



25th
Anniversary

COMMITTED TO
EXCELLENCE

Technology | Innovation | People

Jay Bharat Maruti Limited
Annual Report 2011-12

Forward-looking statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

IN A NUTSHELL

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JAY BHARAT MARUTI LIMITED'S (JBML) PURSUIT OF EXCELLENCE IS DRIVEN BY A TREMENDOUS SURGE OF ENERGY, PROPELLING THE ORGANISATION TOWARDS NEW ORBITS OF GROWTH.

JBML is strengthening its position by innovation, adoption of new technologies and nurturing of talent. The embedded spirit of one for all and all for one makes it an employee-friendly organisation. As JBML celebrates its 25th year of existence, it pledges to maintain and fortify its position in the sphere of auto components, with a focused strategy of flexibility and quick adaptability in line with evolving realities.



CHAIRMAN'S MESSAGE



Dear Shareholders,

The year 2011-12 has been a memorable one for Jay Bharat Maruti Limited (JBML), since the Company entered 25th year of its operations. From a modest beginning in 1987, JBML has grown into a multi-product, multi location organisation with a turnover of more than ₹ 1,000 crores.

We are driven by our commitment and a passion for innovative thinking, embracing new technologies, nurturing talent and helping our customers to get where they want to be, quickly and cost-efficiently.

Like any individual turning 25, we feel young, energetic and motivated to reach new heights. We are keen on breaking barriers, pushing against the 'no one can do' attitude, enthused and energised by the opportunities around us. We are driven by our commitment and a passion for innovative thinking, embracing new technologies, nurturing talent and helping our customers to get where they want to be, quickly and cost-efficiently.

In the years gone by, our focal point was to leverage our strengths of in-house engineering and manufacturing prowess. Over the years, our business priorities have evolved. Our policies and strategies may have changed, however what has remained constant are our values and principles of serving the customer at the right time, right place with the right products and at right price.

We took various IT and HR initiatives to enhance the monitoring and evaluation of day to day organisational activities. Our prime focus has always been on training and nurturing our employees, identify safety measures and took initiatives to enhance customer and vendor services. The outcome has been extremely positive and encouraging.

At JBML, we are committed to leverage this optimism to reach new heights of excellence. Our performance was adversely impacted owing to the disruption of activity at the Manesar plant of Maruti Suzuki India Limited (MSIL), our joint venture partner. This affected the operations of JBML for two consecutive quarters of



Twenty five years is not just an occasion for celebration, but deep introspection, as to how we can take the organisation forward with the whole-hearted support of our workforce and unstinted cooperation from our Joint Venture Partner, Maruti Suzuki India Limited, and all our esteemed shareholders.

2011-12. However, this is a temporary challenge as our business model continues to be robust and resilient to intermittent shocks.

The global economy witnessed sluggish growth after facing a series of setbacks in 2011-12. It was a volatile year, marked by uprisings in the Middle East and North Africa (MENA), Tsunami in Japan and the reigning sovereign crisis in the Euro zone. Against this somber backdrop of the global economy, the Indian economy too had to undergo a tough phase due to adverse factors such as high interest rates, high inflation, infrastructure constraints, liquidity crunch, rupee depreciation and political instability among others. India's economic growth has declined to 6.5%, although it is still higher than many other countries of the world.

The world has completely changed compared to its era in 1987. Information, Technology and Business Process have often taken the lead in applying them to manufacturing environments. When technology has been applied to processes, it is usually to automate and/or speed up inquiry to every aspect of the job and it's surroundings in which it is performed. Due to these unprecedented changes, we have always ensured that JBML is flexible enough to adapt to the changing times and grow, year after year.

However on a positive note, the consumption growth is expected to increase at a considerable rate owing to urbanisation and high disposable per capita income. As per the study by Rothschild

India, investments in the auto sector are likely to grow three times augmenting the production capacity from 4.8 mn units in 2010 to 12 mn units by 2018.

At JBML, we would continue to concentrate on strengthening our core competencies by laying emphasis on technological up-gradation, advancement in innovation and people empowerment. Our aim is to acquire technical competence, understand the evolving needs of the customers and deliver in a timely manner. Twenty five years is not just an occasion for celebration, but deep introspection, as to how we can take the organisation forward with the whole-hearted support of our workforce and unstinted cooperation from our Joint Venture Partner, Maruti Suzuki India Limited, and all our esteemed shareholders.

I am confident that JBML's future progress will continue to enjoy the enthusiastic participation of all stakeholders.

Sincerely

S.K. Arya

Chairman & Managing Director

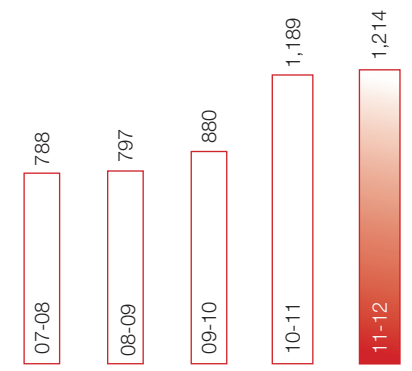
SCORECARD

FINANCIAL PERFORMANCE

The last 25 years have been quite a journey... one that's seen JBML grow from a small organisation to one of the fastest growing Indian auto component manufacturing Company.

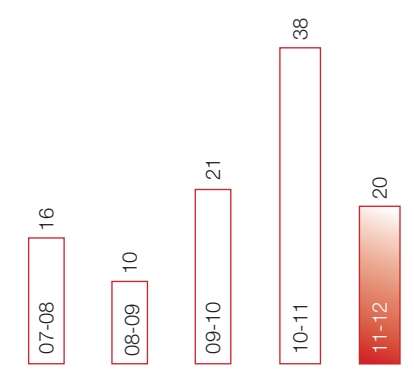
Gross Sales

(₹ in crores)



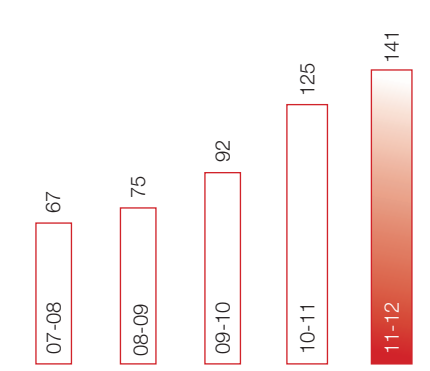
PAT

(₹ in crores)



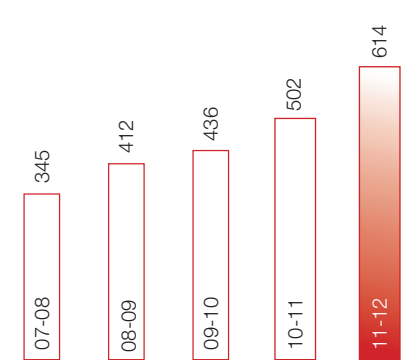
Net Worth

(₹ in crores)



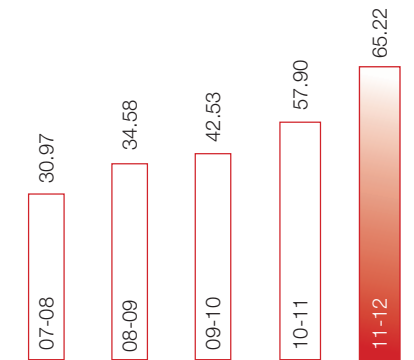
Gross Block

(₹ in crores)



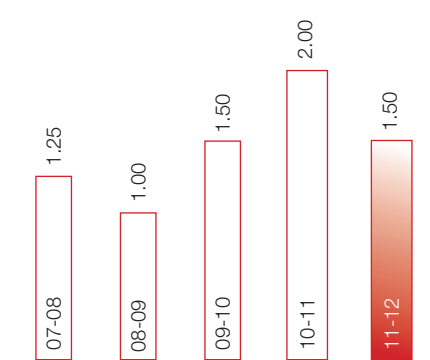
Book value per share

(₹)



Dividend per share

(₹)



5 YEARS FINANCIAL HIGHLIGHTS

₹ in crores

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
Gross Sales	787.80	796.76	879.62	1,189.09	1,213.84
Net Sales	657.04	691.73	803.21	1,060.55	1,068.31
Other Income	3.97	2.86	2.31	5.57	2.23
Total Income (Net)	661.01	694.59	805.52	1,066.12	1,070.54
EBIDTA	53.59	60.25	83.17	106.07	88.45
Financial Charges	8.14	9.65	12.27	14.34	21.51
Depreciation - Fixed Assets	20.26	34.36	38.08	35.09	38.02
Profit Before Tax	25.20	16.24	32.82	56.64	28.92
Tax	9.37	5.88	11.81	18.34	9.29
Profit After Tax	15.83	10.36	21.01	38.30	19.63
Share Capital	10.83	10.83	10.83	10.83	10.83
Reserve & Surplus	56.22	64.05	81.26	114.53	130.39
Net Worth	67.05	74.87	92.08	125.36	141.21
Inventory/Net Turnover (Times)	34.88	25.61	25.02	20.14	14.15

KEY INDICATORS

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
EBIDTA/Net Sales (%)	8.15	8.71	10.35	10.00	8.28
PBT/Net Sales (%)	3.84	2.35	4.08	5.34	2.71
PAT/Net Sales (%)	2.41	1.50	2.61	3.61	1.84
RONW (PAT/Net Worth) (%)	23.61	13.84	22.82	30.55	13.90
Earning Per Share (₹)	7.31	4.79	9.70	17.69	9.07
Cash Earning Per Share (₹)	16.67	20.66	27.29	33.90	26.63
Dividend Per Share (₹)	1.25	1.00	1.50	2.00	1.50
Book Value per Share (₹)	30.97	34.58	42.53	57.90	65.22
Price/Earning Ratio (Times)	7.63	4.80	7.14	4.48	4.97
Market price of share as on 31 st March'12 (₹)	55.80	23.00	69.26	79.25	45.10
Market Capitalisation (₹ in crores)	121	50	150	172	98
Dividend (₹ in crores)	2.71	2.17	3.25	4.33	3.25
Corporate Dividend Tax (₹ in crores)	0.46	0.37	0.55	0.70	0.53
"Dividend Payout Ratio(%)" (including Dividend Distribution Tax)"	20.00	24.45	18.08	13.14	19.23

OUR IDENTITY

₹ 1000+ crore

Turnover

632

Components/assemblies produced

3

State-of-the-art manufacturing facilities in NCR

1, 28,000
per day

Total supply of parts

3,600

Employee strength

TS-16949:2009,
ISO 14001:2004,
OHSAS

18001:2007

System quality certifications

25 YEARS OF EXCELLENCE

Over the last 25 years, our entrepreneurial spirit, innovative technologies and passionate people have been a constant force driving us forward. We have certainly adapted and transformed over the years, and will continue to do so for years to come. Keeping in-step with what our customers need, and delivering beyond their expectations is what makes us special.

Each step of our journey has set benchmarks in achieving brilliance in the realm of technology and innovation. This has enabled the Company touch the glory of success and reach higher growth orbits.

MILESTONES

1987

Incorporation of JBML

1989

Commenced commercial production in Plant 1

1995

Successful commissioning of Plant-2

1998

Bestowed with QS-9000, ACMA quality trophy

1997

Initiated manufacturing Fenders, Felicitated with productivity improvement award from National Productivity Council

1996

Initiated manufacturing of exhaust system for M-800 and Omni

1999

Baan IV Software System, Exhaust system for Alto and Wagon-R

2000

Manufactured M-800 Car under Bodies

2001

Catered to the Versa line

2006

Commissioning of Plant-3

2005

SWIFT/Dzire line installation, Axle Line -Swift and CED Painting

2003

Commenced manufacturing of fuel neck filler and electroplating, Axle Line - 800CC and Alto

2007

Manufacturing of Axle Line- SX4

2008

Axle and Body in White (BIW) for A-Star Line

2009

New location of Plant 3 at Manesar(J3), RITZ Line (Axle & BIW), ESTILO Minor Line, New Wagon R (Axle & BIW), EECO

2012

Ertiga (Axle & BIW)

2011

New Swift (Axle & BIW), Initiated Spares Business

2010

Expanded capacity of Manesar plant, New Wagon R Robotic Axle Line, Alto K-10 Weld Line, 1200 T Press Line, SAP-ERP goes live and Estilo / Alto / Alto K-10 Line

BOARD OF DIRECTORS



Mr. S.K. Arya
Chairman and Managing Director



Mr. U.C. Aggarwal
Director



Mr. D.P. Agarwal
Director



Mr. R. Dayal
Director



Mr. Achintya Karati
Director



Mr. Nishant Arya
Director