



Ninth Annual Report
2004-2005

Life in the fast lane....

Our manufacturing facility at Chakan, Pune.



AUTOLINE STAMPINGS PRIVATE LIMITED

BOARD OF DIRECTORS

Shri Vilas Lande - Chairman
Shri Shivaji Akhade Managing Director
Shri Sudhir Mungase Director
Shri M. Radhakrishnan Director

BANKERS

Bank Of Baroda
 SSI, Pimpri, Pune.
 Vasantdada Shetkari Sahakari Bank Ltd.
 Laxmi Road Branch, Pune.

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AUDITORS

M/s. Gujar Rawat Sheth & Associates
 Chartered Accountants
 Pune

REGISTERED OFFICE

**S.No.825, Kudalewadi,
 Taluka Haveli,
 Post Chikhali,
 Pune 412114.**

UNIT I

**S.No.825, Kudalewadi,
 Taluka Haveli,
 Post Chikhali,
 Pune –412114**

UNIT II

**S.No.291 to 296,
 Nanekarwadi,
 Chakan,
 Pune – 410501**

UNIT III

**T – 135,
 MIDC,
 Bhosari,
 Pune – 411026**

NOTICE

Notice is hereby given that the Ninth Annual General Meeting of the members of AUTOLINE STAMPINGS PRIVATE LIMITED will be held at the Registered Office of the Company, at S.No.825, Kudalewadi, Taluka Haveli, Post Chikhali, Pune 412114 on Friday, the 30th September 2005 at 11.30 a.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31.03.2005 and Profit and Loss Account for the year ended as on that day along with the Directors Report and Auditors Report thereon.
2. To Appoint the Auditors and fix their remuneration.

To Consider and, if thought fit, with or without any modification(s), to pass the following resolution as an ordinary resolution :

RESOLVED THAT M/s. Gujar Rawat Sheth & Associates, Chartered Accountants, Pune, the retiring Auditors, have expressed their willingness to continue as auditor for next financial year. M/s. Gujar Rawat Sheth & Associates, Chartered Accountants, 4/1, Shivdarshan Chambers, Market Yard, Pune - 411 037, who are qualified to act as the Auditors of the Company under Section 224 (IB) of the Companies Act, 1956 be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and at such remuneration as fixed by the Board of Directors of the Company in addition to the reimbursement of out-of-pocket expenses incurred by them.

BY ORDER OF THE BOARD

For AUTOLINE STAMPINGS PRIVATE LIMITED

DIRECTOR

Dated : 29th June, 2005

NOTE : A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

DIRECTORS REPORT

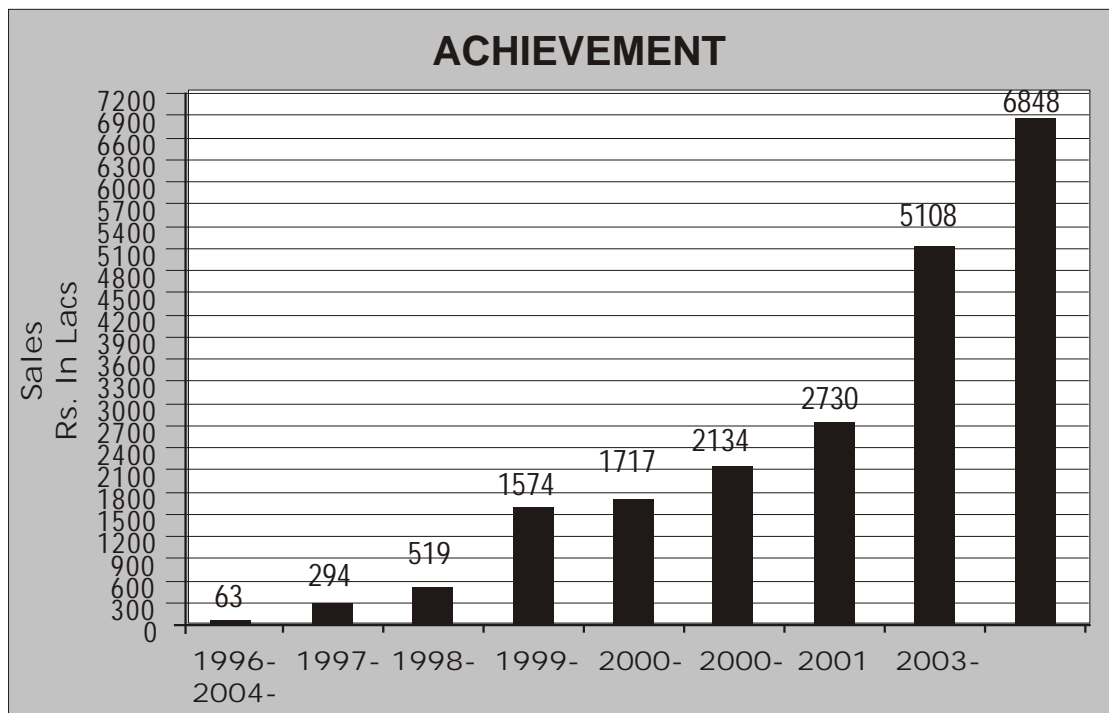
TO THE MEMBERS OF AUTOLINE STAMPINGS PRIVATE LIMITED

Your Directors have pleasure in placing before you the Ninth Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March 2005.

1. FINANCIAL RESULTS

The financial highlights of the company for the year ended 31st March 2005 in brief is as under :

	2004-2005 (Rs. In Lakhs)	2003-2004 (Rs. In Lakhs)
Sales	6848	5108
Other Income	11	11
	6859	5119
Expenses other than Interest and Depreciation	6351	4806
Profit before Interest and Depreciation	508	313
Interest	162	155
Depreciation	147	99
Provision for tax	16	5
Net Profit for the year	182	54
Paidup Share Capital	601	401



2. DIVIDEND :

Your directors have paid Interim Dividend of 5% in the month of February 2005 and request you to consider the same as full and final Dividend for the financial year 2004 - 2005. The Board of Directors have decided not to recommend Final Dividend in view of the large requirement of funds for rapid expansion.

3. OPERATIONS :

The turnover at Rs. 6848 Lacs has shown a growth of 34% against last year's turnover of Rs. 5119 Lacs. The Company is consistent in making profits since inception and the Profit before Tax for the year is Rs. 198 Lacs compared to last years Profit before Tax of Rs. 59 Lacs, the Net Profit rose from Rs. 54 Lacs to Rs. 182 Lacs a growth of 337%.

The factory at T-135, MIDC, Bhosari, was further expanded and is now manufacturing parts for Bajaj Auto Ltd., Fiat, Walker Exhaust (India) Pvt. Ltd. (Subsidiary of Fortune 500 Company Tenneco, USA) and Tata Motors Ltd., (commercial vehicle parts). The Chakan factory, which manufactures big assemblies got a boost due to larger critical assemblies for cars developed as second source, (due to inhouse designing and manufacturing of Large Sized Dies using CAD / CAM facilities), contributed in a big way to growth in sales. The production of Indica cars, Indigo cars and the new Marina by TATA Motors Ltd. (Including production of Cars for Exports). The Factory at Kudalwadi also made its due contribution.

The organization structure was strengthened to meet the increased production demands with Quality and Cost Competitiveness at all the plants. The Factories at T - 135, MIDC and Kudalwadi are certified as ISO 9001: 2000 while the Factory at Chakan is certified as ISO/TS 16949. Thus all the manufacturing facilities are certified for International Standards.

Further the Company has got Term Loans from Bank of Baroda in FCNR(B) loans, which has resulted in decrease in the Interest Costs.

4. FUTURE PROSPECTS:

The Auto Component Industry is surging ahead and India is emerging as the most preferred Quality Manufacturing location for outsourcing by Global Auto Majors. Exports of Auto components from India have grown at a compounded growth rate of 19% over the past six years. During the Financial Year 2003-04, the Industry achieved a milestone of USD 1 Billion worth of Exports.

Taking into consideration the business development efforts in both domestic and export markets and proposed outsourcing of Larger Components including aesthetic parts by Tata Motors Ltd., the turnover in 2005-2006 is expected to touch Rs 125 Crores.

Considering the future prospects, the Company has already started the Expansion Project on 7 acres (out of 15 acres acquired last year) of the Land adjacent to the existing Chakan Factory. The Company proposes to invest further Rs. 50 Cr for the expansion. On completion of the expansion and prospective further orders in the pipeline the annual turnover can go upto Rs. 750 Crs in the year 2007 - 08.

The Company has set up a Joint Venture in UAE under the name "Union Autoline Spare Parts, L.L.C." in the month of May 2005 to tap the vast potential for Auto Spares in the entire Gulf and African region. The Company has 49% Share in this Joint Venture. This venture is mainly to trade in Automobile Spare Parts out of U.A. E. from where the demand for Auto Spares for the Gulf and African Region. The Strategy will be to build Automobile Spares with a brand to be positioned between the Low Quality cheaper spares coming from Iran, Iraq etc., and the costly spares coming from Germany/ Japan. The Company also proposes to set up Manufacturing facilities in due course.

Your Company is eyeing inorganic growth for faster growth and diversification of products and is negotiating with Auto Component manufacturers in Pune Region for acquisition. The negotiation for acquiring a company manufacturing Silencers and Exhaust Systems for commercial vehicles is at advanced stage and is likely to be completed by Dec 2005.

5. AUDITORS REMARKS :

The observations made by the Auditors in their report are self-explanatory.

6. AUDITORS :

M/s. Gujar Rawat Sheth & Associates, Chartered Accountants, Pune, have expressed their willingness to continue as auditor for next financial year.

7. APPOINTMENT OF WHOLE TIME COMPANY SECRETARY :

The company is appointing a Whole time Company Secretary pursuant to the provisions of Section 383 A of the Companies Act 1956.

8. PARTICULARS OF EMPLOYEES :

The Company does not have any of the employees covered under Section 217(2A) of the Companies Act, 1956.

9. PROVISION FOR TAXATION :

In the opinion of the Management, provision for taxation of Rs.16,00,000/- is adequate to meet the tax liability of the company considering the various provisions of the Income Tax Act, 1961.

10. ADDITIONAL INFORMATION :

Additional information as required under Rule 2 of the Companies Act (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption has been given in Form A and Form B annexed hereto.

11. DIRECTOR'S RESPONSIBILITY STATEMENT:

- I. In the preparation of annual accounts, the applicable accounting standards have been followed along with proper examination relating to material departures.
- II. We have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2004 2005 and of the profit of the company for that period.
- III. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV. We have prepared the annual accounts on a going concern basis.

12. ACKNOWLEDGEMENT :

Your Directors wish to place on record their appreciation and acknowledge with gratitude the support and co-operation extended by the officers, staff and employees of the company, Bank Of Baroda, Vasantdada Shetkari Sahakari Bank Ltd., HSBC Bank, consultants and Government Agencies like Directorate of Industries, DGFT, Excise, Sales Tax/Income Tax authorities, and last but not the least officials of Tata Motors Ltd., Bajaj Auto Ltd., Maharashtra Scooters Ltd., Kinetic Engineering Ltd., Mahindra & Mahindra Ltd., Fiat India Ltd., Walker Exhaust (India) Pvt. Ltd. and all our vendors.

**For and on behalf of the board
AUTOLINE STAMPINGS PRIVATE LIMITED**

**M. RADHAKRISHNAN
DIRECTOR**

**S. T. AKHADE
MANAGING DIRECTOR**

PLACE : PUNE

DATE : 29th June 2005

FORM A

FORM FOR DISCLOSURE WITH RESPECT TO CONSERVATION OF ENERGY

	2004-2005	2003-2004
A] Power and Fuel Consumption		
1) Electricity		
Purchased Units	23,13,802	19,03,507
Own Generation		
2) Coal and Furnace Oil	NIL	NIL
B] Consumption per unit of Rupee Value	Rs 4.01	Rs 4.00
C] Energy Conservation Measures taken	N.A.	N.A.
D] Impact of Measures taken	N.A	N.A

FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

	2004-2005	2003-2004
A] Research and Development	Nil	Nil
B] Technology absorption, adaptation and innovation.	Nil	Nil
C] Foreign Exchange Earnings and outgo		
a) Foreign Exchange Earnings	N.A.	N.A.
b) Foreign Exchange Outgo	Rs. 97,618/-	N.A.

**For and on behalf of the board
AUTOLINE STAMPINGS PRIVATE LIMITED**

**M. RADHAKRISHNAN
DIRECTOR**

**S. T. AKHADE
MANAGING DIRECTOR**

PLACE : PUNE
DATE : 29th June 2005

GUJAR RAWAT SHETH & ASSOCIATES
CHARTERED ACCOUNTANTS

4/1st Floor, Shivdarshan Chambers,
 457/58, Market Yard, Pune 411 037.
 Telefax : 24269496, 24269497
 E-mail : vbsheth_ca@vsnl.net

AUDITOR'S REPORT

TO,

The Members,

AUTOLINE STAMPINGS PRIVATE LIMITED

Pune.

We have audited the attached BALANCE SHEET of AUTOLINE STAMPINGS PRIVATE LIMITED., as at 31st March 2005, the Profit & Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

2. As required by the Companies (Auditor's Report) Order issued by the department of companies affairs in terms of section 227 (4A) of Companies Act , 1956 and on the basis of such checks as we considered appropriate and according to information and explanation given to us, we enclose in the annexure hereto a statement on the matters specified in paragraph 4 & 5 of the said order to the extent applicable to company.

3. Further to our comments in the Annexure referred to in paragraph 2 above we report that:

- a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books of accounts.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts.
- d) In our opinion and subject to Note No 13 referred in Note to Accounts Schedule 'I' in respect of Deferred Tax Liability as referred in Accounting Standard AS 22, the Balance Sheet, Profit and Loss Accounts and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, to the extent applicable.
- e) On the basis of the written representation received from the Directors as on 31st March 2005 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2005 for being appointed as a Director of the Company in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.

GUJAR RAWAT SHETH & ASSOCIATES
CHARTERED ACCOUNTANTS

4/1st Floor, Shivdarshan Chambers,
 457/58, Market Yard, Pune 411 037.
 Telefax : 24269496, 24269497
 E-mail : vbsheth_ca@vsnl.net

- f) The Company has not provided for the benefits of the employees like leave encashment. It is not possible for us to estimate the liabilities on these accounts since no actuarial valuation has been made for the same. Therefore, the profit for the year has been shown in excess to that extent.
- g) Subject to our comments in Para (3.d & 3.f) above, in our opinion and to the best of our information and according to the explanations given to us the said accounts read together with Significant Accounting Policies, and Notes thereon gives the information required by the Companies Act 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) In case of the Balance Sheet, of the state of affairs of the Company as on 31st March, 2005.
- ii) In the case of the Profit & Loss Account of the Profit for the year ended on that date.
- iii) In case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

FOR GUJAR RAWAT SHETH & ASSOCIATES.

CHARTERED ACCOUNTANTS.

MOHAN R. GUJAR)

PARTNER.

M. No. 30305

PLACE : PUNE.

DATE : June 29, 2005.

