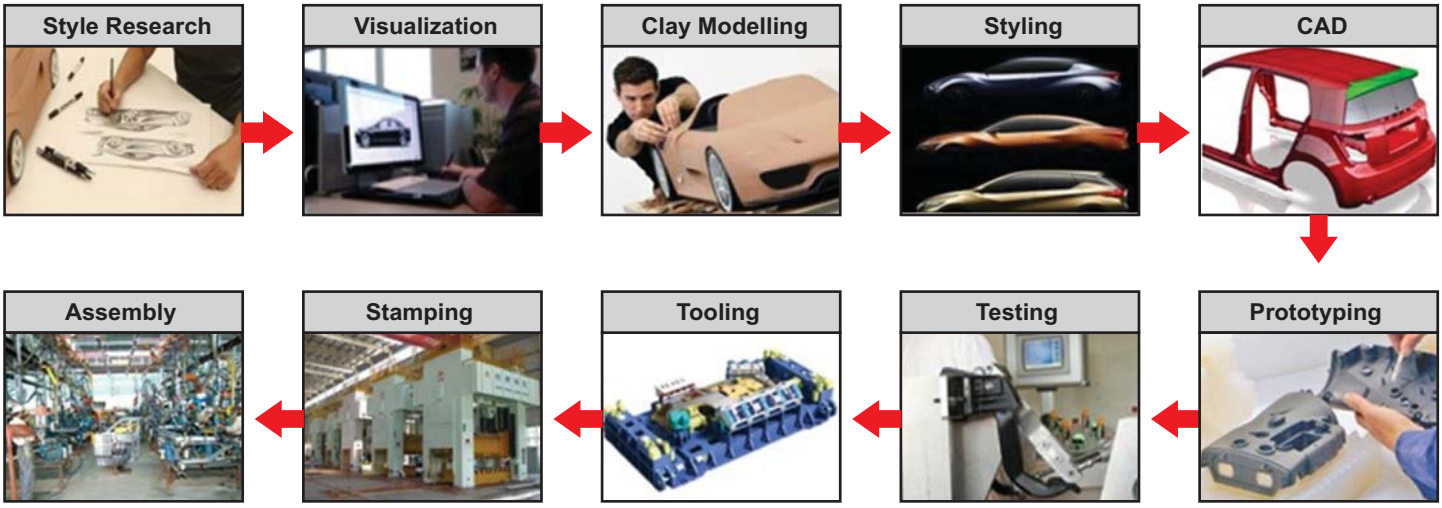
AUTO LINE



AUTOLINE INDUSTRIES LTD.

21ST ANNUAL REPORT

2016-17

AUTOLINE

VISION

D.R.I.V.E.

Dependable Reliable Innovative solutions to create Value for stakeholders through Effective empowerment

MISSION

People	→	*Empowering people to act like owners.*
Customer	→	*Exceeding Customer Expectations.*
Stakeholders	→	*Adding value for stakeholders.*
Workplace	→	*Functioning with energy and passion.*
Environment	→	*Driving quality, safety and environmental care .*
Effectiveness	→	*Emphasis Effectiveness through efficient actions.*

VALUES

Respect	→	*Treat everyone with dignity and respect.*
Integrity	→	*Say and do only what is right.*
Diversity	→	*Embrace the diverse perspectives.*
Growth	→	*Work towards growth as a way of life.*
Inclusion	→	*Maintain an open & inclusive environment in team Autoline.*
Quality	→	*Right the first time, on time, every time.*

Mr. Vilas Lande
Chairman Emeritus

BOARD OF DIRECTORS

Mr. Prakash Nimbalkar	:	Chairman (Independent Director)
Mr. Shivaji Akhade	:	Managing Director
Mr. Sudhir Mungase	:	Whole-Time Director
Mr. Umesh Chavan	:	Executive Director and Chief Executive Officer
CA Vijay Thanawala	:	Independent Director
Mr. Amit Goela	:	Non-Executive Director
Dr. Jayashree Fadnavis	:	Independent Director

Statutory Auditors	Internal Auditors	Chief Financial Officer	Company Secretary
M/s. A. R Sulakhe & Co. Chartered Accountants, Pune	M/s. Ketan Shah & Associates Chartered Accountants, Pune	CA R T Goel (till May 31, 2017)	CS Ashish Gupta

REGISTERED OFFICE

Survey 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
E-mail: investorservices@autolineind.com
Website: www.autolineind.com

BANKERS

Bank of Baroda

The Catholic Syrian Bank Ltd.

Axis Bank Ltd.

TATA Motors Finance Solutions Ltd.

NKGSB Co-op Bank Ltd.

Vidya Sahakari Bank Ltd.

JM Financial Asset Reconstruction Company Limited

FACTORY / UNITS

1) S. Nos. 291 to 295, Nanekarwadi, Chakan, Taluka - Khed, Dist - Pune-410 501.
2) S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka - Khed, Dist - Pune - 410 501.
3) S. No. 613, Mahalunge, Chakan, Taluka - Khed, Dist - Pune - 410 501.
4) F-II, 24/25, MIDC, Pimpri, Pune - 411 018.
5) E-12-17 (7) & (8), MIDC, Bhosari, Pune - 411 026.
6) Plot Nos. 5, 6 and 8, Sector 11, II E, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand- 263 153.
7) Plot No. 180 - D, Belur Industrial Area Growth Centre, Industrial Area Garag, Opp. High Court, Dharwad, 580011, Karnataka.
8) Plot No. 186 - A, Belur Industrial Area Growth Centre, Industrial Area Garag, Opp. High Court, Dharwad, 580011, Karnataka.
9) S. No.189/7A1, Vandalur Wallajabath Highway, Salamangalam Village, Padappai, Sriperambudur, Kanchipuram - 601301.

SUBSIDIARIES / ASSOCIATES

1)	Autoline Industrial Parks Limited -	S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka - Khed, Dist. Pune - 410501.
2)	Autoline Design Software Limited -	First Floor, E-12(17) (8), MIDC, Bhosari, Pune - 411026.
3)	Koderat Investments Limited -	Griva Digeni 115, Trident Centre, 3101, Limassol, Cyprus

REGISTRAR AND SHARE TRANSFER AGENT

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
E-mail: pune@linkintime.co.in
Website: www.linkintime.co.in

KEY MANAGEMENT TEAM

Mr. Shivaji Akhade	:	Managing Director
Mr. Sudhir Mungase	:	Whole-time Director
Mr. Umesh Chavan	:	Executive Director & CEO
CA R. T. Goel	:	Chief Financial Officer (upto May 31, 2017)
CA Pramod Datar	:	Chief Financial Officer (from June 1, 2017)
CS Ashish Gupta	:	Company Secretary
Mr. Digambar Pargaonkar	:	Chief Operating Officer (Operations)
Mr. Santosh Pande	:	Chief Business Development Officer
Mr. Jitendra Sonar	:	Head – Human Resources
Mr. Sanjeev Devadkar	:	Head – Materials
Mr. Satish Satpute	:	Head – Commercials
Mr. G.V. Rangaraju	:	Head – Tool Room
Mr. Ramesh Chavan	:	Head – IT
Mr. Faiyaz Kashi	:	Head – Development

FINANCIAL HIGHLIGHTS OF LAST FIVE YEARS (CONSOLIDATED)

(₹ in millions except share data)

PARTICULARS	2016-17	2015-16	2014-15	2013-14	2012-13
OPERATING RESULTS					
Sales and Other Income	3559.43	3201.02	5074.63	6798.95	8052.44
Profit before Depreciation, Interest & Tax	38.51	76.30	(43.06)	247.26	624.64
Less: Depreciation	234.97	245.35	276.29	246.70	230.75
Finance Cost	328.63	274.44	323.67	338.72	374.84
Profit before Tax (PBT)	(829.61)	(389.02)	(560.55)	(381.44)	87.56
Profit after Tax (PAT)	(703.98)	(390.32)	(570.66)	(399.61)	106.71
APPLICATION OF FUNDS					
Net Fixed Assets	2054.49	2239.42	2522.95	2956.75	3098.83
Other Non-Current Assets	560.26	528.39	486.29	508.33	838.51
Current Assets	2395.90	2225.90	2149.45	3225.38	2994.33
Total	**5010.65**	**4993.71**	**5158.69**	**6690.46**	**6931.67**
SOURCES OF FUNDS					
Share Capital	160.31	132.31	123.41	122.85	122.49
Reserves	568.75	1126.97	1376.85	2153.44	2524.44
Minority Interest	595.74	602.23	186.80	162.01	374.88
Capital Reserve on Consolidation	1.34	1.34	474.80	538.16	140.26
Total Shareholders' Fund	**1326.14**	**1862.85**	**2161.86**	**2976.46**	**3162.07**
Share Application Money	-	-	10.00	-	-
Borrowings	1570.07	1371.32	1288.76	569.47	889.86
Deferred Tax Adjustments	-	123.85	123.85	124.46	125.36
Long Term Provisions	42.15	7.89	-	-	-
Current Liabilities	2072.29	1627.80	1574.22	3020.07	2754.38
Total	**5010.65**	**4993.71**	**5158.69**	**6690.46**	**6931.67**
OTHERS					
Face Value of Share	10	10	10	10	10
Number of Issued Shares	16031054	13231054	12341054	12285246	12249465
Earnings Per Share (EPS)	(49.25)	(31.00)	(45.47)	(31.52)	9.81
Dividend (%)	0	0	0	0	10

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NOTICE

Notice is hereby given that the Twenty First Annual General Meeting (AGM) of the Members of Autoline Industries Limited will be held on Thursday, September 28, 2017 at 2:30 p.m. at Survey Nos. 291 to 295, Nanekarwadi, Chakan, Taluka Khed, District - Pune - 410501, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company on a standalone and consolidated basis, for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Umesh Chavan (DIN : 06908966), who retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.
3. To ratify the appointment of Auditors and 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 Sections 139, 142 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, appointment of M/s. A.R. Sulakhe & Co. Chartered Accountants (Firm Registration No. 110540W), who were appointed as the auditors of the Company, to hold office from the conclusion of Eighteenth Annual General Meeting till the conclusion of the Twenty third Annual General Meeting, be and is hereby ratified by the Members in this Annual General Meeting and the remuneration shall be fixed by the Board of Directors of the Company in consultation with the Auditors."

SPECIAL BUSINESS:

4. To approve the remuneration of Mr. Shivaji Akhade (DIN:00006755), Managing Director of the Company 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 Sections 197, 198, Schedule V (as amended vide MCA Notification No. 2922 (E) dated September 12, 2016) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable Rules made under the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other necessary approvals, permissions and consents, as may be required, the consent of the Members be and is hereby accorded for payment of below mentioned remuneration to Mr. Shivaji Akhade (DIN:00006755), Managing Director retrospectively for the period starting from October 1, 2016 to September 30, 2019 within the limits specified in Section 197 of the Act, read with Schedule V to the Act, or any statutory modification(s) or re-enactment thereof.

   1. Salary : ₹ 5,00,000/- per month
   2. 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) Company car and telephone: Use of the Company's car, chauffeur and telephone as per the rules of the Company.

   RESOLVED FURTHER THAT as per the proviso to Section II (A) of Part II of Schedule V, the limits specified in Section II (A) of Part II of Schedule V of the Act be doubled and notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2016, during the tenure of Mr. Shivaji Akhade (DIN:00006755), Managing Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Shivaji Akhade (DIN:00006755) the remuneration by way of salary, bonus and other allowances upto the limit as prescribed in Section II of Part II of Schedule V of the Act subject to the compliance with the other required provisions of the Act and rules made thereunder or such other limits as may be prescribed from time to time as minimum remuneration.

   RESOLVED FURTHER THAT wherein in any financial year, during the currency of his appointment, if the Company has adequate profits, the Board of Directors of the Company, be and is hereby authorized to increase his remuneration over and above the above mentioned remuneration but within the overall entitlements of 10% of net profits by way of salary, perquisites, commission and any other allowances to Mr. Shivaji Akhade (DIN:00006755), Managing Director subject to the provisions of Section 197 of the Act and other applicable provisions/approvals, if any.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be deem fit or required and to delegate all or any of its powers herein conferred to any committee of Board or Director(s) / Key managerial personnel to give effect to this resolution."

5. To approve the remuneration of Mr. Sudhir Mungase (DIN:00006754), Whole-time Director of the Company 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 Sections 197, 198, Schedule V (as amended vide MCA Notification No. 2922 (E) dated September 12, 2016) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014 and other applicable Rules made under the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other necessary approvals, permissions and consents, as may be required, the consent of the Members be and is hereby accorded for payment of below mentioned remuneration to Mr. Sudhir Mungase (DIN:00006754), Whole-time Director retrospectively for the period starting from October 1, 2016 to September 30, 2019 within the limits specified in Section 197 of the Act, read with Schedule V to the Act, or any statutory modification(s) or re-enactment thereof.

1. Salary : ₹ 2,00,000/- per month
2. 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) Company car and telephone: Use of the Company's car, chauffeur and telephone as per the rules of the Company.

RESOLVED FURTHER THAT as per the proviso to Section II (A) of Part II of Schedule V, the limits specified in Section II (A) of Part II of Schedule V of the Act be doubled and notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2016, during the tenure of Mr. Sudhir Mungase (DIN: 00006754) as a Whole-time Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Sudhir Mungase (DIN: 00006754) the remuneration by way of salary, bonus and other allowances upto the limit as prescribed in Section II of Part II of Schedule V of the Act subject to the compliance with the other required provisions of the Act and rules made thereunder, or such other limits as may be prescribed from time to time as minimum remuneration.

RESOLVED FURTHER THAT wherein in any financial year, during the currency of his appointment, if the Company has adequate profits, the Board of Directors of the Company, be and is hereby authorized to increase his remuneration over and above the above mentioned remuneration but within the overall entitlements of 10% of net profits by way of salary, perquisites, commission and any other allowances to Mr. Sudhir Mungase (DIN:00006754), Whole-time Director subject to the provisions of Section 197 of the Act and other applicable provisions/approvals, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be deem fit or required and to delegate all or any of its powers herein conferred to any committee of Board or Director(s) / Key managerial personnel to give effect to this resolution."

6. To approve the remuneration of Mr. Umesh Chavan (DIN:06908966), Executive Director & CEO of the Company 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 Sections 197, 198, Schedule V (as amended vide MCA Notification No. 2922 (E) dated September 12, 2016) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable Rules made under the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other necessary approvals, permissions and consents, as may be required, the consent of the Members be and is hereby accorded for payment of below mentioned remuneration to Mr. Umesh Chavan (DIN:06908966), Executive Director & CEO for the period starting from June 25, 2017 to June 24, 2019 within the limits specified in Section 197 of the Act, read with Schedule V to the Act, or any statutory modification(s) or re-enactment thereof.

1. Salary and Bonus: ₹ 5,00,000/- per month
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) 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 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 as per the proviso to Section II (A) of Part II of Schedule V, the limits specified in Section II (A) of Part II of Schedule V of the Act be doubled and notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2017, during the tenure of Mr. Umesh Chavan (DIN:06908966), Executive Director & CEO of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Umesh Chavan (DIN:06908966) the remuneration by way of salary, bonus and other allowances upto the limit as prescribed in Section II of Part II of Schedule V of the Act subject to the compliance with the other required provisions of the Act and rules made thereunder or such other limits as may be prescribed from time to time as minimum remuneration.

RESOLVED FURTHER THAT wherein in any financial year, during the currency of his appointment, if the Company has adequate profits, the Board of Directors of the Company, be and is hereby authorized to increase his remuneration over and above the above mentioned remuneration but within the overall entitlements of 10 % of net profits by way of salary, perquisites, commission and any other allowances to Mr. Umesh Chavan (DIN:06908966), Executive Director & CEO subject to the provisions of Section 197 of the Act and other applicable provisions/approvals, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be deem fit or required and to delegate all or any of its powers herein conferred to any committee of Board or Director(s) / Key managerial personnel to give effect to this resolution."

7. To Offer, Issue and Allot Equity Shares on Preferential Basis 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 Sections 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014 (including any statutory modifications thereto or reenactment thereof for the time being in force) and subject to the provisions of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any statutory modifications thereto or reenactment thereof for the time being in force) ("SEBI ICDR Regulations") and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modifications thereto or reenactment thereof for the time being in force) ("SEBI LODR Regulations") and other applicable rules, regulations and guidelines of Securities and Exchange Board of India ("SEBI Regulations") including Listing Agreement entered into by the Company with the Stock Exchanges and pursuant to the provisions of Recovery of Debts due to Banks and Financial Institutions Act, 1993 and Article 4 and other applicable provisions of the Articles of Association of the Company and pursuant to the provisions of any act/rules/regulations/ guidelines issued/framed by the Central Government, Reserve Bank of India or any other statutory authority and subject to the approval, consent, permission and/ or sanction, as may be required from the Central Government, Reserve Bank of India, Stock Exchanges and any other appropriate authority, Institution or Body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board") to offer, issue and allot upto 59,75,800 (Fifty Nine Lakh Seventy Five Thousand and Eight Hundred) Equity Shares of ₹ 10/- (Face Value) each, fully paid-up, in one or more tranches, on a preferential basis, at a price of ₹ 81/- (Rupees Eighty One only) each (including premium of ₹ 71/- each at present) or at such price as may be arrived at in accordance with the Chapter VII of SEBI ICDR Regulations, whichever is higher, on such terms and conditions, including payment of full consideration before or at the time of allotment of above shares and in such manner as may be approved or finalized by the Board to the following proposed allottees as detailed herein below:

Name of the proposed allottees	No. of Shares to be allotted upto	PAN	Category
Mr. Shivaji Akhade	1049382	AAR-PA2434P	Promoter and Director
Mr. Sudhir Mungase	555555	AAVP-M0793K	Promoter and Director
Poddar Bhumi Holdings Ltd.	1111111	AAHCS-9756R	Corporate Body
Sharjah Cement & Industrial Development Co.	1265432	AAKC-S2624P	Foreign Corporate Body
Mrs. Bhartiben Batavia	987654	AKZP-B5757C	Non-Resident Indian
JM Financial Asset Reconstruction Company Limited (JMF ARC)	1006666	AABC-J9062F	Corporate Body/ Financial Institution
Total	**59,75,800**		

RESOLVED FURTHER THAT 1006666 Equity shares of the Company of ₹ 10/- (Face Value) each, as given in above table, be offered, issued and allotted to JMF ARC which is a Financial Institution within the meaning of sub clause (ia) of clause (h) of section 2 of the Recovery of Debts due to Banks and Financial Institutions Act,

1993 and registered with the Reserve Bank of India (RBI) as Securitisation and Reconstruction Company, on preferential basis upon conversion of their loan equivalent to ₹ 8,15,39,946 at an Issue price as given above.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall rank pari-passu with the existing Equity Shares of the Company in all respects and shall be subject to the lock-in requirement except the shares to be allotted to JMF ARC as per SEBI ICDR Regulations and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the "Relevant Date" for the preferential issue, as per SEBI ICDR Regulations, for the determination of price for the issue of the above mentioned shares, shall be August 29, 2017 being the date 30 days prior to the date on which the meeting of shareholders be held to consider the proposed preferential issue.

RESOLVED FURTHER THAT subject to the provisions of the SEBI ICDR Regulations, Companies Act, 2013 and other applicable laws, the Board be and is hereby authorised to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue to the proposed investors, as may deem expedient.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things, including without limitation, issuing clarifications on the offer, making any application etc., to the concerned regulatory authorities, issue and allotment of the equity shares, to execute necessary documents and enter into contracts, arrangements etc., (including for appointment of agencies, intermediaries) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit, without being required to seek any further consent or approval of the members or otherwise and that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Committee of Directors or to any Director(s) or any Officer(s) of the Company and give such directions/ instructions as may be necessary to settle any question, difficulty or doubt that may arise in regard to offer, issue, allotment, listing of the said equity shares and also to seek the listing of said equity shares from the stock exchanges where the existing equity shares of the Company are listed."

By Order of the Board of Directors of

Autoline Industries Limited

Ashish Gupta
Company Secretary
Membership No. : A16368

Pune, August 26, 2017

Registered Office: Survey 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 Member.

   A proxy form for the AGM is enclosed. Proxies are requested to bring their identity document to prove identity at the time of attending the Meeting.
2. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Businesses to be transacted at the Meeting is annexed hereto.
3. Corporate members intending to send their authorized representative 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. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. 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.
6. Brief resume and other details of Director(s) proposed to be re-appointed as stipulated under Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulation) and details of information relating to the reappointment and of fixation of Remuneration of Directors as per Secretarial Standards on General Meetings (SS-2) are given at **Annexure - 1** to this Notice.
7. Relevant documents referred to in this Notice are open for inspection by the members at the Registered Office of the Company during 10:00 a.m. to 1:00 p.m. on all working days, up to the date of the Meeting.
8. 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/Registrar and Share Transfer Agent of the Company.
9. Annual Report 2016-17, the Notice of the 21st Annual General Meeting and instructions for e-voting, along with the Attendance Slip and Proxy Form are being sent by electronic mode 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. Physical copy of the Annual Report 2016-17 is being sent by the permitted mode to the members who have not registered their email addresses.

10. Members may also note that the Notice of the 21st Annual General Meeting and the Annual Report 2016-17 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 or investorservices@autolineind.com.
11. 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 (Link Intime) at its address at Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune- 411 001 (Maharashtra), India; Telephone No. (020)-26161629, 26160084; Fax No. (020)-26163503 for both physical and demat segment of Equity Shares. Please quote "Unit-Autoline Industries Limited" on all such correspondences. E-mail address of Link Intime is pune@linkintime.co.in.
12. 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 Link Intime/ Company.
13. Members 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'.
14. 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 the Company, for consolidation in to a single folio.
15. Non-Resident Indian Members are requested to inform Link Intime 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, IFSC code and address of the bank with pin code number, if not furnished earlier.
16. **Transfer to Investor Education and Protection Fund (the IEPF) :**

    Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends as and when declared up to the financial year 2008-09 on due dates, to the Investor Education and Protection Fund (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 24, 2016 (date of last Annual General Meeting) on the website of the Company (www.autolineind.com) and 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 IEPF of the Central Government, if they remained 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 IEPF
24.09.2010	05.10.2010	2009-10	2.00	29.10.2017
30.12.2011	12.01.2012	2010-11	3.00	04.02.2019
27.09.2012	08.10.2012	2011-12	4.00	02.11.2019
26.09.2013	30.09.2013	2012-13	1.00	01.11.2020

    It may please be noted that no claim will lie against the Company from a member once the transfer is made to the credit of IEPF 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 above, the Members are advised to send the un-cashed dividend warrants pertaining to the afore stated years to Link Intime/ the Registered Office of the Company for revalidation and en-cash them before the due date for transfer to IEPF of the Central Government.
17. Members desiring any information with regard to Accounts/ Annual Reports are requested to write to the Company Secretary at least 10 days before the date of the Annual General Meeting so as to enable the Management to keep the information ready.
18. The voting for the agenda item shall be done by casting of votes by using Remote e-voting (e-voting) that is an electronic voting system from a place other than the venue of the Meeting and by Poll/Ballot process at the meeting for all those Members who are present at the Annual General Meeting but have not casted their votes by availing the remote e-voting facility.
19. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again in the meeting.
20. **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.**
21. **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 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, 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 21st Annual General Meeting (AGM) of the Company by electronic

means through Central Depository Services (India) Limited (CDSL).

The instructions for members voting electronically are as under:

i. The voting period begins on Monday, September 25, 2017 (09:00 a.m.) and ends on Wednesday, September 27, 2017 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 21, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii. The shareholders should log on to the e-voting website www.evotingindia.com.

iii. Click on Shareholders/Members.

iv. Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

v. Next enter the Image Verification as displayed and Click on Login.

vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Attendance Slip in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN of Autoline Industries Limited.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.

xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xvii. If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii. Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xix. Note for Non – Individual Members and Custodians

- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com

and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or contact CDSL at email: helpdesk.evoting@cdslindia.com or contact on 1800-200-5533.

22. The voting rights of members 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. September 21, 2017. A person who is not a Member as on the cut-off date should treat Notice of this Meeting for information purposes only.

23. Any person, who acquires equity shares of the Company and become member of the Company after dispatch of the notice/annual report and holding shares as of the cut-off date i.e. September 21, 2017, may follow the instructions for e-voting mentioned above. In case such Member has not updated his or her PAN with the Company or the Depository Participant, may obtain the sequence number by sending a request at pune@linkintime.co.in .

24. Mr. Sunil G. Nanal (FCS No. 5977), Partner M/s. KANJ & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.

25. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a director authorized by board in writing who shall countersign the same. The Chairman or a director authorized by board shall declare the result of the voting forthwith but not later than 48 hours of conclusion of the meeting.

26. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.autolineind.com and on the website of CDSL www.cdslindia.com and communicated to the Stock Exchanges immediately after declaration. The result shall also be displayed on the Notice Board at the Registered Office of the Company.

EXPLANATORY STATEMENT

(Statement setting out material facts under Section 102 of the Companies Act, 2013)

Item No. 4

The Members of the Company at their Twentieth AGM held on September 24, 2016 had approved the appointment of Mr. Shivaji Akhade as Managing Director till September 30, 2021 and approved his remuneration as given in the resolution for three years starting from October 1, 2016 to September 30, 2019.

The Company was not regular in repayment of its debts or interest in the preceding financial year of the appointment of Mr. Shivaji Akhade as Managing Director due to difficult financial conditions and therefore the conditions as mentioned in Section II of Part II of Schedule V of the Act could not be met and hence the Company was required to obtain prior approval of Central Government for payment of remuneration as per the requirement of section 197 (3) of the Companies Act, 2013.

Pursuant to MCA Notification No. 2922 (E) dated September 12, 2016, the Central Government amended the Schedule V of the Companies Act, 2013, and now the Section II of Part II of Schedule V says that in case of a default in repayment of any of its debts or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person, the Company can pay the remuneration to its managerial person without obtaining the approval of Central Government provided the Company obtains prior approval from secured creditors for the proposed remuneration and the fact of such prior approval having been obtained is mentioned in the explanatory statement to the notice convening the general meeting and comply with the other requirements of Schedule V.

Accordingly, the Company has obtained prior approval from secured creditor whose repayment has been defaulted for payment of the proposed remuneration for three years with effect from October 1, 2016 to September 2019 to Mr. Shivaji Akhade, Managing Director of the Company and therefore the Company can pay him remuneration without obtaining the approval of Central Government.

It may be noted that there has been no change in the remuneration structure as was approved by the members of the Company at their twentieth AGM held on September 24, 2016.

Mr. Shivaji Akhade has been in office as a Director since inception of the Company. During his tenure, the Company has made considerable progress in all the spheres and acquired reputation in the Industry. He has contributed immensely in the growth of the Company and achieving the turnover of ₹ 627.57 million from the dot. Keeping in view that Mr. Shivaji Akhade has rich and varied experience in the industry and has been involved in the operations of the Company since inception it would be in the interest of the Company to approve his remuneration as proposed in the resolution.

The Nomination and Remuneration Committee ("the Committee"), at its meeting held on May 26, 2017 has recommended to the Board to make the payment of remuneration retrospectively from October 1, 2016 to September 30, 2019 with the approval of secured creditor(s) and the Board of the Company has approved the same in their meeting held on May 27, 2017. This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

Information as required under Schedule V Part II Section II (B) (iv) of the Act and other details are given below at Item no. 6.

In view of the amended provisions of Schedule V of the Act, the Board is seeking approval of shareholders for payment of remuneration without obtaining the approval of Central Government which was required in the Twentieth AGM. The Board commends passing the said resolution as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Shivaji Akhade and Mr. Sudhir Mungase are interested or concerned, financially or otherwise in the Resolution set out at item no. 4.

Item No. 5

The Members of the Company at their Twentieth AGM held on September 24, 2016 had approved the appointment of Mr. Sudhir Mungase as Whole-time Director till September 30, 2021 and approved his remuneration as given in the resolution for three years till September 30, 2019.

The Company was not regular in repayment of its debts or interest in the preceding financial year of the appointment of Mr. Sudhir Mungase as Whole-time Director due to difficult financial conditions and therefore the conditions as mentioned in Section II of Part II of Schedule V of the Act could not be met and hence the Company was required to obtain prior approval of Central Government for payment of remuneration as per the requirement of section 197 (3) of the Companies Act, 2013.

Pursuant to MCA Notification No. 2922 (E) dated September 12, 2016, the central government amended the Schedule V of the Companies Act, 2013, and now the Section II of Part II of Schedule V says that in case of a default in repayment of any of its debts or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person, the company can pay the remuneration to its managerial person without obtaining the approval of Central Government provided the Company obtains prior approval from secured creditors for the proposed remuneration and the fact of such prior approval having been obtained is mentioned in the explanatory statement to the notice convening the general meeting and comply with the other requirements of Schedule V.

Accordingly, the Company has obtained prior approval from secured creditor whose repayment has been defaulted for payment of the proposed remuneration for three years with effect from October 1, 2016 to September 2019 to Mr. Sudhir Mungase, Whole-time Director of the Company and therefore the Company can pay him remuneration without obtaining the approval of Central Government.

It may be noted that there has been no change in the remuneration structure as was approved by the members of the Company at their twentieth AGM held on September 24, 2016.

Mr. Sudhir Mungase has been in office as a Director since inception of the Company. During his tenure, the Company has made considerable progress in all the spheres and acquired reputation in the business. Keeping in view that Mr. Sudhir Mungase has rich and varied experience in the industry and has been involved in the operations of the Company since inception. It would be in the interest of the Company to approve his remuneration as proposed in the resolution.

The Nomination and Remuneration Committee ("the Committee"), at its meeting held on May 26, 2017 has recommended to the Board to make the payment of remuneration retrospectively from October 1, 2016 to September 30, 2019 with the approval of secured creditor(s) and the Board of the Company has approved the same in their meeting held on May 27, 2017.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

Information as required under Schedule V Part II Section II (B) (iv) of the Act and other details are given below at Item no. 6.

In view of the amended provisions of Schedule V of the Act, the Board is seeking approval of shareholders for payment of remuneration without obtaining the approval of Central Government which was required in the Twentieth AGM. The Board commends passing of the said resolution as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Sudhir Mungase and Mr. Shivaji Akhade are interested or concerned, financially or otherwise in the Resolution set out at item no. 5.

Item No. 6

The Members are informed that at the AGM dated 31st July, 2014, the Members of the Company had approved the appointment of Mr. Umesh Chavan as an Executive Director & CEO for 5 years with effect from June 25, 2014, till June 24, 2019 and approved his remuneration for three years till June 24, 2017.

The Nomination and Remuneration Committee, at its meeting held on May 26, 2017 recommended to the Board the remuneration payable to Mr. Umesh Chavan as an Executive Director and CEO for the remainder period i.e. till June 24, 2019. While deciding remuneration the Committee considered financial position of the company, trend in the industry, Mr. Umesh Chavan's qualification, experience, past performance, etc. and the Nomination and remuneration policy of the Company and recommended the Board to pay the existing remuneration as prescribed in the Resolution w.e.f. June 25, 2017 till June 24, 2019. The Board has approved the above remuneration at its meeting held on May 27, 2017.

The Company was not regular in repayment of its debts and interest in the preceding financial year of the appointment of Mr. Umesh Chavan as Executive Director and CEO due to difficult financial conditions and the amended Schedule V of the Companies Act, 2013 vide MCA Notification No. 2922 (E) dated September 12, 2016, provides that in case of a default in repayment of any of its debts or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person, the company can pay the remuneration to its managerial person without obtaining the approval of Central Government provided the Company obtains prior approval from secured creditors for the proposed remuneration and the fact of such prior approval having been obtained is mentioned in the explanatory statement to the notice convening the general meeting and comply with the other requirements of Schedule V.

Accordingly, the Company has obtained prior approval from secured creditors whose repayment have been defaulted for payment of the proposed remuneration to Mr. Umesh Chavan, Executive Director and CEO of the Company with effect from June 25, 2017 till June 24, 2019 and therefore the Company can pay him remuneration without obtaining the approval of Central Government.

In the view of the above statements, it is requested to the Members to pass a Special Resolution to approve the remuneration payable to Mr. Umesh Chavan for a period starting from June 25, 2017 to June 24, 2019.

None of the Directors Key Managerial Personnel or their relatives, except Mr. Umesh Chavan are interested or concerned, financially or otherwise in the Resolution.

The Board commends passing of the said resolution as a Special Resolution.

Information as required under Schedule V Part II Section II (B) (iv) for Item nos. 4, 5 & 6 are as under:

Sr. No.	Particulars	Information		
I.	**General Information**			
1	Nature of industry	Automobile Industry (Auto Ancillary)		
2	Date or expected date of commencement of commercial production	Immediately after the incorporation as Private Limited Company on December 16, 1996.		
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	As per the Audited Annual Accounts as on March 31, 2017 : **Particulars** — **Amount (₹ in Millions)** Revenue from Operations — 3552.36 PAT — (693.63)		
5	Foreign investments or collaborations, if any.	Foreign Investments in the Company as on March 31, 2017 are as under: 1. Foreign Nationals – hold 11163 equity shares – 0.07% of the total paid up capital of the Company. 2. Foreign Institutional Investors – hold 200307 equity shares – 1.25% of the total paid up capital of the Company. 3. NRIs –hold 809224 equity shares – 5.04% of the total paid up capital of the Company, Foreign Companies – hold 1123462 equity shares – 7.01% of the total paid up capital of the Company.		
II.	**Information about the appointee**	**Mr. Shivaji Akhade**	**Mr. Sudhir Mungase**	**Mr. Umesh Chavan**
1	Background details	Mr. Shivaji Akhade, aged 51 years, is a commerce graduate having 25 years long and varied experience in trading as well as manufacturing. He is Co-founder and one of the Promoters and Managing Director of the Company since inception. He was appointed first time on December 16, 1996 in the company and re-appointed as Managing Director w.e.f. October 1, 2016.	Mr. Sudhir Mungase aged 42 years having 20 years of experience, is Co- founder and one of the Promoters and Whole-time Director of the Company since inception. He was appointed first time on December 16, 1996 in the company and re-appointed as Whole-Time Director w.e.f. October 1, 2016.	Mr. Umesh Chavan, aged 44 years is having 23 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 a Certified Purchase Manager with excellent business acumen and sound commercial knowledge & expertise in establishing green field projects from scratch. He was appointed as an Executive Director & CEO w.e.f. June 25, 2014. By Qualification, He is BE (Mechanical Engineering), MBA (Materials and Logistic Management) and Executive MBA from IIM- Ahmedabad.
2	Past remuneration	₹ 5,00,000 per month	₹ 2,00,000 per month	₹ 5,00,000 per month
3	Recognition or awards	'Pimpri Chinchwad Puraskar' from Foundation.	-	Certified Six Sigma Belt. Won Chairman's Award in 2007 & 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. Shivaji Akhade has been providing the vision and the direction to the Company since its inception. Mr. Shivaji Akhade is fully conversant with the technicalities of the production and other processes as a result of his expertise in the early days of the Company, when he himself looked after all the functions.	Mr. Sudhir Mungase is the Whole-time Director. Associated with manufacturing and maintenance operations in the Company since inception. He has acquired expertise in Sheet Metal and Allied Operations. He oversees the production and maintenance functions.	Mr. Umesh Chavan was appointed as an Executive Director & CEO of the Company at the 18th AGM. Post his appointment, he has contributed significantly to the overall development of Autoline's Supplier management and Business Development areas.
5	Remuneration proposed	₹ 5,00,000 per month and other benefits alongwith other terms and conditions as per Item No. 4. In addition to above remuneration, the Board of Directors is authorized to pay additional remuneration by way of salary, perquisite, commission and any other allowances within an overall ceiling limit as may prescribed under the Act or within such limits as may be approved by the Central Government, if required.	₹ 2,00,000 per month and other benefits alongwith other terms and conditions as per Item No. 5. In addition to above remuneration, the Board of Directors is authorized to pay additional remuneration by way of salary, perquisite, commission and any other allowances within an overall ceiling limit as may prescribed under the Act or within such limits as may be approved by the Central Government, if required.	₹ 5,00,000 per month and other benefits alongwith other terms and conditions as per Item No. 6. In addition to above remuneration, the Board of Directors is authorized to pay additional remuneration by way of salary, perquisite, commission and any other allowances within an overall ceiling limit as may prescribed under the Act or within such limits as may be approved by the Central Government, if required.
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 with respect to the country of his origin)	Taking into consideration the size of the company and its subsidiary companies, the profile of the Directors, the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar level counterparts in other companies.	Taking into consideration the size of the company and its subsidiary companies, the profile of the Directors, the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar level counterparts in other companies.	Taking into consideration the size of the company and its subsidiary Companies, the profile of the Directors, the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar level counterparts in other companies.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	He is a Promoter and co-founder of the Company and holding 1603681 equity shares– 10.00% of total paid up capital of the Company as on March 31, 2017. Relationship with Managerial personnel - Mr. Shivaji Akhade is brother-in- law of Mr. Sudhir Mungase.	He is a Promoter and co-founder of the Company and holding 1570958 equity shares – 9.80% of total paid up capital of the Company as on March 31, 2017. Relationship with Managerial personnel- Mr. Sudhir Mungase is brother-in-law of Mr. Shivaji Akhade.	He has no pecuniary relationship with the company.
III.	**Other information:**			
1	Reasons of loss or inadequate profits	The Company is predominantly in Automotive Sector and the products which are being manufactured by the Company are exclusively for industrial use and as such there is no independent market of its final products. Thus the Company's performance is wholly dependent on the performance of automobile industries to whom the Company supplies. Auto sector has witnessed of economic slowdown and now going through the recovery phase. Sluggish Market condition has also hit the Major Automobile Customers of the Company and hence has incurred losses during last three Financial Years. Demonetisation has also hit the consumer demand for Automobile sectors to certain extent.		

2	Steps taken or proposed to be taken for improvement	In order to improve profitability on sustainable basis, the Company is taking/considering following major steps: a) Improving financial positions of the Company through debt restructuring and other corporate actions. b) Cost saving and improving substantial operational efficiency by consolidating existing manufacturing facilities. c) Diversifying the customer base. d) Business arrangement or re-organization such as diversification from Automotive to Non-Automotive sectors, set up of joint venture, takeover, merger etc. e) Disposal of investment and surplus assets generated as a result of consolidation of plants f) Focus on international market through greater geographical penetration, as overall margins in exports are better than domestic market.
3	Expected increase in productivity and profits in measurable terms	Considering the steps taken by the Company and proposed to be taken and growing markets and lower inflation & interest rates, growth in other manufacturing & service sectors, the Company is hopeful to overcome the losses and turnaround to its earlier days.

Details related with number of meetings of the Board attended during the financial year 2016-17 by Mr. Shivaji Akhade, Managing Director, Mr. Sudhir Mungase, Whole-time Director and Mr. Umesh Chavan, Executive Director & CEO and their other directorships and membership/ chairmanship of committees of other boards are given in Corporate Governance Report which forms part of this Annual Report.

Item No. 7

The Company is going through liquidity crisis at present and to support its increased business volume and financial requirements the Company needs infusion of long term funds. In view of the same the Board at its meeting held on August 26, 2017, subject to necessary approval(s), has approved the proposal for raising funds by way of issue of fresh equity shares on preferential basis to mobilize funds for working capital requirements, repayment of loans (including conversion) as may be identified by the Board of the Company, funding current/future expansion plans/activities and general corporate purposes.

Disclosures/Information as required under Regulation 73 of the SEBI ICDR Regulations and The Companies Act, 2013 read with Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 for Preferential Issue are as under:

1) **Object of the preferential issue:** To mobilize funds for working capital requirements, repayment of loans (including conversion) as identified or may be identified by the Board of the Company, funding current/future expansion plans/ activities and general corporate purposes.

   Further, one of the proposed allottee is JM Financial Asset Reconstruction Company Limited (hereinafter referred as JMF ARC) who is one of the lender of the Company, under restructuring of its loan, an amount of loan of ₹ 8,15,39,946 will be adjusted against issue of 1006666 equity shares on preferential basis to JMF ARC. This will result in substantial reduction of loan availed from JMF ARC, strengthening of the financial position and increase in net worth of the Company.

2) **The total number of shares to be issued:** The Board intends to offer, issue and allot upto 59,75,800 (Fifty Nine Lakh Seventy Five Thousand and Eight Hundred) equity shares of the Company, having face value of ₹ 10/- (Rupees Ten) each, at a price of ₹ 81/- (Rupees Eighty One Only) per equity share or at such price as may be determined as on Relevant Date in accordance with Regulation 76(1) of the SEBI ICDR Regulations, whichever is higher (Issue Price).

3) **The price or price band at/within which the allotment is proposed:** The issue price is ₹ 81/- (Rupees Eighty One Only) per equity share (including premium of ₹ 71/- per share at present) or such price as may be determined as on Relevant Date in accordance with Regulation 76(1) of the SEBI ICDR Regulations, whichever is higher.

   Since the Company is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), the trading price of securities of the Company on both the stock exchanges is taken into consideration for determining the pricing of securities to be allotted on preferential basis. The issue price of ₹ 81/- (Rupees Eighty One only) per share, is higher than the price estimated by the management of the Company as per the relevant price on the BSE and NSE. The final price shall be determined on the Relevant Date (i.e. August 29, 2017) which in any case would not be less than ₹ 81/- per equity share (including premium of ₹ 71/- per share) by taking into consideration the prices quoted on BSE and NSE (any of the Stock Exchange in which the highest trading volume in the equity shares of the Company has been recorded during the preceding twenty six weeks prior to the relevant date) being higher of followings (in terms of Regulation 76(1) of the SEBI ICDR Regulations):

   (a) The average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or

   (b) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

4) **Basis on which the price has been arrived at along with report of the registered valuer:** Not Applicable as the issue price is/will be arrived at in accordance with Regulation 76 (1) of the SEBI ICDR Regulations.

5) **Relevant date with reference to which the price has been arrived at:** The Relevant Date in terms of Regulation 71 of the SEBI ICDR Regulations for determination of price is August 29, 2017, being a date which is 30 days prior to the date on which the meeting of shareholders be held to consider the proposed preferential issue.

6) **The class or classes of persons to whom the allotment is proposed to be made:** The allotment is proposed to be made to the Promoter(s), Investor(s) and to one of the lender of the Company, their holding details are mentioned at disclosure no. 9 below.

7) **The Proposal of the Promoters, directors or key management personnel to subscribe to the offer:** Mr. Shivaji Akhade, Managing Director and Mr. Sudhir Mungase, Whole-time Director belonging to the promoter group will be subscribing to 10,49,382 and 5,55,555 equity shares respectively on preferential basis. Except for these proposed allottees none of other promoters, directors or key management personnel of the Company intend to subscribe to any equity shares pursuant to this preferential issue.

8) **The time within which the preferential issue shall be completed:** The Company will issue and allot equity shares to Proposed Allottees within a period of 15 (fifteen) days from the date of passing of special resolution, provided that where permission by any regulatory authority or the Central Government for allotment is pending, the period of 15 (fifteen) days shall be counted from the date of approval or permission, as the case may be.

9) **The identity of the Proposed Allottees, the percentage of post issue capital that may be held by the Proposed Allottees:**

Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/ or who ultimately control the proposed allottees and other details are as under:

Sr. No	Identity of Proposed Allottees	Ultimate Beneficial Owner#	Category	Pre-issue		Proposed Allotment	Post Issue*	
				No. of Shares	%	No. of Shares	No. of Shares	%
1	Mr. Shivaji Akhade	Mr. Shivaji Akhade	Promoter and Director	1603681	10.00	1049382	2653063	12.05
2	Mr. Sudhir Mungase	Mr. Sudhir Mungase	Promoter and Director	1570958	9.80	555555	2126513	9.65
3	Poddar Bhumi Holdings Ltd.	Poddar Bhumi Holdings Ltd. is listed on The Calcutta Stock Exchange Limited	Corporate Body	0	0.00	1111111	1111111	5.04
4	Sharjah Cement & Industrial Development Co.	Sharjah Cement & Industrial Development Co., Sharjah UAE, is Listed on Abu Dhabi Securities Exchange	Foreign Corporate Body	1000000	6.24	1265432	2265432	10.28
5	Mrs. Bhartiben Batavia	Mrs. Bhartiben Batavia	Non-Resident Indian	277000	1.73	987654	1264654	5.74
6	JM Financial Asset Reconstruction Company Limited **	Parent Co. JM Financial Limited is Listed on BSE and NSE	Corporate Body/ Financial Institution	0	0.00	1006666	1006666	4.57

 # Pursuant to Regulation 73 (1)(e) of SEBI ICDR Regulations if proposed allottee is any listed company, mutual fund, bank or insurance company in the chain of ownership, no further disclosure will be necessary.

** Assuming full allotment of all Equity Shares issued pursuant to this preferential offer i.e. 59,75,800 Equity Shares.*

*** Financial Institution within the meaning of sub clause (ia) of clause (h) of section 2 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 and registered with the Reserve Bank of India (RBI) as Securitisation and Reconstruction Company.*

10) **The change in control, if any, in the Company that would occur consequent to the preferential offer:** There will be no change in control consequent to this preferential offer.

11) **Number of persons to whom allotment on preferential basis has been made during the year, in terms of number of securities as well as price:** Nil.

12) **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:** Not Applicable as allotment is not proposed to be made for consideration other than cash.

13) **The Shareholding Pattern of the Company pre and post preferential issue:** Pre Issue details as on August 18, 2017 being the latest practicable date prior to the approval of Board of the Company and issuance of notice to the shareholders.

Sr. No.	Category	Pre Issue		Post Issue*	
		No. of shares held	% of holding	No. of shares held	% of holding
A	**Promoter's Holding**				
1	**Indian**				
a	Individual	4190567	26.14	5795504	26.33
b	Bodies Corporate	1000000	6.24	1000000	4.54
2	**Foreign Promoters**	**0**	**0.00**	**0**	**0.00**
	Total Promoter's Holding A (1) + A (2) = A	**5190567**	**32.38**	**6795504**	**30.88**
B	**Non- Promoter's Holding**				
1	**Institutional Investors**	**244633**	**1.53**	**1251299**	**5.69**
2	**Non Institutions**				
a	Private Corporate Bodies	1163352	7.26	2274463	10.34
b	Directors and relatives	134575	0.84	134575	0.61
c	Indian Public	6524822	40.70	6524822	29.65
d	Non Resident Indians (Including Repat and Non Repat	697185	4.35	1684839	7.66
e	Foreign Companies	1123462	7.01	2388894	10.86
f	Others	952458	5.94	952458	4.33
	Total Non- Promoter's Holding B (1) + B (2) = B	**10840487**	**67.62**	**15211350**	**69.12**
	TOTAL = A + B	**16031054**	**100.00**	**22006854**	**100.00**

**Assuming full allotment of all Equity Shares issued pursuant to this preferential offer i.e. 59,75,800 Equity Shares.*

14) **Lock in Requirements:** The securities allotted to Proposed Allottees (except JMF ARC) pursuant to this preferential offer shall be locked in for such period as may be specified under Regulation 78 of the SEBI ICDR Regulations and/or any other applicable provisions for the time being in force.

As pursuant to Regulation 70 (2) of SEBI ICDR Regulations, JMF ARC (one of the proposed allottees) being an Financial Institution within the meaning of sub clause (ia) of clause (h) of section 2 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 is exempt from lock-in of allotted shares.

15) **Auditors' Certificat**e: A certificate of the Statutory Auditors of the Company i.e., M/s. A. R. Sulakhe & Co., Pune, as required under Regulation 73 (2) of the SEBI ICDR Regulations will be made available for inspection at the registered office of the Company on all working days between 10:00 a.m. to 1:00 p.m. from relevant date till September 27, 2017 and the same shall be placed before the general meeting to be held on September 28, 2017.

16) **Undertaking to re-compute the price:** The Company undertakes that if the price determined under the SEBI ICDR Regulations on the Relevant Date is more than ₹ 81/- per share, it will re-compute the price of the equity share to be allotted and the proposed allottees would be required to pay for the differential amount, if any, before the equity shares are allotted to them.

17) **Undertaking to put under lock-in till the re-computed price is paid:** The Company undertakes that if the amount payable on account of the re-computation of price if not paid within the time stipulated in the SEBI ICDR Regulations, the specified equity shares shall continue to be locked-in till the time such amount is paid by the allottee(s).

18) **Disclosure under Regulation 73 (1)(h) of SEBI ICDR Regulations:** Not applicable, as none from the issuer, its promoter or directors are wilful defaulters.

Section 62 of the Companies Act, 2013 provides inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares, etc., such further shares shall be offered to the persons who at the date of the offer are holders of equity shares of the Company, in the manner laid down in the Section unless the members decide otherwise by passing a Special Resolution. Therefore, consent of the shareholders by way of Special Resolution is being sought pursuant to the provisions of Sections 42 and 62 and all other applicable provisions of the Companies Act, 2013 and in terms of the provisions of the SEBI ICDR Regulations and other applicable provisions and the listing agreements executed by the Company with the Stock Exchanges where the Company's shares are listed.

The members are therefore, requested to accord their approval to the Special Resolution authorizing the Board to execute the proposed preferential issue as set out in this notice.

Mr. Shivaji Akhade, Managing Director and Mr. Sudhir Mungase, Whole-time Director of the Company being proposed allottees as mentioned in disclosure no. 9 above are interested in this resolution to the extent of their shareholding rights and directorship, none of other Directors and Key Managerial Personnel of the Company and their relatives have any concern or interest, financial or otherwise, in the proposed resolution.

By Order of the Board of Directors of
Autoline Industries Limited

Ashish Gupta
Company Secretary
Membership No. : A16368

Pune, August 26, 2017

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

ANNEXURE – 1

Name of Directors	Mr. Shivaji Akhade	Mr. Sudhir Mungase	Mr. Umesh Chavan
Date of Birth & Age	January 7, 1966 (51 Years)	April 1, 1975 (42 Years)	March 10, 1973 (44 Years)
Qualification	B. Com	Undergraduate	B.E. (Mechanical Engineering), MBA (Material & Logistic Management) and Executive MBA (Management Programme) from IIM, Ahmedabad
Expertise in specific Functional Areas & Experience	• Manages overall Company operations • Supports marketing activities and provides guidance to the professionals who manage the marketing function. • Providing the vision and the direction to the Company since inception. • Fully conversant with the technicalities of the production process.	• Associated with manufacturing operations and maintence activities of the Company for the past 17 years. • Acquired experience in sheet metal press operations. • Looks after the production and maintenance under the direct supervision and guidance of the Managing Director. • Monitoring overall activities of Special Township Project of Autoline Industrial Parks Limited, a subsidiary of the Company.	• He is a result oriented professional with nearly 23 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.
Terms & Condition of Re-appointment	Same as per previous appointment	Same as per previous appointment	Same as per previous appointment
Last drawn Remuneration	₹ 5,00,000 per month	₹ 2,00,000 per month	₹ 5,00,000 per month
Details of Remuneration sought to be paid	Details are given in the Special Resolution of Item No. 4 of this notice.	Details are given in the Special Resolution of Item No. 5 of this notice.	Details are given in the Special Resolution of Item No. 6 of this Notice
Date of First appointment on Board	December 16, 1996	December 16, 1996	June 25, 2014
Shareholding (either by them/beneficial) in the Company	1603681 (10.00 %)	1570958 (9.80 %)	Nil
Relationship with other Directors, Manager or KMP	Mr. Shivaji Akhade is brother-in –law of Mr. Sudhir Mungase	Mr. Sudhir Mungase is brother-in-law of Mr. Shivaji Akhade	No relationship with any other director, manager or KMP

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present 21st Directors' Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2017.

FINANCIAL RESULTS

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

(₹ in Million except EPS data)

PARTICULARS	Standalone		Consolidated	
	31.3.2017	31.3.2016	31.3.2017	31.3.2016
Revenue from operations (Net)	3552.36	3110.72	3552.86	3111.16
Earnings before Interest, Financial Charges, Depreciation, Tax & Amortization – EBIDTA	47.31	79.07	38.51	76.30
Less: Finance Cost	327.59	273.91	328.63	274.44
Less: Depreciation & amortization expenses	234.82	244.27	234.97	245.35
Add: Exceptional items	(194.18)	70.59	(194.18)	70.59
Add: Extraordinary items	(110.33)	(16.11)	(110.33)	(16.11)
Profit Before Tax	(819.61)	(384.63)	(829.61)	(389.02)
Tax Expense	(125.99)	1.30	(125.62)	1.30
Profit After Tax but before deducting minority interest(PAT)	(693.63)	(385.93)	(703.98)	(390.33)
Minority Interest	-	-	(6.49)	(1.87)
Profit Attributable to group	-	-	(697.49)	(388.45)
Earnings per Share (Basic) (in ₹)	(48.53)	(30.65)	(49.25)	(31.00)
Earnings per Share (Diluted) (in ₹)	(48.52)	(30.67)	(49.25)	(31.02)

PERFORMANCE REVIEW (CONSOLIDATED BASIS)

- Revenue from operations (Net) ₹ 3552.86 Million (Previous Year ₹ 3111.16 Million).
- Operating EBIDTA (Earnings before Interest, Financial Charges, Depreciation and Tax & Amortization) decreased from ₹ 76.30 Million to ₹ 38.51 Million.
- Profit before Tax (PBT) decreased from ₹ (389.02) Million to ₹ (829.61) Million.
- Profit after Tax (PAT) decreased from ₹ (390.33) Million to ₹ (703.98) Million.

During the year under review your Company has registered 14.20% growth in standalone revenue from operation with sales turnover of ₹ 3,552.36 Million (net of excise duty). Your Company earned this growth after recording year on year decline in previous continuous four years and this rise gestures towards the Company's commitment and ability to sustain and grow in the challenging time. Unfortunately the bottom line of the Company is still in red with net loss of ₹ 693.63 Million as compared to the previous year's loss of ₹ 385.93 Million. The net loss of the Company increased substantially as against previous year mainly because of negative contribution from extraordinary and exceptional items and insufficient working capital due to continuous cash loss since last four years which effected the performance of the Company significantly.

The Company's efforts are well underway to maximize the profits and value of stakeholders by undertaking financial and operational restructuring, implementing cost cutting measures, improving operational efficiency by consolidation of business, diversification of products as well as customers etc. and outturn of the same shall be visualized in couple of years.

Since the Company has incurred loss during the year under review the Company does not propose to transfer any amount to reserves.

DIVIDEND

In view of loss incurred during the year under review, the Board of Directors do not recommend dividend for the financial year 2016-17. No dividend was declared in the previous year.

STATE OF THE COMPANY'S AFFAIRS AND BUSINESS OVERVIEW

The automobile sector in India has come a long way. The automobile industry is one of India's major sectors and rapidly growing with embracing the advance and state of art designs and technologies. Automobile industry witnessed a domestic consolidated growth of 5.41% in all categories of vehicles in FY 2016-17. The performance of Auto-component industry, wherein your Company operate, is completely dependent on the performance of Automobile industry and rise in Auto sales bring back growth at Auto-component industry.

Your Board is very much optimistic about the growth in automobile sector and your Company is well positioned to ride high on the growing demand of Automobile. Your Company has well organized manufacturing set up spread out in the Country and adheres to the strict delivery schedule and supply requirements of customers and is able to supply auto components and designing /engineering services to most of the Domestic and International Original Equipment Manufacturers (OEMs) such as Tata Motors, General Motors, Volkswagen, Ashok Leyland, Ford Motors, Fiat, AMW Asia, Mahindra, Cummins, Nissan, Ashok Leyland, Daimler (Bharat Benz) etc.

Issue of fresh Equity Shares on Preferential Basis

During the year under review, your Company has issued Equity Shares on Preferential basis to the Promoters and other Investors including foreign investors. With the intention to infuse own long term funds in the Company, the Board of the Company, after obtaining the approval of members, has allotted 28,00,000 Equity Shares having face value of ₹ 10/- each at a price of ₹ 60/- each (Including premium of ₹ 50/- each) on preferential basis to the promoters and other investors of the Company in the Month of November, 2016. Thereby your Company has received long term funds to the tune of ₹ 16.80 Crores and utilized it for repayment of loans and working capital requirements. With this issue, paid up share capital of the Company has increased to ₹ 16,03,10,540/- divided into 1,60,31,054 equity shares of

₹ 10/- each. The newly allotted shares have been listed on BSE Limited and National Stock Exchange of India Limited.

Commencement of Operations at new manufacturing facilities

As reported in previous Annual Report that your Company is in the process to set up a new manufacturing facility at Chennai and Dharwad, the said facilities commenced their operations in the third quarter of Financial Year 2016-17. The customers started floating Request for Quotations (RFQs) to these facilities for new businesses.

The facility in Chennai will give comfort and sense of corporeal presence of Autoline in Chennai to new as well as existing customers and open up more business opportunities to the Company as Chennai has emerged automobile hub in India. The New facility at Dharwad is mainly to cater with the increased demand of Tata Motors.

Diversification - Products as well as Customers

Your Company experienced that over-dependence on the vehicle market does not provide sustainability during the stressed market conditions and believe to venture into non-auto sector and to diversify the customer base so as to ensure sustainability and growth in long term and increase the stakeholders' value. To tap Non-auto sector with minimum investment, the Company has identified various non-auto projects which can be started in existing infrastructure and with low investment and currently working on the project of pollution control units, railways products, defense equipment, tooling projects etc. Your Company understand that till the time lag to establish in non-auto segment and diversify the customer base the Company needs revival in sales volume of existing auto products and efforts are being taken to get minimum assured auto business from existing customers.

Change in Object clause to diversify: Your Company has taken major step towards diversification during the year under review, the Company has altered its Object clause by inserting new clause which permit the Company to carry on real estate business. The Board of the Company considered that at present the Company does not require to invest major amount to start with the real estate business and it can commence the activity with minuscule investment. The Company being a holding company of Autoline Industrial Parks Limited which holds special township project can start works related to development of the township project including but not limited to rendering consultancy, advisory and liasoning services, obtaining and dealing in all necessary approvals from concerned government and other authorities. In addition of above the Company may explore the possibility to make further investment in real estate business in the times to come.

Future Business Strategy

Your Company has been able to penetrate newer customer, product segments and diversification after continuous efforts over the last 3 years and the continuous hard endeavors is going to result award of monthly minimum committed order of ₹ 16 crores by Tata Motors Limited and with this assured additional business the Company's supply to TML will be approximately ₹ 40 Crores per month from July, 2017 onwards. This alone has the potential to touch the breakeven point. Your Company is targeting turnover of ₹ 455 Crores for FY 2017-18 and trying hard to escort bottom line in green in the year to come. Your Company is focusing on optimum utilization of underutilized existing infrastructure by grabbing the opportunity in Auto sector as well as non-auto sector. The Company's turnaround has been delayed by more than 2 years compared to projected plan due to market conditions and more particularly high dependency on single major customer. Simultaneously the monetization of township land of subsidiary company did not fructify due to overall economic environment in addition to tax implications, implementation of *Real Estate (Regulation and* Development) *Act* ("*RERA*") and Goods and Service Tax ("GST") but the Company is now well set to materialize the township land in FY 2017-18.

In order to achieve the goals set for turnaround, the Company needs additional funds debt as well as equity and the Company is seeking debt funds from its existing bankers as well as approaching to new lenders along with structuring the existing debts. Towards this move recently the Company has taken credit facility of ₹ 49 Crores from Tata Motors Finance Solution Limited for re-organizing its existing loans of ₹ 39 Crores as well as working capital requirements.

The Company could not divest its assets as compared to previous two years wherein the Company had disposed off its assets (overseas as well as Indian) and booked income to its Profit and Loss Statement. The Company believes and experienced that consolidation would result more operational efficiency and cost savings which ultimately support the bottom line of the Company. The Company is considering consolidation of its existing two units situated in Pune to its Chakan Unit and to dispose off land and building of said units so as to achieve advantages of consolidation and reduce debt burden.

Details on future business plans, opportunities, challenges, risks etc. are given in Management Discussion and Analysis Report which forms part of this Annual Report.

SUBSIDIARIES AND THEIR PERFORMANCE:

I. **Autoline Industrial Parks Limited, Pune, India (AIPL):**

AIPL was incorporated to develop Industrial Parks, Township Projects etc. Moving towards this object AIPL has purchased a piece of land at Village Mahalunge, Taluka, Khed, District Pune (MH), India for setting up of Township under the Special Township Project (STP) of Government of Maharashtra. AIPL had received locational clearance on September 10, 2014 for the project valid for one year which the Government of Maharashtra on the application of AIPL has extended for further period i.e. upto September 10, 2017 and now AIPL is pursuing for Environment Clearance for its special township project and simultaneously working on various other activities for STP.

At present AIPL is in the process to set up Township under STP and due to the recurring expenses and non-availability of source of income during the year under review the losses increased to ₹ (1,11,36,580) in the Financial Year 2016-17 from ₹ (33,13,560) in the financial year 2015-16. Further, Profit/(Loss) after Tax (PAT) increased to ₹ (1,15,45,020) from ₹ (33,23,020) for FY 2015-16.

AIPL is working for monetization of STP and discussion is going on with one of the Pune based Developers to develop a township project on approved special township scheme at its 104 Acre land located at Mahalunge, Chakan, Pune. The ongoing discussion was supposed to reach to its conclusion during the year under review but due to, inter-alia, implementation of enacted Real Estate (Regulation and Development) Act, 2016 and GST, the execution of Joint Development Agreement is getting delayed.

During the period under review, AIPL has not contributed to the performance of the Company since there is no other activity in AIPL except to monetize the township land which is under implementation.

II. **Autoline Design Software Limited (ADSL):**

ADSL is a multifaceted, end-to-end Engineering Solutions Company that provides Engineering and Designing Software Services and Business Solutions. With the help and support of ADSL, the Company's position to its customers has improved as a provider of high end design, value engineering and mass-manufacturing capabilities that can continually innovate through process engineering, re-engineering and re-tooling to improve manufacturing efficiency. The Company is able to provide one stop complete solution to its valued customers, enabling a quick & fast response to customer from design concept to rapid prototype manufacturing. With the help of proven team of Design Engineers, Strong tool room and manufacturing backup, ADSL is exploring new business opportunities with different customers for off-shore and onsite engineering services and is confident to establish itself as an independent profit making organization.

Its Turnover stood at ₹ 18,633,613 in FY 2016-17. Profit before tax for FY 2016-17 increased to ₹ 16,49,786 from ₹ 6,02,816 for FY 2015-16. Further, Profit after Tax (PAT) increased to ₹ 16,96,642 from ₹ 6,02,816 for FY 2015-16.

ADSL is entering into E-Cycle project which would be exclusively made for Autoline Industries Limited. The design and costing are completed and initial 2 prototypes were demonstrated to members of the Company in the last Annual General Meeting. ADSL provides engineering design, tooling services to the Company for efficiently completing the work orders well in time and gives comfort of in-house availability of engineering design capabilities to the customers of the Company and in that manner it is directly contributing in the performance of the Company.

III. **Koderat Investments Limited, Cyprus – (Koderat):**

In September 2008, the Company acquired 100% stake in Koderat Investments Limited "Koderat" (making it Wholly Owned Subsidiary), a Company incorporated and existing under the laws of Cyprus; acting as a Special Purpose Vehicle (SPV). Further "Koderat" acquired 49% equity share capital of "SZ Design Srl" and "Zagato Srl", Italian limited liability companies in Milan, these companies are into the business of developing, designing and providing engineering services.

The net worth of the SZ Design SRL, has been eroded due to various write offs. SZ Design Srl has been declared bankrupt by the Tribunal of Milan on January 2, 2015 and judiciary receiver has been appointed by the Bankruptcy Tribunal. The impact thereof is yet to be ascertained.

Net assets value of Zagato Srl has turned into negative due to incurring of losses in previous years and it has voluntarily declared in liquidation. Your Company is examining above matters carefully and impact thereof is yet to be ascertained. Koderat is an SPV and due to above mentioned reasons, it has not contributed directly to the performance of the Company during the year under review.

Profit/(Loss) before tax for FY 2016-17 decreased to EUR (6,220) from EUR (22,852) for FY 2015-16. Further, Profit/(Loss) after Tax (PAT) decreased to EUR (6,876) from EUR (22,852) for FY 2015-16.

A Report/Statement on the financial position of each of the subsidiaries of the Company pursuant to Rule 8 (1) read with Rule 5 of Companies (Accounts) Rules, 2014 in Form AOC-1 is annexed as "Annexure -A" and forms a part of this Annual Report.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in the prescribed Form MGT-9 is enclosed as "Annexure-B" to this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of your Company is duly constituted with adequate mix and composition of executive, non-executive and independent directors. There were no changes in the directors or key managerial personnel by way of appointment with reference to reporting of details in previous annual report except change in Chief Financial Officer, a key managerial personnel. Mr. Pramod Datar was appointed as Chief Financial Officer of the Company with effect from June 1, 2017 on the recommendations of Nomination and Remuneration Committee in place of Mr. R. T. Goel who tendered his resignation and relieved from the post of Chief Financial Officer from the close of business hours of May 31, 2017.

The Board placed on record its sincere appreciation for valuable contribution made by Mr. R T Goel during his tenure with the Company.

In accordance with the provisions of the Companies Act, 2013 and Company's Articles of Association, Mr. Umesh Chavan (DIN: 06908966), Director of the Company is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, he has offered himself for re-appointment at the 21st Annual General Meeting.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

i) In the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;

ii) 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 as on March 31, 2017 and of the loss of the Company for that period;

iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) The Directors have prepared the annual accounts on a going concern basis.

v) The directors have laid down internal financial controls to be followed by the Company and such controls are adequate and are operating effectively.

vi) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating

effectively, which are being further strengthened.

NUMBER OF BOARD MEETINGS

The Board of Directors duly met five (5) times in the year under review. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

INDEPENDENT DIRECTORS

Mr. Prakash Nimbalkar (DIN: 00109947), Mr. Vijay Thanawala (DIN: 00001974) and Dr. Jayashree Fadnavis (DIN: 01690087) are the Independent Directors on the Board of the Company and have remained independent throughout the year as contemplated in section 149(6) of the Companies Act, 2013. Further, all the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 16 (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company familiarizes the Independent Directors through various Programmes with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of such familiarisation programmes are put on the Company's website and can be accessed at the link http://www.autolineind.com/code-of-conduct-policies/.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on various parameters such as level of engagement, contribution and independence of judgment as per the criteria formulated by Nomination & Remuneration Committee; thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit Committee, Nomination and Remuneration Committee as well as Stakeholder Relationship Committee. The Directors expressed their satisfaction with the evaluation process.

NOMINATION & REMUNERATION COMMITTEE AND COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Your Company has duly established a Nomination and Remuneration Committee. The Committee has presented to the Board the policy with respect to appointment of directors including criteria for determining qualifications, positive attributes, independence of directors, remuneration for the directors, key managerial personnel and other senior employees etc. and thereafter the Board approved the same. The Nomination and Remuneration Policy of your Company is enclosed to this Annual Report as “Annexure-C”.

The Non-executive Directors have no pecuniary relationship or transactions with the Company. Further the Company makes no payments to the Non-executive Directors other than sitting fees which is in accordance with the provisions of the Companies Act, 2013 and the Rules made there under.

RISK MANAGEMENT POLICY

Your Directors have formed a Risk Management Committee chaired by Mr. Prakash Nimbalkar (DIN: 00109947). A Risk Management Policy is also in place. The Management has put in place adequate and effective system and resources for the purposes of risk management.

At present your company has not identified any element of risk which may threaten the existence of your company except the general and business risks as given under the para Threats, Risks and Concern in Management Discussion and Analysis Report which forms part of this Annual Report.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Audit Committee of the Board. The Internal Auditors/Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted CSR Committee in accordance with the requirement of the Companies Act, 2013 and composition of CSR Committee is given in the Corporate Governance Report of the Company.

The Company has incurred losses during previous four financial years and hence the provisions of Section 135 of the Companies Act, 2013 with respect to CSR activities are not applicable to your Company. The Company usually performs its social responsibility towards society and people by donating in orphanages, schools etc. and extending its support to needy people.

ENVIRONMENT, HEALTH AND SAFETY

Your Company is committed to provide a safe, secure and healthy workplace and always endeavor to enhance safety measures in the workplace. All the Plants of the Company have been certified for TS 16949. All plants are especially focused on the wellness initiative.

During the year, the approach to safety has been further strengthened in all operations of your Company. Regular safety drills and safety audits are conducted at all plants. The requisite training is provided to the employees about Safety.

There is a continued focus on tracking of “near miss” incidences which has resulted not only in reduction of reportable accidents but even in first aid injuries and non-reportable accidents. Safety competitions, presentations on safety kaizens, mock drills, etc. are conducted for achieving a safe and healthy work environment.

AUDIT COMMITTEE

Your Company has established an Audit Committee whose composition and other details are mentioned in the Corporate Governance Report.

The Audit Committee, on a regular basis, gives its recommendation to the Board. The Board gives due consideration to those recommendations. There have been no instances of recommendations given by the Audit Committee not being accepted by the Board during the year under review.

AUDITORS

STATUTORY AUDITORS

M/s. A.R. Sulakhe & Co. Chartered Accountants (FRN 110540W) who are the statutory auditors of your Company, hold office, in accordance with the provisions of the Companies Act, 2013 up to twenty third Annual General Meeting of the Company and whose appointment is subject to ratification by the Members at every Annual General Meeting and at a remuneration as may be decided by the Board. They have confirmed their eligibility for being Auditors of the Company under the Companies Act, 2013 and that they are not disqualified.

Auditors' Report:

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. KANJ & Associates, Company Secretaries, Pune, a firm of Practicing Company Secretaries, were engaged by the Board of the Company for the purposes of Secretarial Audit for the year ended March 31, 2017.

Secretarial Audit Report in terms of Section 204 (1) is enclosed as "Annexure D".

The Secretarial Auditors in their Secretarial Audit Report have observed that:

FOREIGN EXCHANGE MANAGEMENT ACT, 1999

1. The Company has not filed Annual Performance Report of its wholly owned subsidiary Koderat Investments Limited, Cyprus for the financial year, 2015-16. Thus to that extent it has not complied with Regulation 15 of the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2000.

   Comments by the Board of Directors: Koderat Investment Limited is acting as special purpose vehicle and acquired 49% stake of "SZ Design SRL" and "Zagato SRL" Italian Limited Liability companies and these companies are into liquidation/ bankruptcy stage and the audited accounts of these companies for the relevant period were not released and made available to us and therefore the Audit of Accounts for Koderat Investment Limited for the financial year 2015-16 is yet not completed and Annual Performance Report has not filed. The Company will file the same immediately after receipt of Audited Accounts of Koderat Investment Limited.

2. In the financial year 2014-15, the Company had disinvested its entire investment in Autoline Industries Inc., USA, a wholly owned subsidiary. However the Company filed part IV of Form ODI reporting such disinvestment as per the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2000 with the Authorised Dealer on 15th April, 2017 which is beyond the period stipulated under FEMA Notification 120/RB-2004 dated July 7, 2004 as amended.

   Comments by the Board of Directors: The Company was in process of changing the authorised dealer with RBI, the formalities regarding the same took time and caused the unanticipated delay in filing of Part IV of Form ODI.

   As reported by the Secretarial Auditors, the Company has filed the Part IV of Form ODI on April 15, 2017.

INTERNAL AUDITORS

Your Company had appointed M/s. Ketan H. Shah & Associates, Chartered Accountants, Pune as Internal Auditors for the financial year 2016-17 and Internal Auditors have completed the internal audit for said period. Further, the Company has re-appointed them as Internal Auditors for financial year 2017-18 under Section 138 of the Companies Act, 2013.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a vigil mechanism in the form of Whistle Blower Policy (WBP) to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

LOANS, GUARANTEES AND INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

DEPOSITS

Your Company has not accepted any deposits from the public falling within the ambit of Section 73 under chapter V of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

RELATED PARTY TRANSACTIONS

All related party transactions, that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their associates /relatives which could have a potential conflict with the interest of the Company at large.

All the Related Party Transactions were approved by the Audit Committee. The Audit Committee has also granted omnibus approval for related party transactions that were repetitive in nature by following the requirements as laid down in the Companies Act, 2013 and Rules made thereunder and Clause 23 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has not entered into any transactions with related parties during the year under review which require reporting in Form AOC-2 in terms of Companies Act, 2013 read with Companies (Accounts) Rules, 2014. The policy on Related Party Transactions and the Policy on Determination of Material Subsidiaries as approved by the Board are also uploaded on your Company's website.

MATERIAL CHANGES AND COMMITMENTS OCCURRED DURING APRIL 1, 2017 TILL THE DATE OF THIS REPORT WHICH WOULD AFFECT THE FINANCIAL POSITION OF YOUR COMPANY

With reference to Stock Purchase Agreement dated December 23, 2014 ("SPA") entered into by the Company with CJ Holdings North America, LLC ("CJ Holdings") for selling of its entire holding in its Overseas Subsidiaries i.e. Autoline Industries USA, Inc., Autoline Industries Indiana Inc. and its step down subsidiaries, CJ Holdings alleged the accuracy of certain representations and warranties in the SPA and the consummation of the transactions contemplated in

the SPA and claimed that it sustained substantial damages. After in depth study of claim and thorough discussion with US Counsel/Attorney of the Company and independent firm of CPA's, the matter was considered by the Board of Directors of the Company and after deliberation in the matter it was noted that the Company does not accept any of the allegations of CJ Holdings but considering the high likeliness that CJ Holding will recover certain amount under SPA as indemnification damages cap, high cost of litigating a lawsuit in US, uncertainty of outcome of litigation etc. the Board has approved and accepted settlement of claim for an amount of $ 1.7 million which is to be paid in installments upto June 16, 2018 subject to RBI and other necessary approvals. The Company has executed settlement agreement on April 18, 2017.

OTHER MATTERS

i. No significant or material orders were passed by the Regulators or Courts or Tribunals which will impact the going concern status and Company's operations in future.

ii. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) of the Company and its associates are covered under this policy.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

iii. The Company has not issued Equity Shares with differential rights as to Dividend, Voting or Otherwise.

iv. The Company has not issued shares (including Sweat Equity Shares) to Employees of The Company under any Scheme.

v. There has not been any change in the nature of business of the Company during the year under review.

CORPORATE GOVERNANCE

As per the Regulation, a separate section on corporate governance practices followed by your Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8, of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure-E".

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as under:

Sr. No.	Particulars		
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	**Name of the Director**	**Ratio**
		Mr. Shivaji Akhade (DIN: 00006755)	36.23
		Mr. Sudhir Mungase (DIN: 00006754)	14.49
		Mr. Umesh Chavan (DIN: 06908966)	36.23
(ii)	Percentage increase in remuneration of each director, CEO, CFO and CS in the financial year 2016-17.	**Name of the Director & KMPs**	**% Increase**
		Mr. Shivaji Akhade	NIL
		Mr. Sudhir Mungase	NIL
		Mr. Umesh Chavan	NIL
		Mr. R T Goel (CFO)	NIL
		Mr. Ashish Gupta (CS)	NIL
(iii)	Percentage increase in the median remuneration of employees in the financial year 2016-17	24.77	
(iv)	Number of permanent employees on the rolls of Company;	1185	
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There is average 0.45 % increment arrived in the salary of employees other than Key Managerial Personnel during the F. Y. 2016-17 on account of increment given to one group of Non-Managerial employees. There is no increase in the salary of Key Managerial Personnel.	

Sr. No.	Particulars	
(vi)	The key parameters for any variable component of remuneration availed by the directors	The remuneration package of Mr. Umesh Chavan, CEO & Executive Director contains variable component. The key parameters for the variable component are: 1. 1% of Net profit on new business developed by Mr. Umesh Chavan. 2. 10% on Cost reduction achieved in material and direct manufacturing costs every year as compared to previous financial years.
(vii)	Affirmation	The Board affirms that the remuneration paid to the Directors and other employees is as per the remuneration policy of the Company.

Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Particulars of Top Ten Employees in terms of remuneration drawn and the name of every employee whose remuneration aggregated to ₹ 1.02 Crore per annum or ₹ 8.50 lakhs per month during FY 2016-17: **NIL**.

SHAREHOLDING OF DIRECTORS AS ON MARCH 31, 2017

Sr. No.	Name of the Director	DIN	No. of Equity Shares	Percentage Holding
1	Mr. Prakash Nimbalkar	00109947	6700	0.04
2	Mr. Shivaji Akhade	00006755	1603681	10.00
3	Mr. Sudhir Mungase	00006754	1570958	9.80
4	Mr. Umesh Chavan	06908966	NIL	NIL
5	Mr. Amit Goela	01754804	125000	0.78
6	CA Vijay Thanawala	00001974	2525	0.02
7	Dr. Jayashree Fadnavis	01690087	NIL	NIL

INTER SE RELATIONSHIP BETWEEN DIRECTORS

There are no inter se relationship between the Directors except that Mr. Sudhir Mungase, Whole-time Director of the Company is brother-in-law of Mr. Shivaji Akhade, Managing Director of the Company.

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, no options were exercised and two employees holding 1446 options have resigned.

These options are available for re-issue. The details of the scheme as per Companies (Share Capital and debentures) Rules, 2014, SEBI (ESOP and ESPS) Guidelines 1999 and SEBI (Employee based benefits Scheme) Regulations, 2014 are given in the “Annexure-F” to this Annual Report.

ACKNOWLEDGEMENTS

Your Directors express their sincere appreciation for the assistance and co-operation received from the various Central and State Government Departments, Customers, Vendors and Lenders specifically Bank of Baroda, The Catholic Syrian Bank Ltd., Axis Bank Ltd., JM Financial Asset Reconstruction Company Limited, NKGSB Co-op. Bank Ltd., Vidya Sahakari Bank Ltd. for extending financial support by way of sanctioning credit facilities and fresh term loans and to Tata Motors Ltd., Tata Capital Financial Services Ltd., Tata Motors Finance Ltd., Tata Motors Finance Solutions Limited for their continued help and support during very challenging times of the Company. The directors gratefully acknowledge the support given by and trust entrusted by all shareholders of the Company and also wish to place on record their deep sense of appreciation for unstinted commitment and committed services by all the employees of the Company.

For and on Behalf of the Board

Prakash Nimbalkar
CHAIRMAN
DIN: 00109947

Pune, May 27, 2017

ANNEXURE – A

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ Joint ventures

Part "A": Subsidiaries

1	Sl. No.	1	2	3
2	Name of the subsidiary	**Autoline Design Software Limited**	**Autoline Industrial Parks Limited**	**Koderat Investments Limited**
3	The date since when the subsidiary was acquired	14/04/2007	31/08/2007	04/09/2008
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2016-17	2016-17	2016-17
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	EURO (Exchange Rate 69.24) As on March 31, 2017
6	Share capital	35,537,420	717,722,500	1,000
7	Reserves & surplus	947,958	341,929,978	(226,347)
8	Total Assets	48,010,054	1,108,976,693	4,576,886
9	Total Liabilities	48,010,054	1,108,976,693	4,576,886
10	Investments	Nil	Nil	4,571,629
11	Turnover	18,633,613	Nil	Nil
12	Profit before tax	1,649,786	(11,136,580)	(6,220)
13	Provision for tax (Deferred Tax Asset)	(46,856)	408,440	Nil
14	Profit after tax	1,696,642	(11,545,020)	(6,876)
15	Proposed Dividend	Nil	Nil	Nil
16	% of shareholding	100	43.78	100

Names of subsidiaries which are yet to commence operations: Nil

Names of subsidiaries which have been liquidated or sold during the year: Nil

Part – "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Nil

Names of Associates and Joint Ventures which are yet to commence operations: Nil

Names of Associates and Joint Ventures which have been liquidated or sold during the year : Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRAKASH NIMBALKAR
Chairman
DIN: 00109947

SHIVAJI AKHADE
Managing Director
DIN: 00006755

UMESH CHAVAN
Executive Director and CEO
DIN: 06908966

R T GOEL
Chief Financial Officer

ASHISH GUPTA
Company Secretary
Membership No. : A16368

Pune, May 27, 2017

ANNEXURE – B
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sr. no.	Particulars	Details
i.	CIN	L34300PN1996PLC104510
ii.	Registration Date	16/12/1996
iii.	Name of the Company	AUTOLINE INDUSTRIES LIMITED
iv.	Category / Sub-Category of the Company	Company Limited by Shares / Indian non Government Company
v.	Address of the Registered office and contact details	Survey Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka Khed, District - Pune-410501 Tel. No. 02135 664865/6 Fax no.: 02135 664864 website: www.autolineind.com e-mail address: investorservices@autolineind.com
vi.	Whether listed company Yes / No	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited (Unit : Autoline Industries Limited) Block 202, 2nd Floor, Akshay Complex, Off Dhole patil Road, Near Ganesh Mandir, Pune-411001 Tel : 020 - 2616 1629 / 2616 0084 e-mail: pune@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1.	Sheet metal components, Assemblies and Sub - Assemblies	25910	84.26

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	AUTOLINE INDUSTRIAL PARKS LIMITED Regd. Office - S. No. 313, 314, 320 to 323, Nanekarwadi, Chakan, Pune 410501	U45209PN2007PLC130639	Subsidiary	43.78	2(87) (i)
2	AUTOLINE DESIGN SOFTWARE LIMITED Regd. Office - 1st Floor, E 12-17 (8), MIDC Bhosari, Pune 411026	U72200PN2004PLC148734	Subsidiary	100	2(87) (ii)
3	KODERAT INVESTMENTS LTD Griva Digeni 115, Trident Centre, 3101, Limassol, Cyprus	N.A.	Subsidiary	100	2(87) (ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	Number of Shares held at the beginning of the year (01.04.2016)				No. of shares held at the end of the year (31.03.2017)				Percentage Change during the Year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	3140567	0	3140567	23.74	4190567	0	4190567	26.14	2.40
(b) Central government	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Government	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corporate	1000000	0	1000000	7.56	1000000	0	1000000	6.24	-1.32
(e) banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (1)	**4140567**	**0**	**4140567**	**31.29**	**5190567**	**0**	**5190567**	**32.38**	**1.08**

Category of Shareholders	Number of Shares held at the beginning of the year (01.04.2016)				No. of shares held at the end of the year (31.03.2017)				Percentage Change during the Year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
(2) Foreign									
(a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d) banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	**4140567**	**0**	**4140567**	**31.29**	**5190567**	**0**	**5190567**	**32.38**	**1.08**
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks/FI	0	0	0	0.00	34134	0	34134	0.21	0.21
(c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Finds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) FIIs	200307	0	200307	1.51	200307	0	200307	1.25	-0.26
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others (specify)									
Nationalised Banks	0	0	0	0.00	0	0	0	0.00	0.00
Non Nationalised Banks	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)	**200307**	**0**	**200307**	**1.51**	**234441**	**0**	**234441**	**1.46**	**-0.05**
(2) Non-institutions									
(a) bodies Corporate									
(i) Indian	817165	0	817165	6.18	729323	0	729323	4.55	-1.63
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals/HUF									
(i) Individual Shareholders holding nominal share capital upto ₹ 1 Lakh	4723732	7302	4731034	35.76	4615280	7302	4622582	28.84	-6.92
(ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	2299341	0	2299341	17.38	2868952	0	2868952	17.90	0.52
(c) Others (specify)									
Clearing Members	251553	0	251553	1.90	306765	0	306765	1.91	0.01
Other Directors & Relatives	134575	0	134575	1.02	134575	0	134575	0.84	-0.18
Foreign Company	35139	88323	123462	0.93	1035139	88323	1123462	7.01	6.07
Foreign Nationals	400	10763	11163	0.08	400	10763	11163	0.07	-0.01
Non-resident Indians (Repat)	501662	3767	505429	3.82	774206	3767	777973	4.85	1.03
Non-resident Indians (Non Repat)	16458	0	16458	0.12	31251	0	31251	0.19	0.07
Sub-Total (B) (2)	**8780025**	**110155**	**8890180**	**67.19**	**10495891**	**110155**	**10606046**	**66.16**	**-1.03**
Total public Shareholding (B)=(B)(1)+(B)(2)	**8980332**	**110155**	**9090487**	**68.71**	**10730332**	**110155**	**10840487**	**67.62**	**-1.08**
C. Shares Held by Custodians for GDRs & ADRs	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand total (A+B+C)	**13120899**	**110155**	**13231054**	**100.00**	**15920899**	**110155**	**16031054**	**100.00**	**0**

(ii) Shareholding of Promoters

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year (01. 04.2016)			Share holding at the end of the year (31.03.2017)			Percentage Change in Shareholding during the Year
		No. of Shares	% of Total share capital of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of Total share capital of the Company	% of shares pledged/ encumbered to total shares	
1	Shivaji T Akhade	1078681	8.15	0.44	1603681	10.00	0.36	1.85
2	Sudhir V. Mungase	1045958	7.91	0.44	1570958	9.80	0.36	1.89
3	Lincwise Software Private Limited	1000000	7.56	7.56	1000000	6.24	6.24	-1.32
4	Vilas V. Lande	597258	4.51	0.44	597258	3.73	0.36	-0.79
5	Rema Radhakrishnan	308717	2.33	0	308717	1.93	0	-0.41
6	M. Radhakrishnan	109953	0.83	0.44	109953	0.69	0.36	-0.15

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Mr. Shivaji Akhade						
A	**At the beginning of the year**		1078681	8.15		
B	**Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)**					
1	Saturday, November 12, 2016	Preferential issue	350000	2.36	1428681	9.63
2	Tuesday, November 15, 2016	Preferential issue	150000	0.96	1578681	10.09
3	Wednesday, November 16, 2016	Preferential issue	25000	0.16	1603681	10.14
C	**At the end of the year**		1603681	10.00		
Mr. Sudhir Mungase						
A	**At the beginning of the year**		1045958	7.91		
B	**Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)**					
1	Tuesday, November 15, 2016	Preferential issue	160000	1.02	1205958	7.71
2	Wednesday, November 16, 2016	Preferential issue	150000	0.95	1355958	8.57
3	Friday, November 18, 2016	Preferential issue	215000	1.34	1570958	9.80
C	**At the end of the year**		1570958	9.80		

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year (01. 04.2016)		Increase / Decrease in Share holding during the year				Cumulative Shareholding during the year	
		No. of Shares	% of Total share capital of the Company	Date	Reason	No. of Shares	% of Total share capital of the Company	No. of Shares	% of Total share capital of the Company
1	**JHUNJHUNWALA RAKESH RADHESHYAM**	520000	3.93	15.11.2016	Preferential Allotment	500000	3.20	1020000	6.52
				31.03.2017				1020000	6.36
2	**SHARJAH CEMENT AND INDUSTRIAL DEVELOPMENT COMPANY**	0	0	12.11.2016	Preferential Allotment	1000000	6.74	1000000	6.74
				31.03.2017				1000000	6.24

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year (01. 04.2016)		Increase / Decrease in Share holding during the year				Cumulative Shareholding during the year	
		No. of Shares	% of Total share capital of the Company	Date	Reason	No. of Shares	% of Total share capital of the Company	No. of Shares	% of Total share capital of the Company
3	JHUNJHUNWALA REKHA RAKESH	731233	5.53			0	0	731233	4.56
				31.03.2017				731233	4.56
4	BHARTIBEN BATAVIA	27000	0.20	11.11.2016	Preferential Allotment	250000	1.85	277000	2.05
				31.03.2017				277000	1.73
5	PRAVINCHANDRA BATAVIA	228000	1.72					228000	1.42
				31.03.2017				228000	1.42
6	EMERGING INDIA FOCUS FUNDS	200000	1.51			0	0	200000	1.25
				31.03.2017				200000	1.25
7	UTPAL SHETH	125000	0.94			0	0	125000	0.78
				31.03.2017				125000	0.78
8	STAR GLOBAL RESOURCES LTD	101500	0.77			0	0	101500	0.63
				31.03.2017				101500	0.63
9	VENKATESALU N NAIDU	100000	0.76			0	0	100000	0.62
				31.03.2017				100000	0.62
10	AJAY RELAN	0	0.00	During 13.01.2017 to 20.01.2017		90241	0.56	90241	0.56
				31.03.2017				90241	0.56

*Shareholding of top 10 shareholders are based on shareholding position as on March 31, 2017

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of Director/KMP	Shareholding at the beginning of the year (01.04.2016)		Increase / Decrease in Share holding during the year				Cumulative Shareholding during the year	
		No. of Shares	% of Total share capital of the Company	Date	Reason	No. of Shares	% of Total share capital of the Company	No. of Shares	% of Total share capital of the Company
1	Mr. Prakash Nimbalkar	6700	0.05					6700	0.04
				31.03.2017				6700	0.04
2	Mr. Shivaji Akhade*	1078681	8.15	12.11.2016	Prefererential issue	350000	2.36	1428681	9.63
				15.11.2016	Prefererential issue	150000	0.96	1578681	10.09
				16.11.2016	Prefererential issue	25000	0.16	1603681	10.14
				31.03.2017				1603681	10.00
3	Mr. Sudhir Mungase*	1045958	7.91	15.11.2016	Prefererential issue	160000	1.02	1205958	7.71
				16.11.2016	Prefererential issue	150000	0.95	1355958	8.57
				18.11.2016	Prefererential issue	215000	1.34	1570958	9.80
				31.03.2017				1570958	9.80
4	Mr. Vijay Thanawala	2525	0.02					2525	0.02
				31.03.2017				2525	0.02
5	Mr. Amit Goela	125000	0.94					125000	0.78
				31.03.2017				125000	0.78

V. INDEBTEDNESS (₹ In Millions)

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1950.53	23.46	35.67	2009.66
(ii) Interest due but not paid	2.12	0.00	0.00	2.12
(iii) Interest accrued but not due	0.00	0.00	0.00	0.00
TOTAL {(i)+(ii)+(iii)}	1952.65	23.46	35.67	2011.78
Change in Indebtedness during the Financial Year				
Addition	616.44	42.94	0.00	659.38
Reduction	428.65	13.95	5.01	447.60
Net Change	187.79	28.99	-5.01	211.78
Indebtedness at the end of the financial year				
(i) Principal Amount	2119.13	52.45	30.66	2202.25
(ii) Interest due but not paid	21.31	0.00	0.00	21.31
(iii) Interest accrued but not due	0.00	0.00	0.00	0.00
TOTAL {(i)+(ii)+(iii)}	2140.44	52.45	30.66	2223.56

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (₹ In Millions)

A. Remuneration to Managing Director, Whole-time Director and/or Manager:

Sr No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Shivaji Akhade	Sudhir Mungase	Umesh Chavan	
1	**Gross Salary**	6.00	2.40	6.00	14.40
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	6.00	2.40	6.00	14.40
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	
	(c) Profits in lieu of salary u/s 17 (3) of the Income Tax Act, 1961	NIL	NIL	NIL	
2	**Stock Option**	NIL	NIL	NIL	
3	**Sweat Equity**	NIL	NIL	NIL	
4	**Commission**	NIL	NIL	NIL	
	as % of profit				
	Others (Specify)				
5	**Others (Specify)**	NIL	NIL	NIL	
	TOTAL	**6.00**	**2.40**	**6.00**	**14.40**
	Ceiling as per the Act	6.00	6.00	6.00	

B. Remuneration to other directors: (₹ In Millions)

Sr No	Particulars of Remuneration	Name of the Director				Total Amount
		Prakash Nimbalkar	Vijay Thanavala	Amit Goela	Jayashree Fadnavis	
1	**Independent Directors**					
	Fee for attending board and Committee Meetings	0.56	0.32	0	0.21	1.09
	Commission	0	0	0	0	0
	Others, (Specify)	0	0	0	0	0
	Total (1)	0.56	0.32	0	0.21	1.09
2	**Other Non-Executive Directors**					
	Fee for attending board and Committee Meetings	0	0	0.03	0	0.03
	Commission	0	0	0	0	0
	Others, (Specify)	0	0	0	0	0
	Total (2)	0	0	0.03	0	0.03
	Total (B)=(1+2)	**0.56**	**0.32**	**0.03**	**0.21**	**1.12**
	Total Managerial Remuneration	**0.56**	**0.32**	**0.03**	**0.21**	**1.12**
	Overall Ceiling as per the Act	Not applicable as only sitting fees paid				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ In Millions)

Sr No	Particulars of Remuneration	CS Ashish Gupta	CFO R. T. Goel	Total Amount
1	**Gross Salary**			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1.60	4.20	5.80
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary u/s 17 (3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	**Stock Option**	Nil	Nil	Nil
3	**Sweat Equity**	Nil	Nil	Nil
4	**Commission**	Nil	Nil	Nil
	as % of profit			
	Others (Specify)			
5	**Others (Specify)**	Nil	Nil	Nil
	TOTAL	1.60	4.20	5.80

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/comounding of offences for the breach of any Sections of Companies Act, 2013 against the Company or its Directors or other officers in default, if any during the year.

For and on Behalf of the Board

Prakash Nimbalkar
CHAIRMAN
DIN: 00109947

Pune, May 27, 2017

ANNEXURE-C

Nomination and Remuneration Policy

1. **DEFINITIONS**

   a) **Act** means the Companies Act, 2013 and the rules framed thereunder including any modifications, amendments, clarifications, circulars or reenactment thereof.

   b) **Policy** means Nomination and Remuneration Policy.

   c) **"Senior Management"** shall mean personnel of the company (which include persons engaged as retainer or on contractual basis) and who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

   Explanation 1: In case of any dispute whether a person is member of senior management or not, decision of concerned Executive Director shall be final.

   Explanation 2: Considering the criticality of a particular function, even if a person is not covered in the above definition, the Chairman will have discretion to treat him as member of senior management for the purpose of this Policy.

   d) Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 or the Listing Agreement, as the case may be, as may be amended from time to time shall have the meaning respectively assigned to them therein.

2. **TERMS OF REFERENCE /ROLE OF COMMITTEE**

   The Terms of Reference of the Committee shall be:

   a) To identify persons who are qualified to become directors of the Board and those who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

   b) To ensure that the level and composition of remuneration is reasonable and is sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

   c) To ensure that relationship of remuneration to performance in respect of Directors, Key Managerial Personnel and employees of Senior Management is clear and meets appropriate performance benchmarks.

   d) To ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

   e) To formulate the criteria for determining qualifications of Directors, Key Managerial Personnel and employees of Senior Management and also to determine criteria for positive attributes and independence of Directors.

   f) To formulate criteria for evaluation of every Director including Independent Director and the Board.

   g) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

   h) To recommend to the Board on Remuneration payable to the Directors including sitting fees and Commission to Non-Executive Directors, Key Managerial Personnel and employees of Senior Management.

   i) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

   j) To devise a policy on Board diversity from time to time.

   k) To develop a succession plan for the Board and to regularly review the plan;

3. **STATUTORY POWERS OF THE COMMITTEE**

   a) The committee shall have a power to express opinion whether the Director possesses the requisite qualification for the practice of the profession, when remuneration is proposed to be paid for the services to be rendered in any other capacity and such services to be rendered are of a professional nature.

   b) Where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, the Committee may approve the payment of remuneration as per Section II of Part II of Schedule V to the Companies Act, 2013.

4. **COMPOSITION OF COMMITTEE**

   The company through its Board of Directors shall constitute the nomination and remuneration committee which shall comprise at least three directors, all of whom shall be non-executive directors and at least half shall be independent. Chairman of the committee shall be an independent director.

   Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

5. **CHAIRPERSON**

   a) The Chairperson of the Committee shall be an Independent Director.

   b) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one of the Independent Director amongst them to act as a Chairperson.

   c) The Chairman of the Nomination and Remuneration Committee meeting shall endeavor to be present at the Annual General Meeting.

6. **FREQUENCY OF MEETINGS**

   The meetings of the Committee shall be held at such time as and when required but at least once in six months.

7. **MISCELLENEOUS**

a) A member of the Committee is not entitled to be present when his or her own or his or her relative(s) remuneration is discussed at a meeting or when his or her or his or her relative(s) performance is being evaluated.

b) The Committee may invite Executive Directors, functional heads and outside experts, as it considers appropriate, to be present at the meetings of the Committee.

c) The Company Secretary of the Company shall act as Secretary of the Committee.

8. **AMENDMENTS**

Any amendment(s) in Clause 49 of the Listing Agreement and/or The Companies Act, 2013 and the rules framed there under, shall ipso facto apply to this policy without requiring to be approved by the Board of Directors. Any such changes shall be communicated to the Committee and the Board of Directors for effectively implementing this policy.

For and on Behalf of the Board

Prakash Nimbalkar
CHAIRMAN
DIN: 00109947

ANNEXURE - D

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Autoline Industries Limited
Survey Nos.313, 314, 320 to 323, Nanekarwadi, Chakan
Taluka Khed, District - Pune, 410501

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Autoline Industries Limited (hereinafter called the company) bearing CIN: L34300PN1996PLC104510. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Autoline Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Autoline Industries Limited for the financial year ended on 31st March, 2017 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

vi. Since the Company is engaged in manufacture of Auto components and accessories thereof. There are no specific laws applicable to such sector.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with the BSE Limited and the National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

FOREIGN EXCHANGE MANAGEMENT ACT, 1999

1. *The Company has not filed Annual Performance Report of its wholly owned subsidiary Koderat Investments Limited, Cyprus for the financial year, 2015-16.Thus to that extent it has not complied with Regulation 15 of the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2000.*
2. *In the financial year 2014-15, the Company had disinvested its entire investment in Autoline Industries Inc., USA, a wholly owned subsidiary. However the Company filed part IV of Form ODI reporting such disinvestment as per the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2000 with the Authorised Dealer on 15th April, 2017 which is beyond the period stipulated under FEMA Notification 120/RB-2004 dated July 7, 2004 as amended.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per the records available in the said minutes there were no dissenting views expressed by any director in the meetings.

We further report that the systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines *need further improvement considering the size and operations of the Company.*

We further report that during the audit period:

1. The Company, after obtaining approval of the Members vide Special Resolution passed in the extra ordinary general meeting held on 2nd November, 2016 had made preferential allotment of 28,00,000 equity shares of ₹ 10/- each at ₹ 60/- per share (including premium of ₹ 50/- per share) to the following persons:-

Sr. No.	Name	Total no. of Shares allotted
1	Mrs. Bhartiben Batavia	2,50,000
2	Sharjah Cement & Industrial Development Co.	10,00,000
3	Mr. Shivaji Akhade	5,25,000
4	Mr. Rakesh Jhunjhunwala	5,00,000
5	Mr. Sudhir Mungase	5,25,000
	TOTAL	**28,00,000**

For **KANJ & Associates**
Company Secretaries

Sunil G. Nanal
FCS No. 5977
CP No. 2809

Place: Pune
Date: 27th May, 2017

To,
The Members,
Autoline Industries Limited
Survey Nos.313, 314, 320 to 323, Nanekarwadi, Chakan
Taluka-Khed, District - Pune, 410501

Our report of even date provided in Form MR-3 to Autoline Industries Limited (the company) for the year ended on 31st March, 2017 is to be read along with this letter.

1. Maintenance of Secretarial records and complying with the provisions of the various laws as applicable including the laws specifically applicable to the company is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records and legal compliances based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records and the records of legal compliances. The verification was done on test basis to ensure that correct facts are reflected in secretarial and other relevant records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We are not required to verify the correctness and appropriateness of financial records and books of accounts of the company as it is part of financial audit as per the provisions of the Companies Act, 2013.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, secretarial standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **KANJ & Associates**
Company Secretaries

Sunil G. Nanal
FCS No. 5977
CP No. 2809

Place: Pune
Date: 27th May, 2017

ANNEXURE - E

(A) CONSERVATION OF ENERGY –

(i) The steps taken or impact on conservation of energy:

Your Company is making continuous efforts towards optimum utilization of energy resources which have resulted in cost saving for the Company. Additionally some of the initiatives taken for optimum use of energy, by the Company are as under:

1. The Company is now installing T5 LED Tubes and CFL Fixtures for better light output and reduction in costs and thereby reducing electricity consumption.
2. Power factor controlled by monitoring capacitor resulting into saving in energy.
3. In procurement of all its engineering tools, materials and machines, the Company procures such Tools & machines which have a high BEE (Bureau of Energy Efficiency) Energy Rating, generally 3, 4 & 5 Stars.
4. For Mercury Vapor lamps (250 WATT & 400 WATT) alternate wiring system installed and use of LED Lighting is resulting into saving in energy.
5. Curtains made up of plastic sheets are introduced for natural light as well as air Ventilation.

All employees are advised to use lights, fans, air conditioners, computer and its peripherals only when there is a need and strive to save Electricity by opening up windows and opt for natural light and ventilation.

Impact of above measures have resulted into reduction of energy consumption and has a consequent impact on the cost of production of goods.

Consumption per unit of production:

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

(ii) The steps taken by the Company for utilizing alternate sources of energy:

1. Installation of transparent sheets at rooftop of factory to get natural light as well air ventilators provided at rooftop of factory for better ventilation.
2. The Company's Offices are structured such that natural lighting is used the maximum as compared to commercial source of electricity.
3. The Company is considering the proposal of solar power as an alternate source of energy.
4. The Company has installed efficient LED Lighting Fixtures in its Manufacturing unit(s) at Chakan and Corporate Office.

(iii) The capital investment on energy conservation equipments:

During the year under review the Company has not made investment on energy conservation equipment.

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

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.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

1. Improved quality and customer satisfaction.
2. Minimize operator/ workmen fatigue.
3. Minimal damages to the components.
4. Reduction in Costs due to abolishing of redundant processes.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company has not imported technology during the last three years and therefore below details are not applicable.

(a) The details of technology imported;

(b) The year of import;

(c) Whether the technology has been fully absorbed;

(d) If not fully absorbed, areas where absorption has not taken place; and the reasons thereof;

(iv) The expenditure incurred on Research and Development

The Company has not incurred expenditure, capital or recurring, in Research and Development during the year under review.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as under:

(₹ in Million)

Particulars	2016-17	2015-16
Foreign Exchange earned in terms of Actual Inflows	40.40	47.28
Foreign Exchange outgo in terms of Actual outflows	22.44	25.08

For and on Behalf of the Board

Prakash Nimbalkar
CHAIRMAN
DIN: 00109947

Pune, May 27, 2017

ANNEXURE - F

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, 2017)		175000
(d)	Options exercised (Upto March 31, 2017)		136085
(e)	Total number of shares arising as a result of exercise of options		136085
(f)	Options lapsed (as at March 31 2017)		30745
(g)	Variation of terms options		No variation
(h)	Money realized by exercise of options		3402125
(i)	Total number of options in force (as at March 31, 2017)		8170 (For the year under review)
(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		(25.50)
(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	₹ Nil, However amount of Employee compensation cost credited to profit & loss account arising as a result of lapse of options.
	3	Impact of this difference on Profits and on EPS of the Company	₹ Nil
(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

For and on Behalf of the Board

Prakash Nimbalkar
CHAIRMAN
DIN: 00109947

Pune, May 27, 2017

Management Discussion and Analysis Report

ECONOMIC OVERVIEW

World economic activity gained momentum in the year of 2016-17 forced by cyclical recovery in investment, manufacturing and trade. As per the forecast of International Monitory Fund (IMF) world growth is expected to rise from 3.1% in 2016 to 3.5% in 2017 and 3.6% in 2018, slightly above the October 2016 World Economic Outlook (WEO) forecast. After several quarters of lackluster growth in advanced economies, growth picked up as a result of strong domestic demand, consumer confidence, recovery in the production of both consumer durables and capital goods and cross-sector cooperation and growth.

Stronger activity and expectations of more robust global demand, coupled with agreed restrictions on oil supply, have helped commodity prices recover from their troughs. Higher commodity prices have provided some relief to commodity exporters and helped lift global headline inflation and reduce deflationary pressures. Financial markets are buoyant and expect continued policy support in China and fiscal expansion and deregulation in the United States.

Economic performance across emerging market and developing economies has remained mixed. Global growth forecast is expected to increase marginally beyond 2018, reaching 3.8 percent by 2022. This pickup in global activity comes entirely from developments in emerging market and developing economies, where growth is projected to increase to 5 percent by the end of the forecast period.

In emerging and developing Asia, growth is projected to remain robust and in India, the growth forecast for 2017 has been trimmed by 0.4% to 7.2%, primarily because of the temporary negative consumption shock induced by cash shortages and payment disruptions from the recent demonetization initiative. India's growth prospects are favorable, with growth forecast to rise to about 8% by the end of 2020 due to the implementation of key reforms, loosening of supply-side bottle- necks and appropriate fiscal and monetary policies.

Forecast of good monsoon throughout the country again this current year is and will be a driver of India's economic growth. India witnessed an above normal rainfall during the year 2016-17, thus rural economy's base strengthened. According to the Economic Survey of India 2017-18, India registered a robust growth of 7.1 per cent in the year 2016-17, the year which is impacted of demonetization initiatives of Government of India and the same trend of increase is expected to continue in the upcoming year, i.e. 2017-18, projected at 7.5 per cent; thus becoming the fastest growing major economy in the world.

India's exports appear to be recovering, based on an uptick in global economic activity. This is expected to continue in the aftermath of the US elections and expectations of a fiscal stimulus. Consumption is expected to receive a boost from two sources: catch-up after the demonetisation-induced reduction in the last two quarters of financial year 2016-17; and cheaper borrowing costs, which are likely to be lower in financial year 2017-18.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Your Company operates in the automotive sector. It manufactures a range of sheet metal components and assemblies/sub-assemblies for the Automobile Industry and is a Tier One auto components supplier. Being an interlinked sector, it is more prone to demand fluctuations and economic problems. In the year under review, the demonetisation move by the Government and then the ban on sale of BS III engines and vehicles by the Apex court shocked the automobile sector. Several automobile companies loaded with big inventory; which in turn resulted into low production.

The Indian auto industry is one of the largest in the world. The industry accounts for 7.1% of the country's Gross Domestic Product (GDP). The Two Wheelers segment with 81 % market share is the leader of the Indian Automobile market owing to a growing middle class and a young population. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector. The overall Passenger Vehicle (PV) segment has 13% market share.

India is also a prominent auto exporter and has strong export growth expectations for the near future. In April-March 2017, overall automobile exports grew by 1.91%. In addition, several initiatives by the Government of India and the major automobile players in the Indian market are expected to make India a leader in the Two Wheeler (2W) and Four Wheeler (4W) market in the world by 2020.

Indian Automobile Industry (Performance during FY 2016-17)

Production

The industry produced a total 25,316,044 vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in April-March 2017 as against 24,016,599 in April-March 2016, registering a growth of 5.41 percent over the same period last year.

Domestic Sales

The sales of Passenger Vehicles grew by 9.23% in April-March 2017 over the same period last year. Within the Passenger Vehicles, Passenger Cars, Utility Vehicles and Vans grew by 3.85%, 29.91% and 2.37% respectively during April-March 2017 over the same period last year.

The overall Commercial Vehicles segment registered a growth of 4.16% in April-March 2017 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) grew by 0.04% and Light Commercial Vehicles grew by 7.41% during April-March 2017 over the same period last year.

Three Wheelers sales declined by 4.93% in April-March 2017 over the same period last year. Passenger Carrier sales declined by 8.83% and Goods Carrier sales grew by 12.75% in April-March 2017 over April-March 2016.

Two Wheelers sales registered a growth at 6.89% during April-March 2017 over April-March 2016. Within the Two Wheelers segment, Scooters, Motorcycles and Mopeds grew by 11.39%, 3.68% and 23.02% respectively in April-March 2017 over April-March 2016.

Exports

In April-March 2017, overall automobile exports declined by 4.50%. While Passenger Vehicles and Commercial Vehicles exports registered a growth of 16.20% and 4.99% respectively, exports of Three Wheelers and Two Wheelers declined by 32.77% and 5.78% respectively in April-March 2017 over April-March 2016.

Your Company's prime customer's performance

Tata Motors Limited (TML): Commercial vehicle segments of TML witnessed muted demand due to weak replacement demand, subdued freight demand from industrial segment, which took further hit post demonetization, and lower than

expected buying ahead of the implementation of BS IV. M&HCV segment witnessed a fall of 2.2% Y-o-Y and LCV segment witnessed a fall of 6.1% Y-o-Y. Passenger vehicles segment grew by 44.3% Y-o-Y with Car segment growth of 42.8% Y-o-Y and UVs (including Vans) segment growth of 51.7% Y-o-Y, on the back of continued strong response to the Tiago and the launch of Tata Hexa and Tata Tigor. Exports de-grew by 8.7% Y-o-Y.

The Cumulative sales (including exports) of Tata Motors Ltd. for Financial Year 2016-17 were 542,323 nos. (All vehicles), higher by 5.98% over 511,712 vehicles, sold last year. Contribution to the sales by commercial vehicles i.e. LCV is 38.69% and M&HCV is 32.31%.

Auto Ancillary Industry:

The Indian auto-components industry can be broadly classified into the organised and unorganised sectors. The organised sector caters to the Original Equipment Manufacturers (OEMs) and consists of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category and Tier One, Tier Two and Tier Three auto components supplier to some extent. The Indian auto-components industry has experienced healthy growth over the last few years. Some of the factors attributable to this include a buoyant end-user market, improved consumer sentiment and adequate liquidity in the financial system.

OPPORTUNITIES & STRENGTHS

India's automotive industry is one of the most competitive in the world. Although automotive Sector is reaching towards accounting for 40% of Indian manufacturing still India remains one of the most under-penetrated markets for Automobile, with passenger vehicle ownership of less than 15 per 1000 people. Therefore there is huge latent demand for mobility and there are millions of Indians aspiring to own their first car, or motorcycle.

By 2026, India is expected to be the third largest automotive market by volume in the world. The emergence of large automotive clusters in the country: Delhi-Gurgaon-Faridabad in the north, Mumbai-Pune-Nashik-Aurangabad in the west, Chennai- Bengaluru-Hosur in the south and Jamshedpur-Kolkata in the east gives multiple location choice to the national as well as multinational OEMs to set up their project.

Major Developments and Investments in India

A stable government framework, increased purchasing power, large domestic market and an ever increasing development in infrastructure have made India a favourable destination for investment.

The initiatives taken by Government of India such as highway development, progressive regulations and tax reforms including proposed implementation of GST are ensuring the growth for Automobile sector.

- Government of India aims to make automobiles manufacturing the main driver of 'Make in India' initiative, as it expects passenger vehicles market's growth to triple to 9.4 million units by 2026, as highlighted in the Auto Mission Plan (AMP) 2016-26.
- A strong support from the government in the setting up National Automotive Testing and R & D Infrastructure Project (NATRiP), the largest and one of the most significant initiatives in Automotive sector so far, represents a unique joining of hands between the Government of India, a number of State Governments and Indian Automotive Industry to create a state of the art Testing, Validation and R&D infrastructure in the country. The Project aims at creating core global competencies in Automotive sector in India and facilitate seamless integration of Indian Automotive industry with the world as also to position the country prominently on the global automotive map.
- In the Union budget of 2015-16, the Government has announced plans to provide credit of ₹ 850,000 crore (US$127.5 billion) to farmers, which is expected to boost sales in the tractors segment.
- The Government of India plans to introduce a new Green Urban Transport Scheme with a central assistance of about ₹ 25,000 crore (US$ 3.75 billion), aimed at boosting the growth of urban transport along with low carbon path for substantial reduction in pollution, and providing a framework for funding urban mobility projects at National, State and City level with minimum recourse to budgetary support by encouraging innovative financing of projects.
- The deregulation of FDI in this sector has also helped foreign companies to make large investments in India.
- The Government plans to promote eco-friendly cars in the country i.e. CNG based vehicle, hybrid vehicle, and electric vehicle and also made mandatory of 5 per cent ethanol blending in petrol.
- The government has formulated a Scheme for Faster Adoption and Manufacturing of Electric and Hybrid Vehicles in India, under the National Electric Mobility Mission 2020 to encourage the progressive induction of reliable, affordable and efficient electric and hybrid vehicles in the country.

Investments in India: Global car majors have been ramping up investments in India to cater to growing domestic demand. These manufacturers plan to leverage India's competitive advantage to set up export-oriented production hubs.

During the year under review, Automobile sector received USD 1453 Millions in FDI Equity inflows. In order to keep up with the growing demand, several auto makers have started investing heavily or in the investing process in various segments of the industry. Few of them are as under:

- Electric car maker Tesla Inc. is likely to introduce its products in India sometime in the mid of 2017.
- South Korea's Kia Motors Corp is close to finalising a site for its first factory in India, slated to attract US$1 billion (₹ 6,500 crore) of investment. It is deciding between Andhra Pradesh and Maharashtra. The target for operationalising the factory is the end of 2018 or early 2019.
- Several automobile manufacturers, from global majors such as Audi to Indian companies such as Maruti Suzuki and Mahindra & Mahindra are exploring the possibilities of introducing driverless self-driven cars for India.
- BMW plans to manufacture a local version of below-500 CC motorcycle, the G310R, in TVS Motor's Hosur plant in Tamil Nadu, for Indian markets.
- China's biggest automobile manufacturer, SAIC Motor, plans to invest US$ 1 billion in India by 2018 and is exploring possibilities to set up manufacturing unit in one of three states – Maharashtra, Andhra Pradesh and Tamil Nadu.
- Suzuki Motorcycle has started exports of made-in-India flagship bike Gixxer to its home country of Japan, which will be in addition to current exports to countries in Latin America and surrounding countries.

- FIAT Chrysler Automobiles has recently invested US$280 million in its Ranjangaon plant to locally manufacture Jeep Compass, its new compact SUV which will be launched in India in August 2017.

References: Media Reports, Press Releases, Department of Heavy Industries, Department of Industrial Policy and Promotion (DIPP), Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM), Economic Survey & Union Budget 2016-17, Indian Brand Equity Foundation (IEBF) etc.

THREATS

Impact of Government policy and regulatory changes

The Country recently seen that the Hon'ble Supreme Court imposed a total ban on sale of vehicles under all segments having engines not compliant to BS IV Emission standards. The ban on sale of BS III vehicles and demonetization shocked the automobile sector. Several automobile companies are now loaded with big inventory due to the above; which in turn resulted into low sale especially in rural area given the higher cash transactions in rural areas than urban areas and consequently low production. The change in government policies, taxes and regulatory restriction etc. may have some impact on sales figures for certain time span.

Impact of foreign markets

Economic growth of foreign markets also influences the Indian economy and automobile market, a slower than expected global economic recovery or a significant financial disruption could have a material adverse effect on the Company's business and its operations. Any fluctuation/ change in the Foreign policies is a threat which cannot be ignored.

Threats from Competitors

The presence of multinational players in the Automobile sectors lead to extensive competition. Our competitors include automotive component manufacturing companies, sheet metal suppliers and other medium sized units and they might be able to adversely affect our growth and financial results depending on their geographical presence, strong financials, longer operating histories etc.

Increase in input prices and other factors

The Company also faces threat of not being able to cope with the changes in the prices of raw materials, exchange fluctuation, growth in other manufacturing, service and agricultural sector etc.

Fall in the performance of any of its Subsidiary/ Joint venture Companies may have an impact on the Company's operations

The Company has made substantial investments in its subsidiary companies/associates. Any deterioration in the performance of such subsidiary companies/associates may have an impact on the Company's financial performance.

Notwithstanding various challenges, the industry's long-term prospects remain bright and threats can be mitigated to certain extent by adopting latest technology, well financial planning, upgrading to cope with the expected change in policies, contributing in electric and hybrid vehicles market and its manufacturing eco-system.

OUTLOOK AND STRATEGY

In most of advanced economies, the pace of activity is expected to accelerate on account of continued demand support and well-targeted structural reforms to lift supply potential in most of the countries and leading further by broaden economic opportunities across the globe. India's economy has grown at a strong pace in recent years owing to the implementation of critical structural reforms, favorable terms of trade, and trust on stable Government.

The rapidly globalising world is opening up newer avenues for the transportation industry, Indian auto-component makers are well positioned to benefit from the globalisation of the sector as exports potential could be increased by up to four times to US$ 40 billion by 2020.

The Indian Automotive Industry has made great strides over the past two decades, sufficient to be noticed at a global level to be counted as major auto manufacturing hub. In terms of global rankings in manufacturing output, it is presently second largest in two wheelers, eighth largest in commercial vehicles, sixth largest in passenger cars and largest in tractors. With an annual production of 25.31 million vehicles of which 3.47 million were exported in FY 2016-17. Indian Auto market has the potential to dominate the Global auto industry, provided, a conducive environment is created for potential innovators to come up with new pilot projects.

Prospect of the auto components industry for 2017-18 looks better as increased vehicle demand would convert into increased revenue for the components industry.

Automotive Mission Plan: 2016-26 is collective mission of Government of India and the Indian Automotive Industry on where the Vehicles, Auto-Components and tractor industries should reach over the next ten years in terms of size, contribution to India's development, global footprint, technology, competitiveness, institutional structure and capabilities. It further envisages that the government and the Indian Automotive industry will work together to address all the key issues to take India to its rightful position in the global auto industry's sweepstakes. AMP 2026 will help Indian Automotive industry to focus on its strengths and improve its competitiveness in select segments and establish its 'Right to Win' on the global stage. By 2026, India could stand first in the world in production/sale of small cars, two-wheelers, tractors and buses, third in passenger vehicles and heavy trucks, all adding up to 12 % contribution to National GDP.

Ramp up of Capacity Utilisations

The Company is targeting optimum utilization of its installed capacity since the domestic market has recovered and export demand continues to trend upwards. Parallely your company is working meticulously to diversify its business and exploring possibilities to enter into joint venture to capture the global market in auto as well non-auto sector.

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), Crash Worthiness, NVH, CFD, etc., Tooling (Computer Aided Manufacturing) and finally Mass Manufacturing. The above accomplishment out-turn your Company's ability to manufacture and supply approx. 250 parts to a single customer.

Fund Raising/Cost Saving

In the recent past negative cash flow has led to lack of availability of liquid funds. As such, for the purposes of expansion and diversification customer wise as well as product wise, operational repayment of term loans and overall improvements, low cost funds need to be infused in the Company. Your Company's efforts fructify in the year of 2016-17 wherein your company has raised ₹ 16.80 Crores

by way of allotment of equity shares on preferential basis to promoters and investors including foreign investors. Now, your Company is exploring possibilities to raise debt as well as equity funds in organic and inorganic manner for working capital requirements, expansion, diversification, loan repayments and other general corporate purposes.

The Cost saving initiatives are being taken on regular basis and the Company has been able to achieve satisfactory cost savings with the task of supplier rationalization, inventory management, system improvement, revising credit periods etc. In the year under review, the Company has focused more on overall cost reduction and value creation. The company has availed services of external agency for reduction in manufacturing costs. This has proved to be a good solution on cost reduction and thereby increasing revenue. Redundant, unnecessary expenditures were discovered and eliminated.

RISK AND CONCERNS

Raw Material Prices: Availability of raw materials at reasonable price is challenge for Auto ancillary industry and higher rate of custom duty lead to increase the domestic price of raw materials. This makes the inputs expensive for the domestic component manufacturers. For your Company, increase in the price of raw materials especially steel are passed through so there is a limited impact on the profitability.

Disruption of Global Trade, Capital Flows: Disruption of demand/ trade and capital flow in the advance economies and emerging countries will impact on the performance of other economies in the highly interconnected international trade and financial system. A failure to complete the global reform agenda and allowing regulatory fragmentation across borders would also hurt countries in particular emerging market economies. Direct risk to your Company is very miniscule since your company has very low overseas exposure financial as well as trade.

Liquidity crunch: Auto Ancillary Industry requires high amount of capital and for which a proper cash flow is required to be maintained in order to perform the operations efficiently and effectively. Negative growth, increased cost of borrowed funds, declined sales, volatile markets, increased fuel and oil prices have resulted into a severe liquidity crunch in the auto ancillary and automotive industry in past and this risk cannot be avoided in future.

Technological Changes: New technology is arriving every day. To be successful, one has to be updated and well versed with the latest manufacturing technologies. The changing technologies have led to a shortening of the life cycle of new vehicles. The government is entrusting for faster adoption and manufacturing of Electric and Hybrid vehicles in India. The Company has to install automated machines and robots to cope with demand, new advent electric and hybrid vehicles and also to compete. The Company continues to invest in new technologies and capacities to address such risks.

The performance of the Company is completely dependent on the performance of its few key customers/OEMs and decline in demand of final products of the company's customer will definitely adversely affect the company's performance financially and operationally.

In addition of above there are possibilities to intensify risks by change in economic and monetary policies of government adversely affecting business sentiments of the company, risks associated with human resource, Force Majeure, occurrence of unforeseen events, growing used car market may create obstacle to the rapid growth of Automotive Industry and any other business risks.

Risk Management: Strategic, operating and financial business risks are reviewed by the Board and its committees on a regular basis. In addition to the above risks, the committee monitors any potential new risks that may arise due to changes in the external environment. While the possibility of a negative impact due to one or more of such risks cannot be totally avoided, the Company proactively takes reasonable steps to pre-empt and mitigate these.

SEGMENT – WISE PERFORMANCE

At present your Company operates mainly in single segment i.e. manufacturing of auto parts such as pressed sheet metal, auto components and assemblies which is used in the manufacturing of 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 utilization of resources, 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 statutory 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. Your Company is working towards replacement of existing ERP with SAP thereby your Company will be in a better position to increase the operational efficiency and cost effectiveness of overall operational controls. SAP based new ERP system will provide various benefits such as material traceability and reporting as per customer expectation, costing and account based profitability analysis, enhanced reporting and analytics and better, real-time decision making etc., the Company might start using SAP based new ERP system in the financial year 2018-19.

Your Company had appointed M/s. Ketan H. Shah & Associates, Pune, Chartered Accountants as Internal Auditors during financial year 2016-17. The Audit Committee reviews internal audit reports and the adequacy of internal controls from time to time.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your Company's performance in the last financial year is a reflection of the challenges faced by the automotive industry in India and in certain other regions internationally. In FY 2016-17, the consolidated revenue of the Company was ₹ 3,552.86 million, an increase of 14.20% over the previous year (₹ 3,111.16 million). Increase was mainly due to the reason that your Management remained focused on cost optimisation and value enhancement during this period.

Consolidated EBIDTA for the year decreased by 49.52 % to ₹ 38.51 million from ₹ 76.30 million in previous year. Decline is mainly due to negative contribution from non-operating items and shortage of working capital.

Consolidated loss after tax for Financial Year 2016-17 is ₹ 703.98 million.

₹ in million except EPS data

PARTICULARS	Consolidated Financials	
	2016-17	2015-16
Income from Operations (Net)	3552.86	3111.16
Other Income	6.58	89.86
Employee Benefit Cost	352.77	336.81
Profit Before Interest, Depreciation & Taxes (EBIDTA)	38.51	76.30
Finance Costs	328.63	274.44
Depreciation	234.97	245.36
Profit Before Tax but before Exceptional Items	(525.09)	(443.50)
Exceptional Items	(194.18)	70.59
Extra Ordinary Items	(110.33)	(16.11)
Tax expense	(125.62)	1.30
Profit After Tax but before deducting minority interest	(703.98)	(390.33)
Profit/(Loss) for the year	(697.49)	(388.46)
Earnings per share (₹) – Basic	(49.25)	(31.00)
Earnings Per Share (₹) – Diluted	(49.25)	(31.02)

Capital expenditure:

During the year under review, your Company has invested ₹ 50.43 million towards capital expenditure mainly in plant and machinery and other miscellaneous fixed assets. The capital infusion will continue in a planned manner to further improve, enhance, automate and modernize plants and designing & development activities in the current year 2017-18.

HUMAN RESOURCES

Your Company had a total strength of 1185 employees as on March 31, 2017. During the year under review your Company has taken various steps for the betterment of the employees and cohesive working atmosphere in the Company. Your Company believes in people and acknowledges its employees as most valuable asset and therefore human resource management is an ongoing activity in the Company which work for providing tools and methods to the Company for moving forward.

Human resources are an organization's biggest asset. The Company aims to retain its talent pool from separation with the Company and for the same the Company introduced employee retention programme. A policy for Streamlining and realigning of grades across all levels of the organization, Policy on Death Benevolent Fund, Rewards and Recognition Policy have also been implemented. The Company also sponsors/organizes programme and activities for betterment of its employees such as Annual Health Check-up, Sports events etc. in addition of already started self-funded Mediclaim known as 'Autoline Employees Health Benefit Scheme'.

The Company is having a well-equipped human resource department and a team of able and experienced professionals. New recruitments at various levels are being made to adequately manage various segments/functions of growing operations of the company. The company provides training to its employees on a continuous basis for skill building, management skills, innovation, creativity and developing quality manpower.

A cordial Industrial Relations environment prevailed in all the manufacturing units of the Company during the year under the review.

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company believes that, Good Corporate Governance is a key driver of sustainable corporate growth and creating long term value for stakeholders. Corporate Governance is a system which ensures that every transaction and process in the business is transparent, ethical and adheres to letter and spirit of the law. Your Company is fully committed to adopt the best practices in Corporate Governance and Disclosures. It is our constant endeavor to adhere to best management practices and highest standards of integrity to safeguard the interest of stakeholders.

The detailed report on complying with obligations of listed entity as per the requirement of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out as under.

2. BOARD OF DIRECTORS:

a. Composition of the Board of Directors:

Your Company's Board composition is in compliance with the requirements of Section 149 of the Companies Act, 2013 and the rules made thereunder along with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Your Company's Board comprises of **Seven** Directors having an optimum combination of executive and non-executive directors with one woman director and more than fifty per cent of the board of directors comprise of non-executive directors. Mr. Prakash Nimbalkar, Independent Director chairs the Board of the Company. The Board of Directors is composed of **three** Executive Directors viz. Mr. Shivaji Akhade (DIN: 00006755), Managing Director, Mr. Umesh Chavan (DIN: 06908966), Executive Director and CEO, Mr. Sudhir Mungase (DIN: 00006754), Whole-time Director and **three** Independent Directors namely CA Vijay Thanawala (DIN: 00001974), Mr. Prakash Nimbalkar (DIN: 00109947) and Dr. Jayashree Fadnavis (DIN: 01690087) and **one** Non-Executive Director, Mr. Amit Goela (DIN: 01754804).

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 Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), across all the listed Companies in which they are Directors. Number of directorships of Independent Directors are within the limit of Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The necessary disclosures regarding Committee positions and directorships have been made by the Directors. The tenure of Independent Directors are in accordance with the Companies Act, 2013 and rules made thereunder in this regard from time to time.

b. Attendance of each director at the meeting of the board of directors during FY 2016-17 and the last Annual General Meeting:

Name of the Directors	No. of Board Meetings attended	Attendance at the last AGM
Mr. Prakash Nimbalkar	5	Yes
Mr. Shivaji Akhade	5	Yes
Mr. Sudhir Mungase	4	Yes
Mr. Umesh Chavan	5	Yes
Mr. Amit Goela	1	No
CA Vijay Thanawala	5	Yes
Dr. Jayashree Fadnavis	5	Yes

c. Number of other board of directors or committees in which a director is a member or chairperson as on March 31, 2017 are as follows:

Name of the Director	No. of Directorships held *	No. of committee Memberships held**	No. of committee Chairmanship held**
Mr. Prakash Nimbalkar	1	3	1
Mr. Shivaji Akhade	2	2	NIL
Mr. Sudhir Mungase	2	1	NIL
Mr. Umesh Chavan	1	NIL	NIL
Mr. Amit Goela	2	NIL	NIL
CA Vijay Thanawala	1	2	1
Dr. Jayashree Fadnavis	0	1	NIL

*This number excludes the directorships / committee memberships held in Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

**In accordance with Regulation 26 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships and Chairmanships of only Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies have been considered.

d. Number of meetings of the board of directors held and dates on which held:

During the financial year 2016-17, **Five (5)** Board meetings were held, on May 28, 2016, August 12, 2016, September 28, 2016, November 12, 2016 and February 11, 2017. The maximum time gap between any two sequential meetings was not more than 120 days.

During the year a separate meeting of Independent directors was held on February 11, 2017 for reviewing and assessing the matters specified as per Regulation 25 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The Board of Directors periodically reviewed compliance reports pertaining to all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances. The board of directors were satisfied that plans are in place for orderly succession for appointment to the board of directors and senior management.

During the year under preview, the information specified in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the board of directors.

In advance of each meeting, all relevant information of various matters relating to the working of the Company, especially those that requires deliberations at the highest level is presented before the Board. Directors have separate and full 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 relevant information is regularly made available to the Board.

To enable the Board, to discharge its responsibilities effectively, the members of the Board are given brief update at every Board meeting on the overall performance of the Company. The Draft minutes of each Board meeting were circulated to all the directors within 15 days from the date of conclusion of meeting for their comments.

e. **Disclosure of relationships between the directors inter-se**:

There is no inter se relationship between the Directors except that Mr. Sudhir Mungase (DIN: 00006754), Whole-time Director of the Company is brother-in-law of Mr. Shivaji Akhade (DIN: 00006755), Managing Director of the Company.

f. **Number of shares and Convertible instruments held by Non-executive Directors as on March 31, 2017:**

Name of the Director	DIN	No. of Shares	Convertible Instruments*
Mr. Prakash Nimbalkar	00109947	6700	0
Mr. Amit Goela	01754804	125000	0
CA Vijay Thanawala	00001974	2525	0
Dr. Jayashree Fadnavis	01690087	0	0

*The Company has not issued any Convertible Instruments.

h. **Web link for details of familiarisation programmes imparted to independent directors is disclosed:**

The company has arranged familiarisation programmes for the independent director, details of which are available on the website of the company, the link for the same is http://www.autolineind.com/code-of-conduct-policies.

3. AUDIT COMMITTEE:

a. **Brief Description of terms of reference:**

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, transparency, integrity and quality of financial reporting.

The terms of reference of the Audit Committee are wide enough to cover the matters specified for Audit Committee under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013 which inter-alia includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b) Changes, if any, in accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by management
   d) Significant adjustments made in the financial statements arising out of audit findings
   e) Compliance with listing and other legal requirements relating to financial statements
   f) Disclosure of any related party transactions
   g) Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the

department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

b. **Composition, Name of Members and Chairperson**:

The Audit committee has been reconstituted on May 24, 2014. The present Audit Committee comprises of three members, two are non-executive independent directors and one is executive director. The composition of which is as under:

i. CA. Vijay Thanawala (Non-Executive Independent Director)

ii. Mr. Prakash Nimbalkar (Non-Executive Independent Director)

iii. Mr. Shivaji Akhade (Managing Director)

CA Vijay 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 Thanawala and Mr. Prakash Nimbalkar have accounting or related financial management expertise. CS Ashish Gupta, Company Secretary of the Company is acting as Secretary to the Committee.

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

c. **Meetings and attendance during the year:**

During the year under review, **Five (5)** Audit Committee meetings were held, on May 27, 2016, August 11, 2016, September 24, 2016, November 11, 2016 and February 10, 2017.

Attendance at the Audit Committee meetings in the Financial Year 2016-17:

Name of the Director	No. of meetings held	No. of meetings attended
CA. Vijay Thanawala	5	5
Mr. Prakash Nimbalkar	5	5
Mr. Shivaji Akhade	5	5

4. NOMINATION AND REMUNERATION COMMITTEE:

a. **Brief description of terms of reference:**

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. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

b. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

c. Formulation of criteria for evaluation of Independent Directors and the Board.

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

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

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

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

h. Devising a policy on Board diversity.

i. 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.

j. To perform such other functions as may be necessary.

b. Composition, Name of Members and Chairperson:

The Nomination and Remuneration Committee (previously Remuneration Committee) has been reconstituted and renamed in accordance with the Section 178 of the Companies Act, 2013 w.e.f. April 1, 2014.

The composition of Nomination & Remuneration Committee is as under

i. CA. Vijay Thanawala (Non-Executive Independent Director)

ii. Mr. Prakash Nimbalkar (Non-Executive Independent Director)

iii. Mr. Amit Goela (Non- Executive Director)

CA Vijay Thanawala has been appointed as the Chairman of the Committee w.e.f. May 24, 2014. CS Ashish Gupta, Company Secretary of the Company, is acting as Secretary to the Committee. The Committee's composition meets with the requirements of the Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

c. Meeting and attendance during the year:

The Nomination and Remuneration Committee met **Two (2)** times during the year on May 28, 2016 and November 12, 2016.

Attendance at the Nomination & Remuneration Committee meetings for Financial Year 2016-17 is as under below:

Name of the Director	No. of meetings held	No. of meetings attended
CA. Vijay Thanawala	2	2
Mr. Prakash Nimbalkar	2	2
Mr. Amit Goela	2	1

b. **Performance evaluation criteria for independent directors (ID):** Performance evaluation of Independent Directors was done by entire Board of Directors. The director who was subject to evaluation had not participated in the evaluation process. Performance evaluation criteria for independent director are as follows:

A. **Evaluation based on professional conduct**

1. Whether the Independent Directors upholds ethical standards of integrity and probity?
2. Whether ID acts objectively and constructively while exercising their duties?
3. Whether ID exercises his/her responsibilities in a bona fide manner in the interest of the Company?
4. Whether ID devotes sufficient time and attention to his/her professional obligations for informed and balanced decision making?
5. Whether ID not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making?
6. Whether ID does not abuse his/her positions to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person?
7. Whether ID refrains from any action that would lead to loss of his/her independence?
8. Where circumstances arise which make an independent director lose his/her independence, whether the independent director has immediately informed the Board accordingly?
9. Whether ID assists the Company in implementing the best corporate governance practices?

B. **Evaluation based on Role and functions:**

1. Whether ID helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct?
2. Whether ID brings an objective view in the evaluation of the performance of Board and management?
3. Whether ID scrutinizes the performance of management in meeting agreed goals and objectives and monitor the reporting of performance?
4. Whether ID satisfies himself/herself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible?
5. Whether ID has taken actions to safeguard the interests of all stakeholders, particularly the minority shareholders?
6. Whether IDs balances the conflicting interest of the stakeholders?
7. Whether ID during the Board/ Committee meetings along with other members determines appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management?
8. Whether ID moderates and arbitrates in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest?

C. **Evaluation based on Duties:**

1. Whether ID undertakes appropriate induction and regularly update and refresh his/her skills, knowledge and familiarity with the Company?
2. Whether ID seeks appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts?
3. Whether IDs strive to attend all meetings of the Board of Directors and of the Committees of which he/she is a member?
4. Whether ID participates constructively and actively in the Committees of the Board in which he/she is chairperson or member?
5. Whether ID strives to attend the general meetings of the Company?
6. Where ID has concerns about the running of the Company or a proposed action, whether he/she ensures that these are addressed by the Board and to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting?
7. Whether ID does not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board?
8. Whether ID gives sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure himself/herself that the same are in the interest of the Company?
9. Whether ID ascertains and ensures that the Company has an adequate and functional vigil mechanism and also ensures that the interests of a person who uses such mechanism are not prejudicially affected on account of such use?
10. Whether ID reports concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct?
11. Whether ID acts within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees?
12. Whether ID does not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law?

5. Remuneration of Directors

a. All Pecuniary relationship or transaction of the Non-Executive directors vis-à-vis the Company:

During the year under review, none of the Non-Executive Directors of the Company had any pecuniary relationships and/or transactions with the Company except the shareholding as mentioned at point 2(f) of this Corporate Governance report.

b. Criteria of making payments to non-executive directors:

Non - Executive Directors of your Company receive sitting fees for attending the meetings of the Board and its committees. The sitting fees has been revised in the Board Meeting held on May 28, 2016. They receive sitting fees of ₹ 30,000/- for each meeting of the Board and Executive Committee, ₹ 25,000/- for each meeting of Audit Committee and ₹ 15,000/- for each meeting of Nomination & Remuneration Committee, Stakeholders Relationship Committee and Compensation Committee thereof attended by them. Apart from sitting fees non-executive directors do not receive any remuneration from the Company.

c. Disclosures with respect to remuneration:

The details of remuneration paid to Directors of the Company during the financial year 2016-17 are given below:

(₹ in millions)

	Particulars	Mr. Shivaji Akhade	Mr. Sudhir Mungase	Mr. Umesh Chavan
i)	**Gross Salary**	6.00	2.40	6.00
	(a) Salary	6.00	2.40	6.00
	(b) Bonus	0	0	0
	(c) Stock Options	0	0	0
	(d) Pension	0	0	0
ii)	Performance Linked incentives	0	0	0
	Total	**6.00**	**2.40**	**6.00**
iii)	Service Contracts	5 Years w.e.f. October 1, 2016	5 Years w.e.f. October 1, 2016	5 Years w.e.f. June 25, 2014
	Notice Period	6 months	6 months	6 months
	Severance Fees	Nil	Nil	Nil
iv)	Stock option details	Nil	Nil	Nil

*Non-Executive directors did not receive any remuneration other than sitting fees which has disclosed in Annexure-B of Directors Report forming part of this Annual Report

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Brief description of terms of reference:

The committee specifically looks into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders. In addition, the Committee also looks into matters that can facilitate better investor services and relations.

The terms of reference of Stakeholders' Relationship Committee are wide enough to cover the matters specified for Committee under the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and inter alia includes:

1. To oversee and review all matters connected with the transfer of the Company's securities
2. To approve issue of the Company's duplicate share/ debenture certificates.
3. 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.
4. To provide guidance and make recommendations to improve service levels for the investors.
5. To perform such other functions as may be necessary.

b. **Composition, Name of Members and Chairperson:**

The Company constituted a Stakeholders Relationship Committee in its Board Meeting held on May 24, 2014 in accordance with section 178 of the Companies Act, 2013.

The Composition of Stakeholders Relationship Committee is as under:

i. Mr. Prakash Nimbalkar (Non-Executive Independent Director)

ii. CA Vijay Thanawala (Non-Executive Independent Director)

iii. Mr. Shivaji Akhade (Managing Director)

iv. Dr. Jayashree Fadnavis (Non-Executive Independent Director)

Mr. Prakash Nimbalkar is the Chairman of the Committee. CS Ashish Gupta, Company Secretary of the Company, is acting as Secretary to the Committee.

During the year under review, the Stakeholders' Relationship Committee met **Four (4)** times on May 28, 2016, August 12, 2016, November 12, 2016 and February 11, 2017.

Attendance at the Stakeholders' Relationship Committee meeting during the Financial Year 2016-17:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash Nimbalkar	4	4
CA Vijay Thanawala	4	4
Mr. Shivaji Akhade	4	4
Dr. Jayashree Fadnavis	4	4

c. **Name and Designation of the Compliance Officer:**

Compliance Officer of the Company is CS Ashish Gupta, Company Secretary of the Company.

d. **Number of shareholders' complaints received, number of complaints not solved to the satisfaction of Shareholders and number of pending complaints in F.Y. 2016-17 are as below:**

Complaints received	Nil
Complaints not solved to the satisfaction of Shareholders	Nil
Pending complaints	Nil
Total	**Nil**

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee comprises three members out of whom one is Non-Executive Independent Director viz., Mr. Prakash

Nimbalkar (Chairman), Mr. Shivaji Akhade, Managing Director (Member) & Mr. Umesh Chavan, Executive Director (Member).

The Committee's constitution meets with the requirements of Section 135 of the Companies Act, 2013 during the financial year 2016-17.

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.

Since there were no profits during previous three financial years the company did not incur expenditure on CSR activities, no meetings of the CSR Committee were held during the financial year 2016-17.

8. 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 Nimbalkar, Mr. Shivaji Akhade, Mr. Sudhir Mungase and Mr. Umesh Chavan. Mr. Prakash Nimbalkar is the Chairman of the Executive Committee.

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

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

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

c) To grant loans or give guarantee or provide security in respect of loans up to ₹ 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 it 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 **Nine (9)** times on May 3, 2016, May 26, 2016, June 24, 2016, July 7, 2016, September 19, 2016, October 12, 2016, October 26, 2016, November 2, 2016 and January 19, 2017.

Attendance at the Executive Committee meeting:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash Nimbalkar	9	8
Mr. Shivaji Akhade	9	9
Mr. Sudhir Mungase	9	8
Mr. Umesh Chavan	9	9

9. 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. Shivaji Akhade. Mr. Prakash Nimbalkar is the Chairman of the Committee.

No meetings of the Compensation Committee were held during the financial year 2016-17.

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 160000 options to 171 employees and 15000 options to 5 Non-Executive and Independent Directors on November 12, 2010. During the year under review 2 employees holding 1446 options resigned. Cumulative number of options which have lapsed due to separations is 30745. These options are available for re-issue. Disclosure as required by SEBI guidelines on ESOS is annexed to the Directors' report.

10. Risk Management Committee

As per Clause 49 of erstwhile Listing agreement the Company constituted Risk Management Committee on February 3, 2015. The Committee is responsible to lay down procedures to inform Board members about risk assessment and mitigation procedures. The Committee consists of six members out of which four are directors viz. Mr. Prakash Nimbalkar, Mr. Shivaji Akhade, Mr. Umesh Chavan, Mr. Sudhir Mungase and two are senior executives' viz. Mr. Digambar Pargaonkar and CA R. T. Goel. Mr. Prakash Nimbalkar is the Chairman of the Committee.

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

11. GENERAL BODY MEETINGS

a. Details of Location, time, venue and special resolutions passed in the last three Annual General Meetings (AGMs) and Extra-ordinary General Meetings (EGMs) held in FY 2016-17 are given as under:

Financial Year, Day & date	Time	Venue	No. of Special Resolution(s) passed
2016-17 EGM, Wednesday, November 2, 2016	2:30 p.m.	S. Nos. 291 to 295 Nanekarwadi, Chakan, Tal. Khed, Dist. Pune-410501	1. To offer, issue and allot equity shares on preferential basis.
2015-16 20th AGM, Tuesday, September 24, 2016	2:30 p.m.	S. Nos. 291 to 295 Nanekarwadi, Chakan, Tal. Khed, Dist. Pune-410501	1. To re-appoint Mr. Shivaji Akhade (DIN: 00006755) as a Managing Director of the Company. 2. To re-appoint Mr. Sudhir Mungase (DIN: 00006754) as a whole-time Director of the Company.
2014-15 19th AGM, Tuesday, September 29, 2015	2:30 p.m.	S. Nos. 291 to 295 Nanekarwadi, Chakan, Tal. Khed, Dist. Pune-410501	1. To approve the remuneration of Mr. Sudhir Mungase (DIN: 00006754), Whole-time Director of the Company. 2. To approve the remuneration of Mr. Shivaji Akhade (DIN: 00006755), Managing Director of the Company.
2013-14 18th AGM, Thursday, July 31, 2014	2:30 p.m.	S. Nos. 291 to 295 Nanekarwadi, Chakan, Tal. Khed, Dist. Pune-410501	1. To appoint Mr. Prakash B. Nimbalkar (DIN: 00109947) as an Independent Director. 2. To appoint CA Vijay K. Thanawala (DIN: 00001974) as an Independent Director. 3. To appoint Mr. Umesh N. Chavan (DIN: 06908966), Director and Chief Executive Officer as an Executive Director and Chief Executive Officer. 4. To authorize the Board of Directors pursuant to provisions of Section 180(1)(c) of the Act for borrowing money including deposits up to ₹ 500 Crores over and above the aggregate of paid up share capital and free reserves of the Company

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

b. **Special Resolutions passed through Postal Ballot:**

During the year 2016-17, the Company did not pass any special resolution through postal ballot.

c. **Special Resolution proposed to be conducted through postal Ballot:**

At present there are no Special Resolutions proposed to be conducted through postal ballot.

12. MEANS OF COMMUNICATION:

Financial results: The Company normally publishes its quarterly and/or yearly financial results in the leading national newspaper namely The Financial Express and Indian Express. In addition the same are published in local language (Marathi) newspapers namely Daily Loksatta.

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. Business updates and official news releases are also available on the website of the company.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statements (Standalone and Consolidated), Director's Report including Management's Discussion and Analysis (MD&A) Report, Auditor's Report and other important information is circulated to members and others entitled thereto and is also available on 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 centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) of concerned companies and online viewing by investors of actions taken on the complaint and its current status.

13. GENERAL SHAREHOLDERS INFORMATION:

Company Registration Details:

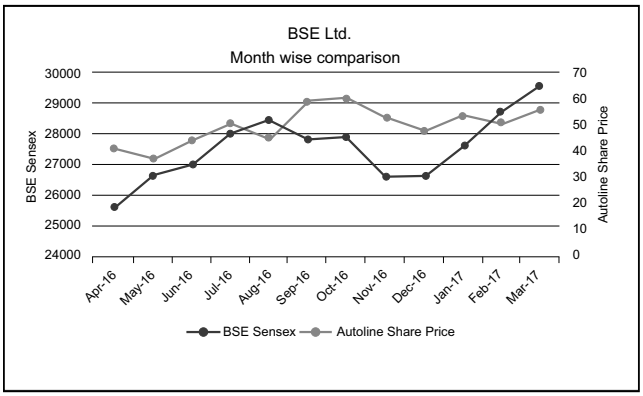
The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **L34300PN1996PLC104510.**

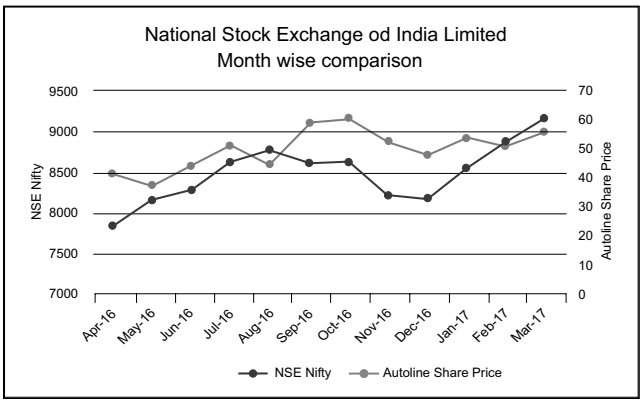
Sr. No.	Particulars	Information
1.	**Annual general meeting**	
	Day, Date and Time	Thursday, September 28, 2017 at 2:30 p.m.
	Venue	Survey Nos. 291 to 295, Nanekarwadi, Taluka -Khed, Dist.-Pune- 410 501
2.	**Financial calendar**	
	Financial year	April 1, 2017 to March 31, 2018
	Financial reporting (tentative)	
	First quarter results	Second week of September, 2017
	Quarterly / Half-yearly results	Second week of November, 2017
	Third quarter results	Second week of February, 2018
	Fourth quarter and Annual Audited results	Third week of May, 2018
3.	**Dates of book closure**	N.A.

Sr. No.	Particulars	Information
4.	**Dividend payment date**	N.A.
5.	**Listing on Stock Exchanges and confirmation about payment of annual listing fee**	BSE Limited (BSE) Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, India. Annual Listing Fees for FY 2016-17 was duly paid.
		National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400 051, India. Annual Listing Fees for FY 2016-17 was duly paid.
6.	**Stock code - Scrip code**	BSE: 532797 Trading Symbol NSE: AUTOIND
7.	**ISIN for Equity shares**	INE718H01014
8.	**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, 2016 to March 31, 2017

Month	BSE Ltd				National Stock Exchange of India Ltd			
	Autoline		Sensex		Autoline		Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr'16	45.70	34.10	26100.54	24523.20	45.55	36.05	7992.00	7516.85
May'16	44.00	37.15	26837.20	25057.93	42.95	37.45	8213.6	7678.35
June'16	50.40	38.30	27105.41	25911.33	50.10	38.30	8308.15	7927.05
July'16	57.20	44.00	28240.20	27034.14	57.30	44.15	8674.70	8287.55
Aug'16	57.40	44.40	28532.25	27627.97	57.55	44.45	8819.20	8518.15
Sept'16	66.00	44.25	29077.28	27716.78	66.05	43.80	8968.70	8555.20
Oct'16	68.45	58.00	28477.65	27488.30	68.45	57.00	8806.95	8506.15
Nov'16	62.90	44.00	28029.80	25717.93	63.10	44.30	8669.60	7916.40
Dec'16	54.80	46.50	26803.76	25753.74	54.80	45.25	8274.95	7893.80
Jan'17	63.40	47.60	27980.39	26447.06	63.50	47.10	8672.70	8133.80
Feb'17	57.40	48.60	29065.31	27590.10	57.95	47.95	8982.15	8537.50
Mar'17	62.35	49.15	29824.62	28716.21	61.90	49.75	9218.40	8860.10

Share Price (closing) Performance in comparison to (closing price of) broad based indices – BSE Sensex and NSE Nifty as on March 31, 2017.





9. 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
10. Share transfer system	The Company's physical and electronic share transfer facility are maintained by Link Intime India Pvt. Ltd. The Company submits a half yearly compliance certificate ensuring above said compliance to the exchange as per Regulation 7(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. Transfers in physical form have to be lodged with Link Intime India Pvt. Ltd. at the above mentioned address. All shares received for transfer were registered and dispatched within fifteen (15) 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 Regulation 40(9) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and files copy of the same with Stock Exchanges.

11. Distribution of shareholding as on March 31, 2017

No of equity shares held	No. of shareholders	% of shareholders	No of share held	% of shareholding
1-500	13420	86.40	1587110	9.90
501-1000	1032	6.64	846757	5.28
1001-2000	541	3.48	837740	5.23
2001-3000	172	1.11	439204	2.74
3001-4000	89	0.57	319779	1.99
4001-5000	67	0.43	315840	1.97
5001-10000	121	0.78	889346	5.55
10001 and above	91	0.59	10795278	67.34
Total	**15533**	**100.00**	**16031054**	**100.00**

12. Shareholding as on March 31, 2017

Sr. No	Category	No. of shares held	% of holding
(A)	**Promoter & Promoter Group**		
1	**Indian**		
a	Individuals	4190567	26.14
b	Bodies Corporate	1000000	6.24
2	**Foreign**	**0**	**0**
	Total shareholding of promoter and promoter group	**5190567**	**32.38**
(B)	**Public**		
(I)	**Institution**		
a	Foreign Portfolio Investor	200307	1.25
b	Foreign Institutions/ Banks	34134	0.21
	Sub Total B (I)	**234441**	**1.46**
(II)	**Non Institutions**		
a	Individual shareholders holding nominal share capital up to ₹ 2 lakhs	4778629	29.81
b	Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs	2425105	15.13
c	Foreign Nationals	11163	0.07
d	Hindu Undivided Family	422375	2.63
e	Foreign Companies	123462	0.77
f	Non Resident Indians (Non Repat)	31251	0.19
g	Non Resident Indians (Repat)	777973	4.85
h	Overseas Corporate Bodies	1000000	6.24
h	Clearing Member	306765	1.91
i	Bodies Corporate	729323	4.55
	Sub Total B (II)	**10606046**	**66.16**
	Total Public shareholding B = B (I) + B (II)	**10840487**	**67.62**
(C)	**Shares held by Custodians against which depository receipts have been issued**	**0**	**0.00**
	TOTAL = (A) + (B) + (C)	**16031054**	**100.00**

13.	**Dematerialization of shares and liquidity**	As on March 31, 2017 total shares in Demat were 15920899 i.e. 99.31 % of paid-up equity share capital of the Company.
14.	**Outstanding GDR/warrants or convertible bonds, conversion dates and likely impact on equity:**	There are no outstanding GDR/warrants or convertible bonds.
15.	**Commodity price risk or foreign exchange risk and hedging activities**	Nil.
16.	**Plant/ unit locations:**	i. S. Nos. 291 to 295, Nanekarwadi, Taluka -Khed, Dist.-Pune- 410 501 (Chakan-I unit) ii. S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka Khed, Pune - 410 501 (Chakan-II Unit). iii. S. No. 613, Mahalunge, Chakan, Taluka- Khed, Dist - Pune- 410 501 iv. F-II, 24/25 MIDC, Pimpri, Pune- 411 018. v. E-12-17 (7) & (8) , MIDC, Bhosari, Pune - 411 026 vi. Plot Nos. 5, 6, and 8 Sector 11, IIE,TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand - 263 153. vii. Plot Nos. 180-D, Belur Industrial Area Growth Centre, Industrial Area Garag, Opp. High Court, Dharwad – 580011 Karnataka. viii. Plot No. 186 A, Belur Industrial Area, Dharwad, Karnataka. ix. S. No.189/7A1, Vandalur Wallajabath Highway, Salamangalam Village, Padappai, Sriperambudur, Kanchipuram - 601301
17.	**Address for correspondence:**	Mr. Ashish Gupta Company Secretary Autoline Industries Limited Survey Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka- Khed, Dist- Pune: 410501, Tel: +91 2135- 664857; Fax: +91 2135- 664853/64 Email:ashish.gupta@autolineind.com Website: www.autolineind.com
18.	**Investor Grievance Cell**	Email: investorservices@autolineind.com

14. OTHER DISCLOSURES

a) **Disclosures on materially significant related party transactions**

The Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions. All the Related Party Transactions were approved by the Audit Committee. The Audit Committee has also granted omnibus approval for related party transactions that were repetitive in nature by following all the requirements as laid down in the Companies Act, Rules made thereunder and Clause 23 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their subsidiaries, associates /relatives which may have a potential conflict with the interest of the Company at large.

Transactions entered into by the Company with the 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, was placed before the Board regularly. The Company discloses to the Stock exchanges all material transactions with related parties quarterly along with the compliance report on corporate governance. Related party transactions are disclosed in the Notes to Accounts forming part of this Annual Report.

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 except to the observations made in the Secretarial Audit Report. No penalties or strictures have been imposed by them on the Company.

c) **Vigil Mechanism**

The Company has a well-established Vigil (Whistle Blower) Mechanism in the form of a Whistle Blower Policy for its Directors, employees and stakeholders to freely communicate their concerns about illegal and unethical practices, actual or suspected fraud or violation of the company's code of conduct or ethics policy. 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. The details of establishment of vigil mechanism is displayed on the website http://www.autolineind.com/download_file/downloads/1.

d) **Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied with all mandatory requirements and adopted non-mandatory requirements as mentioned in this Report, under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

e) **Web link where policy for determining 'material' subsidiaries disclosed:**

The same is available at http://www.autolineind.com/download_file/downloads/41.

f) **Material Non-listed Indian Subsidiary Company**

The Company is having one material Non-listed Indian Subsidiary Company viz. Autoline Industrial Parks Limited. The Company has appointed CA Vijay Thanawala, Independent Director of the Company on the Board of Autoline Industrial Parks Limited.

The Audit Committee of the Company reviewed the financial statements, in particular investment made by Autoline Industrial Parks Limited.

During the year, the minutes of the Board meetings of the Autoline Industrial Parks Limited were placed at the Board meeting of the Company. The management of the Autoline Industrial Parks Limited had periodically brought to the attention of the Board of the Company, a statement of all significant transactions and arrangements entered into by the Autoline Industrial Parks Limited.

The Company has formulated a policy for determining material subsidiaries and said policy is disclosed on http://www.autolineind.com/download_file/downloads/41/.

g) **Web link where policy on dealing with related party transactions**

The Company policy on dealing with related party transactions is available on the website of the Company i.e. www.autolineind.com and can be directly accessed on web link at http://www.autolineind.com/download_file/downloads/40/.

h) **Disclosure of commodity price risks and commodity hedging activities**

The Company did not identified any risk from commodity prices and commodity hedging activities.

i) **Web link where the terms and conditions of appointment of independent directors are disclosed:**

The terms and conditions of appointment of independent directors are incorporated in the letter of Appointment of Independent Director and be directly accessed at web link: http://www.autolineind.com/download_file/downloads/2/.

j) **Web link where composition of various committees of Board of Directors:**

The composition of various committees of Board of Directors disclosed on http://www.autolineind.com/committees

k) **Code of Conduct**

The Board of Directors at its meeting held on August 4, 2006 has adopted Code of Business Conduct and Ethics for Directors and Senior Management and the Board further at its meeting held on February 3, 2015 adopted the fresh Code of Conduct. The duties of Independent Directors are suitably incorporated in the Code of Conduct. Senior management have to disclose all material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company. The said code has been communicated to the Directors and members of the senior management. 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. The code has also been displayed on the Company's website - www.autolineind.com.

l) **Insider Trading**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company had adopted a 'Code of Conduct for prevention of Insider Trading' ('the Code') with effect from April 1, 2007.

Later, with coming into effect of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company further adopted a Code of Fair Disclosure on May 14, 2015 and amended the 'Code of Conduct for prevention of Insider Trading' ('the Code') in its meeting held on May 27, 2015.

The code is applicable to all Directors, such designated persons, employees and others who are expected to have access to unpublished price sensitive information relating to the Company. For the purposes of monitoring adherence to the Regulations Mr. Ashish Gupta, Company Secretary is designated as Compliance Officer.

15. **Non-Compliance of any requirement of Corporate Governance report**: During the year under review, the Company has complied with all the applicable requirements of Corporate Governance report.

16. **Discretionary Requirements under Regulation 27(1) and Part E of Schedule II of SEBI (LODR) Regulations, 2015.**

A. **The Board:** The Office of the Chairman of the Board is held by a Non-Executive Director at the Company's expense and the Chairman is also allowed reimbursement of expenses incurred in performance of his duties.

B. **Shareholders' Rights:** A half-yearly declaration of financial performance including summary of the significant events in last six-months, as on date, is not sent to each household of shareholders. However, the Company's quarterly financial results are published in English and Marathi newspapers having wide circulation in addition to dissemination the same in the websites of BSE, NSE and Company.

C. **Modified Opinion in Audit Report:** There is no modified opinion in Audit Report on the financial statements for the financial year 2016-17.

D. **Separate posts of Chairman and CEO**: The Company complies with this requirement as the posts of Chairman, Managing Director as well as of the CEO is held by three different Directors.

E. **Reporting of Internal Auditor**: The Internal auditor reports directly to the Audit Committee.

17. **Disclosures regarding compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of the sub regulation (2) of Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015:** During the year under review, Compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of the sub regulation (2) of

Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 has been made and disclosure of the same has been submitted to the Stock Exchanges.

18. Disclosures with respect to Unclaimed Securities Suspense Account

Regulation 39 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with respect to Unclaimed Shares.

In compliance with erstwhile Clause 5A of the Listing Agreement, 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 share-holders	No of shares
Aggregate number of shareholders and the outstanding shares in the Demat Suspense Account lying as on April 1, 2016	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, 2017	9	249

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

DECLARATION BY THE CEO UNDER SCHEDULE – V PART – D OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING ADHERENCE TO CODE OF CONDUCT

In accordance with Schedule – V, Part – D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that all the directors and the senior management personnel of the company have affirmed compliance to their respective Code of Conduct as applicable to them for the financial year ended March 31, 2017.

For Autoline Industries Limited

Umesh Chavan
Executive Director & CEO
DIN: 06908966

Pune, May 26, 2017

CEO and CFO Certification

To
The Board of Directors
Autoline Industries Limited

We, Umesh Chavan, Executive Director & CEO and R. T. Goel, Chief Financial Officer, certify that:

A. We have reviewed the Financial Statements and Cash Flow Statement for the Financial Year ending March 31, 2017 of the Company and to the best of our knowledge and belief;

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

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and:

   1. we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
   2. we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls and necessary steps have been taken to rectify these deficiencies.

D. We have disclosed to the Auditors and the Audit committee, whenever required:

   1. significant changes in internal control over financial reporting during the year;
   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements
   3. instances of significant fraud of which we are aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Autoline Industries Limited

Umesh Chavan
Executive Director & CEO
DIN: 06908966

R.T. Goel
Chief Financial Officer

Pune, May 26, 2017

AUDITORS' CERTIFICATE

REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

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, 2017, as stipulated in Regulation 17 to 27, 46 (2) (b) to (i) and other relevant provisions as specified in the Regulations 15 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period April 1, 2016 to March 31, 2017 (collectively referred to as the 'Corporate Governance Requirements').

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 'Corporate Governance Requirements'.

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 A.R. SULAKHE & CO
CHARTERED ACCOUNTANTS
FRN: 110540W

ANAND SULAKHE
PARTNER
MEMBERSHIP NO. 33451

Place: Pune
Date: May 27, 2017

Independent Auditors' Report

To The Members of Autoline Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Autoline Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017; the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. 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 of 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the company as at March 31, 2017 and its loss and cash flows for the year ended on that date.

EMPHASIS OF THE MATTER

Without qualification, we draw your attention to the following:-

Sub Note to Note No. 9 of the standalone financial statements states that no provision of diminution in value of investment amounting to ₹ 32.89 Crores in subsidiary Koderat Investments Limited (Cyprus), has been made in accounts, the note is self-explanatory and since the matter is subjudice with Italian courts, the management has not taken any effect in these standalone financial statements. In the given circumstances, we are unable to express our opinion on the matter.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, (hereinafter referred to as the "the Order") and on such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order.

2) As required by Section 143 (3) of the Act, we report that:-

   a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) on the basis of written representations received from the directors, as on March 31, 2017 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note No. 32 to the financial statements).

   ii. The company has long-term contracts as at March 31, 2017 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2017.

   iii. There has been no delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the company.

   iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. (Refer Note No.33 to the financial statements).

FOR A R SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO 110540W

ANAND SULAKHE
PARTNER
MEMBERSHIP NO. 33451

MAY 27, 2017
PUNE

Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2017, we report that:

i) a) The company has maintained proper records showing full particulars, including quantitative details and situations of its Fixed Assets.

b) According to the information and explanation given to us, the company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regards to the size of the Company and the nature of its business and no material discrepancies have been noticed on such physical verification.

c) According to the information and explanation given to us and on the basis of our examination of the records of the company, *except for the following five cases,* the title deeds were held in the name of the company

₹ In lakhs

Sr. No.	*Particulars*	*Whether Leasehold Or Freehold*	*Gross Block As On Balance Sheet Date*	*Net Block as on Balance Sheet Date*	*Remarks*
1.	*F-II, Plot no.24,25 Pimpri, Pune, Maharashtra*	*Leasehold*	*101.97*	*68.05*	*Lease Deed is held in the name of M/s Western Pressing Pvt. Ltd. which was amalgamated with the company*
2.	*Khasra no. 423, SIDCUL, Plot no.5 Uttarakhand*	*Leasehold*	*22.86*	*20.06*	*Lease Deed is held in the name of M/s Nirmiti Auto components Pvt. Ltd. which was amalgamated with the company*
3.	*Khasra no. 423, SIDCUL, Plot no. 8 Uttarakhand*	*Leasehold*	*134.48*	*118.03*	
4.	*E 12, 17(8), Bhosari, Pune Maharashtra*	*Leasehold*	*83.04*	*46.29*	
5.	*E 12 (7), Bhosari, Pune Maharashtra*	*Leasehold*	*232.05*	*130.42*	

ii) a) The inventories have been physically verified at reasonable intervals by the management.

b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company and the nature of business and discrepancies observed were properly dealt with in the books of accounts.

iii) The company has granted loan to one party covered in the register maintained under section 189 of the companies Act, 2013.

a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the party listed in the register maintained under section 189 of the Act were not, *prima facie,* prejudicial to the interest of the company.

b) Since loan is repayable on demand clause (b) and (c) are not commented by us.

iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investment made.

v) The company has not accepted any deposit from public.

vi) As per information and explanation given to us, the Central Government has not prescribed maintenance of cost records as required under sub section (1) of Section 148 of the Companies Act, 2013.

vii) a) According to the records, the Company is regular in depositing undisputed statutory dues in respect of duty of customs. *However undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of excise, value added tax, cess and other statutory dues have not been regularly deposited with the appropriate authorities and there have been delays in depositing the same.*

According to the information and explanations given to us and according to the books and records as produced and examined by us, *following undisputed statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable*.

Sr. No.	Name of statutory dues	Nature of dues	Total (in ₹)	Period to which it relates	Whether paid before balance sheet singing
1	Maharashtra Value Added Tax Act 2005	MVAT	12,50,250/-	F.Y. 2013- 2014	No
2	Maharashtra Value Added Tax Act 2005	MVAT	24,63,432/-	F.Y.2014-15	No
3	Maharashtra Value Added Tax Act 2005	MVAT	24,97,918/-	F.Y.2015-16	No
4	Maharashtra Value Added Tax Act 2005	MVAT	41,421/-	April 2016 to August 2016	No
5	Maharashtra Value Added Tax Act 2005	TDS –WCT	2,53,410/-	May 2016 to August 2016	Yes
6	Maharashtra Municipal Corporation Act-1949	LBT	3,81,69,045/-	October 2013 to August 2015	No
7	Income Tax Act 1961	Tax Deducted at Source	81,06,972/-	May 2016 to August 2016	Yes
8	Income Tax Act 1961	TCS on Scrap	9,05,368/-	May 2016 to August 2016	Yes
9	Finance Act 1994 - Service Tax	Service Tax	45,54,806/-	April 2016 to August 2016	No

b) According to the information and explanation given to us and on the basis of our examination of books of accounts, there are no cases of dues of income tax, sales tax, duty of customs, duty of excise, value added tax and cess as at March 31, 2017 which have not been deposited on account of disputes except for the following: -

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	Income Tax	Income Tax Appellate Tribunal	F.Y. 2008-09	2,37,770/-
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	F.Y. 2009-10	8,26,620/-**
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	F.Y.2011-12	2,18,780/-
The Maharashtra Value Added Tax Act, 2002 / Central Sales Tax Act, 1956	VAT / CST	The Joint Commissioner of Sales Tax (Appeals)	F.Y. 2000-01 F.Y. 2001-02 F.Y. 2006-07 F.Y. 2008-09 F.Y.2009-10 F.Y.2010-11	24,44,440/- 4,42,721/- 5,02,02,066/- 3,78,58,311/- 49,82,954/-* 1,12,46,257/-
The Uttarakhand Value Added Tax Act 2005	VAT / CST	The Jt. Commissioner of Commercial Taxes	F.Y. 2012 -13	26,36,779/-
The Uttarakhand Value Added Tax Act 2005	VAT / CST	The Jt. Commissioner of Commercial Taxes	F.Y. 2013 – 14	53,91,339/-
The Maharashtra Value Added Tax Act, 2002 / Central Sales Tax Act, 1956	VAT/CST	Dy. Commissioner of Sales Tax	F.Y. 2007-08 F.Y.2012-13 F.Y.2012-13	12,54,78,819/- 3,20,29,880/- 13,30,78,630/-

* Amounts paid under protest have been reduced from the amount of demand in arriving at the aforesaid disclosure.

** Amount is deposited under protest.

viii) According to the information and explanations given to us and based on documents and records verified by us in our opinion, company has defaulted in repayments of loans to Banks and Financial Institutions.

The details are as follows: -

₹ In Lakhs

Sr. No.	Particulars	Amount of Default as on March 31, 2017		Period of default
A	**Banks**	**Principle**	**Interest**	
1	Bank of Baroda	77.63	58.87	Less than 3 months
2	Axis Bank Ltd	158.32	12.76	Less than 3 months
3	The Catholic Syrian Bank Ltd	10.00	3.95	Less than 3 months
B	**Financial Institutions**			
1	J M Financial A R C Pvt. Ltd.	158.45	121.30	Less than 3 months

ix) The company did not raise money by way of initial public offer or further public offer (including debt instrument) Accordingly, paragraph 3 (ix) of the order is not applicable, further term loans taken during the year were applied for the purpose for which they were raised.

x) According to information and explanation given to us, no material fraud on or by the company has been noticed or reported to us during the year by the management.

xi) According to the information and explanations given to us and based on our examination of the records, *company has filed application for approval of Central Government for amount paid/provided towards managerial remuneration as required by the provisions of section 197 read with schedule V to the Act, amount involved was ₹ 102,00,000/- (Previous Year ₹ 55,12,465/)-.* Company has obtained personal guarantee letter as a security of the said amount.

xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.

xiii) According to the information and explanations given to us and based on our examinations of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) The company had made preferential allotment of shares during the year under review and the requirements of section 42 of the Companies Act, 2013 have been complied with and the amount raised has been used for the purposes for which the funds were raised.

xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transaction with directors or persons connected with it. Accordingly, paragraph 3(xv) of the order is not applicable.

xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR A R SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO 110540W

ANAND SULAKHE
PARTNER
MEMBERSHIP NO. 33451

MAY 27, 2017
PUNE

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Autoline Industries Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting, issued by the "Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Control and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

Company's Internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, however company is required to strengthen its financial control for obtaining balance confirmations from trade receivables & payables based on "the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India" (ICAI).

FOR A R SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO 110540W

ANAND SULAKHE
PARTNER
MEMBERSHIP NO. 33451

MAY 27, 2017
PUNE

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.	As at March 31, 2017 ₹	As at March 31, 2016 ₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	160,310,540	132,310,540
(b) Reserves and surplus	3	432,987,191	987,338,411
		593,297,731	1,119,648,951
2 Non-current liabilities			
(a) Long-term borrowings	4	1,570,066,173	1,371,319,456
(b) Deferred tax liabilities (net)	30	-	125,985,829
(c) Long Term Provision	4.a	40,651,426	6,463,318
		1,610,717,599	1,503,768,603
Current liabilities			
(a) Short-term borrowings	5	289,706,633	476,456,037
(b) Trade payables	6	1,004,848,477	761,801,136
(c) Other current liabilities	7	747,612,575	365,932,119
(d) Short-term provisions	7.a	18,168,853	11,574,285
		2,060,336,538	1,615,763,577
TOTAL		**4,264,351,867**	**4,239,181,131**
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8.a	2,017,598,857	2,175,433,329
(ii) Intangible assets	8.a	36,671,938	56,080,373
(iii) Capital work-in-progress	8.a	-	7,532,700
		2,054,270,795	2,239,046,402
(b) Non-current investments	9	678,476,528	677,807,394
(c) Long-term loans and advances	10	181,163,515	165,270,333
(d) Other non-current assets	11	50,315,037	39,786,571
		2,964,225,875	3,121,910,701
2 Current assets			
(a) Inventories	12	576,085,060	547,134,284
(b) Trade receivables	13	475,802,331	279,511,428
(c) Cash and cash equivalents	14	39,336,273	43,288,066
(d) Short-term loans and advances	15	174,320,504	176,747,769
(e) Other current assets	16	34,581,824	70,588,883
		1,300,125,992	1,117,270,430
TOTAL		**4,264,351,867**	**4,239,181,131**

The Notes are an integral part of these financial statements 1 to 34

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR A. R. SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 110540W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRAKASH NIMBALKAR
Chairman
DIN : 00109947

SHIVAJI AKHADE
Managing Director
DIN : 00006755

UMESH CHAVAN
Executive Director and CEO
DIN : 06908966

ANAND SULAKHE
Partner
Mem. No. 33451
Place : Pune
Date : May 27, 2017

R T GOEL
Chief Financial Officer

ASHISH GUPTA
Company Secretary
Membership No. : A16368

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	Particulars	Note No.	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
A	**REVENUE**			
1	Revenue from operations (gross)	17	3,857,266,192	3,446,591,242
	Less: Excise duty		304,902,435	335,871,234
	Revenue from operations (net)		3,552,363,757	3,110,720,008
2	Other income	18	9,473,597	91,455,779
3	**Total revenue (1+2)**		**3,561,837,354**	**3,202,175,788**
4	**Expenses**			
	(a) Cost of materials consumed	19.a	2,490,094,302	2,196,617,824
	(b) (Increase)/ Decrease in inventories of finished goods and work-in-progress	19.b	9,347,809	(1,436,511)
	(c) Employee benefits expenses	20	336,454,585	324,554,265
	(d) Finance costs	21	327,586,266	273,913,382
	(e) Depreciation and amortisation expenses	8.b	234,817,895	244,270,882
	(f) Other expenses	22	678,635,061	603,365,272
	Total expenses		**4,076,935,918**	**3,641,285,114**
5	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		(515,098,563)	(439,109,327)
6	Exceptional items	23.a	(194,184,765)	70,588,882
7	**Profit / (Loss) before extraordinary items and tax (5 + 6)**		(709,283,328)	(368,520,445)
8	Extraordinary items - Profit /(Loss)	23.b	(110,330,000)	(16,111,270)
9	**Profit / (Loss) before tax (7 + 8)**		(819,613,328)	(384,631,715)
10	**Tax expense:**			
	(a) Current tax expense for current year		-	-
	(b) Less: MAT credit		-	-
	(c) Current tax expense relating to prior years		-	1,295,332
	(d) Net current tax expense		-	1,295,332
	(e) Deferred tax	30	(125,985,829)	-
			(125,985,829)	**1,295,332**
11	**Profit / (Loss) for the year (9 - 10)**		**(693,627,499)**	**(385,927,047)**
12.1	**Earnings per share (Face value of ₹ 10/- each):**			
	(a) Basic	29	(48.53)	(30.65)
	(b) Diluted	29	(48.52)	(30.67)
12.2	**Earnings per share (excluding extraordinary items) (Face value of ₹ 10/- each):**			
	(a) Basic	29	(40.81)	(29.37)
	(b) Diluted	29	(40.81)	(29.39)
The Notes are an integral part of these financial statements		**1 to 34**		

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR A. R. SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 110540W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRAKASH NIMBALKAR
Chairman
DIN : 00109947

SHIVAJI AKHADE
Managing Director
DIN : 00006755

UMESH CHAVAN
Executive Director and CEO
DIN : 06908966

ANAND SULAKHE
Partner
Mem. No. 33451
Place : Pune
Date : May 27, 2017

R T GOEL
Chief Financial Officer

ASHISH GUPTA
Company Secretary
Membership No. : A16368

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	PARTICULARS	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
A.	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	(819,613,328)	(385,927,047)
	Adjustment for :		
	Depreciation	234,433,191	243,886,178
	Employee Stock Options	(339,015)	(384,029)
	Amortisation of Miscellaneous Expenditure	66,416	33,208
	Deferred Tax Liability (Net)	-	-
	Interest Paid & Finance Cost	327,586,266	273,913,382
	Profit on sale of fixed assets	(177,780)	(82,949,952)
	Dividend Income	(120,000)	(60,000)
	Impairment of fixed assets	-	6,111,253
	Taxes Paid	-	-
	Interest Income on deposits	(3,278,350)	(2,999,485)
	Interest Income on advance to subsidiaries	(1,973,616)	-
	Provision for Claim Settlement for Sale of Subsidiary Co.	110,330,000	-
	Operating Profit before Working Capital Changes	**(153,086,217)**	**51,623,508**
	Adjustment for :		
	Trade Receivable	(196,290,903)	(40,148,965)
	Inventories	(28,950,776)	(26,641,435)
	Short Term Loans and advances	2,427,265	7,897,568
	Long Term Loans and advances	(15,893,182)	(398,185)
	Other Current Assets	36,007,059	(4,098,483)
	Other Non Current Assets	(10,594,882)	-
	Trade Payables	243,047,341	67,069,786
	Other Current Liabilities	100,634,285	(70,426,785)
	Long Term Provision	115,608	-
	Short Term Provisions	6,594,568	-
	Cash Generated from Operations	**(15,989,834)**	**(15,122,990)**
	Net Cash from Operating Activities	**(15,989,834)**	**(15,122,990)**
B.	**Cash Flow from Investing Activities**		
	Acquisition of Fixed Assets (Net)	(50,042,288)	32,064,228
	Profit on sale of fixed assets	177,780	82,949,952
	Investments	(669,134)	(34,641,219)
	Dividend Income	120,000	60,000
	Interest Income on deposits	3,278,350	2,999,485
	Interest Income on advance to subsidiaries	1,973,616	-
	Net Cash from Investing Activities	**(45,161,675)**	**83,432,446**
C.	**Cash Flow from Financing Activities**		
	Proceeds from Borrowings (Net)	216,785,983	149,459,472
	Interest Paid & Finance Cost	(327,586,266)	(273,913,382)
	Proceeds from Issue of Equity Shares	28,000,000	8,900,000
	Premium on Issue of Equity shares	140,000,000	53,400,000
	Net Cash from Financing Activities	**57,199,717**	**(62,153,910)**
	Net Increase / Decrease in Cash & Cash Equivalent	(3,951,793)	6,155,546
	Cash & Cash equivalent as at 01.04.2016	43,288,066	37,132,520
	Cash & Cash equivalent as at 31.03.2017	39,336,273	43,288,066
	Net Increase / Decrease in Cash & Cash Equivalent	**(3,951,793)**	**6,155,546**

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR A. R. SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 110540W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRAKASH NIMBALKAR
Chairman
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UMESH CHAVAN
Executive Director and CEO
DIN : 06908966

ANAND SULAKHE
Partner
Mem. No. 33451
Place : Pune
Date : May 27, 2017

R T GOEL
Chief Financial Officer

ASHISH GUPTA
Company Secretary
Membership No. : A16368

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2017.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview

General Information

Autoline Industries Limited ('The Company') is engaged in the business of manufacturing sheet metal stampings, welded assemblies and modules for the automotive industry. The Company has nine plants in India and sells primarily in India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

Basis of accounting and preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention except for certain Fixed Assets which are carried at revalued amounts and on accrual basis except those with significant uncertainties and interest payable on delayed payment of statutory dues. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended and other relevant provisions of the Companies Act, 2013]

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30th March, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1st April, 2016.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

1.3 Inventories

Inventories are valued at cost on FIFO basis 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 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.

c) Tools and Dies under process have been valued on percentage completion based on estimated cost of production and development of respective tools and dies.

d) Scrap is valued at net realizable value.

e) Cost includes taxes and duties as applicable.

1.4 Depreciation

Depreciation on Tangible Assets is provided on pro-rata basis on the straight - line method Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Asset Useful Life

Building – Factory	.....	30 Years
Building - Office	.....	60 Years
Plant and Machinery	.....	15 Years
Tools & Dies	.....	15 Years
Electrical Fittings	.....	10 Years
Vehicles	.....	8 Years

Computers	…….	3 Years
Software	…….	6 Years
Office Equipments	…….	5 Years
Furniture & Fittings	…….	10 Years

Intangible assets are amortized on a straight-line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

Intangible assets are amortized on a straight line basis over their estimated useful life of 6 years. Research & Development is written off over 10 years.

In case of revalued Asset the depreciation is 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.

1.5 Revenue recognition

Sale of goods

Sales are recognized when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Price increase or decrease due to change in major raw material cost, pending acknowledgement from major customers, is accrued on estimated basis.

In contracts involving the rendering of services, revenue is measured using the proportionate completion method and are recognised net of service tax.

Other Income

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income: Dividend income is recognized when the Company's right to receive is established by the reporting date.

1.6 Fixed Asset

Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. Tools & Dies designed/ manufactured in house have been capitalized considering direct cost of the material, wages paid to tool room employees and other incidental expenses and proportionate overheads including borrowing cost related thereto.

The cost of Tangible Assets comprises its purchase price, borrowing cost if any and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Losses arising from the retirement of and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

1.7 Foreign currency transactions

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

1.8 Government grants, subsidies and export incentives

Government grants, subsidies and export incentives 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.

1.9 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

1.10 Employee Benefits

Provident Fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year and are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

1.11 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.

1.12 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.

1.13 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.

1.14 Taxation

Current and deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets in case of unabsorbed depreciation and carry forward business losses, as applicable, are recognized only to the extent there is virtual certainty that these will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Management reassesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.15 Impairment of assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

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.

1.16 Provisions, Contingent Liabilities

Provisions

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made.

Provisions based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

1.17 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

Note 2 Share Capital

Particulars	As at March 31, 2017		As at March 31, 2016	
	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	13,231,054	132,310,540	12,341,054	123,410,540
Add: Shares Alloted During the year	2,800,000	28,000,000	890,000	8,900,000
Total	**16,031,054**	**160,310,540**	**13,231,054**	**132,310,540**

Sub-Note Related to Note 2 :-

(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	ESOP	Closing Balance
Equity shares with voting rights				
Year ended March 31, 2017				
- Number of shares	13,231,054	2,800,000	-	16,031,054
- Amount (₹)	132,310,540	28,000,000	-	160,310,540
Year ended March 31, 2016				
- Number of shares	12,341,054	890,000	-	13,231,054
- Amount (₹)	123,410,540	8,900,000	-	132,310,540

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

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016	
	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				
Mr. Shivaji Tukaram Akhade	1,603,681	10.00	1,078,681	8.15
Mr. Sudhir Vitthal Mungase	1,570,958	9.80	1,045,958	7.91
Linc Wise Software Private Limited	1,000,000	6.24	1,000,000	7.56
Mr. Rakesh Radheshyam Jhunjhunwala	1,020,000	6.36	520,000	3.93
Mrs. Rekha Rakesh Jhunjhunwala	731,233	4.56	731,233	5.53
Total	**5,925,872**	**36.96**	**4,375,872**	**33.08**

Note 3 Reserves and surplus

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Securities premium account		
Opening balance	1,310,546,434	1,257,146,434
Add : Premium received on allotment of 28,00,000 Equity Shares - face value of ₹ 10/- at premium of ₹ 50/- Per Share.	140,000,000	-
Add : Premium received on allotment of 8,90,000 Equity Shares to Promoters on preferential basis - face value of ₹ 10/- at premium of ₹ 60/- Per Share.	-	53,400,000
Closing balance	1,450,546,434	1,310,546,434
(b) Revaluation reserve		
Opening balance	8,674,735	9,059,438
Less: Utilised for set off against depreciation of Revalued Asset.	384,704	384,703
Closing balance	8,290,031	8,674,735

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(c) Share options outstanding account		
Opening Balance		
Employee Stock Options Outstanding Accounts	4,048,015	4,432,044
Less: Deferred Employee Compensation Account	339,015	384,029
Net Balance	3,709,000	4,048,015
(d) General reserve		
Opening balance	120,227,654	120,227,655
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	120,227,654	120,227,655
(e) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(456,158,429)	(70,231,382)
Add: Profit / (Loss) for the year	(693,627,499)	(385,927,047)
Closing balance	(1,149,785,928)	(456,158,429)
Total	**432,987,191**	**987,338,411**

Note 4 Long-term borrowings

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Term loans		
From banks/ Financial Institutions :		
Secured		
Bank of Baroda		
Term Loan	114,160,000	135,565,000
Working Capital Term Loan	300,000,001	356,250,000
Funded Interest Term Loan	82,739,124	64,847,155
Axis Bank Ltd		
Term Loan	139,600,000	233,272,200
Funded Interest Term Loan	38,888,490	34,162,194
NKGSB Co-op. Bank Ltd. Term Loans	-	77,151,477
Vidya Sahakari Bank Ltd. Term Loans	-	19,431,950
The Catholic Syrian Bank Ltd Term Loan	64,000,000	75,796,286
JM Financial A R C Pvt.Ltd.		
Term Loan	134,399,999	159,600,000
Working Capital Term Loan	136,400,000	161,975,001
Funded Interest Term Loan	66,421,448	53,268,194
Tata Motors Finance Solutions Limited - Term Loan	488,337,212	
ICICI Bank Vehicle Loan	1,345,052	-
Unsecured - TATA Motors Finance Limited	3,774,847	-
Total	**1,570,066,173**	**1,371,319,456**

Repayment Schedule and details of Securities offered to them are as follows:-

Term of Repayment & Security for Secured Loan

(₹ in Lacs)

Name of the Bank\Year	Note for Security	2016-17 (Overdue)	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Bank of Baroda	1	77.63	931.74	931.69	1,242.25	1,242.25	1,552.80	5,978.36
Axis Bank Ltd	2	158.32	574.25	350.63	461.50	461.50	511.26	2,517.46
JM Financial A R C Pvt Ltd	3	158.44	633.79	633.78	845.05	845.05	1,048.33	4,164.44
The Catholic Syrian Bank Ltd	3	9.86	120.00	120.00	160.00	160.00	200.00	769.86
Tata Motors Finance Solutions Ltd	4	-	150.56	173.90	128.75	-	-	453.21
Tata Motors Finance Solutions Ltd	4	-	319.28	679.61	943.28	1,308.69	1,649.14	4,900.00
Tata Motors Finance Ltd		-	192.67	37.74	-	-	-	230.41
ICICI Bank Vehicle Loan		-	4.76	5.24	5.76	2.45	-	18.21
Total		**404.25**	**2,927.05**	**2,932.59**	**3,786.59**	**4,019.94**	**4,961.53**	**19,031.95**
Less : Current maturities of long-term borrowing								**2,927.04**
Less : Repayment Overdue on Long Term Borrowings								**404.25**
Total								**15,700.66**

1. Bank of Baroda's Term loan are secured by First Charge on Fixed assets of the Company situated at Plot No. 6 & 8, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand and Second Charge on Fixed assets of the Company situated at S.No. 313/314, Nanekarwadi, Chakan, Pune-410501.
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, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand, Plot No. E-12 (17) (8), M.I.D.C., Bhosari, Pune-411026 and S. No. 313/314, Nanekarwadi, Chakan, Pune-410501 and plot no.186-A, Belur Industrial Area growth Centre, Opp. High Court, Dharwad, Karnataka, 580011.
3. The Catholic Syrian Bank Ltd.'s and JM Financial A R C Pvt. Ltd.'s loans are secured by First Charge on Fixed assets of the Company situated at S. No. 313/314, Nanekarwadi, Chakan, Pune-410501 Further it is secured by second Charge on Fixed assets of the Company situated at Plot No. 6 & 8, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand on Pari Pasu Basis.
4. Tata Motors Finance Solutions Ltd 's Term loans are secured by first charge on Fixed assets of the Company at Plot No. E-12 (17) (8), M.I.D.C. Bhosari, Pune-411026 & Plot No 5, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand and first charge on non agriculture land admeasuring 01 Hectares 35 Ares or therabouts out of Gat No.1612 totally admeasuring about 2 Hectare 32 Ares situated at Village Chikhali, Tal. Haveli, Dist Pune within the limits of Pimpri Chinchwad Municipal Corporation owned by promotors . Further they are secured by second charge on movabale Plant & Machinery, Furniture and Fixtures etc. both present and future situated at Gat No. 613, Chakan Talegaon Road, Pune 410 501, Gat no. 825 and 712 , Kundalwadi , Chikali, Pune 412114, Plot no. 24/25 FII Block MIDC, Pimpri, Pune 411018, Survey no. 287, 291 to 295 and 298 Nanekarwadi, Taluka Khed, Dist Pune and E12-17 (7) MIDC Bhosari, Pune 411026 and mortgage of fixed assets situated at Plot No. 186-A, Belur Industrial Area growth Centre, Opp. High Court, Dharwad, Karnataka, 580011. The creation of mortgage and hypothecation on the above assets except fixed assets of Dharwad, Karnataka is under process.
5. (a) Term Loans from BOB, Axis Bank, JMF, CSB are further guaranteed in the Personal Capacity by two Promoter Directors of the Company and by ED & CEO of the Company. (b) Term Loans from TMFSL and TMFL are further guaranteed by two Promoter Directors in their personal capacity.
6. Term Loans,sanctioned by Bank of Baroda and Catholic Syrian Bank Ltd. are having second charge on all Current Assets of the Company.
7. Repayment default on Long Term Borrowings.

Particulars	Principle Amount	Interest Amount
Secured		
Term Loan from Bank/Financial Institutions	40,425,446	21,314,432

Note 4. A Long Term Provision

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
CJ Automotive Claim Settlement	34,072,500	-
Leave encashment Payable	6,578,926	6,463,318
Total	**40,651,426**	**6,463,318**

Note 5 Short-term borrowings

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Loans repayable on demand		
From banks / Financial Institution		
Secured Cash Credit		
Bank of Baroda	178,655,312	174,786,939
JM Financial A R C Pvt.Ltd.	81,639,964	79,247,229
NKGSB Co-op. Bank	-	15,610,184
	260,295,276	269,644,352
(b) Loans and advances from Others		
Secured		
Tata Motors Limited- Trade Advance	-	197,188,464
Unsecured- Promotors & Others	29,411,357	9,623,221
	29,411,357	206,811,685
Total	**289,706,633**	**476,456,037**

Term of Repayment & Security for Secured Loan-(Short Term Borrowing)

1. All working capital borrowings from the banks have been secured with first charge by hypothecation of current assets of the company and further secured with Second Charge by Mortgage / Hypothecation of Fixed Assets of the Company.
2. Working capital borrowings from Banks are further guaranteed in the personal capacity by two Promoter Directors of the Company and also by Executive Director & CEO of the Company

Note 6 Trade payables

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Trade payables:	996,813,133	752,525,515
(Including Acceptances)		
MSM Enterprises (Refer Note No.32.3)	8,035,344	9,275,621
Total	**1,004,848,477**	**761,801,136**

The balances of trade payable for the amount due to some of them are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

Note 7 Other current liabilities

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Current Maturities of Long-Term Debts (See Note 4)		
Secured	273,437,368	114,502,157
Unsecured	19,266,506	13,838,493
(b) Repayment Overdue on Long Term Borrowings (Secured)	40,425,446	-
(c) Unpaid Dividends*	425,541	562,506
(d) Interest accrued & due on borrowings	21,314,432	2,120,840
(e) Other Trade Deposits	30,666,000	35,666,000
(f) Other payables		
(i) Statutory dues	205,549,307	141,939,152
(ii) Payable for employee benefits	34,648,970	29,111,995
(iii) Payables for fixed assets	4,972,191	725,231
(iv) Advance from Customers	29,878,288	11,162,681
(v) Provision for Expenses	10,771,026	16,303,064
(v) CJ Automotive Claim Settlement	76,257,500	-
Total	**747,612,575**	**365,932,119**

* As per Section 205C of the Companies Act, 1956, Dividend for the FY 2008-09 of ₹ 1,31,782/- remained unclaimed for 7 years is transferred to Investor Education and Protection Fund established by the Central Government in November, 2016.

Note 7. A Short-term provisions

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Gratuity Payable	17,738,473	11,236,948
Leave encashment Payable	430,380	337,337
	18,168,853	**11,574,285**

Note Forming Part of Balance Sheet as at March 31, 2017

NOTE NO. 8 A : FIXED ASSETS :

(Amount in ₹)

SR NO	TANGIBLE ASSET	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		AS ON 01.04.2016	ADDITIONS	TRANSFERS	DEDUCTIONS/ ADJUSTMENTS	AS ON 31.03.2017	AS ON 01.04.2016	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS ON 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
1	LAND AND DEVELOPMENT	53,901,823	99,985	-	-	54,001,808	-	-	-	-	54,001,808	53,901,823
2	LAND - LEASE HOLD	57,940,728	-	-	-	57,940,728	18,289,916	657,637	-	18,947,553	38,993,175	39,650,812
3	BUILDING	919,181,513	9,506,358	-	-	928,687,871	230,441,847	30,765,597	-	261,207,444	667,480,427	688,739,666
4	BUILDING - OFFICE	1,549,000	-	-	-	1,549,000	95,861	25,829	-	121,690	1,427,310	1,453,139
5	PLANT AND MACHINERY	1,610,555,032	19,072,721	-	-	1,629,627,753	648,905,209	122,334,089	-	771,239,298	858,388,455	961,649,823
6	TOOLS AND DIES	738,751,963	21,243,797	-	-	759,995,760	360,683,568	38,110,763	-	398,794,331	361,201,429	378,068,395
7	COMPUTERS AND SOFTWARES	82,781,756	1,306,222	-	-	84,087,978	70,633,332	4,019,137	-	74,652,469	9,435,509	12,148,424
8	ELECTRICAL FITTINGS	111,257,070	3,074,346	-	-	114,331,416	78,858,321	15,400,155	-	94,258,476	20,072,940	32,398,749
9	FURNITURE	24,172,699	264,825	-	-	24,437,524	18,881,985	3,507,846	-	22,389,831	2,047,693	5,290,714
10	VEHICLES	24,833,900	2,690,918	-	1,554,338	25,970,480	23,480,491	466,170	1,554,338	22,392,323	3,578,157	1,353,409
11	OFFICE EQUIPMENTS	12,878,487	700,520	-	-	13,579,007	12,100,112	506,941	-	12,607,053	971,954	778,375
	TOTAL	**3,637,803,971**	**57,959,692**	**-**	**1,554,338**	**3,694,209,325**	**1,462,370,642**	**215,794,164**	**1,554,338**	**1,676,610,468**	**2,017,598,857**	**2,175,433,329**

SR NO	INTANGIBLE ASSET	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		AS ON 01.04.2016	ADDITIONS	TRANSFERS	DEDUCTIONS/ ADJUSTMENTS	AS ON 31.03.2017	AS ON 01.04.2016	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS ON 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
1	R & D PROCESS DEVELOPMENT	194,134,394	-	-	-	194,134,394	138,054,021	19,408,435	-	157,462,456	36,671,938	56,080,373
2	INTANGIBLE ASSETS	39,900,000	-	-	-	39,900,000	39,900,000	-	-	39,900,000	-	-
3	TRADE MARK	20,500	-	-	-	20,500	20,500	-	-	20,500	-	-
	TOTAL	**234,054,894**	**-**	**-**	**-**	**234,054,894**	**177,974,521**	**19,408,435**	**-**	**197,382,956**	**36,671,938**	**56,080,373**

SR NO	WORK IN PROGRESS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		AS ON 01.04.2016	ADDITIONS	TRANSFERS	DEDUCTIONS/ ADJUSTMENTS	AS ON 31.03.2017	AS ON 01.04.2016	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS ON 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
1	CAPITAL WIP	7,532,700	21,040,816	28,573,516	-	-	-	-	-	-	-	7,532,700
	TOTAL	**7,532,700**	**21,040,816**	**28,573,516**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,532,700**
	Grand Total	**3,879,391,565**	**79,000,508**	**28,573,516**	**1,554,338**	**3,928,264,219**	**1,640,345,163**	**235,202,599**	**1,554,338**	**1,873,993,424**	**2,054,270,795**	**2,239,046,402**
	Previous Years	**3,934,178,777**	**16,571,794**	**-**	**71,359,006**	**3,879,391,565**	**1,412,686,012**	**244,655,586**	**16,996,435**	**1,640,345,163**	**2,239,046,402**	**2,521,492,765**

NOTE 8.B - DEPRECIATION & AMORTISATION

Particulars	For the year ended on March 31, 2017	For the year ended on March 31, 2016
	₹	₹
Depreciation and Amortisation for the year on Tangible Asset as per Note 8 A	215,794,164	237,311,268
Depreciation and Amortisation for the year on Intangible Asset as per Note 8 A	19,408,435	25,941,872
Less: Utilised from Revaluation Reserve	384,704	384,704
Total	**234,817,895**	**262,868,436**

Note 9 Non-current investments

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Investments, Unquoted (At cost):		
A. Trade		
(a) Investment in equity instruments		
(i) Subsidiaries		
- Autoline Design Software Limited		
21,40,810 (As at March 31, 2016: 21,40,810) shares of ₹10 each fully paid	36,788,900	36,788,900
- Autoline Industrial Parks Ltd.		
3,14,25,000 (As at March 31, 2016: 3,14,25,000) shares of ₹10 each fully paid	297,499,940	297,499,940
- Koderat Investments Ltd. (Cyprus)		
1,000 (As at March 31, 2016: 1,000) shares of Euro 1 each fully paid	67,280	67,280
- Koderat Investments Ltd. (Cyprus) *		
Advance for investment in SZ Design SRL & Zagato SRL, Italy	328,991,148	328,322,014
Total (a)	**663,347,268**	**662,678,134**
(b) Investment in preference shares		
(i) Subsidiaries		
- Autoline Design Software Limited **		
14,12,926 (As at March 31, 2016: 14,12,926) 12% Cumulative Redeemable Pref, Share of ₹10 each fully paid Redeemable in April 2022.	14,129,260	14,129,260
Total (b)	14,129,260	14,129,260
Total - Trade Investments (a + b)	**677,476,528**	**676,807,394**
B. Other investments		
(a) Investment in equity instruments		
(i) Other Entities		
- Rupee Co -OP Bank Ltd.		
20,000 (As at March 31, 2016: 20,000) shares of ₹25 each fully paid	500,000	500,000
- NKGSB Co-op. Bank Ltd. Equity Shares		
50,000 (As at March 31, 2016: 50,000) shares of ₹10 each fully paid	500,000	500,000
- Vidya Sahakari Bank Ltd. Equity Shares		
5,000 (As at March 31, 2016: 5,000) shares of ₹100 each fully paid	500,000	500,000
sub-total	1,500,000	1,500,000
Less- Provision for Diminution in Value of Investments	500,000	500,000
Total Other Investments (a)	**1,000,000**	**1,000,000**
Total Investments (A + B)	**678,476,528**	**677,807,394**

* **Sub-note to Note 9** - Investments in subsidiary / associate companies are disclosed at cost. The profit / (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 31.03.2017 in INR ₹ 32,89,91,148/-) 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 of ₹ 10 each are redeemable on 23rd , 25th April, 2022 respectivelly & balance 412926 preference shares on 27th April, 2022.

Note 10 Long-term loans and advances

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Advance income tax (net of provisions) - Unsecured, considered good	47,276,462	31,383,280
MAT credit entitlement - Unsecured, considered good	133,887,053	133,887,053
Total	**181,163,515**	**165,270,333**

Note 11 Other non-current assets

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unamortised expenses		
Deferred Revenue Expenditure	-	66,416
Industrial Promotion Subsidy Receivable	50,315,037	39,720,155
Total	**50,315,037**	**39,786,571**

Note 12 Inventories

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Raw materials (including spare, tools, consumable & Bought out)	289,979,902	251,681,317
(b) Work-in-progress	249,101,865	251,121,437
(c) Finished goods(other than for trading)	37,003,293	44,331,530
Total	**576,085,060**	**547,134,284**

Inventories are valued at lower of cost and net realisable value

Note 13 Trade receivables

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Trade receivables outstanding - (exceeding six months from the date they became due for payment)		
Secured, considered good	-	-
Unsecured, considered good	110,917,102	103,547,903
Doubtful	15,011,158	15,011,158
	125,928,260	118,559,061
Less: Provision for Doubtful Debt	15,011,158	15,011,158
	110,917,102	103,547,903
Trade receivables outstanding - Others		
Secured, considered good	-	-
Unsecured, considered good	364,885,229	175,963,525
Doubtful	-	-
	364,885,229	175,963,525
Total	**475,802,331**	**279,511,428**

The balance due from some of trade receivables are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

Note 14 Cash and cash equivalents

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Cash in hand	120,975	86,663
(b) Balances with banks:-		
(i) In current accounts	512,991	6,159,473
(ii) In deposit accounts (Maturing with in 12 months)*	38,276,765	36,479,423
(iii) In earmarked accounts:-		
- Unpaid dividend accounts	425,542	562,507
Total	**39,336,273**	**43,288,066**
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is : -	633,966	6,246,136
* Balances with Bank in Deposit Accounts are Pledged with Banks as a Margin Money for Non Fund based Credit facilities.		

Note 15 Short-term loans and advances

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unsecured, considered good		
(a) Security deposits	14,934,994	14,536,590
(b) Advances to employees	1,543,530	985,713
(c) Prepaid expenses	3,753,095	4,498,081
(d) Balances with government authorities	67,078,025	109,812,040
(e) Advance to Suppliers - **	25,880,377	24,014,480
(f) Other Loans & Advances to Subsidiaries	40,556,040	7,223,906
(g) Advance income tax (net of provisions)	20,574,443	15,676,960
Total	**174,320,504**	**176,747,769**

** The balances of advance given to some of suppliers are subject to reconciliation. Necessary adjustments, if any, will be made when the accounts are settled.

Note 16 Other current assets

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Industrial Promotion Subsidy Receivable	34,581,824	70,588,882
Total	**34,581,824**	**70,588,882**

Note 17 Revenue from operations

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Sale of products	3,474,936,622	3,026,470,887
Sale of services	126,814,555	157,042,923
Other operating revenues	255,515,016	263,077,432
	3,857,266,192	3,446,591,242
Less : Excise duty	304,902,435	335,871,234
Total	**3,552,363,757**	**3,110,720,008**

Note 18 Other Income

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Interest income	5,251,966	2,999,485
Dividend income from other Investments	120,000	60,000
Net gain on foreign currency transactions	-	1,928,173
Other non-operating income	3,923,851	3,518,168
Profit on Sale of Fixed Assets	177,780	82,949,952
Total	**9,473,597**	**91,455,779**

Note 19.A Cost of materials consumed

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Opening stock	251,681,317	226,476,393
Add: Purchases	2,528,392,887	2,221,822,748
	2,780,074,204	2,448,299,141
Less: Closing stock	289,979,902	251,681,317
Cost of material consumed	**2,490,094,302**	**2,196,617,824**

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

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Inventories at the end of the year:		
Finished goods	37,003,293	44,331,530
Work-in-progress	249,101,865	251,121,437
	286,105,158	295,452,967
Inventories at the beginning of the year:		
Finished goods	44,331,530	29,966,635
Work-in-progress	251,121,437	264,049,821
	295,452,967	294,016,456
Net (increase) / decrease	**9,347,809**	**(1,436,511)**

Note 20 Employee benefits expenses

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Salaries, Wages and Bonus	286,069,395	281,611,573
Contributions to provident and other funds	12,818,197	12,642,503
Contributions to Gratuity fund	6,501,525	2,184,921
Expense on employee stock option (ESOP) scheme	(339,015)	(384,029)
Employee Insurance cost	2,151,481	3,104,308
Staff welfare expenses	28,112,991	22,491,954
Leave Encashment	1,140,010	2,903,036
Total	**336,454,585**	**324,554,265**

Note 21 Finance costs

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
(a) Interest expense on:		
(i) Borrowings	255,891,509	231,266,676
(ii) Letter of Credit	19,799,890	15,912,743
(iii) Interest on delayed / deferred payment	36,033,980	16,865,310
(b) Other borrowing costs	4,997,641	4,690,260
(c) Bank Charges & Commission	10,863,246	5,178,393
Total	**327,586,266**	**273,913,382**

Note 22 Other expenses

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Manufacturing Expenses		
Labour Charges	293,664,051	252,342,508
Power and Fuel	108,650,388	95,641,867
Transport Charges	99,000,978	93,648,481
Repairs and maintenance - Buildings	1,383,705	3,678,749
Repairs and maintenance - Machinery	30,718,377	16,900,887
Other manufacturing expenses	5,124,901	4,020,922
Tooling and designing Charges	21,243,817	13,634,210
	559,786,217	**479,867,624**
Administrative & Other Expenses		
Repairs and maintenance - Others	12,371,038	16,716,911
Insurance	2,283,311	2,194,072
Rent	8,210,303	4,527,402
Rates and taxes	16,891,105	9,115,080
Communication expenses	6,345,763	5,968,136
Travelling and conveyance	10,878,659	14,587,065
Printing and stationery	3,256,052	2,949,137
Legal and professional fees	23,967,876	27,385,921
Provision for Doubtful Debts Expenses	-	5,325,398
Payments to auditors (See Sub-Note 22(i))	3,210,025	3,230,036
Impairment of Fixed Assets	-	6,111,253
Net loss on foreign currency transactions	2,702,947	
Miscellaneous expenses	26,600,130	25,038,521
	116,717,207	**123,148,931**
Preliminary & Miscellaneous Expenses written off	66,416	33,208
Sundry Balances written off (Net)	2,065,221	315,509
	2,131,637	**348,717**
Total	**678,635,061**	**603,365,272**

Note 22 Other Expenses (Sub-note)

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Payments to auditors comprises (net of service tax input credit)		
As auditors - Statutory Audit	2,500,000	1,800,000
As auditors - Certification Work	-	200,000
As auditors - Consolidated Audit Reports	500,000	500,000
Income Tax Matter	-	500,000
Reimbursement of expenses	210,025	230,036
Total	**3,210,025**	**3,230,036**

Note 23.A Exceptional items

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Industrial Promotion Subsidy	34,581,824	70,588,882
Sales Tax Dues Paid under Amnesty Scheme	(228,766,589)	-
Total	**(194,184,765)**	**70,588,882**

Note 23.B Extraordinary items

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
CJ Automotive Claim Settlement	(110,330,000)	-
Prior Period Depreciation of Leasehold Land	-	(16,111,270)
Total	**(110,330,000)**	**(16,111,270)**

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

The net exchange fluctuations loss of ₹ 27,02,947/- (Previous Year profit :- ₹19,28,173/-) has been debited to the Profit & Loss account.

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

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Details of government grants		
Government grants received by the Company during the year towards		
- Subsidies (recognised under Industrial Promotion Subsidy)	34,581,824	70,588,882
- Duty drawback (recognised under Other operating revenues)	986,252	1,728,033
	35,568,076	72,316,915

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

Employee benefit plans

Defined benefit plans

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

Gratuity

	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
I.	**Reconciliation of opening and closing balances of Defined benefit obligation.**		
	Defined Benefit obligation at the end of prior year	30,585,679	27,072,393
	Service Cost	4,950,840	4,760,623
	Interest Cost	2,321,867	2,033,635
	Benefit paid	(3,124,693)	(3,304,302)
	Actuarial (gain)/loss	648,541	23,330
	Defined Benefit obligation at end of year	35,382,234	30,585,679
II.	**Reconciliation of opening and closing balances of fair value of plan assets.**		
	Fair value of plan assets at the beginning of the year	19,348,731	18,956,954
	Expected return on plan assets	1,467,377	1,550,228
	Employer contributions	-	1,866,351
	Mortality Charges And Taxes	(13,537)	-
	Benefits paid directly by employer	(3,124,693)	(3,304,302)
	Actuarial gain/(loss)	(34,117)	279,500
	Fair value of plan assets at end of year	17,643,761	19,348,731

	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
III.	**Reconciliation of fair value of assets and obligations.**		
	Present value of defined benefit obligations	35,382,234	30,585,679
	Fair value of plan assets at the end of year	(17,643,761)	(19,348,731)
	Funded Status	17,738,473	11,236,948
	Net Liability/(Assets) recognised in balance sheet at end of year	17,738,473	11,236,948
IV.	**Expenses Recognized in Income Statement**		
	Service Cost	4,950,840	4,760,623
	Interest cost on obligation	2,321,867	2,033,635
	Expected return on plan assets	(1,467,377)	(1,550,228)
	Amortisation of net (gain)/loss	682,658	(256,170)
	Expenses recognised in income statement	6,487,988	4,987,860
V.	**Actuarial Assumptions**		
	Mortality Table (Indian Assured Lives Mortality)	2006-08 (Modified Ultimate)	2006-08 (Modified Ultimate)
	Discount rate (Per Annum)	7.50%	8.00%
	Expected rate of return on plan assets (Per Annum)	8.25%	8.50%
	Rate of escalation in salary (Per Annum)	8.00%	8.00%

Note 27 Disclosures under Accounting Standards - 17 (Segment Reporting)

Based on the Accounting Standard – 17 on "Segment Reporting" (AS-17), issued by the Institute of Chartered Accountants of India, business segment of the company is the primary segment comprises of business of manufacturing sheet metal auto components and assemblies thereof. As the company operates only in a single primary business segment, therefore the disclosure requirements as per Accounting Standard 17 "Segment Reporting" are not applicable to the Company.

Note 28 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. (ADSL) ii) Autoline Industrial Parks Ltd. (AIPL) **Foreign** i) Koderat Investments Ltd., Cyprus
2) Key Management Personnel (KMP)	
Chairman Emeritus	Mr. Vilas Lande
Chairman (Non-executive Director)	Mr. Prakash Nimbalkar
Managing Director	Mr. Shivaji Akhade
Wholetime Director	Mr. Sudhir Mungase
Executive Director & CEO	Mr. Umesh Chavan
3) Relatives of KMP	Key Management Personal - Mr. Vilas Lande, Mr. Shivaji Akhade and Mr. Sudhir Mungase are related to each other.
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 Co. vi) Viro Hi-Tech Engineers Pvt. Ltd. vii) S.V. Aluext Profile Pvt. Ltd. viii) Hotel Aishwarya Restaurant ix) Linc Wise Software Pvt Ltd x) Jay Ambe Enterprises

Notes:

1. Related parties have been identified by the Management and relied upon by the Auditors.
2. The Company is holding 43.78% Equity Share of AIPL, however since it controls the composition of Board of Directors, AIPL is treated as Subsidiary Company.

2. Details of related party transactions during the year ended March 31, 2017 :

Particulars	Subsidiaries/ Associates	Entities in which KMP / relatives of KMP have Significant Influence	KMP / Directors	Total ₹
Sale of goods				
Current Year	-	10,609,655	-	10,609,655
(Previous Year)	-	(14,267,948)	-	(14,267,948)
Rent Received				
Current Year	12	-	-	12
(Previous Year)	(12)	-	-	(12)
Rendering of services				
Current Year	900,000	-	-	900,000
(Previous Year)	(900,000)	-	-	(900,000)
Repair & Maintenance Charges Received				
Current Year	360,000	-	-	360,000
(Previous Year)	(360,000)	-	-	(360,000)
Investment Received (in Equity)				
Current Year	-	-	63,000,000	63,000,000
(Previous Year)	-	-	(62,300,000)	(62,300,000)
Unsecured Loan Received				
Current Year	-	40,000,000	27,250,000	67,250,000
(Previous Year)	-	-	-	-
Interest received on loan				
Current Year	1,973,616	-	-	1,973,616
(Previous Year)	-	-	-	-
Purchase of goods				
Current Year	-	49,625,325	-	49,625,325
(Previous Year)	-	(41,520,755)	-	(41,520,755)
Transport Charges Paid				
Current Year	-	6,678,132	-	6,678,132
(Previous Year)	-	(5,518,401)	-	(5,518,401)
Interest paid on loan from Promotors				
Current Year	-	1,599,486	448,305	2,047,791
(Previous Year)	-	-	(2,355,136)	(2,355,136)
Receiving of services				
Current Year	18,141,948	-	2,760,000	20,901,948
(Previous Year)	(17,727,731)	(2,080)	(2,760,000)	(20,489,811)
Unsecured Loan Given				
Current Year	31,555,879	-	-	31,555,879
(Previous Year)	(7,223,906)	-	-	(7,223,906)
Unsecured Loan Repayment				
Current Year	100,000	40,000,000	7,350,000	47,450,000
(Previous Year)	-	-	(33,800,000)	(33,800,000)
Investment				
Current Year	669,134	-	-	669,134
(Previous Year)	(34,641,219)	-	-	(34,641,219)
Directors Remuneration				
Current Year	-	-	13,946,760	13,946,760
(Previous Year)	-	-	(15,712,465)	(15,712,465)
Director Sitting Fees				
Current Year	-	-	560,000	560,000
(Previous Year)	-	-	(440,000)	(440,000)

Note 29 Disclosures under Accounting Standards - 20 (Earning Per Share)

Numerator for Basic and Diluted EPS	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Net Profit/(Loss) Attributable to Shareholders as at March 31.(a)	(693,627,499)	(385,927,047)
Add back:- Extraordinary Items (b)	110,330,000	16,111,270
Net Profit/(Loss) Attributable to Shareholders excluding extraordinary items c = (a-b)	(583,297,499)	(369,815,777)
Less:- Amortised Cost for ESOP (d)	339,015	384,029
Net Profit/(Loss) Attributable to Shareholders as at March 31from operations (on dilution) (a-d)	(693,966,514)	(386,311,076)
Net Profit/(Loss) Attributable to Shareholders as at March 31 for dilution excluding extraordinary items (a-b-d)	(583,636,514)	(370,199,806)
Weighted Average Number of Equity Shares outstanding at the end of the year(a)	14,293,601	12,591,081
Add:- Effects of warrants,ESOPs and convertible Bonds which are dilutive (b)	8,812	5,612
Weighted Average Number of Equity Shares outstanding at the end of the year -on dilution of EPS (a+b)	14,302,413	12,596,693
EPS -Basic (including extraordinary items)	(48.53)	(30.65)
EPS -Basic (excluding extraordinary items)	(40.81)	(29.37)
EPS -diluted (including extraordinary items)	(48.52)	(30.67)
EPS -diluted (excluding extraordinary items)	(40.81)	(29.39)

Note 30 Disclosures under Accounting Standards - 22 (Deferred Tax Asset/Liability)

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(i) BREAK UP OF DEFERRED TAX LIABILITY AS AT THE YEAR END:		
Depreciation	262,626,940	128,053,677
(ii) BREAK UP OF DEFERRED TAX ASSET AS AT THE YEAR END:		
Carry forward losses / Unabsorbed Depreciation	262,626,940	-
Others	-	2,067,848
(iii) DEFERRED TAX ASSET / (LIABILITY) {NET}	**-**	**(125,985,829)**

As per Accounting Standard -22, 'Accounting for taxes on Income', the Company has recognized the cumulative deferred tax assets on the basis of prudence, only to the extent of the cumulative deferred tax liability as at March 31, 2017.

Note 31 Disclosures on Employee share based payments - (Guideline 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 it's Subsidiaary Companies (whether in India or abroad) and also to the Directors of the Company /Subsidiary Companies. 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 March 31, 2017		During the year ended March 31, 2016	
	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)	15,599	25	17,237	25
- ESOP (Director)	1,666	25	1,666	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)	Nil	-	Nil	-
- ESOP (Director)	Nil	-	Nil	-
Lapsed during the year:				
- ESOP (Employee)	1,446	25	1,638	25
- ESOP (Director)	Nil	-	Nil	-
Options outstanding at the end of the year:				
- ESOP (Employee)	14,153	25	15,599	25
- ESOP (Director)	1,666	25	1,666	25
Total Options available for grant:				
- ESOP	698,096	25	696,650	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	March 31, 2017	March 31, 2016
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 32 Additional information to the financial statements

1. Contingent liabilities and commitments

PARTICULARS	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt		
- Income Tax Department	218,779	4,090,572
- Sales Tax Dues	245,778,833	426,170,895
(b) Bank Guarantees		
- In Favour of Tata Motors Limited	-	4,524,294
(c) Letter of Credit		
- Issued by Bank of Baroda	40,748,547	30,885,583
(d) Corporate Guarantee		
- In Favour of Toyotetsu India Auto Parts Pvt Ltd	1,956,956	-
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for : Tangible assets	7,000,000	-

2. Remuneration paid to Executive Director and CEO is within the limits specified in Schedule V of Companies Act 2013 which is subject to Central Goverment's approval. Such Remuneration was ₹ 55.47 lacs. for the current financial year. (Previous Year ₹ 55.12 lacs) The company has made an application seeking apprroval from the Central Government, approval for the both financial years is awaited .

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

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	8,035,344	9,275,621
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1,346,145	1,969,010
(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	1,346,145	1,969,010
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	1,346,145	1,969,010
(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	45,805	53,090

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.

4. **Value of imports calculated on CIF basis**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Raw materials & Component	13,791,876	15,214,138

5. **Expenditure in foreign currency**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Foreign Travel	494,154	2,288,684
Professional and consultation fees	7,841,847	3,562,313
Warehouse charges	1,185,857	259,185
Total	**9,521,858**	**6,110,182**

6. **Amounts remitted in foreign currency during the year on account of dividend : NIL**

7. **Details of consumption of imported and indigenous items**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Imported		
Raw materials & Component	13,791,876	15,214,138
percentage of consumption	0.55%	0.69%
Indigenous		
Raw materials & Component	2,476,302,426	2,181,403,686
percentage of consumption	99.45%	99.31%
Total	**2,490,094,302**	**2,196,617,824**

8. Earnings in foreign exchange

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
i) Export of goods calculated on FOB basis	50,776,620	29,054,379
ii) Amounts received in foreign currency during the year	40,406,171	47,287,697

Note 33 Disclosure relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016

Particulars	SBNs*	Other Denomination Notes	Total
Closing Cash in hand as on 8 November 2016	50,000	440,478	490,478
(+) Permitted Receipt		738,754	738,754
(-) Permitted Payment		748,247	748,247
(-) Amount Deposited in Banks	50,000	-	50,000
Closing Cash in hand as on 30 December 2016	**-**	**430,985**	**430,985**

*Specified Bank Notes (SBNs) mean the Bank notesof denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notificationof the Government of India, in the Ministry of Finance, Department of Economics Affairs no. S.O. 3407(E), dated 8th November, 2016

Note 34 Previous year's figures

Disclosure and presentation made in the financial statements as per Schedule III of the Companies Act 2013. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR A. R. SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 110540W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRAKASH NIMBALKAR
Chairman
DIN : 00109947

SHIVAJI AKHADE
Managing Director
DIN : 00006755

UMESH CHAVAN
Executive Director and CEO
DIN : 06908966

ANAND SULAKHE
Partner
Mem. No. 33451
Place : Pune
Date : May 27, 2017

R T GOEL
Chief Financial Officer

ASHISH GUPTA
Company Secretary
Membership No. : A16368

Independent Auditors' Report

To The Members of Autoline Industries Limited

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of **Autoline Industries Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the consolidated balance sheet as at March 31, 2017, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's responsibility for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that gives a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the consolidated state of affairs of the Group as at March 31, 2017 and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of the Matter

Without qualification, we draw your attention to the following:-

Sub Note to Note No. 9 of the consolidated financial statements states that no provision of diminution in value of investment amounting to ₹ 32.89 Crores in subsidiary Koderat Investments Limited (Cyprus), has been made in accounts, the note is self-explanatory and since the matter is subjudice with Italian courts, the management has not taken any effect in these consolidated financial statements. In the given circumstances, we are unable to express our opinion on the matter.

Other Matters

We did not audit the financial statements of one foreign subsidiary Koderat Investments Limited (Cyprus) whose financial statements reflects total assets (net) of ₹ 32.89 Crores as at March 31, 2017, total revenues Nil for the year ended on that date. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary and our report on other legal and regulatory requirements in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors of the Holding Company and its Subsidiary Companies incorporated in India as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and its Subsidiary Companies incorporated in India, none of the director is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note No. 33 of consolidated financial statements).

      ii. The company has long-term contracts as at March 31, 2017 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2017.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and in case of its subsidiary companies incorporated in India there is no requirement of transfer of such amounts to Investor Education and Protection Fund.

      iv. The Company has provided requisite disclosures in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. (Refer Note No. 34 to the financial statements).

FOR A R SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO 110540W

ANAND SULAKHE
PARTNER
MEMBERSHIP NO. 33451

MAY 27, 2017
PUNE

'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Autoline Industries Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Autoline Industries Limited ('the Holding company') and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding company & its subsidiary companies, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

Company's Internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, however company is required to strengthen its financial control for obtaining balance confirmations from trade receivables & payables based on "the internal control over financial reporting criteria established by the Holding company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India" (ICAI).

FOR A R SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO 110540W

ANAND SULAKHE
PARTNER
MEMBERSHIP NO. 33451

MAY 27, 2017
PUNE

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

	Particulars	Note No.	As at March 31, 2017 ₹	As at March 31, 2016 ₹
A	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	2	160,310,540	132,310,540
	(b) Reserves and surplus	3	568,751,265	1,126,969,012
	(c) Minority Interest		595,736,623	602,227,233
	(d) Capital reserve On Consolidation		1,338,231	1,338,231
			1,326,136,658	1,862,845,016
2	**Non-current liabilities**			
	(a) Long-term borrowings	4	1,570,066,173	1,371,319,456
	(b) Deferred tax liabilities (net)	31	-	123,849,548
	(c) Long Term Provision	4.a	42,153,011	7,894,911
			1,612,219,184	1,503,063,915
3	**Current liabilities**			
	(a) Short-term borrowings	5	290,956,633	478,956,037
	(b) Trade payables	6	1,005,559,494	766,167,308
	(c) Other current liabilities	7	757,358,452	371,082,751
	(d) Short-term provisions	7.a	18,419,736	11,597,925
			2,072,294,314	1,627,804,021
	TOTAL		**5,010,650,156**	**4,993,712,952**
B	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	8.a	2,017,598,857	2,175,478,022
	(ii) Intangible assets	8.a	36,892,254	56,410,846
	(iii) Capital work-in-progress	8.a	-	7,532,700
			2,054,491,111	2,239,421,568
	(b) Non-current investments	9	317,224,039	317,384,791
	(c) Deferred Tax assets (net)	31	1,883,201	-
	(d) Long-term loans and advances	10	190,413,147	170,309,977
	(e) Other non-current assets	11	50,742,288	40,694,889
			2,614,753,786	2,767,811,225
2	**Current assets**			
	(a) Inventories	12	1,626,374,778	1,594,713,634
	(b) Trade receivables	13	503,174,548	308,565,126
	(c) Cash and cash equivalents	14	39,604,988	43,830,506
	(d) Short-term loans and advances	15	191,679,165	207,785,402
	(e) Other current assets	16	35,062,891	71,007,058
			2,395,896,371	2,225,901,727
	TOTAL		**5,010,650,156**	**4,993,712,952**

The Notes are an integral part of these financial statements **1 to 35**

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR A. R. SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 110540W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRAKASH NIMBALKAR
Chairman
DIN : 00109947

SHIVAJI AKHADE
Managing Director
DIN : 00006755

UMESH CHAVAN
Executive Director and CEO
DIN : 06908966

ANAND SULAKHE
Partner
Mem. No. 33451
Place : Pune
Date : May 27, 2017

R T GOEL
Chief Financial Officer

ASHISH GUPTA
Company Secretary
Membership No. : A16368

Consolidated Statement of Profit and Loss for the year ended March 31, 2017

	Particulars	Note No.	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
A	**REVENUE**			
1	Revenue from operations (gross)	17	3,857,757,857	3,447,032,561
	Less: Excise duty		304,902,435	335,871,234
	Revenue from operations (net)		3,552,855,422	3,111,161,327
2	Other income	18	6,576,796	89,859,482
3	**Total revenue (1+2)**		**3,559,432,218**	**3,201,020,810**
4	**Expenses**			
	(a) Cost of materials consumed	19.a	2,490,094,302	2,192,629,303
	(b) (Increase) / Decrease in inventories of finished goods and work-in-progress	19.b	9,347,809	(1,436,511)
	(c) Employee benefits expenses	20	352,766,668	336,805,841
	(d) Finance costs	21	328,628,100	274,444,283
	(e) Depreciation and amortisation expense	8.b	234,972,745	245,357,572
	(f) Other expenses	22	668,716,713	596,719,669
	Total expenses		**4,084,526,337**	**3,644,520,157**
5	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		(525,094,118)	(443,499,347)
6	Exceptional items	23.a	(194,184,765)	70,588,882
7	**Profit / (Loss) before extraordinary items and tax (5 + 6)**		(719,278,883)	(372,910,465)
8	Extraordinary items	23.b	(110,330,000)	(16,111,270)
9	**Profit / (Loss) before tax (7 + 8)**		(829,608,883)	(389,021,735)
10	**Tax expense:**			
	(a) Current tax expense for current year		343,762	114,867
	(b) Less: MAT credit		(343,762)	(114,867)
	(c) Current tax expense relating to prior years		108,504	1,304,792
	(d) Net current tax expense		108,504	1,304,792
	(e) Deferred tax	31	(125,732,749)	-
			(125,624,245)	**1,304,792**
11	**Profit / (Loss) for the year (9 - 10)**		**(703,984,639)**	**(390,326,527)**
	Minority Interest		(6,490,610)	(1,868,202)
12	**Profit After Minority Interest**		(697,494,029)	(388,458,325)
13.1	**Earnings per share (of ₹ 10/- each):**			
	(a) Basic	29	(49.25)	(31.00)
	(b) Diluted	29	(49.25)	(31.02)
13.2	**Earnings per share (excluding extraordinary items) (of ₹ 10/- each):**			
	(a) Basic	29	(41.53)	(29.72)
	(b) Diluted	29	(41.53)	(29.74)
The Notes are an integral part of these financial statements		**1 to 35**		

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR A. R. SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 110540W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRAKASH NIMBALKAR
Chairman
DIN : 00109947

SHIVAJI AKHADE
Managing Director
DIN : 00006755

UMESH CHAVAN
Executive Director and CEO
DIN : 06908966

ANAND SULAKHE
Partner
Mem. No. 33451
Place : Pune
Date : May 27, 2017

R T GOEL
Chief Financial Officer

ASHISH GUPTA
Company Secretary
Membership No. : A16368

Consolidated Cash Flow Statement for the year ended 31st March 2017

	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
A.	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	(829,608,883)	(389,021,735)
	Adjustment for :		
	Extra Ordinary Item	-	(16,111,270)
	Depreciation	234,588,041	244,972,868
	Employee Stock Option	(339,015)	(384,029)
	Amortisation of Miscellaneous Expenditure	484,592	451,384
	Deferred Tax Liability / (Asset) - Net	-	-
	Interest Paid & Finance Cost	328,628,100	274,444,283
	Profit on sale of fixed assets	(177,780)	(82,949,952)
	Dividend Income	(122,735)	(68,308)
	Impairment of fixed assets	-	6,111,253
	Taxes Paid	(108,504)	(1,304,792)
	Minority Interest	6,490,610	
	Interest Income on deposits	(3,400,700)	(2,654,892)
	Provision for Claim Settlement for Sale of Subsidiary Co.	110,330,000	-
	Operating Profit before Working Capital Changes	**(153,236,275)**	**33,484,808**
	Adjustment for :		
	Trade Receivable	(194,609,422)	(39,687,221)
	Inventories	(31,661,144)	(55,287,877)
	Short Term Loans and advances	16,106,237	(12,855,889)
	Long Term Loans and advances	(20,103,169)	(2,822,136)
	Other Current Assets	35,944,167	(11,421,765)
	Other Non Current Assets	(10,531,991)	451,384
	Trade Payables	239,392,186	84,382,137
	Other Current Liabilities	105,229,530	(87,303,064)
	Long Term Provision	185,600	-
	Short Term Provisions	6,821,811	-
	Minority Interest	(6,490,610)	35,290,981
	Exchange Difference on Consolidation	-	(2,111,669)
	Capital Reserve on Consolidation	-	(101,462,331)
	Cash Generated from Operations	**(12,953,079)**	**(159,342,642)**
Net Cash from Operating Activities		(12,953,079)	(159,342,642)
B.	**Cash Flow from Investing Activities**		
	Acquisition of Fixed Assets (Net)	(50,042,288)	32,064,227
	Profit on sales of fixed asset	177,780	82,949,952
	Investments	160,752	(8,307)
	Dividend Income	122,735	68,308
	Interest Income on deposit	3,400,700	2,654,892
	Extra-ordinary Item	-	72,780,790
	Net Cash from Investing Activities	**(46,180,321)**	**190,509,863**
C.	**Cash Flow from Financing Activities**		
	Proceeds from Borrowings (Net)	215,535,982	146,959,473
	Interest Paid & Finance Cost	(328,628,100)	(274,444,283)
	Proceeds from Issue of Equity Shares	28,000,000	8,900,000
	Premium on Issue of Equity Shares	140,000,000	84,786,500
	Net Cash from Financing Activities	**54,907,882**	**(33,798,310)**
	Net Increase / (Decrease) in Cash & Cash Equivalent	(4,225,518)	(2,631,089)
	Cash & Cash equivalent as at 01.04.2016	43,830,506	46,461,595
	Cash & Cash equivalent as at 31.03.2017	39,604,988	43,830,506
	Net Increase / (Decrease) in Cash & Cash Equivalent	**(4,225,518)**	**(2,631,089)**

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR A. R. SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 110540W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRAKASH NIMBALKAR
Chairman
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UMESH CHAVAN
Executive Director and CEO
DIN : 06908966

ANAND SULAKHE
Partner
Mem. No. 33451
Place : Pune
Date : May 27, 2017

R T GOEL
Chief Financial Officer

ASHISH GUPTA
Company Secretary
Membership No. : A16368

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview

General Information

Autoline Industries Limited ('The Company') is engaged in the business of manufacturing sheet metal stampings, welded assemblies and modules for the automotive industry. The Company has nine plants in India and sells primarily in India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

Basis of accounting and preparation of financial statements

These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as 'the Group').

These consolidated financial statements of the Group have been prepared in accordance with the generally accepted accounting principles in India (the accounting standards notified under Indian GAAP). The Group has prepared these consolidated financial statements to comply in all material aspects with accounting principles generally accepted in India, including the accounting standards notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014. These consolidated financial statements have been prepared on an accrual basis under the historical cost convention.

The company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties and interest payable on delayed payment of statutory dues. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles and trade practices.

The Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

1.2 Principle of Consolidation

The financial statements of the Parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances, intra-group transactions and unrealized profits resulting there-from and are presented to the extent possible, in the same manner as the Company's independent financial statements.

The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

The excess of cost to the Parent Company of its investment in each of the subsidiaries over its share of equity in the respective subsidiary, on the acquisition date, is recognized in the financial statements as 'Goodwill On Consolidation' and carried in Balance Sheet as an asset, whereas the share of equity in the subsidiary companies as on the date of investment, is in excess of cost of investment of the company, it is recognized as 'Capital Reserve on Consolidation' and shown under the head Reserves and Surplus, in the consolidated financial statements.

Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the company in the subsidiary companies and further movements in their shares in the equity, subsequent to the date of investments.

The consolidated financial statements comprise of financial statements of Autoline Industries Limited (hereinafter referred as "Autoline"), subsidiaries incorporated in India viz. Autoline Design Software Ltd. (hereinafter referred as "ADSL"), Autoline Industrial Parks Ltd. (hereinafter referred as "AIPL") and outside India viz. Koderat Investments Limited (hereinafter referred as "Koderat").

List of Subsidiaries which are included in the consolidation and Company's effective holdings therein is as under:-

Name of Company	Country of Incorporation	Parents Ultimate Holding as on	
		March 31, 2017	March 31, 2016
Autoline Design Software Limited	India	100%	100%
Autoline Industrial Parks Limited	India	43.78%	43.78%
Koderat Investments Limited	Cyprus	100%	100%

1.3 Depreciation

Depreciation on Tangible Assets is provided on pro-rata basis on the straight-line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Asset Useful Life

Building – Factory	.....	30 Years
Building – Office	.....	60 Years
Plant and Machinery	.....	15 Years

Tools & Dies	.....	15 Years
Electrical Fittings	.....	10 Years
Vehicles	.....	8 Years
Computers	.....	3 Years
Software	.....	6 Years
Office Equipments	.....	5 Years
Furniture & Fittings	.....	10 Years

Intangible assets are amortized on a straight-line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

Intangible assets are amortized on a straight line basis over their estimated useful life of 6 years. Research & Development is written off over 10 years.

In case of revalued Asset the depreciation is 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.

1.4 **Revenue recognition**

Sale of goods

Sales are recognized when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.
Price increase or decrease due to change in major raw material cost, pending acknowledgement from major customers, is accrued on estimated basis.

Sale of Services

In contracts involving the rendering of services, revenue is measured using the proportionate completion method and are recognised net of service tax.

Other Income

Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income: Dividend income is recognized when the Company's right to receive is established by the reporting date.

1.5 **Fixed Asset**

Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. Tools & Dies designed/ manufactured in house have been capitalized considering direct cost of the material, wages paid to tool room employees and other incidental expenses and proportionate overheads including borrowing cost related thereto.

The cost of Tangible Assets comprises its purchase price, borrowing cost if any and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Losses arising from the retirement of and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

1.6 **Foreign currency transactions**

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

1.7 **Government grants, subsidies and export incentives**

Government grants, subsidies and export incentives 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.

1.8 **Investments**

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

1.9 **Employee Benefits**

Provident Fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

1.10 **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.

1.11 **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.

1.12 **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.

1.13 **Taxation**

Current and deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets in case of unabsorbed depreciation and carry forward business losses, as applicable, are recognized only to the extent there is virtual certainty that these will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Management reassesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.14 **Impairment of assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

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.

1.15 **Provisions, Contingent Liabilities**

Provisions

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made.

Provisions based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

1.16 **Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

Note 2 Share capital

Particulars	As at March 31, 2017		As at March 31, 2016	
	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	13,231,054	132,310,540	12,341,054	123,410,540
Add: Shares Alloted during the year	2,800,000	28,000,000	890,000	8,900,000
Total	**16,031,054**	**160,310,540**	**13,231,054**	**132,310,540**

Sub- notes to Note 2

(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	ESOP	Closing Balance
Equity shares with voting rights				
Year ended March 31, 2017				
- Number of shares	13,231,054	2,800,000	-	16,031,054
- Amount (₹)	132,310,540	28,000,000	-	160,310,540
Year ended March 31, 2016				
- Number of shares	12,341,054	890,000.00	-	13,231,054
- Amount (₹)	123,410,540	8,900,000.00	-	132,310,540

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

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016	
	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				
Mr. Shivaji Tukaram Akhade	1,603,681	10.00	1,078,681	8.15
Mr. Sudhir Vitthal Mungase	1,570,958	9.80	1,045,958	7.91
Linc Wise Software Private Limited	1,000,000	6.24	1,000,000	7.56
Mr. Rakesh Radheshyam Jhunjhunwala	1,020,000	6.36	520,000	3.93
Mrs. Rekha Rakesh Jhunjhunwala	731,233	4.56	731,233	5.53
Total	**5,925,872**	**36.96**	**4,375,872**	**33.08**

Note 3 Reserves and Surplus

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Securities premium account		
Opening balance	1,471,938,769	1,387,152,269
Add : Premium received on allotment of 28,00,000 Equity Shares - face value of ₹ 10/- at premium of ₹ 50/- Per Share.	140,000,000	-
Add: Premium received on allotment of 81,67,000 equity Shares @ ₹ 10 each.		31,386,500
Add : Premium received on allotment of 8,90,000 Equity Shares to Promoters on preferential basis-face value of ₹ 10 at premium of ₹ 60 Per Share.	-	53,400,000
Closing balance	1,611,938,769	1,471,938,769
(b) Revaluation reserve		
Opening balance	8,674,735	9,059,438
Less: Utilised for set off against depreciation of Revalued Asset	384,704	384,703
Closing balance	8,290,031	8,674,735
(c) Share options outstanding account		
Employee Stock Option Outstanding Account	4,048,015	4,432,044
Less : Deferred Employee Compensation Account	339,015	384,029
Net Balance	3,709,000	4,048,015
(d) General reserve		
Opening balance	120,227,654	120,227,655
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	120,227,654	120,227,655
(e) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(477,920,161)	(89,461,837)
Add: Profit / (Loss) for the year	(697,494,029)	(388,458,325)
Closing balance	(1,175,414,189)	(477,920,162)
Total	**568,751,265**	**1,126,969,012**

Note 4 Long-term borrowings

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Term loans		
From Banks/ Financial Institutions :		
Secured		
Bank of Baroda		
Term Loan	114,160,000	135,565,000
Working Capital Term Loan	300,000,001	356,250,000
Funded Interest Term Loan	82,739,124	64,847,155
Axis Bank Ltd		
Term Loan	139,600,000	233,272,200
Funded Interest Term Loan	38,888,490	34,162,194
NKGSB Co-op. Bank Ltd. Term Loans	-	77,151,477
Vidya Sahakari Bank Ltd. Term Loans	-	19,431,950
The Catholic Syrian Bank Ltd Term Loan	64,000,000	75,796,286
JM Financial A R C Pvt.Ltd.		
Term Loan	134,399,999	159,600,000
Working Capital Term Loan	136,400,000	161,975,001
Funded Interest Term Loan	66,421,448	53,268,194
Tata Motors Finance Solutions Limited - Term Loan	488,337,212	-
ICICI Bank Vehicle Loan	1,345,052	-
Unsecured - TATA Motors Finance Limited	3,774,847	-
Total	**1,570,066,173**	**1,371,319,456**

Repayment Schedule and details of Securities offered to them are as follows:-

Term of Repayment & Security for Secured Loan **(₹ in Lacs)**

Name of the Bank\Year	Note for Security	2016-17 (Overdue)	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Bank of Baroda	1	77.63	931.74	931.69	1,242.25	1,242.25	1,552.80	5,978.36
Axis Bank Ltd	2	158.32	574.25	350.63	461.50	461.50	511.26	2,517.46
JM Financial A R C Pvt Ltd	3	158.44	633.79	633.78	845.05	845.05	1,048.33	4,164.44
The Catholic Syrian Bank Ltd	3	9.86	120.00	120.00	160.00	160.00	200.00	769.86
Tata Motors Finance Solutions Ltd	4	-	150.56	173.90	128.75	-	-	453.21
Tata Motors Finance Solutions Ltd	4	-	319.28	679.61	943.28	1,308.69	1,649.14	4,900.00
Tata Motors Finance Ltd		-	192.67	37.74	-	-	-	230.41
ICICI Bank Vehcle Loan		-	4.76	5.24	5.76	2.45	-	18.21
Total		**404.25**	**2,927.05**	**2,932.59**	**3,786.59**	**4,019.94**	**4,961.53**	**19,031.95**
Less: Current maturities of long-term borrowing								2,927.04
Less: Repayment Overdue on Long Term Borrowings								404.25
Total								**15,700.66**

1. Bank of Baroda's Term loan are secured by First Charge on Fixed assets of the Company situated at Plot No. 6 & 8, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand and Second Charge on Fixed assets of the Company situated at S.No. 313/314, Nanekarwadi, Chakan, Pune-410501.

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, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand, Plot No. E-12 (17) (8), M.I.D.C., Bhosari, Pune-411026 and S. No. 313/314, Nanekarwadi, Chakan, Pune-410501 and plot no.186-A, Belur Industrial Area growth Centre, Opp. High Court, Dharwad, Karnataka, 580011.

3. The Catholic Syrian Bank Ltd.'s and JM Financial A R C Pvt. Ltd.'s loans are secured by First Charge on Fixed assets of the Company situated at S. No. 313/314, Nanekarwadi, Chakan, Pune-410501 Further it is secured by second Charge on Fixed assets of the Company situated at Plot No. 6 & 8, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand on Pari Pasu Basis.

4. Tata Motors Finance Solutions Ltd 's Term loans are secured by first charge on Fixed assets of the Company at Plot No. E-12 (17) (8), M.I.D.C. Bhosari, Pune-411026 & Plot No 5, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand and first charge on non agriculture land admeasuring 01 Hectares 35 Ares or therabouts out of Gat No.1612 totally admeasuring about 2 Hectare 32 Ares situated at Village Chikhali, Tal. Haveli, Dist Pune within the limits of Pimpri Chinchwad Municipal Corporation owned by promotors . Further they are secured by second charge on movabale Plant & Machinery, Furniture and Fixtures etc. both present and future situated at Gat No. 613, Chakan Talegaon Road, Pune 410 501, Gat no. 825 and 712 , Kundalwadi , Chikali, Pune 412114, Plot no. 24/25 FII Block MIDC, Pimpri, Pune 411018, Survey no. 287, 291 to 295 and 298 Nanekarwadi, Taluka Khed, Dist Pune and E12-17 (7) MIDC Bhosari, Pune 411026 and mortage of fixed assets situated at Plot No. 186-A, Belur Industrial Area growth Centre, Opp. High Court, Dharwad, Karnataka, 580011. The creation of mortgage and hypothecation on the above assets except fixed assets of Dharwad, Karnataka is under process.

5. Repayment default on Long Term Borrowings.

Particulars	Principle Amount	Interest Amount
Secured		
Term Loan from Bank/Financial Institutions	40,425,446	21,314,432

Note 4. A Long Term Provision

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
CJ Automotive Claim Settlement	34,072,500	-
Gratuity Payable	1,451,268	1,254,044
Leave encashment Payable	6,629,243	6,640,867
Total	**42,153,011**	**7,894,911**

Note 5 Short-term borrowings

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Loans repayable on demand		
From banks / Financial Institutions		
Secured Cash Credit		
Bank of Baroda	178,655,312	174,786,939
JM Financial A R C Pvt.Ltd.	81,639,964	79,247,229
NKGSB Co-op. Bank Ltd.	-	15,610,184
	260,295,276	269,644,352
(b) Loans and advances from Others		
Secured		
Tata Motors Limited- Trade Advance	-	197,188,464
Unsecured- Promotors & Others	30,661,357	12,123,221
	30,661,357	209,311,685
Total	**290,956,633**	**478,956,037**

Term of Repayment & Security for Secured Loan

All working capital borrowings from the banks have been secured with first charge by hypothecation of current assets of the company and further secured with Second Charge by Mortgage / Hypothecation of Fixed Assets of the Company.

Note 6 Trade payables

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Trade payables	997,524,150	756,891,687
(Including Acceptances)		
MSM Enterprises (Refer Note No.33.3)	8,035,344	9,275,621
Total	**1,005,559,494**	**766,167,308**

Note 7 Other current liabilities

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Current Maturities of Long-Term Debts (See Note No 4)		
Secured	273,437,368	114,502,157
Unsecured	19,266,506	13,838,493
(b) Repayment Overdue on long term borrowings (secured)	40,425,446	-
(c) Unpaid dividends*	425,541	562,506
(d) Interest accrued & due on borrowings	21,314,432	2,120,840
(e) Other Trade Deposits	30,666,000	35,666,000
(f) Other payables		
(i) Statutory Dues	210,448,999	143,192,672
(ii) Payable for employee benefits	36,642,740	30,163,738
(iii) Payables for fixed assets	4,972,191	725,231
(iv) Advance from Customers	29,878,288	11,162,681
(v) Provision for Expenses	13,623,441	19,148,433
(vi) CJ Automotive Claim Settlement	76,257,500	-
Total	**757,358,452**	**371,082,751**

* As per Section 205C of the Companies Act, 1956, Dividend for the FY 2008-09 of ₹ 1,31,782/- remained unclaimed for 7 years is transferred to Investor Education and Protection Fund established by the Central Government in November, 2016.

Note 7. A Short-term provisions

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Gratuity Payable	17,811,807	11,252,230
Leave encashment Payable	607,929	345,695
Total	**18,419,736**	**11,597,925**

NOTE 8. A : CONSOLIDATED FIXED ASSETS :

(Amount in ₹)

SR NO	TANGIBLE ASSET	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		AS ON 01.04.2016	ADDITIONS	TRANSFERS	DEDUCTIONS	AS ON 31.03.2017	AS ON 01.04.2016	FOR THE YEAR	DEDUCTIONS	AS ON 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
1	LAND AND DEVELOPMENT	53,901,823	99,985			54,001,808	-	-		-	54,001,808	53,901,823
2	LAND - LEASE HOLD	57,940,728				57,940,728	18,289,916	657,637		18,947,553	38,993,175	39,650,812
3	BUILDING	919,181,512	9,506,358			928,687,870	230,441,847	30,765,597		261,207,444	667,480,426	688,739,665
4	BUILDING - OFFICE	1,549,000				1,549,000	95,861	25,829		121,690	1,427,310	1,453,139
5	PLANT AND MACHINERY*	1,610,555,032	19,072,721			1,629,627,753	648,905,209	122,334,089		771,239,298	858,388,456	961,649,824
6	TOOLS AND DIES	738,751,963	21,243,797			759,995,760	360,683,568	38,110,763		398,794,331	361,201,429	378,068,395
7	COMPUTERS AND SOFTWARES	91,154,106	1,306,222		15,000	92,445,328	79,005,682	4,019,137	15,000	83,009,819	9,435,509	12,148,424
8	ELECTRICAL FITTINGS	111,257,070	3,074,346			114,331,416	78,858,321	15,400,155		94,258,476	20,072,940	32,398,749
9	FURNITURE	24,767,351	264,825			25,032,176	19,431,945	3,552,538		22,984,483	2,047,693	5,335,406
10	VEHICLES	24,833,900	2,690,918		1,554,338	25,970,480	23,480,491	466,170	1,554,338	22,392,323	3,578,158	1,353,409
11	OFFICE EQUIPMENTS	13,009,464	700,520			13,709,984	12,231,089	506,941		12,738,030	971,954	778,375
	TOTAL	**3,646,901,950**	**57,959,692**	**-**	**1,569,338**	**3,703,292,304**	**1,471,423,928**	**215,838,856**	**1,569,338**	**1,685,693,446**	**2,017,598,858**	**2,175,478,022**

SR NO	INTANGIBLE ASSET	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		AS ON 01.04.2016	ADDITIONS	TRANSFERS	DEDUCTIONS	AS ON 31.03.2017	AS ON 01.04.2016	FOR THE YEAR	DEDUCTIONS	AS ON 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
1	R & D PROCESS DEVELOPMENT	194,134,394	-	-	-	194,134,394	138,054,021	19,408,435	-	157,462,456	36,671,938	56,080,373
2	INTANGIBLE ASSETS	39,900,000	-	-	-	39,900,000	39,900,000	-	-	39,900,000	-	-
3	COMPUTER SOFTWARE (CAE)	15,696,038	-	-	-	15,696,038	15,365,565	110,158	-	15,475,723	220,315	330,473
4	TRADE MARK	20,500	-	-	-	20,500	20,500	-	-	20,500	-	-
	TOTAL	**249,750,932**	**-**	**-**	**-**	**249,750,932**	**193,340,086**	**19,518,593**	**-**	**212,858,679**	**36,892,253**	**56,410,846**

SR NO	WORK IN PROGRESS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		AS ON 01.04.2016	ADDITIONS	TRANSFERS	DEDUCTIONS	AS ON 31.03.2017	AS ON 01.04.2016	FOR THE YEAR	DEDUCTIONS	AS ON 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
1	CAPITAL WIP	7,532,700	21,040,816	28,573,516	-	-	-	-	-	-	-	7,532,700
	TOTAL	**7,532,700**	**21,040,816**	**28,573,516**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,532,700**
	Grand Total	**3,904,185,582**	**79,000,508**	**28,573,516**	**1,569,338**	**3,953,043,236**	**1,664,764,014**	**235,357,449**	**1,569,338**	**1,898,552,125**	**2,054,491,111**	**2,239,421,568**
	Previous Year	3,960,452,797	16,571,794	-	71,359,006	3,905,665,582	1,437,498,176	245,742,276	16,996,435	1,666,244,014	2,239,421,568	2,522,954,620

NOTE 8.B - DEPRECIATION AND AMORTISATION

Particulars	For the year ended on March 31, 2017	For the year ended on March 31, 2016
	₹	₹
Depreciation and Amortisation for the year on Tangible Asset as per Note 8 A	215,838,856	225,504,059
Depreciation and Amortisation for the year on Intangible Asset as per Note 8 A	19,518,593	20,238,217
Less: Utilised form Revaluation Reserve	384,704	384,704
Total	**234,972,745**	**245,357,572**

Note 9 Non-current investments

Partculars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
	Unquoted	Unquoted
Investments (At cost):		
A. Trade		
(a) Investment in equity instruments		
(i) Investment in SZ Design SRL & Zagato SRL, Italy*	316,224,039	316,224,038
Total	**316,224,039**	**316,224,038**
B. Other investments		
(a) Investment in equity instruments		
(i) Other Entities		
- Rupee Co-op Bank Ltd.	500,000	500,000
20,000 (As at March 31, 2016: 20,000) shares of ₹ 25 each fully paid		
- NKGSB Co-op. Bank Ltd. Equity Shares	500,000	500,000
50,000 (As at March 31, 2016 : 50,000) shares of ₹ 10 each fully paid		
- Vidya Sahakari Bank Ltd. Equity Shares	500,000	500,000
5,000 (As at March 31, 2016 : 5,000) shares of ₹ 100 each fully paid		
Sub-total	1,500,000	1,500,000
Less- Provision for Diminution in Value of Investment	500,000	500,000
	1,000,000	1,000,000
- Investment in Mutual Fund		
SBI Mutual Fund - (Quoted)	-	139,566
TATA Mutual Fund - (Quoted)	-	21,187
Sub-total	**1,000,000**	**1,160,753**
Total (A + B)	**317,224,039**	**317,384,791**

*Note:- The Company has Invested Euro 4.57 Million plus incidental expenses (Bal on 31.03.2017 in INR ₹ 32,89,91,148/-) in wholly owned subsidiary, Koderat Investment Ltd. (Cyprus) after given effect of consolidation. In turn the subsidiary utilized the same for investment in S.Z. Design SRL and Zaggato SRL Milan Italy. S.Z. Design SRL and Zaggato SRL Milan Italy have issued 49% of equity Shares to Koderat Investment Ltd (Cyprus). SZ Design SRL was declared bankrupt on january 2, 2015 by Tribunal of Milan and judiciary receiver has been appointed. The impact thereof is yet to be ascertained. The Company will take suitable action thereafter.

Note 10 Long-term loans and advances

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Advance income tax (net of provisions) Unsecured, considered good	56,182,332	36,422,924
MAT credit entitlement - Unsecured, considered good	134,230,815	133,887,053
Total	**190,413,147**	**170,309,977**

Note 11 Other non-current assets

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unamortised expenses		
Deferred Revenue Expenditure	427,251	493,667
Expenses for increase in Authorised Capital	-	481,067
Industrial Promotion Subsidy Receivable	50,315,037	39,720,155
Total	**50,742,288**	**40,694,889**

Note 12 Inventories

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Raw materials (including spare, tools, consumables & Bougtout)	289,979,902	251,681,317
(b) Work-in-progress		
Work-in-progress	249,101,865	251,121,437
Land and Development Cost(WIP)	1,050,289,718	1,047,579,350
(c) Finished goods (other than for trading)	37,003,293	44,331,530
Total	**1,626,374,778**	**1,594,713,634**

(Inventories valued at lower of cost and net realisable value)

Note 13 Trade Receivables

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Trade receivables outstanding - (exceeding six months from the date they were due for payment)		
Secured, considered good	-	-
Unsecured, considered good	138,199,873	132,601,602
Doubtful	15,011,158	15,011,158
	153,211,031	147,612,760
Less: Provision for Doubtful Debt	15,011,158	15,011,158
	138,199,873	132,601,602
Trade receivables outstanding - Others		
Secured, considered good	-	-
Unsecured, considered good	364,974,675	175,963,524
Doubtful	-	-
	364,974,675	175,963,524
Total	**503,174,548**	**308,565,126**

The balance due from some of trade receivables are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

Note 14 Cash and Cash Equivalents

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Cash in hand	185,185	155,483
(b) Balances with banks		
(i) In current accounts	706,532	6,622,912
(ii) In deposit accounts (Maturing with in 12 months) *	38,287,729	36,479,423
(iii) In deposit accounts (Maturing after 12 months)	-	10,181
(iv) In earmarked accounts		
- Unpaid dividend accounts	425,542	562,507
Total	**39,604,988**	**43,830,506**
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is :-	891,717	6,778,395
* Balances with the Bank in Deposit Accounts are pledged with Banks as a Margin Money for Non Fund based Credit facilities		

Note 15 Short Term Loans and Advances

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unsecured, considered good		
(a) Security deposits	14,935,994	14,537,590
(b) Advances to Employees	1,543,530	985,713
(c) Prepaid Expenses	3,819,102	4,803,787
(d) Balances with government authorities	82,672,032	109,812,040
(e) Advance for Land Purchase	42,253,687	36,167,927
(f) Advance to Suppliers **	25,880,377	24,014,479
(g) Other Loans & Advances to Subsidiaries	-	-
(h) Advance income tax (net of provisions)	20,574,443	17,348,999
(i) MAT credit entitlement	-	114,867
Total	**191,679,165**	**207,785,402**

** The balances of advance given to some of suppliers are subject to reconciliation. Necessary adjustments, if any, will be made when the accounts are settled.

Note 16 Other Current Assets

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Unamortised expenses		
Expenses for Increase in Authorised Capital	481,067	418,176
	481,067	418,176
(b) Others		
Industrial Promotion Subsidy Receivable	34,581,824	70,588,882
Total	**35,062,891**	**71,007,058**

Note 17 Revenue from operations

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Sale of products	3,474,936,622	3,026,470,887
Sale of services	127,306,220	157,484,242
Other operating revenues	255,515,016	263,077,432
	3,857,757,857	3,447,032,561
Less : Excise duty	304,902,435	335,871,234
Total	**3,552,855,422**	**3,111,161,327**

Note 18 Other Income

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Interest income	3,400,700	2,654,892
Dividend income from other Investments	122,735	68,308
Net gain on foreign currency transactions	196,742	1,928,173
Other non-operating income	2,678,839	2,258,156
Profit on Sale of Fixed Assets	177,780	82,949,952
Total	**6,576,796**	**89,859,482**

Note 19. A Cost of materials consumed

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Opening stock	251,681,317	226,476,393
Add: Purchases	2,528,392,887	2,217,834,227
	2,780,074,204	2,444,310,620
Less: Closing stock	289,979,902	251,681,317
Cost of material consumed	**2,490,094,302**	**2,192,629,303**

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

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Inventories at the end of the year:		
Finished goods	37,003,293	44,331,530
Work-in-progress	249,101,865	251,121,437
	286,105,158	295,452,967
Inventories at the beginning of the year:		
Finished goods	44,331,530	29,966,635
Work-in-progress	251,121,437	264,049,821
	295,452,967	294,016,456
Net (increase) / decrease	**9,347,809**	**(1,436,511)**

Note 20 Employee benefits expenses

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Salaries, Wages and Bonus	301,613,672	293,323,899
Contributions to provident and other funds	13,252,479	13,018,708
Contributions to Gratuity fund	6,756,801	2,291,421
Expense on employee stock option (ESOP) scheme	(339,015)	(384,029)
Employee Insurance cost	2,151,481	3,104,308
Staff welfare expenses	28,191,240	22,548,499
Leave Encashment	1,140,010	2,903,036
Total	**352,766,668**	**336,805,841**

Note 21 Finance costs

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
(a) Interest expense on:		
(i) Borrowings	255,891,509	231,266,676
(ii) Letter of Credit	19,799,890	15,912,743
(iii) Interest on delayed / deferred payment	36,091,402	16,865,310
(iv) Others	939,785	448,123
(b) Other borrowing costs	4,997,641	4,690,260
(c) Bank Charges & Commission	10,907,873	5,261,171
Total	**328,628,100**	**274,444,283**

Note 22 Other expenses

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Manufacturing Expenses		
Labour Charges	293,664,051	252,443,268
Power and Fuel	108,650,388	95,641,867
Transport Charges	99,000,978	93,648,481
Repairs and Maintenance - Buildings	1,383,705	3,678,749
Repairs and Maintenance - Machinery	32,039,217	16,900,887
Other Manufacturing expenses	5,124,901	4,020,922
Tooling and Designing Charges	3,101,869	70,000
	542,965,109	**466,404,174**
Administrative and Other Expenses		
Repairs and Maintenance - Others	12,373,038	18,120,207
Insurance	2,283,311	2,194,072
Rent	8,210,303	4,527,390
Rates and Taxes	17,038,057	9,655,486
Communication expenses	6,363,732	5,989,747
Travelling and Conveyance	11,505,020	15,117,017
Printing and Stationery	3,267,065	2,959,945
Legal and Professional fee	28,521,852	30,055,316
Provision for Doubtful Debts	-	5,325,398
Payments to Auditors (See Sub-Note 22(i))	3,694,390	3,903,314
Impairment of Fixed Assets	-	6,111,253
Net loss on foreign currency transactions	2,702,947	-
Miscellaneous Expenses	27,242,078	25,641,743
	123,201,791	**129,600,888**
Preliminary & Miscellaneous Expenses written off	484,592	451,384
Sundry Balances Writeoff (Net)	2,065,221	263,223
	2,549,813	**714,607**
Total	**668,716,713**	**596,719,669**

Note 22 (i) Other expenses (Sub Note)

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
(i) Payments to auditors comprises (net of service tax input credit)		
As auditors - Statutory Audit	2,966,365	2,378,278
As auditors - Certification Work	18,000	218,000
As auditors - Consolidated Audit Reports	500,000	500,000
Income Tax Matters	-	561,000
Reimbursement of expenses	210,025	246,036
Total	**3,694,390**	**3,903,314**

Note 23. A Exceptional items

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Industrial Promotion Subsidy	34,581,824	70,588,882
Sales Tax Dues Paid under Amnesty Scheme	(228,766,589)	-
Total	**(194,184,765)**	**70,588,882**

Note 23.B Extraordinary items

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
CJ Automotive Claim Settlement	(110,330,000)	-
Prior Period Depreciation on Leasehold Land	-	(16,111,270)
Total	**(110,330,000)**	**(16,111,270)**

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

The net exchange fluctuations loss of ₹ 25,06,205 (Previous Year:- profit of ₹ 19,28,173) has been debited to the Profit & Loss account.

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

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Details of government grants		
Government grants received by Autoline during the year towards		
- Subsidies (recognised under Industrial Promotion Subsidy)	34,581,824	70,588,882
- Duty drawback (recognised under Other operating revenues)	986,252	1,728,033
Total	**35,568,076**	**72,316,915**

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

Employee benefit plans

Defined benefit plans

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

Gratuity

	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
I.	**Reconciliation of opening and closing balances of Defined benefit obligation.**		
	Defined Benefit obligation at the end of prior year	30,585,679	27,072,393
	Service Cost	4,950,840	4,760,623
	Interest Cost	2,321,867	2,033,635
	Benefit paid	(3,124,693)	(3,304,302)
	Actuarial (gain)/loss	648,541	23,330
	Defined Benefit obligation at end of year	35,382,234	30,585,679
II.	**Reconciliation of opening and closing balances of fair value of plan assets.**		
	Fair value of plan assets at the beginning of the year	19,348,731	18,956,954
	Expected return on plan assets	1,467,377	1,550,228
	Employer contributions	-	1,866,351
	Mortality Charges And Taxes	(13,537)	-
	Benefits paid directly by employer	(3,124,693)	(3,304,302)
	Actuarial gain/(loss)	(34,117)	279,500
	Fair value of plan assets at end of year	17,643,761	19,348,731
III.	**Reconciliation of fair value of assets and obligations.**		
	Present value of defined benefit obligations	35,382,234	30,585,679
	Fair value of plan assets at the end of year	(17,643,761)	(19,348,731)
	Funded Status	17,738,473	11,236,948
	Net Liability/(Assets) recognised in balance sheet at end of year	17,738,473	11,236,948

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
IV. Expenses Recognized in Income Statement		
Service Cost	4,950,840	4,760,623
Interest cost on obligation	2,321,867	2,033,635
Expected return on plan assets	(1,467,377)	(1,550,228)
Amortisation of net (gain)/loss	682,658	(256,170)
Expenses recognised in income statement	6,487,988	4,987,860
V. Actuarial Assumptions		
Mortality Table (Indian Assured Lives Mortality)	2006-08 (Modified Ultimate)	2006-08 (Modified Ultimate)
Discount rate (Per Annum)	7.50%	8.00%
Expected rate of return on plan assets (Per Annum)	8.25%	8.50%
Rate of escalation in salary (Per Annum)	8.00%	8.00%

Note 27 Disclosures under Accounting Standards - 17 (Segment Reporting)

Based on the Accounting Standard – 17 on "Segment Reporting" (AS-17), issued by the Institute of Chartered Accountants of India, business segment of the company is the primary segment comprises of business of manufacturing sheet metal auto components and assemblies thereof. As the company mainly operates in a single primary business segment, therefore the disclosure requirements as per Accounting Standard 17 "Segment Reporting" are not applicable to the Company. During the year the company had divested its investments in Autoline Industries USA, consequentely it has not been considered for secondary segment determination.

Note 28 Disclosures under Accounting Standards - 18 (Related party transactions)

1. Details of related parties:

Description of relationship	Names of related parties
1) Key Management Personnel (KMP)	
Chairman Emeritus	Mr. Vilas Lande
Chairman (Non-executives Director)	Mr. Prakash Nimbalkar
Managing Director	Mr. Shivaji Akhade
Wholetime Director	Mr. Sudhir Mungase
Executive Director & CEO	Mr. Umesh Chavan
2) Relatives of KMP	Key Management Personnel - Mr. Vilas Lande, Mr. Shivaji Akhade and Mr. Sudhir Mungase are related to each other.
3) 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) Viro Hi-Tech Engineers Pvt. Ltd. vii) S.V. Aluext Profile Pvt. Ltd. viii) Hotel Aishwarya Restaurant ix) Linc Wise Software Pvt. Ltd. x) Jay Ambe Enterprises xi) 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 March 31, 2017:

Particulars	Associates	Entities in which KMP / relatives of KMP have significant influence	KMP	Total ₹
Autoline				
Sale of goods				
Current Year	-	10,609,655	-	10,609,655
(Previous Year)	-	(14,267,948)	-	(14,267,948)
Investment Received (in Equity)				
Current Year	-	-	63,000,000	63,000,000
(Previous Year)	-	-	(62,300,000)	(62,300,000)
Unsecured Loan Received				
Current Year	-	40,000,000	27,250,000	67,250,000
(Previous Year)	-	-	-	-
Purchase of goods				
Current Year	-	49,625,325	-	49,625,325
(Previous Year)	-	(41,520,755)	-	(41,520,755)
Transportation				
Current Year	-	6,678,132	-	6,678,132
(Previous Year)	-	(5,518,401)	-	(5,518,401)
Interest on loan from Promotors				
Current Year	-	1,599,486	448,305	2,047,791
(Previous Year)	-	-	(2,355,136)	(2,355,136)
Receiving of services				
Current Year	-	-	2,760,000	2,760,000
(Previous Year)	-	(2,080)	(2,760,000)	(2,762,080)
Unsecured Loan Repayment				
Current Year	100,000	40,000,000	7,350,000	47,450,000
(Previous Year)	-	-	(33,800,000)	(33,800,000)
Directors Remuneration				
Current Year	-	-	13,946,760	13,946,760
(Previous Year)	-	-	(15,712,465)	(15,712,465)
Directors Sitting Fees				
Current Year	-	-	440,000	440,000
(Previous Year)	-	-	(955,000)	(955,000)
ADSL				
Receiving of service				
Current Year	-	-	-	-
(Previous Year)	-	-	(600,000)	(600,000)
Directors Sitting Fees				
Current Year	-	-	35,000	35,000
(Previous Year)	-	-	(70,000)	(70,000)
AIPL				
Unsecured Loan Repayment				
Current Year	-	-	1,250,000	1,250,000
(Previous Year)	-	-	(2,500,000)	(2,500,000)
Directors Remuneration				
Current Year	-	-	2,400,000	2,400,000
(Previous Year)	-	-	(600,000)	(600,000)
Directors Sitting Fees				
Current Year	-	-	35,000	35,000
(Previous Year)	-	-	(50,000)	(50,000)
Investment Received (in Equity)				
Current Year	-	-	-	-
(Previous Year)	-	-	(29,773,000)	(29,773,000)

Note 29 Disclosures under Accounting Standards - 20 (Earning Per Share)

Numerator for Basic and Diluted EPS	For the year ended March 31, 2017	For the year ended March 31, 2016
Net Profit/(Loss) Attributable to Shareholders as at March 31.(a)	(703,984,639)	(390,326,527)
Add back:- Extraordinary Items (b)	110,330,000	16,111,270
Net Profit/(Loss) Attributable to Shareholders excluding extraordinary items c = (a-b)	(593,654,639)	(374,215,257)
Less:- Amortised Cost for ESOP (d)	339,015	384,029
Net Profit/(Loss) Attributable to Shareholders as at March 31from operations (on dilution) (a-d)	(704,323,654)	(390,710,556)
Net Profit/(Loss) Attributable to Shareholders as at March 31 for dilution excluding extraordinary items (a-b-d)	(593,993,654)	(374,599,286)
Weighted Average Number of Equity Shares outstanding at the end of the year(a)	14,293,601	12,591,081
Add:- Effects of warrants,ESOPs and convertible Bonds which are dilutive (b)	8,812	5,612
Weighted Average Number of Equity Shares outstanding at the end of the year -on dilution of EPS (a+b)	14,302,413	12,596,693
EPS -Basic (including extraordinary items)	(49.25)	(31.00)
EPS -Basic (excluding extraordinary items)	(41.53)	(29.72)
EPS -diluted (including extraordinary items)	(49.25)	(31.02)
EPS -diluted (excluding extraordinary items)	(41.53)	(29.74)

Note 30 Disclosures under Accounting Standards - 21 (Consolidated Financial Statements)

In terms 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 31-03-17 Proportion of Ownership Interest either directly or through subsidiary	As at 31-03-16 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 * (AIPL)	India	43.78%	43.78%
Foreign Subsidiaries			
iii) Koderat Investments Ltd	Cyprus	100.00%	100.00%

* Autoline Industries Limited is holding 43.78% Equity Share of AIPL, however since it controls the composition of Board of Directors, AIPL is treated as Subsidiary Company.

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

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(i) BREAK UP OF DEFERRED TAX LIABILITY AS AT THE YEAR END:		
Depreciation	262,626,940	128,053,677
(ii) BREAK UP OF DEFERRED TAX ASSET AS AT THE YEAR END:		
Carry forward losses / Unabsorbed Depreciation	264,418,295	2,136,281
Others	91,846	2,067,848
(iii) DEFERRED TAX ASSET / (LIABILITY) {NET}	**1,883,201**	**(123,849,548)**

As per Accounting Standard -22, 'Accounting for taxes on Income', the Company has recognized the cumulative deferred tax assets on the basis of prudence, only to the extent of the cumulative deferred tax liability as at March 31, 2017.

Note 32 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 March 31, 2017**		**During the year ended March 31, 2016**	
	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)	15,599	25	17,237	25
- ESOP (Director)	1,666	25	1,666	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)	Nil	-	Nil	-
- ESOP (Director)	Nil	-	Nil	-
Lapsed during the year:				
- ESOP (Employee)	1,446	25	1,638	25
- ESOP (Director)	Nil	-	Nil	-
Options outstanding at the end of the year:				
- ESOP (Employee)	14,153	25	15,599	25
- ESOP (Director)	1,666	25	1,666	25
Total Options available for grant:				
- ESOP	698,096	25	696,650	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	**March 31, 2017**	**March 31, 2016**
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 Additional information to the Consolidated Financial Statements

1. Contingent liabilities and commitments

PARTICULARS	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt		
In Autoline		
- Income Tax Department	218,779	4,090,572
- Sales Tax Dues	245,778,833	426,170,895
In ADSL		
- Income Tax Department	766,171	1,666,340
In AIPL		
- Income Tax Department	88,366,040	1,116,306
(b) Bank Guarantee		
In Autoline		
- In Favour of Tata Motors Limited	-	4,524,294
(c) Letter of Credit		
In Autoline		
- Issued by Bank of Baroda	40,748,547	30,885,583
(d) Corporate Guarantee		
In Autoline		
- In Favour of Toyotetsu India Auto Parts Pvt Ltd	1,956,956	-
(e) 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 2016-17 (₹ 16,95,511/-)	16,955,111	15,259,601
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible Assets		
In Autoline	7,000,000	-

2. Remuneration paid to Executive Director and CEO is within the limits specified in Schedule V of Companies Act 2013 which is subject to Central Goverment's approval. Such Remuneration was ₹ 55.47 lacs. for the current financial year. (Previous Year ₹ 55.12 lacs) The company has made an application seeking approval from the Central Government, approval for the both financial years is awaited .

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

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
In Autoline		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	8,035,344	9,275,621
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1,346,145	1,969,010
(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	1,346,145	1,969,010
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	1,346,145	1,969,010
(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	45,805	53,090

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.

4. Value of imports calculated on CIF basis

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Raw materials & Component		
In Autoline	13,791,876	15,214,138

5. Expenditure in foreign currency

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
In Autoline		
Foreign Travel	494,154	2,288,684
Professional and consultation fees	7,841,847	3,562,313
Warehouse charges	1,185,857	259,185
In ADSL		
Software Upgradation	62,961	68,849

6. Amounts remitted in foreign currency during the year on account of dividend : NIL

7. Details of consumption of imported and indigenous items

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Imported		
In Autoline		
Raw materials & Component	13,791,876	15,214,138
percentage of consumption	0.55%	0.69%
Indigenous		
In Autoline		
Raw materials & Component	2,476,302,426	2,181,403,686
percentage of consumption	99.45%	99.31%
Total	**2,490,094,302**	**2,196,617,824**

8. Earnings in foreign exchange

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
In Autoline		
i) Export of goods calculated on FOB basis	50,776,620	29,054,379
ii) Amounts received in foreign currency during the year	40,406,171	47,287,697
In ADSL		
ii) Amounts received in foreign currency during the year	1,968,475	-
Total	**93,151,266**	**76,342,076**

Note 34 Disclosure relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016

Particulars	SBNs*	Other Denomination Notes	Total
Closing Cash in hand as on 8 November 2016	55,000	506,363	561,363
(+) Permitted Receipt		753,754	753,754
(-) Permitted Payment		761,168	761,168
(-) Amount Deposited in Banks	55,000	-	55,000
Closing Cash in hand as on 30 December 2016	**-**	**498,949**	**498,949**

*Specified Bank Notes (SBNs) mean the Bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economics Affairs no. S.O. 3407(E), dated 8th November, 2016

Note 35 Previous year's figures

Disclosure and presentation made in the financial statements as per Schedule III of the Companies Act 2013. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR A. R. SULAKHE & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 110540W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PRAKASH NIMBALKAR
Chairman
DIN : 00109947

SHIVAJI AKHADE
Managing Director
DIN : 00006755

UMESH CHAVAN
Executive Director and CEO
DIN : 06908966

ANAND SULAKHE
Partner
Mem. No. 33451
Place : Pune
Date : May 27, 2017

R T GOEL
Chief Financial Officer

ASHISH GUPTA
Company Secretary
Membership No. : A16368

AUTOLINE

FORM NO. MGT-11

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: _____

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company to be held on Thursday, September 28, 2017 at 2:30 p.m. at Survey No. 291 to 295 Nanekarwadi, Chakan, Taluka Khed, Pune 410501 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution
Ordinary Business	
1	To receive, consider and adopt the audited financial statements of the Company on a standalone and consolidated basis, for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon.
2	To appoint a Director in place of Mr. Umesh Chavan (DIN: 06908966), who retires by rotation.
3	To ratify the appointment of M/s. A. R. Sulakhe & Co., Chartered Accountants (Firm Registration No. 110540W) as Auditors and fixing their remuneration.
Special Business	
4	To approve the remuneration of Mr. Shivaji Akhade (DIN:00006755), Managing Director of the Company.
5	To approve the remuneration of Mr. Sudhir Mungase (DIN:00006754), Whole-time Director of the Company.
6	To approve the remuneration of Mr. Umesh Chavan (DIN:06908966), Executive Director & CEO of the Company.
7	To Offer, Issue and Allot Equity Shares on Preferential Basis.

Signed this _____day of _____2017

Signature of member: _____

Signature of Proxy holder(s): _____

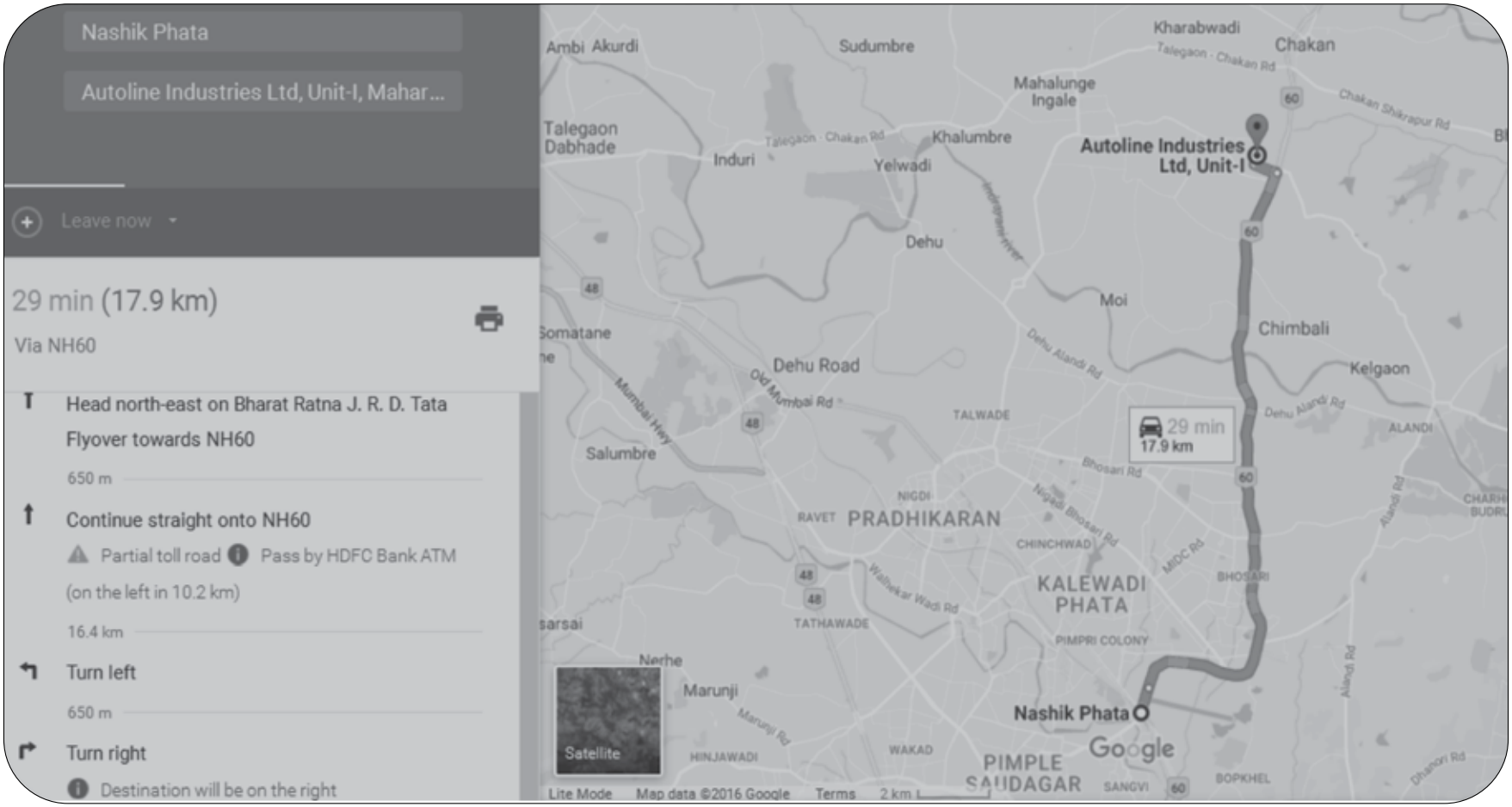
Affix Revenue Stamp

Note:

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. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.

TEAR HERE

ROUTE MAP (FOR AGM VENUE)



Prominent Landmark near the venue of AGM is the factory of Bosch Chassis

NOTES

Products

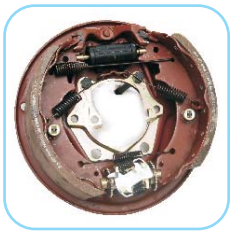
Autoline Industries Limited is a major supplier of sheet metal components, sub-assemblies and assemblies, it also manufacture “A” class sheet metal dies. The Company owns state of art Tool Room Facility, which is equipped with latest CAD, CAM facility to design big size sheet metal press tools, assembly and welding fixtures, inspection gauges, panel checkers etc. The Company provides basket of products with over 2500 products across different sizes that fit into a range of SUVs, MUVs, PVs, CVs and other vehicles. Few of them are as under:

Cab Stay & Cab Tilt Assemblies

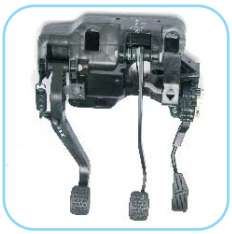
Exhaust System

Parking Brakes

Brake Drum



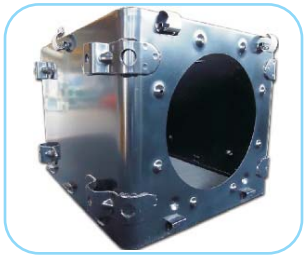
Pedal Boxes



Door Hinges

Large Stamp Assemblies

Stamp Assemblies - Export



About Autoline

A trailblazing story! That is how Autoline could describe its journey in this highly competitive, fast paced and ever changing auto industry.

COMPANY HISTROY: Autoline Industries Ltd (AIL) (incorporated on December 16,1996, as Autoline Stamping Private Ltd.) was initially set up in January 1995 as a partnership firm known as "Autoline Pressings" under India Partnership Act, 1932. The Company has grown into a medium sized engineering and auto ancillary company, manufacturing sheet metal components, sub-assemblies and assemblies, Foot Control Modules, parking brakes, hinges, cab stay and cab tilt, exhaust systems, tubular structures, fabrications, etc for large OEMs in the Automobile Industry. The turnover of ₹ 1.10 million in financial year 1995-96 raised up to ₹ 8050 million in financial year 2012-13. AIL is a prominent Pune based leading auto components manufacturer and supplier to Original Equipment Manufacturers (OEMs) and Automobile companies with presence in the Domestic and International Markets.

Key Customers

AUTOLINE

AUTOLINE INDUSTRIES LIMITED

CIN : L34300PN1996PLC104510

Regd. Office - S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan,
Taluka – Khed, Dist. Pune - 410 501, India.

Tel: +91-2135-664865/6, Fax: +91-2135-664864/53

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