

18TH ANNUAL REPORT
2014

Mr. Vilas Lande
Chairman Emeritus

BOARD OF DIRECTORS

Mr. Prakash B. Nimbalkar	:	Non-Executive Chairman (Independent)
Mr. Shivaji T. Akhade	:	Managing Director
Mr. M. Radhakrishnan	:	Non- Executive Director (Managing Director and Chief Executive Officer till May 31, 2014)
Mr. Sudhir V. Mungase	:	Whole Time Director
Mr. Umesh N. Chavan	:	Executive Director and Chief Executive Officer (w.e.f. June 25 , 2014)
CA. Vijay K. Thanawala	:	Independent & Non – Executive Director
Mr. Amit K. Goela	:	Non – Executive Director
CA. Ravi E. Ketkar	:	Chief Financial Officer
Mr. Ashutosh B. Kulkarni	:	Company Secretary

AUDITORS	INTERNAL AUDITORS	COST AUDITORS
M/s. K.V.M.D.S. & Associates Chartered Accountants, Pune	M/s. C.M.R.S. & Associates Chartered Accountants, Pune	Mr. Sudhir G. Jog Cost Accountants, Pune

REGISTERED OFFICE

S. Nos. 313, 314, 320 to 323 Nanekarwadi,
Chakan, Taluka- Khed, District- Pune 410501
Tel: +91-2135-664865/6, Fax: +91-2135-664864/53
CIN- L34300PN1996PLC104510

BANKERS

1. Bank of Baroda
2. The Catholic Syrian Bank Ltd.
3. Axis Bank Ltd
4. NKGSB Co-op Bank Ltd.
5. Vidya Sahakari Bank Ltd.
6. Tata Capital Financial Services Limited

FACTORY/ UNITS

1) T-135, MIDC, Bhosari, Pune – 411 026.

2) S. Nos. 291 to 295, Nanekarwadi, Chakan, Taluka -Khed, Dist-Pune- 410 501.

3) S. Nos. 313, 314,320 to 323, Nanekarwadi, Chakan, Taluka -Khed, Dist - Pune – 410 501.

4) S. No. 613, Mahalunge, Chakan, Taluka- Khed, Dist - Pune- 410 501.

5) F-II, 24/25 MIDC, Pimpri, Pune- 411 018.

6) E-12-17 (7) & (8), MIDC, Bhosari, Pune – 411 026.

7) Plot Nos. 5, 6, and 8 Sector 11,II E, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand – 263 153.

8) Plot Nos. 180-D and 186A, Belur Industrial Area Growth Centre, Industrial Area Garag, Opp. High Court, Dharwad, 580011, Karnataka.

FOREIGN UNITS

1) Autoline Industries USA, Inc.– 100, Commerce Street, Butler, IN. 46721 USA

2) Autoline Stampings Limited – 431 – 809 779, Gwanyang-dong, Dong-an-gu Anyang-si, Gysonggi-do, South Korea

3) Koderat Investments Limited – Griva Digeni 115, Trident Centre, 3101, Limassol, Cyprus

4) SZ Design, Srl & Zagato, Srl - Via Arese, 30 – 20017, Terrazzano di Rho (MI) – Italy.

Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd.
Block 202, 2nd Floor, Akshay Complex, Off
Dhole Patil Road, Near Ganesh Mandir,
Pune- 411001,
Phone: (020) - 26161629, 26160084
Fax: 020 26163503
Email address: pune@linkintime.co.in
Web: www.linkintime.co.in

18TH ANNUAL GENERAL MEETING

Date : Thursday, July 31, 2014.

Time : 2.30 p.m.

Venue : S. Nos. 291 to 295, Nanekarwadi, Chakan, Taluka -Khed, Dist-Pune- 410 501

KEY MANAGEMENT TEAM

Mr. Digambar C. Pargaonkar	-	Chief Operating Officer (Operations)
Mr. G. V. Rangaraju	-	Vice President, Tool Room
Mr. Satyanarayan Avindala	-	GM- Maintenance (till April 16, 2014)
Mr. Dattatraya Kute	-	GM- New Product Development and Plant Head, Uttarakhand
Mr. Rajendra Dhas	-	Plant Head- Chakan I
Mr. Vijendra Bagade	-	DGM- Q.A. (Corporate)
Mr. Faiyaz Kashi	-	DGM- Development & Marketing and Plant Head- Bhosari II
Mr. Santosh Kasture	-	Plant Head- Pimpri
Mr. Sanjeev Devadkar	-	AGM- Raw Material (Corporate)
Mr. Yogesh Ghodekar	-	Plant Head- Chakan II
Mr. Manoj Bhaiswar	-	Plant Head- Bhosari I
Mr. Ganesh Avhad	-	Plant Head- Mahalunge
Mr. Satish Satpute	-	AGM - Material Pricing (Corporate)
Mr. Sanjay Chalke	-	AGM- Excise (Corporate)
Mr. Rahul Chorghe	-	AGM - HR and Admin (Corporate)
Mr. Basil Levi	-	Deputy Plant Head.

AUTOLINE INDUSTRIES USA, INC

Mr. Srinath Bramadesam	-	President
Ms. Rachel Shupe	-	Chief Financial Officer

FINANCIAL HIGHLIGHTS OF LAST FIVE YEARS (CONSOLIDATED)

(₹ In Millions except share data)

PARTICULARS	2013-14	2012-13	2011-12	2010-11	2009-10
OPERATING RESULTS					
Sales and Other Income	6798.95	8052.44	7506.74	6660.73	4509.07
Profit Before Depreciation, Interest & Tax	247.26	624.64	788.31	726.12	545.01
Less: Depreciation	246.70	230.75	210.52	186.64	168.28
Finance cost	338.72	374.84	311.61	185.47	110.08
Profit before Tax (PBT)	(274.44)	87.56	470.04	354.01	266.66
Profit after Tax (PAT)	(399.61)	106,71	394.89	282.06	216.97
Retained Earnings	636.27	1041.98	947.26	754.63	544.93
APPLICATION OF FUNDS					
Net Fixed Assets	2956.75	3098.83	3014.70	3587.33	3129.90
Investments	317.87	664.23	655.39	247.33	243.86
Net Working Capital	2314.90	1811.07	1829.70	1407.42	1142.76
Total	**5589.52**	**5574.13**	**5499.79**	**5242.08**	**4516.52**
SOURCES OF FUNDS					
Share Capital	122.85	122.49	122.05	147.05	122.05
Reserves	2153.44	2524.44	2481.87	2338.08	2146.18
Minority Interest	162.01	374.88	377.28	431.41	387.33
Capital Reserve on Consolidation	538.16	140.26	67.36	-	-
Total Shareholder's Fund	**2976.46**	**3162.07**	**3048.56**	**2916.54**	**2655.56**
Borrowings	2679.06	2460.98	2454.54	2275.69	1812.17
Deferred Tax Adjustments	124.46	125.36	115.82	88.44	76.07
Total	5779.98	5748.41	5618.92	5280.67	4543.80
OTHERS					
Face Value of Share	10	10	10	10	10
Number of Issued Shares	12285246	12249465	12204969	12204969	12204969
Earnings Per Share (EPS)	(31.52)	9.81	33.41	22.40	16.88
Dividend (%)	-	10%	40%	30%	20%

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NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of Autoline Industries Limited will be held on **Thursday, July 31, 2014** at **02.30 p.m**. at Survey Nos. 291 to 295, Nanekarwadi, Chakan, Tal. Khed, Dist. Pune 410501, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:
   (a) The audited financial statements of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon; and
   (b) The audited consolidated financial statements of the Company for the financial year ended March 31, 2014.
2. To appoint a Director in place of Mr. M. Radhakrishnan (DIN: 00006752), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. To appoint Auditors in place of retiring Auditors M/s. KVMDS & Associates, Chartered Accountants, Pune (Registration No. 121347W), to hold office from the conclusion of this Annual General Meeting until the conclusion of the twenty third Annual General Meeting and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 139, 140 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendation of the Audit Committee of the Board of Directors, M/s. A.R. Sulakhe & Co. Chartered Accountants (Registration No. 110540), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting to the conclusion of the twenty third Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. To appoint Mr. Prakash B. Nimbalkar (DIN: 00109947) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement (as amended from time to time), Mr. Prakash B. Nimbalkar (DIN: 00109947), who was appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from him signifying his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of twenty third Annual General Meeting of the Company in the calendar year 2019."
5. To appoint CA Vijay K. Thanawala (DIN: 00001974) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement (as amended from time to time), CA Vijay K. Thanawala (DIN: 00001974), who was appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from him signifying his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of twenty third Annual General Meeting of the Company in the calendar year 2019."
6. To appoint Mr. Umesh N Chavan (DIN: 06908966) as a Director liable to retire by rotation and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 149 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Company, Mr. Umesh N Chavan (DIN: 06908966) who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 25, 2014 and who holds office until the date of Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from him signifying his candidature for the office of Director, be and is hereby appointed as a Director of the Company who shall be liable to retire by rotation."
7. To appoint Mr. Umesh N Chavan (DIN: 06908966), Director and Chief Executive Officer as an Executive Director and Chief Executive Officer and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and

subject to the requisite approval of the Central Government, consent of the Members of the Company be and is hereby accorded to the appointment of Mr. Umesh N. Chavan (DIN: 06908966) , as an Executive Director and Chief Executive Officer of the Company, for a period of 5 (five) years with effect from June 25, 2014, on the terms and conditions as set out in the Statement annexed to this Notice convening this Meeting and in the agreement to be entered into between the Company and Mr. Umesh N. Chavan, a draft whereof is placed before this meeting and is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Umesh N. Chavan, subject to the same not exceeding the limits specified in Section 197 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT consent of the Members be and is hereby given for payment of remuneration as follows to Mr. Umesh N. Chavan, Executive Director and Chief Executive Officer for the period starting from June 25, 2014 to June 24, 2017 within the limits specified in Section 197 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

1. Salary and Bonus: ₹. 60 Lacs per annum
2. Performance / Variable payout: Payable at such intervals, as may be decided by the Board of Directors.
   a) 1% of net profit on new business developed (net sales excluding any taxes, levies and duties) every twelve months from the date of joining. For the purpose this clause, new business developed every twelve months shall mean business received for the new finished products or received from new customers every twelve months as compared to the previous twelve months on standalone basis.
   b) 10% on cost reduction achieved in material and Direct manufacturing costs every financial year as compared to previous financial years– as may be decided by the Board of Directors on standalone basis.
3. Perquisites and allowances:
   a) Mediclaim policy : For self and dependents as per the rules of the Company.
   b) Personal accident insurance : As per the rules of the Company.
   c) Directors & Officers Liability Insurance - As per the rules of the Company.
   d) Insurance - Overseas Travelling insurance- As per the rules of the Company.
   e) Leave travel concession/ allowance: For self and family as decided by the Board of Directors from time to time.
   f) Company car and telephone : Use of the Company's car, chauffeur and telephone for performing official duties as per the rules of the Company.
4. Other benefits :
   a) Earned / privilege leave: As per the rules of the Company.
   b) Company's contribution to Provident Fund and Superannuation fund: As per the rules of the Company.
   c) Gratuity : As per the rules of the Company.
   d) Encashment of leave : As per the rules of the Company.

RESOLVED FURTHER THAT, notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2014, during the tenure of Mr. Umesh N. Chavan, as an Executive Director and Chief Executive Officer of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Umesh N. Chavan, the above remuneration by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 6 Lacs (Rupees Six Lakhs only) plus applicable taxes thereon and the reimbursement of out of pocket expenses at actual basis to be paid to Mr. Sudhir G. Jog, (Membership No. 5599), Cost Auditors for the conduct of the cost audit of the Company for the financial year ending March 31, 2015, as recommended by the Board of Directors, be and is hereby ratified."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To authorise the Board of Directors pursuant to provisions of Section 180(1)(c) of the Act for borrowing money including deposits upto ₹ 500 Crores over and above the aggregate of paid up share capital and free reserves of the Company and in this regard to consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

   "RESOLVED THAT in supersession of the Ordinary Resolution adopted at 12th Annual General Meeting held on September 27, 2008 and pursuant to Section 180(1) (c), Section 73, Section 76 read with Companies (Acceptance of Deposits) Rules, 2014 ("the Deposit Rules) and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any other statutory modification(s) or reenactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute/ has constituted for this purpose) to borrow any sum or sums of money (including deposits within the meaning of Section 2 (31) of the Act, read with Rule 2 (c) of Deposit Rules and the non-fund based facilities) from time to time for the purpose of business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate in excess of the aggregate of the paid up share capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose notwithstanding that the monies borrowed by the Company together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers/ Financial Institutions in the ordinary course of business), provided that the total amount borrowed and outstanding at any point of time apart from temporary loans obtained/ to be obtained from the Company's bankers in the Ordinary course of business, shall not be in excess of ₹. 500 Crores (Rupees Five Hundred Crores) over and above the aggregate of the paid up share capital of the Company and its free reserves, and that the Board be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of borrowing(s) aforesaid, and further to do all such acts, deeds and things and to execute all such documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

By Order of the Board of Directors
For Autoline Industries Limited
(Ashutosh Kulkarni)
Company Secretary and Compliance Officer

June 25, 2014

Registered Office: S. No. 313, 314, 320 to 323 Nanekarwadi,
Chakan, Taluka- Khed, District-Pune 410501
CIN: L34300PN1996PLC104510 e-mail: investorservices@autolineind.com

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, July 26, 2014 to Thursday, July 31, 2014. (both days inclusive).
5. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company.
10. Copies of the Annual Report 2014 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode.
11. The Notice of the 18th Annual General Meeting and instructions for e-voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
12. Members may also note that the Notice of the 18th Annual General Meeting and the Annual Report 2014 will be available on the Company's website- www.autolineind.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: pune@linkintime.co.in / investorservices@autolineind.com.
13. Members are requested to send all their documents and communications pertaining to shares to Link Intime India Pvt. Ltd., Share Transfer Agent of the Company at their address at Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune 411 001, Telephone No (020) – 26161629, 26160084, Fax No (020) – 26163503 for both physical and demat segment of Equity Shares. Please quote on all such correspondence – "Unit Autoline Industries Limited" for Shareholders queries – Telephone No (020) 26160084 Email ID – pune@linkintime.co.in.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Link Intime India Pvt. Ltd. R & T Agents / to the Company.
15. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website - www.autolineind.com under the section 'Investor Relations'.
16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Company, for consolidation into a single folio.
17. Non-Resident Indian Members are requested to inform Link Intime India Pvt. Ltd., R & T Agents, immediately of:
    a) Change in their residential status on return to India for permanent settlement.
    b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

18. Transfer to Investor Education and Protection Fund (the IEPF) :

The dividends and other amounts which remain unclaimed/ un-cashed over a period of 7 years have to be transferred by the Company to Investor Education & Protection Fund, constituted by the Central Government under Section 205(A) and 205(C) of the Companies Act, 1956 and / or Section 124 of the Companies Act, 2013. Pursuant to the provisions of Section 205A (5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed interim dividend for the financial year 2006-07, to the IEPF established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 26, 2013 (date of last Annual General Meeting) on the website of the Company (www.autolineind.com), as also on the website of the Ministry of Corporate Affairs.

The details of dividend paid by the Company and their respective due dates of the proposed transfer to such Fund of the Central Government if they remain un-cashed are as under:

Date of declaration of dividend	Date of dividend warrant	Dividend for the year	Dividend Per share ₹.	Due date of the proposed transfer to the Central Government
01.09.2007	13.09.2007	2006-07	2.00	30/08/2014
27.09.2008	13.10.2008	2007-08	5.00	26.09.2015
25.09.2009	05.10.2009	2008-09	1.00	24.09.2016
24.09.2010	05.10.2010	2009-10	2.00	23.09.2017

30.12.2011	12.01.2012	2010-11	3.00	29.12.2018
27.09.2012	08.10.2012	2011-12	4.00	26.09.2019
26.09.2013	30.09.2013	2012-13	1.00	25.09.2020

It may please be noted that no claim will lie from a member once the transfer is made to the credit of Investor Education and Protection Fund of the Central Government, under the provisions of Section 124 of the Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014.

In view of the above regulation, the Shareholders are advised to send the un-cashed dividend warrants to the Registered Office of the Company for revalidation and en-cash them before the due date for transfer to the Central Government.

19. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

20. Voting through electronic means:

The Companies Act 2013 has prescribed the provisions of voting through electronic means. In Compliance with provisions of Section 108 of the Companies Act, 2013 and rules thereof, the Company is pleased to provide Members, facility of electronic voting system to exercise their right to vote on business to be transacted at the 18th Annual General Meeting (AGM) of the Company by electronic means through National Securities Depository Limited (NSDL).

Members are requested to follow the instructions below to cast their vote through e-voting:

a) User ID and Password for e-voting is provided in the Attendance Slip. Please note that the password is an initial password.

b) Login on to the website: www.evoting.nsdl.com

c) Click on 'Shareholder – Login'

d) Put user ID and Password noted in step (a) above as initial password and login.

e) If you are logging in for first time, Password Change menu appears. Change the password with new password of your choice with minimum 8 digits / characters or combination thereof. Please note the new password for all the future e-voting cycles. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

f) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.

g) Select "EVEN" (E Voting Event Number) of Autoline Industries Limited.

h) Now you are ready for e-voting as "Cast Vote" page opens.

i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

j) Upon confirmation, the message "Vote cast successfully" will be displayed.

k) Once you have voted on the resolution, you will not be allowed to modify your vote.

l) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies), who are authorized to vote, to the Scrutinizer through e-mail to sunilnanalscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in

General Instructions for e-voting:

- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- If you are already registered with NSDL for e-voting, then you can use your existing User ID and password for casting your vote.
- You can also update your mobile number and e-mail ID in the user profile details of the Folio, which may be used for sending future communication(s).
- The e-voting period commences on Wednesday, July 23, 2014 (9.00 A.M. IST) and ends on Friday, July 25, 2014 (6.00 P.M. IST). During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of June 20, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently.
- The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date i.e. June 20, 2014.
- Mr. Sunil G. Nanal (FCS No.5977), Partner M/s. KANJ and Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.autolineind.com and on the website of NSDL www.nsdl.co.in within two days of passing of the resolutions at the 18th AGM of the Company and communicated to the NSE Limited and BSE Limited.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item Nos. 4 and 5

Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala are Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a Listed Company. It is proposed to appoint Mr. Prakash B. Nimbalkar and CA. Vijay Thanawala as an Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 23rd Annual General Meeting of the Company in the calendar year 2019.

Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from the appointee along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala for the office of Directors of the Company.

The Company has also received declarations from Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Mr. Prakash B. Nimbalkar and CA Vijay K. Thanawala are independent of the management.

Brief resume of Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala as an Independent Directors setting out the terms and conditions are available for inspection by Members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala are interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice with regard to their respective appointments.

The relatives of Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala may be deemed to be interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Special Resolutions set out at Item Nos. 4 and 5 of the Notice for approval by the Members.

Item No. 6

The Board, at its meeting held on June 25, 2014, appointed Mr. Umesh N. Chavan, as an Additional Director of the Company with effect from June 25, 2014, pursuant to Section 161 of the Companies Act, 2013, read with Article 91 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Umesh N. Chavan will hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from him alongwith the deposit of requisite amount proposing the candidature of Mr. Umesh N. Chavan for the office of Director.

The Company has received from Mr. Umesh N. Chavan (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

No Director, Key Managerial Personnel or their relatives, except Mr. Umesh N. Chavan, to whom the resolution relates, is interested or concerned in the resolution.

The Board commends the Ordinary Resolution set out in Item No. 6 for the approval by the Members.

Item No. 7

Mr. Umesh N. Chavan was appointed as Chief Executive Officer of the Company with effect from June 6, 2014.

The Board of Directors of the Company (the 'Board'), at its meeting held on June 25, 2014 has, subject to the approval of Central Government and Members, appointed Mr. Umesh N. Chavan as an Executive Director and Chief Executive Officer, for a period of 5 (five) years from June 25, 2014, at the remuneration recommended and approved by the Nomination and Remuneration Committee (the 'NR Committee') of the Board and then further approved by the Board.

As per the provisions of Section 197 read with Schedule V of the Companies Act, 2013, the remuneration payable to Mr. Umesh N. Chavan as an Executive Director and Chief Executive Officer needs prior approval of Members by way of Special Resolution.

Further if the Company is not able to comply with the provisions of Section 197 (3) read with Schedule V of the Act, then the remuneration shall be paid with the previous approval of the Central Government.

As the Company is not regular in repayment of its debts or interest in the preceding financial year, due to difficult financial conditions and slowdown in automobile sector, the conditions as mentioned in Section II of Part II of Schedule V could not be met.

In view of this, the Company would be obtaining necessary approval from the Members and Central Government in this regard.

Broad particulars of the terms of appointment of and remuneration payable to Mr. Umesh N. Chavan is as under:

i) Tenure of Agreement:

(a) Period of appointment : Five years beginning June 25, 2014 and ending on June 25, 2019.

(b) Period for which remuneration is being decided – Three years beginning June 25, 2014 and ending on June 25, 2017.

ii) Remuneration : As provided in the Special Resolution at Item No. 7 of the above Notice.

iii) Nature of duties:

a) Mr. Umesh N. Chavan shall, subject to the supervision and control of the Board, be entrusted with substantial powers for day to day management of the Company and shall also perform such duties as, from time to time, be entrusted to him and the business of any one or more of its subsidiary and/or associate companies, including performing duties as requested by the Board from time to time, by serving on the boards of such companies or by any other executive body or any committee of such a Company.

b) Mr. Umesh N. Chavan shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

c) The terms and conditions of appointment with Mr. Umesh N. Chavan also include clauses pertaining to adherence with the Company's Code of Conduct, including no conflict of interest with the Company, maintenance of confidentiality.

iv) The appointment may be terminated by either party by giving six months' notice in writing of such termination. Any earlier action from either party should be compensated by that many months pay.

v) If and when any appointment comes to an end for any reason whatsoever, Mr. Umesh N. Chavan will cease to be an Executive Director, as the case may be. If at any time, Mr. Umesh N. Chavan ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Executive Director, as the case may be, and the appointment shall forthwith terminate.

Mr. Umesh N. Chavan satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment.

The above may be treated as a written Memorandum setting out the terms of appointment of Mr. Umesh N. Chavan under Section 190 of the Act.

Brief resume of Mr. Umesh N. Chavan, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

STATEMENT PURSUANT TO SECTION II OF PART II (B) (iv) OF SCHEDULE V TO THE COMPANIES ACT, 2013 IS AS UNDER:

SR. NO.	PARTICULARS	DETAILS
I	**GENERAL INFORMATION**	
	1) Nature of Industry.	Automobile.
	2) Date or expected date of commencement of Commercial production.	Commercial Production already commenced.
	3) In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.
	4) Financial performance based on given Indicators.	Standalone - Revenue from operations (Net) for F.Y. 2013-14: ₹. 3969.07 Millions Profit After Tax for F.Y. 2013-14 – ₹. (552.01) Millions
	5) Foreign investments or collaborators, if any.	As on June 5, 2014 Foreign Investments or collaborators as under: 1. Foreign Nationals – holding 11163 equity shares – 0.09% of the total paid up capital of the Company. 2. Foreign Institutional Investors – holding 3,82,000 equity shares – 3.11% of the total paid up capital of the Company. 3. Foreign Corporate Bodies - holding 123462 equity shares – 1% of the total paid up capital of the Company.
II	**INFORMATION ABOUT THE APPOINTEE.**	Mr. Umesh N Chavan.
	1) Background details.	Mr. Umesh N. Chavan aged 41 years is B.E. (Mechanical Engineering), MBA (Material & Logistic Management) and Executive MBA (Management Programme) from IIM, Ahmedabad. He has experience of around 20 years in the field of spearheading Global Sourcing, Supply Chain and Business Development Functions in Automobile & Engineering. He has worked in senior positions at Tata Motors Limited, Kirloskar Oil Engines Limited and Cummins India limited where he was General Manager of Cummins International Purchasing office, Pune.
	2) Past remuneration.	₹. 24 Lakhs
	3) Recognition or awards.	Certified Six Sigma Green Belt. Won Chairman's Award in 2007 and 2012 for delivering superior results in Cummins. Won Performance Excellence Award for year 2003-04 and 2002-03. Identified as Potential Fast Trackers across the Kirloskar Group of Companies
	4) Job profile and his suitability.	Mr. Umesh N. Chavan is result oriented professional with nearly 20 years of in depth experience & year on year success in spearheading global sourcing, Supply Chain and Business Development Functions in Automobile & Engineering Industry. He is Certified Purchase Manager with excellent business acumen and sound commercial knowledge, and expertise in establishing green field projects from scratch, spearheading turnarounds and improving business margins through strategic changes & cost optimization. Mr. Umesh N. Chavan has rich experience in developing business for Strategic Business Units and corporate commodities with end to end accountability of expansion of exports from India across the globe viz. USA, UK, Europe, Mexico, Brazil, Turkey, China and Singapore. Mr. Umesh N. Chavan is conversant with the technicalities of the production and other processes.

	5) Remuneration proposed.	1. Salary and Bonus: ₹. 60 Lacs per annum 2. Performance / Variable pay-out: Payable at such intervals, as may be decided by the Board of Directors. a. 1% of net profit on new business developed (net sales excluding any taxes, levies and duties) every twelve months from the date of joining. For the purpose this clause, new business developed every twelve months shall mean business received for the new finished products or received from new customers every twelve months as compared to the previous twelve months on standalone basis. b. 10% on cost reduction achieved in material and Direct manufacturing costs every financial year as compared to previous financial years– as may be decided by the Board of Directors on standalone basis. 3. Perquisites and allowances: a. Mediclaim policy : For self and dependents as per the rules of the Company. b. Personal accident insurance : As per the rules of the Company. c. Directors & Officers Liability Insurance - As per the rules of the Company. d. Insurance - Overseas Travelling insurance- As per the rules of the Company. e. Leave travel concession / allowance : For self and family as decided by the Board of Directors from time to time. f. Company car and telephone : Use of the Company's car, chauffeur and telephone for performing official duties as per the rules of the Company. 4. Other benefits : a) Earned / privilege leave: As per the rules of the Company. b) Company's contribution to Provident Fund and superannuation fund : As per the rules of the Company. c) Gratuity : As per the rules of the Company. d) Encashment of leave : As per the rules of the Company. In case the profits are not adequate, the above mentioned remuneration shall be treated as minimum remuneration and shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013 and Central Government Approval received thereon.
	6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of origin).	Commensurate with the nature of industry and size of the Company and its business.
	7) Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any.	Mr. Umesh N. Chavan does not have any pecuniary relation directly or indirectly with the Company or relationship with Managerial personnel.
III	**OTHER INFORMATION**	
	1) Reason of loss or inadequate profits.	Considering the grim economic scenario all over the world and particularly in Auto Sector in India, the Company being tier I supplier to OEMs is facing financial difficulties and hence has incurred losses during the Financial Year 2013-14.

	2) Steps taken or proposed to be taken for Improvement.	The Company has taken / will take necessary steps to reduce costs and to improve efficiencies, tap new business opportunities, diversify its business, consolidation of operations, enhance value addition to its customer base and maximize capacity utilization with least cost etc.
	3) Expected increase in productivity and profits in measurable terms.	Considering the incentives given by the Central Government to automobile industry like reduction in excise duty for automobiles, and various effective steps taken and proposed to be undertaken by the Company, the Company is hopeful to overcome the losses and turnaround to its earlier days.

Mr. Umesh N. Chavan is interested in the Special Resolution set out at Item No. 7 of the Notice, which pertains to his appointment and remuneration payable to him.

The relatives of Mr. Umesh N. Chavan may be deemed to be interested in the Special Resolution set out at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

Item No. 8

The Board of Directors at its meeting held on May 24, 2014 has appointed Mr. Sudhir G. Jog (Membership No. 5599) as a Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 and fixed the remuneration of ₹. 6 Lacs plus applicable taxes and reimbursement of out of pocket expenses at actual, subject to the ratification of the Members at the Annual General Meeting.

Pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 the remuneration of Cost Auditor shall be recommended by the Audit Committee, approved by the Board of Directors and ratified subsequently by the members. Accordingly, it is proposed to obtain the consent of the members to ratify the remuneration and the reimbursement of expenses at actual to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members.

Item No. 9

The Members of the Company at their 12th Annual General meeting held on September 27, 2008 approved by way of Ordinary Resolution under Section 293(1) (d) of Companies Act, 1956 borrowing over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowing together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹. 500 Crores (₹. Five Hundred Crores).

Section 180 (1) (c) of the Companies Act, 2013 effective from September 12, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of Special Resolution.

As per the General Circular No. 4/2014 dated March 25, 2014 issued by the Ministry of Corporate Affairs, the Ordinary Resolution with reference to borrowings, passed under Section 293(1)(d) of the Companies Act, 1956, prior to September 12, 2013 will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 for a period of one year from September 12, 2013.

Further pursuant to Section 73, Section 76 read with Companies (Acceptance of Deposits) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any other statutory modification(s) or reenactment thereof for the time being in force), the consent of the Members by way of Special Resolution is required to borrow and accept money by way of deposits in excess of the Company's paid up share capital and free reserves.

It is therefore necessary for the members to pass a Special Resolution under Section 180(1) (c) and other applicable provisions of Companies Act, 2013, as set out in Item No. 9 of Notice, to enable to the Board Of Directors to borrow money in excess of the aggregate of paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto ₹. 500 Crores (₹. Five Hundred Crores) in excess of the paid up share capital and free reserves of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

By Order of the Board of Directors
For Autoline Industries Limited

(Ashutosh Kulkarni)
Company Secretary and Compliance Officer

June 25, 2014
Registered Office: S. No. 313, 314, 320 to 323 Nanekarwadi,
Chakan, Taluka- Khed, District-Pune 410501
CIN: L34300PN1996PLC104510 e-mail: investorservices@autolineind.com

DIRECTORS' REPORT

(Including Management Discussion and Analysis Report)

Dear Member(s),

Your Directors present their 18th Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2014.

FINANCIAL RESULTS:

The financial highlights for the year under review compared to the previous financial year are given below:

(₹ in Millions except EPS data)

PARTICULARS	Standalone		Consolidated	
	31.3.2014	31.3.2013	**31.3.2014**	31.3.2013
Revenue from operations (Net)	**3,969.07**	5,733.27	**6,770.54**	8,006.85
Earnings before Interest, Financial Charges, Depreciation, Tax & Amortisation - EBIDTA	**25.20**	420.14	**247.26**	625.27
Less: Finance Cost	**311.36**	344.66	**338.72**	374.84
Less: Depreciation & amortization expenses	**220.28**	198.51	**246.70**	230.75
Add: Exceptional items	**63.72**	67.88	**63.72**	67.88
Less: Extraordinary items	**107.01**	-	**107.01**	-
Profit Before Tax	**(549.73)**	(55.15)	**(381.45)**	87.56
Tax Expense	**2.29**	(64.79)	**18.17**	(19.15)
Profit After Tax but before deducting minority interest (PAT)	**(552.01)**	9.64	**(399.62)**	106.71
Minority Interest	**-**	-	**(2.06)**	(2.39)
Profit Attributable to group	**-**	-	**(397.56)**	109.10
Earnings per Share (Basic) (in ₹.)	**(44.10)**	1.67	**(31.52)**	9.81
Earnings per Share (Weighted Average) (in ₹.)	**(44.67)**	0.78	**(32.17)**	8.87

PERFORMANCE REVIEW (CONSOLIDATED BASIS):

- Revenue from operations (Net) ₹. 6770.54 Millions (Previous Year ₹. 8006.85 Millions).
- Operating EBITA (Earnings before Interest, Financial Charges, Depreciation, Tax & Amortisation) decreased from ₹. 625.27 Millions to ₹. 247.26 Millions.
- Profit before Tax decreased (PBT) from ₹.87.56 Millions to ₹. (381.45) Millions.
- Profit after Tax (PAT) decreased from ₹. 106.71 Millions to ₹. (399.62) Millions.

DIVIDEND:

In view of losses incurred, the Board of Directors do not recommend dividend for the financial year 2013-14. [Previous Year ₹. 1.00 per equity share (i.e.10%) amounting to ₹. 14.34 Millions including Dividend Distribution tax].

OVERVIEW OF PROGRESS AT VARIOUS PLANTS:

Your Company operates through Eleven manufacturing facilities and Design & Styling Centers.

Your Company proposes to consolidate the six existing plants in Pune and bringing them under one roof at Chakan Unit II with multiple advantages. This will reduce the number of locations to three (from existing six). On consolidation, your Company proposes to dispose of those Assets and realize a sum to the tune of approx. ₹. 250 Millions. The consolidation will result in substantial operational efficiencies and costs savings by avoiding inter-plant movements, reduced manpower and considerable savings in overheads.

The consolidation will help utilize the credit in excise duty account to the tune of ₹. 60 Millions and higher utilization of VAT credit (unused Credit available - ₹. 440 Millions approx.) and thus help in improving liquidity. The credit is due to high capital investments made in Chakan Unit II plant and low utilization over the period.

FUTURE PLANS:

Your Company will be gaining market edge by incorporating following Strategic Objectives which will be the centre of the activity flow at Autoline.

1) *Focus* on enriching the life of employees ;

2) Having delighted customers, to bring true value to Shareholders;

3) *Financial* step- up to boost the net profit, ROI and cash flow;

4) Achieving the desired results through the *Framework* of diversification of business, efficiency improvement and growth mind set as the primary drivers;

Your Company is planning to increase exports from current 2 % to 20 % in next 3 years by targeting current customers of Autoline Industries USA, Inc. for sheet metal and fabrication.

Your Company proposes to diversify the customer base from Automotive to non –Automotive sectors like Power, Construction and Industrial. This will reduce the dependency of Automotive sector from current 95 % to 60 % by increasing the share of businesses. This will also open new market segments for your company and more opportunity for growth. Your Company will also focus more in domestic market for increasing the share with customers like Ford, General Motors, Volkswagen, Mahindra & Mahindra etc.

Your Company has been awarded sizable business to supply major Assemblies for the new upcoming models which has been recently launched by Tata Motors Ltd. The SOP will start with effect from July, 2014 onwards.

Your Company proposes to set up a manufacturing facility at Chennai- "The Detroit of South Asia" which is emerging as the leading automotive hub in India with a base of over 30% of India's automotive industry and 35% of its auto components industry. Your Company proposes to get assured additional business from Ashok Leyland - Nissan, Daimler India, Isuzu Motors for its Heavy and Light Commercial Vehicles and also explore the possibility for development of business for Passenger Vehicles with Ashok Leyland - Nissan, Renault Nissan, Ford, Kamaz Vectra etc.

Autoline Industrial Parks Limited - (AIPL):

AIPL (a subsidiary of Autoline Industries Limited) proposes to develop infrastructure for setting up of Township under Special Township Act (STP) vide Notification No. TPS-1804/Pune R.P. DCR /UD -13 dated November 16, 2005 at Village Mahalunge, Taluka, Khed, District Pune, State - Maharashtra, India under the Special Township Project (STP) of Government of Maharashtra. AIPL has filed an application for constructing Special Township at Village Mahalunge, Taluka Khed, District Pune on its land, to Government of Maharashtra, Mumbai.

During the period under review and till date, AIPL, has acquired further land so as to meet necessary conditions and stipulations and taken necessary steps as per latest requirement of Urban Development Department, Government of Maharashtra. Hence the Location Clearance for the land (100 Acres under Special Township Project) is expected to be received shortly and thereafter Letter of Intent and all other approvals (including Environment Clearance from Ministry Of Environment & Forest [MOEF]) is expected.

Autoline Industries, Inc., Butler, Indiana, USA- (Autoline -Butler): [a 100% owned subsidiary Company]:

1.) This year Autoline-Butler has maintained its position in the pedal and park brake market. Your company is in the midst of launching a major GM park brake program in China and Europe and will be supplying over 600,000 park brake levers in these two continents.

2.) Autoline-Butler will be fulfilling these contracts by successfully managing the manufacturing of the components through partner companies in Europe and China.

3.) Autoline-Butler continues to focus its efforts on operational improvement, cost reductions and profit improvement objectives throughout the year.

4.) Autoline-Butler has also launched a new light weight pedal technology which is already in production. Further technological innovations are geared towards improving fuel economy of vehicles by reducing the weight of the products.

5.) During the year under review your company successfully implemented $ 500,000 of cost savings.

6.) Patents: Autoline-Butler have successfully filed and got approval for one patent globally for a crash release mechanism specifically used in General Motor products.

DEP Autoline USA, Inc. and Nuvent Technologies Private Limited:

Your Company had made investment in 30,600 shares in DEP Autoline USA, Inc. in financial year 2007-08 by way of remittance of USD 2.40 Millions (₹. 98.00 Millions) and balance by issue of 5,38,125 shares of the Company at an issue price of ₹. 400/- per share (including premium of ₹. 390/- per share). In September, 2013 as per Share Purchase Agreement entered with DEP Autoline USA, Inc., your Company has disinvested its remaining 40% stake / shares held in DEP Autoline USA Inc. and has received USD 3.50 Million (₹. 217.30 Millions) as per present fair value towards full and final settlement. The loss on account of disinvestment has been accounted for as an extra-ordinary item. Further your Company has sold the remaining 40% stake /shares held in Nuvent Technologies Private Limited for consideration of ₹. 0.25 Millions as part of the whole deal.

SZ Design, Srl and Zagato Srl ("ZAGATO") Milan, Italy:

The net worth of the SZ Design, Srl, (under liquidation) has been eroded due to various write offs. On June 13, 2012 the Court of Milan, Italy have rejected the request for "Concordato Preventivo" under the Italian Laws filed in June, 2011. SZ Design, Srl has challenged before the Supreme Court of Cassation the decision of the Court of Appeal of Milan of November 15, 2012 which rejected SZ Design' appeal against the decision of the Tribunal of Milan that did not approve the proposal of Concordato Preventivo due to the opposition of the Tax Authorities. Nevertheless, there has not yet been a decision of the Supreme Court on this matter.

EXPORTS:

Your Company now exports Thirty one Sheet Metal Parts and Assemblies for Cummins Power Generation USA and Cummins Filtration USA. During the financial year 2013-14, the Company has exported worth USD 1.48 Million (₹. 88.29 Millions). Your Company also made tooling for Export Parts through which a business of USD 0.11 Million (₹. 6.21 Millions) was achieved.

MEGA PROJECT:

As per the Package Scheme of Incentives (PSI) 2007, your Company's unit located at S. Nos. 313/314, Nanekarwadi, Chakan, Tal: Khed, Dist: Pune - 410 501 has been sanctioned Industrial Promotion Subsidy (IPS) amounting to ₹. 773.80 Millions to be availed over a period of 7 years starting from October 1, 2009. The Company has received a credit of ₹. 245.10 Millions till date. During the current financial year, the Company has claimed Industrial Promotion Subsidy under Package Scheme of Incentive, 2007 from Government of Maharashtra of ₹. 58.27 Millions. Follow up for receipt of the balance subsidy of ₹. 27.23 Millions of earlier years and ₹. 52.44 Millions (90% of ₹. 58.27 Millions) the claim for F.Y. 2013-14 is being made. Further, your Company plans to submit the claims out of the total entitlement of ₹. 773.80 Million on a yearly basis from Financial year 2013-14 onwards (to be claimed within 6 months of the end of each financial year).

FIXED DEPOSITS:

During the year under review, your Company has not accepted any deposits under the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 1975 framed thereunder.

CONSOLIDATED ACCOUNTS:

In accordance with the requirements of Accounting Standard AS - 21, prescribed by the Institute of Chartered Accountants of India, the Consolidated Accounts and Cash Flow are annexed to this report. The Consolidated Financial Results are based on the audited financial results of subsidiaries Autoline Design Software Limited and Autoline Industrial Parks Limited, except the Annual Un-audited financial statements of Koderat Investments Limited, Cyprus and Autoline Industries USA, Inc. and Autoline Stampings Ltd, South Korea.

During the year under review, the stake held in Autoline Industrial Parks Limited has been reduced from 51.12 % to 43.78 %. The Financial Results of Autoline Industrial Parks has been consolidated as per provisions of Companies Act, 1956 and as per Accounting Standard – 21 (Consolidated Financial Results) issued by the Institute of Chartered Accountants of India to the extent of 43.78 %. Autoline Industrial Parks Limited continues to remain subsidiary within the meaning of Section 2(87) of the Companies Act, 2013.

Pursuant to provisions of Section 212 (8) of the Companies Act, 1956, the Ministry of Corporate Affairs vide its General Circular No. 02/ 2011 and 03/2011 dated February 8, 2011 and February 21, 2011 respectively read with General Circular No. 08/2014 dated April 4, 2014 has granted a general exemption subject to certain conditions to holding companies from complying with the provisions of Section 212 of the Act which requires the attaching of the Balance Sheet, Statement of Profit and Loss and other documents of its subsidiary companies to its Balance Sheet. Accordingly, the said documents are not being included in this Annual Report. The main financial summaries of the subsidiary companies are provided under the Section 'Subsidiary Companies: Financial Highlights 2013-14' in the Annual Report. The Company will make available the said annual accounts and related detailed information of the subsidiary companies upon request by any member of the Company or its subsidiary companies and the same will also be kept open for inspection by any member at the Head Office of the Company and the Subsidiary Companies on all working days during business hours.

FINANCIAL HIGHLIGHTS AS ON 31.3.2014 – DOMESTIC COMPANIES :

i) Autoline Design Software Limited :

The revenue from operations including exports was ₹. 33.05 Millions (Previous Year ₹. 28.30 Millions) The Company achieved net profit of ₹. 1.13 Millions (Previous year loss of ₹. 3.86 Millions)

ii) Autoline Industrial Parks Limited :

The Company incurred loss of ₹. 3.66 Millions (Previous year loss of ₹. 4.90 Millions)

FINANCIALS HIGHLIGHTS AS ON 31.3.2014 – FOREIGN COMPANIES :

i) Autoline Industries INC. USA :

The turnover increased to ₹. 2444.47 Millions (Previous Year turnover was ₹. 2030.55 Millions) During the period the Company achieved a net profit of ₹. 147.14 Millions (Previous Year net profit was ₹. 86.30 Millions).

ii) Autoline Stampings Limited, South Korea :

Autoline Stampings Limited, South Korea achieved a turnover of ₹. 439.36 Millions (Previous Year turnover was ₹. 337.90 Millions) and a net profit of ₹. 8.73 Millions (Previous Year net profit was ₹. 20.78 Millions)

iii) Koderat Investments Limited, Cyprus:

Koderat Investment Limited, Cyprus a wholly owned subsidiary of the Company incurred a loss of ₹. 0.93 Millions (Previous Year loss of ₹. 1.24 Millions)

RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION:

i) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo:

Information pursuant to Section 217(1) (e) of the Companies Act, 1956 , read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 is Given as an **Annexure A** to this report.

ii) Particulars under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 2011 as amended:

During the year under review, there was no person employed throughout the financial year who was in receipt of remuneration in aggregate of not less than ₹. 60,00,000/- per annum or ₹. 5,00,000/- per month. Hence the particulars required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rues, 2011 as amended are not given.

DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 and Company's Articles of Association Mr. M. Radhakrishnan, retires by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment at the Annual General Meeting.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Umesh N. Chavan was appointed as an Additional Director and designated as an Executive Director and Chief Executive Officer w.e.f. June 25, 2014 and he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from Mr. Umesh N. Chavan proposing signifying his candidature as a Director of the Company.

Mr. Umesh N. Chavan was appointed as an Executive Director and Chief Executive Officer of the Company with effect from June 25, 2014 subject requisite approval from Central Government and Shareholders by Special Resolution at the ensuing Annual General Meeting.

In terms of the Articles of Association of the Company, Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala Directors retire at the ensuing Annual General Meeting. The Company has received requisite notices in writing from Mr. Prakash B. Nimbalkar and CA. Vijay K. Thanawala signifying their candidatures as an Independent Directors of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating Management, state and confirm that:

(a) in the preparation of the annual accounts for the year ended March 31, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and that there are no material departures from the same;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at March 31, 2014 and of the Profit /Loss Account of the Company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

(d) the Directors have prepared annual accounts of the Company on 'a going concern' basis.

EMPLOYEES' STOCK OPTION SCHEME - ESOS

In accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Company has instituted Employee Stock Option Scheme 2008 (Autoline ESOS 2008) pursuant to the Special Resolution passed by Shareholders at 12th Annual General Meeting held on September 27, 2008. As per Autoline ESOS 2008, 1,60,000 Options were granted to 171 Permanent employees and 15,000 options were granted to 5 Independent Directors. During the year under review, 35781 options were exercised and 9 employees holding 2369 options resigned.

These options are available for re-issue. The details of the same are given in the **Annexure - B** to this report.

The Certificate from the Company's Statutory Auditors in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is annexed as **Annexure - C**.

CORPORATE GOVERNANCE:

Your Company has complied with the mandatory provisions of Clause 49 of the Listing Agreement relating to Corporate Governance, as amended from time to time. A separate section on Corporate Governance forms part of the Annual Report and the Certificate from the Company's Statutory Auditors in terms of Clause 49 of the Listing agreement with Stock Exchanges is annexed as **Annexure - D.**

AUDITORS:

M/s. K V M D S & Associates, Chartered Accountants, Pune (bearing FRN 121347W) Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting. However the Company has received letters from M/s. K V M D S & Associates, Chartered Accountants, Pune informing that they do not wish to be considered for re-appointment as Statutory Auditors. M/s. K V M D S & Associates, Chartered Accountants, Pune, Statutory Auditors of the Company will retire from the office of the Auditors at the forthcoming Annual General Meeting.

M/s. A.R. Sulakhe & Co. Chartered Accountants (FRN 110540), have consented to the appointment as Statutory Auditors. The Company has received letters from M/s. A.R. Sulakhe & Co., Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such appointment.

The Statutory Auditors, if appointed, shall hold office from the conclusion of this Annual General Meeting to the conclusion of the fourth consecutive Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting).

AUDITORS' REPORT:

The observations made in the Auditors' Report, read together with the relevant notes thereon are self-explanatory and hence does not call for any comments under Section 217 (3) of the Companies Act, 1956.

COST AUDITORS:

As per the Order of the Ministry of Corporate Affairs, the Cost Audit has become applicable for the Company. Accordingly, the Company has appointed Mr. S.G. Jog, Cost Accountant, Pune as the Cost Auditors for the financial year 2014-15. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company at the ensuing Annual General Meeting.

The due date for filing the Cost Audit Report in XBRL mode for the financial year ended March 31, 2013 was September 27, 2013 and the Cost Audit Report was filed by Mr. S.G. Jog, Cost Auditors on September 18, 2013. The Cost Audit Report for the financial year ended March 31, 2014 will be filed within the prescribed time.

ACKNOWLEDGEMENTS:

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board

Place : Pune
June 25, 2014

(Prakash B. Nimbalkar)
Chairman

ANNEXURES TO THE DIRECTORS' REPORT

ANNEXURE - A

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended March 31, 2014.

A. CONSERVATION OF ENERGY

a) Energy conservation measures taken :

Your Company is making continuous efforts towards optimum utilisation of energy resources which have resulted in cost saving for the Company. In addition to the normal steps taken for optimum use of energy, some of the initiatives taken by the Company in this regard are as under:

1. Switch off the Compressors & Cooling Towers for both the shifts at lunch, tea, dinner time resulting into saving in energy.
2. Power factor controlled by monitoring capacitor resulting into saving in energy
3. For Mercury Vapour lamps (250 WATT & 400 WATT) alternate wiring system introduced resulting into saving in energy.
4. Curtain of plastic sheets are introduced for natural light / air ventilation.
5. Installation of transparent sheets at roof top of factory to get natural light as well air ventilators provided at roof top of factory for better ventilation.
6. Autoline Butler, USA have converted all its shop floor lighting to energy efficient T5 Fluorescent lights. These lights use 17% less electricity and give twice the illumination of old Halide bulbs. Autoline Butler USA have also installed motion sensors on lights in non-essential areas that further reduced energy use.
7. Autoline Butler, USA had purchased a new energy efficient air compressor and had an energy audit to locate and fix all air leaks.
8. Autoline Butler, USA installed air barriers at our receiving and shipping docks that reduced the amount of heat loss during winter.

b) Impact of above measures for reduction of energy consumption and consequent impact on the cost of production of goods.
The above measures have resulted / will result in energy saving and consequently decrease in the cost of production.

c) The total energy consumption and energy consumption per unit of production as per unit of production as per prescribed form A:

Form – A

Form for disclosure of particulars with respect to conservation of energy.

(A) Power and Fuel Consumption :-

Electricity	Units	Current Year	Previous Year
(A) Purchase - Units	KWH in Lacs	121.08	144.44
Total Amount	₹. In Lacs	793.20	903.38
Rate per Unit	₹.	6.55	6.25
(B) Own Generation through Diesel Generator- Units	KWH in Lacs		
Unit per ltr. Of Diesel Oil	₹. In Lacs		
Cost per Unit	₹.		

(B) Consumption per unit of production

Considering the number of components produced, consumption of per unit of production cannot be determined .

B. TECHNOLOGY ABSORPTION

Efforts made in Technology Absorption – Expenditure in Research & Development.

Sr. No.	Particulars	₹.
a)	Capital	Nil
b)	Recurring	-------
	Total	Nil
c)	Total R. & D. expenditure as a percentage of total turnover.	Nil

During the period, your Company has made following efforts at its various plants:

1. Transformer has been replaced to ensure the quality requirement during Spot Welding of different dispatches.
2. Focus has been given for internal as well external logistics, to improve the in-house quality as well as elimination of dent and damage marks during the transportation.
3. The capacity of one HMT Press machine has been doubled by changing the air pressures and after checking out capacity of machine.
4. Testing & Validation systems designed and developed are continued to be used for various types of Parking Brakes, which are manufactured in-house.

Benefits derived as a result of above:

1. Improved quality and customer satisfaction
2. Minimize operator/ workmen fatigue
3. Less damages to components.

FOREIGN EXCHANGE EARNINGS & OUTGO: (₹.)

Particulars	2013-14	2012-13
Foreign Exchange Earnings	94,509,992	89,765,083
Foreign Exchange Outgo	170,351	1,359,164
Foreign Exchange Inflow	137,142,796	118,854,194

For and on behalf of the Board

Place : Pune
June 25, 2014

(Prakash B. Nimbalkar)
Chairman

ANNEXURE B - TO THE DIRECTORS' REPORT

Employee Stock Options Scheme 2008

(a)	Options granted on November 12, 2010		1,75,000
(b)	Pricing Formula		₹. 25 per share
(c)	Options vested (Upto March 31, 2014)		115702
(d)	Options exercised (Upto March 31, 2014)		**80277**
(e)	Total number of shares arising as a result of exercise of options		80277
(f)	Options lapsed (as at March 31, 2014)		17121
(g)	Variation of terms options		No variation
(h)	Money realized by exercise of options		2006925
(i)	Total number of options in force (as at March 31, 2014)		77602
(j)	Employee wise details of options granted during the year		
	1	Senior Management personnel	**Nil**
	2	Employees to whom more than 5% options granted during the year	**Nil**
	3	Employees to whom options more than 1% of issued capital granted during the year	**Nil**
(k)	Diluted EPS, pursuant to issue of shares on exercise of options		
(l)	1	Method of calculation of employee compensation cost	Calculation is based on intrinsic value method Intrinsic value per share is ₹. 234.45 per share
	2	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 lower by ₹. 3,27,583/- had the Company used fair value method for accounting the options issued under ESOS
	3	Impact of this difference on Profits and on EPS of the Company	Profits would have been higher by ₹. 3.27.583/- and EPS would have been higher by ₹. 0.03, had the Company used fair value method of accounting the options issued under ESOS
(m)	1	Weighted average exercise price	₹. 25.00
	2	Weighted average fair value of options based on Black Scholes methodology	₹. 239.80
(n)		Significant assumptions used to estimate fair value of options including weighted average	
	1	Risk free interest rate	7%
	2	Expected life	Average life taken as 1 year from date of Grant (Vest)
	3	Expected volatility	45%
	4	Expected dividends	Not separately included, factored in volatility working
	5	Closing market price of share on a date prior to date of Grant (Vest)	₹. 259.45

ANNEXURE – C

TO THE DIRECTORS' REPORT

AUDITORS' CERTIFICATE ON EMPLOYEE STOCK OPTION SCHEME

To

The Members of

Autoline Industries Ltd.

We have examined the books of accounts and other relevant records and based on the information and explanations given to us, certify that in our opinion, the Company has implemented the Employee Stock Option Scheme in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the resolutions of the Company passed in General Meeting in earlier year.

FOR KVMDS & ASSOCIATES.
CHARTERED ACCOUNTANTS.
FIRM REG. NO-121347W

VIJAY B. SHETH
PARTNER
MEM.NO.037634

Place: Pune
Date: June 25, 2014

ANNEXURE D TO DIRECTORS' REPORT

AUDITORS' CERTIFICATE

REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,

The Member(s) of Autoline Industries Limited

We have examined the compliance of the conditions of Corporate Governance by Autoline Industries Limited for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR KVMDS & ASSOCIATES.
CHARTERED ACCOUNTANTS.
FIRM REG. NO-121347W

VIJAY B. SHETH
PARTNER
MEM.NO.037634

Place: Pune
Date: June 25, 2014

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Overview

The economic slowdown bottomed out last year. A spell of global financial turbulence caused capital outflows and pressure on the exchange rate, but strong policy measures stabilized the currency, rebuilt reserves, and narrowed the excessive current account deficit. Weaknesses remain, however, and include persistent inflation, fiscal imbalances, bottlenecks to investment, and inefficiencies that require structural reforms.

According to the report by India Ratings and Research "The global economy in 2014 appears to be in a better shape than what it was in 2012 and 2013. India Ratings forecasts India's GDP to grow at 5.6 per cent in 2014-15 and the economic growth in FY 2015 is likely to be contributed majorly by the industrial sector, which is estimated to grow by 4.1 per cent.

Industry structure and developments:

One of the major sectors in India is the Automobile sector, an engine of Growth. The Auto Component industry is part of this sunrise industry of the Indian Economy, as this sector has witnessed tremendous growth, in the past growth phases.

Automobile industry:

Automobile industry includes passenger cars, light, medium and heavy commercial vehicles; Utility vehicles, scooters, motorcycles, three wheelers, tractors etc.

Automobile Industry performance in 2013-14

The overall domestic sales during April-March 2014 grew marginally by 3.53 percent over the same period last year because of growth in Scooters and motorcycles sales.

The sales of Passenger Vehicles declined further by (-) 6.05 percent during April-March 2014 over the same period last year. Within the Passenger Vehicles, Passenger Cars, Utility Vehicles and Vans dropped by (-) 4.65 percent, (-) 5.01 percent and (-) 19.58 percent respectively during April-March 2014 compared to the same period last year.

The overall Commercial Vehicles segment registered de-growth of (-) 20.23 percent in April-March 2014 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) registered negative growth at (-) 25.33 percent and Light Commercial Vehicles also dropped by (-) 17.62 percent.

Three Wheelers sales declined by (-) 10.90 percent in April-March 2014 over the same period last year. Passenger Carriers and Goods Carriers declined by (-) 12.74 percent and (-) 2.53 percent respectively in April-March 2014 over April-March 2013.

Two Wheelers sales registered growth of 7.31 percent during April-March 2014 over April-March 2013. Within the Two Wheelers segment, Scooters and Motorcycles grew at 23.24 percent and 3.91 percent respectively, while Mopeds declined by (-) 8.35 percent in April-March 2014 over April-March 2013.

Exports

During April-March 2014, overall automobile exports grew by 7.21 percent. Passenger Vehicles, Three Wheelers and Two Wheelers registered growth at 6.09 percent, 16.60 percent and 6.52 percent respectively, while Commercial Vehicles declined by (-) 3.71 percent during April-March 2014 compared to the same period last year.

Source: Society of Indian Automobile Manufacturers (SIAM)

Auto Ancillary Industry:

The Indian Auto Components Industry has kept pace with technological developments and is today catering not only to Original Equipment Manufacturers (OEMs) and Tier Component makers (those who supply directly to OEMs) in India, but abroad as well. Many Indian auto component makers including Autoline Industries have also succeeded in emerging as the supplier of choice to global Auto Majors in India and Abroad.

However, the Indian auto component industry derives its growth impetus from the growth in the automobile industry. Notably, the slowdown witnessed by the Automobile Industry has certainly impacted the demand sentiments for the Auto Component Industry as well.

Opportunities and Threats:

A) Opportunities:

1) The formation of a new government at the Centre has resulted in a lot more footfalls in showrooms and buyers are making purchase decisions. Stable government is a signal of the economy turning around and fence-sitting customers are jumping into the market as they now have greater confidence in their future wage sustenance. The stable Government resulted in positive customer sentiment. Due to this, most carmakers have projected improved sales on an annualised basis, some of them growing in double-digits albeit on a low base. India's stock market is also showing positive signs after stable Government as it hits new highs.
2) Increase in Sales - After two years of continuous slide, car sales on month to month basis appear to have picked up smartly and so raising hopes that the days of downturn in the industry may be finally coming to an end.
3) Government Initiatives - The Interim Budget 2014-15 added some incentives to the auto industry. To give relief to the automobile industry, the excise duty has been reduced till June 30, 2014, which has been further extended by the New Government.

   The Government of India also allows 100 per cent FDI in the automotive industry through automatic route.

4) Major Developments & Investments in India :

i. German auto maker Volkswagen is planning to expand production capacity and introduce a slew of new models. The group is looking at investing ₹ 1,500 crore (US$ 248.55 million) over the next five years to set up a diesel engine manufacturing facility.

ii. Amtek Auto signed an agreement to buy Germany's Kuepper Group of companies for about ₹ 16.78 billion (US$ 277.97 million) in December 2013, which was its second big European acquisition in 2013.

iii. Jaguar Land Rover (JLR) will scale up its production capacity to hit 700,000 units by FY 2017 riding on its joint ventures (JV) in China and Brazil, as per analysts. JLR's capacity for 2014 is pegged at 450,000 units.

iv. Infosys has signed a multi-year contract with Volvo Cars to provide application development services to the latter's global operations.

v. JCB announced plans to relocate production of compaction equipment to factories in the UK and to Pune, India, and close the Gatersleben site in Germany. "The demand for larger compaction equipment is growing at a steady rate in India and we will now have flexibility to produce global quality machines in India for our customers in the region as well as for exports," highlighted the MD and CEO, JCB India.

The vision of AMP 2006–2016 expects India, "to emerge as the destination of choice in the world for design and manufacture of automobiles and auto components with output reaching a level of US$ 145 billion; accounting for more than 10 per cent of the GDP and providing additional employment to 25 million people by 2016."

References: Media Reports, Press Releases, Department of Industrial Policy and Promotion (DIPP), Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM), etc.

(B) Threats

India seems to go through cycles of economic crisis and reform every decade or so. GDP growth has slipped below 5%. Inflation peaked in double digits before marginally declining of late. The fiscal and current account deficits have widened sharply. Foreign investors and bond rating agencies became increasingly nervous about India. Indian Automotive industry is affected by foreign exchange gyrations, high inflation, variation in repo rates from 4.75% to 9% over the last 6 years, offsetting a fluctuating interest regime as well as vacillating raw material prices especially for steel and aluminum largely used by the industry.

Due to all these reasons and global economic slowdown except USA, automotive Industry sales declined significantly. Due to global meltdown and financial crisis all over the world except USA, and especially in auto sector, banks/financial institutions became more cautious while lending funds. Among others challenges before the industry are labour problems, adapting to technology change and the irritant of the depreciating rupee that has hiked up cost of imported commodities and fuel prices adversely impacting the auto sector. The rupee depreciation is putting tremendous pressure on margins and profitability, compelling companies to increase prices in the domestic market.

Notwithstanding the various challenges, the industry's long-term prospects remain bright. Growth will be driven mainly by healthy economic growth, changing consumer preferences and rising aspirations, increased spending on infrastructure development, thrust on rural economy and new product launches, among others.

In 2014, the current account deficit has significantly eased, the currency has stabilised, inflation has substantially pulled back and corporate earnings are improving. With inflation down, interest rates will soon be cut, which may prove the catalyst for the next investment cycle. In recent quarters Indian economy have seen lower inflation, stronger external balances and more stable currencies, conditions that are expected to support business and consumer confidence.

Key Competitive Positioning:

Over the years, your Company has built a strong product portfolio and developed high end design and value engineering capabilities. Your Company is an integrated 'Art to Part' or 'Concept to Delivery' Company with capability right from Styling, Designing (CAD), Proto typing, Analyzing CAE (Computer Aided Engineering), for Crash Worthiness, NVH, CFD, etc. Tooling (Computer Aided Manufacturing) and finally Mass Manufacturing.

Your Company operates through 11 manufacturing facilities (all which are ISO/ TS 10649:2002 certified) and Design & Styling Centers.

At the heart of our diversification has been our innovative approach to not only produce new products but also improve our existing products and services through Value Engineering. Your Company endeavours to bring products which satisfy the end user requirements.

Today, the Company is able to provide over 2500 products across different sizes and ranges that fit into a range of SUVs, MUVs, PV's, CVs and other vehicles. Your Company has added a varied range of products like foot control modules, exhaust systems, silencers, jacks, hinges, brake assemblies, automotive axles, etc. Your Company provides a wide range of engineering enterprise services, based on a combination of business consulting, product design, and IT skills. Some of the product innovations undertaken by your Company in association with the Subsidiary Companies encompass High Deck Load Body, Load Body Weight Optimization, Pedal Assemblies, Park Brake Assemblies and Jack Assemblies. These have been well accepted by OEMs, both global and domestic. Notably your Company has also been awarded patents by the United States Patent Office and that has enabled to obtain good brand visibility world over.

With the acquisition of Autoline Design Software Limited, located at Pune, India, your Company's proposition to its customers improved as a provider of engineering- design, tooling services and mass- manufacturing capabilities that can continually innovate through process engineering, re-engineering and re-tooling to improve manufacturing efficiency. Your Company, is continuously renewing technology and upgrading quality standards, keeping in mind international benchmarks.

In the recent years, with a well-defined business strategy, your Company has won new contracts from General Motors, Volkswagen, Daimler Chrysler, Ford, Mahindra Navistar Automotive Ltd. and Ashok Leyland Nissan. Consequently, it has also led to improved and increased brand visibility and awareness for your Company. Due to excellent quality in work, cost competitiveness, timely deliveries and State of the Art Tool Room facility with latest CAD /CAE/ CAM facilities, the Company has, in a short span, become prime vendor to all the reputed Auto Manufacturers not only in Pune, but across the World.

Using the power of collaborative visualization, your Company now facilitates collaborative decision making and multi-disciplinary communications that enable companies to identify and resolve manufacturing design problems while in a virtual state (CAE) with significantly reduced developmental time and money, for all the OEMs in the Automobile Industry around the world. These processes have been successfully applied while developing components/assemblies for General Motors, Daimler, Volkswagen, Ashok Leyland-Nissan, Renault-Nissan etc.

Every manufacturing facility has a tool room attached with Computerised Milling Centres, Wire-cut Machines, Horizontal Boring Machine and host of other supporting tooling machinery to take care of even the large size dies. This is supported by a state-of-the-art Design Engineering setup with the latest Hardware and Software backed by CAD/CAE/CAM facilities for optimum utilization of tool room machinery.

Moving Ahead aided by Innovation

Your Company's in-house designing team has introduced a number of new products during the year. The Adjustable & Collapsible Pedal Assembly, High Deck Load Body, Park Brake Assembly and Jack Assembly are a result of our focus on driving growth through innovation, thus exemplifying the value engineering expertise of your Company. Efforts are also on to develop Accessories for 4 wheelers & 2 wheelers, which are in high demand with new & innovative designs, to improve profit margins.

While, most of these products have been tested and approved by leading international and domestic OEMs - Volkswagen, Daimler India, Renault-Nissan, Ashok Leyland - Nissan, Asia Motor Works, Mahindra Navistar and Tata Motors, your Company is now set to tap the incremental growth opportunities arising from them.

Further, your Company earned recognition for its in-house Designing & Engineering capabilities team from Volkswagen and General Motors to provide cost efficient pedal assemblies and brake assemblies.

Your Company has also set up a manufacturing plant at Dharwad in Southern India, to cater to the growing needs of Domestic and International OEMs and particularly for the various models manufactured by Tata Motors Ltd. at Dharwad.

The recognition of your Company's value engineering expertise by International OEMs like General Motors, Ford, Volkswagen, Daimler, Ashok Leyland - Nissan, Asia Motor Works, Tata Motors and Mahindra Navistar continues to propel your Company's growth, by enabling the development of newer, high performance, value added and low cost products in your Company's portfolio. This will help not only improve your Company's business performance but also strengthen your Company's relationships with the existing as well as prospective customers.

Your Company's untiring efforts of adhering to global quality standards, enhancing production efficiency, upgrading to fast changing requirements of OEMs, customization of products and solutions, and a strong focus on product innovation and improvisation have yielded an overall improvement in qualitative performance.

Risks and concerns –

Liquidity Crisis - Due to global meltdown and financial crisis all over the world and especially in auto sector, banks/financial institutions became more cautious while lending funds. The challenge before the industry is to overcome this tight liquidity situation.

GDP growth has slipped below 5%. Inflation peaked in double digits before marginally declining of late. The fiscal and current account deficits have widened sharply. Due to all this reasons and global economic slowdown automotive Industry sales declined significantly.

Increase in competition: Competition is increasing from International Components Manufacturers setting up manufacturing facilities in India. Pressures in the highly competitive automotive manufacturing sector and over-capacity, particularly in vehicle assembly, mean that most suppliers face unrelenting price pressure. The drive for lower costs and a technical edge are therefore vital for survival.

Increase in Fuel Price: The frequent hikes in fuel prices seems to have had an adverse effect on the sale of vehicles. The depreciation in Rupee also impacts the fuel prices.

A large percentage (80%) of your Company's products are 'Commodity' business i.e. large volume, low profit business. These are also replaceable by other Companies setting up similar facilities. Hence, your Company have to scale up to more 'proprietary' products with own designs and ability to realize good margins from Customers in coming years. Auto Component manufacturers of this Category are caught between large OEMs (Vehicle Manufacturers) and large Steel Companies (raw material suppliers) with less or no elbow room for negotiations and terms, unless new proprietary products with own design are launched in both Automotive and Non-Automotive Sectors.

Apart from these, high interest rates, input costs, deceleration in growth of investment, depressed sentiments are reasons for concern.

In coming financial year, the formation of a new stable government at the Centre will help eonomy turning around and the overall confidence and the positive perception of India in the mindset of people at large will get rejuvenated. With the new stable Government resulting inflation falling in India, interest rates are set to drop and this, combined with a new, business-friendly government, should provide the impetus for the next business investment cycle. There will be series of proactive economic measures and pronouncements which will put the economy back on the path of progressive growth and development and hence the sentiments are bound to improve in times to come.

Business Outlook – The automobile industry plays a highly significant role in economic development of nations - witnessed in all major developed countries - USA, UK, Germany, France, Italy, Japan, S. Korea and now in developing economies like China and India. The Indian auto industry has been recording tremendous growth over the years and has emerged as a major contributor to India's gross domestic product (GDP) in manufacturing area. The industry currently accounts for almost 7 per cent of the country's GDP and employs about 19 million people both directly and indirectly. Contribution of Auto Industry to development of India is immense and increasingly becoming far more important due to its economic linkages, its contribution to rural India and its contribution to international trade.

However, major domestic and global OEMs including Tata Motors limited were affected by the economic slowdown. Automobile industry is affected by severe demand contraction, liquidity crisis and weakness in economic activity.

Recently the market sentiment has slightly improved. After two years of continuous slide, car sales appear to have picked up smartly, raising hopes that the days of downturn in the industry may be finally coming to an end.

Now your Company is well poised to exploit the opportunities. Your company is having full range of Mechanical / Hydraulic Presses right from smallest 40 Ton to highest 2000 Ton Capacity and is the only Company in Pune to have 2000 Ton Capacity Press, other than OEMs. Your Company is second largest in Pune for the 'State of the Art' Tool Room with capability for making upto 3.5 Meter long Dies/ Tools spread over 60,000 sq. ft. premises. Your Company is having latest Designing (CAD), Analyzing (CAE) and manufacturing (CAM) Software with more than 40 dedicated engineers to support RFQs received and then final tooling and till handing over to Production.

Though 75% of the total consolidated Sales is to Tata Motors Ltd., your Company is supplying to both their CVBU (Commercial Vehicles Business Units) & PVBU (Passenger Vehicles Business Units) in the ratio of 70:30, and each and every Vehicle at Tata Motors. Your Company supplies more than 2500 components in all. Hence, your company can be treated as supplying to two companies practically, voluminously

Your Company have added almost all new International OEMs coming to India as Customers like General Motors, Volkswagen, Daimler, Ashok Leyland Nissan, Renault-Nissan, Ford etc. Your company is providing Value Added Engineering Services in terms of both cost reduction and adaptation to Indian conditions with considerable cost savings in India. Continuous R & D efforts in area of Automobile 'Safety' has helped in having more than 10 International patents. One Patent expected (Collapsible Pedal Systems) has the potential to change the future of the Company.

We already also have a Global Foot Print with manufacturing in India, USA, South Korea, & proposed in Europe (Germany), China and Brazil by 2015, as International OEMs expect supplies of Components for same Model Manufactured globally at all locations.

Business Performance:

The year gone by was a tough one for the entire Automobile Industry with your Company being no exception. The standalone performance has been down due to slow down in auto industry, reduction in overall demand, lower volumes not covering fixed costs, high interest rate, inflationary trends, increase in input costs etc.

₹. in millions except EPS data

PARTICULARS	Consolidated Financials	
	2013-14	2012-13
Income from Operations (Net)	6770.54	8006.85
Other Income	28.40	44.96
Profit Before Interest, Depreciation & Taxes	247.26	625.27
Finance Costs	338.72	374.84
Depreciation	246.7	230.75
Profit Before Tax but before Exceptional Items	(338.16)	19.05
Exceptional Items	63.72	67.88
Extra Ordinary Items	107.01	---
Tax expense	18.17	(19.15)
Profit After Tax but before deducting minority interest	(399.62)	106.71
Less: Minority Interest	(2.06)	(2.39)
Profit/(Loss) for the year	(397.56)	109.10
Earnings per share (₹) - Basic	(31.52)	9.81
Earnings Per Share (₹) - Diluted	(32.17)	8.87

Segment – wise performance:

Your Company is in the business of manufacturing of pressed sheet metal auto components and assemblies which is used in the manufacturing of the main product and in Design Engineering Services. All other activities of the Company revolve around the main business. The sales are primarily to Domestic Automotive Component Segment. However, the Company also has a small share in export segment.

Internal control systems and their adequacy:

The Company has proper and adequate system of controls in order to ensure the optimal utilisation of resources and the accurate reporting of financial transactions and strict compliance with applicable laws and regulations. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded, and reported correctly. Audit Committee of Board of Directors comprising majority of Independent Directors, regularly reviews the significant audit findings, adequacy of internal controls, compliance with accounting policies, practices and standards as well as compliances. It reviews and reports efficiency and effectiveness of operations and the key process risk.

Your Company has implemented Microsoft Dynamics AX 2009, Enterprise Wide Solution, Enterprise Resource Planning (ERP) at all its plants covering all its businesses, planning and accounting processes. With the help of this, your Company will be in a better position to increase the operational efficiency and cost effectiveness of overall operational controls. Your Company have appointed “M/s. CMRS & Associates, Chartered Accountants” independent firm of Internal Auditors, who carried out audits in different areas of Company’s operations during the period under review. The Audit Committee reviews internal audit reports and the adequacy of internal controls from time to time.

Capital expenditure:

Your Company invested ₹. 261.37 Millions towards capital expenditure in mainly in plant and machinery and other miscellaneous fixed assets during the year under review. The capital infusion will continue in a planned manner to further improve, enhance and modernise plants in the current year 2014-2015.

Human Resources:

Your Company had a total strength of 3123 employees as on March 31, 2014. In order to protect health of employees and to ensure healthy working environment your company in March, 2013 has started self-funded Medi-claim known as ‘Autoline Employees Health Benefit Scheme” (replacing the earlier Medi-claim Policy taken with Insurance Companies) and also Personal Accident policy.

Further under the Employees Stock Option Scheme (ESOP), your Company has allotted 35781 Equity Shares against exercise price of ₹. 25/- per share to its employees and Independent Directors. A cordial Industrial Relations environment prevailed in all the manufacturing units of the Company during the year.

Cautionary statement:

The statements forming part of this Annual Report including Directors’ Report and Management Discussion and Analysis report may contain certain forward looking statements within the meaning of the applicable securities laws and regulations.

Forward-looking statements are based on certain assumptions and expectations of future events. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied, since the Company’s operations are influenced by many external and internal factors beyond the control of the Management. The Company cannot guarantee that these statements, assumptions and expectations are accurate or will be realized. 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.

CORPORATE GOVERNANCE REPORT

I. MANDATORY REQUIREMENTS

A. Company's philosophy on Corporate Governance:

The Corporate Governance contains set of principles, process and systems to be followed by Directors, Management, and employees of the Company for increasing shareholders value keeping in view interest of other stakeholders. Corporate Governance has become an integral part of the business aligning the organization to the best of international practices of good governance. This encompasses the value systems of integrity, fairness, transparency and adoption of the highest standards of business ethics which aims to benefit all the stakeholders. Your Company is fully committed to achieve and maintain the highest standard of Corporate Governance. The mandatory requirements of Clause 49 of Listing Agreement have been implemented by your Company.

The detailed report on implementation by the Company of the Corporate Governance code as per Clause 49 of the Listing Agreement with Stock Exchanges is set out as under.

B. Composition of the Board of Directors:

The present strength of your Company's Board is **seven** Directors, comprising of Non-Executive Chairman, Mr. Prakash B. Nimbalkar. The Board of Directors is composed of **three** Executive Directors viz. Mr. Shivaji T. Akhade, Managing Director*, Mr. Umesh Chavan, Executive Director and CEO**, Mr. Sudhir Mungase, Whole time Director and **two** Non-Executive Independent Directors CA. Vijay K. Thanawala and Mr. Prakash B. Nimbalkar and **two** Non – Executive Directors Mr. M. Radhakrishnan***, and Mr. Amit Goela.

* The effective date of resignation tendered by Mr. Shivaji T. Akhade from the post of Managing Director has been extended by another 6 months and hence he will continue to hold the post of Managing Director upto December 31, 2014.

**Mr. Umesh N. Chavan, appointed as Chief Executive Officer w.e.f. June 6, 2014 and then as an Additional Director and will act as an Executive Director and Chief Executive Officer w.e.f. June 25, 2014

*** Mr. M. Radhakrishnan resigned as Managing Director and Chief Executive Officer w.e.f. June 1, 2014 and continued as Non-Executive Director w.e.f. June 1, 2014.

As per Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, and in order to meet the composition of Independent Directors on the Board, the Company is in the process of appointment of Woman Director (Independent).

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement with Stock Exchanges), across all the Companies in which they are Directors. The necessary disclosures regarding Committee positions have been made by the Directors.

During the financial year 2013 - 2014, **Seven** Board meetings were held on the May 18, 2013, August 10, 2013, October 23, 2013, November 26, 2013, February 1, 2014, March 11, 2014 and March 19, 2014.

In advance of each meeting, the Board is presented with all relevant information of various matters relating to the working of the Company, especially those that requires deliberations at the highest level.

Directors have separate access to senior management at all times. In addition to items which are required to be placed before the Board for its noting or approval, information is provided on various significant items.

The information as specified in Annexure IA to Clause 49 of Listing Agreement is regularly made available to the Board. Further, the periodical Legal Compliance Reports of all laws applicable to the Company are reviewed by the Board.

To enable the Board, to discharge its responsibilities effectively, the members of the Board are briefed at every Board meeting on the overall performance of the Company. The minutes of the Board meeting are circulated in advance to all Directors to be approved at the subsequent Board meeting.

The attendance at the Board meetings held during the financial year 2013-2014 and at the last Annual General Meeting (AGM), the number of other Directorships and Committee Memberships/Chairmanships of Directors as on March 31, 2014 are as follows:

Name of the Director	No. of Board meetings attended	Attendance at the last AGM	No. of Directorships held *	No. of committee member ships held**	No. of – committee Chairman-ship held***
Mr. Prakash B. Nimbalkar	7	Yes	7	4	3
Mr. Shivaji T. Akhade#	7	Yes	9	---	---
Mr. M. Radhakrishnan##	7	Yes	6	2	---
Mr. Sudhir V. Mungase	7	Yes	5	---	---
Mr. Amit Goela	5	No	5	---	---
CA Vijay K. Thanawala	6	No	3	1	1
Prof. Abraham Koshy###	---	No	4	1	---

* Including private Companies and foreign Companies Directorship and Directorship in Autoline Industries Limited.

** Includes only Audit Committee and Shareholders /Investors' Grievance Committee in all companies including Autoline Industries Limited.

***Disclosure regarding No. of Directorship, Committee membership and No. of Committee Chairmanship is given of those Directors who were on the Board as on March 31, 2014.

#The effective date of resignation tendered by Mr. Shivaji T. Akhade from the post of Managing Director has been extended by another 6 months and hence he will continue to hold the post of Managing Director upto December 31, 2014.

##Mr. M. Radhakrishnan resigned as Managing Director and CEO w.e.f. from June 1, 2014 and continued to act as Non-Executive Director.

###Prof. Abraham Koshy resigned as Director w.e.f. May 18, 2013.

Details of Directors retiring by rotation and/ or Directors proposed to be appointed or re-appointed at the forthcoming Annual General Meeting are given below:

Name of Directors	Mr. M. Radhakrishnan	Mr. Prakash Nimbalkar	CA. Vijay K. Thanawala	Mr. Umesh N. Chavan
Date of birth	November 1, 1954	February 12, 1943	April 24, 1947	March 10 ,1973
Date of Appointment	September 3, 2001	September 15, 2006	June 15, 2006	June 25, 2014
Expertise in specific Functional areas	Has experience of around 34 years in the field of Development Banking and Finance having worked in various areas of project finance and rehabilitation of Industries in Industrial Development Bank of India (IDBI), and Small Industries Development Bank of India (SIDBI). He has worked in senior positions at Mumbai, Kolkata, Imphal, Pune and Ahmedabad, where he was General Manager in charge of Gujarat Region.	Has over 34 years of experience with Reserve Bank of India (RBI), Industrial Development Bank of India (IDBI) and Small Industries Development Bank of India (SIDBI). He was Chairman and Managing Director of SIDBI.	Has been a practicing Chartered Accountant for the past 32 years and has vast and varied experience in the field of Audit, Taxation and Management Consultancy. His areas of practice include corporate and personal taxation, appellate work, statutory audit and management and other internal audits.	Has experience of around 20 years in the field of spearheading Global Sourcing, Supply Chain and Business Development Functions in Automobile & Engineering. He has worked in senior positions at Tata Motors Limited, Kirloskar Oil Engine Limited and Cummins India limited where he was General Manager of Cummins International Purchasing office, Pune.

Qualifications	B. Sc. (Stats) LLB, DBM, CAIIB	B.Com , LLB, CAIIB	F.C.A	B.E. (Mechanical Engineering), MBA (Material& Logistic Management) and Executive MBA (Management Programme) from IIM, Ahmedabad
Directorships in companies as on March 31, 2014	1) Autoline Industries Ltd. 2) Autoline Industrial Parks Ltd. 3) Autoline Design Software Ltd. 4) Lincwise Software Private Limited. 5) Autoline Industries USA Inc. 6) Autoline Industries Indiana LLC	1) Autoline Industries Ltd. 2) SICOM Ltd. 3) SICOM ARC Ltd. 4) MPA Financial Services 5) Autoline Design Software Limited 6) OTC Exchange Of India 7) Srei Mutual Fund Trust Private Limited	1) Autoline Industries Ltd. 2) Nova Flexipack Pvt. Ltd. 3) Symphony Intergrated Finance Pvt. Ltd	Nil
Chairman / member of the Committee of the Board of Directors of the Company as on March 31, 2014*	Member – a. Audit Committee** b. Investor Grievance and Share Transfer Committee Chairman - Nil	Member - Audit Committee Chairman - a. Investor Grievance and Share Transfer Committee	Member - Nil Chairman - Audit Committee	Member - Nil Chairman - Nil
Chairman / member of the Committee of Directors of the other Companies in which he is a Director as on March 31, 2014				
a. Audit Committee	Nil	1) SICOM ARC Ltd. – Chairman 2) Srei Mutual Fund Trust Pvt. Ltd. - Member	Nil	Nil
b. Shareholders / Investors' Grievance Committee	Nil	Nil	Nil	Nil
No. of Shares held in the Company* **	1,09,953	6,700	2,525	Nil
Relationship between Directors inter-se	No	No	No	No

* Includes only Audit Committee and Shareholders /Investors' Grievance Committee in all companies including Autoline Industries Limited.

** Mr. M. Radhakrishnan was member of Audit Committee till May 24, 2014

***No. of shares held in the Company includes shares allotted by the Compensation Committee at its meeting held on May 24, 2014 viz: Mr. Prakash B. Nimbalkar- 1666 equity shares & CA. Vijay K. Thanawala 833 equity shares.

BOARD COMMITTEES

1. Audit Committee:

The Audit Committee of the Board of Directors of the Company provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. Its main aim is to monitor and to provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures, and transparency, integrity and quality of financial reporting.

The Audit Committee has been reconstituted on May 24, 2014 as Mr. M. Radhakrishnan had resigned from the Committee. The present Audit Committee comprises of three members out of which two are non-executive independent Directors viz. C.A. Vijay K. Thanawala, Mr. Prakash B. Nimbalkar, and Mr. Shivaji T. Akhade, Managing Director *.

* Mr. Shivaji T. Akhade, Managing Director inducted as member of the Committee w.e.f. May 24, 2014.

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

CA. Vijay K. Thanawala is the Chairman of the Audit Committee. All members of the Audit Committee have ability to read and understand the financial statement and they are financially literate. CA. Vijay K. Thanawala and Mr. Prakash Nimbalkar have accounting or related financial management expertise. Mr. Ashutosh B. Kulkarni, Company Secretary is the secretary to the Committee.

The Statutory Auditors, Internal Auditors and Chief Financial Officer (CFO) are invited to attend the meetings of the Committee.

The terms of reference of the Audit committee are wide enough to cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 177 of the Companies Act, 2013 and inter-alia includes:

a) To discuss with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors.

b) To ensure compliance with internal control systems.

c) To review the quarterly, half-yearly and annual financial statements before submission to the Board.

d) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

e) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.

f) Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
   - Any changes in accounting policies and practices
   - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report.
   - Major accounting entries involving estimates based on exercise of judgment by the management.
   - Qualifications in draft audit report.
   - Significant adjustments arising out of audit.
   - The going concern assumption.
   - Compliance with Accounting Standards.
   - Compliance with Stock Exchange and legal requirements concerning Financial statements.
   - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

g) Reviewing with the management, performance of statutory and internal auditors, and the adequacy of internal control systems.

h) Reviewing the adequacy of internal audit function, 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.

i) Discussion about any significant findings of internal auditors and follow up there on.

j) 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.

k) Discussion with Statutory Auditors, before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

l) Reviewing the Company's financial and risk management policies.

m) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends and creditors.) if any.

n) To review the functioning of Vigil (the Whistle Blower) mechanism.

o) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

p) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

q) Examination of the financial statement and the auditors' report thereon;

r) Approval or any subsequent modification of transactions of the company with related parties;

s) Scrutiny of inter-corporate loans and investments;

t) Valuation of undertakings or assets of the company, wherever it is necessary;

u) Evaluation of internal financial controls and risk management systems;

v) Monitoring the end use of funds raised through public offers and related matters.

Vigil Mechanism: The Company has established Vigil (Whistle Blower) Mechanism for its Directors and employees to report genuine concerns. The Mechanism is providing adequate safeguards against victimization of persons who use such mechanism and there is provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. In case of repeated frivolous complaints being filed by a Director or an employee, the Audit Committee may take suitable action against the concerned director or employee including reprimand.

During the year under review, **four** Audit Committee meetings were held on May 17, 2013, August 9, 2013, October 22, 2013 and January 31, 2014.

Attendance at the Audit Committee meetings:

Name of the Director	No. of meetings held	No. of meetings attended
CA. Vijay K. Thanawala	**4**	**4**
Mr. Prakash B. Nimbalkar	**4**	**4**
Mr. M. Radhakrishnan *	**4**	**4**

* Mr. M. Radhakrishnan was member of Audit Committee till May 24, 2014.

2. Nomination and Remuneration Committee:

The Nomination & Remuneration Committee (previously constituted as Remuneration Committee) has been reconstituted and renamed in accordance with the Section 178 of the Companies Act, 2013 w.e.f April 1, 2014. It has been constituted to recommend / review remuneration of the Managing Directors and Whole time Directors and Senior Management, based on their performance and defined assessment criteria.

The Committee has overall responsibility for approving and evaluating the Executive Directors and Senior Management compensation plans, policies and programs.

The Nomination & Remuneration Committee consist of CA. Vijay K. Thanawala, and Mr. Prakash B. Nimbalkar, Non-Executive and Independent Directors and Mr. Amit Goela and Mr. M. Radhakrishnan, Non-Executive Directors

CA. Vijay K Thanawala has been appointed as the Chairman of the Committee w.e.f. May 24, 2014.

The Committee's composition meets with the requirements of the Section 178 of the Companies Act, 2013.

The terms of reference of the Nomination & Remuneration Committee are wide enough to cover the matters specified for Committee under Section 178 of the Companies Act, 2013 and inter-alia includes:

a) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.

b) To carry out evaluation of director's performance.

c) To formulate the criteria for determining qualifications, positive attributes and independence of a director

d) To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

e) To review and determine fixed component and performance linked incentives for Directors along with the performance criteria.

f) To determine policy on service contracts, notice period, severance fee for directors and senior management.

g) To evaluate performance of each director and performance of the Board as a whole.

h) To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.

i) To perform such other functions as may be necessary.

One meeting of the Committee was held on May 18, 2013.

Attendance during F. Y. 2013-14 is as under:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash B. Nimbalkar	1	1
CA. Vijay K. Thanawala	1	1
Mr. Amit Goela	1	1
Prof. Abraham Koshy*	1	---

*Prof. Abraham Koshy resigned as Director w.e.f. May 18, 2013

The details of remuneration paid to Directors of the Company during the financial year 2013-14 are given below:

(₹. in Millions except share data)

Name and Designation of the Directors	Salary & Perquisites	Sitting Fees for Board and Committee meetings	No. of equity shares held**	Service Contract
Mr. Shivaji T. Akhade Managing Director *	4.80	Nil	6,33,681	5 years w.e.f. October 1, 2011*
Mr. M. Radhakrishnan**	4.80	Nil	1,09,953	5 years w.e.f. October 1, 2011**
Mr. Sudhir V. Mungase Wholetime Director	4.80	Nil	6,00,958	5 years w.e.f. October 1, 2011
Mr. Prakash B. Nimbalkar Non- Executive Chairman & Independent Director	------	0.540	6700	
CA. Vijay K. Thanawala Non-Executive & Independent Director	------	0.250	2525	
Mr. Amit Goela Non-Executive Director	------	0.110	125000	

* The effective date of resignation tendered by Mr. Shivaji T. Akhade from the post of Managing Director has been extended by another 6 months and hence he will continue to hold the post of Managing Director upto December 31, 2014.

**Mr. M. Radhakrishnan resigned as Managing Director and CEO w.e.f. from June 1, 2014 and continued to act as Non-Executive Director.

**No. of equity shares held in the Company includes shares allotted by the Compensation Committee meeting held on 24 May, 2014 viz: Mr. Prakash B. Nimbalkar- 1666 equity shares, CA Vijay K. Thanawala – 833 equity shares

During the year under review, none of the Non-Executive Directors of the Company had any material pecuniary relationships and/or transactions with the Company.

The criteria for making payment to Non-Executive Directors:

All Non-Executive Directors of your Company receive sitting fees for each meeting of Board and Committee thereof attended by them.

Considering inadequacy of profits for F.Y. 2013-14 and applicability of provisions of Companies Act, 1956 read with Section II of Part II of Schedule XIII to the Companies Act, 1956, the Company has paid remuneration of ₹. 4.80 Millions to Mr. Shivaji T. Akhade, Managing Director, Mr. M. Radhakrishnan Managing Director and Mr. Sudhir V. Mungase, Wholetime Director of the Company.

Subject to the requisite approval of the Central Government and approval of the Shareholders at the ensuing Annual General Meeting, Mr. Umesh N. Chavan (DIN: 06908966) has been appointed as an Additional Director and will act as an Executive Director & Chief Executive Officer of the Company, for a period of 5 (five) years with effect from June 25, 2014, on the terms and conditions including such remuneration as set out in the resolution and Statement annexed to this Annual General Meeting Notice.

3. Investors' Grievance and Share Transfer Committee:

Investors' Grievance and Share Transfer Committee was constituted on August 4, 2006. This committee specifically looks into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend etc. In addition, the Committee also looks into matters that can facilitate better investor services and relations.

The Committee consists of three members out of whom two are Non-Executive Independent Directors viz. Mr. Prakash B. Nimbalkar, Mr. Vijay K. Thanawala and one Non-Executive Director Mr. M. Radhakrishnan. Mr. Prakash B. Nimbalkar is the Chairman of the Committee. The Board has appointed Mr. Ashutosh B. Kulkarni, Company Secretary as the Compliance Officer.

The Committee's composition meets with the requirement of Clause 49 of the Listing Agreement.

The terms of reference of the Investors' Grievance and Share Transfer Committee are wide enough to cover the matters specified for Committee under Clause 49 of the Listing agreement and inter-alia includes:

a) To look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend etc.

b) To look into the matters that can facilitate better investor services and relations.

c) To expedite the process of share transfers

d) To perform such other functions as may be necessary.

During the year under review, the Committee met **Four** times on May 18, 2013, August 10, 2013, October 23, 2013 and February 1, 2014.

Attendance at the Investors' Grievance and Share Transfer Committee meeting:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash B. Nimbalkar	**4**	**4**
Mr. Vijay K. Thanawala	**4**	**4**
Mr. M. Radhakrishnan	**4**	**4**

All shares received for transfer were registered and dispatched within fifteen days of receipt, if the documents were correct and valid in all respects. There were no pending share transfers as on March 31, 2014. During the year under review, the Company had received requests/ complaints from shareholders relating to dividend etc. which were duly resolved.

4. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee was constituted by the Board w.e.f. April 1, 2014 pursuant to Section 178 of the Companies Act, 2013.

The Committee consists of Mr. Prakash Nimbalkar, Non-Executive and Independent Director (Chairman), CA Vijay Thanawala, Non-Executive and Independent Director (Member) and Mr. M. Radhakrishnan Non-Executive Director (Member).

The Stakeholders' Relationship Committee's composition meets with the requirement of Section 178 of the Companies Act, 2013.

The terms of reference of the Stakeholders' Relationship Committee are wide enough to cover the matters specified for Committee under Section 178 of the Companies Act, 2013 and inter-alia includes:

a) To oversee and review all matters connected with the transfer of the Company's securities

b) To approve issue of the Company's duplicate share/ debenture certificates.

c) To consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual Report, non-receipt of declared dividend, etc.

d) To provide guidance and make recommendations to improve service levels for the investors.

e) To perform such other functions as may be necessary.

5. Corporate Social Responsibility Committee:

Pursuant to Section 135 of the Companies Act, 2013 the Corporate Social Responsibility Committee was constituted w.e.f. April 1, 2014.

The Committee consists of three members out of whom one Non-Executive Independent Director Mr. Prakash B. Nimbalkar (Chairman), Mr. Shivaji T. Akhade, Managing Director (Member) and Mr. M. Radhakrishnan, Non-executive Director (Member).

The Committee's constitution meet with the requirements of Section 135 of the Companies Act, 2013.

The terms of reference of the Corporate Social Responsibility Committee are wide enough to cover the matters specified for Committee under Section 135 of the Companies Act, 2013 and inter-alia includes:

a) To formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in compliance with the provisions of the Companies Act, 2013 and rules made thereunder.

b) To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities

c) To monitor the Corporate Social Responsibility Policy of the Company.

d) To review the performance of the Company in the area of Corporate Social Responsibility.

e) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

6. Executive Committee:

The Executive Committee of the Board of Directors was constituted w.e.f. September 1, 2009.

The Executive Committee consists of Mr. Prakash B. Nimbalkar, Mr. Shivaji T. Akhade, Mr. M. Radhakrishnan and Mr. Sudhir V. Mungase. Mr. Prakash B. Nimbalkar is the Chairman of Executive Committee. Mr, Umesh N. Chavan was inducted as member of the Committee w.e.f. June 25, 2014.

Executive Committee of the Board has delegated certain powers and duties by the Board of Directors to oversee certain functions including but not limited to the following functions broadly:

a) To borrow & avail various credit facilities, loans from banks, financial institutions etc. upto ₹. 4000 Millions.

b) To invest the funds of the Company upto ₹. 4000 Millions.

c) To grant loans or give guarantee or provide security in respect of loans upto ₹ 4000 Millions.

d) To recommend Board to take various decisions on financial commitments, roles etc.

e) To discuss on the financials and long term planning, strategic planning relating to business and its affairs of the company.

f) To monitor and control over all units and subsidiary companies operations.

g) Establishing control & supervision on all departments like production, sales. Purchase, HR, IT, Accounts and finance etc.

h) Discussions and decisions on purchase/sale of capital assets etc.

i) Discussions relating to acquisitions/ sale of units/ undertakings, negotiation with parties etc.

j) Business Developments and decisions to be taken in this respect.

k) Any other matter which the Board may from time to time deem fit.

During the year under review, the Committee met **Eighteen** times on April 2, 2013, April 25, 2013, May 31, 2013, June 3 & 8, 2013, June 28, 2013, July 1, 2013, July 27, 2013, September 5, 2013, October 8, 2013, October 23, 2013, December 16, 2013, December 27, 2013, January 10, 2014, January 21, 2014, February 7, 2014, February 26, 2014, March 7 , 2014, and March 24 , 2014.

Attendance at the Executive Committee meeting:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash B. Nimbalkar*	**18**	**18**
Mr. Shivaji T. Akhade	**18**	**18**
Mr. M. Radhakrishnan	**18**	**18**
Mr. Sudhir V. Mungase	**18**	**17**

* During the year 2013-14 Mr. Prakash B. Nimbalkar attended 7 meetings through teleconference).

7. Compensation Committee:

The Committee has been constituted to administer and monitor Autoline ESOS Scheme 2008.

The Committee consists of three members out of which two are Non- Executive Independent Directors viz. Mr. Prakash Nimbalkar, CA. Vijay Thanawala, and one Executive Director, Mr. M. Radhakrishnan. Mr. Prakash Nimbalkar is the Chairman of the Committee.

During the year under review, the Committee met on May 18, 2013 and February 1, 2014.

Attendance at the Compensation Committee Meeting:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash B. Nimbalkar	**2**	**2**
CA. Vijay Thanawala	**2**	**2**
Mr. M. Radhakrishnan	**2**	**2**

Each option represents a right but not obligation to apply for 1 fully paid equity share of ₹. 10/-each at the exercise price of ₹. 25/-. The options granted vest over 3 year from the date of grant.

As per Autoline ESOS 2008, the Compensation Committee Meeting granted 1,60,000 options to 171 employees and 15,000 options to 5 Non-Executive and Independent Directors on November 12, 2010. During the year under review, 9 employees holding 2369 options resigned. Cumulative number of options which have lapsed due to separations is 17121. These options are available for re-issue. Disclosure as required by SEBI guidelines on ESOS is annexed to the Directors' report.

Further the Compensation Committee at its meeting held on May 18, 2013 and February 1, 2014 have approved allotment of 31487 and 4294 Equity Shares, including 4166 Equity Shares to the Independent Directors pursuant to exercise of options at an exercise price of ₹. 25/- per share.

Sr. No.	Name of Independent and Non-Executive Directors	No. of options granted	*Total No. of equity shares allotted
1.	Mr. Prakash B. Nimbalkar	5000	5000
2	CA. Vijay K. Thanawala	2500	2500
	TOTAL	7500	7500

* these are inclusive of equity shares allotted under ESOP Scheme at the Compensation Committee Meeting held on May 24, 2014.

C. General Body Meetings

Location and time where last three Annual General Meetings (AGMs) were held:

Financial Year, Day & date	**Time**	**Venue**	**No. of Special Resolution(s) passed**
2012-13 17th AGM Thursday, September 26, 2013	2-30 p.m.	S. Nos. 291 to 295 Nanekarwadi, Chakan, Tal. Khed, Dist: Pune 410501	No Special Resolution was passed
2011-12 16th AGM Thursday, September 27, 2012	2-30 p.m.	S. Nos. 291 to 295 Nanekarwadi, Chakan,Tal. Khed Dist: Pune 410501	No Special Resolution was passed
2010-11 15th AGM Friday, December 30, 2011	2.30 p.m.	S. Nos. 291 to 295 Nanekarwadi, Chakan,Tal. Khed Pune 410501	1. Consent of the members to re-appoint Mr. Shivaji T. Akhade as a Managing Director for a period of five years commencing from October 1, 2011 to September 30, 2016. 2. Consent of the members to re-appoint Mr. M. Radhakrishnan as a Managing Director for a period of five years commencing from October 1, 2011 to September 30, 2016. 3. Consent of the members to re-appoint Mr. Sudhir V. Mungase as a Wholetime Director for a period of five years commencing from October 1, 2011 to September 30, 2016. 4. Consent of the members to appoint Mr. Rajiv Radhakrishnan, relative (son) of Mr. M.Radhakrishnan, Managing Director of the Company to hold office with Autoline Industries Inc. USA. (Wholly Owned Subsidiary of Autoline Industries Limited)

Location and time where last Extraordinary General Meeting (EGM) was held-

Financial Year, Day & date	Time	Venue	No. of Special Resolution(s) passed
2007-08 EGM, Tuesday, June 3, 2008	11-00 a.m.	"Hotel Kalasagar", P-4, M.I.D.C, Mumbai Pune Road, Pimpri, Pune: 411 034	1. Consent to the Board to create, offer, issue and allot, from time to time in one or more tranches, – not exceeding 12,50,000 equity shares fully paid-up at a price not less than ₹ 235 (including a premium of ₹ 225) per equity share on preferential basis as prescribed under the guidelines for Preferential issues contained in Chapter XIII of Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 2. Consent to the Board to create, offer, issue and allot, from time to time in one or more tranches, not exceeding 10,80,000 Warrants (CWs) convertible into equity shares at a price not less than ₹ 250 (including a premium of ₹ 240) per warrant on preferential basis as prescribed under the guidelines for Preferential issues contained in Chapter XIII of Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000. 3. Consent to the Board subject to the approval of the concerned authorities to shift the Registered Office of the Company from "T-135, MIDC, Bhosari, Pune – 411 026" to "S. Nos. 313, 314, 320 to 323, Nanekarwadi, Taluka – Khed, Dist – Pune 410 501" 4. Noting of the disclosures made in the explanatory statement as required under Chapter XIII of Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000. for the special resolution passed at the Extraordinary General Meeting held on 23rd March, 2007 for issue and allotment of 50,000 equity shares on preferential basis to Mr. Kunju Kutty Aniyan Kunju.

All resolutions as set out in the respective notices were duly passed by the shareholders.

Resolutions passed through Postal Ballot:

During the year 2014-15, the Company has not passed any special resolution through postal ballot.

None of the items to be transacted at the ensuing Annual General meeting is required to be passed by the postal ballot.

D. Disclosures

a) Disclosures on materially significant related party transactions

The Company has not entered into any transaction of material nature with the Promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Related party transactions are disclosed in the Notes to Accounts forming part of this Annual Report. Transactions entered into by the Company with related parties during the year were periodically placed before the Audit Committee for review. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly.

b) Statutory Compliance, Penalties and Strictures

The Company has complied with the various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India and any other statutory authority relating to capital markets. No penalties or strictures have been imposed by them on the Company.

c) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed Generally Accepted Accounting Principles (followed in India) as prescribed in Accounting Standards.

d) Risk Management

The Company has a defined Risk Management framework. The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

e) Code of Conduct

The Board of Directors at its meeting held on 4th August, 2006 has adopted Code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated to the Directors and members of the senior Management. The code has also been displayed on the Company's website - www.autolineind.com. All Directors and senior management have affirmed compliance with the code. A declaration to this effect signed by Managing Director is given in this annual report.

f) Insider Trading

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company

has adopted a 'Code of Conduct for prevention of Insider Trading' ('the Code') with effect from April 1, 2007.

The code is applicable to all Directors, such designated employees and others who are expected to have access to unpublished price sensitive information relating to the Company. Mr. Ashutosh Kulkarni – Company Secretary has been appointed as Compliance Officer for monitoring adherence to the Regulations.

Means of Communication

Financial results: The Company normally publishes its quarterly and/or yearly financial results in the leading national newspapers namely The Economic Times and/ or Financial Express and/or Business Standard. In addition, the same are published in local language (Marathi) newspapers namely Daily Loksatta/Maharashtra Times etc. and other editions of leading newspapers.

Website: The Company's website (www.autolineind.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website (www.autolineind.com).

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Other Shareholders related information :

Clause 5A of the Listing Agreement w.r.t. Unclaimed Shares.

In compliance with the amendment to Clause 5A of the Listing Agreement issued by SEBI, the Company has opened a demat account in the name of "Autoline Industries Limited- Unclaimed Securities Suspense Account" for the purpose of transferring the unclaimed shares. (Previously the account was maintained by R & T Agents, Link Intime India Pvt. Ltd.)

As and when any shareholder approaches the Company or the Registrar and Transfer Agent (RTA) to claim the said shares, the same shall be credited to the demat account or physical certificates shall be delivered to the respective shareholder after due verification.

Disclosure with respect to shares lying in suspense account:

Particulars	No of shareholders	No of shares
Aggregate number of shareholders and the outstanding shares in the Demat Suspense Account lying as on April 1, 2013.	9	249
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Nil	Nil
Number of shareholders to whom the shares were transferred from the suspense account during the period	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2014.	9	249

II. NON-MANDATORY REQUIREMENTS

A. Office of the Chairman of the Board and reimbursement of expenses by the Company. The Company is presently reimbursing the expenses incurred in performance of duties.

B. Shareholders' rights - furnishing of quarterly & yearly financial results. The Company's quarterly & financial results are published in English and Marathi newspapers having wide circulation.

C. **Postal Ballot**

No special resolution was passed through postal ballot during the Financial Year 2013-14. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

Adoption of non-mandatory requirements of Clause 49 of the Listing Agreement are being reviewed by the Board from time to time.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges on Code of Corporate Governance, Certificate from Statutory Auditors' of the Company regarding compliance of conditions of Corporate Governance by the Company is annexed. The Statutory Auditors Certificate will also be sent to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited where the Company's shares are listed, along with the annual return to be filed by the Company.

GENERAL SHAREHOLDERS' INFORMATION

Company Registration Details:

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L34300PN1996PLC104510.

i Annual general meeting

Day, Date and Time :	**Thursday, July 31, 2014 at 2-30 p.m.**
Venue :	S. Nos. 291 to 295, Nanekarwadi, Taluka -Khed, Dist.-Pune- 410 501

ii Financial calendar

Financial year :	April 1 to March 31
Financial reporting (tentative)	
First quarter results :	First week of August, 2014
Quarterly / Half-yearly results :	First week of November, 2014
Third quarter results :	First week of February, 2015
Fourth quarter and Annual Audited results :	Last week of April, 2015

iii Dates of book closure : **Saturday, July 26, 2014 to Thursday, July 31, 2014. (both days inclusive)**

iv Dividend payment : ----------

v Listing on Stock Exchanges :

1. Bombay Stock Exchange Limited (BSE), Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. India
2. National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051, India.

vi. Stock code - Scrip code **(BSE): 532797**

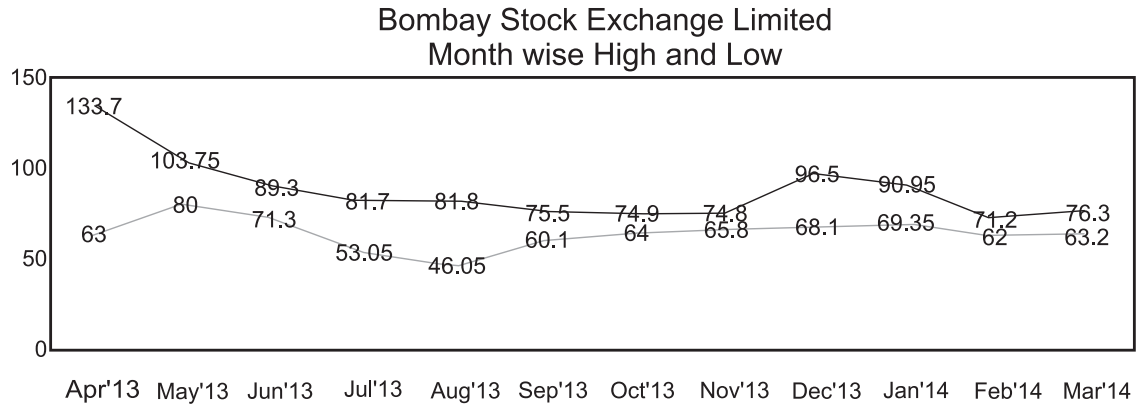
Trading Symbol NSE: **AUTOIND**

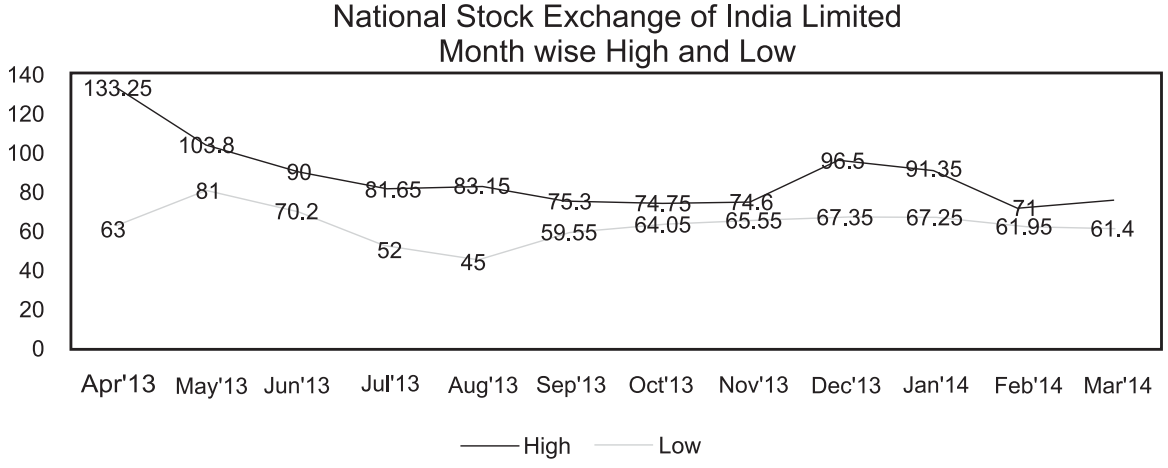
ISIN for Equity shares: INE718H01014

vii Market price data and share price performance in comparison to broad based indices : Monthly high and low quotations of shares traded on Stock Exchanges for the period from April 1, 2013 to March 31, 2014:

	Bombay Stock Exchange Ltd.				National Stock Exchange of India Ltd			
	AUTOLINE		SENSEX		AUTOLINE		NIFTY	
Month	High	Low	High	Low	High	Low	High	Low
Apr'13	133.70	63.00	19622.68	18144.22	133.25	63.00	5962.30	5472.20
May'13	103.75	80.00	20443.62	19451.26	103.80	81.00	6229.45	5910.95
Jun'13	89.30	71.30	19860.19	18467.16	90.00	70.20	6011.00	5566.25
Jul'13	81.70	53.05	20351.06	19126.82	81.65	52.00	6093.35	5675.75
Aug'13	81.80	46.05	19569.20	17448.71	83.45	45.00	5808.50	5118.85
Sep'13	75.50	60.10	20739.69	18166.17	75.30	59.55	6142.50	5318.90
Oct'13	74.90	64.00	21205.44	19264.72	74.75	64.05	6309.05	5700.95
Nov'13	74.80	65.80	21321.53	20137.67	74.60	65.55	6342.95	5972.45
Dec'13	96.50	68.10	21483.74	20568.70	96.50	67.35	6415.25	6129.95
Jan'14	90.95	69.35	21409.66	20343.78	91.35	67.25	6358.30	6027.25
Feb'14	71.20	62.00	21140.51	19963.12	71.00	61.95	6282.70	5933.30
Mar'14	76.30	63.20	22467.21	20920.98	76.30	61.40	6730.05	6212.25

Share Price Performance in comparison to broad based indices – BSE Sensex and NSE Nifty as on March 31, 2014.





viii	**Registrar and Share Transfer Agents :**	**Link Intime India Pvt. Ltd.** Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune-411001, Phone: (020) - 26161629, 26160084 Fax: 020 26163503 Email address: **pune@linkintime.co.in** Web: www.linkintime.co.in
ix.	**Share transfer system**	Transfers in physical form have to be lodged with **Link Intime India Pvt. Ltd.** at the abo ve mentioned address. All shares received for transfer were registered and despatched within fifteen days of receipt, if the documents were correct and valid in all respects. The time taken to process dematerialization of shares is 10 days upon receipt of documents from Depository Participant. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with share transfer formalities under Clause 47(c) of Listing Agreement and filing copy of the same with Stock Exchanges.

x. Distribution of shareholding as on March 31, 2014

No of equity shares held	No. of shareholders	% of shareholders	No of share held	% of shareholding
1-5000	16912	98.9006	4078847	33.2012
5001-10000	92	0.5380	673688	5.4837
10001-20000	53	0.3099	723507	5.8892
20001-30000	12	0.0702	293263	2.3871
30001-40000	8	0.0468	281566	2.2919
40001-50000	3	0.0175	144200	1.1738
50001-100000	6	0.0351	457875	3.7270
100001 and above	14	0.0819	5632300	45.8460
Total	**17100**	**100.00**	**12285246**	**100.00**

xi Shareholding as on March 31, 2014

Sr. No	Category	No. of shares held	% of holding
(A)	**Shareholding of Promoter & promoter group**		
1	**Indian**		
A	Individuals	2446567	19.91
B	Bodies Corporate	1000000	8.14
II	**Foreign**		
	Total shareholding of promoter and promoter group - (A)	**3446567**	**28.05**
(B)	**Public shareholding**		
I	**Institution**		
A	Mutual funds	**-----**	**-----**
B	Banks, Financial Institutions	17865	0.14
C	FIIs	382000	3.11
	Sub total B (I)	**399865**	**3.25**
II	**Non Institutions**		
A	Bodies corporate	1239299	10.09
B	Individuals holding nominal capital up to ₹. 1 Lac	3950768	32.16
C	Individuals holding nominal capital in excess of ₹. 1 Lac	2044603	16.64
D	Clearing member	297399	2.42
E	Foreign national	11163	0.09
F	Non-resident Indian	640044	5.21
G	Foreign Companies	123462	1.00
H	Other Directors and relatives	132076	1.08
	Sub total B (II)	**8438814**	**68.69**
	Total Public shareholding B(I) + B(II)	**8838679**	**71.95**
(C)	**Shares held by custodians against which Depository receipts have been issued**	-----	-----
	TOTAL - (A) +(B)+(C)	**12285246**	**100.00**

xii. Dematerialisation of shares and liquidity

As on March 31, 2014 total dematted shares are 1,21,67,091 i.e. 99.04 % of paid-up equity share capital of the Company was held in dematerialised form.

xiii. Outstanding GDR/warrants or convertible bonds, conversion dates and likely impact on equity:

There are no outstanding GDR/warrants or convertible bonds.

xiv. Plant/ unit locations:

1. T-135, MIDC, Bhosari, Pune - 411 026.
2. S. Nos. 291 to 295, Nanekarwadi, Taluka -Khed, Dist-Pune- 410 501
3. S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka Khed, Pune - 410 501.
4. S. No. 613, Mahalunge, Chakan, Taluka- Khed, Dist - Pune- 410 501
5. F-II, 24/25 MIDC, Pimpri, Pune- 411 018.
6. E-12-17 (7) & (8) , MIDC, Bhosari, Pune - 411 026
7. Plot Nos. 5, 6, and 8 Sector 11, IIE, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand - 263 153

Foreign units locations:

1) Autoline Industries USA, Inc. -100, Commerce Street, Butler, IN. 46721 USA
2) Autoline Stampings Limited - 431 - 809 779, Gwanyang-dong,Dong-an-gu Anyang-si, Gysonggi-do, South - Korea
3) Koderat Investments Limited - Griva Digeni 115, Trident Centre, 3101, Limassol, Cyprus
4) SZ Design Srl & Zagato Srl - Via Arese, 30 - 20017, Terrazzano di Rho (MI) - Italy.

xv. Address for correspondence:

Mr. Ashutosh Kulkarni, Company Secretary
Autoline Industries Limited
S.Nos.313, 314,320 to 323, Nanekarwadi,
Chakan, Taluka- Khed, Dist- Pune: 410 501,
Tel: +91 2135- 664857; Fax: +91 2135- 664853/64
Email: ashutosh.kulkarni@autolineind.com
Website: www.autolineind.com

Investor Grievance Cell

Email: investorservices@autolineind.com

CEO & CFO CERTIFICATION

To:

The Board of Directors,

Autoline Industries Limited.

We, Shivaji T. Akhade, Managing Director & CEO, M. Radhakrishnan, Managing Director & CEO and Ravi Ketkar, Chief Financial Officer appointed in terms of Clause 49 of the Listing Agreement, certify to the Board that :

a) The Financial Statements and Cash Flow Statements for the year April 1, 2013 to March 31, 2014 have been reviewed and to the best of our knowledge and belief ;

   1. these statements together present true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
   2. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

b) To the best of our knowledge and belief, no transactions entered are fraudulent, illegal or violate the Company's Code of Conduct.

c) We accept the responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of the Company's internal control system pertaining to financial reporting, disclosing the deficiencies in the design or operation of such internal controls, if any, of which we are aware to the Auditors and the Audit Committee and take steps or proposed to take steps to rectify these deficiencies.

d) We indicated to the Auditors and Audit Committee:

   1. Significant changes in Internal Control Process over financial reporting during the year.
   2. Significant changes in Accounting Policies and that the same have been disclosed in the notes to the financial statements.
   3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Autoline Industries Ltd	For Autoline Industries Ltd	For Autoline Industries Ltd
Sd/-	Sd/-	Sd/-
(Shivaji T. Akhade)	(M. Radhakrishnan)	(Ravi Ketkar)
Managing Director & CEO	Managing Director & CEO	Chief Financial Officer

Place : Pune
Dated : May 24, 2014.

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO CODE OF CONDUCT.

In accordance with Clause 49 sub clause I (D) of the Listing Agreement with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, I hereby confirm that all the Directors and the senior management personnel of the Company have affirmed compliance to their respective Codes of Conduct as applicable to them for the financial year ended March 31, 2014.

For Autoline Industries Ltd	For Autoline Industries Ltd	For Autoline Industries Ltd
Sd/-	Sd/-	Sd/-
(Shivaji T. Akhade)	(M. Radhakrishnan)	(Ravi Ketkar)
Managing Director & CEO	Managing Director & CEO	Chief Financial Officer

Place : Pune
Dated : May 24, 2014.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Autoline Industries Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Autoline Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and Cash Flow Statement 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular No. 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 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, of the state of affairs of the Company as at 31st March, 2014;
(ii) in the case of the Statement of Profit and Loss, of the **loss** for the year ended on that date; and
(iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Without qualifying our opinion, we draw attention to:-

- Sub-note to note no. 9 regarding non provision for diminishing in value of investment in subsidiary Koderat Investments Limited (Cyprus). The note is self-explanatory. In the given circumstances we are unable to give our opinion.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, as amended by the companies (Auditor's Report) Amendment order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanation given to us, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the company.
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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular No. 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
   e) on the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

FOR K V M D S & ASSOCIATES,
CHARTERED ACCOUNTANTS.
FIRM REG. NO.: 121347W

CA. VIJAY B. SHETH
PARTNER
MEM. NO. 037634

PLACE: PUNE.
DATE : 24TH MAY, 2014.

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Annexure Referred to in paragraph 1 of the Auditors' Report of even date to the members of

AUTOLINE INDUSTRIES LIMITED on the Accounts for the Year Ended on 31st March, 2014]

1) In respect of Fixed Assets

   a) The Company has generally maintained proper records showing particulars including quantitative details and situation of Fixed Assets on the basis of information available.

   b) According to the information and explanation given to us, the fixed assets are physically verified by the management according to the phased programme which in our opinion is reasonable having regard to the size of the company and the nature of its assets. On physical verification by the management no major discrepancies between the book record and physical inventory have been noticed.

   c) In our opinion, the company has not disposed off a substantial part of its Fixed Assets and the going concern status is not affected.

2) In respect of its Inventories:

   a) The inventory of the Company has been physically verified by the management during the year at regular interval. In our opinion the frequency of verification is reasonable.

   b) In our opinion, and according to the information and explanation given to us, the procedures as explained to us and which are followed by the management for physical verification of inventories are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c) According to the information and explanation given to us no material discrepancies were noticed on physical verification of inventories as compared to book records, discrepancies noticed were properly dealt with, in the books of accounts, which were not material considering the size of the companies operation.

3) a) As per the information and explanation given to us, the company has not granted any secured or unsecured loan to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act 1956 during the year .Consequently clause (iii) (b), (iii) (c) & (iii) (d) of the order is not applicable.

   b) As per the information and explanation given to us, the company has not accepted any unsecured loan from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act 1956 during the year. Consequently clause (iii) (f) & (iii) (g) of the order is not applicable.

4) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls system.

5) In respect of transaction covered under section 301 of the Companies Act 1956 :

   a) Based on the audit procedures applied by us and according to the information and explanations provided by the Management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

   b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5 lacs in respect of each party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6) According to the information and explanation given to us, the company has not accepted any deposits from public. Therefore, the provisions of Clause 4(vi) of the Order are not applicable to the Company.

7) The Company has an internal audit functions carried out during the year by a firm of chartered accountants appointed as internal auditor by the management and in our opinion, company's present internal audit system is commensurate with the size of the company and the nature of its business.

8) We have broadly reviewed the books of account maintained by the company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of subsection (1) of section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. The same are verified by external cost auditor appointed by company for carrying cost audit and his report were awaited till date of signing the auditor's report. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

9) a) According to the information and explanations given to us and according to the books and records as produced and examined by us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, E.S.I., Income Tax, Sales Tax, LBT, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Cess and any other material statutory dues, to the extent applicable, have been generally regularly deposited with the appropriate authorities. According to the information and explanations given, no undisputed amount payable in respect of aforesaid dues were outstanding as at 31st March, 2014, for a period of more than six months from the date they became payable except for MVAT ₹ 2,34,05,538/-, CST ₹ 68,742/- and LBT ₹ 32,79,434/-, which is till date of the signing of report.

b) As at 31st March 2014, according to the records of the Company and on the basis of information and explanations given to us, except for Income Tax & Sales Tax (VAT), there are no disputed dues in respect of Custom Duty, Wealth Tax, Excise Duty, Service Tax and Cess.

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Tax Amount involved (₹)
Income Tax Act, 1961	Dues on Assessment	Income Tax Appellate Tribunal	F.Y. 2008-09	36,58,482/-
Income Tax Act, 1961	Dues on Assessment	The Commissioner of Income Tax (Appeals), Pune	F.Y. 2009-10	8,26,620/-
The Maharashtra Value Added Tax Act, 2002 / Central Sales Tax Act, 1956	VAT / CST	The Joint Commissioner of Sales Tax (Appeals), Pune	F.Y. 2000-01	1,59,44,440/-
			F.Y. 2001-02	1,54,42,721/-
			F.Y. 2002-03	95,983/-
			F.Y. 2003-04	10,11,670/-
			F.Y. 2004-05	9,57,742/-
			F.Y. 2005-06	1,90,22,000/-
			F.Y. 2006-07	12,55,746/-
			F.Y. 2007-08	6,79,341/-
			F.Y. 2008-09	148,252/-

10) The Company has no accumulated losses as at 31st March, 2014, but has incurred cash losses during the financial year ended on that date. The Company has not incurred any cash losses in the immediately preceding financial year.

11) Based on our audit procedures and on the information and explanations given by the Management, in our opinion, the Company has defaulted in repayment of its dues to banks as at the balance sheet date. Following are the defaults :-

Sr. No.	Amount (Including Interest) – ₹ in Lacs	Period of Delay (after due date)	Paid before Signing of Balance Sheet
1	186.38	0 to 30 days	Yes
2	585.01	31 to 60 days	Yes
3	2325.73	61 to 90 days	Yes
4	203.92	Above 90 days	Yes
5	3.33	0 to 30 days	No
6	342.46	31 to 60 days	No
7	332.12	61 to 90 days	No
8	163.95	Above 90 days	No

12) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13) In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute and provisions applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.

14) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities.

15) In our opinion, and according to the information and explanations given to us, the Company has given corporate guarantee of $ 10.5 Million for the loans taken by a foreign subsidiary company from banks or financial institutions. In our opinion the terms and conditions thereof are not prejudicial to the interest of the company.

16) According to the information and explanation given to us, company has raised term loan during the year. On the basis of the information and explanation given to us and on an overall examination of the financial statements of the company, we are of the opinion that, prima facie the term loan is applied for the purposes for which they were obtained.

17) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that the funds raised on short term basis have been used for long term purposes.

18) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

19) No debentures have been issued during the year.

20) During the year the Company has not raised money by public issue.

21) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

FOR K V M D S & ASSOCIATES,
CHARTERED ACCOUNTANTS.
FIRM REG. NO.: 121347W

CA. VIJAY B. SHETH
PARTNER
MEM. NO. 037634

PLACE: PUNE.
DATE : 24TH MAY, 2014.

BALANCE SHEET AS AT 31ST MARCH, 2014

PARTICULARS	Note No.	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	122,852,460	122,494,650
(b) Reserves and surplus	2	1,655,019,962	2,196,380,119
		1,777,872,422	2,318,874,769
2 Non-current liabilities			
(a) Long-term borrowings	3	463,296,877	749,058,510
(b) Deferred tax liabilities (net)	31	125,985,829	125,985,829
		589,282,706	875,044,339
3 Current liabilities			
(a) Short-term borrowings	4	1,019,457,226	909,391,330
(b) Trade payables	5	599,794,308	889,929,825
(c) Other current liabilities	6	678,107,855	766,347,263
(d) Short-term provisions	7	-	14,331,262
		2,297,359,389	2,579,999,679
TOTAL		**4,664,514,517**	**5,773,918,787**
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8.A	2,661,426,281	2,600,884,798
(ii) Intangible assets	8.A	101,430,680	128,824,119
(iii) Capital work-in-progress		-	193,689,607
(iv) Intangible assets under development		-	-
(v) Fixed assets held for sale		-	-
		2,762,856,961	2,923,398,523
(b) Non-current investments	9	641,080,963	979,568,031
(c) Long-term loans and advances	10	162,418,435	149,913,536
(d) Other non-current assets	11	99,625	5,028,909
		3,566,455,984	4,057,908,999
2 Current assets			
(a) Inventories	12	621,685,593	873,844,131
(b) Trade receivables	13	222,021,934	394,874,445
(c) Cash and cash equivalents	14	5,071,774	44,250,081
(d) Short-term loans and advances	15	151,821,969	288,785,759
(e) Other current assets	16	97,457,263	114,255,371
		1,098,058,533	1,716,009,788
TOTAL		**4,664,514,517**	**5,773,918,787**

See accompanying notes forming part of the financial statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR K V M D S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 121347W

For and on behalf of the Board of Directors

PRAKASH NIMBALKAR
Chairman

SHIVAJI AKHADE
Managing Director and CEO

M. RADHAKRISHNAN
Managing Director and CEO

VIJAY B. SHETH
PARTNER
Mem. NO. 037634

RAVI KETKAR
Chief Financial Officer

ASHUTOSH KULKARNI
Company Secretary

Place : PUNE
Date : 24th May 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Particulars	Note No.	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
A	**CONTINUING OPERATIONS**			
1	Revenue from operations (gross)	17	4,318,672,025	6,165,272,000
	Less: Excise duty	17	349,604,887	432,001,244
	Revenue from operations (net)		3,969,067,138	5,733,270,756
2	Other income	18	24,832,743	48,310,426
3	**Total revenue (1+2)**		**3,993,899,881**	**5,781,581,182**
4	**Expenses**			
	(a) Cost of materials consumed	19.a	2,765,630,099	4,309,176,653
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19.b	283,979,052	(171,651,897)
	(c) Employee benefits expenses	20	333,994,716	374,590,885
	(d) Finance costs	21	311,362,989	344,664,866
	(e) Depreciation and amortisation expenses	8.B	220,276,388	198,499,324
	(f) Other expenses	22	585,096,815	849,325,995
	Total expenses		**4,500,340,059**	**5,904,605,824**
5	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		(506,440,178)	(123,024,642)
6	Exceptional items	23.a	63,724,161	67,878,866
7	**Profit / (Loss) before extraordinary items and tax (5 + 6)**		(442,716,017)	(55,145,776)
8	Extraordinary items	23.b	107,006,504	-
9	**Profit / (Loss) before tax (7 ± 8)**		(549,722,521)	(55,145,776)
10	**Tax expense:**			
	(a) Current tax expense for current year		-	1,650,000
	(b) (Less): MAT credit		1,782,105	(76,724,358)
	(c) Current tax expense relating to prior years		510,106	118,312
	(d) Net current tax expense		2,292,211	(74,956,046)
	(e) Deferred tax	31	-	10,170,000
			2,292,211	**(64,786,046)**
11	**Profit / (Loss) from continuing operations (9 ±10)**		(552,014,732)	9,640,270
B	**DISCONTINUING OPERATIONS**			
12.i	Profit / (Loss) from discontinuing operations (before tax)		-	-
12.ii	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
12.iii	Add / (Less): Tax expense of discontinuing operations		-	-
13	**Profit / (Loss) from discontinuing operations (12.i ± 12.ii ± 12.iii)**		-	-
C	**TOTAL OPERATIONS (A.11 + B.13)**		(552,014,732)	9,640,270
14	**Profit / (Loss) for the year**		(552,014,732)	9,640,270
15.1	**Earnings per share (of ₹ 10/- each):**			
	(a) Basic for Continuing Operation	30	(44.10)	1.67
	(b) Diluted for Continuing Operation	30	(44.67)	0.78
15.2	**Earnings per share (excluding extraordinary items) (of ₹ 10/- each):**			
	(a) Basic for Continuing Operation	30	(35.39)	1.67
	(b) Diluted for Continuing Operation	30	(36.01)	0.78

See accompanying notes forming part of the financial statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR K V M D S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 121347W

For and on behalf of the Board of Directors

PRAKASH NIMBALKAR
Chairman

SHIVAJI AKHADE
Managing Director and CEO

M. RADHAKRISHNAN
Managing Director and CEO

VIJAY B. SHETH
PARTNER
Mem. NO. 037634

RAVI KETKAR
Chief Financial Officer

ASHUTOSH KULKARNI
Company Secretary

Place : PUNE
Date : 24th May 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	PARTICULARS	For the year ended 31st March, 2014	For the year ended 31st March, 2013
A.	**Cash Flow from Operating Activities**		
	Net Profit after Tax	(552,014,732)	9,640,270
	Adjustment for :		
	Depreciation	219,891,684	198,499,324
	Employee Stock Options	10,539,402	10,778,844
	Amortisation of Miscellaneous Expenditure	5,062,117	5,226,141
	Deferred Tax Liability (Net)	-	10,170,000
	Operating Profit before Working Capital Changes	(316,521,529)	234,314,578
	Adjustment for :		
	Trade Receivable and Other Current Assets	326,614,410	100,339,779
	Inventories	252,158,538	(48,957,952)
	Misc. Expenditure	-	-
	Trade Payables and Other Current Liabilities	(288,126,066)	25,099,869
	Cash Generated from Operations	(25,874,647)	310,796,273
	Net Cash from Operating Activities	(25,874,647)	310,796,273
B.	**Cash Flow from Investing Activities**		
	Acquisition of Fixed Assets (Net)	(59,734,826)	(248,199,997)
	Investments	338,487,067	(7,926,210)
	Net Cash from Investing Activities	278,752,242	(256,126,207)
C.	**Cash Flow from Financing Activities**		
	Proceeds from Borrowings (Net)	(280,275,857)	(13,919,959)
	Dividend	(36,838)	(59,317)
	Issue of ESOP Share	357,810	444,960
	Premium on ESOP Share	536,715	667,440
	Long-term loans and advances	(12,504,899)	(69,782,346)
	Other non-current assets	(132,833)	5,226,142
	Net Cash from Financing Activities	(292,055,902)	(77,423,080)
	Net Increase / Decrease in Cash & Cash Equivalent	(39,178,307)	(22,753,013)
	Cash & Cash equivalent as at 01.04.2013	44,250,081	67,003,094
	Cash & Cash equivalent as at 31.03.2014	5,071,774	44,250,081
	Net Increase / Decrease in Cash & Cash Equivalent	(39,178,307)	(22,753,013)

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR K V M D S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 121347W

For and on behalf of the Board of Directors

PRAKASH NIMBALKAR
Chairman

SHIVAJI AKHADE
Managing Director and CEO

M. RADHAKRISHNAN
Managing Director and CEO

VIJAY B. SHETH
PARTNER
Mem. NO. 037634

RAVI KETKAR
Chief Financial Officer

ASHUTOSH KULKARNI
Company Secretary

Place : PUNE
Date : 24th May 2014

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 Share Capital

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised				
Equity shares of ₹10 each with voting rights	29,500,000	295,000,000	29,500,000	295,000,000
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹10 each with voting rights	12,249,465	122,494,650	12,204,969	122,049,690
Add: ESOP Allotment During the Period	35,781	357,810	44,496	444,960
Total	**12,285,246**	**122,852,460**	**12,249,465**	**122,494,650**

Sub-Note Related to Note 1 :-

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Closing Balance
Equity shares with voting rights							
Year ended 31 March, 2014							
- Number of shares	12,249,465	-	-	35,781.00	-	-	12,285,246
- Amount (₹)	122,494,650	-	-	357,810.00	-	-	122,852,460
Year ended 31 March, 2013							
- Number of shares	12,204,969	-	-	44,496.00	-	-	12,249,465
- Amount (₹)	122,049,690	-	-	444,960.00	-	-	122,494,650

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Lincwise Software Private Limited	1,000,000	8.14%	1,000,000	8.16%
Mrs. Rekha Rakesh Jhunjhunwala	731,233	5.95%	731,233	5.97%
Mrs. Rema Radhakrishnan	504,717	4.11%	664,717	5.43%
Mr. Shivaji Tukaram Akhade	633,681	5.16%	633,681	5.17%
Total	**2,869,631**	**23.36%**	**3,029,631**	**24.73%**

(iii) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	Aggregate number of shares	
	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Equity shares with voting rights		
Fully paid up pursuant to contract(s) without payment being received in cash in 2007-08	-	588,125
Fully paid up by way of bonus shares in 2006-07	-	-
Total	**-**	**588,125**

Note 2 Reserves and surplus

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Capital reserve		
Opening balance	-	-
Less: Utilised for Merger	-	-
Closing balance	-	-
(b) Securities premium account		
Opening balance	1,234,299,559	1,223,200,032
Add : Premium received on allotment of 35781 equity Shares pursuant to ESOP - face value of ₹ 10/- at premium of ₹ 15/- Per Share.	536,715	667,440
Add : Premium transferred from Employee Stock outstanding account on allotment of 35781 equity shares at fair value of ₹ 234.45 Per Share	8,388,855	10,432,087
Closing balance	1,243,225,129	1,234,299,559
(c) Revaluation reserve		
Opening balance	9,828,846	10,213,550
Less: Utilised for set off against depreciation of Revalued Asset	384,704	384,704
Closing balance	9,444,142	9,828,846
(d) Share options outstanding account		
Employee Stock Options Outstanding Accounts*	18,194,024	27,138,291
Less: Deferred Employee Compensation Account	-	11,094,814
Net Balance	18,194,024	16,043,477
(e) General reserve		
Opening balance	120,227,655	120,227,655
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	120,227,655	120,227,655
(f) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	815,980,582	820,730,891
Add: Profit / (Loss) for the year	(552,014,732)	9,640,270
Less:		
Dividend paid for Preceding Year	31,487	51,037
Dividend proposed to be distributed to equity shareholders (₹ 1 per share)	-	12,249,466
Tax on dividend	5,351	2,090,075
Transferred to:		
- General reserve	-	-
Closing balance	263,929,012	815,980,582
Total	**1,655,019,962**	**2,196,380,119**

* Note - During the year ₹ 83,88,855/- transfer to Security Premium & ₹ 5,55,412/- is reverse back the expense related to Option Lapses from Opening balance of Employee Stock Outstanding Account.

Note 3 Long-term borrowings

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Term loans		
From banks / Financial Institution		
Secured	441,528,227	700,424,833
Unsecured	-	22,613,280
	441,528,227	723,038,113
(b) Trade Deposits		
Secured	-	-
Unsecured	17,000,000	16,000,000
	17,000,000	16,000,000
(c) Deferred payment liabilities		
Secured	-	-
Unsecured	4,768,650	10,020,397
	4,768,650	10,020,397
Total	**463,296,877**	**749,058,510**

Sub-note to Note 3

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	As at 31st March, 2014		As at 31 March, 2013	
	Secured	Unsecured	Secured	Unsecured
Term loans from banks: Financial Institutions				
Bank of Baroda Term Loan	61,566,071	-	95,865,565	-
Axis Bank Ltd Term Loan-1	143,890,652	-	253,890,821	-
Axis Bank Ltd Term Loan-2	-	-	37,555,518	-
Axis Bank Ltd Term Loan-3	84,235,231	-	-	-
NKGSB Co-op. Bank Ltd. Term Loans	22,700,500	-	60,189,486	-
Vidya Sahakari Bank Ltd Term Loan	13,539,473	-	14,848,945	-
The Catholic Syrian Bank Ltd Term Loan-1	59,613,638	-	133,305,692	-
The Catholic Syrian Bank Ltd Term Loan-2	33,253,460	-	53,227,083	-
Bank of Baroda (Vehicle Loan)	749,843	-	1,541,723	-
Tata Capital Financial Services Ltd. - Hire Purchase Loan	21,979,359	-	50,000,000	-
Total	**441,528,227**	**-**	**700,424,833**	**-**

Term of Repayment & Security for Secured Loan.

1. Bank of Baroda's Term loan are secured by First Charge on Fixed assets of the Company situated at Plot No. 6 & 8, Uttarakhand and Second Charge on Fixed assets of the Company situated at S. No. 313/314, Nanekarwadi, Chakan. Loan is repayable in 69 monthly installment of ₹ 28.60 Lacs and 1 monthly installment of ₹ 26.60 Lacs.
2. Axis Bank Ltd.'s loans are secured by charge on all Fixed assets of the Company except situated at Plot no. 5, 6 & 8, Uttarakhand and Plot No. E-12 (17) (8), M.I.D.C., Bhosari, Pune-411026 and S. No. 313/314, Nanekarwadi, Chakan. Term Loan - 1 is repayable in 13 quarterly installment of ₹ 2 Crores, next 3 quarterly installment of ₹ 5 Crores and 1 installment of ₹ 4 Crores. Term Loan - 3 is Corporate loans of ₹ 10 Cr. is repayable in 12 equal quarterly installment of ₹ 84.24 Lacs (Tenure 3 years and 9 months including moratorium of 1 year.)
3. Vehicle Loans have been secured by hypothecation of Vehicles.
4. The term loan from NKGSB Co-op. Bank Ltd. & Vidya Sahakari Bank Ltd. has been secured by charge on Fixed assets of the Company at Plot No. E-12 (17) (8), M.I.D.C. Bhosari, Pune-411026 & Plot No 5 at Uttarakhand.

   NKGSB term loan LNM/3 is repayable (including Interest) in 60 monthly installment of ₹ 4.81 Lacs.

   NKGSB term loan LNM/5 is repayable (including Interest) in 60 monthly installment of ₹ 3.61 Lacs

   NKGSB term loan LNM/19 is repayable (including Interest) in 60 monthly installment of ₹ 7.78 Lacs

   NKGSB term loan LNM/46 is repayable (including Interest) in 60 monthly installment of ₹ 6.03 Lacs.

   NKGSB term loan LNM/70 is repayable (including Interest) in 60 monthly installment of ₹ 2.44 Lacs

   NKGSB term loan LNM/69 is repayable (including Interest) in 36 monthly installment of ₹ 14.07 Lacs.

   Vidya Saha.Bank term loanTL/HPL/432 is repayable (including Interest) in 60 monthly installment of ₹ 2.33 Lacs.

   Vidya Saha.Bank term loan TL/HPL/483 is repayable (including Interest) in 60 monthly installment of ₹ 2.40 Lacs.

   Vidya Saha.Bank term loan TL/HPL/486 is repayable (including Interest) in 60 monthly installment of ₹ 0.60 Lacs.

   Vidya Saha.Bank term loan TL/HPL/515 is repayable (including Interest) in 60 monthly installment of ₹ 4.76 Lacs.
5. Hire Purchase Loan taken from Tata Capital Financial Services Ltd of ₹ 5 Cr. for fully automatic machinery installed at Plot No. 6 at Uttarakhand. As per Hire Purchase Agreement, loan is secured by same fully automatic machine.
6. The Catholic Syrian Bank Ltd.'s loans are secured by First Charge on Fixed assets of the Company situated at S. No. 313/314, Nanekarwadi, Chakan and Second Charge on Fixed assets of the Company situated at Plot No. 6 & 8, Uttarakhand. Term Loan - 1 is repayable in 57 monthly installment of ₹ 61.41 Lacs each and Term Loan - 2 is repayable in 60 monthly installment of ₹ 16.67 Lacs each.

Note 4 Short-term borrowings

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Loans repayable on demand		
From banks / Financial Institution		
Secured	870,518,872	894,868,109
Unsecured	42,181,800	-
	912,700,672	894,868,109
(b) Loans and advances from Others		
Secured	95,833,333	-
Unsecured	10,923,221	14,523,221
	106,756,554	14,523,221
(c) Deposits		
Secured	-	-
Unsecured	-	-
	-	-
(d) Deferred payment liabilities		
Secured	-	-
Unsecured	-	-
	-	-
Total	**1,019,457,226**	**909,391,330**

Sub-notes to Note 4:

(i) Details of security for the secured short-term borrowings:

Particulars	As at 31st March, 2014		As at 31 March, 2013	
	Secured	Unsecured	Secured	Unsecured
Loans repayable on demand from banks: Financial Institutions				
Bank of Baroda CC A/c	561,779,539	-	609,028,613	-
The Catholic Syrian Bank Ltd. CC A/c	265,946,447	-	251,326,016	-
NKGSB Co-op. Bank CC A/c	42,792,886	-	34,513,479	-
	870,518,872		894,868,109	
Tata Motors Limited- Trade Advance	95,833,333	-	-	-
Total	**966,352,205**	**-**	**894,868,109**	**-**

Term of Repayment & Security for Secured Loan.

1. All working capital loan from the above banks have been secured by hypothecation of current assets of the company.
2. Trade advance of ₹ 10 Cr. provided by Tata Motors Ltd., repayable in 12 equal installments of ₹ 41.67 Lacs each (Secured by Corporate Guarantee by Autoline Industries Limited of ₹ 15 Cr.)

Note 5 Trade payables

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Trade payables:	583,183,451	883,799,624
(Including Acceptances)		
MSM Enterprises	16,610,857	6,130,200
Total	**599,794,308**	**889,929,825**

Note 6 Other current liabilities

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Current Maturities of Long Terms Debts (See Sub-Note)		
Secured	364,094,853	327,240,133
Unsecured	167,178,906	308,613,747
(b) Unpaid Dividend*	863,520	790,716
(c) Interest accrued & due on borrowings	3,161,282	2,953,312
(d) Other payables		
(i) Statutory remittances:-		
Vat/CST Payable	49,842,049	55,403,388
LBT Payable	7,135,014	-
Excise Duty Payable	945,636	4,732,757
Service Tax Payable	1,827,777	3,232,151
TDS Payable	6,299,931	3,786,771
PF & ESIC Payable	3,100,483	3,721,509
Labour Welfare Fund Payable	184,974	171,306
Profession Tax Payable	1,571,814	648,371
Wealth Tax Payable	65,805	71,000
(ii) Payables / (Advances) on purchase of fixed assets	22,139,994	11,103,998
(iii) Interest Payable on MSM Enterprises	3,800,639	1,565,697
(iv) Employee's Loan Repayment	400,357	547,535
(v) Payable for employee benefits:-		
(i) Payable for Bonus	8,557,257	10,525,901
(ii) Payable for Salary	22,159,878	20,461,374
(iii) Payable for Leave Encashment	4,719,598	5,201,361
(iv) Payable for Staff Welfare Expenses	9,890	654,729
(v) Payable for Group Gratuity Scheme	5,552,027	-
(vi) Payable for Open GRN	-	233,373
(vii) Payable for Expenses	470,188	866,329
(viii) Payable for Professional Fees	3,700,000	3,669,631
(ix) Payable for Telephone, Internet & Postage	325,982	152,173
Total	**678,107,855**	**766,347,263**

* As per Section 205C of the Companies Act, 1956, Interim Dividend for the FY 2006-07 of ₹ 67,111/- remained unclaimed for 7 years is transferred to Investor Education and Protection Fund established by the Central Government in May, 2014.

Sub note to Note 6

(1) Current Maturities of Long Terms Debts (See Sub-Note)

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Loans repayable on demand From banks/Financial Institutions		
Secured	364,094,853	327,240,133
Unsecured	161,927,159	303,362,000
	526,022,012	630,602,133
(b) Deferred payment liabilities		
Secured	-	-
Unsecured	5,251,747	5,251,747
	5,251,747	5,251,747
Total	**531,273,759**	**635,853,880**

Note 7 Short-term provisions

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Provision - Others:		
(i) Provision for tax (net of advance tax)	-	-
(ii) Provision for Proposed Dividend	-	12,249,465
(iii) Provision for Tax on Proposed Dividend	-	2,081,797
Total	**-**	**14,331,262**

Notes Forming part of Balance Sheet as at 31st March, 2014

NOTE 8 A : FIXED ASSETS :

SR NO	TANGIBLE ASSET	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		AS ON 01.04.2013	ADDITIONS	TRANSFERS	DEDUCTIONS	AS ON 31.03.2014	AS ON 01.04.2013	FOR THE YEAR	TRANSFERS	DEDUCTIONS	AS ON 31.03.2014	AS ON 31.03.2014	AS ON 31.03.2013
1	LAND AND DEVELOPMENT	54,629,347	-	-	6,060,579	48,568,768	-	-	-	-	-	48,568,768	54,629,347
2	LAND - LEASE HOLD	75,428,493	-	-	-	75,428,493	1,530,512	-	-	-	1,530,512	73,897,981	73,897,981
3	BUILDING	934,808,044	9,264,332	-	-	944,072,375	143,561,359	31,229,538	-	-	174,790,897	769,281,478	791,246,685
4	BUILDING - OFFICE	1,549,000	-	-	-	1,549,000	18,954	25,249	-	-	44,203	1,504,797	1,530,046
5	PLANT AND MACHINERY	1,541,513,862	49,310,141	-	425,716	1,590,398,286	322,183,543	73,962,827	-	118,344	396,028,026	1,194,370,260	1,219,330,319
6	TOOLS AND DIES	545,130,102	192,850,980	-	-	737,981,082	222,768,872	61,722,479	-	-	284,491,351	453,489,731	322,361,230
7	COMPUTERS AND SOFTWARES	87,846,428	5,985,678	-	868,800	92,963,306	64,987,939	14,571,841	-	775,442	78,784,338	14,178,969	22,858,489
8	ELECTRICAL FITTINGS	113,744,369	2,494,257	-	-	116,238,626	35,631,090	7,242,017	-	-	42,873,107	73,365,519	78,113,279
9	FURNITURE	24,415,940	186,977	-	-	24,602,917	9,008,846	1,553,348	-	-	10,562,194	14,040,723	15,407,094
10	VEHICLES	26,480,752	735,446	-	2,382,298	24,833,900	13,645,717	2,331,841	-	1,319,885	14,657,674	10,176,226	12,835,035
11	OFFICE EQUIPMENTS	12,949,804	544,255	-	41,658	13,452,401	4,274,509	628,513	-	2,451	4,900,571	8,551,830	8,675,295
	TOTAL	3,418,496,140	261,372,065	-	9,779,051	3,670,089,154	817,611,341	193,267,653	-	2,216,122	1,008,662,872	2,661,426,281	2,600,884,799

SR NO	INTANGIBLE ASSET	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		AS ON 01.04.2013	ADDITIONS	TRANSFERS	DEDUCTIONS	AS ON 31.03.2014	AS ON 01.04.2013	FOR THE YEAR	TRANSFERS	DEDUCTIONS	AS ON 31.03.2014	AS ON 31.03.2014	AS ON 31.03.2013
1	R & D PROCESS DEVELOPMENT	194,134,394	-	-	-	194,134,394	79,823,713	19,413,439	-	-	99,237,152	94,897,243	114,310,682
2	INTANGIBLE ASSETS	39,900,000	-	-	-	39,900,000	25,386,563	7,980,000	-	-	33,366,563	6,533,437	14,513,437
3	TRADE MARK	20,500	-	-	-	20,500	20,500	-	-	-	20,500	-	-
	TOTAL	234,054,894	-	-	-	234,054,894	105,230,776	27,393,439	-	-	132,624,215	101,430,680	128,824,119

SR NO	WORK IN PROGRESS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		AS ON 01.04.2013	ADDITIONS	TRANSFERS	DEDUCTIONS	AS ON 31.03.2014	AS ON 01.04.2013	FOR THE YEAR	TRANSFERS	DEDUCTIONS	AS ON 31.03.2014	AS ON 31.03.2014	AS ON 31.03.2013
1	CAPITAL WIP	193,689,607	34,646,958	228,336,565	-	-	-	-	-	-	-	-	193,689,607
	TOTAL	193,689,607	34,646,958	228,336,565	-	-	-	-	-	-	-	-	193,689,607
	Grand Total	3,846,240,641	296,019,023	228,336,565	9,779,051	3,904,144,048	922,842,117	220,661,092	-	2,216,122	1,141,287,087	2,762,856,961	2,923,398,524

NOTE 8 B - DEPRECIATION AND AMORTISATION RELATING TO CONTINUING OPERATION:

Particulars	For the year ended on 31st March, 2014 ₹	For the year ended on 31st March, 2013 ₹
Depreciation and Amortisation for the year on Tangible Asset as per Note 8 A	193,267,653	185,187,308
Depreciation and Amortisation for the year on Intangible Asset as per Note 8 A	27,393,439	13,696,720
Less: Utilised form Revaluation Reserve	384,704	384,704
Depreciation and Amortisation relating to Continuing Operations	220,276,388	198,499,324

Note 9 Non-current investments

Particulars	As at 31st March, 2014			As at 31st March, 2013		
	Quoted ₹	Unquoted ₹	Total ₹	Quoted ₹	Unquoted ₹	Total ₹
Investments (At cost):						
A. Trade						
(a) Investment in equity instruments						
(i) Subsidiaries						
- Autoline Design Software Limited 21,40,816 (As at 31 March, 2013: 21,40,816) shares of ₹10 each fully paid	-	36,788,900	36,788,900	-	36,788,900	36,788,900
- Autoline Industrial Parks Ltd. 2,48,25,000 (As at 31 March, 2013: 2,48,25,000) shares of ₹10 each fully paid	-	165,499,940	165,499,940	-	165,499,940	165,499,940
66,00,000 (As at 31 March, 2013: Nil) shares of ₹10 with premium of ₹ 10 each (partly paid ₹ 0.5 and premium ₹ 0.5)	-	6,600,000	6,600,000	-	-	-
- Koderat Investments Ltd. (Cyprus) 1,000 (As at 31 March, 2013: 1,000) shares of Euro 1 each fully paid	-	67,280	67,280	-	67,280	67,280
- Koderat Investments Ltd. (Cyprus) * Advance for investment in SZ Design SRL & Zagato SRL, Italy	-	326,328,723	326,328,723	-	346,798,072	346,798,072
- Autoline Industries USA Inc. 211 (As at 31 March, 2013: 211 Stock/ Share) fully paid and non assessable shares of the common stock.	-	90,166,860	90,166,860	-	90,166,860	90,166,860
(ii) Associates						
- DEP Autoline Inc., USA Nil (As at 31 March, 2013: 30,600 shares of $ 1 each fully paid)	-	-	-	-	324,362,719	324,362,719
- Nuvent Technologies Pvt. Ltd Nil (As at 31 March, 2013: 25,500 shares of ₹10 each fully paid)	-	-	-	-	255,000	255,000
Total (a)	-	625,451,703	625,451,703	-	963,938,771	963,938,771
(b) Investment in preference shares						
(i) Subsidiaries						
- Autoline Design Software Limited ** 14,12,926 (As at 31 March, 2013: 14,12,926) 12% Cumulative Redeemable Pref, Share of ₹10 each fully paid Redeemable in April 2022.	-	14,129,260	14,129,260	-	14,129,260	14,129,260
Total (b)		14,129,260	14,129,260	-	14,129,260	14,129,260
Total - Trade Investments (a + b)	-	639,580,963	639,580,963	-	978,068,031	978,068,031
B. Other investments						
(a) Investment in equity instruments						
(i) Other Entities						
- Rupee Co -OP Bank Ltd. 20,000 (As at 31 March, 2013: 20,000) shares of ₹25 each fully paid	-	500,000	500,000	-	500,000	500,000
- NKGSB Co-op. Bank Ltd. Equity Shares 50,000 (As at 31 March, 2013: 50,000) shares of ₹10 each fully paid	-	500,000	500,000	-	500,000	500,000
- Vidya Sahakari Bank Ltd. Equity Shares 5,000 (As at 31 March, 2013: 5,000) shares of ₹100 each fully paid	-	500,000	500,000	-	500,000	500,000
Total Other Investments (a)	**-**	1,500,000	1,500,000	-	1,500,000	1,500,000
Total Investments (A + B)		641,080,963	641,080,963	-	979,568,031	979,568,031

* **Sub-note to Note 9** - Investments in subsidiary / associate companies are shown at cost and the profit and loss of the subsidiary companies are not dealt with in the books of the company.

The Company has invested Euro 4.74 Million including acquisition expenses (Bal on 31.03.2014 in INR ₹ 32,63,28,723) in wholly owned subsidiary, Koderat Investments Ltd. (Cyprus). In turn the subsidiary utilized the same for investment in S.Z. Design SRL and Zagato SRL Milan Italy. S.Z. Design SRL and Zagato SRL Milan Italy have issued 49% of equity shares to Koderat Investments Ltd(Cyprus).

Further to Note-10 on page-77 in Notes to Accounts of the Annual Report 2010, Concordato Preventivo procedure under Italian Laws, originally scheduled on 20th September, 2011 was postponed to 20th October, 2011 and was finally held on 23rd February, 2013, however the tribunal/Italian courts had reserved the decision. Till date the Concordato Preventivo has not given any decision.

** **Sub-note to Note 9** - Out of the above, 5 lacs preference shares each are redeemable on 23rd , 25th April, 2022 respectively & balance 412926 preference shares on 27th April, 2022.

Note 10 Long-term loans and advances

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Advance income tax (net of provisions) - Unsecured, considered good	27,238,657	11,301,653
(b) MAT credit entitlement - Unsecured, considered good	135,179,778	138,611,883
(c) Balances with government authorities		
Unsecured, considered good	-	-
Total	**162,418,435**	**149,913,536**

Note 11 Other non-current assets

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Unamortised expenses		
(i) Deferred Revenue Expenditure	99,625	5,028,909
Total	**99,625**	**5,028,909**

Note 12 Inventories

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Raw materials (including spare, tools, consumable & Bought out)	374,197,065	342,376,551
(b) Work-in-progress	215,073,274	472,905,274
(c) Finished goods (other than for trading)	32,415,254	58,562,306
Total	**621,685,593**	**873,844,131**
(Inventories valued at lower of cost and net realisable value)		

Note 13 Trade receivables

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Trade receivables outstanding - (exceeding six months from the date they were due for payment)		
Secured, considered good	-	-
Unsecured, considered good	76,351,906	6,215,850
Doubtful	-	-
	76,351,906	6,215,850
Trade receivables outstanding - (Less than six months from the date they were due for payment)		
Secured, considered good	-	-
Unsecured, considered good	145,670,028	388,658,595
Doubtful	-	-
	145,670,028	388,658,595
Total	**222,021,934**	**394,874,445**

Note 14 Cash and cash equivalents

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Cash in hand	187,728	96,666
(b) Cheques, drafts on hand	-	-
(c) Balances with banks:-		
(i) In current accounts	506,934	4,755,223
(ii) In deposit accounts (Maturing with in 12 months)	53,713	37,525,633
(iii) In deposit accounts (Maturing after 12 months)	3,459,878	1,081,843
(iv) In earmarked accounts:-		
- Unpaid dividend accounts	863,521	790,716
Total	5,071,774	44,250,081
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is : -	5,071,774	44,250,081

Note 15 Short-term loans and advances

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Security deposits		
Secured, considered good	-	-
Unsecured, considered good	14,353,723	14,699,141
Doubtful	-	-
	14,353,723	14,699,141
(b) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	453,836	310,364
Doubtful	-	-
	453,836	310,364
(c) Prepaid expenses	3,514,047	4,884,760
	3,514,047	4,884,760
(d) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	104,056,832	134,921,175
(ii) Deposit for Sales Tax Appeal	11,350,000	5,000,000
(iii) Excise Rebate Claim	6,715,432	4,708,561
(iv) Sales Tax on Capital Receivable	2,314,209	-
	124,436,473	144,629,736
(e) Inter-corporate Loans & Advances		
Secured, considered good	-	-
Unsecured, considered good	1,060	109,550,545
Doubtful	-	-
	1,060	109,550,545
(f) Advance income tax (net of provisions) - Unsecured, considered good	9,062,829	14,711,213
Total	**151,821,969**	**288,785,759**

Note 16 Other current assets

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Unamortised expenses		
(i) Deferred Revenue Expenditure	5,062,117	5,028,909
	5,062,117	5,028,909
(b) Others		
(i) Industrial Promotion Subsidy Receivable	85,522,747	99,103,862
(ii) Receivable from Directors for remuneration u/s 349	-	3,600,000
(iii) Dividend Receivable	-	6,522,600
(iv) Receivables on sale of fixed assets	6,872,400	-
	92,395,147	109,226,462
Total	**97,457,263**	**114,255,371**

Note 17 Revenue from operations

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
(a) Sale of products	3,987,729,718	5,618,139,244
(b) Sale of services	-	-
(c) Other operating revenues	330,942,307	547,132,756
	4,318,672,025	6,165,272,000
Less:		
(d) Excise duty	349,604,887	432,001,244
Total	**3,969,067,138**	**5,733,270,756**

*** Above mention sale of products are after Penalty from TML ₹ 22.22 Lacs and Warranty Failed (TML) ₹ 11.73 Lacs as per Management it is related to Sales, hence deducted.**

Note 18 Other income

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
(a) Interest income	13,476,017	29,951,645
(b) Dividend income:-		
from current investments		
others	75,000	10,985,395
(c) Net gain on foreign currency transactions and translation	5,121,022	1,344,493
(d) Other non-operating income	5,617,317	6,028,893
(e) Details of Prior period items (net)		
Prior period expenses-		
Sales Tax Liability	77,137	-
Income Tax Liability	237,770	-
Provident Fund Liability	5,235	-
Other Charges	219,471	-
Prior period income		-
Sales Tax Assessment Dues	1,083,000	-
Sub Total	**543,387**	**-**
Total	**24,832,743**	**48,310,426**

Note 19.a Cost of materials consumed

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Opening stock	342,376,551	465,070,496
Add: Purchases	2,797,450,613	4,186,482,708
	3,139,827,164	4,651,553,204
Less: Closing stock	374,197,065	342,376,551
Cost of material consumed	**2,765,630,099**	**4,309,176,653**
Material consumed comprises:		
Steel		
Total	**2,765,630,099**	**4,309,176,653**

Note 19.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Inventories at the end of the year:		
Finished goods	32,415,254	58,562,306
Work-in-progress	215,073,274	472,905,274
	247,488,528	531,467,580
Inventories at the beginning of the year:		
Finished goods	58,562,306	70,614,971
Work-in-progress	472,905,274	289,200,712
	531,467,580	359,815,683
Net (increase) / decrease	**283,979,052**	**(171,651,897)**

Note 20 Employee benefits expense

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Salaries, Wages and Bonus	280,239,495	309,070,456
Contributions to provident and other funds	11,862,397	12,454,183
Contributions to Gratuity	6,052,027	3,471,332
Expense on employee stock option (ESOP) scheme	10,539,402	10,778,844
Employee Insurance	2,927,053	10,997,038
Staff welfare expenses	22,156,551	25,506,049
Leave Encashment	217,791	2,312,982
Total	**333,994,716**	**374,590,885**

Note 21 Finance costs

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
(a) Interest expense on:		
(i) Borrowings	259,858,900	293,612,389
(ii) LC Charges	17,685,797	20,890,680
(iii) Others		
- Interest on delayed / deferred payment of taxes	11,546,428	7,486,971
- Others	2,531,849	2,244,056
(b) Other borrowing costs	5,326,440	7,632,080
(c) Net loss on foreign currency transactions and translation	-	-
(d) Bank Charges & Commission	14,413,575	12,798,691
Total	**311,362,989**	**344,664,866**

Note 22 Other expenses

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Manufacturing Expenses		
Labour Charges	256,611,552	358,720,583
Power and fuel	91,736,770	106,766,641
Transport & Octroi	50,978,298	103,315,538
Transport Outward	56,293,866	73,054,894
Testing & Inspection Charges	1,849,883	2,805,583
Water Charges	1,747,691	2,042,569
Repairs and maintenance - Machinery	16,475,861	22,741,085
Weighing Charges	352,800	445,152
Tooling and Designing Charges	10,754,558	11,693,679
	486,801,278	681,585,723
Administrative & Other Expenses		
Repairs and maintenance - Buildings	2,448,287	2,716,797
Repairs and maintenance - Vehicles	3,347,580	2,804,872
Repairs and maintenance - Computer	1,995,672	1,591,963
Repairs and maintenance - Others	2,166,364	1,962,682
ERP & Software License Charges	7,797,876	7,541,083
Rent including lease rentals	2,321,447	2,214,512
Insurance Others	2,242,250	1,893,310
Insurance - Vehicles	506,844	501,358
Rates and taxes	5,302,786	8,613,190
Communication & Internet Charges	7,103,495	7,416,201
Travelling and conveyance	11,784,548	14,984,695
Foreign Travel Expenses	1,152,821	966,197
Printing and stationery	3,900,511	5,202,801
Member & Subscription	98,032	136,748
Business promotion	784,082	928,539
Donations and contributions	10,000	32,000
Legal and professional fee	11,225,014	18,963,491
Director Sitting Fees	900,001	865,000
Security Charges	12,213,281	12,860,683
Housekeeping Charges	5,574,088	6,296,525
Audit Expenses	21,848	760,683
Payments to auditors (See Sub-Note 22(i))	4,967,358	4,742,929
	87,864,185	103,996,260
Preliminary & Miscellaneous Expenses written off	5,062,117	5,226,141
Sundry Balance written off (Net)	4,412,870	2,081,727
Prior period items (See Sub-Note 22(ii))	-	54,615,834
Miscellaneous expenses	956,365	1,820,310
	10,431,352	63,744,011
Total	**585,096,815**	**849,325,995**

Sub-note to Notes 22

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	1,800,000	1,800,000
As auditors - Certification Work	200,000	200,000
As auditors - Consolidated Audit Reports	500,000	500,000
As auditors - Internal audit	1,200,000	1,206,180
Income Tax Matter	775,000	600,000
Reimbursement of expenses	492,358	436,749
Total	**4,967,358**	**4,742,929**
(ii) Details of Prior period items (net)		
Prior period expenses-		
Sales Tax Liability	-	52,401,574
Income Tax Liability	-	253,219
Provident Fund Liability	-	1,479,152
Other Charges	-	481,890
Prior period income	-	-
Freight Charges	-	-
Sales Tax Assessment Dues	-	-
Total	**-**	**54,615,834**

Note 23.a Exceptional items

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Electricity Subsidy Received	5,173,371	-
Industrial Promotion Subsidy	58,269,884	68,509,848
Net gain/(loss) on sale of Tangible Assets	280,906	(630,982)
Total	**63,724,161**	**67,878,866**

Note 23.b Extraordinary items

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Loss on sale of stake of subsidiary (DEP & NUVENT)	107,006,504	-
Total	**107,006,504**	**-**

Note 24 Disclosures under Accounting Standard - 11 (The Effects of Changes in Foreign Exchange Rates)

The net exchange fluctuations profit of ₹ 51,21,022/- (Previous Year:-13,44,493/-) has been credited to the Profit & Loss account.

Note 25 Disclosures under Accounting Standard - 12 (Accounting for Government Grants)

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Details of government grants		
Government grants received by the Company during the year towards		
- Subsidies (recognised under Industrial Promotion Subsidy)	58,269,884	68,509,848
- Duty drawback (recognised under Other operating revenues)	1,016,241	885,169
	59,286,125	69,395,017

Note 26 Disclosures under Accounting Standard - 15 (Employee benefit plans)

Employee benefit plans

Defined contribution plans

The Company makes Provident Fund contributions to Employee Provident Fund Organisation for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity - Contribution in respect of Gratuity is made to the approved Gratuity Fund maintained by Life Insurance Corporation of India Ltd.

ii. Other defined benefit plans - Medi Claim

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31 March, 2014		Year ended 31 March, 2013	
	Gratuity	Other defined benefit plans (Medi Claim)	Gratuity	Other defined benefit plans (Medi Claim)
Actual contribution To Benefit Plan for year				
Actual contributions	6,052,027	2,867,713	3,471,332	10,937,707

Note 27 Disclosures under Accounting Standards - 16 (Borrowing Cost)

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Details of borrowing costs capitalised		
Borrowing costs capitalised during the year		
- as fixed assets - Tangible assets	-	10,980,537
- as fixed assets - Capital WIP Tangible assets	-	15,089,540
Total	**-**	**26,070,077**

Note 28 Disclosures under Accounting Standards - 17 (Segment Reporting)

The company is in the business of dealing and manufacturing of pressed sheet metal auto components and assemblies which are used in the manufacturing of the main product and labour charges for manufacturing of the main product. All other activities of the company revolve around the main business. The entire operations are governed by the same set of risk and returns. Further export of good being negligible, the company is considered to be operating in one geographical segment. Hence operations have been considered as representing a single segment. As such there are no reportable segments as defined by Accounting Standard 17 on the segment reporting as issued by the Institute of Chartered Accountants of India.

Note 29 Disclosures under Accounting Standards - 18 (Related party transactions)

1. Details of related parties:

Description of relationship	Names of related parties
1) Subsidiaries	**Indian** i) Autoline Design Software Ltd. ii) Autoline Industrial Parks Ltd. **Foreign** i) Autoline Industries USA INC ii) Koderat Investments Ltd., Cyprus iii) Autoline Stampings Ltd, Korea (Subsidiary of Autoline Industries USA INC.)
2) Associates	**Indian** i) Nuvent Technologies Pvt. Ltd. (Associates till 25th Sept., 2013) **Foreign** i) Dep Autoline Inc., USA (Associates till 25th Sept., 2013)

Description of relationship	Names of related parties
3) Key Management Personnel (KMP)	
Chairman Emeritus	Mr. Vilas Lande
Chairman (Non-executive Director)	Mr. Prakash B. Nimbalkar
Managing Director	Mr. Shivaji Akhade
Managing Director & CEO	Mr. M. Radhakrishnan
Wholetime Director	Mr. Sudhir Mungase
4) Relatives of KMP	-
5) Companies/Entities in which KMP / Relatives of KMP can exercise significant influence	
	i) Balaji Enterprises
	ii) Shreeja Enterprises
	iii) Sumeet Packers Pvt. Ltd.
	iv) Siddhai Platers Private Ltd.
	v) Om Sai Transport Co.
	vi) Hotel Vishwa Vilas
	vii) Hotel Aishwarya Lodging
	viii) Lincwise Software P. Ltd
	ix) Mr. Nitin Namdeo Devkar

Note: 1. Related parties have been identified by the Management and relied upon by the Auditors.

2. AIL's share holding in AIPL decreased from 51.12% to 43.78% on 31st March, 2014, however AIL has controlling the composition of Board of Directors of AIPL. Hence AIPL is considered as subsidiary company of AIL under the provisions of the Companies Act,1956.

2. Details of related party transactions during the year ended 31 March, 2014:

Particulars	Subsidiaries/ Associates	Entities in which KMP / relatives of KMP have significant influence	KMP	Total
Purchase of goods				
Current Year	7,609,446	31,623,657	-	39,233,103
Previous Year	14,430,890	48,789,993	-	63,220,883
Sale of goods				
Current Year	88,297,401	8,766,974	-	97,064,375
Previous Year	89,374,670	11,510,546	-	100,885,216
Sale of Fixed Assets				
Current Year	6,872,400	-	-	6,872,400
Previous Year	-	-	-	-
Transportation				
Current Year	4,840,973	10,866,221	-	15,707,194
Previous Year	-	11,679,387	-	11,679,387
Repair & Maintenance Charges				
Current Year	360,000	-	-	360,000
Previous Year	360,000	-	-	360,000
Rent Paid				
Current Year	-	135,000	-	135,000
Previous Year	-	75,000	-	75,000
Rent Received				
Current Year	12	-	-	12
Previous Year	12	-	-	12
Interest Received				
Current Year	9,208,319	-	-	9,208,319
Previous Year	12,512,939	-	-	12,512,939

Particulars	Subsidiaries/ Associates	Entities in which KMP / relatives of KMP have significant influence	KMP	Total
Rendering of services				
Current Year	900,000	-	-	900,000
Previous Year	3,000,000	-	-	3,000,000
Receiving of services				
Current Year	10,754,558	19,171	1,800,000	12,573,729
Previous Year	11,693,679	74,449	2,040,000	13,808,128
Dividend Received				
Current Year	6,522,600	-	-	6,522,600
Previous Year	4,412,800	-	-	4,412,800
Dividend Receivable				
Current Year	-	-	-	-
Previous Year	6,522,600	-	-	6,522,600
Unsecured Loan Given				
Current Year	58,447,453	-	-	58,447,453
Previous Year	5,631,890	-	-	5,631,890
Unsecured Loan Repaid (Given Earlier)				
Current Year	169,988,724	-	-	169,988,724
Previous Year	-	-	-	-
Unsecured Loan Received				
Current Year	-	-	-	-
Previous Year	-	4,823,221	9,700,000	14,523,221
Investment				
Current Year	6,600,000	-	-	6,600,000
Previous Year	-	-	-	-
Advance Given				
Current Year	-	-	-	-
Previous Year	8,447,560	-	-	8,447,560
Directors Remuneration				
Current Year	-	-	14,400,000	14,400,000
Previous Year	-	-	18,000,000	18,000,000
Excess Remuneration Recoverable from Directors				
Current Year	-	-	-	-
Previous Year	-	-	3,600,000	3,600,000
Director Sitting Fees				
Current Year	-	-	540,000	540,000
Previous Year	-	-	480,000	480,000

Note 30 Disclosures under Accounting Standards - 20 (Earning Per Share)

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
1. Basic Earning Per Share		
A. Continuing operations		
Net profit / (loss) for the year from continuing operations	(552,014,732)	9,640,270
Add back : Amortised Cost for ESOP	10,539,402	10,778,844
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(541,475,309)	20,419,114
Weighted average number of equity shares	12,277,592	12,225,484
Par value per share	10	10
Earnings per share from continuing operations - Basic	(44.10)	1.67

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
B. Continuing operations (Excluding Extra-ordinary Items)		
Net profit / (loss) for the year from continuing operations	(552,014,732)	9,640,270
Add back : Extra-ordinary Items	107,006,504	-
Add back : Amortised Cost for ESOP	10,539,402	10,778,844
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(434,468,826)	20,419,114
Weighted average number of equity shares	12,277,592	12,225,484
Par value per share	10	10
Earnings per share from continuing operations (Excluding Extra-ordinary Items) - Basic	(35.39)	1.67
2. Diluted Earning Per Share		
A. Continuing operations		
Net profit / (loss) for the year from continuing operations	(541,475,330)	20,419,114
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	(541,475,330)	20,419,114
Add: Interest expense and exchange fluctuation on convertible bonds(net)	-	-
Less: Amortised cost for ESOP	(10,539,402)	(10,778,844)
Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	(552,014,732)	9,640,270
Weighted average number of equity shares for Basic EPS	12,277,592	12,225,484
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	80,007	69,317
Weighted average number of equity shares - for diluted EPS	12,357,598	12,294,802
Par value per share	10	10
Earnings per share, from continuing operations - Diluted	(44.67)	0.78
B. Continuing operations (Excluding Extra-ordinary Items)		
Net profit / (loss) for the year from continuing operations	(541,475,330)	20,419,114
Add back : Extra-ordinary Items	107,006,504	
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	(434,468,826)	20,419,114
Add: Interest expense and exchange fluctuation on convertible bonds(net)	-	-
Less: Amortised cost for ESOP	(10,539,402)	(10,778,844)
Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	(445,008,228)	9,640,270
Weighted average number of equity shares for Basic EPS	12,277,592	12,225,484
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	80,007	69,317
Weighted average number of equity shares - for diluted EPS	12,357,598	12,294,802
Par value per share	10	10
Earnings per share from continuing operations (Excluding Extra- ordinary Items) - Diluted	(36.01)	0.78

Note 31 Disclosures under Accounting Standards - 22 (Deferred Tax Asset/Liability)

Particulars	As at 31st March, 2014	As at 31st March, 2013
Deferred Tax Liability :		
Opening Balance :	125,985,829	115,815,829
Add: Transferred from Merged Entities	-	-
Add: Current Year Provision	-	10,170,000
Closing Balance	**125,985,829**	**125,985,829**
Deferred Tax asset and liabilities are being off-set as they relate to taxes on income levies by the same governing taxation laws.		
The following amounts are shown in the Balance Sheet		
Deferred Tax Liabilities	128,053,677	128,053,677
Deferred Tax Asset	2,067,848	2,067,848
Deferred Tax Liabilities (Net)	125,985,829	125,985,829
Break Up of Deferred Tax Assets / Liabilities.		
Deferred Tax Liabilities :		
Tax impact of the difference between carrying amount of fixed assets in financial statement and in income Tax return for the current year	128,053,677	117,883,677
Add: Transferred from Merged Entities	-	-
Add: Current Year Provision	-	10,170,000
Total	**128,053,677**	**128,053,677**
Deferred Tax Assets :		
Tax impact of expenses allowable as deduction in future years under Income Tax :	2,067,848	2,067,848
Less: Transferred to share premium a/c	-	-
Add: Current Year Provision	-	-
Closing Balance	2,067,848	2,067,848

The deferred tax liability (Net) for the year under consideration amounting to ₹ NIL/- has been recognized in Profit and Loss Account. The Provision for Deferred Tax Liability/Asset for the current year of ₹ NIL/- is provided on the timing difference of the expenditure, depreciation and write offs.

Note 32 Disclosures on Employee share based payments - (Guidelines notes issued by ICAI)

a) In the 12th Annual general meeting held on 27th Sept, 2008, the shareholders approved the issue of 8,50,000 options under the Scheme titled "Autoline ESOS 2008" (ESOP A).

The ESOP allows the issue of options to employees of the Company and its subsidiaries (whether in India or abroad), & Companies Directors. Each option comprises one underlying equity share.

As per the Scheme, the Remuneration / Compensation Committee grants the options to the employees deemed eligible. The options granted vest over a period of 5 years from the date of the grant in proportions specified in the Scheme. Options may be exercised within 5 years from the date of vesting.

The difference between the fair price of the share underlying the options granted on the date of grant of option and the exercise price of the option (being the intrinsic value of the option) representing Stock compensation expense is expensed over the vesting period.

b) Employee stock options details as on the Balance Sheet date are as follows:

Particulars	During the year ended 31st March, 2014		During the year ended 31st March, 2013	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:				
- ESOP (Employee)	105,755	25	148,540	25
- ESOP (Director)	9,997	25	15,000	25
Granted during the year:				
- ESOP (Employee)	Nil	-	Nil	-
- ESOP (Director)	Nil	-	Nil	-
Vested during the year:				
- ESOP (Employee)	Nil	-	Nil	-
- ESOP (Director)	Nil	-	Nil	-
Exercised during the year:				
- ESOP (Employee)	31,615	0	39,493	25
- ESOP (Director)	4,166	0	5,003	25
Lapsed during the year:				
- ESOP (Employee)	2,369	0	3,292	25
- ESOP (Director)	Nil	-	Nil	-
Options outstanding at the end of the year:				
- ESOP (Employee)	71,771	25	105,755	25
- ESOP (Director)	5,831	25	9,997	25
Total Options available for grant:				
- ESOP	692,121	25	689,752	25

c) The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Assumptions	31 March, 2014	31 March, 2013
Risk Free Interest Rate	7.00%	7.00%
Expected Life	Average life taken as 1 year from date of Grant (Vest)	Average life taken as 1 year from date of Grant (Vest)
Expected Annual Volatility of Shares	45%	45%
Expected Dividend Yield	Not separately included, factored in volatility working	Not separately included, factored in volatility working

Note 33 Previous year's figures

Disclosure and presentation made in the financial statements as per Revised Schedule VI. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note 34 Additional information to the financial statements

1. Contingent liabilities and commitments

PARTICULARS	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt		
- Income Tax Department	43,852,594	4,113,836
- Sales Tax Duties	474,248,452	23,500,000
- Arbitration Petition filed by Uppal Builders P. Ltd.	-	18,489,510
- Electricity Charges (Maharashtra State Electricity Dist. Co. Ltd.)	1,832,588	-
(b) Bank Guarantees		
- In Favour of Ashok Leyland Nissan Vehicles Ltd, Chennai.	-	5,200,000
- In Favour of Regional officer Maharashtra Polluation Control Board, Mumbai	-	500,000
- In Favour of Tata Motors Limited	-	1,950,000
(c) Corporate Guarantees on behalf of Tata Motors Limited	150,000,000	-
(d) Corporate Guarantees on behalf of Autoline Industries Indiana LLC, USA (wholly owned subsidiary of Autoline Industries USA, Inc)		
- In Favour of NP First Financial Bank	$10,500,000	$10,500,000
(e) Bill Discounting		
- In Favour of Tata Capital Limited	600,000,000	800,000,000
(f) Letter of Credit		
- In Favour of Bank of Baroda	133,251,858	52,512,038
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
Tangible assets	-	75,000,000
Intangible assets	-	-

2. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	16,610,857	6,029,676
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	3,800,639	1,565,697
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	3,800,639	1,565,697
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	3,800,639	1,565,697
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	583,454	142,347

Note :- Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

3. Value of imports calculated on CIF basis

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Raw materials & Component	20,286,563	35,205,981
Capital goods	-	-

4. Expenditure in foreign currency

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Foreign Travel	99,643	116,759
Professional and consultation fees	47,428	918,573
Testing Charges	201,981	155,080
Clearing and Forwarding Charges	636,613	5,781,818
Repair and Maintenance	49,770	-
Member & Subscription	9,354	-
Repayment of Loan	-	92,747,365
Interest - Bank	-	1,775,953

5. Amounts remitted in foreign currency during the year on account of dividend

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Amount of dividend remitted in foreign currency (₹)	170,351	1,359,164
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	6	7
Total number of shares held by them on which dividend was due	170,351	339,791
Year to which the dividend relates	2012-13	2011-12

6. Details of consumption of imported and indigenous items

Particulars	For the year ended 31 March, 2014 ₹	%
Imported		
Raw materials & Component		
Current Year	20,286,563	0.73%
Previous Year	35,205,981	0.82%
Total Current Year	20,286,563	0.73%
Total Previous Year	35,205,981	0.82%
Indigenous		
Raw materials & Component		
Current Year	2,745,343,535	99.27%
Previous Year	4,273,970,672	99.18%
Total Current Year	2,745,343,535	99.27%
Total Previous Year	4,273,970,672	99.18%

7. Earnings in foreign exchange

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
i) Export of goods calculated on FOB basis	94,509,992	89,765,083
ii) Amounts received in foreign currency during the year	137,142,796	118,854,194

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR K V M D S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 121347W

For and on behalf of the Board of Directors

PRAKASH NIMBALKAR
Chairman

SHIVAJI AKHADE
Managing Director and CEO

M. RADHAKRISHNAN
Managing Director and CEO

VIJAY B. SHETH
PARTNER
Mem. NO. 037634

RAVI KETKAR
Chief Financial Officer

ASHUTOSH KULKARNI
Company Secretary

Place : PUNE
Date : 24th May 2014

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 31ST MARCH 2014

35 SIGNIFICANT ACCOUNTING POLICIES

35.1 Basis of accounting and preparation of financial statements :

The financial statements have been prepared on historical cost convention and as a going concern and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the Section 211(3C) of the Companies Act, 1956.The company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.

Estimates and Assumptions used in the preparation of financial statements are based upon the management's evaluation of relevant fact and the circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

35.2 Inventories :

Inventories are valued at cost or net realizable value whichever is lower; cost is ascertained on the following basis :

a) Raw Material, Packing Material, tools, dies, spares and consumable are valued at cost on plus direct cost incurred to bring the stock to its existing level.

b) Work in progress/ Finished Goods are valued at cost of manufacturing based on cost of Raw material and labour and overheads cost up to the relevant stage of completion.

Tools and Dies under process has been valued on percentage compilation based on estimated cost of production and development of respective tools and dies.

c) Cost includes taxes and duties as applicable.

35.3 Cash and cash equivalents (for purposes of Cash Flow Statement) :

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

35.4 Cash flow statement :

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

35.5 Events occurring after the date of Balance Sheet :

Material events occurring after the date of Balance Sheet are considered up to the date of approval of the accounts by the board of directors. There are no substantial events having an impact on the results of the current year Balance Sheet.

35.6 Prior Period Items and Changes in Accounting Policies :

There is no change in the Accounting Policies which are being consistently applied by the company. No Prior Period items have materially affected this year's financial statements. Figures of previous year have been regrouped, rearranged and stated in line with the current year's presentation.

35.7 Depreciation :

Depreciation on all tangible assets has been calculated on Straight Line Method (SLM) as per the rates and manner prescribed under Schedule XIV of the Companies Act, 1956. Intangible assets are written off over the period of 5 years & Research & development is written off over 10 years. Depreciation on fixed assets, added / disposed off during the year, is provided on pro-rata monthly basis with reference to date of addition / disposal. In case of revalued Asset, the depreciation calculated as per above method, and the difference between revalued value and original value is reduced from the total Depreciation and same is also reduced from the Revaluation Reserve.

35.8 Revenue recognition :

Sales are accounted on net of tax less sales Returns, Rejection, Penalty on sale & Warranty failed. Revenue from sale of products is recognized upon passage of title to the customer on acceptance of goods which generally coincides with the dispatch of materials.

Dividend Income is recognized when the right to receive the dividend is unconditional at the Balance Sheet date.

Interest Income is recognized on accrual basis.

Insurance Claims receivable from Insurance Companies against risks covered are accounted on in the year of receipt of claim.

35.9 Fixed Asset :

Fixed Assets are accounted at cost of acquisition or construction. Fixed assets are capitalized net of CENVAT / VAT for which credit is taken and includes borrowing cost directly attributable to construction or acquisition of fixed assets,

up to the date the asset is ready to use. Foreign Exchange gain / loss on loan taken, which is directly attributable to construction or acquisition of Fixed Assets is also capitalized.

35.10 Research & Development :

Research & Development expenditure incurred on the identified product/ process is carried forward when its future recoverability can reasonably regarded as assured. Expenditure incurred till the commencement of production / process is carried forward under capital work in process. The expenditure carried forward is amortized over the period not exceeding ten years.

35.11 Foreign currency transactions and translations :

Foreign Exchange transactions are accounted for at exchange rate prevailing on the date of transactions. Year-end monetary asset and liabilities in foreign currency are translated at the applicable year-end exchange rate and the resultant difference in case of revenue item is recognized as gain / loss for the year and in case of capital account the same is adjusted against the respective fixed asset.

The premium or discount arising on forward exchange contract including those entered into, to hedge foreign currency risk of a firm commitment or highly probable forecast transaction other than those which are not intended for trading or speculative purpose, are amortized as expenses or income over the life of the contract. Exchange difference on such contract is recognized in the profit & loss account of the reporting period in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of such forward exchange contract is recognized as income or as expense of the year.

The Company has decided not to exercise the option available under amendment to AS-11 relating to “the effects of changes in Foreign Exchange Rates” in respect of its long term foreign currency monetary items and accordingly is continuing to follow the principles laid down in AS 11 before such amendment.

35.12 Government grants, subsidies and export incentives :

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. The same is treated as revenue/ capital as per the scheme framed by the Government and the same is routed through statement of Profit & Loss account.

35.13 Investments :

Investments are recorded at cost of purchase. Interest earned on Bank Fixed Deposit is accounted on receipt basis. Unquoted investments are accounted at cost & Provision for diminution in value of long term investment is made, to recognize a decline other than temporary.

35.14 Employee benefits Costs :

Contribution to Provident Fund are accrued in accordance with applicable statues and deposited with the Regional Provident Fund Commissioner.

Contribution in respect of Gratuity is made to the approved Gratuity Fund maintained by Life Insurance Corporation Of India Ltd. The liability in respect of Bonus and for Leave Encashment is provided on actual basis.

35.15 Employee Stock Options :

Employee Stock Options are evaluated and accounted on intrinsic value method as per the accounting treatment prescribed by Guidance Note on ‘Accounting for Employee Share –Based Payments’ issued by ICAI read with SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines 1999 issued by SEBI. The excess of market value, if any, of the stock option as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to the profit & loss account on vesting basis over the vesting period of the option .The un-amortized portion of the deferred employee compensation is reduced from Employee Stock Option outstanding, which is shown under Reserves & Surplus.

35.16 Borrowing costs :

Borrowing costs that are directly attributable to the acquisition, construction or production of fixed assets are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

35.17 Earnings per share :

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value

of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

35.18 Taxes on income :

Tax Expenses for the year, comprising Current Tax including Wealth Tax, and is included in determining the net profit for the year. A provision is made for the current tax and based on tax liability computed in accordance with relevant tax rates and tax laws.

Current and deferred tax relating to items directly recognised in equity is recognised in equity and not in the Statement of Profit and Loss Account.

35.19 Deferred Tax- Asset/ Liability :

The Accounting Standard 22 “Accounting for Taxes on Income” issued by the Institute of Chartered accountants of India, has become applicable to the Company. The Deferred Tax is recognized for all timing differences being the difference between “Taxable Income” and “Accounting Income” that originate in one period, and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each balance sheet date.

35.20 Miscellaneous Expenditure :

Miscellaneous expenditure is written off over a period of future economic benefit available not exceeding five years.

35.21 Deferred Revenue Expenditure :

The deferred revenue expenditure is considered in respect of Bank Processing fees, professional fees paid for new term loans, the period of which is more than 5 years and foreclosure charges in respect of term loan foreclosed. The same is written off over the period of loan taken / original period of loan foreclosed.

35.22 Impairment of assets :

The Management periodically assesses, using external and internal sources whether there is an indication that an asset may be impaired. If an asset is impaired, the company recognizes impairment loss as the excess of carrying amount of the asset over recoverable amount.

35.23 Provisions and contingencies :

The company recognizes provisions when there is a present legal or constructive obligation as a result of past event that probably require an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions are not discounted to its present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

35.24 Capital work in Progress :

The Expenditure which are of Capital nature and the assets for which it is incurred which has not come into existence/ put to use during the year is shown under this head.

35.25 Tools & Dies :

Tools & Dies designed/ manufactured in house have been capitalised considering direct cost of the material, wages paid to tool room employees, and other incidental expenses and proportionate overheads including borrowing cost related thereto.

35.26 Letters for confirmation of balances with respect to Sundry Debtors and Sundry Creditors have been sent for which confirmations are yet to be received for reconciliation and no consequential adjustments, if any, have been made in the books of accounts and the balances are as per books of accounts.

CONSOLIDATED FINANCIAL STATEMENTS 2013-2014

INDEPENDENT AUDITOR'S REPORT
ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of

Autoline Industries Limited.

We have audited the accompanying consolidated financial statements of Autoline Industries Limited ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at 31st March, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which includes the unaudited financial statements of Autoline Industries USA INC, Koderat Investments Limited (Cyprus) and Autoline Stampings Limited, South Korea (Subsidiary of Autoline Industries USA INC). These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

Management's Responsibility for the 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 the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular No. 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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.

We did not audit the financial statements of the following subsidiaries. These financial statements have been provided by management, and our opinion, insofar as it relates to the amount included in respect of these subsidiaries, is based solely on the provided financial statements and representation of management. The total assets as at 31st March, 2014 and total revenue for the year then ended, in respect of these subsidiaries are as under –

(₹ In Lacs)

Name of the company	Total Assets	Total Revenue
Autoline Industries USA, INC	12019.27	24450.58
Koderat Investments Limited, Cyprus	3166.20	Nil
Autoline Stampings Limited, South Korea	1356.00	4393.64

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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, the consolidated financial statements 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 consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;

(ii) in the case of the consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and

(iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Without qualifying our opinion, we draw attention to:-

- Sub-note to note no. 9 regarding non provision for diminishing in value of investment in subsidiary Koderat Investments Limited (Cyprus). The note is self-explanatory. In the given circumstances we are unable to give our opinion.

FOR K V M D S & ASSOCIATES,
CHARTERED ACCOUNTANTS.
FIRM REG. NO.: 121347W

VIJAY B. SHETH
PARTNER
Mem. NO. 037634

PLACE: PUNE.
DATE : 24TH MAY, 2014.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

PARTICULARS	Note No.	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	122,852,460	122,494,650
(b) Reserves and surplus	2	2,153,437,657	2,524,436,117
(c) Minority Interest		162,009,338	374,882,920
(d) Capital reserve On Consolidation		538,163,615	140,257,458
		2,976,463,070	3,162,071,145
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	3	586,465,814	889,859,404
(b) Deferred tax liabilities (net)	32	124,462,417	125,356,114
		710,928,231	1,015,215,519
4 Current liabilities			
(a) Short-term borrowings	4	1,536,683,083	920,262,329
(b) Trade payables	5	695,321,875	997,680,318
(c) Other current liabilities	6	719,904,773	805,765,659
(d) Short-term provisions	7	-	30,745,382
		2,951,909,731	2,754,453,688
TOTAL		**6,639,301,032**	**6,931,740,351**
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8.A	2,855,318,821	2,773,717,591
(ii) Intangible assets	8.A	101,430,680	131,424,769
(iii) Goodwill on Consolidation		-	-
(iv) Capital work-in-progress	8.A	-	193,689,607
		2,956,749,501	3,098,831,966
(b) Non-current investments	9	317,867,515	664,233,802
(c) Long-term loans and advances	10	164,541,162	149,314,307
(d) Other non-current assets	11	25,919,884	25,025,967
		3,465,078,061	3,937,406,042
2 Current assets			
(a) Inventories	12	1,936,053,178	1,821,706,741
(b) Trade receivables	13	936,129,340	482,759,898
(c) Cash and cash equivalents	14	49,971,547	146,528,679
(d) Short-term loans and advances	15	154,255,862	224,219,834
(e) Other current assets	16	97,813,044	319,119,157
		3,174,222,971	2,994,334,309
TOTAL		**6,639,301,032**	**6,931,740,351**

See accompanying notes forming part of the financial statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR K V M D S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 121347W

For and on behalf of the Board of Directors

PRAKASH NIMBALKAR Chairman
SHIVAJI AKHADE Managing Director and CEO
M. RADHAKRISHNAN Managing Director and CEO

VIJAY B. SHETH
PARTNER
Mem. NO. 037634

RAVI KETKAR Chief Financial Officer
ASHUTOSH KULKARNI Company Secretary

Place : PUNE
Date : 24th May 2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Particulars	Note No.	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
A	**CONTINUING OPERATIONS**			
1	Revenue from operations (gross)	17	7,120,146,519	8,438,851,271
	Less: Excise duty		349,604,887	432,001,244
	Revenue from operations (net)		6,770,541,632	8,006,850,026
2	Other income	18	28,404,342	45,591,531
3	**Total revenue (1+2)**		**6,798,945,974**	**8,052,441,558**
4	**Expenses**			
	(a) Cost of materials consumed	19a	4,904,438,138	5,776,941,407
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19b	29,492,189	(184,529,017)
	(c) Employee benefits expense	20	780,318,300	749,500,230
	(d) Finance costs	21	338,717,959	374,841,271
	(e) Depreciation and amortisation expense	8.B	246,704,015	230,750,087
	(f) Other expenses	22	837,434,689	1,085,257,286
	Total expenses		**7,137,105,290**	**8,032,761,265**
5	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		(338,159,316)	19,680,292
6	**Exceptional items**	23.a	63,724,161	67,878,866
7	**Profit / (Loss) before extraordinary items and tax (5 + 6)**		(274,435,155)	87,559,158
8	**Extraordinary items**	23.b	107,006,504	-
9	**Profit / (Loss) before tax (7 + 8)**		(381,441,659)	87,559,158
10	**Tax expense:**			
	(a) Current tax expense for current year		1,200,000	44,653,561
	(b) (Less): MAT credit		1,782,105	(75,074,358)
	(c) Current tax expense relating to prior years		16,080,628	1,725,746
	(d) Net current tax expense		19,062,733	(28,695,051)
	(e) Deferred tax	32	(893,697)	9,540,285
			18,169,036	**(19,154,766)**
11	**Profit / (Loss) from continuing operations (9 +10)**		(399,610,695)	106,713,924
B	**DISCONTINUING OPERATIONS**			
12.i	Profit / (Loss) from discontinuing operations (before tax)		-	-
12.ii	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
12.iii	Add / (Less): Tax expense of discontinuing operations		-	-
13	**Profit / (Loss) from discontinuing operations (12.i + 12.ii + 12.iii)**		-	-
C	**TOTAL OPERATIONS (A+B)**		(399,610,695)	106,713,924
14	**Profit / (Loss) for the year**		(399,610,695)	106,713,924
	Minority Interest		(2,056,238)	(2,392,756)
15	**Profit After Minority Interest**		(397,554,457)	109,106,680
15.1	**Earnings per share (of ₹ 10/- each):**			
	(a) Basic for Continuing Operation	30	(31.52)	9.81
	(b) Diluted for Continuing Operation	30	(32.17)	8.87
15.2	Earnings per share (excluding extraordinary items) (of ₹ 10/- each):			
	(a) Basic for Continuing Operation	30	(22.81)	9.81
	(b) Diluted for Continuing Operation	30	(23.51)	8.87

See accompanying notes forming part of the financial statements

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR K V M D S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 121347W

For and on behalf of the Board of Directors

PRAKASH NIMBALKAR Chairman
SHIVAJI AKHADE Managing Director and CEO
M. RADHAKRISHNAN Managing Director and CEO

VIJAY B. SHETH
PARTNER
Mem. NO. 037634

RAVI KETKAR Chief Financial Officer
ASHUTOSH KULKARNI Company Secretary

Place : PUNE
Date : 24th May 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	PARTICULARS	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
A.	**Cash Flow from Operating Activities**		
	Net Profit after Tax & Minority Interest	(397,554,457)	109,106,680
	Adjustment for :		
	Depreciation	246,704,015	230,750,087
	Employee Stock Option	10,539,402	10,778,844
	Amortisation of Miscellaneous Expenditure	6,103,398	5,226,141
	Deferred Tax Liability / (Asset) - Net	(893,697)	9,540,285
	Operating Profit before Working Capital Changes	(135,101,339)	365,402,037
	Adjustment for :		
	Trade Receivable and Other Current Asset	(168,202,756)	143,962,306
	Inventories	(114,346,437)	(93,451,748)
	Trade Payables and Other Current Liabilities	(324,015,346)	(17,346,391)
	Minority Interest	(212,873,581)	(2,392,755)
	Exchange Difference on Consolidation	41,616,898	(63,210,927)
	Capital Reserve on consolidation	397,906,157	72,898,140
	Cash Generated from Operations	(515,016,404)	405,860,663
	Net Cash from Operating Activities	(515,016,404)	405,860,663
B.	**Cash Flow from Investing Activities**		
	Acquisition of Fixed Assets (Net)	(105,006,253)	(315,262,611)
	Investments	346,366,287	(8,846,243)
	Extra-ordinary Item*	(29,798,976)	-
	Net Cash from Investing Activities	211,561,057	(324,108,854)
C.	**Cash Flow from Financing Activities**		
	Proceeds from Borrowings (Net)	218,077,799	6,441,319
	Dividend	(36,838)	(59,315)
	Issue of ESOP	357,810	444,960
	Share Premium	4,620,215	667,440
	Long-term loans and advances	(15,226,854)	(60,051,767)
	Other non-current assets	(893,917)	5,200,701
	Net Cash from Financing Activities	206,898,214	(47,356,663)
	Net Increase / Decrease in Cash & Cash Equivalent	(96,557,132)	34,395,146
	Cash & Cash equivalent as at 01.04.2013	146,528,679	112,133,533
	Cash & Cash equivalent as at 31.03.2014	49,971,547	146,528,679
	Net Increase / Decrease in Cash & Cash Equivalent	(96,557,132)	34,395,146

*Note:- Opening & Closing difference in Security Premium account in AIPL.
- Opening & Closing difference in Profit and Loss accounts in Butler due to rate Fluctuation.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR K V M D S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 121347W

For and on behalf of the Board of Directors

PRAKASH NIMBALKAR Chairman
SHIVAJI AKHADE Managing Director and CEO
M. RADHAKRISHNAN Managing Director and CEO

VIJAY B. SHETH
PARTNER
Mem. NO. 037634

RAVI KETKAR Chief Financial Officer
ASHUTOSH KULKARNI Company Secretary

Place : PUNE
Date : 24th May 2014

Notes forming part of the Consolidated Financial Statements

Note 1 Share Capital

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised				
Equity shares of ₹10 each with voting rights	29,500,000	295,000,000	29,500,000	295,000,000
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹10 each with voting rights	12,249,465	122,494,650	12,204,969	122,049,690
Add: ESOP Allotment During the Period	35,781	357,810	44,496	444,960
Total	**12,285,246**	**122,852,460**	**12,249,465**	**122,494,650**

Sub-Note Note 1 :-

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Closing Balance
Equity shares with voting rights							
Year ended 31 March, 2014							
- Number of shares	12,249,465	-	-	35,781.00	-	-	12,285,246
- Amount (₹)	122,494,650	-	-	357,810.00	-	-	122,852,460
Year ended 31 March, 2013							
- Number of shares	12,204,969	-	-	44,496.00	-	-	12,249,465
- Amount (₹)	122,049,690	-	-	444,960.00	-	-	122,494,650

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Lincwise Software Private Limited	1,000,000	8.14%	1,000,000	8.16%
Mrs. Rekha Rakesh Jhunjhunwala	731,233	5.95%	731,233	5.97%
Mrs. Rema Radhakrishnan	504,717	4.11%	664,717	5.43%
Mr. Shivaji Tukaram Akhade	633,681	5.16%	633,681	5.17%
Total	**2,869,631**	**23.36%**	**3,029,631**	**24.73%**

(iii) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	Aggregate number of shares	
	As at 31st March, 2014	As at 31st March, 2013
Equity shares with voting rights		
Fully paid up pursuant to contract(s) without payment being received in cash in 2007-08	-	588,125
Total	**-**	**588,125**

Note 2 Reserves and surplus

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Capital reserve		
Opening balance	-	-
Less: Utilised for Merger	-	-
Closing balance	-	-
(b) Securities premium account		
Opening balance	1,357,641,024	1,368,224,566
Add : Premium received on allotment of 35781 equity Shares pursuant to ESOP - face value of ₹ 10/- at premium of ₹ 15/- Per Share.	536,715	667,440
Add : Premium transferred from Employee Stock outstanding account on allotment of 35781 equity shares at fair value of ₹ 234.45/- Per Share	8,388,855	10,432,087
Add: Premium received on allotment of 81,67,000 equity Shares at ₹ 10 each.	4,083,500	-
Closing balance	1,370,650,094	1,379,324,093
(c) Revaluation reserve		
Opening balance	9,828,846	10,213,550
Less: Utilised for set off against depreciation of Revalued Asset	384,704	384,704
Closing balance	9,444,142	9,828,846
(d) Share options outstanding account		
Employee Stock Option Outstanding Account *	18,194,024	27,138,291
Less : Deferred Employee Compensation Account	-	11,094,814
Net Balance	18,194,024	16,043,477
(e) General reserve		
Opening balance	120,227,655	120,227,655
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	120,227,655	120,227,655
(f) Exchange Difference on Consolidation	(1,349,926)	(42,966,824)
(g) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance **	1,033,862,963	947,262,767
Add: Profit / (Loss) for the year	(397,554,457)	109,106,680
Less:		
Dividend paid for Preceding Year	31,487	51,037
Dividend proposed to be distributed to equity shareholders	-	12,249,465
Tax on dividend	5,351	2,090,075
Transferred to:	-	-
General reserve	-	-
Closing balance	636,271,668	1,041,978,870
Total	**2,153,437,657**	**2,524,436,117**

* Note - During the year ₹ 83,88,855/- transfer to Security Premium & ₹ 5,55,412/- is reverse back the expense related to Option Lapses from Opening balance of Employee Stock Outstanding Account.

** Opening & Closing difference in Profit and Loss accounts in Butler due to rate Fluctuation.

Note 3 Long-term borrowings

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Term loans		
From banks		
Secured	564,697,164	841,225,727
Unsecured	-	22,613,280
	564,697,164	863,839,007
From other parties	-	-
(b) Trade Deposits		
Secured	-	-
Unsecured	17,000,000	16,000,000
	17,000,000	16,000,000
(c) Deferred payment liabilities		
Secured	-	-
Unsecured	4,768,650	10,020,397
	4,768,650	10,020,397
Total	**586,465,814**	**889,859,404**

Sub-notes to Note 3

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Secured	Unsecured	Secured	Unsecured
Term loans from banks:				
Bank of Baroda Term Loan	61,566,071	-	95,865,565	-
Axis Bank Ltd Term Loan-1	143,890,652	-	253,890,821	-
Axis Bank Ltd Term Loan-2	-	-	37,555,518	-
Axis Bank Ltd Term Loan-3	84,235,231	-	-	-
NKGSB Co-Op Bank Ltd. Term Loans	22,700,500	-	60,189,486	-
Vidya Sahakari Bank Ltd Term Loan	13,539,473	-	14,848,945	-
The Catholic Syrian Bank Ltd Term Loan - 1	59,613,638	-	133,305,692	-
The Catholic Syrian Bank Ltd Term Loan - 2	33,253,460	-	53,227,083	-
Bank of Baroda (Vehicle Loan)	749,843	-	1,541,723	-
Tata Capital Finance Services Ltd. - Hire Purchase Loan	21,979,359	-	50,000,000	-
Tower Bank & Trust Co. - Loan	-	-	72,149,357	-
Tower Bank & Trust Co. - Tooling loan (Butler)	-	-	68,651,537	-
Tower Bank & Trust Co. Loan	-	-	-	-
NP First Financial Bank - Term Loan	123,168,937	-	-	-
Total	**564,697,164**	**-**	**841,225,727**	**-**

Term of Repayment & Security for Secured Loan.

1. Bank of Baroda's Term loan are secured by First Charge on Fixed assets of the Company situated at Plot No. 6 & 8, Uttarakhand and Second Charge on Fixed assets of the Company situated at S. No. 313/314, Nanekarwadi, Chakan. Loan is repayable in 69 monthly installment of ₹ 28.60 Lacs and 1 monthly installment of ₹ 26.60 Lacs.
2. Axis Bank Ltd.'s loans are secured by charge on all Fixed assets of the Company except situated at Plot no. 5, 6 & 8, Uttarakhand and Plot No. E-12 (17) (8), M.I.D.C., Bhosari, Pune-411026 and S. No. 313/314, Nanekarwadi, Chakan. Term Loan - 1 is repayable in 13 quarterly installment of ₹ 2 Crores, next 3 quarterly installment of ₹ 5 Crores and 1 installment of ₹ 4 Crores. Term Loan - 3 is Corporate loans of ₹ 10 Cr. is repayable in 12 equal quarterly installment of ₹ 84.24 Lacs (Tenure 3 years and 9 months including moratorium of 1 year.)
3. Vehicle Loans have been secured by hypothecation of Vehicles.
4. The term loan from NKGSB Co-op. Bank Ltd. & Vidya Sahakari Bank Ltd. has been secured by charge on Fixed assets of the Company at Plot No. E-12 (17) (8), M.I.D.C. Bhosari, Pune-411026 & Plot No 5 at Uttarakhand.

   NKGSB term loan LNM/3 is repayable (including Interest) in 60 monthly installment of ₹ 4.81 Lacs.

   NKGSB term loan LNM/5 is repayable (including Interest) in 60 monthly installment of ₹ 3.61 Lacs

   NKGSB term loan LNM/19 is repayable (including Interest) in 60 monthly installment of ₹ 7.78 Lacs

   NKGSB term loan LNM/46 is repayable (including Interest) in 60 monthly installment of ₹ 6.03 Lacs.

   NKGSB term loan LNM/70 is repayable (including Interest) in 60 monthly installment of ₹ 2.44 Lacs

   NKGSB term loan LNM/69 is repayable (including Interest) in 36 monthly installment of ₹ 14.07 Lacs.

   Vidya Saha.Bank term loanTL/HPL/432 is repayable (including Interest) in 60 monthly installment of ₹ 2.33 Lacs.

   Vidya Saha.Bank term loan TL/HPL/483 is repayable (including Interest) in 60 monthly installment of ₹ 2.40 Lacs.

   Vidya Saha.Bank term loan TL/HPL/486 is repayable (including Interest) in 60 monthly installment of ₹ 0.60 Lacs.

   Vidya Saha.Bank term loan TL/HPL/515 is repayable (including Interest) in 60 monthly installment of ₹ 4.76 Lacs.
5. Hire Purchase Loan taken from Tata Capital Financial Services Ltd of ₹ 5 Cr. for fully automatic machinery installed at Plot No. 6 at Uttarakhand. As per Hire Purchase Agreement, loan is secured by same fully automatic machine.
6. The Catholic Syrian Bank Ltd.'s loans are secured by First Charge on Fixed assets of the Company situated at S. No. 313/314, Nanekarwadi, Chakan and Second Charge on Fixed assets of the Company situated at Plot No. 6 & 8, Uttarakhand. Term Loan - 1 is repayable in 57 monthly installment of ₹ 61.41 Lacs each and Term Loan - II is repayable in 60 monthly installment of ₹ 16.67 Lacs each.
7. NP First Financial Bank loans are secured by mortgage on the real estate known as 100 Commerce Street, Butler, Indiana USA. Loan is repayable in 59 monthly installment of $ 34,350.68 each and one irregular last payment of $ 4,73,309.88.

Note 4 Short-term borrowings

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Loans repayable on demand		
From banks		
Secured	1,387,744,729	905,739,108
Unsecured	42,181,800	-
	1,429,926,529	905,739,108
(b) Loans and advances from Others	-	-
Secured	95,833,333	-
Unsecured	10,923,221	14,523,221
	106,756,554	14,523,221
(c) Deposits	-	-
Secured	-	-
Unsecured	-	-
	-	-
(d) Defered Payment Liability		
Secured	-	-
Unsecured	-	-
	-	-
Total	**1,536,683,083**	**920,262,329**

Sub-notes to Note 4

(i) Details of security for the secured short-term borrowings:

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Secured	Unsecured	Secured	Unsecured
Loans repayable on demand from banks:				
Bank of Baroda CC A/c	561,779,539		609,028,613	
The Catholic Syrian Bank Ltd. CC A/c	265,946,447		251,326,016	
NKGSB Co-Op Bank Ltd.CC A/C	42,792,886		34,513,479	
Tower Bank & Trust Co.- Term Loan	-		10,871,000	
NP First Financial Bank - LOC	427,588,857		-	
NP First Financial Bank - Tooling	89,637,000			
	1,387,744,729	**-**	**905,739,108**	**-**
Tata Motors Limited- Trade Advance	95,833,333		-	
Total	**1,483,578,062**	**-**	**905,739,108**	**-**

Term of Repayment & Security for Secured Loan.

1. All working capital loan from the above banks have been secured by hypothecation of current assets of the company.
2. Trade advance of ₹ 10 Cr. provided by Tata Motors Ltd., repayable in 12 equal installments of ₹ 41.67 Lacs each (Secured by Corporate Guarantee given by Autoline Industries Limited of ₹ 15 Cr.)

Note 5 Trade payables

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Trade payables (Including Acceptances)	678,711,018	991,650,642
MSM Enterprises	16,610,857	6,029,676
Total	**695,321,875**	**997,680,318**

Note 6 Other current liabilities

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Current Maturities of Long-Term Debts (See Sub-Note)		
Secured	388,727,588	342,242,113
Unsecured	167,178,906	308,613,747
(b) Unpaid Dividends *	863,520	790,716
(c) Interest accrued & due on borrowings	3,161,282	2,953,312
(d) Other payables		
(i) Statutory remittances:-		
VAT/CST Payable	49,857,218	55,456,888
Local Body Tax Payable	7,135,057	-
Excise Duty Payable	945,636	4,732,757
Service Tax Payable	2,074,653	3,301,234
TDS Payable	7,104,205	4,659,358
PF & ESIC Payable	3,146,329	3,784,324
Labour Welfare Fund Payable	184,974	171,306
Profession Tax Payable	1,577,964	756,496
Wealth Tax Payable	65,805	71,000

Particulars			As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(ii)	Payables on purchase of fixed assets		22,139,994	12,634,844
(iii)	Interest on MSM Enterprises		3,800,639	1,565,697
(iv)	Employee's Loan Repayment		400,357	547,535
(v)	Payable for employee benefits			
	(i)	Payable for bonus	8,557,257	10,525,901
	(ii)	Payable for Salary	23,114,557	21,729,544
	(iii)	Payable for Leave Encashment	4,719,598	5,345,803
	(iv)	Payable for Staff Welfare Expenses	9,890	668,942
	(iv)	Payable for Gratuity	6,817,233	1,405,773
	(vi)	Payable for Open GRN	-	233,373
	(vii)	Payable for Expenses	764,368	4,481,629
	(viii)	Payable for Professional Fees	5,970,062	2,720,715
	(ix)	Payable for Telephone, Internet & Postage	325,982	152,173
	(x)	Accrued Expenses	11,261,699	16,220,479
	(xi)	Payable for Director Sitting Fees	-	-
		Total	**719,904,773**	**805,765,659**

*As per Section 205C of the Companies Act, 1956, the Interim Dividend for the F.Y. 2006-07 of ₹ 67,111/- remained unclaimed for 7 years is transferred to the Investor Education and Protection Fund established by the Central Government in May, 2014

Sub - note to Note 6

(i) Current Maturities of Long-Term Debts :

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Loans repayable on demand:		
From banks / Financial Institution	364,094,853	342,242,113
Secured	161,927,159	303,362,000
Unsecured	526,022,012	645,604,113
(b) Deferred payment liabilities:		
Secured	-	-
Unsecured	5,251,747	5,251,747
	5,251,747	5,251,747
Total	**531,273,759**	**650,855,860**

Note 7 Short-term provisions

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Provision - Others:		
(i) Provision for tax (net of advance tax)	-	16,414,120
(ii) Provision for Proposed Dividend	-	12,249,465
(iii) Provision for Tax on Proposed Dividend	-	2,081,797
Total	**-**	**30,745,382**

Notes Forming Part of Consolidated as at Balance Sheet at 31st March 2014

NOTE 8 A : CONSOLIDATED FIXED ASSETS :

SR NO	TANGIBLE ASSET	GROSS BLOCK						DEPRECIATION						NET BLOCK	
		AS ON 01.04.2013	ADDITIONS	TRANSFERS	DEDUCTIONS	ADJUSTMENT / EXCHANGE RATE FLUCTUATION	AS ON 31.03.2014	AS ON 01.04.2013	FOR THE YEAR	TRANSFERS	DEDUCTIONS	ADJUSTMENT / EXCHANGE RATE FLUCTUATION	AS ON 31.03.2014	AS ON 31.03.2014	AS ON 31.03.2013
1	LAND AND DEVELOPMENT	54,629,347	-	-	6,060,579	-	48,568,768	-	-	-	-	-	-	48,568,768	54,629,347
2	LAND - LEASE HOLD	75,428,493	-	-	-	-	75,428,493	1,530,512	-	-	-	-	1,530,512	73,897,981	73,897,981
3	BUILDING	934,808,044	9,264,332	-	-	-	944,072,375	143,561,359	31,229,538	-	-	-	174,790,897	769,281,478	791,246,685
4	BUILDING - OFFICE	1,549,000	-	-	-	-	1,549,000	18,954	25,249	-	-	-	44,203	1,504,797	1,530,046
5	PLANT AND MACHINERY*	1,541,513,862	49,310,141	-	425,716	-	1,590,398,286	322,183,543	73,962,827	-	118,344	-	396,028,026	1,194,370,260	1,219,330,319
6	TOOLS AND DIES	545,130,102	192,850,980	-	-	-	737,981,082	222,768,872	61,722,479	-	-	-	284,491,351	453,489,731	322,361,230
7	COMPUTERS AND SOFTWARES	110,576,713	7,323,781	-	868,800	-	117,031,694	84,272,490	16,381,636	-	775,442	-	99,878,684	17,153,010	26,304,223
8	ELECTRICAL FITTINGS	113,744,369	2,494,257	-	-	-	116,238,626	35,631,090	7,242,017	-	-	-	42,873,107	73,365,519	78,113,279
9	FURNITURE	25,010,592	186,977	-	-	-	25,197,569	9,439,890	1,582,880	-	-	-	11,022,770	14,174,799	15,570,702
10	VEHICLES	26,480,752	735,446	-	2,382,298	-	24,833,900	13,645,717	2,331,841	-	1,319,885	-	14,657,674	10,176,226	12,835,035
11	OFFICE EQUIPMENTS	13,080,781	544,255	-	41,658	-	13,583,378	4,324,598	639,734	-	2,451	-	4,961,881	8,621,497	8,756,183
12	Autoiline Industries, Inc. USA	231,127,699	35,560,100	-	10,226,410	22,974,574	279,435,962	61,985,137	21,976,432	-	2,742,577	7,502,217	88,721,209	190,714,754	169,142,562
	TOTAL	**3,673,079,753**	**298,270,267**	**-**	**20,005,462**	**-**	**3,974,319,133**	**899,362,162**	**217,094,632**	**-**	**4,958,698**	**7,502,217**	**1,119,000,313**	**2,855,318,820**	**2,773,717,591**

* Note : - Plant & Machinery includes Hire Purchase Asset, for same Hire Purchase Agreement done with Tata Capital Financial Services Limited.

SR NO	INTANGIBLE ASSET	GROSS BLOCK						DEPRECIATION						NET BLOCK	
		AS ON 01.04.2013	ADDITIONS	TRANSFERS	DEDUCTIONS	ADJUSTMENT / EXCHANGE RATE FLUCTUATION	AS ON 31.03.2014	AS ON 01.04.2013	FOR THE YEAR	TRANSFERS	DEDUCTIONS	ADJUSTMENT / EXCHANGE RATE FLUCTUATION	AS ON 31.03.2014	AS ON 31.03.2014	AS ON 31.03.2013
1	R & D PROCESS DEVELOPMENT	195,614,394	-	-	-	-	195,614,394	81,303,713	19,413,439	-	-	-	100,717,152	94,897,242	114,310,681
2	INTANGIBLE ASSETS	39,900,000	-	-	-	-	39,900,000	25,386,563	7,980,000	-	-	-	33,366,563	6,533,437	14,513,437
3	Computer Aided Engineering (CAE)	13,003,244	-	-	-	-	13,003,244	10,402,596	2,600,648	-	-	-	13,003,244	-	2,600,648
4	TRADE MARK	20,500	-	-	-	-	20,500	20,500	-	-	-	-	20,500	-	-
	TOTAL	**248,538,138**	**-**	**-**	**-**	**-**	**248,538,138**	**117,113,372**	**29,994,087**	**-**	**-**	**-**	**147,107,459**	**101,430,679**	**131,424,766**

SR NO	WORK IN PROGRESS	GROSS BLOCK						DEPRECIATION						NET BLOCK	
		AS ON 01.04.2013	ADDITIONS	TRANSFERS	DEDUCTIONS	ADJUSTMENT / EXCHANGE RATE FLUCTUATION	AS ON 31.03.2014	AS ON 01.04.2013	FOR THE YEAR	TRANSFERS	DEDUCTIONS	ADJUSTMENT / EXCHANGE RATE FLUCTUATION	AS ON 31.03.2014	AS ON 31.03.2014	AS ON 31.03.2013
1	CAPITAL WIP	193,689,607	34,646,958	228,336,565	-	-	-	-	-	-	-	-	-	-	193,689,607
	TOTAL	**193,689,607**	**34,646,958**	**228,336,565**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**193,689,607**
	Grand Total	4,115,307,498	332,917,225	228,336,565	20,005,462	-	4,222,857,271	1,016,475,534	247,088,719	-	4,958,698	-	1,266,107,772	2,956,749,499	3,098,831,964

NOTE 8 B - DEPRECIATION AND AMORTISATION RELATING TO CONTINUING OPERATION:

Particulars	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
	₹	₹
Depreciation and Amortisation for the year on Tangible Asset as per Note 8 A	217,094,632	212,856,429
Depreciation and Amortisation for the year on Intangible Asset as per Note 8 A	29,994,087	16,790,702
Less: Utilised form Revaluation Reserve	384,704	384,704
Add: Amortisation Expenses	-	1,487,660
Depreciation and Amortisation relating to Continuing Operations	**246,704,015**	**230,750,087**

Note 9 Non-current investments

Particulars	For the year ended 31st March, 2014 ₹ Unquoted	For the year ended 31st March, 2013 ₹ Unquoted
Investments (At cost):		
A. Trade		
(a) Investment in equity instruments		
(i) Investment in SZ Design SRL & Zagato SRL, Italy* - (Unquoted)	316,224,039	337,981,960
(ii) Associates		
- Autoline Industrial Parks Limited - (Unquoted)		
2,48,25,000 (As at 31 March, 2013: 2,48,25,000) shares of ₹ 10 each fully paid	165,499,940	-
- DEP Autoline Inc., USA - (Unquoted)	-	324,362,719
NIL (As at 31 March, 2013: 30,600) shares of $ 1 each fully paid		
- Nuvent Technologies Pvt. Ltd - (Unquoted)	-	255,000
NIL (As at 31 March, 2013: 25,500) shares of ₹ 10 each fully paid		
Total	-	324,617,719
Total - Trade (i + ii)	**316,224,039**	**662,599,680**
B. Other investments		
(a) Investment in equity instruments		
(i) Other Entities		
- Rupee Co-op Bank Ltd. - (Unquoted)	500,000	500,000
20,000 (As at 31 March, 2013: 20,000) shares of ₹ 25 each fully paid		
- NKGSB Co-op. Bank Ltd. Equity Shares - (Unquoted)	500,000	500,000
50,000 (As at 31 March, 2013: 50,000) shares of ₹ 10 each fully paid		
- Vidya Sahakari Bank Ltd. Equity Shares - (Unquoted)	500,000	500,000
5,000 (As at 31 March, 2013: 5,000) shares of ₹ 100 each fully paid		
- Investment in Mutual Fund		
SBI mutual Fund - (Quoted)	18,863	116,485
TATA Mutual Fund - (Quoted)	124,612	17,637
Total	**1,643,476**	**1,634,122**
Total (A + B)	**317,867,515**	**664,233,802**

*Note:- The Company has invested Euros 4.57 Million plus incidental expenses (Bal on 31.03.2014 in INR ₹ 31,62,24,039) in wholly owned subsidiary, Koderat Investments Ltd. (Cyprus) after given effect of consolidation. In turn the subsidiary utilized the same for investment in S.Z. Design SRL and Zagato SRL Milan Italy. S.Z. Design SRL and Zagato SRL Milan Italy have issued 49% of equity Shares to Koderat Investments Ltd (Cyprus).

Note 10 Long-term loans and advances

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Advance income tax (net of provisions) Unsecured, considered good	29,361,384	12,352,424
(b) MAT credit entitlement - Unsecured, considered good	135,179,778	136,961,883
(c) Balances with government authorities		
Unsecured, considered good		
(i) Service Tax credit receivable	-	-
(ii) Advance for Appeal 07-08	-	-
Total	**164,541,162**	**149,314,307**

Note 11 Other non-current assets

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Unamortised expenses		
(i) Deferred Revenue Expenditure	526,875	10,485,068
(ii) Expenses for increase in Authorised Capital	1,065,843	686,000
(iii) Acquisition Cost	32,957,894	20,465,892
(iv) Accumulated Amortization	(8,630,728)	(6,610,993)
Total	**25,919,884**	**25,025,967**

Note 12 Inventories

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Raw materials (including spare, tools, consumables & Boughtout)	460,174,366	398,878,707
(b) Work-in-progress		
Work-in-progress	470,496,475	489,040,769
Land and Development Cost(WIP)	918,869,593	836,326,626
Engineering Design Services	17,333,950	19,309,400
(c) Finished goods (other than for trading)	69,178,794	78,151,239
Total	**1,936,053,178**	**1,821,706,741**
(Inventories valued at lower of cost and net realisable value)		

Note 13 Trade Receivables

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Trade receivables outstanding - (exceeding six months from the date they were due for payment)		
Secured, considered good	-	-
Unsecured, considered good	808,256,986	9,849,900
Doubtful	-	-
	808,256,986	9,849,900
Trade receivables outstanding - (Less than six months from the date they were due for payment)		
Secured, considered good	-	-
Unsecured, considered good	127,872,354	472,909,998
Doubtful	-	-
	127,872,354	472,909,998
Total	**936,129,340**	**482,759,898**

Note 14 Cash and Cash Equivalents

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Cash on hand	255,185	182,782
(b) Balances with banks		
(i) In current accounts	44,429,647	106,503,802
(ii) In deposit accounts (Maturing with in 12 months)	482,163	37,969,535
(iii) In deposit accounts (Maturing after 12 months)	3,941,031	1,081,843
(iv) In earmarked accounts		
- Unpaid dividend accounts	863,521	790,716
Total	**49,971,547**	**146,528,679**
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	49,971,547	146,528,679

Note 15 Short Term Loans and Advances

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Security deposits		
Secured, considered good	-	-
Unsecured, considered good	14,354,723	14,700,141
Doubtful	-	-
	14,354,723	14,700,141
(b) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	453,836	310,364
Doubtful	-	-
	453,836	310,364
(c) Prepaid expenses	4,216,281	5,448,258
	4,216,281	5,448,258
(d) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	104,056,832	134,921,175
(ii) Deposit for Sales Tax Appeal	11,350,000	5,000,000
(iii) Excise Rebate Claim	6,715,432	4,708,561
(iv) Sales Tax on Capital Receivable	2,314,209	-
	124,436,473	144,629,736
(e) Advance for Land Purchase	1,243,931	40,960,437
(f) Inter-Corporate Loan & Advances (Unsecured, considered good)	-	-
(g) Advance income tax (net of provisions) - Unsecured, considered good	9,550,617	18,170,898
	-	-
Total	**154,255,861**	**224,219,834**

Note 16 Other Current Assets

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Unamortised expenses		
(i) Deferred Revenue Expenditure	5,062,117	-
(ii) Expenses for Increase in Authorised Capital	355,281	-
	5,417,398	-
(b) Others		
(i) Industrial Subsidy A/c Receivable	85,522,747	99,103,862
(ii) Others Current Asset	500	209,892,695
(iii) Receivable from Directors	-	3,600,000
(iv) Dividend Receivable	-	6,522,600
(v) Receivable on sales of fixed assets	6,872,400	-
Total	**97,813,044**	**319,119,157**

Notes forming part of the Consolidated Financial Statements

Note 17 Revenue from operations

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
(a) Sale of products		
(i) Sales Manufacturing	6,775,653,783	7,886,019,740
(ii) Sales PTC Licenses	7,972,429	-
(b) Sale of services	5,578,000	5,698,775
(i) PTC Licenses Sales (AMC)	4,178,294	4,251,578
(ii) Labour Charges	-	-
(iii) Engineering Service (Including Export)	1,399,706	1,447,197
(c) Other operating revenues	330,942,307	547,132,756
	7,120,146,519	8,438,851,271
Less:		
(d) Excise duty	349,604,887	432,001,244
Total	**6,770,541,632**	**8,006,850,026**

Sub-Note to Note 17:- Above mentioned sale of products by AIL is after penalty of ₹ 22.22 Lacs and Warranty failure charges ₹ 11.73 Lacs. As per management it is related to sales & hence deducted.

Note 18 Other income

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
(a) Interest income	13,522,663	30,018,777
(b) Dividend income:		
from current investments		
others	84,354	10,993,950
(c) Net gain on foreign currency transactions and translation	9,250,534	1,909,923
(d) Other non-operating income	5,003,404	2,668,881
(e) Details of Prior period items (net)		
Prior period expenses-		
Sales Tax Liability	77,137	-
Income Tax Liability	237,770	-
Provident Fund Liability	5,235	-
Other Charges	219,471	-
Prior period income		
Sales Tax Assessment Dues	1,083,000	-
Sub Total	**543,387**	**-**
Total	**28,404,342**	**45,591,531**

Note 19.a Cost of materials consumed

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Opening stock	398,878,707	502,468,915
Purchases :	4,965,733,797	5,673,351,199
Add: PTC Licenses Purchase (AMC)	3,519,119	3,120,492
Add: PTC Licenses Purchase	4,997,457	1,960,494
Add: Purchases (Manufacturing)	4,957,217,221	5,668,270,213
	5,364,612,503	6,175,820,114
Less: Closing stock	460,174,366	398,878,707
Cost of material consumed	**4,904,438,138**	**5,776,941,407**
Material consumed comprises:		
Steel		
Total	**4,904,438,138**	**5,776,941,407**

Note 19.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Inventories at the end of the year:		
Finished goods	69,178,794	78,151,239
Work-in-progress	487,830,425	508,350,169
	557,009,219	586,501,408
Inventories at the beginning of the year:		
Finished goods	78,151,239	82,452,934
Work-in-progress	508,350,169	319,519,457
	586,501,408	401,972,391
Net (increase) / decrease	**29,492,189**	**(184,529,017)**

Note 20 Employee benefits expense

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Salaries, Wages and Bonus	641,102,809	618,764,449
Contributions to provident and other funds	35,751,444	12,790,983
Contributions to Gratuity	6,266,524	5,200,563
Expense on employee stock option (ESOP) scheme	10,539,402	10,778,844
Employee Insurance	41,585,611	10,997,038
Staff welfare expenses	27,692,803	88,655,371
Leave Encashment	17,379,706	2,312,982
Total	**780,318,300**	**749,500,230**

Note 21 Finance costs

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
(a) Interest expense on:		
(i) Borrowings	259,858,900	302,648,625
(ii) LC Charges	17,685,797	20,890,680
(iii) Others	-	
- Interest on delayed / deferred payment of taxes	11,804,192	7,602,874
- Others	11,116,959	2,244,056
(b) Other borrowing costs	5,326,440	7,632,080
(c) Net loss on foreign currency transactions and translation	419,795	323,558
(d) Bank Charges & Commission	32,505,877	33,499,399
Total	**338,717,959**	**374,841,271**

Note 22 Other expenses

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Manufacturing Expenses		
Labour Charges	295,822,988	414,485,186
Power and fuel	99,524,649	128,745,586
Transport, Octroi & LBT.	133,071,553	140,768,362
Transport Outward	56,293,866	73,054,894
Testing & Inspection Charges	1,849,883	2,805,583
Weighing Charges	352,800	445,152
Water Charges	2,435,184	4,732,341
Repairs and Maintenance - Machinery	26,241,455	22,741,085
Tooling and Designing Charges	-	-
	615,592,378	**787,778,188**

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Administrative and Other Expenses		
Repairs and Maintenance - Buildings	20,366,154	2,716,797
Repairs and Maintenance - Vehicle	5,753,858	2,804,872
Repairs and Maintenance - Computer	4,388,679	4,720,894
Repairs and Maintenance - Others	2,940,683	22,095,207
ERP & Software License Charges	12,911,785	7,541,083
Rent including lease rentals	9,197,656	10,777,596
Software AMC	1,661,749	1,336,302
Insurance Others	16,634,777	23,249,262
Insurance - Vehicle	506,844	501,358
Rates and taxes	9,963,272	7,281,208
Communication & Internet Charges	10,020,523	9,695,551
Travelling and conveyance	12,584,123	26,580,144
Foreign Travel Expenses	15,751,240	966,197
Printing and stationery	7,885,686	5,245,015
Member & Subscription	98,032	598,891
Business promotion	3,858,671	29,908,271
Donations and contributions	900,065	596,879
Legal and professional	44,834,919	44,382,503
Director Sitting Fees	985,001	945,000
Security Charges	12,213,281	12,860,683
Housekeeping Charges	5,574,088	6,296,525
Audit Expenses	21,848	760,683
Payments to auditors (See Sub-Note)	5,238,786	5,010,761
	204,291,719	**226,871,684**
Preliminary & Miscellaneous Expenses written off	6,103,398	5,226,141
Sundry Balance Writeoff (Net)	4,316,082	2,877,165
Prior period items (See Sub-Note)	4,229,938	54,734,584
Miscellaneous expenses	2,901,173	7,769,525
	17,550,592	**70,607,415**
Total	**837,434,689**	**1,085,257,286**

Note 22 Other expenses (Sub Note)

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - Statutory audit Previous Year	12,360	8,764
As auditors - statutory audit	3,260,360	3,160,360
As auditors - Internal audit	1,200,000	1,206,180
Income Tax Matter & others	273,708	165,000
Reimbursement of expenses	492,358	470,457
Total	**5,238,786**	**5,010,761**
(ii) Details of Prior period items (net)		
Prior period expenses-		
Sales Tax Liability	-	52,401,574
Income Tax Liability	-	253,219
Provident Fund Liability	-	1,479,152
Other Charges	25,578	600,640
Prior period income		
Freight Charges	-	-
Sales Tax Assessment Dues	-	-
Total	**25,578**	**54,734,584**

Note 23.a Exceptional items

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Electricity Subsidy Received	5,173,371	-
Industrial Promotion Subsidy	58,269,884	68,509,848
Net gain/(loss) on sale of Tangible Assets	280,906	(630,982)
Total	**63,724,161**	**67,878,866**

Note 23.b Extraordinary items

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Loss on sale of Stake in Subsidiary (DEP & Nuvent)	107,006,504	-
Total	**107,006,504.0**	**-**

Note 24 Disclosures under Accounting Standard - 11 (The Effects of Changes in Foreign Exchange Rates)

The exchange fluctuation profit of ₹ 92,50,534/- and Loss of ₹ 4,19,795/- (Previous Year:- profit of ₹ 19,09,923/- & Loss of ₹ 3,23,558/-).

Note 25 Disclosures under Accounting Standard - 12 (Accounting for Government Grants)

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Details of government grants		
Government grants received by Autoline during the year towards		
- Subsidies (recognised under Industrial Promotion Subsidy)	58,269,884	68,509,849
- Duty drawback (recognised under Other operating revenues)	1,016,241	885,169
	59,286,125	69,395,018

Note 26 Disclosures under Accounting Standard - 15 (Employee benefit plans)

Employee benefit plans

Defined contribution plans

The Company makes Provident Fund contributions to Employee Provident Fund Organisation for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity - Contribution in respect of Gratuity is made to the approved Gratuity Fund maintained by Life Insurance Corporation of India Ltd.

ii. Other defined benefit plans - Medi Claim & Personal Accident Policy

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Gratuity	Other defined benefit plans (Medi Claim)	Gratuity	Other defined benefit plans (Medi Claim)
Actual contribution To Benefit Plan for year - Autoline				
Actual contributions	6,052,027	2,867,713	3,471,332	10,937,707

Note 27 Disclosures under Accounting Standards - 16 (Borrowing Cost)

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Details of borrowing costs capitalised		
Borrowing costs capitalised during the year in Autoline		
- as fixed assets - Tangible assets	-	10,980,537
- as fixed assets - Capital WIP	-	15,089,540
Total	**-**	**26,070,077**

Note 28 Disclosures under Accounting Standards - 17 (Segment Reporting)

Segment information :-

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily **Press Sheet & Auto Components, Assemblies** and **Others**. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographic segments of the Company are USA, Italy and India.

A. BUSINESS SEGMENT REPORTING

Particulars	For the year ended 31st March, 2014		
	Business segments		Total
	Press Sheet & Auto Components, Assemblies	Others	
External Segment Sales	6,756,991,203	13,550,429	6,770,541,632
Inter Segment Sales	-	-	-
Total Revenue	**6,756,991,203**	**13,550,429**	**6,770,541,632**
Segment result (Profit before other income, Depreciation & Financial exp)	196,368,951	(20,792,978)	175,575,973
Unallocable Expenses	-	-	**-**
Operating Profit	**196,368,951**	**(20,792,978)**	**175,575,973**
Finance costs	(338,319,623	(398,336)	(338,717,959
Depreciation and Amortisation expense	(242,252,820)	(4,451,195	(246,704,015)
Other Income	24,464,007	3,940,335	28,404,342
Profit Before Taxes	**(359,739,485)**	**(21,702,174)**	**(381,441,659)**
Tax expense	(17,862,733)	(306,303)	(18,169,036)
Net Profit for the year	**(377,602,218)**	**(22,008,477)**	**(399,610,695)**
Segment assets	5,710,311,446	928,989,586	6,639,301,032
Total Assets	**5,710,311,446**	**928,989,586**	**6,639,301,032**
Segment liabilities	3,649,388,720	13,449,241	3,662,837,961
Total Liabilities	**3,649,388,720**	**13,449,241**	**3,662,837,961**
CAPITAL EMPLOYED (SEG. ASSET - SEG. LIABILITIES)	**2,060,922,726**	**915,540,344**	**2,976,463,070**
Other information :-			
Capital expenditure :-			
Tangible Assets (Net Block)	2,852,141,034	3,177,787	2,855,318,821
Intangible Assets (Net Block)	101,430,680	-	101,430,680
Depreciation and amortisation	242,252,820	4,451,195	246,704,015

B. GEOGRAPHIC SEGMENT REPORTING

Particulars	Revenues For the year ended 31st March, 2014	Segment assets As at 31st March, 2014	Capital expenditure incurred during the year ended 31st March, 2014	
			Tangible	Intangible
	₹	₹	₹	₹
India (Domestic)	3,894,320,166	4,985,153,835	2,664,604,068	101,430,680
Others (Overseas)	2,876,221,466	1,654,147,197	190,714,753	-
Total	6,770,541,632	6,639,301,033	2,855,318,821	101,430,680

Note 29 Disclosures under Accounting Standards - 18 (Related party transactions)

1. Details of related parties:

Description of relationship	Names of related parties
1) Associates	**Indian**
	i) Nuvent Technologies Pvt. Ltd. (Associates till 25th Sept., 2013)
	Foreign
	i) DEP Autoline Inc. USA (Associates till 25th Sept., 2013)
2) Key Management Personnel (KMP)	
Managing Director & CEO	Mr. Shivaji Akhade
Managing Director & CEO	Mr. M. Radhakrishnan
Wholetime Director	Mr. Sudhir Mungase
Chairman (Non-executive Director)	Mr. Prakash B. Nimalkar
Chairman Emeritus	Mr. Vilas Lande
3) Relatives of KMP	-
4) Companies/Entities in which KMP / Relatives of KMP can exercise significant influence	
	i) Balaji Enterprises
	ii) Shreeja Enterprises
	iii) Sumeet Packers Pvt. Ltd
	iv) Siddhai Platers Private Ltd.
	v) Om Sai Transport
	vi) Hotel Vishwa Vilas
	vii) Hotel Aishwarya Lodging
	viii) Lincwise Software Pvt. Ltd.
	ix) Mr. Nitin Namdeo Devkar
	x) United Farming and Real Estate

Note: Related parties have been identified by the Management and relied upon by the Auditors.

2. Details of related party transactions during the year ended 31st March, 2014:

Particulars	Associates	Entities in which KMP / relatives of KMP have significant influence	KMP	Total
Purchase of goods				
Current Year	-	31,623,657	-	31,623,657
Previous Year	-	48,789,993	-	48,789,993
Sale of goods				
Current Year	20,372	8,766,974	-	8,787,346
Previous Year	-	11,510,546	-	11,510,546
Purchase of Land				
Current Year	-	4,200,000	28,811,500	33,011,500
Previous Year	-	-	-	-

Particulars	Associates	Entities in which KMP / relatives of KMP have significant influence	KMP	Total
Transportation				
Current Year	-	10,866,221	-	10,866,221
Previous Year	-	11,679,387	-	11,679,387
Rent Paid				
Current Year	-	135,000	-	135,000
Previous Year	-	75,000	-	75,000
Rendering of services				
Current Year	-	-	-	-
Previous Year	210,880	-	-	210,880
Receiving of services				
Current Year	-	19,171	1,800,000	1,819,171
Previous Year	-	74,449	2,040,000	2,114,449
Dividend Received				
Current Year	6,522,600	-	-	6,522,600
Previous Year	4,412,800	-	-	4,412,800
Dividend Receivable				
Current Year	-	-	-	-
Previous Year	6,522,600	-	-	6,522,600
Unsecured Loan Received				
Current Year	-	-	-	-
Previous Year	-	4,823,221	9,700,000	14,523,221
Excess Remuneration Recoverable from Directors				
Current Year	-	-	-	-
Previous Year	-	-	3,600,000	3,600,000
Directors Remuneration				
Current Year	-	-	14,400,000	14,400,000
Previous Year	-	-	18,000,000	18,000,000
Director Sitting Fees				
Current Year	-	-	540,000	540,000
Previous Year	-	-	480,000	480,000

Note 30 Disclosures under Accounting Standards - 20 (Earning Per Share)

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
1. Basic Earning Per Share		
A. Continuing operations		
Net profit / (loss) for the year from continuing operations	(397,554,457)	109,106,680
Add back : Amortised Cost for ESOP	10,539,402	10,778,844
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year from continuing operations attributable	**(387,015,055)**	**119,885,524**
Weighted average number of equity shares	12,277,592	12,225,484
Par value per share	10	10
Earnings per share from continuing	**(31.52)**	**9.81**
B. Continuing operations (Excluding Extra-ordinary Items)		
Net profit / (loss) for the year from continuing operations	(397,554,457)	109,106,680
Add back : Extra-ordinary Items	107,006,504	-
Add back : Amortised Cost for ESOP	10,539,402	10,778,844
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	**(280,008,551)**	**119,885,524**
Weighted average number of equity shares	12,277,592	12,225,484
Par value per share	10	10
Earnings per share from continuing operations (Excluding Extra-ordinary Items) - Basic	**(22.81)**	**9.81**

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
2. Diluted Earning Per Share		
A. Continuing operations		
Net profit / (loss) for the year from continuing operations	(387,015,055)	119,885,524
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	(387,015,055)	119,885,524
Add: Interest expense and exchange fluctuation on convertible bonds(net)	-	-
Less: Amortised cost for ESOP	(10,539,402)	(10,778,844)
Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	**(397,554,457)**	**109,106,680**
Weighted average number of equity shares for Basic EPS	12,277,592	12,225,484
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	80,007	69,317
Weighted average number of equity shares - for diluted EPS	**12,357,598**	**12,294,802**
Par value per share	10	10
Earnings per share, from continuing operations - Diluted	**(32.17)**	**8.87**
B. Continuing operations (Excluding Extra-ordinary Items)		
Net profit / (loss) for the year from continuing operations	(387,015,055)	119,885,524
Add back : Extra-ordinary Items	107,006,504	-
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	(280,008,551)	119,885,524
Add: Interest expense and exchange fluctuation on convertible bonds(net)	-	-
Less: Amortised cost for ESOP	(10,539,402)	(10,778,844)
Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	**(290,547,953)**	**109,106,680**
Weighted average number of equity shares for Basic EPS	12,277,592	12,225,484
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	80,007	69,317
Weighted average number of equity shares - for diluted EPS	**12,357,598**	**12,294,802**
Par value per share	10	10
Earnings per share from continuing operations (Excluding Extra-ordinary Items) - Diluted	**(23.51)**	**8.87**

Note 31 Disclosures under Accounting Standards - 21 (Consolidated Financial Statements)

In term of Accounting Standard (AS) 21 Consolidated Financial Statements and (AS) 23 Accounting for Investments in Associate in Consolidated Financial Statements, the consolidated financial statements present the consolidated accounts of Autoline Industries Limited (the Parent Company) with its subsidiaries & Joint Venture as under : -

Name of Subsidiary Companies	Country of Incorporation	As at 31-03-14 Proportion of Ownership Interest either directly or through subsidiary	As at 31-03-13 Proportion of Ownership Interest either directly or through subsidiary
Indian Subsidiaries			
i) Autoline Design Software Limited	India	100.00%	100.00%
ii) Autoline Industrial Parks Limited *	India	43.78%	51.12%
Foreign Subsidiaries			
i) Autoline Industries USA INC	USA	100.00%	100.00%
ii) Koderat Investments Ltd	Cyprus	100.00%	100.00%
iii) Autoline Stampings Limited (Subsidiary Autoline Industries USA INC.)	South Korea	100.00%	100.00%

*AIL's share holding in AIPL decreased from 51.12% to 43.78% on 31st March, 2014, however AIL has controlling the composition of Board of Directors of AIPL. Hence AIPL is considered as subsidiary company of AIL under the provisions of the Companies Act,1956.

Note 32 Disclosures under Accounting Standards - 22 (Deferred Tax Asset/Liability)

Particulars	As at 31st March, 2014	As at 31st March, 2013
Deferred Tax Liability :		
Opening Balance :	125,356,114	115,815,829
Add: Transferred from Merged Entities	-	-
Add: Current Year Provision	(893,697)	9,540,285
Closing Balance	**124,462,417**	**125,356,114**
Deferred Tax asset and liabilities are being off-set as they relate to taxes on income levies by the same governing taxation laws.		
The following amounts are shown in the Balance Sheet		
Deferred Tax Liabilities	128,053,677	128,053,677
Deferred Tax Asset	3,591,260	2,697,563
Deferred Tax Liabilities (Net)	**124,462,417**	**125,356,114**
Break Up of Deferred Tax Assets / Liabilities.		
Deferred Tax Liabilities :		
Tax impact of the difference between carrying amount of fixed assets in financial statement and in income Tax return for the current year	128,053,677	117,883,677
Add: Transferred from Merged Entities	-	-
Add: Current Year Provision	-	10,170,000
Total	**128,053,677**	**128,053,677**
Deferred Tax Assets :		
Tax impact of expenses allowable as deduction in future years under Income Tax :	2,697,563	2,067,848
Less: Transferred to share premium a/c	-	-
Add: Current Year Provision	893,697	629,715
Closing Balance	**3,591,260**	**2,697,563**

The deferred tax Asset (Net) for the year under consideration amounting to ₹ 8,93,697/- has been recoginzed in Profit and Loss Account. The Provision for Deferred Tax Assets for the Current year of ₹ 8,93,697/- is provided on the timing difference of the expenditure, depreciation and write offs.

Note 33 Disclosures on Employee share based payments - (Guidelines notes issued by ICAI)

a) In the 12th Annual general meeting of **Autoline** held on 27th Sept, 2008, the shareholders approved the issue of 8,50,000 options under the Scheme titled "Autoline ESOS 2008" (ESOP A).

The ESOP A allows the issue of options to employees of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share.

As per the Scheme, the Remuneration / Compensation Committee grants the options to the employees deemed eligible. The options granted vest over a period of 5 years from the date of the grant in proportions specified in the Scheme. Options may be exercised within 5 years from the date of vesting.

The difference between the fair price of the share underlying the options granted on the date of grant of option and the exercise price of the option (being the intrinsic value of the option) representing Stock compensation expense is expensed over the vesting period.

b) Employee stock options details as on the Balance Sheet date are as follows:

Particulars	During the year ended 31st March, 2014		During the year ended 31st March, 2013	
	Options (Numbers)	Weighted avg. exercise price per option (₹)	Options (Numbers)	Weighted avg. exercise price per option (₹)
Option outstanding at the beginning of the year:				
- ESOP (Employee)	105,755	25	148,540	25
- ESOP (Director)	9,997	25	15,000	25
Granted during the year:				
- ESOP (Employee)	Nil	-	Nil	-
- ESOP (Director)	Nil	-	Nil	-
Vested during the year:				
- ESOP (Employee)	Nil	-	Nil	-
- ESOP (Director)	Nil	-	Nil	-
Exercised during the year:				
- ESOP (Employee)	31,615	25	39,493	-
- ESOP (Director)	4,166	25	5,003	-
Lapsed during the year:				
- ESOP (Employee)	2,369	25	3,292	25
- ESOP (Director)	Nil	-	Nil	-
Options outstanding at the end of the year:				
- ESOP (Employee)	71,771	25	105,755	25
- ESOP (Director)	5,831	25	9,997	25
Total Options available for grant:				
- ESOP	692,121	25	689,752	25

c) The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Assumptions	31st March, 2014	31st March, 2013
Risk Free Interest Rate	7.00%	7.00%
Expected Life	Average life taken as 1 year from date of Grant (Vest)	Average life taken as 1 year from date of Grant (Vest)
Expected Annual Volatility of Shares	45%	45%
Expected Dividend Yield	Not separately included, factored in volatility working	Not separately included, factored in volatility working

Note 34 Previous year's figures

Disclosure and presentation made in the financial statements as per Revised Schedule VI. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note 35 Additional information to the Consolidated Financial Statements

1. Contingent liabilities and commitments

PARTICULARS	As at 31st March, 2014 ₹	**As at 31st March, 2013 ₹**
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt		
In Autoline		
- Income Tax Department	43,852,594	4,113,836
- Sales Tax Duties	474,248,452	23,500,000
- Arbitration Petition filed by Uppal Builders P. Ltd.	-	18,489,510
- Electricity Charges (Maharashtra State Dist.Co. Ltd.)	1,832,588	
In AIPL		
- Income Tax Department	2,005,602	-
(b) Bank Guarantee		
In AIL		
- In Favour of Ashok Leyland Nissan Vehicles Ltd, Chennai.	-	5,200,000
- In Favour of Regional officer Maharashtra Pollution Control Board, Mumbai	-	500,000
- In Favour of Tata Motors Limited	-	1,950,000
In ADSL		
- Bank Guarantee (for debonding of warehouse)	350,000	350,000
(c) Corporate Guarantees on behalf of Autoline Industries Indiana LLC, USA		
In Autoline		
- In Favour of Tata Motors Limited	150,000,000	-
(d) Corporate Guarantees on behalf of Autoline Industries Indiana LLC, USA		
In Autoline		
- In Favour of NP First Financial Bank	$10,500,000	$10,500,000
(e) Bill Discounting		
In Autoline		
- In Favour of Tata Capital Limited	600,000,000	800,000,000
(f) Letter of Credit		
In Autoline		
- In Favour of Bank of Baroda	133,251,858	52,512,038
(g) Other money for which the Company is contingently liable		
In ADSL		
Unpaid Dividend on 12% Cumulative Redeemable Preference Shares for the years 2007-08 to 2013-14 Rs. (Rs. 16,95,511/-)	11,868,578	10,173,066
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Tangible assets		
In Autoline	-	75,000,000
In ADSL	-	-
In AIPL	50,000,000	200,000,000

2. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
In Autoline		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	16,610,857	6,029,676
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	3,800,639	1,565,697
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	3,800,639	1,565,697
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	3,800,639	1,565,697
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	583,454	142,347

Note :- Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

3. Value of imports calculated on CIF basis

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Raw materials & Component		
In Autoline	20,286,563	35,205,981
In ADSL	-	-
Capital goods		
In Autoline	-	-

4. Expenditure in foreign currency

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
In Autoline		
Foreign Travel	99,643	116,759
Professional and consultation fees	47,428	918,573
Testing Charges	201,981	115,080
Clearing and Forwarding Charges	636,643	5,781,818
Repair and Maintainance	49,770	-
Membership and Subscription	9,354	-
Repayment of Loan	-	92,747,365
Interest - Bank	-	1,775,953
In ADSL		
Software Upgradation	51,713	116,626

5. Amounts remitted in foreign currency during the year on account of dividend

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
In Autoline		
Amount of dividend remitted in foreign currency	170,351	1,359,164
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	6	7
Total number of shares held by them on which dividend was due	170,351	339,791
Year to which the dividend relates	2012-13	2011-12

6. Details of consumption of imported and indigenous items

Particulars		For the year ended 31st March, 2014 ₹	%
Imported			
Raw materials & Component			
In Autoline (Manufacture goods)			
	Current Year	12,677,117	0.26%
	Previous Year	20,775,092	0.36%
	Total Current Year	12,677,117	0.26%
	Total Previous Year	20,775,092	0.36%
Indigenous			
Raw materials & Component			
In Autoline (Manufacture goods)			
	Current Year	2,745,343,536	55.98%
	Previous Year	4,273,970,672	73.98%
In ADSL (Traded goods)			
	Current Year	8,516,576	0.17%
	Previous Year	5,080,986	0.09%
	Total Current Year	2,753,860,112	56.15%
	Total Previous Year	4,279,051,658	74.07%
Consumption of Foreign Subsidiaries			
In Butler			
	Current Year	2,137,900,909	43.59%
	Previous Year	1,477,114,658	25.57%
	Total Current Year	2,137,900,909	43.59%
	Total Previous Year	1,477,114,658	25.57%
Total Consumption (Import & Indigenous)			
	Total Current Year	**4,904,438,138**	**100.00%**
	Total Previous Year	**5,776,941,408**	**100.00%**

7. Earnings in foreign exchange

Particulars	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
In Autoline		
i) Export of goods calculated on FOB basis	94,509,992	89,765,083
ii) Amounts received in foreign currency during the year	137,142,796	118,854,194
In ADSL		
i) Export of Services calculated on FOB basis	8,749,249	7,884,515
ii) Amounts received in foreign currency during the year	8,749,168	8,578,767

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR K V M D S & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 121347W

For and on behalf of the Board of Directors

PRAKASH NIMBALKAR Chairman
SHIVAJI AKHADE Managing Director and CEO
M. RADHAKRISHNAN Managing Director and CEO

VIJAY B. SHETH
PARTNER
Mem. NO. 037634

RAVI KETKAR Chief Financial Officer
ASHUTOSH KULKARNI Company Secretary

Place : PUNE
Date : 24th May 2014

PARTICULARS RELATING TO THE SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Sr. No	Name of the Subsidiary Company	Financial Year of the Subsidiary ended on	Shares of Subsidiary held by the company on the 31.3.14		Net aggregate amount of Profit / (loss) of the Subsidiary for the financial year ended 31.3.2014 So far as they concern members of the company		Net aggregate amounts of the Profits / loss for the pervious Financial years of the Subsidiary Company since it became Subsidiary so far as they concern members of the company as on 31.03.14	
			Number & face value	Extent of Holding (%)	Dealt with in the accounts of the Company for the year ended 31.3.2014	Not dealt within the accounts of the Company for the year ended 31.3.2014	Dealt with in the accounts of the company for the year ended 31.3.2014	Not dealt within the accounts of the company for the year ended 31.3.2014
1	Autoline Design Software Limited	31.3.2014	1). 21,40,816 fully paid up equity shares of ₹ 10/- each 2). 14,12,926 12% Cumulative Redeemable Pref. Shares of ₹ 10 each fully paid)	100%	11,26,611	NIL	1,01,15,287	NIL
2	# Autoline Industrial Parks Ltd	31.3.2014	2,48,25,000 fully paid up equity shares of ₹ 10/- each and 66,00,000 partly paid up equity shares of ₹ 0.50 each.	43.78%	(16,01,247)	(20,56,238)	72,60,514	62,92,417
3	Autoline Industries INC USA	31.3.2014	211 Shares/ Stock of $ 1 each fully paid	100%	14,71,36,850	NIL	29,34,62,631	NIL
4	Autoline Stampings Ltd. KOREA	31.3.2014	2000 Stock of Won 5000 each fully paid	100%	87,31,869	NIL	5,31,81,943	NIL
5	Koderat Investments Limited. Cyprus	31.3.2014	1,000 Shares/ Stock of Euro 1 each fully paid	100%	(9,33,810)	NIL	(1,19,15,737)	NIL

The stake in Autoline Industrial Parks Limited has been reduced from 51.12% to 43.78%. The Financial Results of Autoline Industrial Parks Limited has been consolidated as per the provisions of Companies Act, 1956 and as per Accounting Standard -21 (Consolidated Financial Results) issued by the Institute of Chartered Accountants of India to the extent of 43.78%. Autoline Industrial Parks Limited continues to remain subsidiary within the meaning of Section 2 (87) of the Companies Act, 2013.

For and on behalf of Board
Autoline Industries Limited

PRAKASH NIMBALKAR
Chairman

SHIVAJI AKHADE
Managing Director and CEO

M. RADHAKRISHNAN
Managing Director and CEO

RAVI KETKAR
Chief Financial Officer

ASHUTOSH KULKARNI
Company Secretary

Place : PUNE
Date : 24th May 2014

Details of Balance Sheet and Profit and Loss Account of Subsidiary Companies for the year ended 31st March, 2014

	PARTICULARS	INDIAN SUBSIDIARIES		FOREIGN SUBSIDIARIES		
		AUTOLINE DESIGN SOFTWARE LIMITED	AUTOLINE INDUSTRIAL PARKS LIMITED	AUTOLINE INDUSTRIES USA. INC	AUTOLINE STAMPINGS LTD. (KOREA)	KODERAT INVESTEMENTS LIMITED, CYPRUS
1	Share Capital	35,537,420	640,136,000	179,274,000	5,378,220	67,280
2	Reserves and Surplus	5,551,147	281,768,933	317,906,768	58,138,857	(11,915,737)
3	Total Assets	56,997,748	923,963,162	1,201,927,362	135,599,866	316,619,970
4	Total Liabilities	15,909,181	2,058,229	704,746,593	72,082,789	328,468,427
5	Details of Investments	-	-	-	-	-
	Government	-	-	-	-	-
	Securities	-	-	-	-	-
	Shares (Excluding subsidiaries)	-	-	-	-	-
	Mutual Funds	-	143,476	-	-	-
6	Turnover and Other Income	37,285,217	9,354	2,445,057,912	439,364,276	-
7	Profit before Taxation	1,432,915	(3,657,485)	162,707,372	8,731,869	(933,810)
8	Provision for Taxation	306,303	-	15,570,522	-	-
9	Profit after Taxation	1,126,613	(3,657,485)	147,136,850	8,731,869	(933,810)
10	Proposed Dividend	-	-	-	-	-

1. In respect of Foreign Subsidiaries:
   a) Autoline Stampings Ltd. (Korea) is the subsidary of Autoline Industries USA, INC.
   b) Autoline Industries USA, INC and Autoline Stampings Ltd. (Korea) :- Item Nos. 1 to 5 are translated at exchange rate as on 31st March, 2014 - USD = ₹ 59.76
   c) Item Nos. 6 to 9 are translated as follows :
      i) For Autoline Industries USA INC at monthly end average exchange Rate USD= ₹ 60.28
   d) Koderat Investments Limited: Item Nos. 1 to 9 are translated at Exchange rate prevailing on the date of transaction.
2. The above details have been annexed in terms of General Circular No 02/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs under provisions of Section 212 (8) of the Companies Act, 1956.

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AUTOLINE

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L34300PN1996PLC104510
Name of the Company : AUTOLINE INDUSTRIES LIMITED
Registered Office : Survey Nos. 313, 314, 320 to 323 Nanekarwadi, Chakan, Tal. Khed, Dist. Pune-410501.
Tel: +91-2135-664865/6, Fax: +91-2135-664864/53
Email : investorservices@autolineind.com
Website : www.autolineind.com

Name of the Member(s)	
Registered Address	
Email ID	
Folio No / Client ID	
DP ID	

I / We, being the member(s) of _____ shares of the above named company, hereby appoint:

1. Name :……
   Address: ……
   Email ID:……Signature: _____or failing him / her
2. Name :……
   Address: ……
   Email ID:……Signature: _____or failing him / her
3. Name :……
   Address: ……
   Email ID:……Signature: _____or failing him / her

as my/ our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 18th Annual General Meeting of the Company to be held on Thursday, July 31, 2014 at 2-30 p.m. at Survey Nos. 291 to 295, Nanekarwadi, Chakan, Taluka - Khed, Dist: Pune-410501 and at any adjournment thereof in respect of such resolutions as are indicated below:

TEAR HERE

Resolution No.	Particulars of Resolutions	Optional # For	Optional # Against
Ordinary business			
1	To receive, consider and adopt: (a) the audited financial statements of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon;		
	(b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2014.		
2	Reappointment of Mr. M. Radhakrishnan (DIN: 00006752) who retires by rotation.		
3	Appointment of M/s. A.R. Sulakhe & Co. Chartered Accountants (Registration No. 110540) as Auditors in place of retiring Auditors M/s. KVMDS & Associates, Chartered Accountants, Pune (Registration No. 121347W), to hold office from the conclusion of this Annual General Meeting until the conclusion of the twenty third Annual General Meeting and to authorise the Board of Directors to fix their remuneration.		
Special Business			
4	Appointment of Mr. Prakash B. Nimbalkar (DIN: 00109947) as an Independent Director.		
5	Appointment of CA. Vijay K. Thanawala (DIN: 00001974) as an Independent Director.		
6	Appointment of Mr. Umesh N. Chavan (DIN: 06908966) as a Director liable to retire by rotation.		
7	Appointment of Mr. Umesh N. Chavan (DIN: 06908966), Director and Chief Executive Officer as an Executive Director and Chief Executive Officer.		
8	Ratification of the remuneration of the Cost Auditors.		
9	Authority to the Board of Directors pursuant to provisions of Section 180(1)(c) of the Act for borrowing any sum of money including deposits upto ₹. 500 Crores over and above the aggregate of paid up share capital and free reserves of the Company.		

Signed this _____day of _____2014

Signature of Member: _____

Signature of Proxy holder(s): _____

Affix Revenue Stamp

Notes:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting**.
2. **A Proxy need not be a Member of the Company.**
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.
4. # This is only optional. Please put 'X' in the appropriate column against the respective resolutions indicated in the Box. If you leave the 'For', or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

AUTOLINE

REGISTERED OFFICE
S. Nos. 313, 314, 320 to 323 Nanekarwadi,
Chakan, Taluka- Khed, District- Pune 410501
Tel: +91-2135-664865/6, Fax: +91-2135-664864/53
CIN- L34300PN1996PLC104510