



COMMITTED TO EXCELLENCE

JBM AUTO LIMITED

16th Annual Report 2011-12

Contents

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. With focus on Technology, Innovation and People across the organisation, the company is committed to Excellence.



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Corporate Information

Board of Directors



Mr. S.K. Arya
Chairman



Mr. Ashok Kumar Agarwal
Director



Mr. M.K. Aggarwal
Director



Mr. Nishant Arya
Director



Mr. H.R. Saini
Executive Director

Chief Financial Officer & Company Secretary

Mr. N.K. Goel

Statutory Auditors

Mehra Goel & Co., Chartered Accountants

Share Transfer Agent

MCS Limited

BANKERS

Axis Bank Ltd.

Canara Bank

Central Bank of India

Citi Bank N.A

DBS Bank Ltd.

ICICI Bank Ltd.

IndusInd Bank Ltd.

ING Vysya Ltd.

Kotak Mahindra Bank Ltd.

Standard Chartered Bank

Yes 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 diversified conglomerate with 33 manufacturing plants, 5 Engineering & Design Centres across 19 locations worldwide, 16,000 employees, servicing world renowned global automotive majors. With a turnover of 1.2 billion USD, JBM Group is globally recognised for setting new benchmarks in manufacturing automobile products and sub –systems, steel fabrication, construction, engineering and design through extensive use of innovation and technology.



Chairman's Message

Dear Shareholders,

Our remarkable journey to the forefront of automotive business is achieved out of a vision to be rated alongside the best in the world. As our journey steams ahead, we are expanding our vision to conquer new horizons.

We at JBM Auto, strive to be distinct in our efforts to provide automotive solutions that are innovative and best. We will continue to stay to our values and mission – a company focussed on becoming the world's best integrated automotive enterprise driven by the quality of our products and passion of our human capital. Our entire value system revolves around Technology, Innovation and People. These values cement our services based on commitment to excel by continuously improving the value proposition.

At JBM Auto, we have the integrated capacity base in place by the support of growing customer

relationships. We are going to leverage both these to gain the market share and to continue with our growing path. We remain cautiously optimistic on delivering results with a strong focus on delivering improved returns on capital employed.

The last financial year 2011-2012, has been an extremely challenging year with effects of some uncontingencies such as Tsunami and earthquake in Japan, floods in Thailand, increase in borrowing rates, slowdown of the Indian economy, devaluation of the Indian rupee, fiscal deficit, inflation and the list continues. All these factors had an adverse impact on automotive sector.

The global economies in 2011-12, witnessed slowdown. Euro zone has worst affected. The world economy is posing a serious risk to the European banking system, the viability of Euro and European integration process. Continuing

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towards transforming
ourselves into a company that
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consistently.”

problems in the Euro zone will further dampen global markets thus adversely impacting India's economy. US economy though impacted has started showing signs of mild recovery. China and Indian economies which are driving the global economy for some time are also showing the signals of slowdown.

Surely, the prevailing economic environment has had an impact on automotive industry. We believe these challenges are short-term as automotive industry has good prospects. As per the Report of Working Group on Automotive Sector for the 12th Five Year Plan (2012-2017), the automotive industry would continue to grow substantially in times to come.

However, for the financial year 2012-13, lower growth is forecasted due to weak macro-economic conditions. The cost of owning a vehicle has gone up in recent months and there is pressure due to high fuel prices and interest rates.

Having said so, we strongly believe that economic cycles will always exist and our long-term vision will rely on identifying and delivering in pockets of opportunity that are always there in the worst of economic conditions.

The ability to deliver even in difficult times is attributable to JBM Auto's strategic positioning as an integrated business catering to different geographies. We will internally reinforce strategies to bring down our cost that carry the stamp of our cutting edge innovation.

The ambition and vision which focuses on continuous delivery at the highest standards is only possible with the right quality of people. Effective HR practices play a critical role; we seek to continuously promote a culture of training, people development and meritocracy to ensure the maximum human capital efficiency. Systematic efforts are made to ensure that appropriate level of balance is maintained at both the levels.

Over the past few years, we have successfully created an enterprise of global standards in terms of technology, innovative and people. We will continue our march towards transforming ourselves into a company that will stand for inclusive growth and reward stakeholders consistently.

I would like to convey my thanks to each and everyone associated with JBM Auto Ltd. I would like to express my gratitude to all shareholders for their unflinching support and reposing faith in us. We will remain committed towards enhancing our shareholders' value. I would also like to appreciate the unconditional support, tremendous efforts and enthusiasm of our employees who have always been there with us.

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, 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).



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 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 manufacturers 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 customisation 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 panels, wind shield, door inners, tail gate inner, cover plate longitudinal, rare floor upper, rear bumper, bonnet, tipper, draw (upper), tunnel assembly, drum 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 from the preamble of JBM Group'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.