

**ENHANCING  
TECHNOLOGY.**

**EMPOWERING  
PEOPLE.**

**ENABLING  
INNOVATION.**

**EXCELLENCE**

**JBM AUTO LIMITED**

15<sup>th</sup> Annual Report 2010-11



Excellence is the sum total of three very important facets: Technology, Innovation and People. It is only when these three work in tandem and in a holistic 360 degree way, excellence is accomplished. In this report, circles have been used to depict the seamless maneuver of Technology, Innovation and People. A rhythm which resonates across the organisation and helps the company deliver excellence unfailingly, unwaveringly. Today, always.

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# Corporate Information

## Board of Directors



Mr. Ashok Kumar Agarwal  
Director



Mr. S.K. Arya  
Chairman



Mr. M.K. Aggarwal  
Director



Mr. H.R. Saini  
Executive Director



Mr. Nishant Arya  
Director

### CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. N.K. Goel

### STATUTORY AUDITORS

Mehra Goel & Co., Chartered Accountants

### SHARE TRANSFER AGENT

MCS Limited

### BANKERS

Standard Chartered Bank  
IndusInd Bank Ltd.  
DBS Bank Ltd.  
Canara Bank  
ICICI Bank Ltd.  
Citi Bank N.A  
Yes Bank Ltd.  
Central Bank of India  
Kotak Mahindra Bank Ltd.  
Axis Bank Ltd.  
ING Vysya Ltd.  
Royal Bank of Scotland  
Bank of Baroda  
HDFC Bank Ltd.





**Precision,  
high dimensional  
accuracy, consistency,  
uniformity,  
technology-led,  
innovation-edge,  
people driven,  
customer-focused,  
flexibility  
high degree of  
customisation...**

Just some of the words that people often use to describe our manufacturing ability, our products and us.....

**WE ARE JBM AUTO LIMITED...**

an integral part of JBM Group; India's premium engineering conglomerate with 33 manufacturing sites across 14 locations in India, over 15,000 employees, servicing world renowned global majors across 4 continents. With a turnover of over 1 billion USD, JBM Group is globally recognised for setting new benchmarks in manufacturing automobile products and sub-systems, steel fabrication, construction and waste management through extensive use of innovation and technology.



# Chairman's Message



*Dear Shareholders,*

It gives me immense pleasure to present the Annual Report for JBM Auto for the fiscal year 2010-11. The year saw the automobile industry benefit from the recovery in overseas market and continuing growth in the domestic sales. The ongoing recovery during the year bygone across the US and Europe generated better demand in automobile component segment especially from OEMs/ tier-1 suppliers fuelling higher revenues. After two years of swift growth, the Indian automobile sector continued its steady growth phase.

## Year 2010-11

JBM Auto with this strong legacy of the JBM Group and its key foundation of strengths is a key beneficiary of the opportunities that open up in the automobiles sector. This is evident from the excellent results we have posted for the year 2010-11. The Company's total turnover for the year ended 31st March 2011 was ₹364 crore, representing a robust growth of nearly 53% while the Net Profit touched nearly ₹13 crore representing an increase of 57% over the previous fiscal. During the year, the Company added a new plant at Sanand mainly to cater to Nano launched by Tata Motors.

## Changing Scenario

As we move ahead, the world economy today presents a scenario of gloom. However, the growth of automobile sector is concentrated in BRIC countries viz. Brazil, Russia, India and China. These countries will continue to drive growth moving forward in the automobile sector.

The Indian economy with an expected growth rate of 8% represents a picture of stability as compared to global economic scenario.

Though unlike the scenario at the beginning of last fiscal, several macro headwinds persist and these will impact the growth momentum across the Indian automobile sector. Commodity prices, rising interest rates, liquidity crunch, increasing fuel prices all hamper demand sentiment. As we see it now, the road ahead is paved with challenges for the automobile industry. Rising interest rates have already started dampening buyer sentiments and we perceive it may derail the demand momentum of the passenger vehicles. A sharp surge in petrol and diesel prices has led to car sales slowing down. A slowdown in the India economy, tightening liquidity impacting the infrastructure sector, rising inflation are likely to slow down the commercial vehicle demand. Tightening liquidity is a key negative for commercial vehicles in FY12 since demand for trucks and liquidity in the banking system go hand in hand. However, tractor and two wheeler demand is expected to report robust growth on the back of strong rural income and government thrust on rural development in FY12.

While overall sales across the automobile industry have been impacted in the last quarter and the next financial year

“ The ongoing recovery during the year bygone across the US and Europe generated better demand in automobile component segment especially from OEMs/ tier-1 suppliers fuelling higher revenues.”

will pose challenges across the industry, your company has done better than the industry in the first quarter of the fiscal year 2011-12.

As mentioned earlier, despite the current scenario of gloom across the developed nations, the long term growth prospectus driven by the emerging countries remain positive. We hope to achieve higher scale and size in the coming years due to our core strengths.

### Legacy of Strength

Moving ahead, even in the challenging scenario, we are confident that the robust foundation of strengths will play an important in shaping the future of the Company.

JBM Auto has a strong in-house engineering and manufacturing capabilities and is well poised to meet the fast changing requirements of customers. JBM Auto has invested in world class vertically integrated infrastructure and boasts of one of the best tool rooms of the country.

The Company's plant with sophisticated machinery & equipment and press shops manufactures various components for cars, tractors and trucks. JBM Auto is proud to have serviced reputed industry majors including Tata, Mahindra and Mahindra, Ashok Leyland, Eicher, Honda, Daimler, Nissan, Fiat, LG, Onida to name just a few.

People are JBM Auto's biggest assets and we place the people functioning and planning at premium strategic level. People are the roots of our success and the Company derives its edge from this critical pool of talented professionals. People will continue to play an important role in future.

At JBM Auto, we believe in change and in doing things innovatively. We are confident that with the strategic focus on Innovation, Technology and People, we are well-poised to achieve the next phase of growth in the long term while confidently meeting the demands of the challenges in the short term and medium term. We remain committed to our core values which will continue to guide us in the future.

On this positive note of confidence, I place on record my sincere gratitude to all stakeholders for their trust and the confidence reposed. I would like to thank all employees for their commitment and passion in sharing our vision and playing an important role in the growth of the Company. Together, just as we have build a company we are so proud of, we have a long way to go and I seek your continued support.

**S.K. ARYA**  
CHAIRMAN



# Company Snapshot

JBM Auto is engaged in the manufacture of sheet metal components, assemblies, sub-assemblies, tools, dies and moulds. The Company's manufacturing facilities and tool rooms are strategically located in close proximity of leading automobile hubs of India at Faridabad, Greater Noida, Nashik, Chennai, Sanand and Pune. The Company products are widely used in two-wheelers, three-wheelers, cars, tractors and trucks, White Goods industries and other sectors in India and overseas.

The Company operates through three main divisions namely Sheet Metal Division, Tool Room Division and Special Purpose Vehicle (SPV).

## JBM Auto Limited

# 1

### Sheet Metal Division

(Manufacturing sheet metal components, assemblies, sub-assemblies)

JBM Auto's Sheet Metal Division manufactures metal components, assemblies and sub-assemblies. BIW parts and assemblies constitute all the major sheet metal parts contained by the outer body of the vehicle. These parts are joined together to form sub assemblies, which are then combined to provide various section of the vehicle including structural and load bearing areas. The Division also manufactures Skin Panels which defines the exterior surface for a vehicle - these are the most vital parts of the vehicle as they provide the total visual impact, aesthetics and shape to the vehicle.





## 2 Tool Room Division

(Manufacturing tools, dies and moulds)

Tool-making requires extensive collaboration with the customer, due to the high degree of production customization and to match this requirement the Company's Tool Rooms are continuously upgraded to interface with the latest industry-grade software and technology.

## 3 Comprehensive Product Range

Some of the Company's key products manufactured include: door panel, back panel, floor panels, dash panel, wind shield, door inners, tail gate inner, cover plate longitudinal, rare floor upper, rear bumper, bonnet, tipper, draw (Upper), tunnel assembly, drum assembly, lower assembly, lower arm assembly, panel RR inner, cross car beam, pillar B inner, roof, axle, etc.

## Our Vision

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

## Our Core Values

Simplicity, teamwork, trust amongst people, customer focus and meeting commitment form the preamble of JBM Goup's and JBM Auto's constitution

- Simplicity lies in our flexible approach, openness to new learning and effective communication for capacity building and personal dynamism.
- Team work with Well-Defined Responsibilities, Authorities and Accountability.
- The Trust amongst people bond, binding the people in JBM Family, is the nerve center that governs the growth and the development of the group.
- Customer focus to the optimum level is the focused area of our policy planning that continuously drives us to venture in innovative and latest designs and management practices.
- Meeting Commitments to give best in every field is the buzz word of the group and characteristics of every functionary.