. N. Thakore	29.17	--	1.04	30.21	3 years	3 months
Mr. N. K. Shah	23.96	--	2.05	26.01	3 years	3 months

Besides this, Executive Chairman and all the Executive Directors are entitled to provident fund, gratuity, encashment of leave at the end of the tenure, as per the rules of the Company.

During the year the Company has not granted any fresh stock options to any of the Directors.

* From their respective dates of appointment.

** There is no separate provision for payment of severance fees.

Subject to Central Government Approval

DIRECTORS SITTING FEES

The Company has paid sitting fees for attending Board, Audit Committee, Remuneration Committee, Investor Grievance Committee, Compensation Committee and Risk Management Committee Meetings, ₹15,000, ₹10,000, ₹5,000, ₹5,000, ₹5,000 and ₹5,000 per meeting respectively to all the Non-Executive Directors as mentioned below.

Mr. Krishen Dev	₹ 1,05,000
Mr. B. R. Gupta	₹ 1,85,000
Mr. Prakash Mehta	₹ 40,000
Mr. Sunil Diwakar	₹ 55,000
Mrs. Veena Arya	₹ 30,000
Mr. Ravishankar Shinde (Nominee LIC)	₹ 45,000

None of the above mentioned Directors is related to any other Director on the Board in terms of the definition of "relative" given under Companies Act, 1956, except Mrs. Veena Arya is wife of Mr. Bhagirath C. Arya.

The Non Executive – Independent Directors have exercised their option under ESOP Scheme and their holding as on 31st March, 2012, is as below mentioned.

Sr. No.	Name of the Directors	No. of Shares
1	Mr. Krishen Dev	30000
2	Mr. Prakash V Mehta	30000
3	Mr. B R Gupta	10500
4	Mr. R G Shinde	100

IV. INVESTMENT COMMITTEE

Mr. Rakesh Gothi, Managing Director and Mr. P N Thakore, Director-Finance are members of the Committee and Mrs. Ujjwala Apte, Company Secretary, is Secretary of the Committee.

The details of the Investment Committee Meeting held during the financial year 2011 – 2012 as follows.

Sr. No.	Period	No. of Meetings
1	1st April, 2011 to 30th June, 2011	3
2	1st July, 2011 to 30th September, 2011	4
3	1st October, 2011 to 31st December, 2011	3
4	1st January, 2012 to 31st March, 2012	3

V. COMPENSATION COMMITTEE

The Committee has been constituted to administer JBF ESOS 2009. Attendance of each member at the Committee meeting held during the year.

Name	Position	Meetings Held	Meetings Attended
Mr. Rakesh Gothi	Member	7	6
Mr. P.N.Thakore	Member	7	7
Mr. B.R. Gupta	Member	7	7
Mr. Krishen Dev	Member	7	2
Mrs. Ujjwala Apte	Co.Secretary By Invitation	7	7

Shareholders at the Annual General Meeting held on 25th September, 2009 approved JBF ESOS 2009. Committee granted 21,54,000 options at exercise price of ₹60 per share to selected employees and Directors on 25th September 2009. Each option represents a right but not obligation to apply for 1 fully paid equity share of ₹10 each at the exercise price. The options granted will vest equally over 3 years from the date of grant. Disclosure required by SEBI guidelines on ESOS as annexed to the Directors' report which also gives details of options granted to Directors and senior management personnel.

The second lot of the 632854 options granted to Directors and employees were vested on 26th September, 2011.

During the year under review, 24,677 options were surrendered which were available for reissue.

During the year under review 3,71,167 options were exercised by the Directors & employees and equal number of equity shares were allotted. Listing formalities were duly completed after the allotment of these shares. 9,98,887 options are outstanding for exercise as 31st March, 2012.

PROCEDURE AT THE COMMITTEE MEETINGS

The procedures of the Board Meetings are applicable to the Committee Meetings as far as may be practicable.

PREVENTION OF INSIDER TRADING

The Committee ensures that the Code of Conduct for prevention of Insider Trading adopted in terms of Regulation 12(1) of the SEBI [Prohibition of Insider Trading] Regulations are strictly adhered to.

CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD OF DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

The Company has formulated and implemented a Code of Conduct (the 'Code') for the Board of Directors, Senior Management and Employees of the Company. Annual affirmation of compliance with the Code has been made by the Board of Directors, Senior Management and employees of the Company. The Code has also been posted on the Company's website, www.jbfindia.com The necessary declaration by the Chief Executive Officer of the Company regarding compliance of the above mentioned Code by Directors, Senior Management and the employees forms part of the Corporate Governance Report.

ANNUAL GENERAL MEETINGS

DATE	VENUE	TIME	SPECIAL RESOLUTIONS PASSED
26 th September, 2011	Daman Ganga Resort	12.15 p.m.	1. Increase in remuneration of Mr. N.K.Shah, as Director-Commercial.
25 th September, 2010	Daman Ganga Resort	12.30 p.m.	1. Re-appointment of Mr. Bhagirath C Arya, as Executive Chairman, on terms and conditions and on such remuneration approved by the Board of Directors. 2. Remuneration of Ms. Chinar Arya
25 th September, 2009	Daman Ganga Resort	12.00 noon	1. Re-appointment of Mr. P. N. Thakore, as Director-Finance, on terms and conditions and on such remuneration approved by the Board of Directors. 2. Re-appointment of Mr. N.K.Shah, as Director-Commercial, on terms and conditions and on such remuneration approved by the Board of Directors. 3. Increase in the limit of investment in subsidiaries under Section 372 (2A). 4. Increase in Borrowing Limit under Section 293(1)(d). 5. Employees Stock Option Scheme under Section 81 (A) for employees of the Company. 6. Employees Stock Option Scheme under Section 81 (A) for employees of the Subsidiary Company.

No Special Resolution was proposed and passed during the last year through Postal Ballot.

DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

The Company carries on business with related parties, in which Directors are interested, in the ordinary course of business at prevailing market prices, which has no potential conflict with the interest of the Company. Directors regularly make full disclosures to the Board regarding the nature of interest in the Companies in which they are related.

Transactions carried out with the related parties were at arms length prices and were duly approved by Board of Directors from time to time.

Further, in compliance to the Accounting Standards, a detailed disclosure of transactions with related parties as laid down under AS-18 "Related party disclosure" as notified by the Companies (Accounting Standard) Rules, 2006, has been made in note no.31 of Financial Statements forming as a part of the Annual Report.

DETAILS OF NON COMPLIANCE BY THE COMPANY

There has been **no instance of non compliance** by the Company on any matter related to capital market during the last 3 years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.

DISCLOSURE OF ACCOUNTING TREATMENT

In order to hedge the Company's exposure to foreign exchange and interest rate, the Company has entered into derivative contracts. All realized derivative losses aggregating to ₹ 16,777 lacs for the year ended 31st March, 2012 has been charged to Statement of Profit & Loss. The mark to market losses in respect of the above derivative contracts as on 31st March, 2012 aggregating to ₹ 4,748 Lacs has not been provided in the books of account, since the Company is of the view that, loss may be payable only if loss conditions are triggered on observation dates, which, is contrary to the requirements of announcement by the Institute of Chartered Accountants of India. The losses in respect of above derivative contracts will be accounted for on actual settlements. Further, one of the bankers with whom, derivative transaction is outstanding had approved a line of credit to fund derivative losses partly as debt, convertible debt and preference shares.

RISK MANAGEMENT

The Company has a formal Risk Management Framework in place for risk assessment and minimisation. The Scope of the Audit Committee includes review of Company's financial and risk management policies.

The Risk Management Committee regularly meets and the report is placed before the Board of Directors.

The Board notes different risk factors involved in the business and analyses the same. The different risks involved are mitigated by analysing existing controls and facilities.

SUBSIDIARY COMPANY

The Minutes of the Board Meetings of unlisted wholly owned subsidiary JBF Petrochemicals Ltd and JBF Global Pte Ltd., and its subsidiary JBF RAK LLC have been placed before the Board from time to time.

Financial statements, alongwith statement containing all significant transactions and arrangements entered into by them were reviewed and noted quarterly by the Audit Committee of the Company.

Audited Annual Financial Accounts of these Companies for the year ending 31st March, 2012, were placed before the Board of Directors of the Company.

SECRETARIAL AUDIT

In compliance to the circular received from Stock Exchange mandating all listed companies to subject themselves to a Secretarial Audit for purposes of reconciliation of the total admitted capital with both the depositories and the total issued and listed capital, the Company confirms that there exist no discrepancies with regard to its admitted capital. A certified report to this effect issued by practising Company Secretary M/s. Jagdish Patel & Co. is submitted at close of each quarter to the Stock Exchanges.

MEANS OF COMMUNICATION

The half yearly and quarterly financial results of the Company are, in compliance of Clause 41 of the Listing Agreement, published in Economic Times at the place where the Corporate Office is situated and also in The Economic Times, and a local vernacular news edition, at the place where the Registered Office is situated. Half-yearly results in addition to being published in newspapers are also provided to the shareholders on receipt of the request from them.

Results and Official News of the Company are displayed on the Company's Website : www.jbfindia.com

The Ministry of Corporate Affairs (MCA) has through Circular No.17/2011 pronounced a Green Initiative in Corporate Governance that allows Companies to send notices / documents to shareholders electronically. Accordingly the Company has sent notice and annual report by way of electronic mode to the shareholders whose email address was registered with the Company.

The Annual Report is posted individually to all members, whose email address is not registered with the Company.

The shareholders who have not registered email address with the company, are requested to register the email address with company.

The presentations to the institutional investors and to the analysts are made as and when required.

The Management Discussion and Analysis Report is incorporated within the Directors' Report forming a part of the Annual Report.

GENERAL INFORMATION FOR SHAREHOLDERS ANNUAL GENERAL MEETING

Day, Date & Time	28th September, 2012 at 11.30 a.m.
Venue	Daman Ganga Resort, Silvassa.
Financial Calendar [Tentative]	
Results for the quarter ended June, 2012.	End 2nd week of August'12
Results for the quarter ended September, 2012	End 2nd week of November'12
Results for the quarter ended December, 2012.	End 2nd week of February'13
Results for the quarter ended March, 2013	End May'13
Annual General Meeting	End September'13

BOOK CLOSURE

The Register of Members will be kept closed from 11th August, 2012 to 17th August, 2012. [Both days inclusive] for the purposes of payment of dividend

DIVIDEND

The dividend will be paid to the shareholders, whose names appear in the Register of Members on 11th August, 2012.

The dividend will be paid, if declared, on or after the date of AGM i.e 28th September, 2012.

DIVIDEND DECLARED FOR THE LAST 8 YEARS

Financial Year	Dividend Declaration	Dividend Per Share*
2003-2004	14th August, 2004	₹ 2.00
2004-2005	14th July, 2005	₹ 2.00
2005-2006	29th July, 2006	₹ 2.00
2006-2007	20th September, 2007	₹ 2.25
2007-2008	30th December, 2008	₹ 1.50
2008-2009	25th September, 2009	₹ 5.00
2009-2010	25th September, 2010	₹ 6.00
2010-2011	26 th September, 2011	₹ 8.00

* Share of paid-up value of ₹ 10 each.

Note: Dividend of ₹ 8 per share recommended by the Directors on 29th May, 2012 is subject to declaration by the shareholders at the ensuing Annual General Meeting.

The dividend warrants will be despatched to the shareholders address registered as per Register of Members.

Shareholders who have not en-cashed the dividend warrant(s) are requested to get their warrants revalidated by writing to the Company. Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years, statutorily get transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government, and thereafter cannot be claimed by the investors. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the concerned investors, before transfer of dividend to IEPF.

LISTING OF EQUITY SHARES

The shares of the Company are listed on The Bombay Stock Exchange Ltd, National Stock Exchange of India Ltd, and The Calcutta Stock Exchange.

In accordance with the resolution passed in the AGM held on 14th August, 2004, the Company had applied to Calcutta Stock Exchange for the delisting of the equity shares of the Company. The reply is awaited from Calcutta Stock Exchange.

LISTING FEES

The Annual Listing fees for the year 2012-13 has been paid to The Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

REGISTRAR & TRANSFER AGENTS

Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills Compound, LBS Road,
Bhandup [West], Mumbai – 400 078.

Tel. No. – 022-25 94 69 70.

E-mail id: rnt.helpdesk@linkintime.co.in

SHARE REGISTRATION

Shares received for transfer are registered within a period of 15 days from the date of receipt of all documents which are clear and complete in all respects.

EMPLOYEES STOCK OPTION SCHEME

The shareholders of the Company in their meeting held on 25th September, 2010, had approved Employees Stock Option Scheme for 21,78,486 equity shares of ₹ 10 each for eligible employees and Directors of the Company. The Company has complied with the relevant provisions of SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 thereafter, in respect thereof.

The second lot of the 632854 options granted to Directors and employees were vested on 26th September, 2011.

During the year under review, 24,677 options were surrendered which were available for reissue.

During the year under review 3,71,167 options were exercised by the Directors & employees and equal number of equity shares were allotted. Listing formalities were duly completed after the allotment of these shares.

9,98,887 options are outstanding for exercise as 31st March, 2012.

DEMATERIALISATION OF SHARES : AS ON 31ST MARCH, 2012.

Mode of Holding	No. of shares held	Percentage to Total Capital
N S D L	57271621	79.52
C D S L	13588996	18.87
Total Demat Holding	70860617	98.39
Physical Holding	1158506	1.61
Total Shareholding	72019123	100.00

DISTRIBUTION OF SHAREHOLDING : AS ON 31ST MARCH, 2012.

Shareholding from to	No. of Share holders	Number of Shares held	Percentage to Total Capital
1 - 500	31415	3734004	5.18
501 - 1000	1498	1203283	1.67
1001 - 2000	722	1131093	1.57
2001 - 3000	250	641539	0.89
3001 - 4000	116	422686	0.58
4001 - 5000	103	489631	0.68
5001 - 10000	184	1367080	1.91
10001 and above	202	63029807	87.52
TOTAL	34490	72019123	100.00

THE SHARE HOLDING PATTERN : AS ON 31ST MARCH, 2012.

Group	No. of Shares held	% held
Indian Promoters	30754695	42.70
Directors / Relatives	137320	0.19
Body Corporates	4582221	6.36
Financial Institutions, Insurance Cos., & Banks	3150719	4.35
Trusts & Mutual funds	9292201	12.91
FII's, FCI's, NRIs & NRNs	7444257	10.35
Indian Public	16657710	23.14
TOTAL	72019123	100.00

BUILD UP OF EQUITY SHARE CAPITAL

Date of Issue	Type of Issue	Number of Equity Shares	Cumulative Number of Shares	Cumulative Amount
18-Jun-82	Subscriber's Memorandum to	2	2	20
8-Aug-83	Issue of equity shares to Promoters	25000	25002	250020
18-Mar-85	Issue of equity shares to Promoters	123498	148500	1485000
29-Jun-85	Issue of equity shares to Promoters	171500	320000	3200000
27-Jun-86	Issue of equity shares to Promoters	60000	380000	3800000
27-Jun-86	Issue of equity shares through Public Issue	570000	950000	9500000
1-Jan-88	Issue of equity shares on Part conversion of Non Convertible Debentures	1000000	1950000	19500000
8-Feb-90	Issue of equity shares on Conversion of Fully Convertible Debentures	2292500	4242500	42425000
22-Sep-92	Issue of equity shares on Conversion of Fully Convertible Debentures	8280800	12523300	125233000
19-Apr-94	Issue of equity shares on Private Placement	6500000	19023300	190233000
7-Jun-94	Issue of equity shares on Private Placement	2000000	21023300	210233000
1-Apr-95	Issue of equity shares on conversion of convertible debentures issued on Private Placement	10000000	31023300	310233000
10-Jun-05	Issue of equity shares on Preferential basis	15528600	46551900	465519000
28-Mar-06	Issue of equity shares on conversion of Convertible Warrants on issued on Preferential basis	2450000	49001900	490019000
29-Jul-06	Issue of equity shares on conversion of Foreign Currency Convertible Bonds	1525000	50526900	505269000
18-Oct-06	Issue of equity shares on conversion of Convertible Warrants issued on Preferential basis	3848100	54375000	543750000
16-Aug-07	Issue of equity shares on conversion of Foreign Currency Convertible Bonds	2643332	57018332	570183320
28-Aug-07	Issue of equity shares on conversion of Foreign Currency Convertible Bonds	2541666	59559998	595599980

26-Mar-08	Issue of equity shares on conversion of Convertible Warrants issued on Preferential basis	2500000	62059998	620599980
18-Nov-08	Issue of equity shares on Merger	182450	62242448	622424480
23-Aug-10	Issue of equity shares on conversion of Foreign Currency Convertible Bonds	3558333	65800781	658007810
30-Sep-10	Issue of equity shares under QIP issue	5290471	71091252	710912520
27-Oct-10	Issue of equity shares under ESOP	283884	71375136	713751360
29-Nov-10	Issue of equity shares under ESOP	137192	71512328	715123280
30-Dec-10	Issue of equity shares under ESOP	68418	71580746	715807460
28-Jan-11	Issue of equity shares under ESOP	35482	71616228	716162280
29-Mar-11	Issue of equity shares under ESOP	31728	71647956	716479560
29-Jun-11	Issue of equity shares under ESOP	43896	71691852	716918520
4-Aug-11	Issue of equity shares under ESOP	5500	71697352	716973520
20-Oct-11	Issue of equity shares under ESOP	190518	71887870	718878700
3-Dec-11	Issue of equity shares under ESOP	32142	71920012	719200120
26-Dec-11	Issue of equity shares under ESOP	27423	71947435	719474350
19-Mar-12	Issue of equity shares under ESOP	71688	72019123	720191230

DEMAT ISIN Number in NSDL & CDSL **INE187A01017**
 Share Code on BSE **514034**
 Share Code on NSE **JBFIND**

CUMULATIVE REDEEMABLE PREFERENCE SHARES. (CRPS)

During the year ended 31st March, 2012, Company has issued 61,77,837 Cumulative Redeemable Preference Shares of ₹ 100 each to Bank of India in pursuant to line of credit approved by the bank to fund derivative losses. These CRPS are redeemable at par on 30th September 2019.

TRADING IN EQUITY SHARES OF THE COMPANY IS PERMITTED ONLY IN DEMATERIALIZED FORM.

Index of Share Prices [High & Low] of the Company during the Year on the BSE & NSE :

Month	BSE		NSE	
	High	Low	High	Low
April 2011	186.25	163.40	186.00	163.10
May 2011	181.80	154.60	180.90	154.10
June 2011	172.75	150.20	172.65	150.50
July 2011	169.70	150.00	169.70	150.15
August 2011	154.50	117.00	154.90	117.00
September 2011	142.75	123.40	143.00	121.00
October 2011	126.70	117.00	126.20	116.80
November 2011	130.95	107.50	130.90	105.30
December 2011	114.75	90.25	114.80	89.65
January 2012	112.30	89.00	112.50	89.65
February 2012	117.70	106.00	117.50	106.00
March 2012	121.40	104.00	121.45	106.65

Source : website of BSE & NSE

LIQUIDITY

The average daily turn over of the equity shares of the company during the financial year 2011-2012 is as follows:

BSE : 42699

NSE : 85874

JBF Share Price at BSE



JBF Share Price at NSE



Plant Location Survey No. 273, Village Athola, Dadra Nagar Haveli, Silvassa
 Saily-Rakholi Road, Dadra Nagar Haveli, Silvassa
 Plot No. 11 and 215 to 231 Sarigam GIDC Indl. Area
 Tal : Umbergaon, Sarigam,Vapi, Gujarat

Address for Correspondence **Corporate Office:**
 8th Floor, Express Towers
 Nariman Point, Mumbai – 400 021.
 Tel. No.: 22 88 59 59 Fax No.: 22 88 63 93
E-mail Address for General Correspondence: jbf@vsnl.com
E-mail Address for Investor Grievance & Correspondence: sec.shares@jbfmail.com
Website: www.jbfindia.com

COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has fully complied with the applicable mandatory requirements of Clause 49.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The Company complies with non-mandatory requirements stipulated under Clause 49 with regard to Remuneration Committee.

DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING COMPLIANCE TO THE CODE OF CONDUCT

I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company, for the financial year ended March 31, 2012.

For JBF Industries Limited

Rakesh Gothi
 CEO & Managing Director

Place : Mumbai

Date : 29th May, 2012

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) ON FINANCIAL STATEMENTS OF THE COMPANY

We, Rakesh Gothi, CEO & Managing Director and P. N. Thakore, CFO & Director – Finance, certify that :

We have reviewed the Audited Financial Statements & Cash Flow Statement for the year ended on 31st March, 2012 and to the best of our knowledge and belief that :-

1. These audited financial results do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These results are in compliance with existing accounting policies, accounting standards, applicable laws and regulations except the mark to market losses in respect of currency and interest swap contracts which have not been provided in the books of accounts, since the Company is of the view that the losses may be payable only if loss conditions are triggered on observation / settlement dates. The loss if any, will be accounted for on actual settlements;
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on 31st March, 2012, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that :-
 - a. There have been no changes in internal control during this year.
 - b. We further certify that there have been no changes in accounting policies during this year.
 - c. There have been no instances of fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Rakesh Gothi
Managing Director
Chief Executive Officer

P. N. Thakore
Director Finance
Chief Financial Officer

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
JBF INDUSTRIES LIMITED**

BHAGIRATH C. ARYA
CHAIRMAN

Place : Mumbai
Date : 29th May, 2012

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of

JBF INDUSTRIES LIMITED

1. We have examined the compliance of conditions of Corporate Governance by JBF Industries Limited, for the year ended on 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.
4. We state that, such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For CHATURVEDI & SHAH
Chartered Accountants
(Registration No.: 101720W)

R.KORIA
Partner
Membership No. 35629

Place: Mumbai
Dated: 29th May, 2012

AUDITORS' REPORT

To the Members,

JBF INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of 'JBF INDUSTRIES LIMITED' ("the Company") as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 ('the Order'), issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure hereto, a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
4. Attention is drawn to the Note No. 36.3 on the financial statement, regarding "the non-provision of marked to market losses on derivative contracts amounting to ₹ 47.48 Crores as at 31st March, 2012 on account of reasons as explained in the aforesaid note. Had the same been provided the profit after tax for the year ended 31st March, 2012 would have been ₹ 17.12 Crores as against the reported figures of ₹ 48.78 Crores.

Further, Reserve & Surplus, Deferred Tax Liabilities (Net), Other Current Liabilities, Long term loans & Advances and Short term loans & Advances as at 31st March, 2012 would have been ₹ 808.48 Crores, ₹ 105.20 Crores, ₹ 312.78 Crores, ₹ 497.75 Crores and ₹ 365.31 Crores respectively as against the reported figure of ₹ 840.14 Crores, ₹ 120.60 Crores, ₹ 265.30 Crores, ₹ 492.15 Crores and ₹ 370.49 Crores respectively.

5. Further to our comments in the annexure referred to in paragraph 3 above and subject to our comment in paragraph 4 above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 appears from our examination of such books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e. On the basis of the written representations received from the directors as on 31st March, 2012 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956. As regards to a Director nominated by a Financial Institutions, he is exempted from the provisions of Section 274 (1) (g) in view of general circular issued by the Department of Company Affairs.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and notes thereon, in particular Note No.

26.1 on the financial statements, regarding the payment of managerial remuneration which is subject to the approval of Central Government, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
- ii) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- iii) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For CHATURVEDI & SHAH

Chartered Accountants
(Registration No.: 101720W)

R. KORIA

Partner

Place: Mumbai

Dated: 29th May, 2012

Membership No. 35629

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date to the members of JBF Industries Limited on the accounts for the year ended 31st March, 2012)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (b) As explained to us, all the fixed assets have been physically verified by the management in accordance with the programme of verification, which in our opinion is reasonable, considering the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
 - (c) In our opinion and according to the information and explanations given to us, the Company has not made any substantial disposal of fixed assets during the year and the going concern status of the Company is not affected.
- (ii) In respect of its inventories: -
 - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion, and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of inventories as compared to the book records.
- (iii) In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956: -
 - (a) The Company has given loans to two subsidiary Companies. In respect of the said loans, the maximum amount outstanding at any time during the year was ₹ 113.27 Crores and the year-end balance is ₹ 98.85 Crores.
 - (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
 - (c) As per the terms of the loans, neither the interest nor the principal amounts are due for recovery.

- (d) The said loans, are either not due for repayment or repayable on demand and therefore the question of overdue amounts does not arise.
- (e) The Company has not taken any loan during the year from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Consequently, the requirements of sub clauses (f) and (g) of clause (iii) of paragraph 4 of the said Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. The Company has not sold any services during the year. During the course of audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (v) In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956:
- (a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered in the register have been so entered.
- (b) According to the information and explanations given to us, the transactions made during the year in pursuance of such contracts or arrangements exceeding value of Rupees five lacs for each party, have been made at prices which are prima facie reasonable as per the information available with the Company.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (vi) of paragraph 4 of the said Order are not applicable to the Company.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has prescribed the maintenance of Cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011, under section 209(1) (d) of the Companies Act, 1956. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (ix) (a) According to the records of the Company in respect of statutory and other dues, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, and Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Cess and any other material statutory dues as applicable with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the disputed statutory dues aggregating to ₹ 1.85 Crores that have not been deposited on account of matters pending before appropriate authorities, are as under:

Name of the statute	Nature of the dues	₹ in Crores	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.00*	2005-06	Supreme Court
		0.16*	2004-05	CESTAT
		0.00*	2005-06	CESTAT
Service Tax Act, 1994	Service Tax	1.44	2010-11	CESTAT
Income Tax Act, 1961	Income Tax	0.20	2005-06	Commissioner (Appeals)
		0.03	2006-07	Commissioner (Appeals)
		0.01	2007-08	Commissioner (Appeals)
		0.01	2008-09	Commissioner (Appeals)
Total		1.85		

(*) Net of amount ₹ 1.13 Crores deposited under protest.

- (x) The Company does not have accumulated losses at the end of the financial year. It has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and accordingly to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (xii) In our opinion and according to the explanations given to us and based on the information available, the Company has maintained adequate documents and records in respect of loans and advances granted by it on the basis of security by way of pledge of shares.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society, hence the provisions of clause (xiii) of paragraph 4 of the said Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and others investment. The Company has maintained proper records of transactions and contracts in respect of shares and other securities and timely entries have been made therein. All shares and other investments have been held by the Company in its own name except certain investments which are made through portfolio manager and held by them in a fiduciary capacity on behalf of the Company.
- (xv) The Company has given guarantees and letter of credit in connection with the Credit facilities extended by banks to its wholly owned subsidiary Company as mentioned in Note No. 30 (d) on the financial statements, which according to the information and explanations given to us by the management, are not prima facie prejudicial to the interest of the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the term loans raised during the year and those, which were outstanding at the beginning of the year, were prima facie been applied for the purposes for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short term basis that have been utilized for long term investment.
- (xviii) During the year, the Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations provided to us, securities have been created in respect of secured debentures issued by the Company.
- (xx) The Company has not raised any money by way of Public issue during the year
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For CHATURVEDI & SHAH
Chartered Accountants
(Registration No.: 101720W)

R. KORIA
Partner
Membership No. 35629

Place: Mumbai

Dated: 29th May, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

(₹ in Crores)

EQUITY AND LIABILITIES	Note	As at 31st March, 2012		As on 31st March, 2011	
SHAREHOLDERS' FUNDS					
Share Capital	2	160.41		98.26	
Reserves and Surplus	3	840.14	1,000.55	856.07	954.33
NON-CURRENT LIABILITIES					
Long-term borrowings	4	727.38		542.35	
Deferred Tax Liabilities (Net)	5	120.60		141.48	
Long-term provisions	6	3.33	851.31	2.67	686.50
CURRENT LIABILITIES					
Short-term borrowings	7	637.00		386.59	
Trade Payables	8	542.51		565.80	
Other current liabilities	9	265.30		240.61	
Short-term provisions	10	87.65	1,532.46	84.17	1,277.17
TOTAL			3,384.32		2,918.00
ASSETS					
NON-CURRENT ASSETS					
Fixed assets	11				
Tangible assets		1,275.91		1,140.65	
Intangible assets		0.29		0.42	
Capital work-in-progress		115.84		116.41	
		1,392.04		1,257.48	
Non-current investments	12	28.67		318.50	
Long-term loans and advances	13	492.15		58.99	
Other non current assets	14	1.38	1,914.24	1.53	1,636.50
CURRENT ASSETS					
Current investments	15	62.87		124.57	
Inventories	16	458.94		520.11	
Trade receivables	17	400.94		279.99	
Cash and Bank Balances	18	161.07		83.25	
Short-term loans and advances	19	370.49		266.90	
Other current assets	20	15.77	1,470.08	6.68	1,281.50
TOTAL			3,384.32		2,918.00
SIGNIFICANT ACCOUNTING POLICIES	1				
NOTES ON THE FINANCIAL STATEMENTS	1-37				

As per our report of even date

For & on behalf of the Board of Directors

For **CHATURVEDI & SHAH**
Chartered Accountants**B. C. ARYA**
Chairman**RAKESH GOTHI**
Managing Director**R. KORJA**
Partner**P. N. THAKORE**
Director- Finance**B. R. GUPTA**
Director**UJJWALA APTE**
Company SecretaryPlace : Mumbai
Date : 29th May, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(₹ in Crores)

Particulars	Note	Year ended 31st March, 2012		Year ended 31st March, 2011	
Gross Revenue from Operations	21	4,782.08		3,863.03	
Less:-Excise Duty Recovered on Sales		398.76	4,383.32	302.57	3,560.46
Other Income	22		129.24		22.37
Total Revenue			4,512.56		3,582.83
Expenses					
Cost of Materials consumed	23		3,544.46		2,842.61
Purchases of Stock-in-Trade	24		0.07		14.14
Changes in inventories of Finished Goods and Stock -in- process	25		(5.28)		(71.31)
Employee benefits expenses	26		46.18		44.38
Finance costs	27		123.56		87.22
Depreciation and amortisation expense	11		83.94		73.37
Other expenses	28		691.31		400.84
Total Expenses			4,484.24		3,391.25
Profit Before Tax			28.32		191.58
Tax Expenses					
Current tax		5.60		50.93	
Less:- MAT Credit		(5.18)		-	
Deferred tax expense /(credit)		(20.88)		9.31	
Taxes for earlier year		-	(20.46)	(0.08)	60.16
Profit After Tax			48.78		131.42
Prior Period Adjustments			0.10		0.11
Profit for the year			48.68		131.31
Earnings per share (of ₹10 each) - (in ₹) Basic	29		6.68		19.53
- (in ₹) Diluted			6.63		18.81
SIGNIFICANT ACCOUNTING POLICIES	1				
NOTES ON THE FINANCIAL STATEMENTS	1-37				

As per our report of even date

For & on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. C. ARYA
Chairman

RAKESH GOTHI
Managing Director

R. KORIA
Partner

P. N. THAKORE
Director- Finance

B. R. GUPTA
Director

UJJWALA APTE
Company Secretary

Place : Mumbai
Date : 29th May, 2012

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**1 SIGNIFICANT ACCOUNTING POLICIES****A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

Financial statements have been prepared as a going concern basis under historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

B. USE OF ESTIMATE

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/ materialized.

C. FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction, net of Cenvat/Value added Tax, less accumulated depreciation and impairment loss, if any. All costs, including finance cost till commencement of commercial production, net charges on forward exchange contracts and adjustment arising from exchange rate differences/ variations attributable to the fixed assets are capitalised.

D. ASSETS TAKEN ON LEASE

The lower of the fair value of the assets and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component, if any, is charged to Statement of Profit and loss.

E. INTANGIBLE ASSETS

Intangible assets are stated at cost of acquisition less accumulated amortization. Computer Software is amortized over a period of five years.

F. DEPRECIATION

- i. Depreciation is provided on straight line method at the rates and in the manner prescribed in Schedule XIV, of the Companies Act, 1956.
- ii. Depreciation on addition during the year has been provided on pro rata basis succeeding to the month of addition.
- iii. The leasehold land has been amortised over the lease period.
- iv. Depreciation has been provided over the residual life of the respective fixed assets for additions arising on account of translation of foreign currency liabilities, insurance spares and on additions or extensions forming an integral part of the existing assets.

G. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

H. INVESTMENTS

Current investments are carried at lower of cost and market value/NAV, computed individually. Long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary in the opinion of the management.

I. INVENTORIES

In general, all inventories of Finished Goods, Stock -in-Process etc., are stated at lower of cost or net realisable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw Materials & Stores and Spares are stated at cost on FIFO Basis. Waste, by products and trial run products are valued at net realisable value. Inventories of Finished Goods and Waste include excise duty, wherever applicable.

J. TRANSACTION IN FOREIGN CURRENCY

- i. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of the transaction.
- ii. Monetary Items denominated in foreign currencies at the year end are restated at year end rates. In case of those items, which are covered by forward exchange contracts, the difference between the year end rate and spot rate on the date of the contract is recognized as exchange difference in the Statement of Profit and Loss and the premium paid on forward contracts has been recognized over the life of the contract.
- iii. Exchange difference relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of depreciable fixed asset is adjusted to the carrying cost of the fixed asset. In other cases such differences are accumulated in a " Foreign Currency Monetary Item Translation Difference Account" and amortised to the Statement of Profit and Loss over the balance life of the long term monetary item, however that the period of amortization does not extend beyond 31st March, 2020.
- iv. All other exchange difference are dealt with in the Statement of Profit and Loss.
- v. Non monetary foreign currency items are carried at cost.

K. DERIVATIVE INSTRUMENTS

Financial Derivative Contracts are accounted on the date of their settlement and realized gain/loss in respect of settled contracts are recognized in the Statement of Profit and Loss.

L. ISSUE EXPENSES

Equity Share/ Share Warrants / Bonds issue expenses are adjusted against Securities Premium account.

M. PREMIUM ON REDEMPTION OF BONDS

Premium payable on redemption of Bonds is provided for over the life of the Bonds. The Securities Premium Account is applied in providing for premium on redemption on Bonds in accordance with Section 78 of The Companies Act, 1956. On conversion of the Bonds into equity shares & on cancellation of the same, the redemption premium is reversed.

N. REVENUE RECOGNITION

Revenue from sale of products is recognised when significant risk and rewards of ownership of the goods have passed to the buyer. Revenue from Operations includes sale of products, waste, export Incentive and excise duty and are net of sales tax, value added tax, discounts and claims. Dividend Income is recognised when right to receive the payment is established by the balance sheet date. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

O. BORROWING COST

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

P. CUSTOMS

Liability on account of Customs Duty on Imported materials in transit or in bonded warehouse is accounted in the year in which the goods are cleared from customs.

Q. EXPORT INCENTIVES

- Benefit on account of entitlement to Import duty free materials under the "Duty Exemption pass book Scheme/Focus Market Scheme/Focus Product scheme" is recognized as and when right to receive are established as per the terms of the scheme.
- The Benefits in respect of Advance Licence received by the Company against the Export made by it are recognized as and when goods are imported against them.
- The Benefit in respect of Duty Drawback is recognised at the time of exports.

R. EMPLOYEE BENEFITS

- Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
- Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques based on Projected unit credit method. Actuarial gain/losses in respect of post employment and other long term benefits are charged to Statement of Profit and Loss.
- In respect of employee's stock options, the excess of market price on the date of grant over the exercise price is recognised as deferred employee compensation expenses amortised over vesting period.
- Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

S. PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. In the case of unabsorbed depreciation and carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty that they can be realised against future taxable profits.

T. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

2. SHARE CAPITAL

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
Authorised		
100,000,000 (Previous Year 100,000,000) Equity Shares of ₹ 10 each	100.00	100.00
12,500,000 (Previous Year 12,500,000) Cumulative Redeemable Preference shares of ₹ 100 each	125.00	125.00
	225.00	225.00
Issued Subscribed & Paid up		
72,019,123 (Previous Year 71,647,956) Equity Shares of ₹ 10 each fully paid up	72.02	71.65
8,839,200 (Previous Year 2,661,363) 2.5% Cumulative Redeemable Preference Shares of ₹ 100 each fully paid up	88.39	26.61
TOTAL	160.41	98.26

2.1 Terms/rights attached to equity shares

Holders of equity shares of ₹ 10 each are entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the member at the annual general meeting of the year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive out of the remaining assets of the company, after distribution of Preferential amounts. The distribution will be in proportion to the number of equity shares held by share holders.

2.2 Terms/rights attached to Cumulative Redeemable Preference Shares

The holder of Preference Share of the Company have a right to vote at a General Meeting of the Company only in accordance with limitations and provisions laid down in Section 87 (2) of the Companies Act, 1956 . The Preference Shares shall carry dividend at the rate of 2.5 % per annum payable annually. The preference share holders will be entitled to receive out of the remaining assets of the company after distribution to all the secured and unsecured creditors. These CRPS are redeemable at par : ₹ 61.78 Crores on 30.09.2019 and ₹ 26.61 Crores on 30.09.2018 .

2.3 Reconciliation of number of Shares outstanding at beginning and at the end of year:

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Equity No. of Shares	Preference No. of Shares	Equity No. of Shares	Preference No. of Shares
Shares outstanding at the beginning of the year	71,647,956	2,661,363	62,242,448	--
Add:- Shares Issued during the year :				
On exercise of option by FCCB holders	--	--	3,558,333	--
On preferential basis to Qualified Institutional Buyers	--	--	5,290,471	--
On exercise of option by ESOS holders	371,167	--	556,704	--
On conversion of debt to a lender	--	6,177,837	--	2,661,363
Shares outstanding at the end of the year	<u>72,019,123</u>	<u>8,839,200</u>	<u>71,647,956</u>	<u>2,661,363</u>

2.4 The Company has allotted 61,77,837 (Previous Year 26,61,363) 2.5% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid up aggregating to ₹ 61.78 Crores (Previous Year ₹ 26.61 Crores) to Bank of India in pursuant to line of credit approved by a bank to fund derivative losses.

2.5 Equity options outstanding as on 31st March, 2012:

- To ESOS holders 9,98,887 (Previous year 13,89,712) Refer Note No 26.3
- To a bank in respect of optionally convertible loan (OPCL) being a part of line of credit sanctioned to finance derivative losses. The OPCL outstanding as on 31st March, 2012 is ₹ 50.51 Crores (Previous year 15.21 Crores) Refer Note No 36.3.

2.6 Of the above Equity Shares 1,82,450 Equity Shares of ₹ 10/- each were issued pursuant to the scheme of Amalgamation of Microsynth Fabrics (India) Limited with the Company as sanctioned by Hon'ble High Court of Judicature at Mumbai vide its order dated 23rd October, 2008.

2.7 The details of shareholder holding more than 5% shares :

Name of Equity Shareholders	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	Percentage	No. of Shares	Percentage
Bhagirath Arya	20,669,253	28.70%	19,447,173	27.14%
Seetharam Narayana Shetty - Trustee - JBF Employees Welfare Foundation	4,897,350	6.80%	--	--
Vaidic Resources Private Limited	3,906,304	5.42%	3,906,004	5.45%
Chinar Arya	4,290,000	5.96%	4,290,000	5.99%

Name of Preference Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	Percentage	No. of Shares	Percentage
Bank of India	8,839,200	100%	2,661,363	100%

3. Reserves and Surplus

(₹ in Crores)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
Capital Reserves				
As per Last Balance Sheet		10.62		10.62
Securities Premium Reserve				
As per Last Balance Sheet	398.33		280.84	
Add: Received on issue of Shares	3.21		111.30	
Add: Redemption Premium on FCCB reversed on Conversion	–		9.32	
Less: Share Issue Expenses	–	401.54	3.13	398.33
Debenture Redemption Reserve				
As per Last Balance Sheet	3.82		0.57	
Add: Transferred from Surplus	3.26	7.08	3.25	3.82
General Reserves				
As per last Balance Sheet	62.40		49.25	
Add: Transferred from Surplus	5.00	67.40	13.15	62.40
Employee Stock Options Outstanding				
As per last Balance Sheet	5.20		7.18	
Add: Granted during the year	0.05		0.48	
Less: Option lapsed during the year	0.09		0.26	
Less: Option Exercised during the year	1.35		2.20	
	3.81		5.20	
Less:-Deferred Compensation Expenses				
As per last Balance Sheet	1.86		4.92	
Add: Granted during the year	0.05		0.48	
Less: Amortised / lapsed during the year	1.47		3.54	
	0.44	3.37	1.86	3.34
Surplus				
As per last Balance Sheet	377.56		329.13	
Add:-Net Profit for the year	48.68		131.31	
Amount available for Appropriations	426.24		460.44	
Appropriations				
Transfer to General Reserve	5.00		13.15	
Transfer to Debenture Redemption Reserve	3.26		3.25	
Short Provision of dividend in previous year	0.04		–	
Tax Paid on short provision of dividend	0.01		–	
Dividend Distribution Tax for earlier year written back	–		(0.14)	
Proposed Dividend on Preference Share (Previous Year ₹ 36,457) (Dividend per share ₹ 2.50 per annum Previous year ₹ 2.50 per annum)	0.72		0.00	
Proposed Dividend on Equity Shares (Dividend per share ₹ 8 Previous year ₹ 8)	57.62		57.32	
Dividend Distribution Tax on Proposed Dividend	9.46	350.13	9.30	377.56
TOTAL		840.14		856.07

4 LONG TERM BORROWINGS

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
Secured Loans		
(a) Debentures		
Non Convertible Debentures	40.00	50.00
(b) Term loans		
from banks	257.45	190.95
from Financial Institution	<u>21.43</u>	<u>29.40</u>
(c) External Commercial Borrowings	218.74	53.28
(d) Vehicle Loans	0.37	0.55
	<u>537.99</u>	<u>324.18</u>
Unsecured Loans		
(a) Term loans		
from a bank	138.90	41.82
(b) External Commercial Borrowings	50.49	176.35
	<u>189.39</u>	<u>218.17</u>
TOTAL	<u>727.38</u>	<u>542.35</u>

4.1 Debentures referred to in (a) above are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

4.2 Term Loans from Banks & Financial Institutions referred to in (b) above are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are further secured by Second charge on current assets of the Company situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

4.3 External Commercial Borrowings referred to in (c) above are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

4.4 The Loans for vehicle have been secured by specific charge on the vehicles covered under the said loans.

4.5 Terms of Repayment

i) Debentures

Debentures are redeemable at par in one or more installments on various dates with the farthest redemption being on 27.10.2014 and the earliest being 27.01.2013. The debentures are redeemable as follows ₹ 10 Crores as on 27.10.2014, ₹ 10 Crores as on 27.07.2014, ₹ 10 Crores 27.01.2014 and ₹ 10 Crores 27.07.2013.

ii) Secured Term Loans from Banks

Loan of ₹ 6.29 crores is repayable in 4 equal quarterly installments of ₹ 1.57 crores starting from April 2013 and ending on January 2014 and loan of ₹ 251.16 crores is repayable in 6 equal quarterly installments of ₹ 3.22 Crores starting from June 2013 and ending on September 2014 and there after 16 equal quarterly installments of ₹ 14.49 Crores starting from December 2014 and ending on September 2018.

iii) Secured Term Loans from Financial Institutions

Loan of ₹ 21.43 crores is repayable in 3 equal annual installments of ₹ 7.14 crores starting from July 2013 and ending on July 2015.

iv) Secured External Commercial Borrowings

Loan of ₹ 45.78 crores is repayable in 12 equal quarterly installments of ₹ 3.82 crores (USD 7,50,000) starting from June 2013 and ending on March 2016, loan of ₹ 101.74 crores is repayable in 16 equal quarterly installments of ₹ 6.36 crores (USD 12,50,000) starting from March 2014 and ending on December 2017 and loan of ₹ 71.22 crores is repayable in 14 equal quarterly installments of ₹ 5.09 crores (USD 10,00,000) starting from May 2013 and ending on August 2016.

v) Secured Vehicle Loans

Vehicle Loans are repayable as under : ₹ 0.17 crores in financial year 2013 -14, ₹ 0.17 crores in financial year 2014-15 and balance of ₹ 0.03 crores in financial year 2015-16.

vi) Unsecured Term Loans From a Bank

Loan of ₹ 88.39 crores is repayable in 8 equal half yearly installments of ₹ 11.04 crores starting from April 2014 and ending on October 2017 and loan of ₹ 50.51 crores will be converted in to Equity by 30.09.2013 at a price to be determine according to SEBI rules and guidelines prevailing at that time.

vii) Unsecured External Commercial Borrowings

Loan of ₹ 50.49 crores is repayable in July 2013.

4.6 Term loans from banks aggregating to ₹ Nil (Previous year ₹ 15.72 Crores) are guaranteed by two of the Directors of the Company and ₹ 139.74 Crores (Previous year ₹ 65.43 Crores) are guaranteed by one of the Directors of the company in their personal capacity.

5 DEFERRED TAX LIABILITIES (NET)

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
(a) Deferred Tax Liability		
Related to fixed assets	158.53	143.68
(b) Deferred Tax Assets		
Unabsorbed Depreciation	35.59	–
Disallowance under Section 43B of the Income Tax Act, 1961	0.97	0.78
Others	1.37	1.42
TOTAL	120.60	141.48

6 LONG TERM PROVISIONS

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
Provision for employee benefits (Refer Note No. 26.2)		
Gratuity	3.33	2.67
TOTAL	3.33	2.67

7 SHORT TERM BORROWINGS

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
Secured Loans		
(a) Working Capital Loans		
from banks	165.26	67.90
Unsecured Loans		
(b) Short Term Loans		
from banks	121.31	71.64
(c) Working Capital Loans		
from banks	84.44	87.26
(d) Buyer's Credit	265.99	159.79
	471.74	318.69
TOTAL	637.00	386.59

7.1 Working Capital Loans as referred to in (a) above are secured by hypothecation of inventory of Raw Materials, Work in process, Finished goods, Stores and spares, Packing materials and Book Debts and are also secured by way of Second charge on the immovable properties of the company situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

8 TRADE PAYABLES

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
Micro, Small and Medium Enterprises	1.93	1.11
Others	540.58	564.69
TOTAL	542.51	565.80

8.1 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 :

Amount due to Micro, Small and Medium Enterprises are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
1. Principal Amount remaining unpaid at the end of the year	1.93	1.11
2. Interest due thereon	–	–
3. Interest paid during the year	–	–
4. Interest due and payable (on the amount which have been paid beyond the appointed date during the year.)	–	–
5. Interest remaining accrued and unpaid at the end of the year	–	–
6. Interest due of the previous year	–	–

This information as required to be disclosed has been determined to the extent such parties have been identified on the basis of information available with the Company.

9 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Current Maturities of long-term debt	202.69	193.01
Interest accrued but not due on borrowings	5.40	3.85
Income received in advance	0.18	0.08
Unpaid dividends @	1.05	0.81
Deposit from customers	0.27	0.29
Deposit against Excise Liabilities	1.30	–
Advance from Customers	11.51	4.62
Creditors for capital expenditure	23.38	26.88
Other payables *	19.52	11.07
TOTAL	265.30	240.61

@ Does not include any amounts, due & outstanding, to be credited to Investor Education & Protection Fund.

* Other payable includes Salaries, wages & bonus payable, Withholding & Other Taxes payable and outstanding liabilities.

10 SHORT TERM PROVISION

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Provision for employee benefits (Refer Note No. 26.2)		
Gratuity	0.66	0.57
Leave Encashment	2.17	1.68
Others :		
Excise Duty Provision *	17.02	15.30
Proposed Dividend on Preference Shares (Previous Year ₹ 36457)	0.72	0.00
Proposed Dividend on Equity Shares	57.62	57.32
Provision for Dividend Distribution Tax	9.46	9.30
TOTAL	87.65	84.17

*The company has recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March, 2011 of ₹ 15.30 Crores as per the estimated pattern of despatches. During the year ₹ 15.21 Crores was utilised for clearance of goods. Liability recognised under this class as at 31st March, 2012 is ₹ 17.02 Crores. Actual outflow is expected in the next financial year.

11 FIXED ASSETS

(₹ in Crores)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 01/04/2011	Additions/ Adjustments	Deductions/ Adjustments	As at 31/03/2012	Up to 31/03/2011	For the year	Deductions/ Adjustments	Upto 31/03/2012	As At 31/03/2012	As At 31/03/2011
Tangible Assets										
Land : Free-hold	27.29	–	1.06	26.23	–	–	–	–	26.23	27.29
Leasehold	1.60	–	–	1.60	0.08	0.02	–	0.10	1.50	1.52
Buildings	192.81	19.81	1.27	211.35	33.45	6.70	0.20	39.95	171.40	159.36
Plant & Machineries	1,315.84	203.78	7.42	1,512.20	371.56	75.98	4.46	443.08	1,069.12	944.28
Furniture & Fixtures	6.98	0.13	0.12	6.99	3.06	0.40	0.11	3.35	3.64	3.92
Office Equipments	1.55	0.16	0.08	1.63	0.45	0.08	0.06	0.47	1.16	1.10
Vehicles	3.03	0.10	0.01	3.12	0.85	0.27	0.00	1.12	2.00	2.18
Data Processing Equipments	3.85	0.19	0.14	3.90	2.85	0.32	0.13	3.04	0.86	1.00
	1,552.95	224.17	10.10	1,767.02	412.30	83.77	4.96	491.11	1,275.91	1,140.65
Intangible Assets										
Software*	1.80	0.04	–	1.84	1.38	0.17	–	1.55	0.29	0.42
	1.80	0.04	–	1.84	1.38	0.17	–	1.55	0.29	0.42
Total	1,554.75	224.21	10.10	1,768.86	413.68	83.94	4.96	492.66	1,276.20	1,141.07
Previous Year	1,393.96	171.04	10.28	1,554.75	344.76	73.37	4.45	413.68	1,141.07	–
Capital work- in-progress									115.84	116.41

* other than internally generated.

- 11.1 Buildings include ₹ 8000/- being the value of Shares of Co-operative Societies.
- 11.2 Additions to fixed assets & Capital work in Progress are inclusive of loss of ₹ 16.80 Crores (Previous Year ₹ 6.00 Crores) on account of foreign exchange difference during the year.
- 11.3 Capital work in progress includes :
- i) ₹ 6.24 Crores on account of Preoperative expenses (Previous Year ₹ 6.21 Crores).
- ii) ₹ 5.88 Crores on account of cost of construction material at site (Previous Year ₹ 26.82 Crores)
- 11.4 In accordance with the Accounting Standard (As -28) on "Impairment of Assets" As notified by Companies (Accounting Standards) Rules 2006, the management during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried out by the management, there was no impairment loss on Fixed Assets during the year ended 31st March, 2012.
- 11.5 **Details of the Preoperative Expenditure :**

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
EXPENDITURE :		
Cost of material consumed	0.26	0.66
Power & Fuel	1.64	0.80
Other Manufacturing Expenses	0.33	0.14
Salary, Wages & Allowances	1.30	1.13
Employees Welfare & Other Amenities	0.11	0.11
Packing Material Consumed	0.01	0.04
Repairs & Maintenance – Others	0.02	–
Travelling & Conveyance	0.01	0.06
Legal & Professional Fees	1.39	–
General Expenses	0.02	0.02
Other borrowings costs	2.02	–
Interest expenses	3.98	4.69
	11.09	7.65
INCOME :		
Sales of trial run products	0.04	0.11
Net Pre Operative Expenditure for the Year	11.05	7.54
Add : Pre Operative Expenditure upto Previous Year	6.21	7.26
	17.26	14.80
Less : Allocated to fixed assets during the Year	11.02	8.59
Closing Balance	6.24	6.21

12 NON - CURRENT INVESTMENTS (LONG TERM)

(₹ in Crores)

Particulars	Face Value (₹ unless otherwise stated)	As at 31st March, 2012		As at 31st March, 2011	
		No. of Shares/Units	₹ in Crores	No. of Shares/Units	₹ in Crores
(A) Trade Investments					
(a) In Equity Instruments					
Unquoted Fully Paid up					
Subsidiary Companies (at Cost)					
JBF Global PTE. Ltd. (In ₹ 27)	₹ 1	1	0.00	46,091,003	123.64
JBF Petrochemicals Ltd	10	25,000,000	25.00	–	–
(b) In Preference Shares					
Unquoted Fully Paid up					
Subsidiary Company (at Cost)					
JBF Global PTE. Ltd.	₹ 5.69	–	–	7,436,253	191.48
Total Trade Investments (A)			25.00		315.12
(B) Other Than Trade Investments					
(a) In Equity Instruments Quoted Fully Paid up Others (At Cost)					
Allied Digital Services Ltd.	5	48,000	0.29	48,000	0.29

Unquoted Fully Paid up**Others (at Cost)**

Sumex Overseas Ltd.	10	15,000	--	15,000	--
Planet 41 Mobi Venture Ltd	10	360,000	1.95	360,000	1.95
Ansal Hi-Tech Townships Ltd *	10	3,568	0.03	3,568	0.03
Ananta Landmarks Pvt Ltd*	10	--	--	1,999	0.00
In ₹ NIL (Previous Year ₹ 19,990)					
Total Environment Project Pvt Ltd *	10	150	0.00	150	0.00
In ₹ 1,500 (Previous Year ₹ 1,500)					
Nitesh Housing Developers Pvt Ltd *	10	282	0.01	282	0.01
Runwal Homes Private Ltd *	10	223	0.03	223	0.03
VBHDC Bangalore Value Homes Pvt Ltd *	10	60	0.00	60	0.00
In ₹ 600 (Previous Year ₹ 600)					
BCC Infrastructure Private Ltd *	10	59	0.00	59	0.00
In ₹ 590 (Previous Year ₹ 590)					
Godrej Estate Developers Pvt Ltd *	10	16	0.03	16	0.03
Godrej Sea View Properties Pvt Ltd *	1	141	0.03	141	0.03
VBHC Delhi Value Homes Pvt Ltd *	10	26	0.00	26	0.00
In ₹ 260 (Previous Year ₹ 260)					
Kunal Spaces Pvt Ltd *	10	54	0.00	54	0.00
In ₹ 540 (Previous Year ₹ 540)					
VBHC Chennai Value Homes Pvt Ltd *	10	26	0.00	26	0.00
In ₹ 260 (Previous Year ₹ 260)					
VBHC Mumbai Value Homes Pvt Ltd -Class A *	1	260	0.00	--	--
In ₹ 260 (Previous Year ₹ NIL)					
VBHC Delhi Projects Pvt Ltd- Class A *	1	260	0.00	--	--
In ₹ 260 (Previous Year ₹ NIL)					
Marvel Omega Builders Class B *	10	51	0.00	--	--
In ₹ 510 (Previous Year ₹ NIL)					

Total Equity Instruments (a)**2.37****2.38****b) In Preference Shares *****Unquoted Fully Paid up****Others (at Cost)**

Ananta Landmarks Pvt Ltd	10	--	--	477	0.05
Neo Pharma Pvt Ltd	10	--	--	78	0.01
BCC Infrastructure Pvt. Ltd	10	172	0.00	172	0.00
In ₹ 1,720 (Previous Year ₹ 1,720)					
Ekta World Pvt Ltd	1	505	0.00	505	0.00
In ₹ 505 (Previous Year ₹ 505)					
Runwal Township Pvt Ltd-Class A	1	53	0.00	--	--
In ₹ 53 (Previous Year ₹ NIL)					
Runwal Township Pvt Ltd-Class B	1	78	0.00	--	--
In ₹ 78 (Previous Year ₹ NIL)					
Runwal Township Pvt Ltd Class C	1	53	0.02	--	--
Arimas Developers Private Limited	1	563	0.00	--	--
In ₹ 563 (Previous Year ₹ NIL)					

Total Preference Shares (b)**0.02****0.06**

(c) In Debentures ***Unquoted Fully Paid up**

Total Environment Projects	100	2,381	0.02	3,978	0.04
Total Environment Building Pvt. Ltd	100	6,976	0.07	6,976	0.07
Total Environment Habitate Pvt. Ltd -OCD	100	6,766	0.07	6,766	0.07
Atithi Building Commodities Pvt Ltd	1,000	738	0.07	738	0.07
Aristo Realtors Private Ltd	1,000	964	0.10	964	0.10
Nitesh Housing Developers Pvt Ltd	100	3,423	0.03	3,423	0.03
Nitesh Land Holding Pvt Ltd	100	1,104	0.01	1,104	0.01
Runwal Homes -Debentures -Class A	100	--	--	7,541	0.08
Runwal Township Pvt Ltd -Debentures-Class B	100	2,975	0.03	3,416	0.03
ATS Apartments Pvt Ltd	100	--	--	2,811	0.03
VBHDC Bangalore Value Homes Pvt Ltd	100	1,351	0.01	1,351	0.01
BCC Infrastructures Pvt Ltd	100	1,691	0.02	1,691	0.02
BCC Infrastructures Pvt Ltd- Class A	100	6,276	0.06	6,276	0.06
VBHC Delhi Value Homes Pvt Ltd	100	1,376	0.01	1,376	0.01
Ekta World Pvt Ltd Deb Class A Ser I	100	1,256	0.01	1,256	0.01
Ekta World Pvt Ltd Deb Class A Ser II	100	1,211	0.01	1,211	0.01
Kunal Spaces Pvt Ltd Class A	100	3,139	0.03	1,567	0.02
VBHC Chennai Value Homes Pvt. Ltd	100	1,701	0.02	1,701	0.02
Dharmesh Construction Pvt Ltd- OCD	100	5,739	0.06	2,861	0.03
Marvel Realtors Developers Series I	100	1,944	0.02	1,944	0.02
Marvel Realtors Developers Series II	100	1,967	0.02	1,967	0.02
Runwal Township Pvt Ltd	100	10,456	0.10	10,456	0.10
Bhaveshwar Properties Pvt Ltd	100	5,457	0.05	5,457	0.05
Arimas Developers Pvt Ltd Class A	100	3,052	0.03	2,523	0.03
Nilkanth Tech Park Pvt Ltd Debenture	100	2,572	0.03	--	--
Nilkanth Tech Park Pvt Ltd Debenture II	100	2,572	0.03	--	--
Ekta Parksville Homes Pvt Ltd-Debentures	100	4,140	0.04	--	--
Ekta Parksville Homes Pvt Ltd-Debentures II	100	1,036	0.01	--	--
Ekta Parksville Homes Pvt Ltd-Debentures III	100	828	0.01	--	--
Marvel Omega Builders	100	2,715	0.03	--	--
Anand Divine Developers Pvt Ltd	100	6,332	0.06	--	--
Almond Infrabuild Pvt Ltd	100	6,665	0.07	--	--
VBHC Mumbai Value Homes Pvt. Ltd	100	3,726	0.04	--	--
Arimas Developers Pvt Ltd Class B	100	3,516	0.04	--	--
Neelkanth Vinayak Realtors Pvt Ltd	100	1,788	0.02	--	--
Nilkanth Tech Park Pvt Ltd- Debenture III	100	1,548	0.02	--	--
VBHC Delhi Projects Pvt Ltd	100	1,448	0.01	--	--
Ekta Parksville Class A Deb Series 2	100	1,232	0.01	--	--
Total Debentures (c)			1.27		0.95
Total Non-Trade Investments (B)			3.67		3.38
TOTAL NON - CURRENT INVESTMENTS (A+B)			28.67		318.50

* Represents Investments made through Portfolio Manager and held by them in fiduciary capacity on behalf of the company (Refer Note No-12.3)

12.1 Non-Current Investments are carried at cost less provision for diminution in the value other than temporary (Refer Note No-1 H).

12.2 Aggregate Amount of Non - Current Investments :

PARTICULARS**Quoted Investments****Unquoted Investments**

As at 31st March, 2012		As at 31st March, 2011	
Book Value (₹ In Crores)	Market value (₹ In Crores)	Book Value (₹ In Crores)	Market value (₹ In Crores)
0.29	0.11	0.29	0.41
28.38	--	318.21	--

12.3 As at 31st March, 2012, the company has invested ₹ 1.45 Crores (Previous year ₹ 1.76 Crores) to HDFC Asset Management company Limited (the Portfolio Manager) for providing Discretionary Portfolio Management Services which is in the nature of investment administrative management services and include the responsibility to manage, invest and operate the assets under the HDFC AMC PMS -Real Estate Portfolio -1 ("Real Estate Portfolio"), as per the agreement dated 1st January, 2008. The securities representing the outstanding balance of ₹ 1.45 crores as at 31st March, 2012 (Previous year ₹ 1.76 crores) have been accounted as investment.

13 LONG TERM LOANS AND ADVANCES

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Secured, considered good		
Inter-corporate Deposits	20.00	20.00
Unsecured, Considered good unless otherwise stated		
Capital Advances	30.15	29.46
Security Deposits	4.24	4.65
Inter-corporate Deposits	5.00	-
Loans and Advances to a related party * (Refer Note No. 31)	397.95	-
Income Tax-Advance Tax & TDS (Net)	17.65	4.37
Others **		
Considered Good	17.16	0.51
Considered doubtful	0.08	0.08
	17.24	0.59
Less: Provision for doubtful advances	0.08	0.08
TOTAL	492.15	58.99

* Loans and advances to a related party represents share application money pending allotment given to JBF Global Pte Ltd., a subsidiary company.

**Mainly includes unamortised ancillary borrowing cost and Interest Receivable.

14 OTHER NON CURRENT ASSETS

(₹ in Crores)

	As at 31st March, 2012	As at 31st March, 2011
Foreign Currency Monetary Items Translation Difference Account	1.38	1.53
	1.38	1.53

15 CURRENT INVESTMENTS

(₹ in Crores)

Particulars	Face Value (₹ unless other wise stated)	As at 31st March, 2012		As at 31st March, 2011	
		No. of Shares/Units	₹ in Crores	No. of Shares/Units	₹ in Crores
(a) In Equity Instruments					
Quoted Fully Paid up					
Others					
Larsen & Toubro Ltd	2	9,000	1.18	9000	1.32
Total In Equity Instruments (a)			1.18		1.32
(b) In Debentures					
Quoted Fully Paid up					
NCD-GE0162 Deutsche Investment India Pvt Ltd.	100,000	500	5.00	-	-
Total In Debentures (b)			5.00		-
(c) In Mutual Funds					
(i) Unquoted Fully paid Up (At Cost)					
HDFC- CM Treasury Advantage Plan-WD *	10	17,427	0.02	617,501	0.62
Birla Sunlife Ultra Short Term Fund Institutional Weekly Dividend Plan **	100	8,293	0.08	77,374	0.08
Birla Sun Life G Sec Fund Long Term Growth	10	-	-	1,988,081	5.50
Birla Sun Life Frontline Equity Fund - Plan A- Growth	10	-	-	287,119	2.25
Birla Sun Life Fixed Term Plan - Series Cn- Growth	10	-	-	5,321,660	5.32
HDFC Cash Management Fund- Treasury Advantage-Wholesale Plan-Daily Dividend Reinvestment (Previous Year ₹ 37,867)	10	179,791	0.18	3,775	0.00
HDFC Prudence Fund- Growth	10	122,785	2.46	267,314	5.33
HDFC Top 200 Fund- Growth	10	-	-	259,616	5.25
HDFC MIP- Long Term- Growth	10	-	-	2,296,958	5.00
HDFC 370D November 2010(2) Growth- Series XVII	10	-	-	2,180,306	2.18

HDFC Quarterly Interval Fund Plan B- Wholesale Dividend	10	--	--	25,180,086	25.21
ICICI Prudential Annual Interval Plan I Institutional Growth	10	--	--	2,997,901	3.00
ICICI Prudential FMP Series 53- 1 Year Plan B Growth	10	--	--	2,000,000	2.00
ICICI Prudential FMP Series 53- 1 Year Plan C Growth	10	--	--	1,000,000	1.00
ICICI Prudential FMP Series 53- 1 Year Plan F Growth	10	--	--	8,060,000	8.06
Reliance Medium Term Fund- Weekly Dividend- Reinvestment Plan	10	13,081	0.02	12,230	0.02
Reliance Regular Saving Fund- Debt Institutional Plan- Dividend Reinvestment Option	10	--	--	1,664,016	2.04
DSP Black Rock Focus 25 Fund- Growth	10	--	--	1,250,000	1.25
IDFC Money Manager Fund-Treasury Plan- Plan-C-Daily Dividend Reinvestment	10	--	--	23,141	0.02
IDFC Imperial Equity Fund- Plan B Growth	10	--	--	846,264	1.25
IDFC Small & Midcap Equity Fund- Growth	10	--	--	1,162,121	2.00
IDFC Fixed Maturity Yearly Series-32 Growth	10	--	--	3,000,000	3.00
IDFC FMP -Half Yearly Series 12- Dividend Payout	10	--	--	2,000,000	2.00
IDFC FMP-Yearly Series 36- Growth	10	--	--	5,315,000	5.32
IDFC FMP- Yearly Series 35- Growth	10	--	--	1,000,000	1.00
IDFC FMP -Yearly Series 37- Growth	10	--	--	6,080,000	6.08
Templeton India Income Opportunities Fund - Growth	10	--	--	5,684,914	6.00
Kotak FMP 370 Days Series 9- Growth	10	--	--	5,000,000	5.00
Kotak FMP Series 29- Growth	10	--	--	6,300,000	6.30
Kotak FMP Series 32- Growth	10	--	--	2,000,000	2.00
BSL Dynamic Bond Reinvestment Growth Option	10	--	--	642,374	1.01
HDFC MIP Long Term Plan Growth	10	--	--	1,146,563	2.50
Reliance MIP Long Term Plan Growth	10	--	--	723,865	1.50
BOB Pioneer Short term Bond Fund- Dividend Plan	10	--	--	1,010,340	1.01
ICICI Prudential Short Term Plan - Monthly Dividend	10	2,531,074	3.01	--	--
DSP Black Rock FMP Series- 7 - 12M - Growth	10	3,000,000	3.00	--	--
DWS Fixed Term Fund SER 89 Growth Plan	10	3,230,000	3.23	--	--
TATA Fixed Maturity Plan Series 36 Scheme C- Growth	10	2,127,000	2.13	--	--
HDFC FMP 370D OCT11 Growth	10	4,195,000	4.20	--	--
Templeton India Short Term Income Plan Monthly DD	1,000	34,769	4.03	--	--
Reliance Banking Fund- Growth Plan - Growth Option	10	211,573	1.98	--	--
DSP BlackRock Equity Fund - Regular plan -Growth	10	1,930,999	3.00	--	--
Total in Unquoted Mutual Fund (At Cost) (i)				27.33	120.11
(ii) Unquoted Fully paid Up (At Other than Cost)					
Baroda Pioneer PSU Equity Fund- Dividend Plan	10	250,000	0.18	250,000	0.22
Morgan Stanley A.C.E Fund - Growth	10	--	--	1,945,147	2.92
Birla Sun Life G Sec Fund Long Term Growth	10	1,287,918	3.97	--	--
Birla Sunlife Dynamic Bond Fund-Retail Plan- Monthly Dividend	10	10,928,325	11.54	--	--
DSP BlackRock Short Term Fund - Weekly Dividend Reinvestment	10	11,457,624	11.67	--	--
IDFC SSIF - Medium Term Plan A Monthly Dividend Reinvestment	10	1,973,106	2.00	--	--
Total in Unquoted Mutual Fund (At Other than Cost) (ii)				29.36	3.14
Total In Mutual Funds c (i + ii)				56.69	123.25
TOTAL CURRENT INVESTMENTS (a+b+c)				62.87	124.57

* Represents Investments made through Portfolio Manager and held by them in fiduciary capacity on behalf of the company (Refer Note No-12.3)

** Previous year Face Value was ₹ 10 Per unit.

Notes:-

15.1 The Aggregate amount of Provision for Diminution in Value of Current Investments is ₹ 0.27 Crores (Previous Year ₹ 0.10 Crores)

15.2 Current investments are carried at lower of cost and market value/NAV, computed individually (Refer Note No. 1 H).

15.3 Aggregate Amount of Current Investments

	As at 31st March, 2012		As at 31st March, 2011	
	Book Value (₹ In Crores)	Market value (₹ In Crores)	Book Value (₹ In Crores)	Market value (₹ In Crores)
Quoted Investments	6.18	6.16	1.32	1.49
Unquoted Investments	56.69	--	123.25	--

16 INVENTORIES

Particulars	As at 31st March, 2012		As at 31st March, 2011	
Raw Materials :				
Goods-in transit	163.27		227.47	
Others	<u>36.59</u>	199.86	<u>41.28</u>	268.75
Stock-in-process		26.52		28.25
Finished goods :				
Goods-in transit	24.29		21.08	
Others	<u>191.97</u>	216.26	<u>188.17</u>	209.25
Stores, Spares and Consumables :				
Goods-in transit	0.55		0.90	
Others	<u>15.75</u>	16.30	<u>12.96</u>	13.86
TOTAL		<u>458.94</u>		<u>520.11</u>

16.1 Stock-in-process includes:

	As at 31st March, 2012		As at 31st March, 2011	
Polyester Chips		11.07		10.90
Polyester Filament Yarn (POY)		6.74		14.51
Polyester Processed Yarn		8.34		2.13
Others		<u>0.37</u>		<u>0.71</u>
TOTAL		<u>26.52</u>		<u>28.25</u>

16.2 Finished goods includes:

	As at 31st March, 2012		As at 31st March, 2011	
Polyester Chips		130.46		130.67
Polyester Filament Yarn (POY)		74.17		72.47
Polyester Processed Yarn		11.63		6.07
Others (₹ 25,635)		<u>0.00</u>		<u>0.04</u>
TOTAL		<u>216.26</u>		<u>209.25</u>

17 TRADE RECEIVABLES

Particulars	As at 31st March, 2012		As at 31st March, 2011	
Unsecured				
Due for a period exceeding Six months				
Considered Good	37.81		18.15	
Considered Doubtful	<u>0.24</u>		<u>1.12</u>	
		38.05		19.27
Less : Provision for doubtful debts	<u>0.24</u>	37.81	<u>1.12</u>	18.15
Others- Considered Good		<u>363.13</u>		<u>261.84</u>
TOTAL		<u>400.94</u>		<u>279.99</u>

18 CASH AND BANK BALANCES

(₹ in Crores)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
Cash & Cash Equivalents				
Balance with banks in Current Accounts	19.70		13.27	
Deposits less than three months (Previous year ₹ 30,000)	3.00		0.00	
Cash on hand	0.05	22.75	0.06	13.33
Other Bank Balances				
In Fixed Deposit Account with Banks:				
having 3 - 12 Months maturities	91.38		45.02	
more than 12 months maturities	32.01		3.12	
Deposit earmark against Borrowings	13.88		20.97	
Ear mark balance with banks (unpaid Dividend Account)	1.05	138.32	0.81	69.92
TOTAL		161.07		83.25

19 SHORT TERM LOANS AND ADVANCES

(₹ in Crores)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
Secured, considered good				
Inter-corporate Deposits	42.00		27.00	
Unsecured, Considered good				
Loans and Advances to related parties (Refer Note No. 31)	98.87		40.43	
Others:				
Inter-corporate Deposits \$	17.00		-	
Claims and refund receivable	21.70		42.41	
Balance with Excise Authorities	68.43		80.80	
Advance to suppliers #	5.43		2.95	
Loans to Employee Welfare Foundation	84.83		51.23	
Others *	32.23		22.08	
TOTAL		370.49		266.90

\$ Includes ₹ 15 crores backed by personal guarantee of a borrower.

Includes ₹ 1.76 Crores due from a related party.

* Mainly includes Prepaid Expenses and Cenvat credit.

19.1 In accordance with the Clause 32 of Listing Agreement:

a) Loans & Advances given in the nature of loans :

(₹ in Crores)

Name of the Company		As at 31st March, 2012	As at 31st March, 2011	Maximum balance during the year
JBF Global Pte. Ltd.	Subsidiary	24.57	38.99	38.99
JBF Petrochemical Ltd	Subsidiary	74.28	--	74.28

(Note:- As per Company policy, Loans given to employees are not considered under this clause.

b) Investment by the loanee in the share of the Company : Nil

c) Investment by the JBF Global Pte Ltd in ordinary shares of JBF RAK LLC, a subsidiary company : 2,37,159 Shares

20 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
Export Incentive Receivable	7.08		5.16	
Receivable against sale of fixed assets	4.00		-	
Assets held for disposal	0.56		0.20	
Foreign Currency Monetary Items Translation Difference Account	4.13		1.32	
TOTAL		15.77		6.68

21 GROSS REVENUE FROM OPERATION

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Sale of products	4,778.66	3,860.56
Other operating revenues	3.42	2.47
TOTAL	4,782.08	3,863.03

21.1 Sale of products:

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Polyester Chips	2,445.42	1,939.91
Polyester Filament Yarn (POY)	2,189.55	1,760.10
Polyester Processed Yarn	104.02	90.87
Others	39.67	69.68
TOTAL	4,778.66	3,860.56

22 OTHER INCOME

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Interest Income - from long term investment	0.09	0.06
- from others	45.89	8.09
Dividend Income from others - on long term investment	0.00	0.01
- on current investments	1.78	3.90
Profit on sale/ redemption of Long Term investments (Net)	70.27	-
Profit on sale of Current investments (Net)	7.08	0.65
Profit on sale of Fixed Assets (Net)	2.02	-
Reversal of provision for Diminution in value of Current Investment	-	0.73
Sundry Credit Balances Written Back (Net)	0.76	4.88
Net gain on foreign currency transactions	-	1.55
Miscellaneous income	1.35	2.50
TOTAL	129.24	22.37

23 COST OF MATERIALS CONSUMED

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Pure Terephthalic Acid	2,508.13	2,094.75
Mono Ethylene Glycol	924.81	662.99
Master Batch	8.59	11.66
Colours, Chemicals, Oil & Lubricants	26.45	20.87
Others	76.73	52.98
Less- Consumption during Trail Run	(0.25)	(0.64)
TOTAL	3,544.46	2,842.61

23.1 Value of Raw Material Consumed

Raw Material Consumed	(₹ in Crores)			
	Year ended 31st March, 2012	% of Total Consumption	Year ended 31st March, 2011	% of Total Consumption
Indigenous	2530.10	71.91	1,719.99	60.94
Imported	988.16	28.09	1,102.39	39.06
TOTAL	3,518.26	100.00	2,822.38	100.00

24 PURCHASES OF STOCK IN TRADE

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Mono Ethylene Glycol	0.02	11.30
Pure Terephthalic Acid	–	2.59
Others	0.05	0.25
TOTAL	0.07	14.14

25 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK -IN- PROCESS

Particulars	(₹ in Crores)			
	Year ended 31st March, 2012		Year ended 31st March, 2011	
At the end of the year				
Finished Goods	216.26		209.25	
Stock-in- process	26.52	242.78	28.25	237.50
At the beginning of the year				
Finished Goods		209.25		147.60
Stock-in- process		28.25		18.59
TOTAL		(5.28)		(71.31)

26 EMPLOYEE BENEFIT EXPENSES

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Salaries, Wages and Allowances	40.10	37.10
Contribution to Provident Fund, ESIC and other Funds	2.03	1.85
Gratuity	0.91	0.71
Employees Stock Option Cost	1.38	3.28
Employees Welfare and Other Amenities	1.76	1.44
TOTAL	46.18	44.38

26.1 Salaries, Wages and Allowances includes managerial remuneration of ₹ 4.42 Crores subject to approval of Central Government.

26.2 The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

A. Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised and charged off for the year are as under :

	Year ended 31st March, 2012	Year ended 31st March, 2011
Employer's Contribution to Provident Fund	0.88	0.78
Employer's Contribution to Pension Scheme	1.07	0.99

B. Defined Benefit Plan

The present value of Employees' Gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

a. Reconciliation of opening and closing balances of Defined Benefit obligation	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	As at	As at	As at	As at
	31st March, 2012	31st March, 2011	31st March, 2012	31st March, 2011
Defined Benefit obligation at beginning of the year	3.24	2.70	1.68	1.38
Current Service Cost	0.53	0.48	0.05	0.17
Interest Cost	0.28	0.22	0.14	0.11
Actuarial (gain)/loss	0.11	0.01	0.83	0.42
Benefits paid	(0.16)	(0.17)	(0.53)	(0.40)
Defined Benefit obligation at year end	3.99	3.24	2.17	1.68

(₹ in Crores)

	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
b. Reconciliation of fair value of assets and obligations				
Fair value of plan assets at year end	--	--	--	--
Present value of obligation at year end	3.99	3.24	2.17	1.68
Amount recognised in Balance Sheet	3.99	3.24	2.17	1.68
c. Expenses recognized during the year				
	Year ended 31st March, 2012	Year ended 31st March, 2011	Year ended 31st March, 2012	Year ended 31st March, 2011
Current Service Cost	0.53	0.48	0.05	0.17
Interest Cost	0.28	0.22	0.14	0.11
Expected return on plan assets	--	--	--	--
Actuarial (gain) / loss	0.11	0.01	0.84	0.42
Net Cost	0.91	0.71	1.03	0.70
d. Amount for the current and previous years are as follows :				
Gratuity :				
	Year ended 31st March, 2012	Year ended 31st March, 2011	Year ended 31st March, 2010	Year ended 31st March, 2009
Defined Benefit Obligation	3.99	3.24	2.70	1.99
Plan Assets	--	--	--	--
Experience Adjustments on plan Liabilities	0.11	0.07	0.53	--
Experience Adjustments on plan Assets	--	--	--	--

Experience adjustments have been disclosed for the years for which information is available on Accounting Standard 15 (Revised 2005) "Employee Benefits".

Leave Encashment :

	Year ended 31st March, 2012	Year ended 31st March, 2011	Year ended 31st March, 2010	Year ended 31st March, 2009
Defined Benefit Obligation	2.17	1.68	1.38	1.31
Plan Assets	--	--	--	--

	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
e. Actuarial assumptions				
Mortality Table (L.I.C.)	1994-96 (Ultimate)		1994-96 (Ultimate)	
Rate of Interest (per annum)	8.50%	8.50%	8.50%	8.50%
Salary growth Rate (per annum)	5%	5%	5%	5%
Withdrawal Rate	1%	1%	1%	1%

The estimated future salary increases takes into account inflation, seniority, promotion and other retirement factors including supply and demand in the employment market. The above information is certified by the actuary.

26.3 Employment Stock Option Scheme

- The Employee Stock Option Scheme, 2009 (JBF ESOS 2009) was introduced and implemented during the year 2009-10 as approved by the shareholders at the Annual General Meeting held on 25th September, 2009. The equity shares reserved for issuance to eligible employee of the company as at 31st March, 2012 is 2,51,728 (Previous Year 2,32,070) Equity Shares of ₹ 10/- each .
- On 25th September, 2009 the Company has granted 21,54,000 Options convertible into Equity Shares of ₹ 10 each to 298 employees. The Exercise Price of the Options was fixed at ₹ 60 each for conversion in to one Equity Share of the Company. Out of above Options 24,677 (Previous Year 70,784) Options have been lapsed during the year 2011-12.
- During the year the Company has further granted 5019 (Previous Year 45,000) Options convertible into Equity Shares of ₹ 10 each to 2 employees. The Exercise Price of the Options was fixed at ₹ 60 each for conversion in to one Equity Share of the Company.
- The above Options vest over a period ranging from one to three years as follows.

Period of Vesting From Date of Grant	Percentage to Grant
At the end of Twelve Months	33.33
At the end of Twenty Four Months	33.33
At the end of Thirty Six Months	33.33

- v. All the Options granted till date have an exercise period of Twenty Four months from the date of their vesting.
- vi. The Company applies intrinsic- value method of accounting for determining Employee Compensation Expenses for its ESOS. Had the Employee Compensation Expenses been determined using the fair value approach, the Company's Net Profit and basic and diluted earnings per share as reported would have reduced as indicated below:

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Net Profit after tax	48.78	131.42
Prior Period adjustments	0.10	0.11
Proposed Dividend on Preference Shares (₹ 0.72 Crores Previous Year ₹ 36,457)	0.72	0.00
Net Profit as Reported	47.96	131.31
Less : Employee Compensation Expenses	0.51	1.23
Adjusted Proforma	47.45	130.08
Basic Earnings Per Share (₹)		
- As reported	6.68	19.53
- Proforma	6.61	19.35
Diluted Earnings Per Share (₹)		
- As reported	6.63	18.81
- Proforma	6.56	18.64

- vii. The Following Summaries the Company's Stock Option activity for ESOS:

Particulars	(No. of Shares)	
	As at 31st March, 2012	As at 31st March, 2011
i. Outstanding at the beginning of the year	1,389,712	19,72,200
ii. Granted during the year	5,019	45,000
iii. Lapsed during the year	24,677	70,784
iv. Exercised during the year	371,167	556,704
v. Expired During the year	—	—
vi. Outstanding at the end of the year	998,887	13,89,712
vii. Exercisable at the end of the year	365,610	110,550
viii. Weighted average Intrinsic value of Options granted during the year	₹ 103.70	₹ 106.32

27 FINANCE COST

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Interest expense	104.76	69.74
Other Borrowing Cost	11.72	8.67
Applicable Net loss on foreign currency transaction	7.08	8.81
TOTAL	123.56	87.22

28 OTHER EXPENSES

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Manufacturing Expenses		
Stores & Spares Consumed	10.70	9.98
Power & Fuel	224.19	161.25
Repairs to Building	0.42	0.42
Repairs to Plant & Machinery	2.13	1.49
Security Charges	1.46	1.06
Excise Duty	2.19	5.29
Labour Charges	10.39	9.11
Other Manufacturing Expenses	5.93	5.81
	257.41	194.41
Selling and Distribution Expenses		
Packing Material Consumed	71.53	61.47
Freight & Forwarding Charges (Net)	32.72	26.99
Sales Promotion, & Advertising Expenses	0.29	0.42
Brokerage & Commission	13.62	10.09
	118.16	98.97

(₹ in Crores)

Administrative and General Expenses

	Year ended 31st March, 2012	Year ended 31st March, 2011
Rent	5.59	4.17
Rates & Taxes (Net)	0.32	0.28
Insurance	1.35	1.19
Payment to Auditors'	0.36	0.36
Repairs & Maintenance - Others	1.32	1.26
Travelling & Conveyance Expenses	2.56	2.51
Legal, Professional & Consultancy Charges	1.34	1.37
Provision for Dimunation in the value of current Investments	0.17	–
Bad debts Written off	1.12	–
less:- Provision for Doubtful debts	(1.12)	–
Provision for Doubtful Debts	0.24	–
Donation	0.18	0.23
Net loss on foreign currency transactions	127.31	–
Currency & Interest rate Swap Loss (Net)	167.77	84.09
Loss on sale of Fixed Assets (Net)	–	4.00
Bank Charges	2.31	2.43
General Expenses	4.92	5.57
TOTAL	691.31	400.84

28.1 Payment to Auditors'

(₹ in Crores)

Particulars

	Year ended 31st March, 2012	Year ended 31st March, 2011
Audit Fees	0.27	0.27
Tax Audit Fees	0.07	0.07
Certification Charges \$	0.01	0.08
Reimbursement of expenses	0.01	0.01
TOTAL	0.36	0.43

\$ excludes ₹ Nil (Previous Year ₹ 0.07 Crores) considered as Share Issue Expenses.

28.2 General Expenses includes Directors sitting Fees ₹ 0.05 Crores (Previous Year ₹ 0.05 Crores)

28.3 Value of Store & Spare Parts Consumed

(₹ in Crores)

Particulars

	Year ended 31st March, 2012	% of Total Consumption	Year ended 31st March, 2011	% of Total Consumption
Store & Spare Parts Consumed				
Indigenous	9.64	90.09	9.59	96.09
Imported	1.06	9.91	0.39	3.91
TOTAL	10.70	100.00	9.98	100.00

28.4 CIF Value of Imports

(₹ in Crores)

Particulars

	Year ended 31st March, 2012	Year ended 31st March, 2011
Raw Materials	885.54	1,123.34
Capital Equipment	33.29	64.52
Colours & Chemicals and Oil & Lubricants	7.00	3.72
Stores & Spares and consumables	1.62	2.07
TOTAL	927.45	1,193.65

28.5 Expenditure In Foreign Currency

(₹ in Crores)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
Traveling	0.04	0.11
Brokerage & Commission	5.29	4.29
Finance Cost	24.46	12.59
Currency & Interest rate Swap Loss	168.45	84.09
Others	0.32	1.19
TOTAL	198.56	102.27

28.6 Excise Duty includes

(₹ in Crores)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
a) Excise duty shown as reduction from turnover	398.76	302.57
b) Excise duty charged to profit & loss account :		
i) Difference between Closing and Opening Stock	1.72	5.20
ii) Paid on depot Transfer	0.44	0.09
iii) Others	0.03	—

29 Earning Per Share (Basic & Diluted):

(₹ in Crores)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
Net profit after tax	48.78	131.42
Prior period adjustment	0.10	0.11
Proposed Dividend on preference Shares- (Previous Year ₹ 36,457)	0.72	0.00
Net profit after tax attributable to Equity Share holders for Basic EPS	47.96	131.31
Weighted average no. of equity shares outstanding for Basic EPS	71,790,521	67,240,621
Basic Earning Per Share of ₹ 10 Each (₹)	6.68	19.53
Net profit after tax attributable to Equity Share holders for Basic EPS	47.96	131.31
Weighted average no. of equity shares outstanding for Diluted EPS	72,360,358	69,798,468
Diluted Earning Per Share of ₹ 10 Each (₹)	6.63	18.81

Reconciliation between number of shares used for calculating basic and diluted earning per share

	As at 31st March, 2012	As at 31st March, 2011
Number of Shares Used for calculating Basic EPS	71,790,521	67,240,621
Add : Potential Equity Shares (Foreign Currency Convertible Bonds)	—	1,403,835
Add:- Potential Equity Shares (JBF ESOS-2009)	569,837	1,154,012
Number of Shares used for Calculating Diluted EPS	72,360,358	69,798,468

Since long term optionally convertible loan of ₹ 50.51 crores (previous year ₹ 15.21 Crores) are to be converted into such number of equity shares of ₹ 10 each at a price to be determined according to SEBI Rules & Guidelines prevailing at that time, total number of equity shares to be issued on exercise of conversion option is not certain and hence the same has not been considered for the computation of Diluted Earning Per Share.

Sr No.	Particulars	Subsidiary Companies		Key Managerial Personnel		Relatives of key Managerial Person		Enterprises over which the key Managerial personnel has Significant Influence		Total	
		2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
		(₹ in Crores)									
1	Share Application Money a) Opening Balance b) Refunded/ Given during the year c) Balance as at 31.03.2012	--	30.34	--	--	--	--	--	--	--	30.34
2	Non-current investments a) Opening Balance b) Subscribed during the year c) Redemption during the year d) Balance as at 31.03.2012	397.95	30.34	397.95	--	--	--	--	--	--	397.95
3	Short term Loan & Advances a) Opening Balance b) Given during the year c) Refunded/ Adjusted during the year d) Balance as at 31.03.2012	315.12	123.64	315.12	--	--	--	--	--	--	315.12
4	Trade Receivable as at 31st March, 2012	25.00	191.48	25.00	--	--	--	--	--	--	25.00
5	Trade Payable as at 31st March, 2012	40.43	5.25	40.43	--	--	--	--	--	--	40.43
6	Dividend Paid	82.14	243.90	82.14	1.76	1.76	--	--	--	--	83.90
7	Income Revenue from Operations Interest Income Miscellaneous Income	23.70	208.72	23.70	--	--	--	--	--	--	23.70
8	Expenditure Purchases Managerial remuneration/ Sitting Fees	98.87	40.43	98.87	40.43	40.43	2.69	2.69	1.04	1.80	100.63
9	Equity Shares allotted on exercise of ESOS	2.69	2.51	2.69	--	--	--	--	--	--	2.51
10	Guarantees given & Letter of Credit Facility extended	--	0.76	--	15.99	14.07	4.95	1.31	3.12	2.34	2.69
		53.11	78.28	53.11	--	--	--	--	--	--	53.11
		3.07	0.45	3.07	--	--	--	--	--	--	3.07
		1.25	2.41	1.25	--	--	--	--	--	--	1.25
		--	33.79	--	--	--	--	--	41.74	32.51	41.74
		--	--	--	5.65	6.39	0.14	0.06	--	--	5.79
		--	--	--	0.17	0.14	--	--	--	--	0.17
		152.61	689.35	152.61	--	--	--	--	--	--	152.61
											689.35

Notes to Related Party Transactions:

- i. Share Application Money includes ₹ 397.95 Crores given to JBF Global Pte. Ltd.
- ii. Non-current Investment includes ₹ 25.00 Crores invested in JBF Petrochemicals Ltd.
- iii. Short term Loan & Advances includes ₹ 74.28 Crores & ₹ 24.57 Crores given to JBF Petrochemicals Ltd & JBF Global Pte. Ltd respectively.
- iv. Trade Receivable includes ₹ 2.69 Crores from JBF RAK LLC.
- v. Dividend paid includes ₹ 15.96 Crores, ₹ 3.43 Crores & ₹ 3.12 Crores to Mr. B C Arya, Chinar Arya & Vaidic Resources Pvt. Ltd. respectively.
- vi. Income: Revenue from Operations includes ₹ 53.11 Crores to JBF RAK LLC. Interest Income Includes ₹ 2.87 Crores from JBF Petrochemicals Ltd and Miscellaneous Income includes ₹ 1.25 Crores from JBF RAK LLC .
- vii. Expenditures: Purchases include ₹ 41.74 Crores from Arya Industries respectively. Managerial Remuneration include ₹ 4.42 Crores and ₹ 0.67 Crores paid to Mr. B C Arya & Mr. Rakesh Gothi respectively.
- viii. Equity Shares allotted on exercise of ESOS includes ₹ 0.09 Crores & ₹ 0.08 Crores to Mr. Rakesh Gothi and Mr. P. N. Thakore respectively.
- ix. Letter of credit facility extended by the Company includes ₹ 152.61 Crores on behalf of JBF Global Pte. Ltd.

32 As per Accounting Standard (AS) 17 on " Segment Reporting ", Segment Information has been provided under the Notes to Consolidated Financial Statements.

33 Income Tax Assessment of the Company has been completed up to the accounting year ended on 31 March, 2009.

34 Earnings in Foreign Currency

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
FOB Value of Exports	549.47	645.91
Interest Income	0.20	0.45
Miscellaneous Income	1.25	2.41
TOTAL	550.92	648.77

35 Particulars of remittance in foreign currency on account of dividend

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Amount remitted in foreign currency	NIL	NIL

36 Financial and Derivative Instruments :

36.1 Derivative Contracts entered into by the Company and outstanding as on 31st March, 2012.

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
i) Currency & Interest Swap with option structures	81.39	88.80
ii) Currency & Interest rate Swap	50.00	-
iii) Interest rate Swap	101.74	-
iv) Forward contracts	45.00	-

36.2 All Derivative and financial instruments acquired by the company are for hedging purpose only.

36.3 The loss of ₹ 167.77 Crores in respect of foreign exchange and interest rate swap contracts for the year have been charged to the Statement of Profit and loss. The Mark to market losses in respect of the derivative contracts for Currency & Interest Swap as on 31st March, 2012 is ₹ 47.48 Crores (Previous Year ₹ 144.63 Crores), which have not been provided in the books of account since the company is of the view that the above losses may be payable only if loss conditions are triggered on observation dates starting from 3rd August, 2010 and ending on 3rd July, 2013. The loss if any, will be accounted for on actual settlements. Bank of India with whom, one of above derivative transaction is outstanding has approved a line of credit to fund losses on account of derivative transaction by way of debt, convertible loan and cumulative redeemable preference shares. Accordingly during the year, the Company has issued 61,77,837 (Previous Year 26,61,363), 2.5% Cumulative Redeemable Preference Shares (CRPS) aggregating to ₹ 61.78 Crores (Previous Year ₹ 26.61 Crores) & bank has disbursed loan of ₹ 61.78 Crores (Previous Year ₹ 26.61 Crores) and optionally convertible loan of ₹ 35.30 Crores (Previous Year ₹ 15.21 Crores).

36.4 Foreign Currency exposures that are not hedged by derivative instruments as on 31st March, 2012 relating to :

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Investment in Foreign Subsidiary (₹ 27)	0.00	315.12
Receivables	441.58	81.83
Payables	949.28	871.04

36.5 The Expenses on account of forward premium on outstanding forward exchange contracts to be recognised in the profit & loss account of subsequent accounting year aggregate to ₹ 1.22 Crores (Previous Year ₹ Nil).

37 The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date

For & on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. C. ARYA
Chairman

RAKESH GOTHI
Managing Director

R. KORIA
Partner

P. N. THAKORE
Director- Finance

B. R. GUPTA
Director

UJJWALA APTE
Company Secretary

Place : Mumbai
Date : 29th May, 2012

Financial Information of Subsidiary Companies

(₹ in Crores)

Sr. No.	Name of the Subsidiary Company	Country	Reporting Currency	Exchange rate as on 31.03.2012	Capital	Reserves	Total Assets	Total Liabilities	Investments- Other than in Subsidiary	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
1	JBF Global Pte. Ltd.	Singapore	INR	50.87000	0.00	8.86	566.62	566.62	--	0.12	(3.88)	(0.01)	(3.87)	--
			USD MN		0.00	1.68	111.39	111.39	--	0.03	(0.81)	0.00	(0.81)	--
2	JBF RAK LLC	UAE	INR	13.84971	328.46	863.89	2,698.11	2,698.11	--	2,850.09	181.11	--	181.11	--
			AED MN		237.16	623.75	1,948.13	1,948.13	--	2,196.77	111.20	--	111.20	--
3	JBF Petrochemicals Limited	India	INR	--	25.00	(0.16)	101.98	101.98	--	--	(0.14)	--	(0.14)	--

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2012

(₹ in Crores)

PARTICULARS	Year Ended 31st March, 2012 AMOUNT	Year Ended 31st March, 2011 AMOUNT
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax as per Statement of Profit and Loss	28.32	191.58
Adjustment for :		
Depreciation and amortisation	83.94	73.37
Finance Cost	123.56	87.22
Currency & Interest rate Swap Loss (Net)	167.77	84.09
Reversal of Provisions for diminution in value of Current Investments	--	(0.73)
Provisions for diminution in value of Current Investments	0.17	--
Loss on sale of Fixed assets (Net)	--	4.00
Profit on sale of Fixed assets (Net)	(2.02)	--
Profit from Current/Long term Investments (Net)	(77.35)	(0.65)
Provision for doubtful debts	0.24	--
Interest Income	(45.98)	(8.15)
Dividend Income	(1.78)	(3.91)
Employee Stock Option Cost	1.38	3.28
Wealth Tax	0.02	0.02
Sundry Balances written back (Net)	(0.76)	(4.88)
Net loss/(gain) on Foreign currency transactions	60.02	(15.83)
Operating profit before working capital changes	337.53	409.41
Adjusted for :		
Trade & Other receivables	(89.42)	(7.99)
Inventories	61.17	(173.94)
Trade & Other Payables	(3.89)	160.65
Cash generated from operations	305.39	388.13
Direct taxes paid/ TDS deducted/Refund received	(21.00)	(54.59)
Cash generated before prior year adjustments	284.39	333.54
Prior year adjustments	(0.10)	(0.11)
Net cash from operating activities (A)	284.29	333.43
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchases of fixed assets	(205.03)	(232.04)
Sale of fixed assets	2.80	1.83
Investment in Equity/ Preference shares of subsidiary	(25.00)	(161.14)
Purchases of Investments	(202.86)	(655.19)
Sale/Redemption of Investments	341.46	659.57
Movements in Loans and Advances (Net)	(206.69)	(133.41)
Dividend Income	1.82	3.87
Interest received	32.33	7.54
Fixed Deposits held for more than three months- placed	(123.39)	(47.00)
Fixed Deposits held for more than three months - matured	48.14	3.89
Net cash used in investing activities (B)	(336.42)	(552.08)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of share capital including Security Premium	2.23	86.48
Shares Issue Expenses	--	(3.13)
Proceeds from long term loans	422.38	148.59
Repayment of long term loans	(371.40)	(82.69)
Short term Loans (Net)	248.04	212.21
Net (loss)/gain on Foreign currency transactions	(43.29)	5.31
Finance Cost paid	(127.91)	(83.07)
Margin Money (Net)	7.08	(5.48)
Currency & Interest rate Swap Loss paid	(8.91)	(15.66)
Dividend paid (Including dividend distribution tax)	(66.67)	(43.32)
Net cash from financing activities (C)	61.55	219.24
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	9.42	0.59
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	13.33	12.74
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	22.75	13.33

- Notes :** 1. The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS-3) on "Cash Flow Statements" as notified by the Companies (Accounting Standard) Rules, 2006.
2. Figures in bracket indicates outflows.
3. The figures of previous year have been recast, rearranged and regrouped wherever considered necessary.

As per our report of even date

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

Place : Mumbai

Date : 29th May, 2012

For & on behalf of the Board of Directors

B.C. ARYA
Chairman

P.N. THAKORE
Director- Finance

RAKESH GOTHI
Managing Director

B.R. GUPTA
Director

UJJWALA APTE
Company Secretary

Auditors' Report on Consolidated Financials Statements

To the Board of Directors JBF Industries Limited

1. We have audited the attached Consolidated Balance Sheet of 'JBF Industries Limited' ("the Company") and its subsidiaries (collectively referred to as 'the Group') as at 31st March, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of three subsidiary companies, whose financial statements reflect total assets of ₹ 3,366.70 Crores as at 31st March, 2012, total revenues of ₹ 2,850.21 Crores and net cash inflow amounting to ₹ 56.15 Crores for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of above subsidiaries, is based solely on the reports of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) - 21 "Consolidated Financial Statements" as notified pursuant to the Companies (Accounting Standards) Rules 2006, (as amended).
5. Attention is drawn to the Note No. 29.3 on the financial statements, regarding "the non-provision of marked to market losses on derivative contracts amounting to ₹ 47.48 Crores as at 31st March, 2012 on account of reasons as explained in the aforesaid note. Had the same been provided the profit after tax for the year ended 31st March, 2012 would have been ₹ 191.32 Crores as against the reported figures of ₹ 222.98 Crores.

Further, Reserve & Surplus, Deferred Tax Liabilities (Net), Other Current Liabilities, Long term loans & Advances and Short term loans & Advances as at 31st March, 2012 would have been ₹ 1,507.85 Crores, ₹ 106.94 Crores, ₹ 511.52 Crores, ₹ 291.69 Crores and ₹ 439.97 Crores respectively as against the reported figure of ₹ 1,539.51 Crores, ₹ 122.34 Crores, ₹ 464.04 Crores, ₹ 286.09 Crores and ₹ 445.15 Crores respectively.

6. Based on our audit and on consideration of the audit reports of other auditors on separate audited financial statements and on the financial information of the components, and to the best of our information and according to the explanations given to us, and subject to our comment in the paragraph 5 above, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012;
 - (b) in the case of the Consolidated Statement of Profit and Loss, of the profits of the Group for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For CHATURVEDI & SHAH

Chartered Accountants

(Registration No.: 101720W)

R.KORIA

Partner

Membership No. 35629

Place : Mumbai

Dated : 29th May, 2012

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

(₹ in Crores)

EQUITY AND LIABILITIES	Note	As at 31st March, 2012		As on 31st March, 2011	
SHAREHOLDERS' FUNDS					
Share Capital	2	160.41		98.26	
Reserves and Surplus	3	1,539.51	1,699.92	1,355.48	1,453.74
NON-CURRENT LIABILITIES					
Long-term borrowings	4	1,376.76		959.56	
Deferred Tax Liabilities (Net)	5	122.34		143.00	
Long-term provisions	6	11.39	1,510.49	6.32	1,108.88
CURRENT LIABILITIES					
Short-term borrowings	7	1,047.88		498.72	
Trade Payables	8	929.39		1,032.56	
Other current liabilities	9	464.04		401.21	
Short-term provisions	10	90.98	2,532.29	86.21	2,018.70
TOTAL			<u>5,742.70</u>		<u>4,581.32</u>
ASSETS					
NON-CURRENT ASSETS					
Fixed assets	11				
Tangible assets		2,760.65		2,109.05	
Intangible assets		13.34		12.73	
Capital work-in-progress		159.31		167.67	
		<u>2,933.30</u>		<u>2,289.45</u>	
Goodwill on consolidation		89.11		77.78	
Non-current investments (Other than Associates)		3.67		3.38	
Long-term loans and advances	12	286.09		132.60	
Other non Current assets	13	1.38	3,313.55	1.53	2,504.74
CURRENT ASSETS					
Current investments (Other than Associates)		62.87		124.57	
Inventories	14	791.83		734.40	
Trade Receivables	15	714.86		695.47	
Cash and Bank Balances	16	398.67		235.03	
Short-term loans and advances	17	445.15		280.43	
Other current assets	18	15.77	2,429.15	6.68	2,076.58
TOTAL			<u>5,742.70</u>		<u>4,581.32</u>
SIGNIFICANT ACCOUNTING POLICIES	1				
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS	1-30				

As per our report of even date

For CHATURVEDI & SHAH
Chartered Accountants

R. KORJA
Partner

Place : Mumbai
Date : 29th May, 2012

For & on behalf of the Board of Directors

B.C. ARYA
Chairman

P.N. THAKORE
Director- Finance

RAKESH GOTHI
Managing Director

B.R. GUPTA
Director

UJJWALA APTE
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(₹ in Crores)

Particulars	Note	Year ended 31st March, 2012		Year ended 31st March, 2011	
Gross revenue from Operations	19	7,578.01		6,773.69	
Less:-Excise Duty Recovered on Sales		<u>398.76</u>	7,179.25	<u>302.57</u>	6,471.12
Other income	20		126.00		22.17
Total Revenue			7,305.25		6,493.29
Expenses					
Cost of Materials consumed			5,694.23		4,769.09
Purchases of Stock-in-Trade			0.07		14.14
Changes in inventories of Finished Goods and Stock -in- process	21		(75.86)		(75.07)
Employee benefits expenses	22		105.94		84.62
Finance costs	23		189.83		153.35
Depreciation and amortisation expense	11		152.46		131.43
Other expenses	24		1,036.07		809.45
Total Expenses			7,102.74		5,887.01
Profit Before Tax			202.51		606.28
Tax Expenses					
Current tax		5.60		50.93	
Less:- MAT Credit		(5.18)		--	
Deferred tax expense /(credit)		(20.88)		9.31	
Taxes for earlier year		<u>(0.01)</u>	<u>(20.47)</u>	<u>(0.07)</u>	<u>60.17</u>
Profit After Tax			222.98		546.11
Prior Period Adjustments			0.10		0.11
Profit for the year			222.88		546.00
Earnings per share (of ₹ 10 each) - (in ₹) Basic	25		30.94		81.20
- (in ₹) Diluted			30.70		78.22
SIGNIFICANT ACCOUNTING POLICIES	1				
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS	1-30				

As per our report of even date

For CHATURVEDI & SHAH
Chartered Accountants**R. KORIA**
PartnerPlace : Mumbai
Date : 29th May, 2012**For & on behalf of the Board of Directors****B.C. ARYA**
Chairman**P.N. THAKORE**
Director- Finance**RAKESH GOTHI**
Managing Director**B.R. GUPTA**
Director**UJJWALA APTE**
Company Secretary

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**1 SIGNIFICANT ACCOUNTING POLICIES****A Principles of Consolidation:**

The Consolidated financial statements relate to JBF Industries Ltd {'The Company'} and its subsidiary companies. The Consolidated Financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary companies have been combined on line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profit & Loss in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements".
- In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. The resultant translation exchange difference has been transferred to foreign currency translation reserves.
- The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries or on the date of the financial statements immediately preceding the date of acquisition in subsidiaries are recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss as the profit or loss on disposal of investment in subsidiaries.
- Minority Interest in share of net profit / (loss) of consolidated financial statements for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- Minority Interest in share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.
- The Consolidated Financial statements have been prepared using uniform accounting policies for like transactions & other events in similar circumstances except as mentioned in the Note no. 1.2 of notes on accounts and are presented to the extent possible, in the same manner as the company's separate financial statements.

B Investments other than in subsidiaries have been accounted as per Accounting Standard 13 (AS) -13 on "Accounting For Investments".

C Other significant accounting policies:

These are set out under "significant accounting policies" as given in the Standalone Financial statements of the JBF Industries Ltd and it's subsidiaries JBF RAK LLC, JBF Global PTE Ltd. and JBF Petrochemicals Ltd.

1.1 The Following subsidiary companies have been considered in the preparation of consolidated financial statements:

Name of the Company	Nature of Interest	Country of Incorporation	Proportion of ownership Interest	Remarks
JBF GLOBAL PTE LTD.	Subsidiary	Singapore	100%	
JBF RAK LLC	Step Down Subsidiary	Ras -Al -Khaimah, U.A.E.	100%	
JBF PETROCHEMICALS LTD.	Subsidiary	India	100%	w.e.f. 4th August, 2011

1.2 The Audited Financial Statements as at 31st March, 2012 of JBF Global Pte Ltd. (Singapore) have been prepared by following Singapore Financial Reporting Standards, JBF RAK LLC (United Arab Emirates) have been prepared by following International Financial Reporting Standards and are consolidated as it is without converting them as per the Generally Accepted Accounting Principles as applicable in India.

In view of the above the assets, liabilities, income & expenditure of the subsidiaries as mentioned below have been accounted by following different Accounting Standards:

Particulars	₹ in Crores	Proportion of the item
Assets	2,725.05	47%
Liabilities	1,646.05	41%
Income	2,850.09	39%
Expenditure	2,619.13	37%

2 SHARE CAPITAL

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
Authorised		
100,000,000 (Previous Year 100,000,000) Equity Shares of ₹ 10 each	100.00	100.00
12,500,000 (Previous Year 12,500,000) Cumulative Redeemable Preference shares of ₹ 100 each	125.00	125.00
	225.00	225.00

(₹ in Crores)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Equity No. of Shares	Preference No. of Shares	Equity No. of Shares	Preference No. of Shares
Issued Subscribed & Paid up				
72,019,123 (Previous Year 71,647,956) Equity Shares of ₹ 10 each fully paid up	72.02		71.65	
8,839,200 (Previous Year 2,661,363) 2.5% Cumulative Redeemable Preference Shares of ₹ 100 each fully paid up		88.39		26.61
TOTAL	160.41		98.26	

2.1 Terms/rights attached to equity shares

Holders of equity shares of ₹ 10 each is entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the member at the annual general meeting of the year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive out of the remaining assets of the company, after distribution of Preferential amounts. The distribution will be in proportion to the number of equity shares held by share holders.

2.2 Terms/rights attached to Cumulative Redeemable Preference Shares

The holder of Preference Share of the Company have a right to vote at a General Meeting of the Company only in accordance with limitations and provisions laid down in Section 87 (2) of the Companies Act, 1956. The Preference Shares shall carry dividend at the rate of 2.5 % per annum payable annually. The preference share holders will be entitled to receive out of the remaining assets of the company after distribution to all the secured and unsecured creditors. These CRPS are redeemable at par : ₹ 61.78 Crores on 30.09.2019 and ₹ 26.61 Crores on 30.09.2018.

2.3 Reconciliation of number of Shares outstanding at beginning and at the end of year:

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Equity No. of Shares	Preference No. of Shares	Equity No. of Shares	Preference No. of Shares
Shares outstanding at the beginning of the year	71,647,956	2,661,363	62,242,448	–
Add:- Shares Issued during the year :				
On exercise of option by FCCB holders	–	–	3,558,333	–
On preferential basis to Qualified Institutional Buyers	–	–	5,290,471	–
On exercise of option by ESOS holders	371,167	–	556,704	–
On conversion of debt by a lender	–	6,177,837	–	2,661,363
Shares outstanding at the end of the year	<u>72,019,123</u>	<u>8,839,200</u>	<u>71,647,956</u>	<u>2,661,363</u>

2.4 The Company has allotted 61,77,837 (Previous Year 26,61,363) 2.5% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid up aggregating to ₹ 61.78 Crores (Previous Year ₹ 26.61 Crores) to Bank of India in pursuant to line of credit approved by a bank to fund derivative losses.

2.5 Equity options outstanding as on 31st March, 2012:

- To ESOS holders 9,98,887 (Previous year 13,89,712) refer Note No. 22.2
- To a bank in respect of optionally convertible loan (OPCL) being a part of line of credit sanctioned to finance derivative losses. The OPCL outstanding as on 31st March, 2012 is ₹ 50.51 Crores (Previous year ₹ 15.21 Crores) Refer Note No. 29.3

2.6 Of the above Equity Shares 1,82,450 Equity Shares of ₹ 10/- each were issued pursuant to the scheme of Amalgamation of Microsynth Fabrics (India) Limited with the Company as sanctioned by Hon'ble High Court of Judicature at Mumbai vide its order dated 23rd October, 2008.

2.7 The details of shareholder holding more than 5% shares :

Name of Equity Shareholders	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	Percentage	No. of Shares	Percentage
Bhagirath Arya	20,669,253	28.70%	19,447,173	27.14%
Seetharam Narayana Shetty - Trustee - JBF Employees Welfare Foundation	4,897,350	6.80%	–	–
Vaidic Resources Private Limited	3,906,304	5.42%	3,906,004	5.45%
Chinar Arya	4,290,000	5.96%	4,290,000	5.99%

Name of Preference Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	Percentage	No. of Shares	Percentage
Bank of India	8,839,200	100%	2,661,363	100%

3 RESERVES AND SURPLUS

(₹ in Crores)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
Capital Reserves				
As per Last Balance Sheet		10.62		10.62
Capital Reserves on Consolidation		0.32		0.29
Securities Premium Reserve				
As per Last Balance Sheet	398.33		280.84	
Add: Received on issue of Shares	3.21		111.30	
Add: Redemption Premium on FCCB reversed on Conversion	–		9.32	
Less: Share Issue Expenses	–	401.54	3.13	398.33
Debenture Redemption Reserve				
As per Last Balance Sheet	3.82		0.57	
Add: Transferred from Surplus	3.26	7.08	3.25	3.82
General Reserves				
As per last Balance Sheet	62.40		49.25	
Add: Transferred from Surplus	5.00	67.40	13.15	62.40
Legal Reserve				
As per last Balance Sheet	61.00		16.74	
Add: Transferred from Statement of Profit and Loss	15.40		40.80	
Add: Transferred from Minority Interest	–	76.40	3.46	61.00
Foreign Currency Translation Reserve				
As per last Balance Sheet	(48.38)		(21.73)	
Add/(Less): Effect of foreign exchange rate variation during the year	22.76	(25.62)	(26.65)	(48.38)
Hedging Reserve				
As per last Balance Sheet	(3.41)		(4.79)	
Add: Change in fair value	2.97		2.82	
Add: Transferred from Minority Interest	–	(0.44)	(1.44)	(3.41)
Premium paid on Buy Back of Shares		(71.42)		(71.42)
Employee Stock Options Outstanding				
As per last Balance Sheet	5.20		7.18	
Add: Granted during the year	0.05		0.48	
Less: Option lapsed during the year	0.09		0.26	
Less: Option Exercised during the year	1.35		2.20	
	3.81		5.20	
Less: Deferred Compensation Expenses				
As per last Balance Sheet	1.86		4.92	
Add: Granted during the year	0.05		0.48	
Less: Amortised / lapsed during the year	1.47		3.54	
	0.44	3.37	1.86	3.34
Surplus				
As per last Balance Sheet	938.89		477.67	
Transferred from Minority Interest	–		38.90	
Add: Net Profit for the year	222.88		546.00	
Amount available for Appropriations	1,161.77		1,062.57	
Appropriations				
Transfer to General Reserve	5.00		13.15	
Transfer to Legal Reserve	15.40		40.80	
Transfer to Debenture Redemption Reserve	3.26		3.25	
Short Provision of dividend in previous year	0.04		–	
Tax Paid on short provision of dividend	0.01		–	
Dividend Distribution tax for earlier year written back	–		(0.14)	
Proposed Dividend on Preference Share (Previous Year ₹ 36,457) (Dividend per share ₹ 2.50 per annum Previous year ₹ 2.50 per annum)	0.72		0.00	
Proposed Dividend on Equity Shares (Dividend per share ₹ 8, Previous year ₹ 8)	57.62		57.32	
Dividend Distribution Tax on Proposed Dividend	9.46	1,070.26	9.30	938.89
TOTAL		1,539.51		1,355.48

3.1 10% of Annual net income of JBF RAK LLC. is to be set aside as a legal reserve in accordance with the United Arab Emirates Commercial Companies Law.

4 LONG TERM BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
Secured Loans				
(a) Debentures				
Non Convertible Debentures		40.00		50.00
(b) Term loans				
from banks	905.73		607.87	
from Financial Institution	21.43	927.16	29.40	637.27
(c) External Commercial Borrowings		218.74		53.28
(d) Vehicle Loans		1.47		0.84
		<u>1,187.37</u>		<u>741.39</u>
Unsecured Loans				
(a) Term loans				
from banks		138.90		41.82
(b) External Commercial Borrowings		50.49		176.35
		<u>189.39</u>		<u>218.17</u>
TOTAL		<u>1,376.76</u>		<u>959.56</u>

4.1 Debentures referred to in (a) above are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

4.2 Term Loans from Banks & Financial Institution referred to in (b) above includes ₹ 382.51 Crores (Previous year ₹ 350.16 Crores) are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and out of above ₹ 278.88 Crores (Previous Year ₹ 220.35 Crores) are further secured by Second charge on current assets of the Company situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat. ₹ 544.65 Crores (Previous Year ₹ 287.11 Crores) secured by way of first rank registered mortgage over industrial plot at Emirates of Ras Al Khaimah & Mortgaged/ Notarised pledge and hypothecation over Plant & Machinery and other fixed assets situated at Emirates of Ras Al Khaimah.

4.3 External Commercial Borrowings referred to in (c) above are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

4.4 The Loans for vehicle have been secured by specific charge on the vehicles covered under the said loans.

4.5 Terms of Repayment

i) Debentures

Debentures are redeemable at par in one or more installments on various dates with the farthest redemption being on 27.10.2014 and the earliest being 27.01.2013. The debentures are redeemable as follows ₹ 10 Crores as on 27.10.2014, ₹ 10 Crores as on 27.07.2014, ₹ 10 Crores 27.01. 2014 and ₹ 10 Crores 27.07.2013.

ii) Secured Term Loans from Banks

- Loan of ₹ 6.29 crores is repayable in 4 equal quarterly installments of ₹ 1.57 crores starting from April 2013 and ending on January 2014.
- loan of ₹ 251.16 crores is repayable in 6 equal quarterly installments of ₹ 3.22 Crores starting from June 2013 and ending on September 2014 and there after 16 equal quarterly installments of ₹ 14.49 Crores starting from December 2014 and ending on September 2018.
- Loan of ₹ 15.64 crores is repayable in May 2013.
- Loan of ₹ 122.15 crores is repayable in quarterly unequal installments commencing after 18 months from the date of first drawn from October 2010.
- Loan of ₹ 12.83 crores is repayable in 4 equal quarterly installments of ₹ 3.21 crores starting from April 2013 and ending on March 2014.
- Loan of ₹ 25.45 crores is repayable 50% in financial year 2013-14 and the remaining 50% in financial year 2014-15.
- Loan of ₹ 12.30 crores is repayable in 4 equal quarterly installments of ₹ 3.07 crores starting from April 2013 and ending on March 2014.
- Loan of ₹ 356.28 crores is repayable 15 months from the date of draw down in quarterly installments over 7 years.
- Loan of ₹ 103.63 crores is repayable in 9 equal quarterly installments of ₹ 11.51 crores starting from June 2013 and ending on June 2015.

iii) Secured Term Loans from Financial Institutions

Loan of ₹ 21.43 crores is repayable in 3 equal annual installments of ₹ 7.14 crores starting from July 2013 and ending on July 2015.

iv) Secured External Commercial Borrowings

Loan of ₹ 45.78 crores is repayable in 12 equal quarterly installments of ₹ 3.82 crores (USD 7,50,000) starting from June 2013 and ending on March 2016, loan of ₹ 101.74 crores is repayable in 16 equal quarterly installments of ₹ 6.36 crores (USD 12,50,000) starting from March 2014 and ending on December 2017 and loan of ₹ 71.22 crores is repayable in 14 equal quarterly installments of ₹ 5.09 crores (USD 10,00,000) starting from May 2013 and ending on August 2016.

v) **Secured Vehicle Loans**

Vehicle Loans are repayable as under : ₹ 0.92 crores in financial year 2013 -14, ₹ 0.52 crores in financial year 2014-15 and balance of ₹ 0.03 crores in financial year 2015-16.

vi) **Unsecured Term Loans From a Bank**

Loan of ₹ 88.39 crores is repayable in 8 equal half yearly installments of ₹ 11.04 crores starting from April 2014 and ending on October 2017 and loan of ₹ 50.51 crores will be converted in to Equity by 30.09.2013 at a price to be determined according to SEBI rules and guidelines prevailing at that time.

vii) **Unsecured External Commercial Borrowings**

Loan of ₹ 50.49 crores is repayable in July 2013.

- 4.6 Term loans from banks aggregating to ₹ Nil (Previous year ₹15.72 Crores) are guaranteed by two of the Directors of the Company and ₹ 139.74 Crores (Previous year ₹ 65.43 Crores) are guaranteed by one of the Directors of the company in their personal capacity. ₹ 160.43 Crores (Previous Year ₹ 78.45 Crores) are guaranteed by one of the Directors of JBF RAK LLC.

5 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
(a) Deferred Tax Liability		
Related to fixed assets	158.53	143.68
Others	1.74	1.52
(b) Deferred Tax Assets		
Unabsorbed Depreciation	35.59	–
Disallowance under Section 43B of the Income Tax Act, 1961	0.97	0.78
Others	1.37	1.42
TOTAL	122.34	143.00

6 LONG TERM PROVISIONS

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Provision for employee benefits		
Gratuity	11.39	6.32
TOTAL	11.39	6.32

7 SHORT TERM BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Secured Loans		
(a) Working Capital Loans		
from banks	566.04	106.72
	566.04	106.72
Unsecured Loans		
(b) Short Term Loans		
from banks	121.31	144.95
(c) Working Capital Loans		
from banks	94.54	87.26
(d) Buyer's Credit	265.99	159.79
TOTAL	1,047.88	498.72

- 7.1 Working Capital Loans as referred to in (a) above includes ₹ 165.26 crores (Previous year ₹ 67.90 crores) are secured by hypothecation of inventory of Raw Materials, Work in process, Finished goods, Stores and spares, Packing materials and Book Debts and are also secured by way of Second charge on the immovable properties of the company situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat. ₹ 400.78 crores (Previous Year ₹ 38.82 crores) secured by hypothecation of inventory and receivables on pari passu basis situated at Emirates of Ras Al Khaimah.

8 TRADE PAYABLES

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Micro, Small and Medium Enterprises	1.93	1.11
Others	927.46	1,031.45
TOTAL	929.39	1,032.56

9 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Current Maturities of long-term debts	364.38	325.34
Interest accrued but not due on borrowings	11.87	5.39
Income received in advance	0.18	0.08
Unpaid dividends @	1.05	0.81
Deposit from customers	0.27	0.29
Deposit against Excise Liabilities	1.30	–
Advance from Customers	15.02	10.57
Creditors for capital expenditure	39.07	37.96
Other payables *	30.90	20.77
TOTAL	464.04	401.21

@ Do not include any amounts, due & outstanding, to be credited to Investor Education & Protection Fund.

* Other payable includes Salaries, wages & bonus payable, Withholding & Other Taxes payable and outstanding liabilities.

10 SHORT TERM PROVISION

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Provision for employee benefits		
Gratuity	0.66	0.57
Leave Encashment	5.50	3.72
Others :		
Excise Duty Provision *	17.02	15.30
Proposed Dividend on Preference Shares (Previous Year ₹ 36,457)	0.72	0.00
Proposed Dividend on Equity Shares	57.62	57.32
Provision for Dividend Distribution Tax	9.46	9.30
TOTAL	90.98	86.21

*The company has recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March, 2011 of ₹ 15.30 Crores as per the estimated pattern of Despatches. During the year ₹ 15.21 Crores was utilised for clearance of goods. Liability recognised under this class as at 31st March, 2012 is ₹ 17.02 Crores. Actual outflow is expected in the next financial year.

11 FIXED ASSETS

(₹ in Crores)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 01/04/2011	Additions/ Adjustments	Deductions/ Adjustments	As at 31/03/2012	Up to 31/03/2011	For the year	Deductions/ Adjustments	Upto 31/03/2012	As At 31/03/2012	As At 31/03/2011
Tangible Assets										
Land : Free-hold	27.29	–	1.06	26.23	–	–	–	–	26.23	27.29
Leasehold	1.60	–	–	1.60	0.08	0.02	–	0.10	1.50	1.52
Leasehold Improvements	223.11	109.58	–	332.69	26.92	17.63	–	44.55	288.14	196.19
Buildings	192.81	19.81	1.27	211.35	33.45	6.70	0.20	39.95	171.40	159.36
Plant & Machineries	2,197.67	699.02	8.65	2,888.04	487.17	149.22	4.73	631.66	2,256.38	1,710.50
Furniture & Fixtures	7.97	0.79	0.12	8.64	3.38	0.57	0.11	3.84	4.80	4.59
Office Equipments	1.55	0.28	0.08	1.75	0.45	0.08	0.06	0.47	1.28	1.10
Vehicles	7.25	4.26	0.93	10.58	1.66	1.07	0.29	2.44	8.14	5.59
Data Processing Equipments	8.16	1.53	0.16	9.53	5.25	1.65	0.15	6.75	2.78	2.91
	2,667.41	835.27	12.27	3,490.41	558.36	176.94	5.54	729.76	2,760.65	2,109.05
Intangible Assets										
Software*	1.80	0.04	–	1.84	1.38	0.17	–	1.55	0.29	0.42
Technical Know-how	13.85	2.01	–	15.86	1.54	1.27	–	2.81	13.05	12.31
	15.65	2.05	–	17.70	2.92	1.44	–	4.36	13.34	12.73
Total	2,683.06	837.32	12.27	3,508.11	561.28	178.38	5.54	734.12	2,773.99	2,121.78
Previous Year	2,431.57	262.94	11.45	2,683.06	437.16	128.90	4.78	561.28	2,121.78	–
Capital work-in-progress									159.31	167.67

*other than internally generated.

- 11.1 Buildings include ₹ 8000/- being the value of Shares of Co-operative Societies.
- 11.2 Additions to fixed assets & Capital work in Progress are inclusive of loss of ₹ 16.80 Crores (Previous Year ₹ 6.00 Crores) on account of foreign exchange difference during the year.
- 11.3 Capital work in progress includes :
- ₹ 36.00 Crores on account of Preoperative expenses (Previous Year ₹ 18.71 Crores).
 - ₹ 5.88 Crores on account of cost of construction material at site (Previous Year ₹ 26.82 Crores).
- 11.4 Additions to Gross block are inclusive gain of ₹ 193.66 Crores (Previous year gain of ₹ 15.92 Crores) and Depreciation are inclusive loss of ₹ 25.92 Crores (Previous year gain of ₹ 2.53 Crores) on account of translation of Fixed Assets & Depreciation to date respectively of Foreign subsidiaries, the effect of which is considered in Foreign Currency translation reserve.
- 11.5 The Leasehold improvements represents the cost of buildings related to plant & premises which are constructed on leasehold land situated at Emirates of Ras Al Khaimah. The land on which the production facility is located has been obtained on a 25 years operating lease from Ras Al Khaimah Investment Authority (RAKIA).
- 11.6 In accordance with the Accounting Standard (As -28) on "Impairment of Assets" As notified by Companies (Accounting Standards) Rules 2006, the management during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried out by the management, there was no impairment loss on Fixed Assets during the year ended 31st March, 2012.

11.7 **Details of the Preoperative Expenditure :**

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
EXPENDITURE :		
Cost of material consumed	0.26	0.66
Power & Fuel	2.22	0.79
Other Manufacturing Expenses	0.40	0.23
Packing Material Consumed	0.01	0.04
Salary, Wages & Allowances	1.85	1.13
Employees Welfare & Other Amenities	0.13	0.11
Rent	0.05	-
Insurance	0.09	0.25
Repairs & Maintenance Others	0.02	-
Travelling & Conveyance	0.21	0.06
Legal, Professional & Consultancy Charges	27.70	1.21
General Expenses	2.75	0.03
Depreciation	0.02	-
Interest expenses	8.90	6.30
Other borrowings costs	4.78	10.65
	49.39	21.46
INCOME :		
Sales of trial run products	0.04	0.11
Net Pre Operative Expenditure for the Year	49.35	21.35
Add : Pre Operative Expenditure upto Previous Year	18.71	7.34
	68.06	28.69
Less : Allocated to fixed assets during the Year	32.06	9.98
Closing Balance	36.00	18.71

12 LONG TERM LOANS AND ADVANCES

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
Secured, considered good		
Inter-corporate Deposits	20.00	20.00
Unsecured, Considered good unless otherwise stated		
Capital Advances	222.04	29.46
Security Deposits	4.24	78.26
Inter-corporate Deposits	5.00	-
Income Tax-Advance Tax & TDS (Net)	17.65	4.37
Others **		
Considered Good	17.16	0.51
Considered doubtful	0.08	0.08
	17.24	0.59
Less: Provision for doubtful advances	0.08	0.08
TOTAL	286.09	132.60

**mainly Includes unamortised ancillary borrowing cost and Interest Receivable.

13 OTHER NON CURRENT ASSETS

Particulars	(₹ in Crores)	
	As at 31st March, 2012	As at 31st March, 2011
Foreign currency Monetary items Translation Difference Account	1.38	1.53
TOTAL	1.38	1.53

14 INVENTORIES

Particulars	(₹ in Crores)			
	As at 31st March, 2012		As at 31st March, 2011	
Raw Materials:				
Goods-in transit	237.45		227.47	
Others	113.09	350.54	164.43	391.90
Stock-in-process		48.68		47.65
Finished goods:				
Goods-in transit	24.29		21.08	
Others	298.18	322.47	225.83	246.91
Stores, Spares and Consumables:				
Goods-in transit	0.55		0.90	
Others	69.59	70.14	47.04	47.94
TOTAL	791.83		734.40	

15 TRADE RECEIVABLES

Particulars	(₹ in Crores)			
	As at 31st March, 2012		As at 31st March, 2011	
Unsecured				
Due for a period exceeding Six months				
Considered Good	49.18		44.98	
Considered Doubtful	7.47		7.43	
	56.65		52.41	
Less : Provision for doubtful debts	7.47	49.18	7.43	44.98
Others- Considered Good		665.68		650.49
TOTAL	714.86		695.47	

16 CASH AND BANK BALANCES

Particulars	As at 31st March, 2012		As at 31st March, 2011	
(₹ in Crores)				
Cash & Cash Equivalents				
Balance with banks in Current Accounts	174.53		127.82	
Deposits less than three months	3.00		–	
Cash on hand	0.15	177.68	0.15	127.97
Other Bank Balances				
In Fixed Deposit Account with Banks:				
having 3 - 12 Months maturities	151.86		55.56	
more than 12 months maturities	32.01		3.12	
Deposit earmark against Borrowings	36.07		47.57	
Ear mark balance with banks (unpaid Dividend Account)	1.05	220.99	0.81	107.06
TOTAL		398.67		235.03

17 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2012		As at 31st March, 2011	
(₹ in Crores)				
Secured, considered good				
Inter-corporate Deposits		42.00		27.00
Unsecured, Considered good				
Loans and Advances to related parties (Refer Note No. 27)		45.08		23.44
Others:				
Inter-corporate Deposits \$		17.00		–
Claims and refund receivable		21.85		42.28
Balance with Excise Authorities		68.43		80.80
Advance to suppliers #		93.25		2.95
Loans to Employee Welfare Foundation		84.83		51.23
Others *		72.71		52.73
TOTAL		445.15		280.43

\$ Includes ₹ 15 Crores backed by personal guarantee of a borrower.

Includes ₹ 1.76 Crores due from a related party. (Refer Note No. 27)

* Mainly includes Prepaid Expenses and Cenvat credit.

18 OTHER CURRENT ASSETS

Particulars	As at 31st March, 2012		As at 31st March, 2011	
(₹ in Crores)				
Export Incentive Receivable		7.08		5.16
Receivable against sale of fixed assets		4.00		–
Assets held for disposal		0.56		0.20
Foreign Currency Monetary Items Translation Difference Account		4.13		1.32
TOTAL		15.77		6.68

19 GROSS REVENUE FROM OPERATION

Particulars	Year ended 31st March, 2012		Year ended 31st March, 2011	
(₹ in Crores)				
Sale of products		7,566.12		6,768.14
Other operating revenues		11.89		5.55
TOTAL		7,578.01		6,773.69

20 OTHER INCOME

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Interest Income - from long term investment	0.09	0.06
- from others	43.55	8.11
Dividend Income from others - on long term investment (₹ 24,000)	0.00	0.01
- on current investments	1.78	3.90
Profit on sale/ redemption of Long Term investments (Net)	70.27	-
Profit on sale of Current investments (Net)	7.08	0.65
Profit on sale of Fixed Assets (Net)	1.86	-
Reversal of provision for Diminution in value of Current Investment	-	0.73
Sundry Credit Balances Written Back (Net)	1.28	7.07
Net gain on foreign currency transactions	-	1.55
Miscellaneous income	0.09	0.09
TOTAL	126.00	22.17

21 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK -IN- PROCESS

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
At the end of the year		
Finished Goods	322.48	247.65
Stock-in- process	48.68	47.65
	371.16	295.30
At the beginning of the year		
Finished Goods	247.65	195.09
Stock-in- process	47.65	25.14
	295.30	220.23
TOTAL	(75.86)	(75.07)

22 EMPLOYEE BENEFIT EXPENSES

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Salaries, Wages and Allowances	90.84	73.16
Contribution to Provident Fund, ESIC and other Funds	2.03	1.85
Gratuity	5.57	2.86
Employees Stock Option Cost	1.38	3.28
Employees Welfare and Other Amenities	6.12	3.47
TOTAL	105.94	84.62

22.1 Salaries, Wages and Allowances includes managerial remuneration of ₹ 4.42 Crores subject to approval of Central Government.

22.2 Employment Stock Option Scheme

- i. The Employee Stock Option Scheme, 2009 (JBF ESOS 2009) was introduced and implemented during the year 2009-10 as approved by the shareholders at the Annual General Meeting held on 25th September, 2009. The equity shares reserved for issuance to eligible employees of the company as at 31st March, 2012 is 2,51,728 (Previous Year 2,32,070) Equity Shares of ₹ 10/- each.
- ii. On 25th September, 2009 the Company has granted 21,54,000 Options convertible into Equity Shares of ₹ 10 each to 298 employees. The Exercise Price of the Options was fixed at ₹ 60 each for conversion in to one Equity Share of the Company. Out of above Options 24,677 (Previous Year 70,784) Options have been Lapsed during the year 2011-12.
- iii. During the year the Company has further granted 5,019 (Previous Year 45,000) Options convertible into Equity Shares of ₹ 10 each to 2 employees. The Exercise Price of the Options was fixed at ₹ 60 each for conversion in to one Equity Share of the Company.
- iv. The above Options vest over a period ranging from one to three years as follows.

Period of Vesting From Date of Grant	Percentage to Grant
At the end of Twelve Months	33.33
At the end of Twenty Four Months	33.33
At the end of Thirty Six Months	33.33

- v. All the Options granted till date have an exercise period of Twenty Four months from the date of their vesting.
- vi. The Company applies intrinsic- value method of accounting for determining Employee Compensation Expenses for its ESOS. Had the Employee Compensation Expenses been determined using the fair value approach, the Company's Net Profit and basic and diluted earnings per share as reported would have reduced as indicated below:

Particulars	(₹ in Crores)	
	Year ended 31st March, 2012	Year ended 31st March, 2011
Net Profit after tax	222.98	546.11
Prior Period adjustments	0.10	0.11
Proposed Dividend on Preference Shares (Previous Year ₹ 36,457)	0.72	0.00
Net Profit as Reported	222.16	546.00
Less : Employee Compensation Expenses	0.51	1.23
Adjusted Proforma	221.65	544.77
Basic Earnings Per Share (₹)		
- As reported	30.94	81.20
- Proforma	30.87	81.02
Diluted Earnings Per Share (₹)		
- As reported	30.70	78.22
- Proforma	30.63	78.05

- vii. The Following Summaries the Company's Stock Option activity for ESOS:

Particulars	(No. of Shares)	
	As at 31st March, 2012	As at 31st March, 2011
i. Outstanding at the beginning of the year	1,389,712	19,72,200
ii. Granted during the year	5,019	45,000
iii. Lapsed during the year	24,677	70,784
iv. Exercised during the year	371,167	556,704
v. Expired during the year	—	—
vi. Outstanding at the end of the year	998,887	13,89,712
vii. Exercisable at the end of the year	365,610	110,550
viii. Weighted average Intrinsic value of Options granted during the year	₹ 103.70	₹ 106.32

23 FINANCE COSTS

Particulars

Interest expense	143.83	104.64
Other Borrowing Cost	38.92	36.61
Applicable Net loss on foreign currency transaction	7.08	12.10

TOTAL

189.83

153.35

24 OTHER EXPENSES

Particulars

Manufacturing Expenses

Stores & Spares Consumed	25.84	24.07
Power & Fuel	328.62	247.09
Repairs to Building	0.42	0.42
Repairs to Plant & Machinery	7.07	6.33
Security Charges	1.87	1.44
Excise Duty	2.19	5.29
Labour Charges	11.71	10.30
Other Manufacturing Expenses	18.86	18.99

Selling and Distribution Expenses

Packing Material Consumed	120.65	110.91
Freight & Forwarding Charges (Net)	147.26	161.21
Sales Promotion, & Advertising Expenses	7.49	10.18
Brokerage & Commission	19.57	65.81

396.58

313.93

294.97

348.11

(₹ in Crores)

Administrative and General Expenses

	Year ended 31st March, 2012	Year ended 31st March, 2011
Rent	8.08	6.87
Rates & Taxes (Net)	0.32	0.57
Insurance	12.59	12.38
Payment to Auditors	0.85	0.75
Repairs & Maintenance - Others	1.65	1.63
Travelling & Conveyance Expenses	10.82	9.45
Legal, Professional & Consultancy Charges	3.68	3.81
Provision for Dimunation in the value of Investment	0.17	–
Bad debts Written off	1.12	6.49
less:- Provision for Doubtful debts	(1.12)	–
Provision for Doubtful Debts	0.24	–
Donation	0.18	0.23
Net loss on foreign currency transactions	122.86	–
Currency & Interest rate Swap Loss (Net)	171.01	88.93
Loss on sale of Fixed Assets (Net)	–	4.40
Bank Charges	2.31	2.43
General Expenses	9.76	9.47
	344.52	147.41
TOTAL	1,036.07	809.45

24.1 Payment to Auditors

(₹ in Crores)

	Year ended 31st March, 2012	Year ended 31st March, 2011
Audit Fees	0.73	0.65
Tax Audit Fees	0.07	0.07
Certification Charges \$	0.01	0.08
Reimbursement of expenses	0.04	0.03
	0.85	0.83

\$ excludes ₹ Nil (Previous Year ₹ 0.07 Crores) considered as Share Issue Expenses.

25 EARNING PER SHARE (BASIC & DILUTED)

(₹ in Crores)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
Net profit after tax	222.98	546.11
Prior period adjustment	0.10	0.11
Proposed Dividend on preference Shares- (Previous Year ₹ 36,457)	0.72	0.00
Net profit after tax attributable to Equity Share holders for Basic EPS	222.16	546.00
Weighted average no. of equity shares outstanding for Basic EPS	71,790,521	67,240,621
Basic Earning Per Share of ₹ 10 Each (₹)	30.94	81.20
Net profit after tax attributable to Equity Share holders for Basic EPS	222.16	546.00
Weighted average no. of equity shares outstanding for Diluted EPS	72,360,358	69,798,468
Diluted Earning Per Share of ₹ 10 Each (₹)	30.70	78.22

Reconciliation between number of shares used for calculating basic and diluted earning per share

	As at 31st March, 2012	As at 31st March, 2011
Number of Shares Used for calculating Basic EPS	71,790,521	67,240,621
Add : Potential Equity Shares (Foreign Currency Convertible Bonds)	–	1,403,835
Add:- Potential Equity Shares (JBF ESOS-2009)	569,837	1,154,012
Number of Shares used for Calculating Diluted EPS	72,360,358	69,798,468

Since long term optionally convertible loan of ₹ 50.51 crores (Previous year ₹ 15.21 Crores) are to be converted into such number of equity shares of ₹ 10 each at a price to be determined according to SEBI Rules & Guidelines prevailing at that time, total number of equity shares to be issued on exercise of conversion option is not certain and hence the same has not been considered for the computation of Diluted Earning Per Share.

26 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
(i) Contingent Liabilities		
(a) Demands not acknowledged as debt		
i) Income Tax	0.25	7.41
ii) Excise Duty (₹1.13 Crores deposited under protest)	1.29	1.26
iii) Service tax	1.44	1.49
iv) Others	0.09	0.09
(b) Guarantees issued by the Bankers	251.88	190.18
(Bank guarantees are provided under contractual/legal obligation. No cash outflow is expected.)		
(c) Letter of Credit	220.97	147.60
(These are established in favour of vendors but cargo/material under the aforesaid Letter of Credit are yet to be received as on end of the year. Cash outflow is expected on the basis of payment terms as mentioned in Letter of Credit.)		
(d) Export Bill Discounting	10.09	–
(No Cash outflow is expected)		
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	397.84	183.74
(Cash outflow is expected on execution of such capital contracts, on progressive basis)		
(b) Other Commitments		
i) Corporate Social Responsibility over the project life	177.00	–
ii) Future minimum lease payments:		
Within one year	2.78	1.31
After one year but not more than five years	11.08	9.67
More than five years	37.30	34.97
Total operating lease expenditure contracted for at the reporting date	51.16	45.95

27 RELATED PARTY TRANSACTION

As per the Accounting standard -18, As notified by Companies (Accounting Standards) Rules 2006, the disclosure of transactions with related parties as defined in the Accounting Standard are given below :

I. Key Managerial Personnel :

Mr. B.C. Arya
 Mr. R.Gothi
 Mr. P.N.Thakore
 Mr. N.K.Shah
 Mr. Cheerag Arya

II. Relatives of Key Managerial Personnel :

Mrs. Veena Arya	Relative of Shri. B. C. Arya
Ms. Chinar Arya	Relative of Shri. B. C. Arya
Mrs. Usha Thakore	Relative of Shri. P. N. Thakore
Mr. Abhishek R. Gothi	Relative of Shri. R. Gothi
Mr. Abhishek P. Thakore	Relative of Shri. P. N. Thakore
Ms. Akanksha P. Thakore	Relative of Shri. P. N. Thakore

III. Enterprises over which the Key Managerial personnel & their relatives have significant influence

Arya Texturisers & Twisters
 Arya Industries
 Vaidic Resources Pvt. Ltd.
 JBF Global FZE

Transactions with related parties during the year

(₹ in Crores)

Particulars	Key Managerial Personnel		Relatives of Key Managerial Personnel		Enterprises over which the Key Managerial Personnel has significant influence		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
1 Short Term Loans & Advances								
a) Opening Balance	--	--	--	--	23.44	31.07	23.44	31.07
b) Given during the year	26.48	--	--	--	4.78	--	31.26	--
c) Refunded during the year	--	--	--	--	7.86	7.63	7.86	7.63
d) Balance as at 31.03.2012	26.48	--	--	--	20.36	23.44	46.84	23.44
2 Trade Payables as at 31st March, 2012	--	--	--	--	0.24	1.53	0.24	1.53
3 Dividend paid	17.49	15.20	3.45	0.18	3.12	2.34	24.06	17.72
4 Expenditures								
Purchases	--	--	--	--	44.56	36.24	44.56	36.24
Managerial Remuneration/Sitting Fees	11.38	10.50	0.47	0.30	--	--	11.85	10.80
5 Equity Shares allotted on exercise of ESOP	0.17	0.14	--	--	--	--	0.17	0.14

Notes to Related Party Transactions:

- Short Term Loans & Advances includes ₹ 26.48 Crores & ₹ 18.60 Crores given to Mr. Cheerag Arya & JBF Global FZE respectively.
- Trade Payables includes ₹ 0.24 Crores from Arya Industries.
- Dividend paid includes ₹ 15.96 Crores, ₹ 3.43 Crores & ₹ 3.12 Crores to Mr. B C Arya, Chinar Arya & Vaidic Resources Pvt. Ltd. respectively.
- Expenditures: Purchases include ₹ 44.56 Crores from Arya Industries. Managerial Remuneration include ₹ 4.42 Crores & ₹ 5.73 Crores to Mr. B C Arya & Mr. Cheerag Arya respectively.
- Equity Shares allotted on exercise of ESOS includes ₹ 0.09 Crores & ₹ 0.08 Crores to Mr. Rakesh Gothi and Mr. P. N. Thakore respectively.

28 Segment Information as per Accounting Standard -17 on Segment reporting for the year ended 31st March, 2012

i) Information about primary (Geographical) segment :

(₹ in Crores)

Particulars	Domestic		International		Total Consolidated	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
1. Segment Revenue						
Net Revenue from operations	4,383.32	3,560.46	2,849.00	3,018.90	7,232.32	6,579.36
Other Income	126.37	22.37	1.08	5.74	127.45	28.11
Total Income	4,509.69	3,582.83	2,850.08	3,024.64	7,359.77	6,607.47
Less : Inter Segment Revenue	54.52	35.90	--	78.28	54.52	114.18
	4,455.17	3,546.93	2,850.08	2,946.36	7,305.25	6,493.29
2. Results						
Segment Results	151.74	278.80	240.60	480.83	392.34	759.63
Finance Costs	123.56	87.22	66.27	66.13	189.83	153.35
Profit Before Tax	28.18	191.58	174.33	414.70	202.51	606.28
Tax Expenses	(20.46)	60.16	(0.01)	0.01	(20.47)	60.17
Profit After Tax	48.64	131.42	174.34	414.69	222.98	546.11
3. Other Information						
Total Segment Assets	2,958.91	2,559.96	2,783.79	2,021.36	5,742.70	4,581.32
Total Segment Liabilities	2,386.62	1,962.91	1,656.16	1,164.67	4,042.78	3,127.58
Capital Expenditure	320.72	225.33	700.82	264.29	1,021.54	489.62
Depreciation	83.94	73.37	68.52	58.06	152.46	131.43
Non - Cash Expenditure other than Depreciation	--	--	--	--	--	--

- Segments have been identified and reported taking into account, the differing risks and returns, the organization structure and the internal reporting system. These are organized into two main segment based on geographic:

Domestic : Operations within India

International : Operations outside India

- Segment revenue, results, assets and liabilities include the respective amount identifiable to each of the segments.

ii) Secondary Segment Information: Product wise

In the opinion of the management, the company is engaged in two business segments 1) Polyester Film 2) Other Polyester Products.

(₹ in Crores)

Particulars	2011-12	2010-11
1. Segment Revenue		
a) Polyester Film	813.34	1,149.35
b) Other Polyester Products	6,370.09	5,332.33
c) Unallocable	121.82	11.61
Total	7,305.25	6,493.29
2. Segment Assets		
a) Polyester Film	1,161.90	844.31
b) Other Polyester Products	4,143.20	3,496.15
c) Unallocable	437.60	240.86
Total	5,742.70	4,581.32
3. Total Capital Expenditure		
a) Polyester Film	280.87	29.32
b) Other Polyester Products	740.65	459.25
c) Unallocable	0.02	1.05
Total	1,021.54	489.62

29 FINANCIAL AND DERIVATIVE INSTRUMENTS

29.1 Derivative Contracts entered into by the Company and outstanding as on 31st March, 2012.

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
i) Currency & Interest Rate Swap with option structures	81.39	88.80
ii) Currency & Interest rate Swap	50.00	--
iii) Interest rate Swap	168.71	105.23
iv) Forward contracts	45.00	--

29.2 All Derivative and financial instruments acquired by the company are for hedging purpose only.

29.3 The loss of ₹ 171.01 Crores in respect of foreign exchange and interest rate swap contracts for the year have been charged to the Statement of Profit and loss. The Mark to market losses in respect of the derivative contracts for Currency & Interest rate swap as on 31st March, 2012 is ₹ 49.31 Crores (Previous Year ₹ 148.83 Crores) out of which ₹ 47.48 Crores (Previous Year ₹ 144.63 Crores), have not been provided in the books of account since the company is of the view that the above losses may be payable only if loss conditions are triggered on observation dates starting from 3rd August, 2010 and ending on 3rd July, 2013. The loss if any, will be accounted for on actual settlements. Bank of India with whom, one of the above derivative transaction is outstanding has approved a line of credit to fund losses on account of derivative transaction by way of debt, convertible loan and cumulative redeemable preference shares. Accordingly during the year, the Company has issued 61,77,837 (Previous Year 26,61,363), 2.5% Cumulative Redeemable Preference Shares (CRPS) aggregating to ₹ 61.78 Crores (Previous Year ₹ 26.61 Crores) & bank has disbursed loan of ₹ 61.78 Crores (Previous Year ₹ 26.61 Crores) and optionally convertible loan of ₹ 35.30 Crores (Previous Year ₹ 15.21 Crores).

29.4 Foreign Currency exposures that are not hedged by derivative instruments as on 31st March, 2012 relating to :

(₹ in Crores)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Receivables	265.46	485.17
Payables	1366.71	1,296.29

29.5 The Expenses on account of forward premium on outstanding forward exchange contracts to be recognised in the Statement of Profit and Loss of subsequent accounting year aggregate to ₹ 1.22 Crores (Previous Year ₹ Nil).

30 The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

Place : Mumbai
Date : 29th May, 2012

For & on behalf of the Board of Directors

B.C. ARYA
Chairman

PN. THAKORE
Director- Finance

RAKESH GOTHI
Managing Director

B.R. GUPTA
Director

UJJWALA APTE
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2012

(₹ in Crores)

PARTICULARS	Year Ended 31st March, 2012 Amount	Year Ended 31st March, 2011 Amount
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax as per Statement of Profit and Loss	202.51	606.28
Adjustment for :		
Depreciation and amortisation	152.46	131.43
Employee Stock Option Cost	1.38	3.28
Finance Cost	189.83	153.35
Currency & Interest rate Swap Loss (Net)	171.01	88.93
Reversal of Provisions for diminution in value of Current Investments	--	(0.73)
Provisions for diminution in value of Current Investments	0.17	--
(Profit)/ Loss on sale of Fixed assets (Net)	(1.86)	4.40
(Profit)/Loss from Current/Long term Investments (Net)	(77.35)	(0.65)
Provision for doubtful debts	0.24	6.49
Interest Income	(43.64)	(8.17)
Dividend Income	(1.78)	(3.90)
Wealth tax	0.02	0.02
Sundry Balances written off/ (back) (Net)	(1.28)	(7.07)
Net loss/(gain) on foreign currency transactions	(96.03)	(32.42)
Operating profit before working capital changes	495.68	941.24
Adjusted for :		
Trade and Other receivables	(15.25)	(188.63)
Inventories	(57.43)	(221.20)
Trade Payables	(75.34)	360.74
Cash generated from operations	347.66	892.15
Direct taxes paid/ TDS deducted/Refund received/FBT	(20.99)	(54.61)
Cash generated before prior year	326.67	837.54
Prior year adjustments	(0.10)	(0.11)
Net cash from operating activities (A)	326.57	837.43
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of fixed assets	(796.29)	(442.26)
Sale of fixed assets	4.23	2.27
Purchases of Investments	(202.86)	(655.19)
Sale of Investments	341.46	659.57
Movements in Loans and Advances (Net)	(87.07)	(98.23)
Dividend Income	1.82	3.86
Interest received	33.16	7.56
Fixed Deposits with bank held for more than three months - placed	(183.87)	(47.00)
Fixed deposits with banks held for more than three months - matured	58.68	3.89
Net cash used in investing activities (B)	(830.74)	(565.53)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of Equity Shares including Security Premium	2.23	86.48
Shares Issue Expenses	--	(3.13)
Proceeds from long term loans	913.87	407.24
Repayment of long term loans	(601.36)	(205.62)
Short term Loans (Net)	546.79	198.80
Purchase of Minority interest	--	(457.82)
Net (loss)/gain on foreign currency transactions	(43.29)	5.31
Finance Cost paid	(197.03)	(147.30)
Currency & Interest rate Swap Loss paid	(12.16)	(20.50)
Margin Money (Net)	11.50	(14.25)
Dividend & Dividend Tax paid	(66.67)	(43.32)
Net cash used in financing activities (C)	553.88	(194.11)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	49.71	77.79
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	127.97	50.18
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	177.68	127.97

*Includes Exchange Difference on account of translation of Foreign Subsidiary Company's Financial Statements.

- Notes :**
- The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS-3) on "Cash Flow Statements" as notified by the Companies (Accounting Standard) Rules, 2006.
 - The figures of previous year have been recast, rearranged and regrouped wherever considered necessary.
 - Figures in brackets indicate outflows.

As per our report of even date

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

Place : Mumbai
Date : 29th May, 2012

For & on behalf of the Board of Directors

B.C. ARYA
Chairman

P.N. THAKORE
Director- Finance

RAKESH GOTHI
Managing Director

B.R. GUPTA
Director

UJJWALA APTE
Company Secretary

FINANCIAL HIGHLIGHTS (STAND ALONE)

(₹ In Crores)

Particulars	2012	2011	2010	2009	2008
Gross Turnover	4,782	3,863	2,846	2,551	2,315
Net Turnover	4,383	3,560	2,691	2,394	2,150
EBIDTA Before Exchange Difference & Derivative Losses	531	436	307	294	260
Depreciation and Amortisation Expenses	84	73	62	52	46
Finance Cost	124	87	62	59	47
Exchange Difference & Derivative Losses	295	84	--	62	--
Provision for Taxation	(20)	60	54	44	29
Profit After Tax	49	131	129	76	139
Net Fixed Asset	1392	1,257	1,141	957	769
Long Term Secured Loans *	589	447	381	246	200
Equity Paid up Capital	72	72	62	62	62
Preference share Capital	88	27	--	--	--
Net Worth	1,001	954	735	640	607
Book Value Per Share (₹)	126.65	129.48	118.08	102.77	97.82
Capital Employed	2,692	2,220	1,692	1,495	1,250
Long Term Debt Equity Ratio	0.59	0.47	0.52	0.38	0.33
Fixed Assets Cover Ratio	2.36	2.82	2.99	3.89	3.85
EBIDTA (%)	12.11%	12.25%	11.41%	12.29%	12.11%
Return on Average Net Worth	4.99%	15.56%	18.77%	12.24%	27.89%
Return on Average Capital Employed	6.18%	14.25%	15.37%	13.11%	19.07%
Earning Per Share of ₹ 10/- (₹)- Basic	6.68	19.53	20.69	11.81	24.03
Cash EPS of ₹ 10/- (₹)- Basic	15.58	31.84	32.53	24.38	32.96
Dividend	80.00%	80.00%	60.00%	50.00%	15.00%

* Includes secured loans repayable in one year.

JBF Industries Limited

Registered Office

Survey No. 273, Village Athola, Silvassa, Dadra & Nagar Haveli.

Corporate Office

8th Floor, Express Towers, Nariman Point, Mumbai - 400 021.