



*14<sup>th</sup> Annual Report 2010*  
**Autoline Industries Limited**

**BEST PERFORMANCE AWARD FOR "EXCELLENCE IN QUALITY" IN  
SHEET METAL BUSINESS AT NATIONAL VENDOR MEET -TATA  
MOTORS LIMITED- 3RD FEBRUARY, 2010**



**GENERAL MOTOR'S "SUPPLIER OF THE YEAR AWARD - 2009". AT GM DOME,  
WARREN, MICHIGAN, USA  
AUTOLINE INDUSTRIES, USA INC – 11TH MARCH, 2010**



## REVERSE ENGINEERING OF BUS FRAME FOR BUS MANUFACTURER



## STYLING CONCEPTS DEVELOPED FOR SCHOOL BUS IN USA



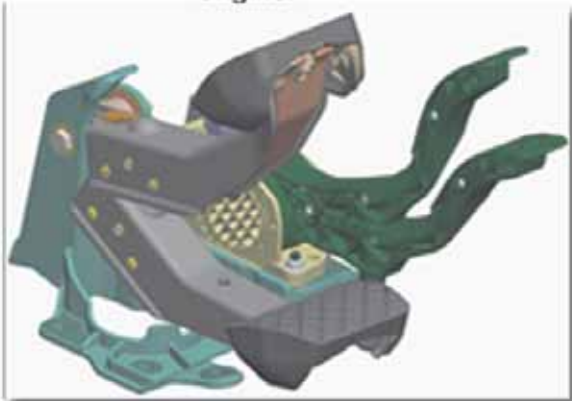
## STYLING CONCEPTS DEVELOPED FOR OEM





### PEDAL REDESIGN

Original

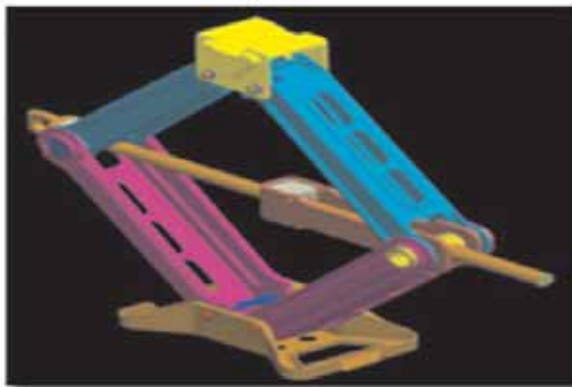


Redesigned

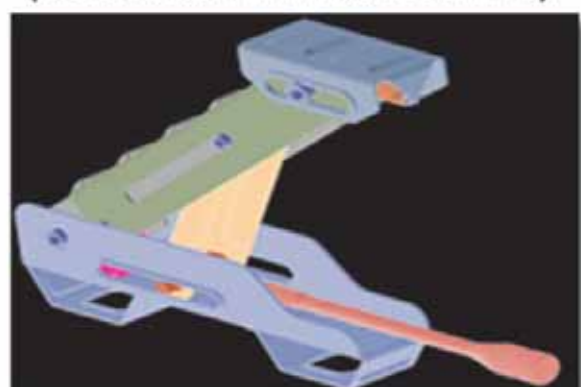


### JACK REDESIGN

Original



Redesigned  
(QUICK JACK WITH 40% LESS PART)



### HINGE REDESIGN

Original



Redesigned



## ANNUAL REPORT - 2010

### **CHAIRMAN EMERITUS BOARD OF DIRECTORS**

**Mr. Vilas V. Lande**

### **CHAIRMAN**

**Mr. Gopal G. Patwardhan**  
(till 20th March, 2010)

**Mr. Prakash B. Nimbalkar**  
(from 20th March, 2010)

**Non-Executive**

### **MANAGING DIRECTOR &**

### **CHIEF EXECUTIVE OFFICER**

**Mr. Shivaji T. Akhade**

### **JT. MANAGING DIRECTOR**

**Mr. M. Radhakrishnan**

### **WHOLETIME DIRECTOR**

**Mr. Sudhir V. Mungase**

### **DIRECTORS**

**CA. Vijay K. Thanawala**

**Prof. Abraham Koshy**

**Mr. Ajit B. Karnik**

**Cmde. N. Ravindranathan IN (Retd)**

**Prof. Chandramouli Padmanabhan**  
(till 29th October, 2009)

**Independent and  
Non-Executive  
Directors**

**Mr. Rakesh Jhunjunwala**

**Mr. J. Stanton Dodson**  
(till 20th March, 2010)

**Non-Executive**

### **CHIEF FINANCIAL OFFICER**

**CA. Narayan G. Bhat**

### **COMPANY SECRETARY**

**Mr. Ashutosh B. Kulkarni**

### **AUDITORS**

**Gujar Rawat Sheth & Associates**  
Chartered Accountants, Pune.

### **INTERNAL AUDITORS**

**R.M. Rajapurkar & Co.,**  
Chartered Accountants, Pune.  
(till 31st March, 2010)

### **REGISTERED OFFICE**

S. Nos. 313, 314, 320 to 323 Nanekarwadi, Chakan,  
Taluka- Khed, District- Pune - 410 501.

### **BANKERS**

1. Citibank N.A.
2. State Bank of India
3. Union Bank of India
4. Axis Bank Limited
5. SICOM Limited
6. Kotak Mahindra Bank Limited
7. DBS Bank Limited
8. Small Industries Development Bank of India
9. Bank of Baroda

**FACTORY LOCATIONS:**

1. S. No. 825, Kudalwadi, Post Chikhali, Taluka -Haveli, Pune - 412 114.
2. T-135, MIDC, Bhosari, Pune – 411 026.
3. S. Nos. 291 to 295, Nanekarwadi, Taluka -Khed, Dist-Pune- 410 501.
4. S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka Khed, Dist - Pune – 410 501.
5. S. No. 613, Mahalunge, Chakan, Taluka- Khed, Dist - Pune- 410 501.
6. F-II, 24/25, MIDC, Pimpri, Pune- 411 018.
7. E-12-17 (7) & (8), MIDC, Bhosari, Pune – 411 026.
8. Plot Nos. 5, 6 & 8, Sector 11, IIE, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand – 263 153.
9. #2/86, 7<sup>th</sup> Avenue, Ashok Nagar, Chennai – 600 083.

**Foreign locations:**

10. DEP Autoline, Inc., USA - 560 Kirts Blvd., Suite 103, Troy, Michigan – 48084, USA.
11. Autoline Industries Inc USA, - 100, Commerce Street, Butler, IN. - 46721, USA.
12. Koderat Investments Limited – P.O. Box 58184, 2<sup>nd</sup> Floor, Cassandra Centre, 29, Theklas Lyssioti Street, 3731, Limassol, Cyprus.
13. SZ Design Srl - Via Arese, 30 – 20017, Terrazzano di Rho (MI) – Italy.
14. Zagato Srl - Via Arese, 30 – 20017, Terrazzano di Rho (MI) – Italy.

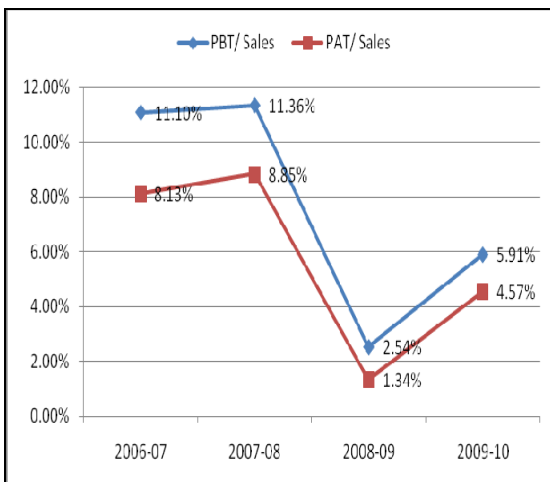
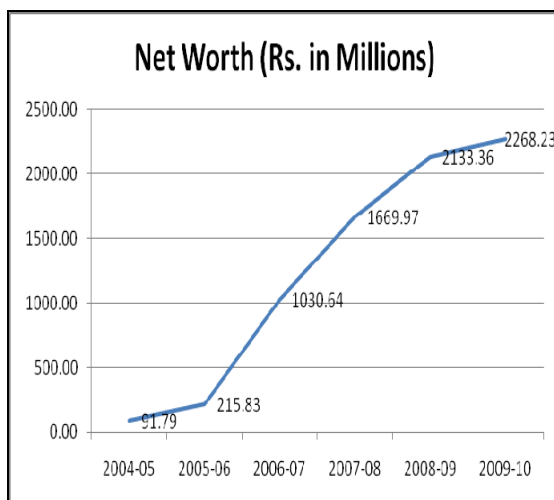
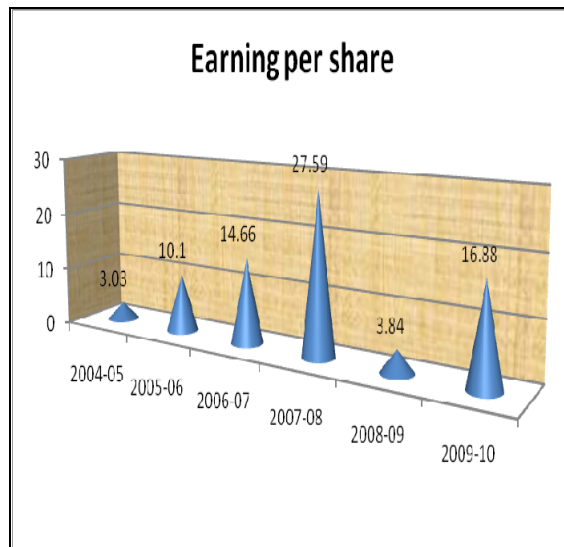
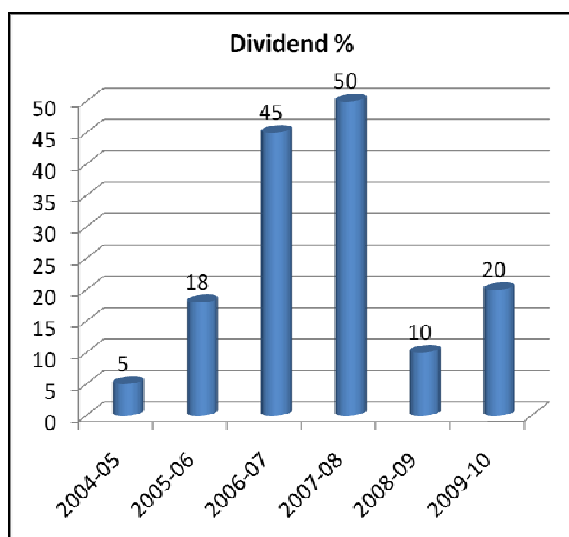
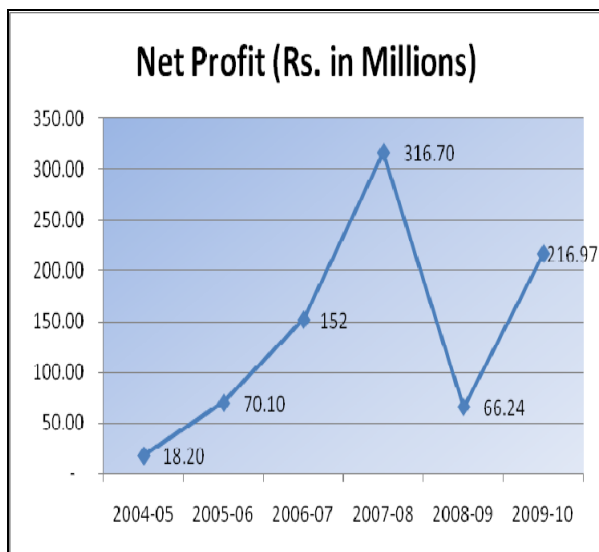
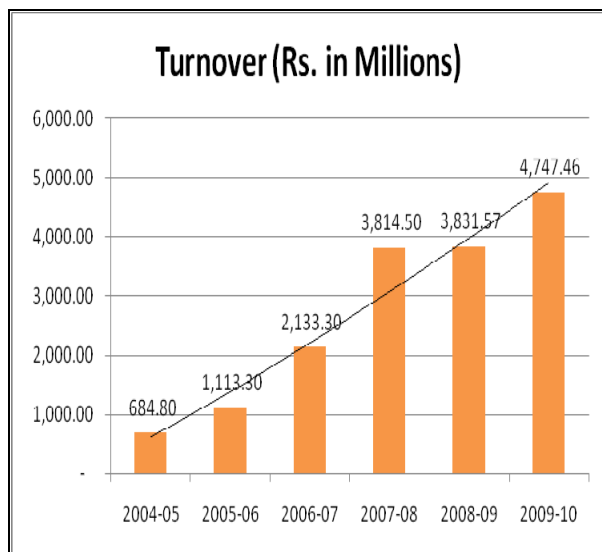
**REGISTRARS & SHARE  
TRANSFER AGENTS****Link Intime India Private Limited**

Block 202, 2<sup>nd</sup> Floor, Akshya Complex, Off Dhole Patil Road,  
Pune- 411 001.

***14<sup>th</sup> Annual General Meeting***

**Date : Friday, September 24, 2010**  
**Time : 3.00 p.m.**  
**Venue : S. Nos. 291 to 295, Nanekarwadi, Chakan,  
Taluka - Khed, Dist-Pune- 410 501**

## FINANCIAL PERFORMANCE



## FINANCIAL HIGHLIGHTS FOR LAST FIVE YEARS (STANDALONE)

(Rs. in Million)

| PARTICULARS  | 2009-10         | 2008-09         | 2007-08         | 2006-07         | 2005-06       |
|--|-----------------|-----------------|-----------------|-----------------|---------------|
| Net Fixed Assets   | 2,282.49        | 2,048.85        | 1,567.02        | 877.48          | 527.28        |
| Investments  | 874.94          | 856.22          | 606.02          | 58.05           | 26.54         |
| Net Current Assets   | 324.03          | 300.28          | 421.27          | 459.54          | 85.72         |
| Miscellaneous Expenditure  | 0.60            | 0.80            | -               | -               | 0.65          |
| <b>TOTAL ASSETS (NET)</b>  | <b>3,482.06</b> | <b>3,206.16</b> | <b>2,594.31</b> | <b>1,395.07</b> | <b>640.19</b> |
| Share Capital  | 122.05          | 122.05          | 109.55          | 103.67          | 81.06         |
| Share Warrants   | -               | 27.00           | -               | -               | -             |
| Reserves & Surplus   | 1,741.32        | 1,610.80        | 1,302.00        | 903.45          | 134.77        |
| Secured Loan   | 1,167.69        | 870.34          | 769.55          | 288.56          | 312.79        |
| Unsecured Loan   | 386.11          | 527.62          | 376.60          | 86.60           | 111.57        |
| Deferred Tax Liability (Net)   | 64.89           | 48.34           | 36.61           | 12.79           | -             |
| <b>TOTAL FUND EMPLOYED</b>   | <b>3,482.06</b> | <b>3,206.16</b> | <b>2,594.31</b> | <b>1,395.07</b> | <b>640.19</b> |
| <b>INCOME</b>  |                 |                 |                 |                 |               |
| Sales (Gross)  | 3,021.25        | 2,631.94        | 3,022.90        | 2,100.32        | 1,113.26      |
| Less : Excise Duty   | 225.14          | 291.22          | 356.63          | 264.95          | 146.20        |
| Sales (Net)  | 2,796.10        | 2,340.73        | 2,666.27        | 1,835.37        | 967.05        |
| Other Income   | 29.97           | 18.66           | 11.62           | 1.50            | 0.96          |
| Increase/ Decrease of Finished Goods.                                  | (0.37)          | 14.07           | (12.02)         | 2.27            | 6.10          |
| <b>TOTAL INCOME</b>  | <b>2,825.70</b> | <b>2,373.45</b> | <b>2,665.87</b> | <b>1,839.15</b> | <b>974.12</b> |
| <b>EXPENDITURE</b>   |                 |                 |                 |                 |               |
| Raw material / Consumables and Others                                  | 1,765.23        | 1,576.63        | 1,748.60        | 1,214.38        | 616.08        |
| Other Manufacturing Cost   | 446.31          | 402.24          | 393.84          | 292.65          | 167.80        |
| Employment Cost  | 143.91          | 121.86          | 77.83           | 30.84           | 21.12         |
| Administrative and Selling Cost & Others                               | 90.26           | 54.21           | 57.47           | 45.03           | 53.12         |
| Preliminary & Miscellaneous Expenses Written off                       | 0.20            | 0.20            | -               | 0.65            | 0.31          |
| Interest   | 101.91          | 71.68           | 45.26           | 22.11           | 17.58         |
| Depreciation   | 104.75          | 84.19           | 43.22           | 28.45           | 21.06         |
| <b>PROFIT BEFORE TAX</b>   | <b>173.13</b>   | <b>62.44</b>    | <b>299.65</b>   | <b>205.05</b>   | <b>77.04</b>  |
| <b>TAX</b>   |                 |                 |                 |                 |               |
| Income Tax   | 24.50           | 7.21            | 33.80           | 41.40           | 6.50          |
| Fringe Benefit Tax   | -               | 0.85            | 0.72            | 0.51            | 0.42          |
| Deferred Tax Liability (Net)   | 13.50           | 8.68            | 20.78           | 12.79           | -             |
| <b>PROFIT AFTER TAX</b>  | <b>135.13</b>   | <b>45.71</b>    | <b>244.35</b>   | <b>150.35</b>   | <b>70.13</b>  |
| Balance Brought Forward  | 322.56          | 292.33          | 144.37          | 67.83           | 16.51         |
| <b>APPROPRIATIONS</b>  |                 |                 |                 |                 |               |
| PROPOSED & DECLARED DIVIDENDS<br>(Including Dividend Distribution Tax) | 28.56           | 14.28           | 71.40           | 53.81           | 13.31         |
| Amount transferred to General Reserve.                                 | 13.50           | 1.20            | 25.00           | 20.00           | 5.50          |
| <b>BALANCE CARRIED TO BALANCE SHEET</b>                                | <b>415.63</b>   | <b>322.56</b>   | <b>292.33</b>   | <b>144.37</b>   | <b>67.83</b>  |

Rs. 10 Lacs = Rs. 1 Million



## ANNUAL REPORT - 2010

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## **CHAIRMAN'S MESSAGE**

***Dear Stakeholder(s),***

During the last two years, the global economic slowdown has adversely affected economies of many countries and automobile industry was not an exception to this and was in fact, one of the worst hit industrial sector during this period. Your Company also faced lot of challenges to overcome numerous problems like most others in the industry.

Esteemed shareholders may recall that at the last AGM, your Company had expressed confidence to not only face these challenges but also take advantage of the opportunities emerging out of competitive environment. The global automobile sector seems to be recovering, and is expected to grow at much faster rate in coming years. As per the Automotive Mission Plan 2006-2016, the automotive industry continues to maintain strong confidence in long term. Consequently the industry is continuing its investments in capacity creation and is spending approximately \$ 1.50 Billion annually.

I am happy to share with you that your Company has not only withstood the storm but showed a surge in the overall business performance. While your Company has achieved considerable increase in the overall business, there was also significant increase in the quality of business and earnings. The year was seen as a year of consolidation and focused attention was paid for streamlining the operations, cost control, increasing efficiency and effectively managing other costs.

Your Company is an integrated Design-Engineering-Manufacturing ancillary Company of automobile components and assemblies to the leading OEMs in the automobile industry. The Company has worked out niche areas for itself and redefined the product mix by constantly upgrading the same as per changing requirements of the OEMs. Today, your Company is engaged in conceptualizing, styling, design-engineering, prototyping and manufacturing of auto components through the business segments such as, styling, design and analysis application, software services, mechanical assembly, medium and large stamped assemblies. Your Company has eleven manufacturing facilities which manufactures more than 400 products for various vehicle segments including passenger cars as well as commercial vehicles. The Company also has design centers at Pune, Chennai, USA and Italy. India is emerging as a design hub and major global OEMs outsource their design & development work to India.

***Our vision is “to be an Innovation driven, Global Leader in Design, Engineering and Manufacturing of Automotive Mechanical Systems”. In order to achieve this, we are continuously focusing on value chain and aim at backward and forward integration.***

The operations of the Company for the Financial Year 2010 have seen an excellent growth trajectory as compared to the operations of the previous year in as much as its consolidated revenue was to the tune of Rs.4747.46 Millions as compared to Rs.3831.57 Millions in the previous year. The company's Profit Before Tax and Profit After Tax were at Rs.266.66 Millions and Rs.205.97 Millions as against Rs.88.93 Millions and Rs.46.84 Millions respectively in the previous year. The earning per share for the Financial Year 2010 stood at Rs.16.88/- as against Rs.3.84/- for the previous Financial Year.

I am glad to inform that the Board of Directors has recommended enhanced dividend of 20 percent as compared to 10 percent in the previous year.

I am very optimistic about the Company's performance in the coming year. Your company would strive to achieve better performance based on various initiatives already underway aiming at enhancing the stakeholders' value. We will sharply focus on improving further in our product mix, efficiency, product innovation, rearranging of Bank's finance and expansion of business by adding new OEMs to our existing list and also to get closer to our OEMs by offering them best products and solutions. The subsidiary companies of Autoline are also expected to show excellent operational and financial results during the current year. With global economy showing signs of recovery, your company is confident of achieving the desired results, cope up with the emerging challenges and capitalize on the opportunities.

I feel privileged to lead your Company as Chairman. I must emphasize that while stepping into the coming financial year, our whole-hearted efforts will be to achieve higher growth besides gearing up for maximization of stakeholders' value in line with best corporate practices. I look forward to your continued support in strengthening your company's position.

I am grateful to the Board of Directors for their unstinted support and guidance. I would also like to express my gratitude to all the subsidiaries of Autoline, bankers, employees and shareholders who have reposed their confidence in the Company.

**(P. B. Nimbalkar)**  
**Chairman**