



JBF Industries Limited



**Annual Report
2012-2013**



JBF Industries Limited

NOTICE TO MEMBERS

Notice is hereby given that the Thirty-First Annual General Meeting of the members of JBF Industries Limited will be held on Saturday, 28th September, 2013, at Daman Ganga Resort, Silvassa, at 12.30 p.m.

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2013 and Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Shri. Sunil Diwakar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Shri. Prakash Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Smt. Veena Arya, who retires by rotation and being eligible, offers herself for re-appointment.
5. To appoint Director in place of Shri. Krishen Dev, 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 the Board of Directors or the Remuneration Committee of Directors of the Company be and is hereby authorized to make the application to the Central Government, for the waiver of recovery of the remuneration paid in excess of the limits prescribed in schedule XIII of the Companies Act, 1956, to Shri. Bhagirath C. Arya, Executive Chairman of the Company who was re-appointed and whose remuneration was fixed by the shareholders, in the Annual General Meeting held on 28th September, 2012, by passing special resolution."

"RESOLVED FURTHER THAT subject to the approval of the Central Government, and/or subject to any other approval required, the consent of the shareholders is sought to approve remuneration, paid to Shri. Bhagirath C. Arya, Executive Chairman of the Company, for the financial year 2011-12 and payable in any subsequent financial year, under recommendation of Board of Directors, though exceeding the limits prescribed in terms of Schedule XIII of the Companies Act, 1956, and not to recover such excess remuneration from him, in the event of loss or inadequacy of profits."

(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

DP 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 Saturday, 28th September, 2013, at 12.30 p.m at Daman Ganga Resort, Silvassa, Dadra & Nagar Haveli.

* Applicable to investors holding shares in electronics form

Signature

ANNEXURE TO NOTICE EXPLANATORY STATEMENT

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 23rd September, 2013 to 28th September, 2013 [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 addressess was registered with the Company and the shareholders who have not registered email addressess with the company, were sent notices and annual accounts by post and they are requested to register the email address with company.
8. The annual accounts of the subsidiary companies 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 Monday to Friday except on holidays, up to the date of meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Place : Mumbai.
Date : 21st August, 2013.

UJJWALA APTE
COMPANY SECRETARY

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. 2,3,4 & 5

Shri. Sunil Diwakar, Shri. Prakash Mehta, Smt. Veena Arya & Shri. Krishen Dev retire from the Board by rotation and being eligible, offer themselves for re-appointment.

Pursuant to the requirement of the listing agreement with the Stock Exchanges relating to the Corporate Governance, a statement containing a brief resume in respect of the above Directors is included in Corporate Governance Report, a part of the Annual Report. All the Directors have given their declaration as required under (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003.

Item No. 8

Shri. Bhagirath C. Arya was appointed as Executive Chairman on 28th September, 2012 to hold office from 1st October, 2012 to 30th September, 2015. His remuneration was also approved by the shareholders in the said Annual General Meeting. The Company has suffered financial crunches mainly because of extraordinary conditions arising due to exchange rate variations and larger amount of derivative losses. The Company has applied to the Central Government for obtaining consent for the payment of remuneration to Shri. Bhagirath C. Arya, exceeding the limits given in Schedule XIII of the Companies Act, 1956. As per the suggestion made by the Central Government vide their letter dated 15th May, 2013, the Board of Directors proposed to apply for the waiver of recovery of excess remuneration paid to him for the financial year 2011-12. The Board of Directors also request the shareholders to give their consent for making the payment of remuneration in full and not recovering the excess remuneration paid to Shri. Bhagirath C. Arya for the financial year 2011-12 and payable for any subsequent financial year in case of loss or inadequacy of profit.

BY ORDER OF THE BOARD OF DIRECTORS

Place : Mumbai.
Date : 21st August, 2013

UJJWALA APTE
COMPANY SECRETARY

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

DP 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 Saturday, 28th September, 2013, at 12.30 p.m at Daman Ganga Resort, Silvassa, Dadra & Nagar Haveli.

Signed this _____ day of _____ 2013.

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

Solicitors

Malvi Ranchhodas & Co.

Main Bankers

Bank of Baroda
State Bank of India
Bank of India

Andhra Bank
IDBI Bank Ltd.
ICICI Bank Ltd.

Standard Chartered Bank
Axis Bank Ltd.
Indian Overseas Bank

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

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

JBF PETROCHEMICALS LTD
SEZ Manglore, India.

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

Saturday, 28th September, 2013
at 12.30 pm
Daman Ganga Resort,
Silvassa

FINANCIAL HIGHLIGHTS (STAND ALONE)

(₹ In Crores)

Particulars	2013	2012	2011	2010	2009
Gross Turnover	4,982	4,782	3,863	2,846	2,551
Net Turnover	4,504	4,383	3,560	2,691	2,394
EBIDTA Before Exchange Difference & Derivative losses	482	531	436	307	294
Depreciation and Amortisation Expenses	101	84	73	62	52
Finance Cost	156	124	87	62	59
Exchange Difference & Derivative Losses	139	295	84	--	62
Provision for Taxation	36	(20)	60	54	44
Profit after Tax	51	49	131	129	76
Net Fixed Asset	1,496	1392	1,257	1,141	957
Long Term Secured Loans *	703	589	447	381	246
Equity Paid up Capital	73	72	72	62	62
Preference share Capital	110	88	27	--	--
Net Worth	1,065	1001	954	735	640
Book Value Per Share (₹)	131.41	126.65	129.48	118.08	102.77
Capital Employed	2,801	2,692	2,220	1,692	1,495
Long Term Debt Equity Ratio	0.66	0.59	0.47	0.52	0.38
Fixed Assets Cover Ratio	2.13	2.36	2.82	2.99	3.89
EBIDTA (%)	10.70%	12.11%	12.25%	11.41%	12.29%
Return on Average Net Worth	4.99%	4.99%	15.56%	18.77%	12.24%
Return on Average Capital Employed	11.79%	6.18%	14.25%	15.37%	13.11%
Earning Per Share of ₹ 10/- (₹)- Basic	6.76	6.68	19.53	20.69	11.81
Cash EPS of ₹ 10/- (₹) - Basic	25.85	15.58	31.84	32.53	24.38
Dividend	10.00%	80.00%	80.00%	60.00%	50.00%

* Includes secured loans repayable in one year.

DIRECTORS' REPORT (REVISED)

Your Directors have pleasure in presenting the Thirty-First Annual Report together with the Audited Accounts of the Company for the financial year ended on 31st March, 2013.

FINANCIAL RESULTS

(₹ in crores)

Particulars	Year ended on 31st March, 2013 [Audited]	Year ended on 31st March, 2012 [Audited]
Total Revenue	4,576.18	4512.56
Profit before Depreciation & Tax	187.75	112.26
Less : Depreciation	100.66	83.94
Profit before Tax	87.09	28.32
Less : Provision for Current Taxation	19.33	5.60
Less : MAT Credit Entitlement	(19.33)	(5.18)
Less : Provision for Deferred Tax	35.59	(20.88)
Net Profit for the year	51.50	48.78
Less : Prior period Adjustments	0.02	0.10
Profit brought forward from previous year	350.13	377.56
Surplus available for appropriations	401.61	426.24
Less : Transfer to General Reserve	5.20	5.00
Less : Transfer to Debenture Redemption Reserve	0.61	3.26
Less : Short Provision of Dividend in Previous Year	0.17	0.04
Less : Tax paid on Short Provision of Dividend	0.03	0.01
Less : Proposed Dividend on Preference Shares	2.22	0.72
Less : Proposed Dividend on Equity Shares	7.26	57.62
Less : Dividend Distribution Tax on Proposed Dividend	1.61	9.46
Balance of Profit carried to Balance Sheet	384.51	350.13

DIVIDEND

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

The Board of Directors has reconsidered the recommendation of dividend of ₹ 6 (Rupees Six only) per share (@ 60%) on the equity share capital and revised it to ₹ 1 (Rupee One only) per share on the equity share capital in their meeting held on 13th August, 2013. Dividend will be paid to eligible equity shareholders if approved by members at the Annual General Meeting.

DIRECTORS

Mr. Sunil Diwakar, Mr. Prakash Mehta, Mrs. Veena Arya and Mr. Krishen Dev, 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

Net sales of the Company increased from ₹ 4,383.32 Crores in 2011-12 to ₹ 4,504.09 Crores in 2012-13, reflecting an increase of 2.76%.

Profit before tax of the Company increased from ₹ 28.32 Crores in 2011-12 to ₹ 87.09 Crores in 2012-13, reflecting an increase of 207.52%.

Net profit of the Company increased from ₹ 48.78 Crores in 2011-12 to ₹ 51.50 Crores in 2012-13, reflecting an increase of 5.58%.

ISSUE OF EQUITY SHARES.

During the financial year ended 31st March, 2013, 6,14,113 equity shares were issued to Directors & employees, who have exercised their options under ESOS.

As a result of the above the issued equity share capital has gone up to ₹ 72,63,32,360.

ISSUE OF CUMULATIVE REDEEMABLE PREFERENCE SHARES

During the year ended 31st March, 2013, Company has issued 21,95,787 – 2.5% Cumulative Redeemable Preference Shares of ₹ 100 each to Bank of India.

Company has also issued 3,60,722 – 2.5% Cumulative Redeemable Preference Shares of ₹ 100 each to Bank of India on 20th August 2013.

As a result of the above the issued preference share capital has gone up to ₹ 1,13,95,70,900.

BUY-BACK OF SHARES

Board of Directors has considered buy-back of equity shares of ₹ 10/- of the Company from the existing equity shareholders of the Company other than promoters and the persons who are in control of the Company at price not exceeding ₹ 105/- (Rupee One Hundred Five Only) per equity share and the total consideration payable for the buy-back shall not exceed the aggregate amount of ₹ 73,50,00,000 (Rupees Seventy Three Crores Fifty Lacs) excluding brokerage, transactional charges and taxes, if any ("Maximum Buy-back Size") is within 10% of the total paid-up equity share capital and free reserves of the Company as on 31st March, 2013 through the methodology of "Open Market Purchases through Stock Exchanges".

SUBSIDIARIES

Company has overseas subsidiary under the name and style JBF Global Pte Ltd at Singapore, which has subsidiaries, namely JBF Glicols Industria Quimica Ltda, at Brazil and JBF RAK LLC, at U.A.E with its step-down subsidiaries, JBF Bahrain S.P.C at Bahrain and JBF Global Europe BVBA at Belgium.

JBF Petrochemicals Ltd earlier which was subsidiary company of JBF Industries Ltd, has now become subsidiary company of JBF Global Pte Ltd by virtue of issue of equity shares in favour of JBF Global Pte Ltd by JBF Petrochemicals Ltd.

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.

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.

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.
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, 2013.
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.

COST ACCOUNTING RECORDS

The Company has maintained cost accounting records in respect of manufacture of Polyester Chips, Partially Oriented Yarn (POY) and Polyester Processed Yarn as required for the year ended 31st March, 2013.

COST AUDITORS

As per the Companies (Cost Audit Report) Rules, 2011 and the notification of MCA dated 3rd June, 2011. 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 23, 2013, the Board has approved the appointment of Ms. Devashree P. Vijayakar, Cost Accountant as the Cost Auditor of the Company for the financial year 2013-2014, subject to approval of the Central Government.

EMPLOYEES STOCK OPTION SCHEME

During the year Compensation Committee met 6 times to consider the exercise of options and issue of equity shares. During the year 6,14,113

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 were ₹629.34 Crores and ₹0.92 Crores respectively against outgo of ₹915.92 Crores on import of raw materials, colours chemicals & oils, stores spares & consumables and ₹26.12 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

P. N. THAKORE

CFO & Director Finance

RAKESH GOTHI

CEO & Managing Director

Place: Mumbai

Date: 21st August, 2013

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 31.03.2013	For the year Ended 31.03.2012
1.Electricity		
Purchased Units (in thousands)	286,774	241,810
Total Amount (₹ in Crores)	121.17	103.89
Rate / per unit (₹)	4.23	4.30
2.Furnace Oil		
Consumed (Kgs in thousands)	1,467	1,663
Total Amount (₹ in Crores)	6.14	6.09
Rate/ per kg (₹)	41.88	36.61
3. Light Diesel Oil & HSD		
Consumed (Ltrs in thousands)	219	321
Total Amount (₹ in Crores)	1.02	1.43
Rate/ per Ltr (₹)	46.70	44.43
4. Natural Gas		
Consumed (Gcal)	371,531	392,450
Total Amount (₹ in Crores)	135.02	112.78
Rate/ per Gcal (₹)	3,634.15	2,873.82

B. CONSUMPTION PER UNIT OF PRODUCTION

	For the year Ended 31.03.2013	For the year Ended 31.03.2012
1. Electricity (kwh /Ton of Product)		
a) Polyester Filament Yarn (POY)	1,005	895
b) Polyester Chips	67	46
c) Polyester Processed Yarn	1,111	1,558
2. Furnace Oil (Kgs/Ton of Product)		
a) Polyester Chips	3	3
3. Light Diesel Oil & HSD (Ltrs/Ton of Product)		
a) Polyester Filament Yarn (POY)	1	1
b) Polyester Chips	0	0
c) Polyester Processed Yarn	—	1
4. Natural Gas (Gcal/Ton of Product)		
a) Polyester Chips	0.77	0.80

ANNEXURE B

Statement of particulars of employees pursuant to the provision of section 217(2a) of the companies act, 1956 & forming part of the directors report for the year ended 31st March, 2013.

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 Held & Designation
1	Mr. Bhagirath Arya	62	Executive Chairman	58,560,607	B.E. Electrical	40	08/10/1983	Not Applicable
2	Mr. Rakesh Gothi	62	Managing Director & CEO	7,644,577	B.Tech,MS, MBA	33	01/01/1997	J.K. Synthetics Ltd

Notes :

1. Remuneration as shown above includes salary, allowances, medical benefits, contribution to provident fund and other perquisites.
2. Gross remuneration of chairman includes ₹ 1,00,00,000/- Paid / payable as commission.

Annexure C**JBF ESOS 2009**

	Grant 1	Grant 2	Grant 3	Grant 4	Total
(a) Options granted (Grant 1 was in the year 2009-10, Grant 2 & Grant 3 in 2010-11 and Nil in Current year)	2154000	27000	18000	5019	2204019
(b) Pricing Formula	₹ 60.00	₹ 60.00	₹ 60.00	₹ 60.00	
(c) Options vested (Upto 31st March, 2013)	2154000	27000	12000	3346	2196346
(d) Options exercised (Upto 31st March, 2013)	1503311	27000	10000	1673	1541984
(e) Total number of shares arising as a result of exercise of options	1503311	27000	10000	1673	1541984
(f) Options lapsed (Upto 31st March, 2013)	281834	--	--	--	281834
(g) Variation of terms options	No change during the year				
(h) Money realized by exercise of options	90198660	1620000	600000	100380	92519040
(I) Total number of options in force (as at 31st March, 2013)	368855	--	8000	3346	380201
(j) Employee wise details of options granted during the year to					
1. Senior Management Personnel	Nil	Nil	Nil	Nil	Nil
2. Employees to whom more than 5% options granted during the year	Nil	Nil	Nil	Nil	Nil
3. Employees to whom options more than 1% of issued capital granted during the year	Nil	Nil	Nil	Nil	Nil
(k) Diluted EPS, pursuant to issue of shares on exercise of options					6.72
(I) 1. Method of calculation of employee compensation cost	Calculation is based on intrinsic value method				
2. Intrinsic Value per share	₹ 36.40	₹ 99.50	₹ 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 ₹15,52,940/- 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 ₹ 15,52,940/- and EPS would have been lower by ₹ 0.02, 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	₹ 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%	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	

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:

The world economy weakened during 2012 and is expected to remain subdued in the next 2 years. As per study of United Nations (World Economic Situation and Prospects 2013 – WESP) the global economy is expected to grow at 2.4% in 2013 and 2.3% in 2014.

Most of the economies, particularly those in Europe seem to have got trapped into issues related to higher unemployment, financial sector crisis and low growth. Some of these economies are already in recession with unemployment at the rate of 12%. While the U.S. economy has slowed down to a growth of meager 1.7%, deflationary conditions are continuing in Japan.

This sluggish pace of growth will continue to aggravate the job crisis and it is expected that it may take at least another 5 years for Europe and USA to overcome the job crisis. It is also being observed that the economic crisis of the developing economies such as Europe, Japan and United States, is spilling over to developing countries. This is in view of weaker import by these countries and high volatility in exchange rates and capital flows. Some of the larger developing economies are also facing domestic constraints (economies such as China) in view of emerging financial crunch and also excess production capacities.

For the world to come out of this crisis, nations are now looking forward for implementation of fiscal constraints and expansionary monetary policies. Economists have advised that there needs to be a shift in focus from short term consolidation to robust economic growth with medium to long term fiscal sustainability. In fact fiscal consolidation needs to be focused at medium term rather than on short term with direct job creation and growth. There is a strong need to secure sufficient development assistance to help poorest nations, accelerate progress towards poverty reduction, growth and investing for sustainable developments

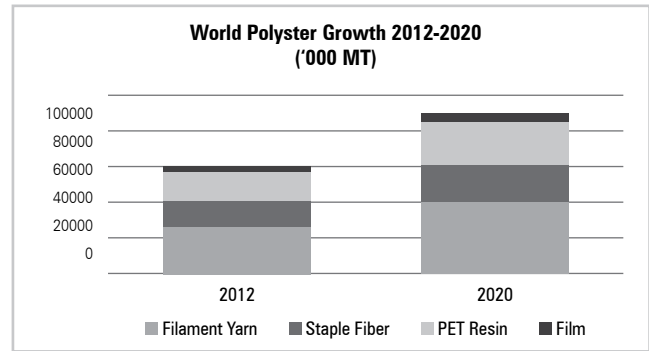
2. WORLD POLYESTER SCENARIO

By 2012, the world total fibre production grew to approx. 82 million tons out of which two-thirds to the extent of 55 Million tons was contributed by man made fibres. Over 75% of man made fibres are composed of Polyester and it is expected that Polyester growth will continue to be in the range of 5.5% over the next decade.

The year 2011-12 has seen a decline in cotton fibre production by approximately 3.7%, with cotton prices coming down. This decline in prices also added downward pressure on prices of competing fibres. The increasing popularity of synthetics is likely to lead to a decline in cotton demand. Cotton production is also expected to fall to about 23.5 million tonnes by 2013-14. In terms of various segments of Polyester products, the filament yarn is expected to grow in the range of 6% followed by staple fibre in the range of 4% over the next 10 years. In case of PET, in view of reduction in non essential expenditures among consumers in certain developed countries, growth was affected. Though there has been a capacity growth in case of PET, the demand growth world over has been less, leading to pricing pressures.

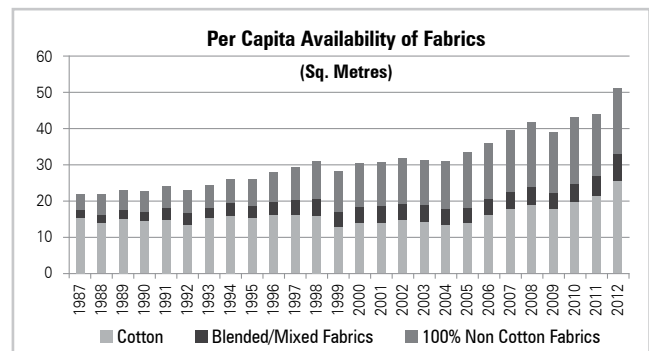
Following decline in production of cotton, as well as due to reasons of higher pricing prices vis-a-vis Polyester, Polyesters are likely to take a significant leap in consumption over the cotton based items. Newer applications in case of Polyester Filament Yarn and Fibres, especially in case of Technical Textiles, are likely to take place – and these could spur the growth of Polyester.

In case of raw materials, it was observed during 2011-12 that Paraxylene prices remained stable but high. The intermediate products such as PTA & MEG saw a decline in prices in view of high capacities emerging world over. Specifically in the case of PTA huge capacity growth was witnessed in China, capacity increasing by over 12 – 13% while demand grew only by around 5%. The year also saw huge arrivals of MEG with Chinese port tanks most often filled to capacity during the year, leading to bearishness on the MEG pricing front.



3. INDIAN POLYESTER SCENARIO:

In terms of production of textiles, per capita availability (Source: ASFI) has more than doubled over the last 35 years-per capita availability going up from 21.84 sq metres in 1986-87 to 51.05 sq. metres. In 2011-12. Of the various varieties of textiles, non cotton fabrics availability has moved up almost four times from 4.30 meters in 1986-87 to 17.95 meters. In 2011-12. Polyester, forming a major component amongst non cotton fabrics, has been the leading item contributing to growth in per capita consumption.



The Indian industry faced a year of lower margins during the period FY 2012-23 largely due to sluggish demand in the early part of the year. The year also saw substantial additions in polymerization capacities, much higher at around 25 – 30% vis-a-vis demand growth of around 8%. Exports were also affected in view of depressed economic conditions world over, mid east crisis in countries such as Egypt, Syria etc. To bolster margins and overcome the demand slackness, industry rightfully took efforts to change the product mix by going for a larger mix of Specialty yarns such as Fully Drawn Yarns, Cationic Yarns and Colored Yarns.

In case of PET, the demand growth in India continued to be significantly higher in the range of 15%. However, the current year is likely to witness very heavy capacity growth which would be out stripping the demand growth by as much as 20 – 22% With the world demand continuing to be in the range of 17 Million tones, the Indian industry is likely to be striving for a higher exports and higher market share of the PET world market.

In terms of raw-materials, new capacities are also likely to come up in case of PTA over the next two years and this should ease the raw-material availability, which was severely affected during the year in view of technical problems faced by different producers during the course of the year.

CURRENT YEAR'S PERFORMANCE

HighLights		Year 2012-13	Year 2011-12	% Change
Total Shipments				
Polyester Chips	MT	274,591	273,233	0.50
Polyester Filament Yarn(POY)	MT	184,098	218,261	(15.65)
Polyester Processed Yarn	MT	32,792	8,579	282.24
Total		491,481	500,073	(1.72)
Net Turnover	₹ in Crores	4,504.09	4,383.32	2.76
Profit before Interest, Depreciation and Tax	₹ in Crores	343.54	235.82	45.67
Finance Costs	₹ in Crores	155.79	123.56	26.08
Depreciation	₹ in Crores	100.66	83.94	19.92
Current Taxation (Net)	₹ in Crores	-	0.42	(100.00)
Deferred Tax	₹ in Crores	35.59	(20.88)	(270.45)
Net Profit	₹ in Crores	51.50	48.78	5.58
Earning per share (EPS)- -Basic	₹	6.76	6.66	1.50
-Diluted	₹	6.72	6.61	1.66
Equity Shares- No. of Shares as on 31st March.	Nos.	72,633,236	72,019,123	0.85
No of Shares for basic EPS	Nos.	72,315,105	71,790,521	0.73
No of Shares for Diluted EPS	Nos.	72,737,155	72,360,358	0.52

4. CASH FLOW ANALYSIS

(₹ in Crores)

Sources of Cash	2012-13	2011-12
Cash from Operations	369.36	337.43
Income from Investing Activities	26.22	34.15
Income from Financing Activities	3.90	-
Proceeds from Term Borrowings (net of repayment)	-	299.02
Proceeds from Equity	3.67	2.23
Sale of Investments (Net)	16.61	138.60
Decrease in Working Capital	95.50	-
Decrease in cash & Cash equivalent	8.70	-
Total	523.96	811.43
Uses of Cash		
Net Capital Expenditure	187.95	202.23
Increase in Working Capital	-	231.75
Repayment of Term Borrowings (net of proceeds)	93.65	-
Finance Cost (Including Currency & Interest Swap)	131.33	136.82
Dividend paid (Including Tax on Dividend)	68.00	66.67
Tax paid (net)	25.08	21.00
Net loss on Foreign Currency Transactions	17.95	43.29
Investment in Subsidiary Company	-	25.00
Increase in cash & Cash Equivalent	-	84.67
Total	523.96	811.43

5. EXPANSION PLANS AT JBF

The PTA project at Mangalore in the Karnataka, India, continues to be implemented satisfactorily, likely to be commissioned by middle of 2015. When completed it would be producing 1.25 million tons per annum of PTA. The project is being implemented using BP's latest PTA technology, and when completed it is expected to be one of the largest standalone PTA plants in India.

The company would be completing erection of the Polyester Film plant at Bahrain, with a total capacity of the order of 90,000 Tonnes per annum, at estimated project cost of U.S \$ 200 Million. One of the lines has already been commissioned and trial production begun. All the 3 lines are expected to start up by middle of 2014.

In case of PET project at Geel, Belgium, various equipments are in stages of being delivered and erected and the plant start up is expected by first quarter of March 2014. This project will have a capacity of 390,000 Tonnes per annum of PET and is being set up with an investment of nearly U.S \$ 200 Million.

6. SWOT ANALYSIS

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

STRENGTHS:

The company has very strong customer base with most of the customers having patronized the company's products over a long period of time. Hence, even in times of low demand company has been able to maintain satisfactory sales and hence satisfactory capacity utilization.

The plants have the capability of producing a wide mix of Polyester chips such as PET grade, Cationic grade, Bright and Film grade etc. Similarly, the company has enough flexibility of producing specialty products such as Colored yarns, Bright yarns, Micro yarns, etc.

WEAKNESSES:

The company has to depend substantially on imports for its Raw materials such as PTA and MEG. Dependence on local supplies has also resulted in uncertainties in raw material procurement in view of frequent technical problems with local Raw material suppliers.

OPPORTUNITIES:

Company would target to export higher quantities following the weakness of rupee.

The demand for Specialty products in country is increasing, and to avail of the opportunity, company would be consistently adding high value added products to sustain margins and maintain normal capacity utilizations.

THREATS:

Rampant expansions within the industry are leading to increased competitiveness and can affect margins.

The weakened rupee is a major risk and can lead to forex losses.

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 (SHE) :

Safety, Health and Environment (SHE) performances are a priority for the JBF manufacturing sites.

A SHE management system is installed at each of our manufacturing sites. The system has to comply with legal requirements as well as our internal quality, environment, safety and health policy and standards.

The Company works as a team to ensure sustainable growth of business through quality assured production integrated with safety, health & environment

- a) To ensure value added service to our esteemed customers
- b) Safe, secure & quality of life for the employees and for the community in which we work.

The company is certified for ISO 9001:2008 (Quality Management System), ISO 14001:2004 (Environment Management System) & OHSAS 18001:2007 (Occupational Health & Safety Assessment System).

SAFETY

- No Fatal Accident occurred in the period FY'12-13
- National Safety Day/week, and Fire Service Day are being celebrated on a large scale.
- First Aid Awareness Training being given to employees through St. John's Ambulance, and Safety training to employees is being imparted through internal faculty as well as External Agencies
- A periodic review of the safety system is carried out to ensure that the safety practices adopted are uniform & adequate to follow the well laid out policies & procedures, with Job Safety analysis & Plant Safety Inspection being done on regular basis with the involvement of Plant Executives.
- Employees, including the contract workers are provided with necessary health & safety induction program/protocol & provided with appropriate training (including proper use of PPE's, safe working at height, electrical safety etc.).
- Contractors are briefed on how to deal with related SHE risks.
- External agencies are invited to cross check Safety systems.
- CCTV, fire alarm system.etc, have been installed and appropriately maintained.

HEALTH

- All efforts are being done to prevent any occupational disease. So far no occupational disease observed.
- Pre-employment & Periodic Health Check up for all employees is being carried out regularly.
- Counseling for Health Check up is being followed by the medical officer at regular interval to keep the track record on occupational health
- Clean Drinking water facility is provided and quality check done periodically. Toilets & urinals are being regularly inspected for their cleanliness.

ENVIRONMENT

- The company is having efficient water management system which includes recycling of treated effluent.
- All the environment protection & pollution abatement measures are undertaken by the company to ensure that all the relevant environmental standards are strictly complied with.
- Continual and consistent improvement in the critical environmental parameters is an important aspect of the Company's policy objectives.
- Employees are made accountable for environmental stewardship and encouraged to seek innovative ways to improve the environmental aspects of our operations.
- There is continuous effort in reducing the energy and other natural resources consumption.
- Disposal of all waste is done through safe & responsible methods.

- Third party Environment monitoring is being conducted quarterly through qualified & MoEF recognized External Agencies.
- World Environment Day Celebration is being conducted on a large scale & tree plantation is been done to celebrate the occasion.

RISK MANAGEMENT

- The company identifies operational, strategic, regulatory and financial risks through analysis, preemptive compliance, proactive management & sound business management practices.

CORPORATE GOVERNANCE REPORT (REVISED)

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. Sunil Diwakar, Mr. Prakash Mehta, Mrs. Veena Arya and Mr. Krishen Dev are retiring by rotation.

BRIEF PROFILE OF RETIRING DIRECTORS :

Mr. Sunil Diwakar, holds a Masters Degree in Production Technology from IIT, Madras and also holds a diploma in International Management from IMI, New Delhi. He joined IL&FS in the year 2004. He has an experience of over 18 years in the Indian Private Equity Industry and 3.5 years experience in the Aeronautical Engineering Industry.

Mr. Diwakar is on the Board of Asian Hotels (West) Ltd., Bharat Fritz Werner Ltd., Electrosteel Steels Ltd., Prasad Corporation Ltd., JICS Logistics Ltd., and RSB Transmission (I) Ltd.

He is also member of Audit Committee of Bharat Fritz Werner Ltd., Prasad Corporation Ltd., & RSB Transmission (I) Ltd. and member of Remuneration Committee of Prasad Corporation Ltd., & RSB Transmission (I) Ltd.

Mr. Diwakar holds 12,449 shares of the Company as on 31st March, 2013

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., 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.		Mukand Ltd. and
Mukand Ltd. and Camphor & Allied Industries Ltd.		Advani Hotels & Resorts (I) Ltd.

Mr. Mehta holds 45,000 shares of the Company as on 31st March, 2013.

Mrs. Veena Arya, holds a 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, 2013.

Mr. Krishen Dev, a Chemical Engineer by training, has over 42 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, JBF Petrochemicals Ltd. and Powerica Ltd. He is member of Audit Committee and Chairman of Remuneration Committee of Everest Kanto Cylinder Ltd. and also member of Audit Committee of Powerica Ltd. and JBF Petrochemicals Ltd.

Mr. Dev holds 45,000 shares of the Company as on 31st March, 2013.

MEETING OF THE BOARD OF DIRECTORS

During the Financial Year 2012 - 2013 the Board of Directors met 4 times on 29th May, 2012, 8th August, 2012, 6th November, 2012 and 12th February, 2013.

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
Mr. Bhagirath C Arya	4	No	1	Nil	Nil
Mr. Rakesh Gothi	4	Yes	1	1	Nil
Mr. P. N. Thakore	4	Yes	Nil	Nil	Nil
Mr. N. K. Shah	4	Yes	Nil	Nil	Nil
Mrs. Veena Arya	3	No	Nil	Nil	Nil
Mr. Krishen Dev	4	Yes	3	3	Nil
Mr. Prakash Mehta	3	No	8	8	Nil
Mr. B. R. Gupta	4	Yes	3	1	3
Mr. Sunil Diwakar	4	No	6	5	Nil
Mr. Ravishankar Shinde	Nil	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.

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 progress at 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. Approving 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.

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.

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 2012-2013 the Audit Committee met 4 times on 29th May, 2012, 8th August, 2012, 6th November, 2012 and 12th February, 2013.

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	4
Mr. Sunil Diwakar	Member	4	2

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 2012-2013 the Investor Grievance Committee met 4 times on 29th May, 2012, 8th August, 2012, 6th November, 2012 and 12th February, 2013.

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	4
Mr. Prakash Mehta	Member	4	2

The total number of complaints received and replied to the satisfaction of the shareholders during the year was 23. Pending complaints as on 31st March, 2013, 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 29th May, 2012, during the financial year 2012 – 2013.

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 28th September, 2012, 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 upto ₹ 5 Crore (Rupees Five Crore only) of the gross amount of remuneration excluding the amount of commission to Mr. B.C.Arya, Executive Chairman, ₹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	449.82	100.00	35.79	585.61	3 years	3 months
Mr.Rakesh Gothi	71.68	--	4.77	76.45	5 years	3 months
Mr.P. N. Thakore	32.99	--	1.14	34.13	3 years	3 months
Mr.N.K.Shah	27.27	--	2.24	29.51	3 years	3 months

Salary and Perquisites include house rent allowance, reimbursement of medical expenses, entertainment expenses, education, books & periodicals, telephone expenses, motor car expenses, card subscription, leave travel allowance, provident fund and leave encashment etc.

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.

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 ₹ 20,000, ₹ 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	₹ 1,35,000
Mr. B. R. Gupta	₹ 1,75,000
Mr. Prakash Mehta	₹ 65,000
Mr. Sunil Diwakar	₹ 1,20,000
Mrs. Veena Arya	₹ 55,000
Mr. Ravishankar Shinde (Nominee LIC)	Nil

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, 2013, is as below mentioned.

Sr. No.	Name of the Directors	No. of Shares
1	Mr. Krishen Dev	45000
2	Mr. Prakash V Mehta	45000
3	Mr. B R Gupta	34000
4	Mr. Ravishankar G Shinde	100
5	Mr. Sunil Diwakar	12449

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 2012 – 2013 as follows.

Sr. No.	Period	No. of Meetings
1	1st April, 2012 to 30th June, 2012	4
2	1st July, 2012 to 30th September, 2012	3
3	1st October, 2012 to 31st December, 2012	3
4	1st January, 2013 to 31st March, 2013	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	6	6
Mr. P.N.Thakore	Member	6	6
Mr. B.R. Gupta	Member	6	5
Mr. Krishen Dev	Member	6	2
Mrs. Ujjwala Apte	Co.Secretary By Invitation	6	6

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 last lot of the 6,14,585 options granted to Directors and employees were vested on 26th September, 2012.

During the year under review 4,573 options were surrendered and cancelled.

During the year 6,14,113 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.

3,80,201 options are outstanding for exercise as 31st March, 2013.

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
28 th September, 2012	Daman Ganga Resort	11.30 a.m.	<ol style="list-style-type: none"> 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. Re-appointment of Mr. Rakesh Gothi, as CEO & Managing Director, on terms and conditions and on such remuneration approved by the Board of Directors. 3. Re-appointment of Mr. P N Thakore, as CFO & Director-Finance, on terms and conditions and on such remuneration approved by the Board of Directors. 4. Re-appointment of Mr. N K Shah, as Director-Commercial, on terms and conditions and on such remuneration approved by the Board of Directors. 5. Increase in investment limit under Section 372A.
26 th September, 2011	Daman Ganga Resort	12.15 p.m.	<ol style="list-style-type: none"> 1. Increase in remuneration of Mr. N.K.Shah, as Director-Commercial.
25 th September, 2010	Daman Ganga Resort	12.30 p.m.	<ol style="list-style-type: none"> 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.

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.30 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.

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 risk management policies.

The Risk Management Committee met twice in a year 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 Global Pte Ltd., with its subsidiaries JBF Petrochemicals Ltd., and JBF RAK LLC have been placed before the Board from time to time.

The projects of step down subsidiary companies namely JBF Bahrain S.P.C, JBF Global Europe BVBA and JBF Glicols Industria Quimica Ltda are under implementation. Their minutes will be placed before the Board as and when the minutes will be received by the Company.

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, 2013, 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

In compliance of Clause 41 of the Listing Agreement, half yearly and quarterly financial results of the Company are, published in Economic Times at the place where the Corporate Office is situated and also in The Economic Times, 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 on receipt of a request from the shareholders.

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	Saturday, 28 th September, 2013 at 12.30 p.m.
Venue	Daman Ganga Resort, Silvassa.
Financial Calendar [Tentative]	
Results for the quarter ended June, 2013.	End 2nd week of August' 13
Results for the quarter ended September, 2013	End 2nd week of November' 13
Results for the quarter ended December, 2013.	End 2nd week of February' 14
Results for the quarter ended March, 2014	End May' 14
Annual General Meeting	End September' 14

BOOK CLOSURE

The Register of Members will be kept closed from 23rd September, 2013 to 28th September, 2013. [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 28th September, 2013.

The dividend will be paid, if declared, on or after the date of AGM i.e 28th September, 2013.

DIVIDEND DECLARED FOR THE LAST 9 YEARS

Financial Year	Dividend Declaration	Dividend Per Share*
2003-2004	14 th August, 2004	₹ 2.00
2004-2005	14 th July, 2005	₹ 2.00
2005-2006	29 th July, 2006	₹ 2.00
2006-2007	20 th September, 2007	₹ 2.25
2007-2008	30 th December, 2008	₹ 1.50
2008-2009	25 th September, 2009	₹ 5.00
2009-2010	25 th September, 2010	₹ 6.00
2010-2011	26 th September, 2011	₹ 8.00
2011-2012	28 th September, 2012	₹ 8.00

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

Note: Dividend of ₹ 1 (Rupee One) per share revised by the Directors on 13th August, 2013 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 revaluated 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 remainders 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 complementary admission for trading on MCX Stock Exchange Ltd.

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 2013-14 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, 2009, 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 last lot of the 6,14,585 options granted to Directors and employees were vested on 26th September, 2012.

During the year under review 4,573 options were surrendered and cancelled.

During the year under review 6,14,113 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. 3,80,201 options are outstanding for exercise as on 31st March, 2013.

DEMATERIALIZATION OF SHARES : AS ON 31ST MARCH, 2013.

Mode of Holding	No. of shares held	Percentage to Total Capital
N S D L	52750591	72.63
C D S L	18748977	25.81
Total Demat Holding	71499568	98.44
Physical Holding	1133668	1.56
Total Shareholding	72633236	100.00

DISTRIBUTION OF SHAREHOLDING : AS ON 31ST MARCH, 2013.

Shareholding of Shares	No. of Share holders	No. of Shares held	Percentage to Total Capital
1 - 500	29328	3458197	4.76
501 - 1000	1343	1080871	1.49
1001 - 2000	660	1031524	1.42
2001 - 3000	237	601394	0.83

3001 - 4000	125	445583	0.61
4001 - 5000	93	441859	0.61
5001 - 10000	155	1168626	1.61
10001 and above	171	64405182	88.67
TOTAL	32112	72633236	100.00

THE SHARE HOLDING PATTERN : AS ON 31ST MARCH, 2013.

Group	No. of Shares held	% held
Indian Promoters	34159049	47.03
Directors / Relatives	240619	0.33
Body Corporates	7596272	10.46
Financial Institutions, Insurance Cos., & Banks	3139065	4.32
Trusts & Mutual funds	6153349	8.47
FIs, FCs, NRIs & NRNs	5707418	7.86
Indian Public	15637464	21.53
TOTAL	72633236	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 to Memorandum	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

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, 2013 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.
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, 2013, 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 :-
 - i. There have been no changes in internal control during this year.
 - ii. We further certify that there have been no changes in accounting policies as on 31st March, 2013.
 - iii. 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.

P. N. THAKORE
CFO & Director Finance

RAKESH GOTHI
CEO & Managing Director

For and on behalf of the Board of Directors

P. N. THAKORE
CFO & Director Finance

RAKESH GOTHI
CEO & Managing Director

Place : Mumbai
Date : 21st August, 2013.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE (REVISED)

To The Members of

JBF INDUSTRIES LIMITED

1. We have examined the compliance of conditions of Corporate Governance (Revised) by JBF Industries Limited, for the year ended on 31st March, 2013 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
Original Date: 23rd May, 2013
Date of Modified: 21st August, 2013

INDEPENDENT AUDITORS' REPORT (REVISED)

To

The Members of JBF Industries Limited
Report on the Financial Statements (Revised)

We have audited the accompanying financial statements (revised) of '**JBF Industries Limited**' ("the Company") which comprise the Balance Sheet (revised) as at March 31, 2013, and the Statement of Profit and Loss (revised) and Cash Flow Statement (revised) for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements (revised) give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet (revised), of the state of affairs of the Company as at 31st March, 2013;
- (ii) in the case of the Statement of Profit and Loss (revised), of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement (revised), of the cash flows for the year ended on that date.

Emphasis of Matter

- (i) We draw attention in respect of Note 16.1 on the Financial Statements (revised) regarding trade receivables amounting to ₹ 41.48 Crores due from Customers in respect of which Company has initiated legal proceedings and a provision of ₹10.00 Crores has been considered sufficient against the same.
- (ii) Subsequent to our report dated 23rd May, 2013 on the Financial Statements of the Company for the year ended 31st March 2013, the Board of Directors of the Company revised the proposed dividend to equity share holders from ₹ 6 to ₹ 1 on equity shares of ₹ 10 each as mentioned in the Note 36 on the Financial Statements (revised). In view of the above, financial statements have been modified to give the effect of above change in proposed dividend. Our audit procedures on subsequent event are restricted solely to the amendment of the Financial Statements described in the above note.

Our opinion is not qualified in respect of above matters.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order 2003 (as amended) ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure hereto, a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet (revised), Statement of Profit and Loss (revised) and Cash Flow Statement (revised) dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet (revised), Statement of Profit and Loss (revised) and Cash Flow Statement (revised) comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - e) On the basis of the written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act. As regards to a Director nominated by a Financial Institution, he is exempted from the provisions of Section 274 (1) (g) in view of general circular issued by the Department of Company Affairs.

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

R. KORIA

Partner

Place: Mumbai

Original Date: 23rd May, 2013

Date of Modified : 21st August, 2013

Membership No. 35629

ANNEXURE TO INDEPENDENT AUDITORS' REPORT (REVISED)

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of JBF Industries Limited on the accounts for the year ended 31st March, 2013

- (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 disposed off substantial part of its 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 ₹ 580.04 Crores (including optionally convertible loan of ₹ 396.17 Crores, which have been converted into equity shares) and the year-end balance is ₹ 45.76 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) In respect of the said loans and interest thereon, there are no overdue amounts.
- (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 of paragraph 4 of the said Order are not applicable to the Company.
- (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 and services. 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, 2013 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 ₹ 2.39 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	0.66*	2005-06	Supreme Court
		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)
		0.05	2008-09	Commissioner (Appeals)
Total		2.39		

(*) Net of amount ₹ 1.10 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 institution, 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, therefore, 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 subsidiary Companies as mentioned in Note 29 (c & d) on financial statements (revised), 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, have *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 (revised) 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.

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

R. KORIA
Partner
Membership No. 35629

Place: Mumbai
Original Date: 23rd May, 2013
Date of Modified : 21st August, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013 (REVISED)

(₹ in Crores)

	Note	As at 31st March, 2013		As at 31st March, 2012	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2	182.98		160.41	
Reserves and Surplus	3	881.79	1,064.77	834.63	995.04
NON-CURRENT LIABILITIES					
Long-Term Borrowings	4	712.22		727.38	
Deferred Tax Liabilities (Net)	5	156.19		120.60	
Long-Term Provisions	6	16.13	884.54	3.33	851.31
CURRENT LIABILITIES					
Short-Term Borrowings	7	690.76		734.20	
Trade Payables	8	506.63		445.31	
Other Current Liabilities	9	294.71		265.30	
Short-Term Provisions	10	45.44	1,537.54	87.65	1,532.46
TOTAL			3,486.85		3,378.81
ASSETS					
NON-CURRENT ASSETS					
Fixed Assets	11				
Tangible Assets		1,472.84		1,275.91	
Intangible Assets		2.52		0.29	
Capital Work-in-progress		20.81		115.84	
		1,496.17		1,392.04	
Non-current Investments	12	424.20		28.67	
Long-Term Loans and Advances	13	92.62	2,012.99	497.37	1,918.08
CURRENT ASSETS					
Current Investments	14	48.63		62.87	
Inventories	15	396.24		458.94	
Trade Receivables	16	554.45		400.94	
Cash and Bank Balances	17	153.88		161.07	
Short-Term Loans and Advances	18	278.70		365.27	
Other Current Assets	19	41.96	1,473.86	11.64	1,460.73
TOTAL			3,486.85		3,378.81
Significant Accounting Policies	1				
Notes on Financial Statements	2-37				

As per our report of even date
For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

Place : Mumbai
Date : 21st August, 2013

For & on behalf of the Board of Directors
RAKESH GOTHI
Managing Director

P. N. THAKORE
Director- Finance

UJJWALA APTE
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013 (REVISED)

(₹ in Crores)

Particulars	Note	Year ended 31st March, 2013		Year ended 31st March, 2012	
Gross Revenue from Operations	20	4,981.82		4,782.08	
Less:-Excise Duty Recovered on Sales		477.73	4,504.09	398.76	4,383.32
Other Income	21		72.09		129.24
Total Revenue			4,576.18		4,512.56
Expenses					
Cost of Materials Consumed	22		3,558.17		3,544.46
Purchases of Stock-in-Trade	23		0.14		0.07
Changes in inventories of Finished Goods and Stock -in- process	24		16.03		(5.28)
Employee Benefits Expenses	25		56.54		46.18
Finance Costs	26		155.79		123.56
Depreciation and Amortisation Expense	11		100.66		83.94
Other Expenses	27		601.76		691.31
Total Expenses			4,489.09		4,484.24
Profit Before Tax			87.09		28.32
Tax Expenses					
Current Tax		19.33		5.60	
Less:- MAT Credit		(19.33)		(5.18)	
Deferred Tax Expense/(Credit)		35.59	35.59	(20.88)	(20.46)
Profit After Tax			51.50		48.78
Prior Period Adjustments			0.02		0.10
Profit for the Year			51.48		48.68
Earnings per share (of ₹ 10 each) - (in ₹) Basic	28		6.76		6.66
- (in ₹) Diluted			6.72		6.61
Significant Accounting Policies	1				
Notes on Financial Statements	2-37				

As per our report of even date

For CHATURVEDI & SHAH

Chartered Accountants

R. KORIA

Partner

Place : Mumbai

Date : 21st August, 2013

For & on behalf of the Board of Directors**RAKESH GOTHI**

Managing Director

P. N. THAKORE

Director- Finance

UJJWALA APTE

Company Secretary

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**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 amortisation. Computer Software is amortised 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 recognised 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 and 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 recognised as exchange difference in the Statement of Profit and Loss and the premium paid on forward contracts has been recognised 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 difference 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

In respect of derivatives contracts, premium paid, gain/loss on settlement and losses on restatements are recognised in the Statement of Profit & 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 only when it can be reliably measured and it is reasonable to expect ultimate collection and significant risk and rewards of ownership of the goods have passed to the buyer. Revenue from Operations includes sale of products, waste, services, export Incentives 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 is 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

Export Incentives other than advance licence are recognised at the time of exports and the benefit in respect of advance licence received by the company against export made by it are recognised as and when goods are imported against them.

R. EMPLOYEE BENEFITS

- i. Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
- ii. 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.
- iii. 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.
- iv. 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 asset 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, 2013	As at 31st March, 2012
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		
72,633,236 (Previous Year 72,019,123) Equity Shares of ₹ 10 each fully paid up	72.63	72.02
11,034,987 (Previous Year 8,839,200) 2.5% Cumulative Redeemable Preference Shares of ₹ 100 each fully paid up	110.35	88.39
TOTAL	182.98	160.41

2.1 Terms/rights attached to equity shares

The 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 (CRPS)

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 lenders. These CRPS are redeemable at par : ₹ 21.96 Crores on 30.09.2020, ₹ 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, 2013		As at 31st March, 2012	
	Equity Shares	Preference	Equity Shares	Preference
	Number	Number	Number	Number
Shares outstanding at the beginning of the year	72,019,123	8,839,200	71,647,956	2,661,363
Add:- Shares Issued during the year :				
On exercise of option by ESOS holders	614,113	–	371,167	–
On conversion of debt to a lender	–	2,195,787	–	6,177,837
Shares outstanding at the end of the year	72,633,236	11,034,987	72,019,123	8,839,200

2.4 The Company has allotted 21,95,787 (Previous Year 61,77,837) 2.5% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid up aggregating to ₹ 21.96 Crores (Previous Year ₹ 61.78 Crores) to Bank of India in pursuant to line of credit approved by the bank to fund derivative losses.

2.5 Options outstanding as on 31st March, 2013:

a. To ESOS holders 3,80,201 (Previous year 9,98,887) Equity shares (Refer Note No. 25.3).

b. To a bank in respect of optionally convertible loans (OCL) outstanding as on 31st March, 2013 are ₹ 68.73 Crores (Previous Year ₹ 50.51 Crores), being a part of line of credit sanctioned to finance the derivative losses. Out of ₹ 68.73 Crores (Previous Year ₹ 50.51 Crores), ₹ 65.12 Crores (Previous Year ₹ 50.51 Crores) will be converted into Equity Shares and ₹ 3.61 Crores (Previous Year ₹ Nil) is to be converted into Cumulative Redeemable Preference Shares (Refer Note No. 9.3).

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, 2013		As at 31st March, 2012	
	No. of Shares	Percentage	No. of Shares	Percentage
Bhagirath Arya	24,063,607	33.13%	20,669,253	28.70%
Seetharam Narayana Shetty - Trustee - JBF Employees Welfare Foundation	N.A.*	N.A.*	4,897,350	6.80%
Vaidic Resources Private Limited	3,906,304	5.38%	3,906,304	5.42%
Chinar Arya	4,300,000	5.92%	4,290,000	5.96%

* Reduced below 5%, hence not disclosed.

Name of Preference Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	Percentage	No. of Shares	Percentage
Bank of India	11,034,987	100%	8,839,200	100%

3. RESERVES AND SURPLUS

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Capital Reserves				
As per Last Balance Sheet		10.62		10.62
Securities Premium Account				
As per Last Balance Sheet	401.54		398.33	
Add: Received on issue of Shares	5.39	406.93	3.21	401.54
Debenture Redemption Reserve				
As per Last Balance Sheet	7.08		3.82	
Add: Transferred from Surplus	0.61	7.69	3.26	7.08
General Reserves				
As per last Balance Sheet	67.40		62.40	
Add: Transferred from Surplus	5.20	72.60	5.00	67.40
Employee Stock Option Outstanding				
As per last Balance Sheet	3.81		5.20	
Add: Granted during the year	0.00		0.05	
Less: Option lapsed during the year	0.01		0.09	
Less: Option Exercised during the year	2.33		1.35	
	1.47		3.81	
Less: Deferred Compensation Expenses				
As per last Balance Sheet	0.44		1.86	
Add: Granted during the year	0.00		0.05	
Less: Amortised / lapsed during the year	0.42		1.47	
	0.02	1.45	0.44	3.37
Foreign Currency Monetary Items Translation Difference Account		(2.01)		(5.51)
Surplus in Statement of Profit and Loss				
As per last Balance Sheet	350.13		377.56	
Add: Net Profit for the year	51.48		48.68	
Amount available for Appropriations	401.61		426.24	
Appropriations				
Transfer to General Reserve	5.20		5.00	
Transfer to Debenture Redemption Reserve	0.61		3.26	
Short Provision of dividend in previous year	0.17		0.04	
Tax Paid on short provision of dividend	0.03		0.01	
Proposed Dividend on Preference Share	2.22		0.72	
(Dividend per share ₹ 2.50 p.a. Previous year ₹ 2.50 p.a.)				
Proposed Dividend on Equity Shares	7.26		57.62	
(Dividend per share ₹ 1.00 Previous year ₹ 8.00)				
Dividend Distribution Tax on Proposed Dividend	1.61	384.51	9.46	350.13
TOTAL		881.79		834.63

4 LONG TERM BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Secured Loans				
(a) Debentures				
Non Convertible Debentures		20.00		40.00
(b) Term loans				
from banks	323.34		257.45	
from Financial Institution	41.05		21.43	
from Corporate Body	25.00	389.39	—	278.88
(c) External Commercial Borrowings		188.67		218.74
(d) Vehicle Loans		0.20		0.37
		<u>598.26</u>		<u>537.99</u>
Unsecured Loans				
(a) Term loans				
from a bank		113.96		138.90
(b) External Commercial Borrowings		—		50.49
		<u>113.96</u>		<u>189.39</u>
TOTAL		<u>712.22</u>		<u>727.38</u>

4.1 11.15 % Debentures [including current maturities of long term borrowings of ₹ 20.00 Crores (Previous Year ₹ 10.00 Crores) - Refer Note No. 9] referred to in (a) above are secured by way of first mortgage and 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 [including current maturities of long term borrowings of ₹36.37 Crores (Previous year ₹20.70 Crores) Refer Note No. 9] of ₹353.89 Crores (Previous Year ₹299.58 Crores) referred to in (b) above, which carry interest at the rate 11.00% to 14.50 %, 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 Term Loan [including current maturities of long term borrowings of ₹3.13 Crores (Previous Year ₹Nil) - Refer Note No. 9] of ₹75.00 Crores (Previous Year ₹ Nil) referred to in (b) above, which carry interest at the rate 12.75 %, are to be secured by way of first pari passu charge on the fixed assets of the company. Out of the above aggregating to ₹ 50.00 Crores (Previous Year ₹ Nil) are further to be secured by second pari passu charge on current assets of the Company.

4.4 External Commercial Borrowings [including current maturities of long term borrowings of ₹ 44.80 Crores (Previous Year ₹ 20.35 Crores) - Refer Note No. 9] of ₹ 233.47 Crores (Previous Year ₹ 239.09 Crores) referred to in (c) above, which carry interest at the rate LIBOR plus 2.5 percentage to 3.0 percentage, are secured by way of first mortgage and 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.

4.5 The Loans for vehicle [including current maturities of long term borrowings of ₹ 0.17 Crores (Previous Year ₹ 0.18 Crores)- Refer Note No. 9] of ₹ 0.37 Crores (Previous Year ₹ 0.55 Crores) referred to in (d) above, which carry interest at the rate 8.88 %, have been secured by specific charge on the vehicles covered under the said loans.

4.6 Terms of Repayment

i) Debentures

Debentures are redeemable at par in two equal installments of ₹ 10 Crores each on 27.10.2014 and 27.07.2014.

ii) Secured Term Loans from Banks

Loan of ₹ 46.88 Crores is repayable in 15 equal quarterly installments of ₹ 3.12 Crores starting from June 2014 and ending on December 2017, Loan of ₹ 38.18 Crores is repayable in 21 equal quarterly installments of ₹ 1.82 Crores starting from April 2014 and ending on June 2019 and loan of ₹ 238.28 Crores is repayable in 2 equal quarterly installments of ₹ 3.22 Crores starting from June 2014 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 ₹ 14.29 Crores is repayable in 2 equal annual installments of ₹ 7.14 Crores starting from July 2014 and ending on July 2015. Loan of ₹ 26.76 Crores is repayable in 13 equal quarterly installments of ₹ 2.06 Crores starting from April 2014 and ending on April 2017.

iv) Secured Term Loans from Corporate Body

Loan of ₹ 25.00 Crores is repayable in 16 quarterly installments, first 4 installments of ₹ 0.63 Crores starting from June 2014 and ending on March 2015, next 4 installments of ₹ 0.94 Crores starting from June 2015 and ending on March 2016, next 4 installments of ₹ 2.19 Crores starting from June 2016 and ending on March 2017 and final 4 installments of ₹ 2.50 Crores starting from June 2017 and ending on March 2018.

v) Secured External Commercial Borrowings

Loan of ₹ 54.29 Crores is repayable in 10 equal quarterly installments of ₹ 5.43 Crores (USD 10,00,000) starting from May 2014 and ending on August 2016, loan of ₹ 101.80 Crores is repayable in 15 equal quarterly installments of ₹ 6.79 Crores (USD 12,50,000) starting from June 2014 and ending on December 2017 and loan of ₹ 32.58 Crores is repayable in 8 equal quarterly installments of ₹ 4.07 Crores (USD 7,50,000) starting from June 2014 and ending on March 2016.

vi) Secured Vehicle Loans

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

vii) Unsecured Term Loans From a Bank

Loan of ₹ 110.35 Crores is repayable in 10 equal half yearly installments of ₹ 11.04 Crores starting from April 2014 and ending on October 2018 and loan of ₹ 3.61 Crores is repayable in 10 equal half yearly installments of ₹ 0.36 Crores commencing with effect from April 2014 and ending on March 2019.

- 4.7 Term loans from banks [including current maturities of optionally convertible loans of ₹ 68.73 Crores (Previous Year current maturity of long term borrowing of ₹ 0.83 Crores)] aggregating to ₹ 182.69 Crores (Previous year ₹ 139.74 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, 2013	As at 31st March, 2012
(a) Deferred Tax Liability		
Related to fixed assets	184.75	158.53
(b) Deferred Tax Assets		
Unabsorbed Depreciation	22.47	35.59
Disallowance under Section 43B of the Income Tax Act, 1961	1.15	0.97
Others	4.94	1.37
TOTAL	156.19	120.60

6 LONG TERM PROVISIONS

Particulars	(₹ in Crores)	
	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits (Refer Note No. 25.2)		
Gratuity	3.93	3.33
Others		
Provision for Marked -to- Market on Derivative Contracts	12.20	-
TOTAL	16.13	3.33

7 SHORT TERM BORROWINGS

Particulars	(₹ in Crores)	
	As at 31st March, 2013	As at 31st March, 2012
Secured Loans		
(a) Working Capital Loans		
from banks	115.74	165.26
(b) Buyer's Credit	117.59	-
	<u>233.33</u>	<u>165.26</u>
Unsecured Loans		
(c) Short Term Loans		
from banks	-	121.31
(d) Working Capital Loans		
from banks	168.53	84.44
(e) Buyer's Credit	218.22	265.99
(f) Supplier's Credit (backed by letter of Credit)	70.68	97.20
	<u>457.43</u>	<u>568.94</u>
TOTAL	690.76	734.20

- 7.1 Working Capital Loans as referred to in (a) above are secured by a first charge on pari passu basis without any preference or priority over each other on all Current Assets of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are also secured by way of Second charge on pari passu basis on movable and immovable properties of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

- 7.2 Buyers Credit referred to in (b) above, of ₹ 79.85 Crores (Previous Year ₹ Nil) are secured by a first charge on pari passu basis without any preference or priority over each other on all Current Assets of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are also secured by way of Second charge on pari passu basis on movable and immovable properties of the company both present, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and future and ₹ 37.74 Crores (Previous Year ₹ Nil) are secured by way of subservient charge on current assets of the company.

8 TRADE PAYABLES

Particulars	(₹ in Crores)	
	As at 31st March, 2013	As at 31st March, 2012
Micro, Small and Medium Enterprises	2.23	1.93
Others	504.40	443.38
TOTAL	506.63	445.31

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, 2013	As at 31st March, 2012
1. Principal Amount remaining unpaid at the end of the year	2.23	1.93
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

Particulars	(₹ in Crores)	
	As at 31st March, 2013	As at 31st March, 2012
Current Maturities of long-term Borrowings		
- Debentures	20.00	10.00
- Term Loans	39.50	20.70
- External Commercial Borrowings	101.55	171.81
- Vehicle Loans	0.17	0.18
Current Maturities of Optionally convertible loans (Refer Note No. 9.3)	161.22	202.69
Interest accrued but not due on borrowings	68.73	—
Income received in advance	3.74	5.40
Unpaid dividends	0.22	0.18
Deposit from customers	1.33	1.05
Deposit against Excise Liabilities	0.28	0.27
Advance from Customers	1.30	1.30
Creditors for capital expenditure	23.18	11.51
Other payables	16.49	23.38
	18.22	19.52
TOTAL	294.71	265.30

9.1 Unpaid dividends does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

9.2 Other payables includes Salaries, wages and bonus payable, Withholding and Other Taxes payable and Provision for Expenses.

9.3 Out of optionally convertible loan, ₹ 65.12 Crores is to be converted at the option of the Company into such number of equity shares of ₹ 10 each by 30th September 2013 at a price to be determined according to SEBI Rules and Guidelines prevailing at that time and ₹ 3.61 Crores will be converted into cumulative redeemable preference shares of ₹ 100 each by 31st July 2013.

10 SHORT TERM PROVISION

Particulars	(₹ in Crores)	
	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits (Refer Note No. 25.2)		
Gratuity	1.02	0.66
Leave Encashment	2.66	2.17
Others :		
Excise Duty Provision	17.63	17.02
Provision for Marked -to- Market on Derivative Contracts	13.04	—
Proposed Dividend on Preference Shares	2.22	0.72
Proposed Dividend on Equity Shares	7.26	57.62
Provision for Dividend Distribution Tax	1.61	9.46
TOTAL	45.44	87.65

10.1 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, 2012 of ₹ 17.02 Crores as per the estimated pattern of Despatches. During the year ₹ 16.75 Crores was utilised for clearance of goods. Liability recognised under this class as at 31st March, 2013 is ₹ 17.63 Crores. Actual outflow is expected in the next financial year.

11 FIXED ASSETS

(₹ in Crores)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 01/04/2012	Additions/ Adjustments	Deductions/ Adjustments	As at 31/03/2013	Up to 31/03/2012	For the year	Deductions/ Adjustments	Upto 31/03/2013	As At 31/03/2013	As At 31/03/2012
Tangible Assets										
Land : Free-hold	26.23	--	0.12	26.11	--	--	--	--	26.11	26.23
Leasehold	1.60	--	--	1.60	0.10	0.02	--	0.12	1.48	1.50
Buildings	211.35	24.05	7.69	227.71	39.95	7.51	4.98	42.48	185.23	171.40
Plant & Machineries	1,512.20	277.27	4.11	1,785.36	443.08	91.72	2.36	532.44	1,252.92	1,069.12
Furniture & Fixtures	6.99	0.33	0.60	6.72	3.35	0.42	0.60	3.17	3.55	3.64
Office Equipments	1.63	0.10	0.07	1.66	0.47	0.09	0.04	0.52	1.14	1.16
Vehicles	3.12	--	0.38	2.74	1.12	0.27	0.27	1.12	1.62	2.00
Data Processing Equipments	3.90	0.27	0.18	3.99	3.04	0.34	0.18	3.20	0.79	0.86
	1,767.02	302.02	13.15	2,055.89	491.11	100.37	8.43	583.05	1,472.84	1,275.91
Intangible Assets										
Software*	1.84	2.52	0.02	4.34	1.55	0.29	0.02	1.82	2.52	0.29
	1.84	2.52	0.02	4.34	1.55	0.29	0.02	1.82	2.52	0.29
Total	1,768.86	304.54	13.17	2,060.23	492.66	100.66	8.45	584.87	1,475.36	1,276.20
Previous Year	1,554.75	224.21	10.10	1,768.86	413.68	83.94	4.96	492.66	1,276.20	--
Capital work-in-progress									20.81	115.84

* other than internally generated.

11.1 Buildings include ₹ 8,000/- (Previous Year ₹ 8,000/-) being the value of Shares of Co-operative Societies.

11.2 Additions to fixed assets & Capital work in Progress includes loss of ₹ 50.25 Crores (Previous Year ₹ 16.80 Crores) on account of foreign exchange difference during the year.

11.3 Capital work in progress includes :

i) ₹ 0.90 Crores on account of Preoperative expenses (Previous Year ₹ 6.24 Crores).

ii) ₹ 1.17 Crores on account of cost of construction material at site (Previous Year ₹ 5.88 Crores)

11.4 Details of the Preoperative Expenditure :

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
EXPENDITURE :		
Cost of Material Consumed	--	0.26
Power and Fuel	0.57	1.64
Other Manufacturing Expenses	0.02	0.33
Salary, Wages and Allowances	0.23	1.30
Employees Welfare and Other Amenities	0.05	0.11
Packing Material Consumed	--	0.01
Repairs and Maintenance – Others (₹ 4,097/-)	0.00	0.02
Travelling and Conveyance	0.06	0.01
Legal and Professional Fees (₹ 9,427/-)	0.00	1.39
General Expenses	0.01	0.02
Other Borrowings Costs	1.07	2.02
Interest Expenses	1.94	3.98
	3.95	11.09
INCOME :		
Sales of Trial Run Products	--	0.04
Net Pre Operative Expenditure for the Year	3.95	11.05
Add : Pre Operative Expenditure upto Previous Year	6.24	6.21
	10.19	17.26
Less : Allocated to fixed assets during the Year	9.29	11.02
Closing Balance	0.90	6.24

11.5 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, 2013.

12 NON - CURRENT INVESTMENTS (LONG TERM)

(₹ in Crores)

Particulars	Face Value (₹ unless other wise stated)	As at 31st March, 2013		As at 31st March, 2012	
		No. of Shares/Units	₹ in Crores	No. of Shares/Units	₹ in Crores
(A) Trade Investments					
In Equity Instruments					
Unquoted Fully Paid up					
Subsidiary Companies (at Cost)					
JBF Global PTE. Ltd.	USD 1	72,000,000	396.17	--	--
JBF Global PTE. Ltd. (In ₹ 27)	US\$1	1	0.00	1	0.00
JBF Petrochemicals Ltd	10	25,000,000	25.00	25,000,000	25.00
Total Trade Investments (A)			421.17		25.00
(B) Other Than Trade Investments					
(a) In Equity Instruments Quoted Fully Paid up Others					
(At other than cost)					
Allied Digital Services Ltd.	5	48,000	0.05	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	2,936	0.03	3,568	0.03
BCC Infrastructures Pvt 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
Kunal Spaces Pvt Ltd *	10	54	0.00	54	0.00
In ₹ 540 (Previous Year ₹ 540)					
Nitesh Housing Developers Pvt Ltd *	10	282	0.01	282	0.01
Total Environment Projects Pvt Ltd *	10	150	0.00	150	0.00
In ₹ 1,500 (Previous Year ₹ 15,00)					
VBHC Chennai Value Homes Pvt Ltd *	10	26	0.00	26	0.00
In ₹ 260 (Previous Year ₹ 260)					
VBHC Delhi Projects Pvt Ltd- Class A *	1	260	0.00	260	0.00
In ₹ 260 (Previous Year ₹ 260)					
VBHC Delhi 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	260	0.00
In ₹ 260 (Previous Year ₹ 260)					
Runwal Homes Pvt Ltd *	10	--	--	223	0.03
VBHDC Bangalore Value Homes Pvt Ltd *	10	--	--	60	0.00
In ₹ NIL (Previous Year ₹ 600)					
Marvel Omega Builders Class B *	10	--	--	51	0.00
In ₹ NIL (Previous Year ₹ 510)					
Total Equity Instruments (a)			2.10		2.37
(b) In Preference Shares *					
Unquoted Fully Paid up					
Others (at Cost)					
Arimas Developers Private Limited	1	563	0.00	563	0.00
In ₹ 563 (Previous Year ₹ 563)					
BCC Infrastructures 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	53	0.00
In ₹ 53 (Previous Year ₹ 53)					
Runwal Township Pvt Ltd Class B	1	78	0.00	78	0.00
In ₹ 78 (Previous Year ₹ 78)					
Runwal Township Pvt Ltd Class C	1	53	0.02	53	0.02
Total Preference Shares (b)			0.02		0.02

Particulars	Face Value (₹ unless other wise stated)	As at 31st March, 2013		As at 31st March, 2012	
		No. of Shares/Units	₹ in Crores	No. of Shares/Units	₹ in Crores
(C) In Debentures *					
Unquoted Fully Paid up					
Almond Infrabuild Pvt Ltd	100	5,701	0.06	6,665	0.07
Anand Divine Developers Pvt Ltd	100	2,574	0.03	6,332	0.06
Aristo Realtors Private Ltd	1,000	816	0.08	964	0.10
Arimas Developers Pvt Ltd Class B	100	3,516	0.04	3,516	0.04
Atithi Building Commodities Pvt Ltd	1,000	738	0.07	738	0.07
BCC Infrastructures Pvt Ltd Class A	100	4,579	0.05	6,276	0.06
Bhaveshwar Properties Pvt Ltd	100	1,346	0.01	5,457	0.05
Dharmesh Construction Pvt Ltd- OCD	100	5,739	0.06	5,739	0.06
Ekta Parksville Class A Deb Series 2 (₹ 46,200)	100	462	0.00	1,232	0.01
Ekta Parksville Homes Pvt Ltd-Debentures	100	4,140	0.04	4,140	0.04
Ekta Parksville Homes Pvt Ltd-Debentures II	100	1,036	0.01	1,036	0.01
Ekta Parksville Homes Pvt Ltd-Debentures III	100	828	0.01	828	0.01
Ekta World Pvt Ltd Deb Class A Series I (₹ 10,700)	100	107	0.00	1,256	0.01
Ekta World Pvt Ltd Deb Class A Series II	100	1,211	0.01	1,211	0.01
Kunal Spaces Pvt Ltd Class A	100	3,139	0.03	3,139	0.03
Marvel Realtors Developers Series I	100	1,361	0.01	1,944	0.02
Marvel Realtors Developers Series II	100	1,967	0.02	1,967	0.02
Neelkanth Vinayak Realtors Pvt Ltd	100	1,788	0.02	1,788	0.02
Nilkanth Tech Park Pvt Ltd Debenture (₹ 18,900)	100	189	0.00	2,572	0.03
Nilkanth Tech Park Pvt Ltd Debenture II	100	2,572	0.03	2,572	0.03
Nilkanth Tech Park Pvt Ltd- Debenture III	100	1,548	0.02	1,548	0.02
Nitesh Housing Developers Pvt Ltd	100	1,218	0.01	3,423	0.03
Nitesh Land Holding Pvt Ltd	100	1,104	0.01	1,104	0.01
Runwal Township Pvt Ltd - Class B	100	2,975	0.03	2,975	0.03
Runwal Township Pvt Ltd	100	10,456	0.10	10,456	0.10
Total Environment Habitat Pvt. Ltd OCD	100	6,766	0.07	6,766	0.07
Total Environment Projects	100	2,381	0.02	2,381	0.02
VBHC Chennai Value Homes Pvt. Ltd Class A	100	1,701	0.02	1,701	0.02
VBHC Delhi Projects Pvt Ltd	100	982	0.01	1,448	0.01
VBHC Delhi Value Homes Pvt Ltd	100	1,376	0.01	1,376	0.01
VBHC Mumbai Value Homes Pvt. Ltd	100	2,949	0.03	3,726	0.04
Total Environment Building Pvt. Ltd	100	–	–	6,976	0.07
VBHDC Bangalore Value Homes Pvt Ltd	100	–	–	1,351	0.01
BCC Infrastructures Pvt Ltd	100	–	–	1,691	0.02
Arimas Developers Pvt Ltd Class A Debentures	100	–	–	3,052	0.03
Marvel Omega Builders Debentures	100	–	–	2,715	0.03
Total Debentures (c)			0.91		1.27
Total Non-Trade Investments (B)			3.03		3.67
TOTAL NON - CURRENT INVESTMENTS (A+B)			424.20		28.67

* Represents Investments made through Portfolio Manager and held by them in fiduciary capacity on behalf of the company (Refer Note No-12.4)

Notes:-

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 The Aggregate amount of Provision for Diminution in Value of Non Current Investments (Long Term) is ₹ 0.24 Crores (Previous Year ₹ Nil)

12.3 Aggregate Amount of Non - Current Investments:

	As at 31st March, 2013		As at 31st March, 2012	
	Book Value (₹ In Crores)	Market value (₹ In Crores)	Book Value (₹ In Crores)	Market value (₹ In Crores)
Quoted Investments	0.05	0.05	0.29	0.11
Unquoted Investments	424.15	–	28.38	–

12.3 As at 31st March, 2013, the Company has invested ₹ 1.08 Crores (Previous year ₹ 1.45 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 ₹ 1.07 crores as at 31st March, 2013 (Previous year ₹ 1.45 crores) have been accounted as investment.

13 LONG TERM LOANS AND ADVANCES

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Secured, considered good				
Inter-corporate Deposits		5.00		20.00
Unsecured, Considered good unless otherwise stated				
Capital Advances		28.66		30.15
Security Deposits		3.25		4.24
Inter-corporate Deposits		--		5.00
Loans and Advances to a related party (Refer Note No.13.1)		--		397.95
Income Tax-Advance Tax and TDS (Net)		25.87		17.65
MAT Credit Entitlement		24.54		5.22
Others				
Considered Good	5.30		17.16	
Considered doubtful	0.08		0.08	
	5.38		17.24	
Less: Provision for doubtful advances	0.08	5.30	0.08	17.16
TOTAL		92.62		497.37

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

13.2 Others includes mainly Unamortised Ancillary Borrowing Cost and Interest Receivable.

14 CURRENT INVESTMENTS

(₹ in Crores)

Particulars	Face Value ₹ unless other wise stated	As at 31st March, 2013		As at 31st March, 2012	
		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
Total In Equity Instruments (a)			--		1.18
(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 Weekly Dividend * (₹ 16,490)	10	1,563	0.00	17,427	0.02
HDFC- CM Treasury Advantage Plan Weekly Dividend - Direct Plan *	10	36,896	0.04	--	--
HDFC CMS Treasury Advantage - Retail Daily Dividend Reinvestments	10	94,624	0.09	--	--
Reliance Medium Term Fund- Weekly Dividend Reinvestment	10	14,031	0.02	13,081	0.02
Birla Sunlife Ultra Short Term Fund Weekly Dividend Reinvestment Plan	100	8,889	0.09	8,293	0.08
Birla Sun Life G-Securities Long Term Growth	10	1,287,918	3.98	1,287,918	3.97
HDFC Cash Management Fund- Treasury Advantage-Wholesale Plan Daily Dividend Reinvestment	10	--	--	179,791	0.18
HDFC Prudence Fund- Growth	10	25,562	0.51	122,785	2.46
DSP BlackRock Equity Fund - Regular plan -Growth	10	1,930,999	3.00	1,930,999	3.00
Reliance Banking Fund- Growth Plan - Growth Option	10	211,573	1.98	211,573	1.98
ICICI Prudential Short Term Fund - Growth	10	1,381,861	3.01	--	--
IDFC SSIF Medium Term Plan - Growth	10	1,100,597	2.01	--	--
DSP BlackRock Short Term Fund - Growth	10	6,417,007	11.69	--	--
Birla Sunlife Dynamic Bond Fund - Retail - Growth	10	6,393,855	11.50	--	--
Templeton India Short Term Income Retail Plan -Growth	1,000	18,887	4.04	--	--
Reliance Dynamic Bond Fund- Growth	10	4,280,080	6.50	--	--
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

Particulars	Face Value ₹ unless other wise stated	As at 31st March, 2013		As at 31st March, 2012	
		No. of Shares / Units	₹ in Crores	No. of Shares / Units	₹ in Crores
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
Total in Unquoted Mutual Fund (At Cost) (i)			48.46		31.30
(ii) Unquoted Fully paid Up (At Other than Cost)					
Baroda Pioneer PSU Equity Fund- Dividend Reinvestment Plan	10	250,000	0.17	250,000	0.18
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)			0.17		25.39
Total In Mutual Funds (c) (i + ii)			48.63		56.69
TOTAL CURRENT INVESTMENTS (a + b + c)			48.63		62.87

* Represents Investments made through Portfolio Manager and held by them in fiduciary capacity on behalf of the company (Refer Note No-12.4)

Notes:-

14.1 The Aggregate amount of Provision for Diminution in Value of Current Investments is ₹ 0.08 Crores (Previous Year ₹ 0.27 Crores)

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

14.3 Aggregate Amount of Current Investments

	As at 31st March, 2013		As at 31st March, 2012	
	Book Value (₹ In Crores)	Market value (₹ In Crores)	Book Value (₹ In Crores)	Market value (₹ In Crores)
Quoted Investments	--	--	6.18	6.16
Unquoted Investments	48.63	--	56.69	--

15 INVENTORIES

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Raw Materials :				
Goods-in transit	106.86		163.27	
Others	46.59	153.45	36.59	199.86
Stock-in-process		26.28		26.52
Finished goods :				
Goods-in transit	21.04		24.29	
Others	179.43	200.47	191.97	216.26
Stores, Spares and Consumables :				
Goods-in transit	0.09		0.55	
Others	15.95	16.04	15.75	16.30
TOTAL		396.24		458.94

15.1 Stock-in-process includes:

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Polyester Chips		9.21		11.07
Polyester Filament Yarn (POY)		10.22		6.74
Polyester Processed Yarn		6.27		8.34
Others		0.58		0.37
TOTAL		26.28		26.52

15.2 Finished goods includes:

(₹ in Crores)

Particulars	As at 31st March , 2013	As at 31st March , 2012
Polyester Chips	124.61	130.46
Polyester Filament Yarn (POY)	53.84	74.17
Polyester Processed Yarn	22.01	11.63
Others (₹ 25,365/-)	--	0.00
TOTAL	200.46	216.26

16 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31st March , 2013	As at 31st March , 2012
Unsecured, Considered Good (Refer Note No 16.1)		
Due for a period exceeding Six months	116.97	38.05
Others	447.72	363.13
	564.69	401.18
Less : Provision for doubtful debts	10.24	0.24
TOTAL	554.45	400.94

16.1 Debts due for a period exceeding six months includes ₹ 41.48 Crores, which are overdue as against which the Company has initiated legal proceedings. The Company is of the view that a substantial part of this amount is recoverable. As a matter of prudence and based on the best estimate a provision of ₹ 10.00 Crores has been made and which has been considered sufficient.

17 CASH AND BANK BALANCES

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Cash & Cash Equivalents		
Balance with banks in Current Accounts	34.64	19.70
Deposits less than three months	--	3.00
Cash on hand	0.06	0.05
Other Bank Balances		
In Fixed Deposit Account with Banks having 3-12 Months maturities	52.75	91.38
more than 12 Months maturities	50.00	32.01
Deposit earmark against Borrowings	15.10	13.88
Earmark balance with banks (Unpaid Dividend Account)	1.33	1.05
TOTAL	153.88	161.07

18 SHORT TERM LOANS AND ADVANCES

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Secured, considered good		
Inter-corporate Deposits	50.00	42.00
Unsecured, Considered good		
Loans and Advances to a related party (Refer Note No.30)	45.76	98.87
Others:		
Inter-corporate Deposits	18.00	17.00
Claims and refund receivable	27.85	21.70
Balance with Excise Authorities	10.10	68.43
Advance to suppliers	3.98	5.43
Loans to Employee Welfare Foundation	68.59	84.83
Others	54.42	27.01
TOTAL	278.70	365.27

18.1 Unsecured inter-corporate Deposits includes ₹ 8.00 Crores (Previous year ₹ 15.00 Crores) backed by personal guarantee of a promoter of a borrower.

18.2 Advance to Supplier includes ₹ 0.62 Crores (Previous Year ₹ 1.76 Crores) due from a related party.

18.3 Others includes ₹ 11.60 Crores (Previous Year ₹ Nil) due from a related party.

18.4 Others includes Interest receivable, Prepaid Expenses and Cenvat Receivable.

18.5 In accordance with the Clause 32 of Listing Agreement:

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

Name of the Company		As at 31st March, 2013	As at 31st March, 2012	Maximum balance during the year
JBF Global Pte. Ltd.	Subsidiary	–	24.57	437.37
JBF Petrochemical Ltd	Subsidiary	45.76	74.28	142.67

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 shares of Subsidiaries, JBF RAK LLC: 237,159 Shares, JBF Petrochemicals Ltd: 39,30,00,000 Shares, JBF Bio Glicols Industria Quimica Ltda : 60,59,968 Shares

19 OTHER CURRENT ASSETS

Particulars	As at 31st March, 2013	As at 31st March, 2012
Export Incentive Receivable	25.41	7.08
Receivable against sale of fixed asset	1.00	4.00
Assets held for disposal	–	0.56
Guarantee Commission Receivable from a related party (Refer Note No.30)	15.55	–
TOTAL	41.96	11.64

20 GROSS REVENUE FROM OPERATION

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Sale of products	4,940.41	4,748.00
Export Incentives	38.30	30.66
Other operating revenues	3.11	3.42
TOTAL	4,981.82	4,782.08
Sale of products:		
Polyester Chips	2,577.72	2,445.42
Polyester Filament Yarn (POY)	1,980.53	2,189.55
Polyester Processed Yarn	368.77	104.02
Others	13.39	9.01
TOTAL	4,940.41	4,748.00

21 OTHER INCOME

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Interest Income from - Long term investment	0.20	0.09
- Inter Corporate Deposits	40.97	33.93
- Fixed Deposits	5.22	8.43
- Others	3.38	3.53
Dividend Income from others - on long term investment (Previous Year ₹ 24,000/-)	–	0.00
- on current investments	1.09	1.78
Profit on sale/ redemption of Long Term investments (Net)	–	70.27
Profit on sale of Current investments (Net)	1.78	7.08
Profit on sale of Fixed Assets (Net)	–	2.02
Sundry Credit Balances Written Back (Net)	–	0.76
Guarantee Commission	19.45	1.25
Miscellaneous income (₹ 36,940/-)	0.00	0.10
TOTAL	72.09	129.24

22 COST OF MATERIALS CONSUMED

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Raw Material :		
Pure Terephthalic Acid	2,530.05	2,508.13
Mono Ethylene Glycol	852.44	924.81
Chips	44.35	–
Master Batch	8.86	8.59
Others	88.07	76.73
	<u>3,523.77</u>	<u>3,518.26</u>
Consumables :		
Colours, Chemicals, Oil and Lubricants Consumed	34.40	26.45
	<u>3,558.17</u>	<u>3,544.71</u>
Less- Consumption during Trail Run	–	(0.25)
TOTAL	<u>3,558.17</u>	<u>3,544.46</u>

22.1 Value of Raw Material Consumed

(₹ in Crores)

Particulars	Year ended 31st March, 2013	% of Total consumption	Year ended 31st March, 2012	% of Total consumption
Raw Material Consumed				
Indigenous	2,576.24	73.11	2,530.10	71.91
Imported	947.53	26.89	988.16	28.09
TOTAL	<u>3,523.77</u>	<u>100.00</u>	<u>3,518.26</u>	<u>100.00</u>

23 PURCHASES OF STOCK IN TRADE

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Mono Ethylene Glycol	0.04	0.02
Others	0.10	0.05
TOTAL	<u>0.14</u>	<u>0.07</u>

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

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
At the end of the year		
Finished Goods	200.47	216.26
Stock-in- process	<u>26.28</u>	<u>26.52</u>
At the beginning of the year		
Finished Goods	216.26	209.25
Stock-in- process	<u>26.52</u>	<u>28.25</u>
TOTAL	<u>16.03</u>	<u>(5.28)</u>

25 EMPLOYEE BENEFIT EXPENSES

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Salaries, Wages and Allowances	50.44	40.10
Contribution to Provident Fund, ESIC and other Funds	2.57	2.03
Gratuity	1.21	0.91
Employees Stock Option Cost	0.41	1.38
Employees Welfare and Other Amenities	1.91	1.76
TOTAL	<u>56.54</u>	<u>46.18</u>

25.1 Salaries, Wages and Allowances includes managerial remuneration of ₹ Nil (Previous Year ₹ 4.42 Crores) subject to approval of Central Government.

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

A. Defined Contribution Plan

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

	Year ended 31st March, 2013	Year ended 31st March, 2012
Employer's Contribution to Provident Fund	1.09	0.88
Employer's Contribution to Pension Scheme	1.38	1.07
Employer's Contribution to Other Funds	0.10	0.08

B. Defined Benefit Plan

The present value of Employee's 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.

	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
a. Reconciliation of opening and closing balances of Defined Benefit obligation				
Defined Benefit obligation at beginning of the year	3.99	3.24	2.17	1.68
Current Service Cost	0.70	0.53	0.24	0.05
Interest Cost	0.34	0.28	0.19	0.14
Actuarial (gain)/loss	0.17	0.11	0.72	0.83
Benefits paid	(0.25)	(0.16)	(0.66)	(0.53)
Defined Benefit obligation at year end	4.95	3.99	2.66	2.17
b. Reconciliation of fair value of assets and obligations				
Fair value of plan assets at year end	--	--	--	--
Present value of obligation at year end	4.95	3.99	2.66	2.17
Amount recognised in Balance Sheet				
- Current	1.02	0.66	2.66	2.17
- Non- Current	3.93	3.33	--	--
c. Expenses recognized during the year				
	Year ended 31st March, 2013	Year ended 31st March, 2012	Year ended 31st March, 2013	Year ended 31st March, 2012
Current Service Cost	0.70	0.53	0.24	0.05
Interest Cost	0.34	0.28	0.19	0.14
Expected return on plan assets	--	--	--	--
Actuarial (gain)/loss	0.17	0.11	0.72	0.84
Net Cost	1.21	0.91	1.15	1.03

d. Amount for the current and previous four years are as follows :

Gratuity :	Year ended 31st March, 2013	Year ended 31st March, 2012	Year ended 31st March, 2011	Year ended 31st March, 2010	Year ended 31st March, 2009
Defined Benefit Obligation	4.95	3.99	3.24	2.70	1.99
Plan Assets	--	--	--	--	--
Experience Adjustments on plan Liabilities	0.17	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, 2013	Year ended 31st March, 2012	Year ended 31st March, 2011	Year ended 31st March, 2010	Year ended 31st March, 2009
Defined Benefit Obligation	2.66	2.17	1.68	1.38	1.31
Plan Assets	--	--	--	--	--

	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2010
e. Actuarial assumptions				
Mortality Table (L.I.C.)	1994-96 (Ultimate)		1994-96 (Ultimate)	
Rate of Interest (per annum)	8.25%	8.50%	8.25%	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.

25.3 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 employee of the company as at 31st March, 2013 is 2,56,301 (Previous Year 2,51,728) 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 4,573 (Previous Year 24,677) Options have been Lapsed during the year 2012-13.
- iii. During the year the Company has further granted Nil (Previous Year 5,019) 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:

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Net Profit after tax	51.50	48.78
Prior Period adjustments	0.02	0.10
Proposed Dividend on Preference Shares and tax thereon	2.60	0.84
Net Profit as Reported	48.88	47.84
Less : Employee Compensation Expenses	0.16	0.51
Adjusted Proforma	48.72	47.33
Basic Earnings Per Share (₹)		
- As reported	6.76	6.66
- Proforma	6.74	6.59
Diluted Earnings Per Share (₹)		
- As reported	6.72	6.61
- Proforma	6.70	6.54

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

Particulars	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2012 (No. of Shares)
i. Outstanding at the beginning of the year	998,887	1,389,712
ii. Granted during the year	–	5,019
iii. Lapsed during the year	4,573	24,677
iv. Exercised during the year	614,113	371,167
v. Expired During the year	–	–
vi. Outstanding at the end of the year	–	998,887
vii. Exercisable at the end of the year	380,201	365,610
viii. Weighted average Intrinsic value of Options granted during the year	Nil	₹ 103.70

26 FINANCE COST

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Interest expense	125.20	104.76
Other Borrowing Cost	13.77	11.72
Applicable Net loss on foreign currency transaction and translation	16.82	7.08
TOTAL	155.79	123.56

27 OTHER EXPENSES

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Manufacturing Expenses		
Stores and Spares Consumed	10.88	10.70
Power and Fuel	263.35	224.19
Repairs to Building	0.42	0.42
Repairs to Plant and Machinery	2.10	2.13
Security Charges	1.61	1.46
Excise Duty	0.77	2.19
Labour Charges	13.70	10.39
Other Manufacturing Expenses	6.48	5.93
	<u>299.31</u>	<u>257.41</u>
Selling and Distribution Expenses		
Packing Material Consumed	76.62	71.53
Freight and Forwarding Charges (Net)	36.25	32.72
Sales Promotion, and Advertising Expenses	0.43	0.29
Brokerage and Commission	14.82	13.62
	<u>128.12</u>	<u>118.16</u>
Administrative and General Expenses		
Rent	7.13	5.59
Rates and Taxes (Net)	0.40	0.32
Insurance	1.73	1.35
Payment to Auditors'	0.40	0.36
Repairs and Maintenance - Others	1.50	1.32
Travelling and Conveyance Expenses	2.86	2.56
Legal, Professional and Consultancy Charges	2.03	1.34
Provision for Dimunation in the value of Investment	0.05	0.17
Bad debts Written off	--	1.12
less:- Provision for Doubtful debts	--	(1.12)
Provision for Doubtful Debts	10.00	0.24
Donation	0.14	0.18
Net Loss on Foreign Currency transaction	75.16	127.31
Currency and Interest rate Swap Loss (Net)	63.42	167.77
Loss on sale of Fixed Assets (Net)	1.77	--
Sundry Debit Balances Written Off (Net)	0.08	--
Bank Charges	2.31	2.31
General Expenses	5.35	4.92
	<u>174.33</u>	<u>315.74</u>
TOTAL	<u>601.76</u>	<u>691.31</u>

27.1 Payment to Auditors'

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Audit Fees	0.30	0.27
Tax Audit Fees	0.07	0.07
Certification Charges	0.02	0.01
Reimbursement of expenses	0.01	0.01
	<u>0.40</u>	<u>0.36</u>

27.2 General Expenses includes Directors sitting Fees ₹ 0.06 Crores (Previous Year ₹ 0.05 Crores)

27.3 Value of Store and Spare Parts Consumed

(₹ in Crores)

Particulars	Year ended 31st March, 2013	% of Total consumption	Year ended 31st March, 2012	% of Total consumption
Store and Spare Parts Consumed				
Indigenous	9.20	84.56	9.64	90.09
Imported	1.68	15.44	1.06	9.91
TOTAL	<u>10.88</u>	<u>100.00</u>	<u>10.70</u>	<u>100.00</u>

27.4 CIF Value of Imports

Particulars	(₹ in Crores)	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Raw Materials	907.71	885.54
Capital Equipment	26.12	33.29
Colours and Chemicals and Oil and Lubricants	6.88	7.00
Stores and Spares and consumables	1.33	1.62
TOTAL	942.04	927.45

27.5 Expenditure In Foreign Currency

Particulars	(₹ in Crores)	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Traveling	0.07	0.04
Brokerage and Commission	4.65	5.29
Finance Cost	27.49	24.46
Currency and Interest rate Swap Loss (Net)	46.85	168.45
Others	0.10	0.32
TOTAL	79.16	198.56

27.6 Excise Duty includes

Particulars	(₹ in Crores)	
	Year ended 31st March, 2013	Year ended 31st March, 2012
a) Excise duty shown as reduction from turnover	477.73	398.76
b) Excise duty charged to statement of profit & loss account :		
i) Difference between Closing and Opening Stock	0.61	1.72
ii) Paid on depot Transfer	0.10	0.44
iii) Others	0.06	0.03

28 Earning Per Share (Basic & Diluted):

Particulars	(₹ in Crores)	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Net profit after tax	51.50	48.78
Prior period adjustment	0.02	0.10
Proposed Dividend on preference Shares and tax thereon	2.60	0.84
Net profit after tax attributable to Equity Share holders for Basic EPS	48.88	47.84
Weighted Average No. of Equity shares outstanding for Basic EPS	72,315,105	71,790,521
Basic Earning Per Share of ₹ 10 Each (₹)	6.76	6.66
Net profit after tax attributable to Equity Share holders for Basic EPS	48.88	47.84
Weighted average no. of equity shares outstanding for Diluted EPS	72,737,155	72,360,358
Diluted Earning Per Share of ₹ 10 Each (₹)	6.72	6.61

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

	As at 31st March, 2013	As at 31st March, 2012
Number of Shares Used for calculating Basic EPS	72,315,105	71,790,521
Add:- Potential Equity Shares (JBF ESOS-2009)	422,050	569,837
Number of Shares used for Calculating Diluted EPS	72,737,155	72,360,358

28.1 Since long term optionally convertible loan of ₹ 65.12 Crores (Previous Year ₹ 50.51 Crores) is to be converted at the option of the Company 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.

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

Particulars	(₹ in Crores)	
	As at 31st March, 2013	As at 31st March, 2012
(i) Contingent Liabilities		
(a) Demands not acknowledged as debt		
i) Income Tax	0.29	0.25
ii) Excise Duty	1.76	1.29
iii) Service tax	1.44	1.44
iv) Others	0.09	0.09
(b) Guarantees issued by the Bankers (Bank guarantees are provided under contractual/legal obligation. No cash outflow is expected.)	220.47	251.74
(c) Corporate Guarantee to a bank against the credit facility to subsidiary Company. (No Cash outflow is expected) (To the extent of credit facility availed and outstanding as on 31st March, 2013)	444.84	–
(d) Letter of Credit includes ₹ 112.76 Crores (Previous year ₹ 152.61 Crores) extended for Subsidiary Company. (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.)	347.38	305.91
(e) Export Bill Discounting (No Cash outflow is expected)	3.92	10.09
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) (Cash outflow is expected on execution of such capital contracts, on progressive basis)	6.67	22.66

30 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. Subsidiary Companies:

JBF Global Pte. Ltd.	JBF RAK LLC.
JBF Petrochemicals Limited	JBF Bahrain SPC
JBF Global Europe BVBA	JBF Bio Glicols Industria Quimica Ltda

II. Key Managerial Personnel :

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

III. Relatives of Key Managerial Personnel :

Mrs. Veena Arya	Relative of Shri B.C. Arya
Mr. Cheerag 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

IV. Enterprises over which the Key Managerial personnel and their relatives have significant influence

Arya Texturisers & Twisters
Arya Industries
Vaidic Resources Pvt. Ltd.

Transactions with related parties during the year :

Sr No.	Particulars	Subsidiary Companies		Key Managerial Personnel		Relatives of key Managerial Person		Enterprises over which the key Managerial personnel has Significant Influence		Total
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	
1	Share Application Money									
	a) Opening Balance	397.95	--	--	--	--	--	--	--	397.95
	b) Refunded/ Given during the year	--	397.95	--	--	--	--	--	--	397.95
	c) Shares Alloted during the year	396.17	--	--	--	--	--	--	--	396.17
	d) Refunded During the year	1.78	--	--	--	--	--	--	--	1.78
	e) Balance as at 31.03.2013	--	397.95	--	--	--	--	--	--	397.95
2	Non-current investments									
	a) Opening Balance	25.00	315.12	--	--	--	--	--	--	315.12
	b) Subscribed during the year	396.17	25.00	--	--	--	--	--	--	396.17
	c) Redemption during the year	--	315.12	--	--	--	--	--	--	315.12
	d) Balance as at 31.03.2013	421.17	25.00	--	--	--	--	--	--	421.17
3	Short term Loan & Advances									
	a) Opening Balance	98.87	40.43	--	--	--	--	1.76	--	100.63
	b) Given during the year	111.98	82.14	--	--	--	--	0.62	1.76	112.60
	c) Refunded/ Adjusted during the year	153.49	23.70	--	--	--	--	1.76	--	155.25
	d) Balance as at 31.03.2013	57.36	98.87	--	--	--	--	0.62	1.76	57.98
4	Other Current Assets									
	Balance as at 31.03.2013	15.55	--	--	--	--	--	--	--	15.55
5	Fixed Assets									
	a)Purchase	0.65	--	--	--	--	--	--	--	0.65
	b)Sale	0.10	--	--	--	--	--	--	--	0.10
	Trade Receivable as at 31st March, 2013	--	2.69	--	--	--	--	--	--	2.69
6	Dividend Paid									
	Dividend Paid	--	16.80	4.96	15.99	4.96	4.95	3.13	3.12	24.89
7	Income									
	a) Revenue from Operations	63.20	53.11	--	--	--	--	--	--	63.20
	b) Interest Income	13.81	3.07	--	--	--	--	--	--	13.81
	c) Guarantee Commission	19.45	1.25	--	--	--	--	--	--	19.45
8	Expenditure									
	a) Purchases	--	--	--	--	--	--	44.29	41.74	44.29
	b) Managerial remuneration/ Sitting Fees	--	--	--	5.65	0.16	0.14	--	--	7.42
9	Equity Shares allotted on exercise of ESOS									
	Equity Shares allotted on exercise of ESOS	--	--	--	0.17	--	--	--	--	0.32
10	Guarantees given & Letter of Credit Facility extended									
	Guarantees given & Letter of Credit Facility extended	2,371.38	152.61	--	--	--	--	--	--	2,371.38

Notes to Related Party Transactions:

- i. Share Allotted during the year ₹ 396.17 Crores by JBF Global Pte. Ltd.
 - ii. Non-current Investment includes ₹ 25.00 Crores in JBF Petrochemicals Ltd and ₹ 396.17 Crores in JBF Global Pte Ltd.
 - iii. Short term Loan & Advances includes ₹ 57.36 Crores given to JBF Petrochemicals Ltd.
 - iv. Other Current Assets includes ₹ 15.55 Crores from JBF Petrochemicals Ltd.
 - v. Fixed Assets purchase include ₹ 0.65 Crores from JBF RAK LLC and sales Includes ₹ 0.10 Crores to JBF Petrochemicals Ltd.
 - vi. Dividend paid includes ₹ 16.74 Crores, ₹ 3.44 Crores & ₹ 3.13 Crores to Mr. B C Arya, Chinar Arya and Vaidic Resources Pvt. Ltd. respectively.
 - vii. Income: Revenue from Operations includes ₹ 63.20 Crores to JBF RAK LLC. Interest Income and Guarantee Commission Includes ₹ 12.89 Crores and ₹ 19.45 Crores from JBF Petrochemicals Ltd.
 - viii. Expenditures: Purchases include ₹ 44.29 Crores from Arya Industries. Managerial Remuneration include ₹ 5.86 Crores and ₹ 0.76 Crores paid to Mr.B C Arya and Mr.Rakesh Gothi respectively.
 - ix. Equity Shares allotted on exercise of ESOS includes ₹ 0.08 Crores & ₹ 0.12 Crores & ₹ 0.12 Crores to Mr. Rakesh Gothi and Mr. P.N. Thakore and Mr N.K. Shah respectively.
 - x. Corporate Guarantee and Letter of credit facility extended by the Company includes ₹ 2,258.62 Crores on behalf of JBF Petrochemical Ltd. and ₹ 112.76 Crores on behalf of JBF Global Pte Ltd respectively.
- 31** As per Accounting Standard (AS) 17 on " Segment Reporting ", Segment Information has been provided under the Notes to Consolidated Financial Statements.
- 32** Income Tax Assessment of the Company has been completed up to the accounting year ended on 31st March, 2008.

33 Earnings in Foreign Currency

Particulars	(₹ in Crores)	
	Year ended 31st March, 2013	Year ended 31st March, 2012
FOB Value of Exports	629.34	549.47
Interest Income	0.92	0.20
Miscellaneous Income	--	1.25
TOTAL	630.26	550.92

34 Particulars of remittance in foreign currency on account of dividend

Particulars	(₹ in Crores)	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Amount remitted in foreign currency	NIL	NIL

35 Financial and Derivative Instruments :

35.1 Derivative Contracts entered into by the Company and outstanding as on 31st March, 2013

Particulars	(₹ in Crores)	
	As at 31st March, 2013	As at 31st March, 2012
i) Currency and Interest Swap with option structures	28.42	81.39
ii) Currency Swap	97.50	50.00
iii) Forward contracts - Receivable	156.32	-
iv) Forward contracts - Payable	28.15	45.00
v) The Company has entered interest rate swap derivatives contracts in respect of Term loan from bank of ₹ 97.50 Crores and External Commercial Borrowings of ₹ 108.58 Crores outstanding as on 31st March, 2013.		

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

35.3 Foreign Currency exposures (except currency swap) that are not hedged by derivative instruments as on 31st March, 2013 relating to :

Particulars	(₹ in Crores)	
	As at 31st March, 2013	As at 31st March, 2012
Investment in Foreign Subsidiary (Previous Year ₹ 27)	396.17	-
Receivables	0.40	441.58
Payables	1,158.95	1,051.02

35.4 The Expenses on account of forward premium on outstanding forward exchange contracts to be recognised in the Statement of Profit and Loss account of subsequent accounting year aggregate to ₹ 0.60 Crores (Previous Year ₹ 1.22 Crores).

36 The financial statements for the year ended 31st March, 2013 were adopted by the Board of Directors on 23rd May, 2013. Subsequent to it the Board of Directors at its meeting held on 13th August, 2013 proposed to revise the proposed dividend to equity share holders from ₹ 6 (60%) to ₹ 1 (10 %) per equity share of ₹ 10 each, resulting into reduction in amount as reported on 23rd May, 2013 in respect of proposed dividend & tax thereon from ₹ 43.58 Crores & ₹ 7.78 Crores to ₹ 7.26 Crores & ₹ 1.61 Crores respectively and consequently increase in amount of reserve & surplus from ₹ 839.30 Crores to ₹ 881.79 Crores. Accordingly to give the effect of above revision, the financial statements for the year ended 31st March, 2013 have been revised and adopted by the Board of Directors at its meeting held on 21st August, 2013.

37 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 : 21st August, 2013

For & on behalf of the Board of Directors

RAKESH GOTHI
Managing Director

P. N. THAKORE
Director- Finance

UJJWALA APTE
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013 (REVISED)

(₹ in Crores)

PARTICULARS	Year Ended 31st March, 2013	Year Ended 31st March, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax as per Statement of Profit and Loss	87.09	28.32
Adjustment for :		
Depreciation and amortisation	100.66	83.94
Finance Cost	155.79	123.56
Currency & Interest rate Swap Loss (Net)	63.42	167.77
Provisions for diminution in value of Current Investments	0.05	0.17
Loss/(Profit) on sale of Fixed assets (Net)	1.77	(2.02)
Profit from Current/Long term Investments (Net)	(1.78)	(77.35)
Provision for doubtful debts	10.00	0.24
Interest Income	(46.52)	(45.98)
Dividend Income	(1.09)	(1.78)
Employee Stock Option Cost	0.41	1.38
Wealth Tax	0.02	0.02
Guarantee Commission	(19.45)	-
Sundry Balances written off/back (Net)	0.08	(0.76)
Net loss on Foreign currency transactions	18.93	60.02
Operating profit before working capital changes	369.38	337.53
Adjusted for :		
Trade & Other receivables	(123.83)	(89.42)
Inventories	62.70	61.17
Trade & Other Payables	75.71	(3.89)
Cash generated from operations	383.96	305.39
Direct taxes paid/ TDS deducted/Refund received	(25.08)	(21.00)
Cash generated before prior year adjustments	358.88	284.39
Prior year adjustments	(0.02)	(0.10)
Net cash from operating activities (A)	358.86	284.29
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of fixed assets	(194.47)	(205.03)
Sale of fixed assets	6.52	2.80
Investment in Equity shares of subsidiary	-	(25.00)
Purchases of Investments	(240.06)	(202.86)
Sale/Redemption of Investments	256.67	341.46
Movements in Loans and Advances (Net)	82.14	(206.69)
Dividend Income	1.09	1.82
Interest received	25.13	32.33
Fixed Deposits held for more than three months- placed	(173.21)	(123.39)
Fixed Deposits held for more than three months - matured	193.86	48.14
Net cash used in investing activities (B)	(42.33)	(336.42)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of share capital including Security Premium	3.67	2.23
Proceeds from long term loans	150.00	422.38
Repayment of long term loans	(202.69)	(371.40)
Short term Loans (Net)	(40.96)	248.04
Guarantee Commission received	3.90	-
Net loss on Foreign currency transactions	(17.95)	(43.29)
Finance Cost paid	(158.89)	(127.91)
Margin Money (Net)	(1.22)	7.08
Currency & Interest rate Swap Profit / (Loss)	27.56	(8.91)
Dividend paid (Including dividend distribution tax)	(68.00)	(66.67)
Net cash used in / (from) financing activities (C)	(304.58)	61.55
NET INCREASE/(DECREASE)] IN CASH & CASH EQUIVALENTS (A+B+C)	11.95	9.42
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	22.75	13.33
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	34.70	22.75

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.
- Figures in brackets indicates outflows.
- Non Cash transactions not considered above :-
- Short term Loan of ₹ 396.17 Crores to subsidiary company has been converted into Equity shares.
- Term Loan of ₹ 43.79 Crores (Previous Year ₹ 97.08 Crores) and Cumulative Redeemable Preference Shares of ₹ 21.96 Crores (Previous Year ₹ 61.78 Crores) have been funded by Bank of India in respect of derivative losses.
- 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 AccountantsR. KORIA
PartnerPlace : Mumbai
Date : 21st August, 2013

For & on behalf of the Board of Directors

RAKESH GOTHI
Managing DirectorP. N. THAKORE
Director- FinanceUJJWALA APTE
Company Secretary

INDEPENDENT AUDITORS' REPORT (REVISED)

To
The Board of Directors
JBF Industries Limited

Report on consolidated Financial Statements (Revised)

We have audited the accompanying consolidated financial statements (revised) of 'JBF Industries Limited' ("the Company") and its subsidiaries (collectively referred to as 'the Group') which comprise the consolidated Balance Sheet (revised) as at March 31, 2013, and the consolidated Statement of Profit and Loss (revised) and consolidated Cash Flow Statement (revised) for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India including Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules 2006 (as amended). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, 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:

- (i) in the case of the consolidated Balance Sheet (revised), of the state of affairs of the Group as at March 31, 2013;
- (ii) in the case of the consolidated Statement of Profit and Loss (revised), of the profit for the year ended on that date; and
- (iii) in the case of the consolidated Cash Flow Statement (revised), of the cash flows for the year ended on that date.

Emphasis of Matter

- (i) We draw attention in respect of Note 14.1 on the consolidated Financial Statements (revised) regarding trade receivables amounting to ₹ 41.48 Crores due from Customers in respect of which Company has initiated legal proceedings and a provision of ₹ 10.00 Crores has been considered sufficient against the same.
- (ii) Subsequent to our report dated 23rd May, 2013 on the Consolidated Financial Statements of the Company for the year ended 31st March 2013, the Board of Directors of the Company revised the proposed dividend to equity share holders from ₹ 6 to ₹ 1 on equity shares of ₹ 10 each as mentioned in the Note 29 on the Consolidated Financial Statements (revised). In view of the above, consolidated financial statements have been modified to give the effect of above change in proposed dividend. Our audit procedures on subsequent event are restricted solely to the amendment of the Consolidated Financial Statements described in the above note.

Our opinion is not qualified in respect of above matters.

Other Matter

We did not audit the financial statements of JBF RAK LLC (Consolidated Financial Statements), JBF Global Pte. Ltd., JBF Petrochemicals Limited and JBF Bio Glicols Industria Quimica Ltda (Formerly known as JBF Bio Glicols Holdings LTDA) subsidiary companies, whose financial statements reflect total assets of ₹ 5,690.80 Crores as at March 31, 2013, total revenue of ₹ 3,022.41 Crores and net cash inflows aggregating ₹ 198.09 Crores for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors. Our opinion is not qualified in respect of above matter.

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No.: 101720W

R.KORIA

Partner

Membership No.: 35629

Place: Mumbai

Original Date: 23rd May, 2013

Date of Modified : 21st August, 2013

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013 (REVISED)

(₹ in Crores)

Particulars	Note	Year ended 31st March, 2013		Year ended 31st March, 2012	
Gross Revenue from Operations	18	7,933.55		7,578.01	
Less:-Excise Duty Recovered on Sales		477.73	7,455.82	398.76	7,179.25
Other Income	19		45.51		126.00
Total Revenue			7,501.33		7,305.25
Expenses					
Cost of Materials Consumed			5,643.42		5,694.23
Purchases of Stock-in-Trade			0.14		0.07
Changes in inventories of Finished Goods and Stock -in- process	20		61.51		(75.86)
Employee Benefits Expenses	21		135.75		105.94
Finance Costs	22		252.14		189.83
Depreciation and Amortisation Expense	11		200.24		152.46
Other Expenses	23		1,057.59		1,036.07
Total Expenses			7,350.79		7,102.74
Profit Before Tax			150.54		202.51
Tax Expenses					
Current Tax		20.73		5.60	
Less:- MAT Credit		(19.33)		(5.18)	
Deferred Tax Expense/(Credit)		35.66		(20.88)	
Taxes for earlier year		—	37.06	(0.01)	(20.47)
Profit After Tax			113.48		222.98
Prior Period Adjustments			0.02		0.10
Profit for the Year			113.46		222.88
Earnings per share (of ₹ 10 each) - (in ₹) Basic	24		15.33		30.93
- (in ₹) Diluted			15.24		30.69
Significant Accounting Policies	1				
Notes on Consolidated Financial Statements	2-30				

As per our report of even date

For CHATURVEDI & SHAH

Chartered Accountants

R. KORIA

Partner

Place : Mumbai

Date : 21st August, 2013

For & on behalf of the Board of Directors**RAKESH GOTHI**

Managing Director

P. N. THAKORE

Director- Finance

UJJWALA APTE

Company Secretary

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**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 and 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 and other events in similar circumstances except as mentioned in the Note No. 1.2 of notes on financials statements 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 (Consolidated), JBF Global PTE Ltd. JBF Petrochemicals Ltd and JBF Bio Glicols Industria Quimica Ltda.

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
JBF Global Pte Ltd.	Subsidiary	Singapore	100%
JBF Rak LLC.	Step Down Subsidiary	Ras-Al-Khaimah, U.A.E.	100%
JBF Petrochemicals Limited	Step Down Subsidiary	India	100%
JBF Bahrain S.PC	Step Down Subsidiary	Bahrain	100%
JBF Global Europe BVBA	Step Down Subsidiary	Belgium	100%
JBF Bio Glicols Industria Quimica Ltda	Step Down Subsidiary	Brazil	100%

1.2 The Audited Financial Statements as at 31st March, 2013 of JBF Global Pte Ltd (Singapore) have been prepared by following Singapore Financial Reporting Standards, JBF RAK LLC (United Arab Emirates) (Consolidated) 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 and expenditure of the subsidiaries as mentioned below have been accounted by following different Accounting Standards.

Particulars	₹ in Crores	Proportion of the item
Assets	3,952.49	52%
Liabilities	3,158.65	54%
Income	3,017.10	40%
Expenditure	2,856.28	39%

2 SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
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, 2013		As at 31st March, 2012	
Issued Subscribed & Paid up				
72,633,236 (Previous Year 72,019,123) Equity Shares of ₹10 each fully paid up		72.63		72.02
11,034,987 (Previous Year 8,839,200) 2.5% Cumulative Redeemable Preference Shares of ₹100 each fully paid up		110.35		88.39
TOTAL		182.98		160.41

2.1 Terms/rights attached to Equity Shares

The 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 (CRPS)

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 lenders. These CRPS are redeemable at par : ₹21.96 Crores on 30.09.2020, ₹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, 2013		As at 31st March, 2012	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
	Number	Number	Number	Number
Shares outstanding at the beginning of the year	72,019,123	8,839,200	71,647,956	2,661,363
Add:- Shares Issued during the year :				
On exercise of option by ESOS holders	614,113	--	371,167	--
On conversion of debt to a lender	--	2,195,787	--	6,177,837
Shares outstanding at the end of the year	72,633,236	11,034,987	72,019,123	8,839,200

2.4 The Company has allotted 21,95,787 (Previous Year 61,77,837) 2.5% Cumulative Redeemable Preference Shares (CRPS) of ₹100 each fully paid up aggregating to ₹21.96 Crores (Previous Year ₹ 61.78 Crores) to Bank of India in pursuant to line of credit approved by the bank to fund derivative losses.

2.5 Options outstanding as on 31st March, 2013:

- To ESOS holders 3,80,201 (Previous year 9,98,887) Equity shares (Refer Note No. 21.2)
- To a bank in respect of optionally convertible loans (OCL) outstanding as on 31st March, 2013 are ₹68.73 Crores (Previous Year ₹50.51 Crores), being a part of line of credit sanctioned to finance the derivative losses. Out of ₹68.73 Crores (Previous Year ₹50.51 Crores), ₹65.12 Crores (Previous Year ₹50.51 Crores) is to be converted into Equity Shares and ₹3.61 Crores (Previous Year ₹ Nil) will be converted into Cumulative Redeemable Preference Shares (Refer Note No. 9.3).

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, 2013		As at 31st March, 2012	
	No. of Shares	Percentage	No. of Shares	Percentage
Bhagirath Arya	24,063,607	33.13%	20,669,253	28.70%
Seetharam Narayana Shetty - Trustee - JBF Employees Welfare Foundation	N.A.*	N.A.*	4,897,350	6.80%
Vaidic Resources Private Limited	3,906,304	5.38%	3,906,304	5.42%
Chinar Arya	4,300,000	5.92%	4,290,000	5.96%

* Reduced below 5%, hence not disclosed.

Name of Preference Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	Percentage	No. of Shares	Percentage
Bank of India	11,034,987	100%	8,839,200	100%

3 RESERVES AND SURPLUS

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Capital Reserves				
As per Last Balance Sheet		10.62		10.62
Capital Reserves on Consolidation		0.35		0.32
Securities Premium Account				
As per Last Balance Sheet	401.54		398.33	
Add: Received on issue of Shares	5.39	406.93	3.21	401.54
Debenture Redemption Reserve				
As per Last Balance Sheet	7.08		3.82	
Add: Transferred from Surplus	0.61	7.69	3.26	7.08
General Reserves				
As per last Balance Sheet	67.40		62.40	
Add: Transferred from Surplus	5.20	72.60	5.00	67.40
Legal Reserve				
As per last Balance Sheet	76.40		61.00	
Add: Transferred from Surplus	11.52	87.92	15.40	76.40
Foreign Currency Translation Reserve				
As per last Balance Sheet	(25.62)		(48.38)	
Less: Effect of Foreign Exchange rate variation during the year	43.63	18.01	22.76	(25.62)
Hedging Reserve				
As per last Balance Sheet	(0.44)		(3.41)	
Add: Change in Fair Value	0.52	0.08	2.97	(0.44)
Premium paid on Buy Back of Shares		(71.42)		(71.42)
Employee Stock Option Outstanding				
As per last Balance Sheet	3.81		5.20	
Add: Granted during the year	–		0.05	
Less: Option lapsed during the year	0.01		0.09	
Less: Option Exercised during the year	2.33		1.35	
	1.47		3.81	
Less: Deferred Compensation Expenses				
As per last Balance Sheet	0.44		1.86	
Add: Granted during the year	–		0.05	
Less: Amortised / lapsed during the year	0.42		1.47	
	0.02	1.45	0.44	3.37
Foreign Currency Monetary Items Translation Difference Account		(2.01)		(5.51)
Surplus in Statement of Profit and Loss				
As per last Balance Sheet	1,070.26		938.89	
Add: Net Profit for the year	113.46		222.88	
Amount available for Appropriations	1,183.72		1,161.77	
Appropriations				
Transfer to General Reserve	5.20		5.00	
Transfer to Legal Reserve	11.52		15.40	
Transfer to Debenture Redemption Reserve	0.61		3.26	
Short Provision of dividend in previous year	0.17		0.04	
Tax Paid on short provision of dividend	0.03		0.01	
Proposed Dividend on Preference Share (Dividend per share ₹2.50 p.a. Previous year ₹2.50 p.a.)	2.22		0.72	
Proposed Dividend on Equity Shares (Dividend per share ₹1.00 Previous year ₹8.00)	7.26		57.62	
Dividend Distribution Tax on Proposed Dividend	1.61	1,155.10	9.46	1,070.26
TOTAL		1,687.32		1,534.00

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, 2013		As at 31st March, 2012	
Secured Loans				
(a) Debentures				
Non Convertible Debentures		20.00		40.00
(b) Term loans				
from banks	1,493.98		905.73	
from Financial Institution	41.05		21.43	
from Corporate Body	25.00	1,560.03	—	927.16
(c) External Commercial Borrowings		188.67		218.74
(d) Vehicle Loans		0.33		1.47
		<u>1,769.03</u>		<u>1,187.37</u>
Unsecured Loans				
(a) Term loans				
from a bank		548.31		138.90
(b) External Commercial Borrowings		—		50.49
		<u>548.31</u>		<u>189.39</u>
TOTAL		<u>2,317.34</u>		<u>1,376.76</u>

- 4.1 11.15 % Debentures [including current maturities of long term borrowings of ₹20.00 Crores (Previous Year ₹10.00 Crores) - Refer Note No. 9] referred to in (a) above are secured by way of first mortgage and charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra and Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- 4.2 Term Loans [including current maturities of long term borrowings of ₹36.37 Crores (Previous year ₹20.70 Crores) Refer Note No. 9] of ₹353.89 Crores (Previous Year ₹299.58 Crores) referred to in (b) above, which carry interest at the rate 11.00% to 14.50 %, are secured by way of first mortgage and charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra and 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 and Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- 4.3 Term Loan [including current maturities of long term borrowings of ₹3.13 Crores (Previous Year ₹Nil) - Refer Note No. 9] of ₹75.00 Crores (Previous Year ₹Nil) referred to in (b) above, which carry interest at the rate 12.75%, are to be secured by way of first pari passu charge on the fixed assets of the company. Out of the above aggregating to ₹50.00 Crores (Previous Year ₹Nil) are further to be secured by second pari passu charge on current assets of the Company.
- 4.4 Term Loans [including current maturities of long term borrowings of ₹49.12 Crores (Previous year ₹46.03 Crores) Refer Note No. 9] of ₹110.61 Crores (Previous Year ₹ 149.66 Crores) referred to in (b) above, which carry interest at the rate LIBOR plus 0.5 percentage, are secured by way of first mortgage and charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra and Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- 4.5 Term Loans [including current maturities of long term borrowings of ₹164.93 Crores (Previous Year ₹114.97 Crores) Refer Note No. 9] of ₹1274.08 Crores (Previous Year ₹659.62 Crores) referred to in (b) above, which carry interest at the rate LIBOR plus 1.4 percentage to 6.5 percentage and EIBOR plus 3.5 percentage, are secured by way of mortgage, notarised pledge and hypothecation over plant and machinery and other property, plant and equipment situated at Emirates of Ras Al Khaimah, Bahrain and Belgium.
- 4.6 External Commercial Borrowings [including current maturities of long term borrowings of ₹44.80 Crores (Previous Year ₹20.35 Crores)- Refer Note No. 9] of ₹233.47 Crores (Previous Year ₹239.09 Crores) referred to in (c) above, which carry interest at the rate LIBOR plus 2.5 percentage to 3.0 percentage, are secured by way of first mortgage and charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra and Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- 4.7 The Loans for vehicle [including current maturities of long term borrowings of ₹0.41 Crores (Previous Year ₹0.18 Crores)- Refer Note No. 9] of ₹0.74 Crores (Previous Year ₹0.55 Crores) referred to in (d) above, which carry interest at the rate 8.88% and LIBOR plus 1.4 percentage, have been secured by specific charge on the vehicles covered under the said loans.
- 4.8 **Terms of Repayment**
- i) **Debentures**
Debentures are redeemable at par in two equal installments of ₹10 Crores each on 27.10.2014 and 27.07.2014.
- ii) **Secured Term Loans from Banks**
- Loan of ₹46.88 Crores is repayable in 15 equal quarterly installments of ₹3.12 Crores starting from June 2014 and ending on December 2017.
 - Loan of ₹38.18 Crores is repayable in 21 equal quarterly installments of ₹1.82 Crores starting from April 2014 and ending on June 2019.
 - Loan of ₹238.28 Crores is repayable in 2 equal quarterly installments of ₹3.22 Crores starting from June 2014 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 ₹61.49 Crores is repayable in 5 equal quarterly installments of ₹12.30 Crores starting June, 2014 and ending on June, 2015.
 - Loan of ₹3.27 Crores is repayable in May 2014.

- f) Loan of ₹343.50 Crores is repayable in 20 equal quarterly installments of ₹17.18 Crores starting from May 2014 and ending on February 2019.
- g) Loan of ₹97.78 Crores is repayable in quarterly equal installments commencing after 18 months from the the date of first drawn i.e April 2011.
- h) Loan of ₹27.16 Crores is repayable in 2 equal annual installments of ₹13.58 Crores each starting from March 2016 and ending on March 2017.
- i) Loan of ₹7.17 Crores is repayable in 3 equal quarterly installments of ₹2.39 Crores starting from June 2014 and ending on December 2014.
- j) Loan of ₹207.85 Crores is repayable in 20 equal quarterly installments of ₹10.39 Crores starting from August 2014 and ending in May 2019.
- k) Loan of ₹81.49 Crores is repayable in 9 equal quarterly installments of ₹9.05 Crores starting from June 2014 and ending on June 2016.
- l) Loan of ₹202.80 Crores is repayable in 18 equal quarterly installments of ₹11.27 Crores starting from October 2015 and ending on January 2020.
- m) Loan of ₹65.07 Crores is repayable in 24 equal quarterly installments of ₹2.71 Crores starting from December 2015 and ending on September 2021.
- n) Loan of ₹37.50 Crores is repayable in 24 equal quarterly installments of ₹1.56 Crores starting from March 2017 and ending on November 2022.
- o) Loan of ₹35.56 Crores is repayable in 39 equal quarterly installments of ₹0.91 Crores starting from December 2015 and ending on June 2024.

iii) Secured Term Loans from Financial Institution

Loan of ₹14.29 Crores is repayable in 2 equal annual installments of ₹7.14 Crores starting from July 2014 and ending on July 2015. Loan of ₹26.76 Crores is repayable in 13 equal quarterly installments of ₹2.06 Crores starting from April 2014 and ending on April 2017.

iv) Secured Term Loans from Corporate Body

Loan of ₹25.00 Crores is repayable in 16 quarterly installments, first 4 installments of ₹0.63 Crores starting from June 2014 and ending on March 2015, next 4 installments of ₹0.94 Crores starting from June 2015 and ending on March 2016, next 4 installments of ₹2.19 Crores starting from June 2016 and ending on March 2017 and final 4 installments of ₹2.50 Crores starting from June 2017 and ending on March 2018.

v) Secured External Commercial Borrowings

Loan of ₹54.29 Crores is repayable in 10 equal quarterly installments of ₹5.43 Crores (USD 10,00,000) starting from May 2014 and ending on August 2016, loan of ₹101.80 Crores is repayable in 15 equal quarterly installments of ₹6.79 Crores (USD 12,50,000) starting from June 2014 and ending on December 2017 and loan of ₹32.58 Crores is repayable in 8 equal quarterly installments of ₹4.07 Crores (USD 7,50,000) starting from June 2014 and ending on March 2016.

vi) Secured Vehicle Loans

Vehicle Loans are repayable as under : ₹0.30 Crores in financial year 2014-15 and balance of Rs 0.03 Crores in financial year 2015-16.

vii) Unsecured Term Loans From a Bank

Loan of ₹110.35 Crores is repayable in 10 equal half yearly installments of ₹11.04 Crores starting from April 2014 and ending on October 2018, loan of ₹3.61 Crores is repayable in 10 equal half yearly installments of ₹0.36 Crores commencing with effect from April 2014 and ending on March 2019 and loan of ₹434.35 Crores is repayable in 8 equal quarterly installments of ₹54.29 Crores starting April, 2017 and ending on January, 2019.

- 4.9 Term loans from banks [including current maturities of optionally convertible loans of ₹68.73 Crores (Previous Year current maturity of long term borrowing of ₹0.83 Crores)] aggregating to ₹182.69 Crores (Previous year ₹139.74 Crores) are guaranteed by one of the Directors of the company in their personal capacity. ₹Nil (Previous Year ₹203.79 Crores) [including current maturities of long term maturities of ₹Nil (Previous Year ₹43.36 Crores)] are guaranteed by one of the Directors of JBF RAK LLC.

5 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(a) Deferred Tax Liability		
Related to fixed assets	184.82	158.53
Others	1.85	1.74
(b) Deferred Tax Assets		
Unabsorbed Depreciation	22.47	35.59
Disallowance under Section 43B of the Income Tax Act, 1961	1.15	0.97
Others	4.94	1.37
TOTAL	158.11	122.34

6 LONG TERM PROVISIONS

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Provision for Employee Benefits		
Gratuity	14.84	11.39
Leave Encashment	0.08	—
Others		
Provision for Marked -to- Market on Derivative Contracts	12.20	—
TOTAL	27.12	11.39

7 SHORT TERM BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Secured Loans		
(a) Working Capital Loans		
from banks	742.63	566.04
(b) Buyer's Credit	117.59	–
	<u>860.22</u>	<u>566.04</u>
Unsecured Loans		
(c) Short Term Loans		
from banks	–	121.31
(d) Working Capital Loans		
from banks	172.50	94.54
(e) Buyer's Credit	218.22	265.99
(f) Supplier's Credit (backed by letter of Credit)	70.68	97.20
	<u>461.40</u>	<u>579.04</u>
TOTAL	<u>1,321.62</u>	<u>1,145.08</u>

- 7.1 Working Capital Loans as referred to in (a) above includes ₹ 115.74 Crores (Previous Year ₹ 165.26 Crores) are secured by a first charge on pari passu basis without any preference or priority over each other on all Current Assets of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are also secured by way of Second charge on pari passu basis on movable and immovable properties of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat. ₹ 626.89 Crores (Previous Year ₹ 400.78 Crores) secured by hypothecation of inventory and receivables on pari passu basis situated at Emirates of Ras Al Khaimah.
- 7.2 Buyers Credit referred to in (b) above, of ₹ 79.85 Crores (Previous Year ₹ Nil) are secured by a first charge on pari passu basis without any preference or priority over each other on all Current Assets of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are also secured by way of Second charge on pari passu basis on movable and immovable properties of the company both present, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and future and ₹ 37.74 Crores (Previous Year ₹ Nil) are secured by way of subservient charge on current assets of the company.

8 TRADE PAYABLES

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Micro, Small and Medium Enterprises	2.23	1.93
Others	1,120.80	830.26
TOTAL	<u>1,123.03</u>	<u>832.19</u>

9 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Current Maturities of long-term Borrowings		
- Debentures	20.00	10.00
- Term Loans	253.55	181.70
- External Commercial Borrowings	101.55	171.81
- Vehicle Loans	0.41	0.87
	<u>375.51</u>	<u>364.38</u>
Current Maturities of Optionally convertible loans (Refer Note No. 9.3)	68.73	–
Interest accrued but not due on borrowings	20.15	11.87
Income received in advance	0.22	0.18
Unpaid dividends	1.33	1.05
Deposit from customers	0.28	0.27
Deposit against Excise Liabilities	1.30	1.30
Advance from Customers	26.52	15.02
Creditors for capital expenditure	250.49	39.07
Other payables	49.49	30.90
TOTAL	<u>794.02</u>	<u>464.04</u>

- 9.1 Unpaid dividends does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.
- 9.2 Other payables includes Salaries, wages and bonus payable, Withholding and Other Taxes payable and Provision for Expenses.
- 9.3 Out of optionally convertible loan, ₹65.12 Crores is to be converted into such number of equity shares of ₹10 each by 30th September 2013 at a price to be determined according to SEBI Rules and Guidelines prevailing at that time and loan of ₹3.61 Crores will be converted into cumulative redeemable preference shares of ₹100 each by 31st July 2013.

10 SHORT TERM PROVISION

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits		
Gratuity	1.03	0.66
Leave Encashment	7.95	5.50
Others		
Excise Duty Provision	17.63	17.02
Provision for Marked -to- Market on Derivative Contracts	14.48	–
Proposed Dividend on Preference Shares	2.22	0.72
Proposed Dividend on Equity Shares	7.26	57.62
Provision for Dividend Distribution Tax	1.61	9.46
Provision for Income Tax	1.56	–
Other Provision	0.06	–
TOTAL	53.80	90.98

10.1 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, 2012 of ₹17.02 Crores as per the estimated pattern of Despatches. During the year ₹16.75 Crores was utilised for clearance of goods. Liability recognised under this class as at 31st March, 2013 is ₹17.63 Crores. Actual outflow is expected in the next financial year.

10.2 Other provision consists of commitment made to Ministry of Environment and Forests ("MOEF") for obtaining their clearances for incurring for activities pertaining to Corporate Social Responsibility by a subsidiary Company.

11 FIXED ASSETS

(₹ in Crores)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 01/04/2012	Additions / Adjustments	Deductions / Adjustments	As at 31/03/2013	Upto 31/03/2012	For the year	Deductions / Adjustments	Upto 31/03/2013	As At 31/03/2013	As At 31/03/2012
Tangible Assets										
Land : Free-hold	26.23	13.23	0.12	39.34	–	–	–	–	39.34	26.23
Leasehold	1.60	124.29	–	125.89	0.10	0.02	–	0.12	125.77	1.50
Leasehold Improvements	332.69	51.75	–	384.44	44.55	21.25	–	65.80	318.64	288.14
Buildings	211.35	24.05	7.73	227.67	39.95	7.51	4.97	42.49	185.18	171.40
Plant and Machineries	2,888.04	453.50	5.74	3,335.80	631.66	181.66	3.09	810.23	2,525.57	2,256.38
Furniture and Fixtures	8.64	0.80	0.60	8.84	3.84	0.69	0.60	3.93	4.91	4.80
Office Equipments	1.75	0.35	0.07	2.03	0.47	0.10	0.04	0.53	1.50	1.28
Vehicles	10.58	5.36	1.94	14.00	2.44	2.43	1.16	3.71	10.29	8.14
Data Processing Equipments	9.53	1.54	0.18	10.89	6.75	1.46	0.18	8.03	2.86	2.78
	3,490.41	674.87	16.38	4,148.90	729.76	215.12	10.04	934.84	3,214.06	2,760.65
Intangible Assets										
Software*	1.84	2.52	0.02	4.34	1.55	0.29	0.02	1.82	2.52	0.29
Technical Know-how	15.86	1.07	–	16.93	2.81	1.32	–	4.13	12.80	13.05
	17.70	3.59	0.02	21.27	4.36	1.61	0.02	5.95	15.32	13.34
Total	3,508.11	678.46	16.40	4,170.17	734.12	216.73	10.06	940.79	3,229.38	2,773.99
Previous Year	2,683.06	837.32	12.27	3,508.11	561.28	178.38	5.54	734.12	2,773.99	–
Capital work-in-progress									653.61	159.31

11.1 Buildings include ₹ 8,000/- (Previous Year ₹ 8,000/-) being the value of Shares of Co-operative Societies.

11.2 Additions to fixed assets and Capital work in Progress includes loss of ₹ 50.25 Crores (Previous Year ₹ 16.80 Crores) on account of foreign exchange difference during the year.

11.3 Capital work in progress includes :

- ₹ 159.95 Crores on account of Preoperative expenses (Previous Year ₹ 36.00 Crores).
- ₹ 1.17 Crores on account of cost of construction material at site (Previous Year ₹ 5.88 Crores)

11.4 Additions to Gross block includes gain of ₹ 117.92 Crores (Previous year gain of ₹ 193.66 Crores) and Depreciation includes loss of ₹ 16.32 Crores (Previous year loss of ₹ 25.92 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 Depreciation for the year of ₹ 0.17 Crores (Previous Year ₹ Nil) considered as pre-operative expenses.

11.6 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) .

11.7 Details of the Preoperative Expenditure :

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
EXPENDITURE :		
Cost of material consumed	--	0.26
Salary, Wages and Allowances	6.20	1.85
Gratuity	0.21	--
Employees Welfare and Other Amenities	0.05	0.13
Interest expenses	6.69	8.90
Other borrowings costs	26.07	4.78
Depreciation	0.17	0.02
Power and Fuel	0.70	2.22
Security Charges	0.12	--
Other Manufacturing Expenses	0.89	0.40
Packing Material Consumed	--	0.01
Freight and Forwarding charges	0.14	--
Rent	3.66	0.05
Insurance	46.14	0.09
Repairs and Maintenance Others (₹ 4,097/-)	0.00	0.02
Travelling and Conveyance	1.74	0.21
Legal and professional Fees	90.04	27.70
Exchange Difference	0.30	--
General Expenses	1.46	2.75
Construction Material and Civil Work	45.21	--
	229.79	49.39
INCOME :		
Sales of trial run products	--	0.04
Net Pre Operative Expenditure for the Year	229.79	49.35
Add : Pre Operative Expenditure upto Previous Year	36.00	18.71
	265.79	68.06
Less : Allocated to fixed assets during the Year	105.72	32.06
Closing Balance	160.07	36.00

11.8 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,2013.

12 LONG TERM LOANS AND ADVANCES

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Secured, considered good		
Inter-corporate Deposits	5.00	20.00
Unsecured, Considered good unless otherwise stated		
Capital Advances	406.04	222.04
Security Deposits	3.26	4.24
Inter-corporate Deposits	--	5.00
Income Tax-Advance Tax and TDS (Net)	26.25	17.65
MAT Credit Entitlement	24.54	5.22
Others		
Considered Good	5.30	17.16
Considered doubtful	0.08	0.08
	5.38	17.24
Less: Provision for doubtful advances	0.08	0.08
TOTAL	470.39	291.31

12.1 Others includes mainly Unamortised Ancillary Borrowing Cost and Interest Receivable.

13 INVENTORIES

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Raw Materials				
Goods-in transit	329.92		237.45	
Others	<u>206.61</u>	536.53	<u>113.09</u>	350.54
Stock-in-process		47.38		48.68
Finished goods				
Goods-in transit	21.04		24.29	
Others	<u>241.23</u>	262.27	<u>298.18</u>	322.47
Stores, Spares and Consumables				
Goods-in transit	0.09		0.55	
Others	<u>76.80</u>	76.89	<u>69.59</u>	70.14
TOTAL		<u>923.07</u>		<u>791.83</u>

14 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Unsecured, Considered Good (Refer Note No.14.1)				
Due for a period exceeding Six months	146.11		56.65	
Others	<u>906.66</u>		<u>665.68</u>	
	1,052.77		722.33	
Less : Provision for doubtful debts	<u>17.95</u>	1,034.82	<u>7.47</u>	714.86
TOTAL		<u>1,034.82</u>		<u>714.86</u>

14.1 Debts due for a period exceeding six months includes ₹41.48 Crores, which are overdue as against which the Company has initiated legal proceedings. The Company is of the view that a substantial part of this amount is recoverable. As a matter of prudence and based on the best estimate a provision of ₹10.00 Crores has been made and which has been considered sufficient.

15 CASH AND BANK BALANCES

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Cash and Cash Equivalents				
Balance with banks in Current Accounts	178.94		174.53	
Deposits less than three months	—		3.00	
Cash on hand	<u>0.20</u>	179.14	<u>0.15</u>	177.68
Other Bank Balances				
In Fixed Deposit Account with Banks				
having 3-12 Months maturities	52.75		151.86	
more than 12 Months maturities	114.29		32.01	
Deposit earmark against Borrowings	249.25		36.07	
Earmark balance with banks (Unpaid Dividend Account)	<u>1.33</u>	417.62	<u>1.05</u>	220.99
TOTAL		<u>596.76</u>		<u>398.67</u>

16 SHORT TERM LOANS AND ADVANCES

(₹ in Crores)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Secured, considered good				
Inter-corporate Deposits		50.00		42.00
Unsecured, Considered good				
Loans and Advances to related parties (Refer Note No.26)		44.83		45.08
Others:				
Inter-corporate Deposits		19.00		17.00
Claims and refund receivable		27.85		21.85
Balance with Excise Authorities		10.10		68.43
Advance to suppliers		259.95		93.25
Loans to Employee Welfare Foundation		68.59		84.83
Others		<u>103.79</u>		<u>67.49</u>
TOTAL		<u>584.11</u>		<u>439.93</u>

16.1 Unsecured inter-corporate Deposits includes ₹ 8.00 Crores (Previous year ₹ 15.00 Crores) backed by personal guarantee of a promoter of a borrower.

16.2 Advance to Supplier includes ₹ 0.62 Crores (Previous Year ₹ 1.76 Crores) due from a related party.

16.3 Others includes Interest Receivable, Prepaid Expenses, Cenvat Receivable and Refundable Deposits.

17 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Export Incentive Receivable	25.41	7.08
Receivable against sale of fixed asset	1.00	4.00
Assets held for disposal	—	0.56
TOTAL	26.41	11.64

18 GROSS REVENUE FROM OPERATION

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Sale of products	7,889.10	7,535.46
Export Incentives	38.30	30.66
Other operating revenues	6.15	11.89
TOTAL	7,933.55	7,578.01

19 OTHER INCOME

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Interest Income from - Long term investment	0.20	0.09
- Inter Corporate Deposits	27.16	31.59
- Fixed Deposits	11.36	8.43
- Others	3.38	3.53
Dividend Income from others - on long term investment (Previous Year ₹24,000/-)	—	0.00
- on current investments	1.09	1.78
Profit on sale/ redemption of Long Term investments (Net)	—	70.27
Profit on sale of Current investments (Net)	1.78	7.08
Profit on sale of Fixed Assets (Net)	—	1.86
Sundry Credit Balances Written Back (Net)	0.45	1.28
Miscellaneous income	0.09	0.09
TOTAL	45.51	126.00

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

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
At the end of the year		
Finished Goods	262.27	322.48
Stock-in- process	47.38	48.68
At the beginning of the year		
Finished Goods	322.48	247.65
Stock-in- process	48.68	47.65
TOTAL	61.51	(75.86)

21 EMPLOYEE BENEFIT EXPENSES

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Salaries, Wages and Allowances	119.75	90.84
Contribution to Provident Fund, ESIC and other Funds	2.57	2.03
Gratuity	4.76	5.57
Employees Stock Option Cost	0.41	1.38
Employees Welfare and Other Amenities	8.26	6.12
TOTAL	135.75	105.94

21.1 Salaries, Wages and Allowances includes managerial remuneration of ₹Nil (Previous Year ₹4.42 Crores) subject to approval of Central Government.

21.2 Employee 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 employee of the company as at 31st March, 2013 is 2,56,301 (Previous Year 2,51,728) 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 4,573 (Previous Year 24,677) Options have been Lapsed during the year 2012-13.
- iii. During the year the Company has further granted Nil (Previous Year 5,019) 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:

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Net Profit after tax	113.48	222.98
Prior Period adjustments	0.02	0.10
Proposed Dividend on Preference Shares and tax thereon	2.60	0.84
Net Profit as Reported	110.86	222.04
Less : Employee Compensation Expenses	0.16	0.51
Adjusted Proforma	110.70	221.53
Basic Earnings Per Share (₹)		
- As reported	15.33	30.93
- Proforma	15.31	30.86
Diluted Earnings Per Share (₹)		
- As reported	15.24	30.69
- Proforma	15.22	30.61

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

Particulars	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2012 (No. of Shares)
i. Outstanding at the beginning of the year	998,887	1,389,712
ii. Granted during the year	--	5,019
iii. Lapsed during the year	4,573	24,677
iv. Exercised during the year	614,113	371,167
v. Expired During the year	--	--
vi. Outstanding at the end of the year	--	998,887
vii. Exercisable at the end of the year	380,201	365,610
viii. Weighted average Intrinsic value of Options granted during the year	Nil	₹103.70

22 FINANCE COST

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Interest Expense	176.27	143.83
Other Borrowing Cost	59.05	38.92
Applicable Net loss on foreign currency transaction and translation	16.82	7.08
TOTAL	252.14	189.83

23 OTHER EXPENSES

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Manufacturing Expenses		
Stores and Spares Consumed	32.69	25.84
Power and Fuel	392.53	328.62
Repairs to Building	0.42	0.42
Repairs to Plant and Machinery	7.66	7.07
Security Charges	2.07	1.87
Excise Duty	0.77	2.19
Labour Charges	15.22	11.71
Other Manufacturing Expenses	22.87	18.86
	<u>474.23</u>	<u>396.58</u>
Selling and Distribution Expenses		
Packing Material Consumed	138.61	120.65
Freight and Forwarding Charges (Net)	188.86	147.26
Sales Promotion, and Advertising Expenses	9.47	7.49
Brokerage and Commission	25.02	19.57
	<u>361.96</u>	<u>294.97</u>
Administrative and General Expenses		
Rent	9.34	8.08
Rates and Taxes (Net)	1.06	0.32
Insurance	14.39	12.59
Payment to Auditors'	1.17	0.85
Repairs and Maintenance - Others	1.98	1.65
Travelling and Conveyance Expenses	11.25	10.82
Legal, Professional and Consultancy Charges	18.98	3.68
Provision for Dimunation in the value of Investment	0.05	0.17
Bad debts Written off	–	1.12
less:- Provision for Doubtful debts	–	(1.12)
Provision for Doubtful Debts	10.00	0.24
Donation	0.14	0.18
Net Loss on Foreign Currency transaction	69.43	122.86
Currency and Interest rate Swap Loss (Net)	63.42	171.01
Loss on sale of Fixed Assets (Net)	2.79	–
Bank Charges	2.38	2.31
General Expenses	15.02	9.76
	<u>221.40</u>	<u>344.52</u>
TOTAL	<u>1,057.59</u>	<u>1,036.07</u>

23.1 Payment to Auditors'

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Audit Fees	1.01	0.73
Tax Audit Fees	0.08	0.07
Certification Charges	0.02	0.01
Reimbursement of expenses	0.06	0.04
	<u>1.17</u>	<u>0.85</u>

23.2 General Expenses includes Directors sitting Fees ₹0.08 Crores (Previous Year ₹0.05 Crores)

24 EARNINGS PER SHARE (BASIC AND DILUTED)

(₹ in Crores)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Net profit after tax	113.48	222.98
Prior period adjustment	0.02	0.10
Proposed Dividend on preference Shares and tax thereon	2.60	0.84
Net profit after tax attributable to Equity Share holders for Basic EPS	110.86	222.04
Weighted average no. of equity shares outstanding for Basic EPS	72,315,105	71,790,521
Basic Earning Per Share of ₹ 10 Each (₹)	15.33	30.93
Net profit after tax attributable to Equity Share holders for Basic EPS	110.86	222.04
Weighted average no. of equity shares outstanding for Diluted EPS	72,737,155	72,360,358
Diluted Earning Per Share of ₹ 10 Each (₹)	15.24	30.69

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

	As at 31st March, 2013	As at 31st March, 2012
Number of Shares Used for calculating Basic EPS	72,315,105	71,790,521
Add:- Potential Equity Shares (JBF ESOS-2009)	422,050	569,837
Number of Shares used for Calculating Diluted EPS	72,737,155	72,360,358

24.1 Since long term optionally convertible loan of ₹ 65.12 Crores (Previous Year ₹ 50.51 Crores) is to be converted at the option of the company into such number of equity shares of ₹ 10 each at a price to be determined according to SEBI Rules and 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.

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

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(i) Contingent Liabilities		
(a) Demands not acknowledged as debt		
i) Income Tax	0.29	0.25
ii) Excise Duty	1.76	1.29
iii) Service tax	1.44	1.44
iv) Others	0.09	0.09
(b) Guarantees issued by the Bankers	261.03	251.88
(Bank guarantees are provided under contractual/legal obligation. No cash outflow is expected.)		
(c) Letter of Credit	381.81	220.97
(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.)		
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	2,724.52	397.84
(Cash outflow is expected on execution of such capital contracts, on progressive basis)		
(b) Other Commitments		
i) Corporate Social Responsibility over the project life	176.95	177.05
ii) Future minimum lease payments:		
Within One Year	5.77	2.78
After One year but not more than five years	20.38	11.08
More than five years	88.67	37.30
Total operating lease expenditure contracted for at the reporting date	114.82	51.16

26 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
Mr. Alke G Pai
Mrs. A Tara Pai

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 and their relatives have significant influence

Arya Industries
Vaidic Resources Pvt. Ltd.
JBF Global FZE

Transactions with related parties during the year

(₹ in Crores)

Sr No.	Particulars	Key Managerial Personnel		Relatives of key Managerial Personnel		Enterprises over which the key Managerial personnel has Significant Influence		Total	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
1	Short term Loans and Advances								
	a) Opening Balance	26.48	–	–	–	20.36	23.44	46.84	23.44
	b) Given during the year	–	26.48	–	–	10.08	4.78	10.08	31.26
	c) Refunded/ Adjusted during the year	1.50	–	–	–	9.97	7.86	11.47	7.86
	d) Balance as at 31.03.2013	24.98	26.48	–	–	20.47	20.36	45.45	46.84
2	Trade Payable as at 31st March, 2013	–	–	–	–	0.16	0.24	0.16	0.24
3	Dividend Paid	18.30	17.49	3.46	3.45	3.13	3.12	24.89	24.06
4	Expenditure								
	Purchases	–	–	–	–	46.12	44.56	46.12	44.56
	Managerial remuneration/ Sitting Fees	25.30	11.38	0.68	0.47	–	–	25.98	11.85
	Rent	0.06	–	–	–	–	–	0.06	–
5	Equity Shares allotted on exercise of ESOS	0.32	0.17	–	–	–	–	0.32	0.17

Notes to Related Party Transactions:

- Short term Loans and Advances includes ₹ 24.98 Crores due from Mr. Cheerag Arya and ₹ 19.85 due from JBF Global FZE.
- Sundry Creditors includes ₹ 0.16 Crores due to Arya Industries.
- Dividend paid includes ₹ 16.74 Crores, ₹ 3.44 Crores, ₹ 3.13 Crores and ₹ 1.50 Crores to Mr. B C Arya, Chinar Arya, Vaidic Resources Pvt. Ltd. and Mr. Cheerag Arya respectively.
- Expenditures: Purchases include ₹ 46.12 Crores from Arya Industries. Managerial Remuneration include ₹ 5.86 Crores and ₹ 17.28 Crores paid to Mr. B C Arya and Mr. Cheerag Arya respectively. Rent includes ₹ 0.06 Crores paid to Mrs. A Tara Pai.
- Equity Shares allotted on exercise of ESOS includes ₹ 0.08 Crores, ₹ 0.12 Crores and ₹ 0.12 Crores to Mr. Rakesh Gothi and Mr. P.N. Thakore and Mr. N.K. Shah respectively.

27 Segment Information as per Accounting Standard -17 on Segment Reporting for the year ended 31st March, 2013

i) Information about primary (Geographical) segment :

(₹ in Crores)

Particulars	Domestic		International		Total Consolidated	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
1 Segment Revenue						
Net Revenue from Operations	4,504.09	4,383.32	3,014.93	2,849.00	7,519.02	7,232.32
Other Income	44.26	126.37	2.17	1.08	46.43	127.45
Total Income	4,548.35	4,509.69	3,017.10	2,850.08	7,565.45	7,359.77
Less : Inter Segment Revenue	64.12	54.52	–	–	64.12	54.52
	4,484.23	4,455.17	3,017.10	2,850.08	7,501.33	7,305.25
2 Results						
Segment Results	212.16	151.74	190.52	240.60	402.68	392.34
Finance Costs	155.79	123.56	96.35	66.27	252.14	189.83
Profit Before Tax	56.37	28.18	94.17	174.33	150.54	202.51
Tax Expenses	37.06	(20.46)	–	(0.01)	37.06	(20.47)
Profit After Tax	19.31	48.64	94.17	174.34	113.48	222.98
3 Other Information						
Total Segment Assets	3,698.75	2,958.91	3,966.59	2,778.28	7,665.34	5,737.19
Total Segment Liabilities	2,635.95	2,386.62	3,159.09	1,656.16	5,795.04	4,042.78
Capital Expenditure	542.63	320.72	814.13	700.82	1,356.76	1,021.54
Depreciation	100.66	83.94	99.58	68.52	200.24	152.46
Non - Cash Expenditure other than Depreciation	10.00	0.24	--	--	10.00	0.24

a) 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

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

(₹ in Crores)

Particulars	2012-13	2011-12
1. Segment Revenue		
a) Polyester Film	975.54	813.34
b) Other Polyester Products	6,490.63	6,370.09
c) Unallocable	35.16	121.82
Total	7,501.33	7,305.25
2. Segment Assets		
a) Polyester Film	1,862.61	1,161.90
b) Other Polyester Products	4,714.91	4,041.22
c) Pure Terephthalic Acid	670.98	101.98
d) Unallocable	416.84	432.09
Total	7,665.34	5,737.19
3. Total Capital Expenditure		
a) Polyester Film	465.26	280.87
b) Other Polyester Products	557.74	641.38
c) Pure Terephthalic Acid	333.73	99.27
d) Unallocable	0.03	0.02
Total	1,356.76	1,021.54

28 FINANCIAL AND DERIVATIVE INSTRUMENTS

28.1 Derivative Contracts entered into by the Company and outstanding as on 31st March, 2013.

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
i) Currency and Interest Swap with option structures	28.42	81.39
ii) Currency Swap	97.50	50.00
iii) Forward contracts - Receivable	156.32	–
iv) Forward contracts - Payable	28.15	45.00
v) The Company has entered interest rate swap derivatives contracts in respect of Term loan from a bank of ₹ 97.50 Crores and External Commercial Borrowings of ₹ 108.58 Crores outstanding as on 31st March, 2013. Subsidiary of the Company has also entered interest rate swap derivative contract of ₹ 138.52 Crores.		

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

28.3 Foreign Currency exposures (except currency swap) that are not hedged by derivative instruments as on 31st March, 2013 relating to :

(₹ in Crores)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Receivables	289.37	265.46
Payables	1,682.86	1,366.71

28.4 The Expenses on account of forward premium on outstanding forward exchange contracts to be recognised in the Statement of Profit and Loss account of subsequent accounting year aggregate to ₹0.60 Crores (Previous Year ₹ 1.22 Crores).

29 The consolidated financial statements for the year ended 31st March, 2013 were adopted by the Board of Directors on 23rd May, 2013. Subsequent to it the Board of Directors at its meeting held on 13th August, 2013 proposed to revise the proposed dividend to equity share holders from ₹ 6 (60%) to ₹ 1 (10%) per equity share of ₹ 10 each, resulting into reduction in amount as reported on 23rd May, 2013 in respect of proposed dividend & tax thereon from ₹ 43.58 Crores & ₹ 7.78 Crores to ₹ 7.26 Crores & ₹ 1.61 Crores respectively and consequently increase in amount of reserve & surplus from ₹1,644.83 Crores to ₹1,687.32 Crores. Accordingly to give the effect of above revision, the consolidated financial statements for the year ended 31st March, 2013 have been revised and adopted by the Board of Directors at its meeting held on 21st August, 2013.

30 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 : 21st August, 2013

For & on behalf of the Board of Directors

RAKESH GOTHI

Managing Director

P. N. THAKORE

Director- Finance

UJJWALA APTE

Company Secretary

Financial Information of Subsidiary Companies

(₹ in Crores)

Sr. No.	Name of the Subsidiary Company	Country	Reporting Currency	Exchange rate as on 31.03.2013	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	54.294	390.91	(1.37)	1,003.38	1,003.38	--	--	(10.46)	--	(10.46)	--
			USD MN		72.00	(0.25)	184.81	184.81	--	--	(1.93)	--	(1.93)	--
2	JBF RAK LLC	UAE	INR	14.782	350.56	1,037.73	3,634.33	3,634.33	--	3,016.60	115.10	--	115.10	--
			AED MN		237.16	702.03	2,458.64	2,458.64	--	2,042.38	77.93	--	77.93	--
3	JBF Petrochemicals Limited	India	INR	--	418.00	0.97	706.04	706.04	--	4.59	2.60	1.47	1.13	--
4	JBF Bio Glicols Industria Quimica Ltda.	Brazil	INR	26.85	16.27	(2.61)	14.10	14.10	--	--	(2.63)	--	(2.63)	--
			BRL MN		6.06	(0.97)	5.25	5.25	--	--	(0.97)	--	(0.97)	--
5	JBF Bahrain S.PC	Bahrain	INR	26.845	45.34	(3.12)	106.41	106.41	--	0.22	(3.14)	--	(3.14)	--
			BD MN		16.89	(1.16)	39.64	39.64	--	0.08	(1.16)	--	(1.16)	--
6	JBF Global Europe BVBA	Belgium	INR	69.607	121.12	(4.44)	192.70	192.70	--	--	(4.46)	--	(4.46)	--
			EUR MN		17.40	0.64	27.68	27.68	--	--	(0.64)	--	(0.64)	--

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013 (REVISED)

(₹ in Crores)

PARTICULARS	Year Ended 31st March, 2013	Year Ended 31st March, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax as per Statement of Profit and Loss	150.54	202.51
Adjustment for :		
Depreciation and amortisation	200.24	152.46
Finance Cost	252.14	189.83
Currency and Interest rate Swap Loss (Net)	63.42	171.01
Provisions for diminution in value of Current Investments	0.05	0.17
Loss/(Profit) on sale of Fixed assets (Net)	2.79	(1.86)
Profit from Current/Long term Investments (Net)	(1.78)	(77.35)
Provision for doubtful debts	10.00	0.24
Interest Income	(38.85)	(43.64)
Dividend Income	(1.09)	(1.78)
Employee Stock Option Cost	0.41	1.38
Wealth Tax	0.02	0.02
Sundry Balances written back (Net)	(0.45)	(1.28)
Net loss on Foreign currency transactions *	27.24	(96.03)
Operating profit before working capital changes	664.68	495.68
Adjusted for :		
Trade and Other receivables	(466.64)	(15.25)
Inventories	(131.24)	(57.43)
Trade and Other Payables	329.92	(75.34)
Cash generated from operations	396.72	347.66
Direct taxes paid/ TDS deducted/Refund received	(25.31)	(20.99)
Cash generated before prior year adjustments	371.41	326.67
Prior year adjustments	(0.02)	(0.10)
Net cash from operating activities (A)	371.39	326.57
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of fixed assets	(1,002.06)	(796.29)
Sale of fixed assets	7.11	4.23
Purchases of Investments	(240.06)	(202.86)
Sale/Redemption of Investments	256.67	341.46
Movements in Loans and Advances (Net)	26.46	(87.07)
Dividend Income	1.09	1.82
Interest received	17.45	33.16
Fixed Deposits held for more than three months- placed	(192.03)	(183.87)
Fixed Deposits held for more than three months - matured	208.86	58.68
Net cash used in investing activities (B)	(916.51)	(830.74)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of share capital including Security Premium	3.67	2.23
Proceeds from long term loans	1,292.41	913.87
Repayment of long term loans	(393.10)	(601.36)
Short term Loans (Net)	158.01	546.79
Net loss on Foreign currency transactions	(12.18)	(43.29)
Finance Cost paid	(250.05)	(197.03)
Margin Money (Net)	(213.18)	11.50
Currency and Interest rate Swap Profit / (Loss)	29.00	(12.16)
Dividend paid (Including dividend distribution tax)	(68.00)	(66.67)
Net cash from financing activities (C)	546.58	553.88
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	1.46	49.71
CASH and CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	177.68	127.97
CASH and CASH EQUIVALENTS AT THE END OF THE YEAR	179.14	177.68

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

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 brackets indicates outflows

3 Non Cash transactions not considered above :-

- Short term Loan of ₹ 396.17 Crores to subsidiary company has been converted into Equity shares.

- Term Loan of ₹ 43.79 Crores (Previous Year ₹ 97.08 Crores) and Cumulative Redeemable Preference Shares of ₹ 21.96 Crores (Previous Year ₹ 61.78 Crores) have been funded by Bank of India in respect of derivative losses.

4 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 : 21st August, 2013

For & on behalf of the Board of Directors

RAKESH GOTHI
Managing Director

P. N. THAKORE
Director- Finance

UJJWALA APTE
Company Secretary



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.