



AUTOLINE INDUSTRIES LTD.

**23RD ANNUAL REPORT
2018-19**

DETERMINED TO DELIVER

We are determined to expand our customer base. We are continuously working to add new customers in auto and non-auto segments with the support of strong design and development team to optimize our manufacturing capabilities. Last year we have been successful in adding few marquee customers both in auto and non-auto segments.

We are determined to improve liquidity. Last year, the liquidity position improved with fresh infusion of equity from a private equity investor and promoters. We are currently working on monetizing our non-core assets to further improve the liquidity position that would help in working capital support and reduction of debt.

We are determined to expand the product portfolio. In the process of expanding our product portfolio, we have added more customers from the non-auto sector in last year and also ventured into manufacturing of e-bicycle to tap the potential of the emerging e-vehicles market in the country.

We are determined to improve efficiency and reduce cost and hence we are optimizing our operations, rationalizing manpower, increasing productivity, implementing better inventory management controls and modernizing our systems.

We are excited. We are confident. We are convinced.

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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
Dr. Jayashree Fadnavis	:	Independent Director
Mr. Krishan Kant Rathi	:	Nominee Director (Appointed w.e.f. April 12, 2019)
Mr. Amit Goela	:	Non Executive Director (Resigned w.e.f. July 24, 2018)

Statutory Auditors	Internal Auditors	Chief Financial Officer	Company Secretary
A. R Sulakhe & Co. Chartered Accountants	Ketan Shah & Associates Chartered Accountants (till Financial Year 2018-19) Moore Stephens Singhi Advisors LLP (For Financial Year 2019-20)	CA Gokul Naik	CS Ashish Gupta

REGISTERED OFFICE

Survey Nos. 313, 314, 320 to 323 Nanekarwadi,
Chakan, Taluka- Khed, District- Pune 410 501
Tel: +91-2135-664865/6,
CIN- L34300PN1996PLC104510
E-mail: investorservices@autolineind.com
Website: www.autolineind.com

BANKERS / LENDERS

Bank of Baroda
The Catholic Syrian Bank Ltd.
Axis Bank Ltd.
TATA Motors Finance Solutions Limited
JM Financial Asset Reconstruction Company Limited

FACTORIES/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) E-12-17 (7) & (8), MIDC, Bhosari, Pune - 411 026.
- 5) Plot Nos. 5, 6 and 8, Sector 11, II E, TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand - 263 153.
- 6) Plot No. 186 - A, Belur Industrial Area Growth Centre, Industrial Area Garag, Opp. High Court, Dharwad, 580011, Karnataka.
- 7) Survey No.53, 36/2, 36/3, situated at Moorthigana Dinna Village, Dasaripalli, Hosur Bagalur Road, Hosur Taluk, Tamil Nadu - 635109

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

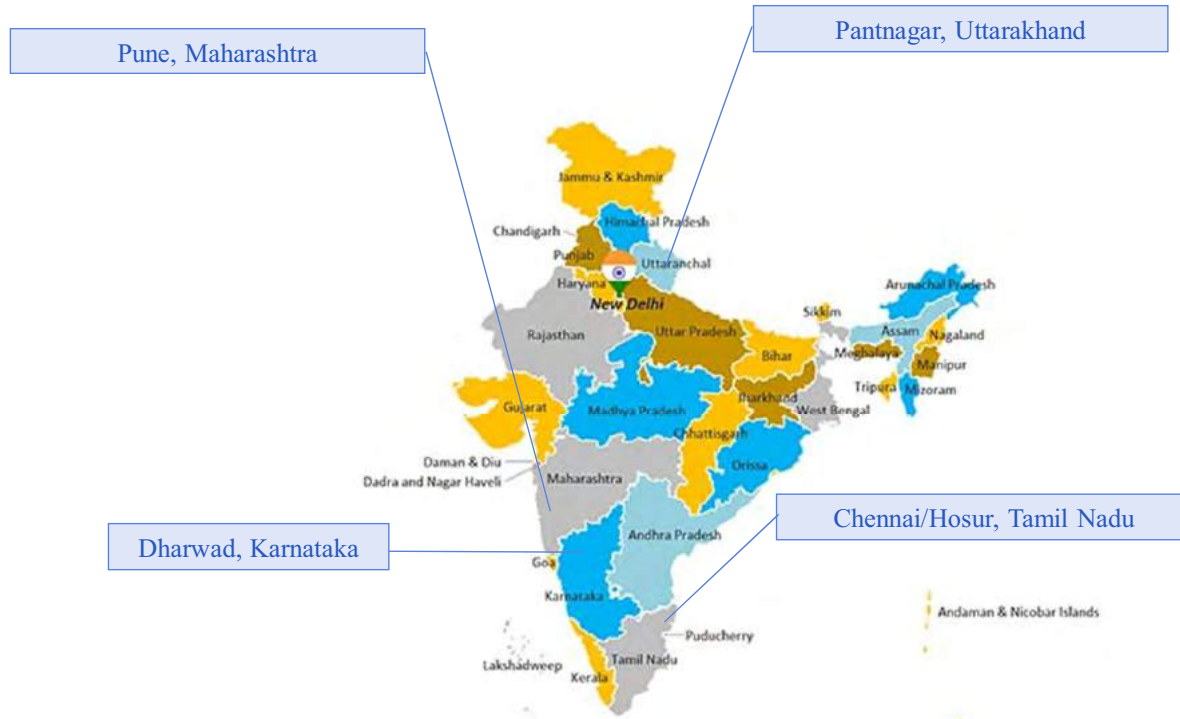
Link Intime India Pvt. Ltd.

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
 Web: 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 Gokul Naik	:	Chief Financial Officer
Mr. Mayank Sharma	:	Chief Operating Officer
CS Ashish Gupta	:	Company Secretary
Mr. Jitendra Sonar	:	Head – Human Resources
Mr. Satish Satpute	:	Head – Commercials
Mr. G.V. Rangaraju	:	Head – Tool Room
Mr. Faiyaz Kashi	:	Head – Development
Mr. P. Subramanyam	:	Head – Costing
Mr. Mukund Palve	:	Head – IT and Systems
Mr. Sandeep Patil	:	Head – Quality

Autoline Industries – Manufacturing Locations



Manufacturing Locations

[Chakan 'II' Pune India](#)[Chakan 'I' Pune India](#)[Mhalunge Pune India](#)[E12 Bhosari Pune India](#)[Uttarakhand, India \(3 Units\)](#)[Hosur, Tamilnadu India](#)[Dharwad Karnataka India](#)

Strategic Pan India presence in 4 different states

Manufacturing...Engineering Transformation

- Deck Lid/ Lift Gate

- A Pillar

- B Pillar

- C Pillar

- Parcel Shelf

- Door Hinges

- Door Assembly

- Longitudinal Member

- Step Panel

- Tie Member

- Body Side Inner & Outer

- Battery Tray

- Firewall



- Parking Brakes
- Pedal Drive System
- Inner Quarter Panel
- Suspension Tower
- Chassis Cross member
- Floor Assembly
- Door Anti-Intrusion Beam
- Drive Tunnel Assembly
- Side Wall Assembly
- Brackets
- Bonnet Inner
- Mud Guard
- Wheel Arch
- Load Body



- Firewall
- Sub-Structure with floor
- Bumper
- Bumper Corner
- Headlamp Mount
- Roof Header
- Glass - Run Channel
- Side wall assembly
- Cab Stay – Cab Tilt Assy.
- Cab mount
- Exhaust System
- Engine Cross Member

Manufacturing all Major aggregates for Commercial as well as passenger vehicles

Major Parts



Door Shells, Body Side Inners/Outers, Bumpers, Tail Gate, Exhaust Systems Etc.
Kinematic assemblies like Pedal Box, Hinges, Parking Brakes, Cab Stay, Gear Shifter etc.

AUTOLINE AWARDED WITH IATF CERTIFICATION



COMPANY'S CRITERIA TO GET AN IATF CERTIFICATION

- Provides for Continuous Improvement
- Emphasizes Defect Prevention
- Includes Specific Requirement from Automotive Industry
- Promotes Reduction of Variation and Waste in Supply Chain



Business meet with Korean Delegates



In-house Testing & Validation

Pedal System Durability Testing Chamber



Structural Test Setup



Parking Brake Durability Testing



Structural Test Setup



MOCK DRILL TRAINING (11.12.2018) – CHAKAN PLANT II



FINANCIAL HIGHLIGHTS OF LAST FIVE YEARS (CONSOLIDATED)

(₹ in Lakhs except share data)

PARTICULARS	2018-19	2017-18	2016-17	2015-16	2014-15
OPERATING RESULTS					
Revenue and Other Income	45458	40489	39378	36449	50746
Profit before Depreciation, Interest & Tax	989	686	966	1842	(431)
Less: Depreciation & Amortisation	2123	222 ⁶	234 ⁷	2454	276 ³
Finance Cost	3752	3686	3675	3118	3237
Profit/(loss) before Tax (PBT)	(4886)	(5226)	(8447)	(3890)	(5606)
Profit/(loss) after Tax (PAT)	(4948)	(5237)	(7197)	(3903)	(5707)
ASSETS					
Non-Current Assets	24348	26097	27201	29126	30092
Current Assets	28285	23630	23481	23689	21495
Total Assets	52633	49727	50682	52815	51587
EQUITY & LIABILITIES					
Equity Share Capital	2703	2100	1603	1323	1234
Other Equity	8038	4855	5796	11525	18617
Non-Controlling Interest	6228	6225	5957	6022	1868
Total Equity	16969	13180	13356	18870	21719
Non-Current Liabilities	8897	15864	16124	15052	14126
Current Liabilities	26767	20683	21202	18893	15742
Total Liabilities	35664	36547	37326	33945	29868
Total Equity & Liabilities	52633	49727	50682	52815	51587
OTHERS					
Face Value of Share	10	10	10	10	10
Number of Issued Shares	27027585	21000188	16031054	13231054	12341054
Earnings Per Share (EPS)	(2.32)	(29.05)	(50.31)	(31.00)	(45.47)

*Figures from 2015-16 onwards are as per Ind AS



From the Chairman's Desk

Dear Fellow Shareholders,

It is my privilege to present you the Annual Report for the financial year 2018-19. Our determination to excel and strong will to deliver has shaped the transitional journey for your Company.

India is emerging as a global auto hub and is set to be a part of top automobile and auto component manufacturing nations in the world. Major global original equipment manufacturers (OEMs) have made India a component sourcing hub for their global operations. With the emergence of electric vehicles (EVs) in the country and government's push for use of EVs, new growth avenues are set to arise for both OEMs and auto component industry. Your Company, primarily involved in automobile engineering, is among the top players of the country for commercial auto ancillary segment and has maintained the position since many years.

On the backdrop of sector challenges and liquidity concerns, we have achieved notable revenue growth in the past three years. The promoters, board members, investors and management team are very much confident for the future growth of your Company. This is evident from the infusion of equity funds by the promoters in the last four years. The additional investment by other investors including high net worth individuals, foreign investor and private equity fund further boosted the confidence of all the stakeholders.

Towards the transformational journey, your Company has taken several initiatives to emerge out from the past challenges and is geared up for the future. Some of the initiatives are mentioned as below:

Expansion of Client Base: In addition to strengthening its hold in the domestic market, your Company has expanded its customer base beyond domestic OEM's and have added marquee customers in its portfolio.

Diversification in Product-mix: In order to optimize our capabilities and to mitigate sectoral risk, your Company has been diversifying into non-auto sector. To tap the potential of emerging EV market, your Company has launched its own e-bicycle and is also exploring partnership opportunities to leverage its manufacturing capabilities for e- vehicles.

Capacity Consolidation: To optimise installed capacities, we are consolidating manufacturing plants. Recently, a plant in Dharwad is successfully executed; another plant in Pune and Pantanagar is underway. The consolidation would lead to enhanced cost savings, asset utilization, manpower rationalisation and improvement in production controls & supply chain management.

Asset Monetisation: Your Company is monetising its non-core assets to stay lean and fit. The sale proceeds will help debt reduction and support in growth capital for its core business.

Cost Saving and Operational efficiencies: Your Company is undertaking various measures like improved machine utilisation, manpower rationalisation, raw material optimisation, tight control over scrap generation etc. for enhancing operational efficiency and reduce cost.

Improving Liquidity and Debt Reduction: Your Company is continuously raising resources to support its operations and to reduce debt levels. The receipts of additional Industrial Promotion Subsidy (IPS) during the year and equity fund invested by promoters and investor provided a robust liquidity.

Technology Tie-ups: In order to align and upgrade itself with fast and growing tech advancements, your Company has signed MoU with Korean Company, which will aid technologic support in tooling, fixture and manufacturing low cost components.

The automobile industry in India is still in the grasp of challenges. The production and sales numbers continues to decline owing to increased regulations, subdued demand and tight liquidity; however, the prospects are optimistic. As per an industry report, the Indian auto component sector is expected to grow at a CAGR of 19% from USD 51.2 billion in FY 2017- 18 to reach USD 200 billion in FY 2025-26.