



37th Annual Report 2014-15

AUSTIN ENGINEERING COMPANY LIMITED

Certificate

Standard **ISO / TS 16949:2009**
(3rd edition, 2009-06-15)

Certificate Registr. No. 01 111 058896
IATF Certificate No. 0187828

TÜV Rheinland Cert GmbH certifies:

Certificate Holder: **Austin Engineering Co. Ltd.**
Patla, Ta. Bhesan, Via Ranpur (Sorath), Post Hadmatiya,
Dist. Junagadh - 362 030, India

Scope: Design and Manufacture of Cylindrical Roller Bearings

An audit was performed, Report No. 058896. Proof has been furnished that the requirements according to ISO / TS 16949:2009 are fulfilled.
The due date for future audits is 24-04 (dd.mm).

Validity: The certificate is valid from 2014-07-01 until 2017-06-30.

2014-07-04



TÜV Rheinland Cert GmbH
Am Grauen Stein · 51105 Köln
Deutschland




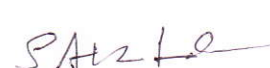


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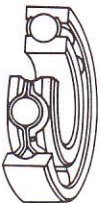


AUSTIN ENGINEERING COMPANY LIMITED

Regd. Office & Works.
Patla, Ta. Bhesan, Via Ranpur (Sorath), Post Hadmatiya-362 030, Dist. Junagadh. (India)
Phones : (02873) 252223, 252267, 252268 Fax : (02873) 252225
CIN. L27259GJ1978PLC003179

FORM A Pursuant to Clause 31(a) of the Listing Agreement

1	Name of the Company	Austin Engineering Company Ltd.
2	Annual Financial Statements for the Year ended	31st March, 2015
3	Type of Audit observation	Un-qualified / Matter of Emphasis
4	Type of Audit observation	Not Applicable
5	To be signed by	
	<ul style="list-style-type: none">Managing Director Mr. S. M. Thanki	
	<ul style="list-style-type: none">Chief Financial Officer (CFO) Mr. S. A. Kotal	
	<ul style="list-style-type: none">Statutory Auditor M/s. Dhirubhai Dand & Co. Chartered Accountants	
	<ul style="list-style-type: none">Chairman of the Audit Committee Mr. B. D. Joshi	



Manufacturers of :
ALL KINDS OF BEARINGS



ISO 9001 : 2008
ISO / TS 16949 : 2009
ISO 14001 : 2004
OHSAS 18001 : 2007

www.tuv.com
ID 0910099553



AUSTIN ENGINEERING COMPANY LIMITED

37th ANNUAL REPORT 2014-2015

: BOARD OF DIRECTORS :

Mr. N. C. VADGAMA	:	Chairman & Executive Director
Mr. S. M. THANKI	:	Managing Director
Mr. R. R. BAMBHANIA	:	Joint Managing Director
Mr. J. R. BHOGAYTA	:	Executive Director
Mr. B. D. JOSHI	:	Non Executive Independent Director
Dr. B. R. SUREJA	:	Non Executive Independent Director
Mr. K. J. MEHTA	:	Non Executive Independent Director
Mr. D. B. NAKUM	:	Non Executive Independent Director
Ms. A. K. GOSWAMI	:	Non Executive Independent Director

: AUDITORS :

DHIRUBHAI DAND & CO.
Chartered Accountants
4, Jayshree Nagar, JUNAGADH - 362 001.

: COMPANY SECRETARY :

Ms. Z. M. Talreja

: BANKERS :

BANK OF BARODA

: REGISTRAR & TRANSFER AGENT :

SHAREPRO SERVICES (INDIA) PVT. LTD.
13-AB, Samhita Warehousing Complex, Near Sakinaka Telephone Exchange,
Andheri-kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072.

: REGISTERED OFFICE & WORKS :

Village : Patla, Taluka : Bhesan, Dist : JUNAGADH - 362 030 (Gujarat).

: JUNAGADH OFFICE :

101, G.I.D.C. Estate, Vadal Road, JUNAGADH - 362 003 (Gujarat).

Visit at <http://www.aec.com>

E-mail : info@aec.com





NOTICE

NOTICE is hereby given that the **Thirty Seventh Annual General Meeting** of the Company will be held on **Tuesday, 22nd September, 2015** at **11.00 a.m.** at the Registered Office of the Company at Village: Patla, Taluka: Bhesan, Dist: Junagadh 362030 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider, and adopt
 - (i) the Audited Standalone financial statement of the Company for the financial year ended 31st March, 2015 together with report of the Board of Directors and Auditors thereon and
 - (ii) the Audited consolidated financial statement of the Company for the financial year ended on 31st March, 2015 together with report of Auditors thereon
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2015.
3. To appoint a Director in place of Mr. S. M. Thanki, who, retires by rotation and being eligible offers himself for re- appointment.
4. To appoint a Director in place of Mr. N. C. Vadgama, who, retires by rotation and being eligible offers himself for re- appointment.
5. To consider and to ratify the following resolution with or without modification(s) as **Ordinary Resolution** :
“**RESOLVED THAT**, pursuant to section 139, 142 and other applicable provisions if any, of the Companies Act, 2013 and the rules made there under, and pursuant to the resolution passed by the members at their Annual General Meeting held on 9th September, 2014, the appointment of **M/S Dhirubhai Dand & Co., Chartered Accountants, (Firm Registration No. 118190W)**, as the auditor of the company to hold office till the conclusion of 39th Annual General Meeting, be and are hereby ratified and that the Board of Directors of the Company be and are hereby authorized to fix the remuneration payable to them for the financial year ended on 31st March, 2016.”

SPECIAL BUSINESS :

6. To consider and if thought fit, to pass with or without modification/s, the following resolution as an **Ordinary Resolution** :
“**RESOLVED THAT, Ms. Arati Goswami (DIN: 07134494)**, a Non Executive Woman Director who was appointed as an Additional Director of the Company by the Board of Directors w.e.f 30th March, 2015, pursuant to section 149(1) (b) of the Companies Act, 2013 (Act) and also in compliance of clause 49 of the Listing Agreement and whose term of office expires at this Annual General Meeting and being eligible for appointment pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under and as amended from time to time and in respect of whom the Company has received a notice in writing under Section 160 of the “act” from a members proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation”
7. 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 provision of Section 188 and all other applicable provisions, if any of the Companies Act, 2013, and also subject to any other approvals as may be required including that of Central Government, the consent of the members of the Company be and is hereby accorded for the payment of revised monthly salary to Mr. Hiren N Vadgama, Vice President-Operations to Rs 150000/- in the scale of Rs. 150000-25000-250000 plus usual perquisites w.e.f. 1st April 2015 in addition to the performance incentive payable to him on percentage of the “Profit” as computed under section 198 of the Companies Act, 2013 and which the Board of Directors of the Company may deem fit and reasonable subject to the recommendation of the audit committee and which may be agreed to by him.
RESOLVED FURTHER THAT, that Mr. N C Vadgama, the Chairman and Executive Director of the company and / or Mr. S M Thanki, the Managing director of the Company be and they are severally authorised to do any acts, deeds, writings, papers etc for the said purpose including making application, representing and getting approval from the Central Government or any other authority as may be required and delegation of power to any of their representative for the said purpose.”
8. 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 provision of Section 188 and all other applicable provisions, if any of the Companies Act, 2013, and also subject to any other approvals as may be required including that of Central Government, the consent of the members of the Company be and is hereby accorded for the payment of revised monthly salary to Mr. Jignesh S. Thanki, Vice President-Engineering to Rs 150000/- in the scale of Rs. 150000-25000-250000 plus usual perquisites w.e.f. 1st April 2015 in addition to the performance incentive payable to him on percentage of the “Profit” as computed under section 198 of the Companies Act, 2013 and which the Board of Directors of the Company may deem fit and reasonable subject to the recommendation of the audit committee and which may be agreed to by him.
RESOLVED FURTHER THAT, that Mr. N C Vadgama, the Chairman and Executive Director of the company and / or Mr. S M Thanki, the Managing director of the Company be and they are severally authorised to do any acts, deeds, writings, papers etc for the said purpose including making application, representing and getting approval from the Central Government or any other authority as may be required and delegation of power to any of their representative for the said purpose.”
9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :
“**RESOLVED THAT**, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the “act”, the consent of the members of the Company be and is hereby accorded to enter into the transactions for sale of bearings and/or components for the value not exceeding to **Rs. 5000 Lacs per annum** for the remaining period of 2 years with effect from 01st October, 2015 to **ACCURATE ENGINEERING INC. USA, the wholly owned subsidiary of the Company.**
FURTHER RESOLVED THAT the Board of directors of the Company be and is hereby authorized to enter into the said agreement.”





10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :
“RESOLVED THAT, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the “Act”, the consent of the members of the Company be and is hereby accorded to enter into the transactions for **getting the job work done** on the material supplied by the Company (AECL) for the value not exceeding from **Rs. 500 Lacs per annum** for the remaining period of 2 years with effect from 01st October, 2015 with **MAX PRECISION BEARINGS PRIVATE LIMITED, a Company incorporated under the erstwhile Companies Act, 1956**
FURTHER RESOLVED THAT, the Board of directors of the Company be and is hereby authorized to enter into the said agreement.”
11. To consider and if thought fit to pass the following resolution with or without modification(s) as a **Special Resolution** :
“RESOLVED THAT, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the “Act”, the consent of the members of the Company be and is hereby accorded to enter into the transactions for **getting the job work done** on the material supplied by the Company (AECL) for the value not exceeding from **Rs. 100 Lacs per annum** for the remaining period of 2 years with effect from 01st October, 2015 and for sale of scrap for the value not exceeding from Rs. 15 Lacs per annum for the period of Two years with effect from 01st October, 2015 by **ACCUMAX ENGINEERING COMPANY, a partnership firm registered under the Indian Partnership Act, 1932.**
FURTHER RESOLVED THAT, the Board of directors of the Company be and is hereby authorized to enter into the said agreement.”
12. To consider and if thought fit to pass the following resolution with or without modification(s) as a **Special Resolution** :
“RESOLVED THAT, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the “Act”, the consent of the members of the Company be and is hereby accorded to enter into the transactions for sale of bearings and/or components for the value not exceeding **Rs. 500 Lacs per annum** for the period of 2 years with effect from 01st October, 2015 to **EMINENT TRADING (INDIA) LLP, a partnership firm registered under the Limited Liability Partnership Act, 2008**
FURTHER RESOLVED THAT, the Board of directors of the Company be and is hereby authorized to enter into the said agreement.”
13. To consider and if thought fit to pass the following resolution with or without modification(s) as a **Special Resolution** :
“RESOLVED THAT, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the “Act”, the consent of the members of the Company be and is hereby accorded to enter into the transactions for sale of bearings and/or components for the value not exceeding **Rs. 500 Lacs per annum** for the period of 2 years with effect from 01st October, 2015 to **UNITED TRADING CO., a Partnership Firm registered under Indian Partnership Act, 1932**
FURTHER RESOLVED THAT, the Board of directors of the Company be and is hereby authorized to enter into the said agreement.”

By order of the Board of Director

Place: Patla, Dist. Junagadh
 Date: 28th May, 2015

Sd/-
 N. C. Vadgama
 Chairman

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
 - A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
 - Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority and under its seal as may be applicable
 - The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting..
 - A proxy form is sent herewith
- The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, is annexed hereto.
- The Register of Members and the Share Transfer books of the Company will remain closed from **Tuesday, 15th September, 2015 to 22nd September, 2015 (both days inclusive)** for annual closing and determining the entitlement of the shareholders for final dividend for 2015.
- Shareholders holding shares in electronic form are hereby informed that bank particulars registered against the respective depository accounts will be used by the Company for payment of the dividend. The Company or its Registrar cannot act on any request received directly from the shareholders, holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the shareholders.
- Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share transfer agents, M/s Sharepro services, 13-AB, Samhita Warehousing Complex, 2nd Floor, Near Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri (East), MUMBAI 400 072.





6. The dividend of **Rs. 1.50/-** per share has been recommended by the Board of Directors for the year ended 31st March, 2015 subject to the approval of the shareholders at the ensuing Annual General Meeting. The same is proposed to be paid **from 20th October, 2015** to those shareholders, whose names appear on the Register of members of the Company on **15th September, 2015**. In case of shares held in dematerialised form, the dividend there on, upon its declaration at the meeting, shall be paid to the beneficial owner as per the list provided by the depositories for the said purpose.
 7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for a long period. The statement of holdings should be obtained periodically from the concerned Depository Participant and the same should be verified.
 8. 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
 9. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
 10. Electronic copy of the Annual Report for 2015 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015 is being sent in the permitted mode.
 11. Members may also note that the Notice of the 37th Annual General Meeting and the Annual Report for 2015 will also be available on the Company's website www.aec.com for their download. 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.
 12. Members holding shares in physical mode may also send the request to the Company or its Registrar by letter or by email at austin@shareproservices.com to receive the soft copy of the Annual Report by email instead of hard copy. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
 13. Members are requested to provide their client ID and DP ID numbers at the meeting for easy identification.
 14. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least 10 (Ten) days before the date of the Meeting so that the information required may be made available at the Meeting.
 15. Relevant documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Friday and Sundays, between 11.00 a.m. to 1.00 p.m. up to the date of the meeting.
 16. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2006-07, from time to time 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 9th September, 2014 (the date of last Annual General Meeting) on the website of the company (www.aec.com), as also on the website of Ministry of Corporate Affairs.
 17. Members holding shares in single name and physical form are advised to make a nomination in respect of their shareholding in the company. The Nomination form can be downloaded from the Company's website (www.aec.com) under the section "Investor Relations".
 18. The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, has allowed companies to send Annual Report comprising of Balance Sheet, Statement of the Profit & Loss, Directors' Report, Auditors' Report and Explanatory Statement etc., through electronic mode at the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode at the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.
 19. **INSTRUCTION FOR e-VOTING :**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended till date, the Company is pleased to provide e-voting facility which will enable the members to exercise their rights to vote at the 37th Annual General Meeting (AGM) by electronic means. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL to facilitate e-voting.
- (A) The instructions for members for voting electronically are as under :**
- (i) The voting period begins on **Saturday 19th September, 2015 (9:00 am) and ends on Monday, 21st September, 2015 (6:00 pm)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **Tuesday, 15th September 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on Shareholders.





- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> 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 (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN **150627002** along with **AUSTIN ENGINEERING COMPANY LIMITED** on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the 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.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - 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 write an email to helpdesk.evoting@cdslindia.com.



**(B) OTHERS:**

- i. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company
- ii. **PCS Kaushik Shah of M/s K J Shah & Company, Practicing Company Secretary FCS 2420; CP No: 1414** of 305, Hrishikesh II, Opp. Navrangpura Municipal School, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad 380009 has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- iii. The Scrutinizers 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 e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- iv. The results declared along with the scrutinizer's report shall be placed on the Company's website www.aec.com and on the website of CDSL <https://www.evotingindia.com> within three working days of the passing of the resolutions at the AGM of the Company and communicated to the BSE Limited where the shares of the Company are listed.

Company's Details:**AUSTIN ENGINEERING COMPANY LIMITED**

Village: Patla, Taluka: Bhesan, Dist: Junagadh 362 030, Gujarat, India

CIN: L27259GJ1978PLC003179

E-mail ID: info@aec.com**Registrar and Transfer Agent:****M/S SHAREPRO SERVICES (INDIA) PRIVATE LIMITED**13-AB, Samhita Warehousing Complex, 2nd Floor,

Near Sakinaka Telephone Exchange, Andheri-Kurla Road,

Sakinaka, Andheri (East), MUMBAI 400 072

E-Voting Agency: Central Depository Services (India) LimitedE-mail ID: helpdesk.evoting@cdslindia.com**Scrutinizer:** CS Kaushik Shah of K J Shah & Company

Practicing Company Secretary

E-mail ID: kjshahco@gmail.com**RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AND DIRECTORS APPOINTED SINCE LAST A.G.M**

Particulars	Mr. S. M Thanki	Mr. N. C. Vadgama	Ms. Arati Goswami
Date of Birth	30-05-1948	15-11-1947	15-11-1978
Appointed on	27-07-1978	27-07-1978	30-03-2015
Qualifications	D.M. E.	D.M. E.	Graduate
Expertise in Specific Functional Areas	Engineering	Engineering	Accounts
Directorships held in other Public Companies (excluding foreign companies)	Creative Castings Ltd.	Creative Castings Ltd.	NO
Membership/ Chairmanship of Committees across public Companies	NO	NO	NO
Shareholding	140200	134000	NO

By order of the Board of Director

Place: Patla, Dist. Junagadh

Date: 28th May, 2015

Sd/-

N. C. Vadgama
Chairman



STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 :

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

Item No. 6 :

The Board of directors at its meeting held on 30th March, 2015 appointed Ms Arati Goswami as an additional director of the Company pursuant to section 161 read with section 149(1) (b) of the Companies Act, 2013 and in compliance of clause 49 of the Listing Agreement.

Pursuant to the provision of the Companies Act, 2013 she holds office up to the date of ensuing Annual General Meeting. The Company has received a notice in writing under section 160 of the Companies Act, 2013 from a members, along with the deposits of Rs 1,00,000/- proposing her candidature for the office of a director, liable to retire by rotation, under the provision of section 149 of the Companies Act, 2013.

None of the directors, key managerial personnel or their relatives except Ms Arati Goswami is concerned or interested in the said resolution.

The Board recommends the said resolution for your approval.

Item No. 7 and 8 :

Pursuant to the Section 188 (1) (a) of the Companies Act, 2013 and Director's Relatives (Office or Place of Profit) Rules, 2014, any person who is a relative of a director and holds or continues to hold any office or place of profit in the Company for the remunerations exceeding the prescribed limit shall be subject to the prior approval of the members by way of **special resolution**.

Mr. Hiren N. Vadgama (Vice President-Operations) and Mr. Jignesh S. Thanki (Vice President – Engineering) are in the employment of the Company since last about 20 years and they are presently drawing salary of Rs 1,25,000/- (Rs One Lac Twenty Five Thousand) p.m.

The Company has made good progress under their supervision. Many a value added items have been introduced by their continuous endeavours. The constant research work, strict supervision over the affairs of the Company, implementation of several cost reductions measures made the company more profitable inspite of negligible increase in the sales. In additions to, they are directly reporting to the Board of directors and updated them with various suggestions on the development of international and domestic market making company more profitable.

The Audit Committee had also reviewed their performance and recommended their increase in salary in the revised scale of Rs 150000-25000-250000 plus usual perquisites as provided to other employees in addition to the performance incentive payable to them on percentage of the "Profit" as computed under section 198 of the Companies Act, 2013 and which the Board of Directors of the Company may deem fit and reasonable subject to the recommendation of the audit committee and which may be agreed to by them.

Since the proposed salary exceeds the prescribed limit, your prior approval as special resolution is being sought.

None of the directors and their "Relatives" except Mr. N C Vadgama and Mr. S M Thanki is concerned or interested in the proposed resolution.

The Board recommends the resolution for your approval.

Item No. 9 to 15 :

Pursuant to the provision of section 188 (1) of the Companies Act, 2013 read with the Clause 49 of the Listing Agreement, your approval is being sought for entering in to the transaction with the "Related Parties" as per the details given here under:

Name of the party	Nature of relation/ interest	Nature of transaction	Value of transaction per annum
Accurate Engineering Inc USA	Wholly owned subsidiary	Sales	Rs. 5000 Lacs
Max Precision Bearings Private Limited	Relative of director	Getting job work done	Rs. 500 Lacs
Accumax Engineering Company	Relative of director	Getting job work done	Rs. 100 Lacs
		Sale of Scrap	Rs. 15 Lacs
Eminent Trading (India) LLP	Relative of director	Sales	Rs. 500 Lacs
United Trading Co.	Relative of director	Sales	Rs. 500 Lacs

The Audit Committee have also reviewed and recommended the said limit for transactions proposed to be entered into with respective parties.

None of the directors and their "Relatives" except Mr. N C Vadgama, Mr. S M Thanki, and Mr. R R Bambhania is concerned or interested in the proposed resolution.

The Board recommends the resolution for your approval.





DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in submitting their 37th Annual Report of the company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2015 under review along with previous year figure is summarized as here under:

STAND ALONE

(Rs. In Lacs)

	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Gross profit before Interest Depreciation and Tax	668.55	689.10
Less: Interest and Depreciation	225.03	287.82
Profit before Tax	443.52	401.28
Less: Provision for Taxation	159.50	142.40
Deferred Tax Assets	(44.55)	(48.37)
Profit after Tax	328.57	307.25
Add: Balance brought forward from last year	3641.48	3435.25
Profit available for appropriations	3970.05	3742.50
Appropriations:		
Adjustment Relating to fixed Asset	25.31	0.00
Proposed Dividend	52.17	52.17
Provision for Tax on Proposed Dividend	10.62	8.86
Transfer to General Reserve	40.00	40.00
Balance carried forwarded to next year	3841.95	3641.47

REVIEW OF BUSINESS OPERATION AND FUTURE PROSPECTS :

The performance of the Company during the year under review remains satisfactory looking to the economic situation as a whole. The sales of the Company have increased both in domestic and export segment. The sales during the year were Rs.9828.85 Lacs as against Rs. 8836.50 Lacs in the previous year. The sales thus registered an increase of 11.23% as compared to the last year.

The net profit of the Company has increased to Rs. 328.58 Lacs as against Rs. 307.26 Lacs in the last year registering an increase of increment of 6.94%. This was mainly attributed due to increase in sales coupled with stringent measures adopted by the management towards cost control. The Company has also earned revenue to the tune of Rs. 79.11 Lacs as against Rs. 82.35 Lacs in the last year from the Wind Mill Project.

The Company continued to launch a number of new and higher value added products and undertook various cost effective measures to strengthen the Company's competitiveness and profitability in the future.

DIVIDEND :

Your Directors are pleased to recommend for your approval a dividend of Rs. 1.50 (Tax Free) per Equity share of the Company in respect of the financial year ended on 31st March, 2015. (Previous Year Rs. 1.50). The said dividend shall be payable to those members whose names appear on the register of member of the Company on record date.

FIXED DEPOSITS :

The Company has neither accepted nor renewed any deposits during the year under review.

DIRECTORS RESPONSIBILITY STATEMENT :

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement as enumerated here under:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;
- The directors 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;
- The directors have prepared the annual accounts on a going concern basis; and
- The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANGERIAL PERSONNEL :

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shashikant M Thanki and Mr. Narottam C Vadgama Directors, retire by rotation at the ensuring Annual General Meeting and being eligible offers themselves for re- appointment.





In compliance of the requirements of Section 149(1) of the Companies Act, 2013 read with clause 49 of the Listing Agreement, Ms. Arati Goswami who was appointed as an additional Non Executive Woman Director on the Board of the Company with effect from 30th March, 2015, vacates the office as Director at this Annual General Meeting. The Company has received notice under Section 160 of the “act” from a member proposing her candidature for the office of Director of the Company liable to retire by rotation.

The following are the **Key Managerial Personnel** as defined under Section 2(51) of the Companies Act, 2013:

- Mr. Narottam C Vadgama (Chairman and Executive Director)
- Mr. Shashikant M Thanki (Managing Director)
- Mr. Rajan R Bambhania (Joint Managing Director)
- Mr. Jeshanker R Bhogayta (Executive Director)
- Mr. Siddik A Kotal (Chief Financial Officer)
- Ms. Zalak M Talreja (Company Secretary)

AUDITORS AND AUDITORS' REPORT :

STATUTORY AUDITORS :

M/s. Dhirubhai Dand & Co., Chartered Accountants, the auditors of the Company retires at the conclusion of this Annual General Meeting and being eligible, offered themselves for re-appointment.

The Company has received a letter from them to the effect that their reappointment, if made, would be within prescribed limit under Section 141 of the Companies Act, 2013 read with Rule 4(1) of the Companies (Audit & Auditors) Rules, 2014 and that they are not disqualified for reappointment.

SECRETARIAL AUDITOR :

The Board has appointed **Mr. K.J.SHAH of K J Shah & Company, Practicing Company Secretary**, to conduct the Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as **Annexure “C”** to this Report.

INTERNAL FINANCIAL CONTROLS :

The Company has adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed

DISCLOSURES :

AUDIT COMMITTEE :

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is applicable to the Company.

The Audit committee consists of the following directors viz:

Mr. B. D. Joshi, [Chairman of committee]
 Mr. K. J. Mehta, [Member of committee]
 Mr. D. B. Nakum, [Member of committee]

All the members of Audit Committee are independent directors.

WHISTLE BLOWER POLICY :

The Company has a **WHISTLE BLOWER POLICY** to deal with instances of unethical behaviour, actual or suspected fraud or violation of the company's code of conduct, 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.

DIRECTORS APPOINTMENT AND REMUNERATIONS POLICY :

The Company's policy relating to appointment of directors, payment of managerial remuneration, directors' qualifications, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Corporate Governance Report and the same is also posted on website.

RELATED PARTIES TRANSACTIONS POLICY :

All transactions entered into by the Company with “Related parties” during the period under review were in the ordinary course of business at prevailing market rate. The particulars of contracts or arrangements made with related parties pursuant to Section 188 of the Companies Act, 2013 is furnished vide **Annexure “A”** in form AOC-2 as per Companies Act, 2013 and it forms the part of this report. The Company has also posted the policy in respect of transactions with “Related Parties” on its website.

All related party transactions were placed before the Audit Committee and also the Board for approval. The Company had also taken members' approval at its Annual General Meeting held on 9th September, 2014 for entering into the transactions with “Related parties” for the period of three years i.e. from 01/04/2014 to 31/03/2017.

RISK MANAGEMENT POLICY :

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by the Company. The Board approved Risk Management policy, which acts as an overarching statement of intent and establishes the guiding principles by which key risks are managed across the organization.

The Board monitors and reviews the implementation of various aspects of the Risk Management policy through a duly constituted Risk Management Committee. The Risk Management Committee assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework.

The Company follows well established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy. In the opinion of the Board, none of the risks faced by the Company threaten its existence. The Company has also posted the policy in respect of transactions with “Related Parties” on its website.





• **MATERIAL CHANGES AND COMMITMENTS :**

No material changes and commitments affecting the financial position of the Company occurred between the end of financial year to which this financial statement relate and the date of this report.

DECLARATION OF INDEPENDENT DIRECTORS :

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of "Independence" as prescribed under the Companies Act, 2013 read with clause 49 of the Listing Agreement. The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. The said details have been shown in corporate governance Report.

ANNUAL RETURN :

The Extract of Annual Return pursuant to the provisions of Section 92 (3) of the Companies Act, 2013 read with Rule 12 (1) of the Company (Management and Administration) Rules, 2014 is furnished in **Annexure "B"** " in form MGT-9 as per Companies Act, 2013 and it forms the part of this report.

BOARD MEETINGS :

The Board of Directors duly met 6 (Six) times respectively on 27th May, 2014 (2 Times), 23rd July 2014, 18th October, 2014, 21st January, 2015 and 30th March, 2015 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

The particulars of Loans, guarantees or investments made under Section 186 and its applicability have been furnished in **notes annexed to our financial statements.**

QUALIFICATIONS AND RESERVATIONS ON AUDIT REPORT :

The Auditor's Report and Secretarial Auditor's Report are self explanatory and therefore do not require further comments and explanations.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure "D"** attached to this report and it forms the part of this report.

PARTICULARS OF EMPLOYEES :

The particulars of employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in the **Annexure "E"** appended hereto and it forms part of this Report. As per Section 136(1) of the Companies Act, 2013, the report and accounts are being sent to the shareholders of the Company, excluding the statement of particulars of employees under the said proviso. Any shareholder interested in obtaining a copy of the said statement may write to the Secretarial department at the Registered Office of the Company.

SUBSIDIARY COMPANY :

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss account and other documents of **M/s Accurate Engineering Inc.**, the subsidiary company, are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the said subsidiary company and its related detailed information to any member of the Company who may be interested in obtaining the same and also on Company's website.

The Annual Accounts of the subsidiary company will also be kept open for inspection at the registered office of the Company and the subsidiary company.

A statement as required in the prescribed form AOC-1 pursuant to section 129(3) of the Companies Act, 2013 is given in the **Annexure "F"** and it forms the part of this report.

CONSOLIDATED FINANCIAL STATEMENTS :

In accordance with the Accounting Standard (AS)-21, the audited consolidated financial statements are annexed to this Annual Report.

CORPORATE GOVERNANCE REPORT :

The Company has recognized the highest standards of Corporate Governance and adheres strictly to the said requirements as set out by **SEBI**. The Report on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to this report. The Company has also implemented several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT :

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement is presented in separate section forming part of the Annual Report.

INDUSTRIAL RELATIONS :

The industrial relation with workmen and staff continued to be extremely cordial during the year under review.

ACKNOWLEDGMENT :

Your Directors wish to place on record their gratitude for the continued co-operation and patronage extended by their esteemed customers both in OEM and after market segments. The Directors would also like to place on record their sincere appreciation for the continued co-operation, guidance, support and assistance during the year under report by our Bankers, all the customers, suppliers of the Company including Government agencies. The Board of Directors also wishes to express its appreciation for the efforts and contribution made by the employees at all levels during the year under report.

By order of the Board of Directors

Place : Patla, Dist. Junagadh
Date : 28th May, 2015

Sd/
N C Vadgama
Chairman



**ANNEXURE "A"****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: N.A.
 (b) Nature of contracts/arrangements/transactions: N.A.
 (c) Duration of the contracts / arrangements/transactions: N.A.
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
 (e) Justification for entering into such contracts or arrangements or transactions: N.A.
 (f) Date(s) of approval by the Board: N.A.
 (g) Amount paid as advances, if any: N.A.
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of the party	Nature of relation/ interest	Nature of transaction	Duration of Contract	Date of Approval by Board	Value of transaction entered into during the year (Rs in Lacs)
Accurate Engineering Inc USA	Wholly owned subsidiary	Sales	April 2014- March 2015	Since these RPTs are in the ordinary course of business and are at arms length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings.	2622.75
Max Precision Bearings Private Limited	Relative of director	Purchase			34.58
		Sales			19.74
		Getting job work done			345.41
		Doing job work			3.93
Austin Traders	Relative of director	Sales			73.90
Accord Precision Products	Relative of director	Getting job work done			251.51
Optimum Services INC	Relative of director	Purchase			241.77
		Sales			0
		Getting job work done			0
		Doing job work	0		
SNR Enterprises	Relative of director	Sales	0		
Accumax Engineering Company	Relative of director	Getting job work done	2.81		

By order of the Board of Directors

Place : Patla, Dist. Junagadh
 Date : 28th May, 2015

Sd/-
 N C Vadgama
 Chairman



**ANNEXURE "B"**

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on Financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS :

i	CIN	:	L27259GJ1978PLC003179
ii	Registration Date	:	27.07.1978
iii	Name of the Company	:	AUSTIN ENGINEERING CO. LTD.
iv	Category/Sub-category of the Company	:	Medium Scale
v	Address of the Registered office & contact details	:	Village : PATLA, Taluka : BHESAN, District : JUNAGADH 362 030 (Gujarat)
vi	Whether listed company	:	BOMBAY STOCK EXCHANGE
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	:	Sharepro Services (India) Pvt. Ltd. 13-AB,Samhita Warehousing Complex, Near Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri (W), MUMBAI 400 072

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufactures of All Kind of Bearings and Components	356.3	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES :

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Accurate Engineering Inc.	N.A.	Subsidiary	100%	2(87)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity) :

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1202191		1202191	34.57	1175179		1175179	33.79	-0.78
b) Central Govt. or State Govt.									
c) Bodies Corporates									
d) Bank/FI									
e) Any other									
SUB TOTAL:(A) (1)	1202191		1202191	34.57	1175179		1175179	33.79	-0.78
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)									
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1202191		1202191	34.57	1175179		1175179	33.79	-0.78





Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	3500		3500	0.10	3500		3500	0.10	
b) Banks/FI	3400		3400	0.10	3400		3400	0.10	
c) Central govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):	6900		6900	0.20	6900		6900	0.20	
(2) Non Institutions									
a) Bodies corporates	234565	10901	245466	7.06	199319	10701	210020	6.04	-1.02
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1106194	318101	1424295	40.95	1187200	305501	1492701	42.92	1.97
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	462428	13100	475528	13.67	452988	13100	466088	13.40	-0.27
c) Others (specify) NRI,s	18920	9200	28120	0.81	16712	9100	25812	0.74	-0.07
Foreign Company	80000		80000	2.30	80000		80000	2.30	0.00
Trusts	15300		15300	0.44	21100		21100	0.61	0.17
SUB TOTAL (B)(2):	1917407	351302	2268709	65.23	1957319	338402	2295721	66.01	0.78
Total Public Shareholding(B)=(B)(1)+(B)(2)	1924307	351302	2275609	65.43	1964219	338402	2302621	66.21	0.78
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3126498	351302	3477800	100.00	3139398	338402	3477800	100.00	





(ii) SHARE HOLDING OF PROMOTERS

S.N.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	NAROTTAM C VADGAMA	134000	3.853		134000	3.853		
2	SHASHIKANT M THANKI	140200	4.031		140200	4.031		
3	RAMNIKLAL N BAMBHANIA	120000	3.450		120000	3.450		
4	JESHANKER R BHOGAYTA	75500	2.171		75500	2.171		
5	HIREN N VADGAMA	44000	1.265		44000	1.265		
6	JIGNESH S THANKI	6000	0.173		6000	0.173		
7	NAROTTAM C VADGAMA -HUF	15500	0.446		15500	0.446		
8	SHASHIKANT M THANKI - HUF	12000	0.345		12000	0.345		
9	RAMNIKLAL N BAMBHANIA - HUF	16000	0.460		16000	0.460		
10	JESHANKER R BHOGAYTA - HUF	23200	0.667		23200	0.667		
11	ANILA S THANKI	52536	1.511		26616	0.765		-0.745
12	ALPA J THANKI	25000	0.719		25000	0.719		
13	PINAK S THANKI	20000	0.575		20000	0.575		
14	FALGUNI P THANKI	1600	0.046		1600	0.046		
15	PURVI S THANKI	20000	0.575		20000	0.575		
16	SHARDA M THANKI	1700	0.049		0	0.000		-0.049
17	MAHESH M THANKI	1700	0.049		0	0.000		-0.049
18	JYOTI M THANKI	6150	0.177		100	0.003		-0.174
19	INDUMATI N VADGAMA	62400	1.794		62400	1.794		
20	HIREN N VADGAMA	805	0.023		805	0.023		
21	DARSHNA H VADGAMA	25600	0.736		25600	0.736		
22	BHAVIN N VADGAMA	42000	1.208		42000	1.208		
23	JAYENDRA C VADGAMA	3400	0.098		3400	0.098		
24	REKHA J VADGAMA	4000	0.115		4000	0.115		
25	JASHUMATI R BAMBHANIA	52000	1.495		52000	1.495		
26	RAJAN R BAMBHANIA	60300	1.734		60300	1.734		
27	RUTA R BAMBHANIA	81200	2.335		89558	2.575		0.24
28	ANISHI J BHOGAYTA	24150	0.694		24150	0.694		
29	ARUSHI J BHOGAYTA	24050	0.692		24050	0.692		
30	PRAVINA J BHOGAYTA	31900	0.917		31900	0.917		
31	BHOGAYTA INV. CO. PVT. LTD.	75300	2.165		75300	2.165		
	Total	1202191	34.57		1175179	33.79		-0.777





(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

S.N.		Share holding at the beginning of the Year		Date	Increase /Decrease in Share holding	Reason	Cumulative Share holding during the year	
		No. of shares	% of total shares of the company				No of shares	% of total shares of the company
	At the beginning of the year	1202191	34.568					
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.							
1	Anila S Thanki	52536	1.511	26.09.2014	1000	Purchase	53536	1.539
				01.10.2014	131	Purchase	53667	1.543
				16.10.2014	500	Purchase	54167	1.558
				17.10.2014	500	Purchase	54667	1.572
				20.10.2014	225	Sale	54442	1.565
				05.11.2014	10000	Sale	44442	1.278
				07.11.2014	10000	Sale	34442	0.990
				10.11.2014	10000	Sale	24442	0.703
				13.11.2014	500	Purchase	24942	0.717
				14.11.2014	500	Purchase	25442	0.732
				14.11.2014	500	Sale	24942	0.717
				19.11.2014	74	Purchase	25016	0.719
				30.12.2014	500	Sale	24516	0.705
				02.01.2015	500	Sale	24016	0.691
				05.01.2015	500	Sale	23516	0.676
				07.01.2015	300	Purchase	23816	0.685
				07.01.2015	300	Sale	23516	0.676
				13.01.2015	1000	Purchase	24516	0.705
				14.01.2015	1600	Purchase	26116	0.751
				15.01.2015	22	Purchase	26138	0.752
				15.01.2015	22	Sale	26116	0.751
				16.01.2015	1000	Purchase	27116	0.780
				20.01.2015	500	Sale	26616	0.765
2	Shardaben M Thanki	1700	0.049	17.11.2014	1101	Sale	599	0.017
				18.11.2014	599	Sale	0	0.000
3	Mahesh M Thanki	1700	0.049	17.11.2014	1700	Sale	0	0.000
4	Jyoti M Thanki	6150	0.177	11.09.2014	2800	Sale	3350	0.096
				10.11.2014	3250	Sale	100	0.003
				17.11.2014	1700	Purchase	1800	0.052
				17.11.2014	1700	Sale	100	0.003
5	Ruta R Bambhania	18400	0.529	02.04.2014	474	Purchase	18874	0.543
				03.04.2014	330	Purchase	19204	0.552
				22.04.2014	150	Purchase	19354	0.557
				25.04.2014	3404	Purchase	22758	0.654
				29.04.2014	4000	Purchase	26758	0.769
	At the end of the year	1175179	33.791				27012	0.777



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

S.N.		Shareholding at the end 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
	For Each of the Top 10 Shareholders				
	At the beginning of the year	386193	11.105	31340	0.901
	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)				
	At the end of the year (or on the date of separation, if separated during the year)	417533	12.006	31340	0.901

(v) Shareholding of Directors & KMP

S.N.		Shareholding at the end 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
	For Each of the Directors & KMP				
	At the beginning of the year	469700	13.51	469700	13.51
	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)				
	At the end of the year	469700	13.51	469700	13.51

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	55300755	NIL	NIL	55300755
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	55300755	NIL	NIL	55300755
Change in Indebtedness during the financial year				
Additions	38763591	NIL	NIL	38763591
Reduction				
Net Change	38763591	NIL	NIL	38763591
Indebtedness at the end of the financial year				
i) Principal Amount	94064346	NIL	NIL	94064346
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	94064346	NIL	NIL	94064346





VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
		Shashikant M Thanki	Narottam C Vadgama	Rajan R Bambhania	Jeshanker R Bhogayta	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	1140000	1140000	1140000	1140000	4560000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	39600	39600	39600	39600	158400
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Stock option	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL
	as % of profit	NIL	NIL	NIL	NIL	NIL
	others (specify)	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	1179600	1179600	1179600	1179600	4718400
	Ceiling as per the Act	In compliance of Section 197 read with Schedule V of the Companies Act, 2013				

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors				Total Amount
		Bhagwanjibhai D Joshi	Bhavesh R Sureja	Dipsing B Nakum	Krishnakant J Mehta	
1	Independent Directors					
	(a) Fee for attending board committee	10000	10000	10000	10000	40000
	(b) Commission					
	(c) Others, please specify					
	Total (1)					
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings					
	(b) Commission					
	(c) Others, please specify.					
	Total (2)	10000	10000	10000	10000	40000
	Total (B)=(1+2)	10000	10000	10000	10000	40000
	Total Managerial Remuneration*					5118400
	Overall Ceiling as per the Act.	In compliance of Section 197 read with Schedule V of the Companies Act, 2013				

* Being total of Managerial remuneration and Remuneration payable to other directors.





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

Sl. No.	Particulars of Remuneration			Key Managerial Personnel			Total
				CFO	CEO *	C S	
			Siddik A Kotal	Shashikant M Thanki	Zalak M Talreja		
1	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		442831		Nil		442831
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		4200		Nil		4200
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961						
2	Stock Option						
3	Sweat Equity						
4	Commission						
	as % of profit						
	others, specify						
5	Others, please specify						
	Total		447031				447031

* Note : Mr. shashikant M Thanki is the Managing Director & CEO of the Company. Thus, CEO's salary is shown in para VIA of the form as salary of MD & CEO.

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty			N.A.		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			N. A.		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			N. A.		
Punishment					
Compounding					





ANNEXURE “C”

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31.03.2015

[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,

Austin Engineering Company Limited

Village: Patla, Taluka: Bhesan,

Dist: Junagadh 362 030

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Austin Engineering Company Limited** (hereinafter called the Company). 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.

We report that:

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statement of the Company.
- d) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- e) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company'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, 2015 (“Audit Period”)**, 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 the Company for the financial year ended on 31st March, 2015 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. 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 Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**) ;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not Applicable to the Company during the Audit Period**) ;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit Period**) ;
 - 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 (**Not Applicable to the Company during the Audit Period**) ; and
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (**Not Applicable to the Company during the Audit Period**) ;





6. Other laws specifically applicable to the Company (**As per Annexure-I**)

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India (**Not Applicable to the Company during the Audit Period**);
- ii. The Listing Agreements entered into by the Company with Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except, **that the Company has received show cause notice from DIRECTORATE OF ENFORCEMENT, Government of India, Ahmedabad for a complaint in pursuant to the provision of section 16(3) of the Foreign Exchange Management Act, 1999 for which the Company already filed a reply to the said authority with evidences.**

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 at least seven days 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.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period the Company has :

- **Taken the decision by the members in respect of borrowing limits to Rs 10 Crores and creation of charge for the said limit on Company's property in pursuant to the provisions of Section 180 of the Companies Act, 2013.**

We further report that during the audit period, there were no instances of

1. Public / Rights / Preferential issue of shares / debentures / sweat equity.
2. Redemption / buy-back of securities.
3. Merger / amalgamation / reconstruction etc.
4. Foreign technical collaborations.

**Place: Ahmedabad
Date : 28th May, 2015**

**For K. J. SHAH & Company
Company Secretary**

**Sd/
(Kaushik Shah)
FCS No. 2420 CP No. 1414**

ANNEXURE – I

- (i) THE CENTRAL EXCISE ACT, 1961
- (ii) EMPLOYEES PROVIDENT FUND & MISC. PROVISIONS ACT
- (iii) INCOME TAX ACT, 1961
- (iv) CENTRAL SALES TAX ACT 1944 (1 of 1944);
- (v) VALUE ADDED TAX GUJARAT TAX
- (vi) SERVICE TAX
- (vii) THE FACTORIES ACT, 1948
- (viii) THE APPRENTICE ACT, 1961
- (ix) THE INDUSTRIAL DISPUTE ACT, 1947
- (x) THE PAYMENT WAGES ACT, 1965
- (xi) THE PAYMENT OF BONUS ACT
- (xii) THE PAYMENT OF GRATUITY ACT
- (xiii) THE MINIMUM WAGES ACT , 1946
- (xiv) CUSTOMS ACT 1962 INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951

**Place: Ahmedabad
Date : 28th May, 2015**

**For K. J. SHAH & Company
Company Secretary**

**Sd/
(Kaushik Shah)
FCS No. 2420 CP No. 1414**



**ANNEXURE "D"****FORM A****(i) CONSERVATION OF ENERGY :**

1. Energy Conservation measures taken:
Regular preventive measures for the maintenance of Machinery & Electric equipments
2. Additional investments and proposals, if any, being implemented for reduction of consumption of energy: **None**
3. Impact of measures in (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods.
The aforesaid measures have resulted in a saving in the consumption of electricity & Fuel.
4. Total Energy Consumption and Energy Consumption per unit of production as per prescribed Form A is not applicable as the Company is not covered under the list of specified industries and hence not given.

FORM B**1. RESEARCH & DEVELOPMENT :**

- **Specific areas in which R & D is carried out by the Company :**

The R & D efforts of the Company are directed towards quality assurance, improvement/ up-gradation of existing product lines, minimizing dependence on scarce and imported raw materials, development of new products and subjecting them to stringent endurance tests.

- **Benefits derived as a result of the above R & D :**

The benefits are improvement in the quality of the existing range of products, cost reduction, development of new products, energy saving, export promotion and import substitution.

- **Future plans of action :**

R & D efforts are being planned as a continuous exercise to improve quality, reduce costs and try for import substitution as far as possible.

- **Expenditure on R & D :**

Expenditure on R & D is not quantifiable at present since it is a continuous exercise, forming part of our Technical Department

2. TECHNOLOGY, ADOPTION & ABSORPTION & INNOVATION :

The Company is making continuous efforts towards modernization and technology up-gradation and innovations.

Quality of earnings has improved substantially and is well accepted by OEM as import substitute.

Technology imported during last five years: Nil.

3. FOREIGN EXCHANGE EARNING AND OUTGO :

S.N.	FOREIGN EXCHANGE EARNINGS :	2014-15	2013-14
1	Exports of goods on FOB basis	4789.75	3867.32
	Total Foreign Exchange Earned	4789.75	3867.32
	FOREIGN EXCHANGE OUTGO:		
1	Import of CIF value of Raw Materials, Capital goods & Spares.	12.01	70.12
2	Traveling	19.08	17.13
3	Sales Commission	2.07	3.08
4	Foreign Marketing & Sales Promotion Expenses	14.62	0.00
5	Dividend	1.20	1.20
6	Seminar and Subscription	0.00	1.66
	Total Foreign Exchange Used	48.98	93.19

By order of the Board of Director

Place: Patla, Dist. Junagadh

Date: 28th May, 2015

Sd/-

N. C. Vadgama
Chairman



**ANNEXURE “E”****PARTICULARS OF REMUNERATION:**

1. The information required under section 197 of the act and rules made there-under, in respect of employees of the company, is follows:-
2. The ratio of remuneration of each director to the median remuneration of employees for the financial year;

Executive Director	Ratio to median remuneration (as per MGT-9)
Mr. Narottam C Vadgama	7.08
Mr. Shashikant M Thanki	7.08
Mr. Rajan R Bambhania	7.08
Mr. Jeshanker R Bhogayta	7.08

3. The percentage increase in remuneration of each Director, Chief Executive Officer ,Chief Financial Officer, Company Secretary, Manager if any, in the financial year;

Name of Person	% Increase in Remuneration
Mr. Narottam C Vadgama	-
Mr. Shashikant M Thanki	-
Mr. Rajan R Bambhania	-
Mr. Jeshanker Bhogayta	-
Mr. Siddik A Kotal-CFO	9.67

4. The percentage increase in the median remuneration of employees in the financial year: **15.88%**
5. The number of permanent employees on the rolls of the Company : **641**
6. The explanation in relationship between average increase in remuneration and company performance:
On an average, employees receive an increase of 15.88% .The increase in remuneration is in line with the market trend .In order to ensure that remuneration reflects company performance ,the performance pay is linked to organization performance.

7. Comparison of the remuneration of Key Managerial Personnel against the performance of the Company: **(Rs. In Lacs)**

Particulars	Amount (MGT-9)
Remuneration of KMP during the financial year 2014-15(aggregated)	51.65
Revenue from operation	9829.87
Remuneration (as % of revenue)	0.53%
Profit Before Tax(PBT)	443.53
Remuneration (as % of PBT)	11.64%

8. Variation in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotation of the shares of the Company in comparison to the rate as which the company came out with the last public offer in case of listed companies, and in case of unlisted companies , the variation in the net worth of the company as at the close of the financial year and previous financial year;

Particulars	Unit	As at31-03-2015	As at31-03-2014	Variation
Closing rate of share at BSE	In Rs.	75.00	42.55	43.27%
EPS (Standalone)	In Rs.	9.45	8.83	7.02%
Market Capitalization	Rs./Lacs	2608.35	1479.80	76.26%
Price Earnings Ratio(Standalone)	Ratio	7.94	4.82	64.73%

9. 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 any exceptional circumstances for increase in the managerial remuneration:

The average increase in salaries of employee's other then managerial personnel in 2014-15 was 15.88%. The percentage increase in managerial remuneration for the year was NIL.

10. Comparison of each remuneration of Key Managerial Personnel against the performance of the Company;

(Rs. In Lacs)

Particulars	Chief Executive Officer(as per MGT-9)	Chief Financial Officer	Company Secretary
	Amount	Amount	Amount
Remuneration	11.80	4.47	-
Revenue	9829.87	9829.87	-
Remuneration (as % of revenue)	0.12%	0.05%	-
Profit before tax (PBT)	443.53	443.53	-
Remuneration (as % of PBT)	2.66%	1%	-

11. The key parameters for any variable component of remuneration availed by directors: N.A.
12. The ration of the remuneration of the highest paid to the director to that of the employees who are not directors but receive remuneration in excess of highest paid during the year: **N.A.**
13. Affirmation that the remuneration is as per the policy of the company :

The Company's remuneration policy is driven by the success and performance of the individual employees and the company. The Company affirms remuneration is as per the remuneration policy of the company.



**ANNEXURE “F”****Form AOC-1**

(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

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	: ACCURATE ENGINEERING INC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	: SAME PERIOD i.e. 01.04.14 TO 31.03.2015
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	: US \$: AS AT 31.03.2015 1 US \$ = 62.59 INR
4.	Share capital	: \$ 25000
5.	Reserves & surplus	: \$ 239896
6.	Total assets	: \$ 1161118
7.	Total Liabilities	: \$ 871222
8.	Investments	: NIL
9.	Turnover	: \$ 4723446
10.	Profit before taxation	: \$ 28379
11.	Provision for taxation	: \$ 45876
12.	Profit (Loss) after taxation	: \$ (17497)
13.	Proposed Dividend	: NIL
14.	% of shareholding	: 100 %

NOTES :

The following information shall be furnished at the end of the statement:

- 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

Name of associates/Joint Ventures	N.A.
1. Latest audited Balance Sheet Date	N.A.
2. Shares of Associate/Joint Ventures held by the company on the year end	N.A.
i. No:	N.A.
ii. Amount of Investment in Associates/Joint Venture	N.A.
iii. Extend of Holding%	N.A.
3. Description of how there is significant influence	N.A.
4. Reason why the associate/joint venture is not consolidated	N.A.
5. Net worth attributable to shareholding as per latest audited Balance Sheet	N.A.
6. Profit/Loss for the year	N.A.
i. Considered in Consolidation	N.A.
ii. Not Considered in Consolidation	N.A.
1. Names of associates or joint ventures which are yet to commence operations.	N.A.
2. Names of associates or joint ventures which have been liquidated or sold during the year.	N.A.





REPORT ON CORPORATE GOVERNANCE

The Company believes that sound Corporate Governance is a key element for enhancing and retaining the trust of investors and various other stakeholders. As a responsible corporate citizen your Company has evolved the best practices which are structured to institutionalise policies and procedures that enhance the efficacy of Board and inculcate a culture of accountability, transparency and integrity at “AECL” as a whole.

Our Corporate Governance framework ensures effective engagement with our stakeholders and helps us to evolve with change on time.

1. BOARD OF DIRECTORS :

a) COMPOSITION OF BOARD :

Your company endeavours to have a judicious mix of executive, non executive and independent directors, so as to have independence on the Board and separate its function of governance from that of management. Your Company also has a woman director which brings diversity on the Board.

As on 31st March, 2015, the Board comprised of 9 (Nine) Directors including more than 50% as non-executive independent directors

The Chairman of the Board is an Executive Director. The experiences of all directors have diverse expertise in the field of finance, economics, administration and management which strengthens the governance and management of the Company’s affairs.

The details of Directors along with their attendance in the various meeting and their directorship are given here under:

Name of the Directors	No. of Board Meeting Attained During the year	Whether Attained AGM held on Sep 22, 2012	No. of other Director		No. of outside Committee(s)	
			Public	Private	Public	Private
Mr. N. C. Vadgama Chairman & Executive Director	5	YES	1	–	–	–
Mr S. M. Thanki Managing Director & CEO	4	YES	1	–	–	–
Mr. R.R. Bambhania Jt. Managing Director	6	YES	1	–	–	–
Mr. J. R. Bhogayta Executive Director	6	YES	–	–	–	–
Mr. B. D. Joshi Non Executive Director	6	YES	–	1	–	–
Dr. B. R. Sureja Non Executive Director	6	YES	–	–	–	–
Mr. K. J. Mehta Non Executive Director	6	YES	–	–	–	–
Mr. D.B. Nakum Non Executive Director	6	YES	–	–	–	–

The Directors of the Company are in compliance of section 149(1) of the Companies Act, 2013 read with clause 49 of the Listing Agreement in terms of membership/ chairmanship with other companies/ committees. Independent Director also consists of one Woman Director in compliance of the said requirement.

(b) Details of Board Meetings held, dates on which held during the year and Directors’ attendance :

Date of Meeting	No. of directors Present	Date of Meeting	No. of directors Present
27th May, 2014	7	18th October, 2014	7
27th May, 2014	7	21st January, 2015	8
23rd July, 2014	8	30th March, 2015	8

Agenda and Notes on Agenda are circulated to all the Directors in advance in the defined agenda format. All material information is incorporated in the Agenda papers for facilitating meaningful discussion. Where it is not practicable to send, the same is tabled before the meeting. The following are generally tabled for information and review of the Board.

- Annual Operating Plans, budget and any updates.
- Capital budgets and any updates.
- Quarterly results of the Company and operating divisions or business segments
- Minutes of meeting of Audit Committee and other committees on the Board
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of any KMP.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Any fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems if any.
- Any material relevant default in financial obligations to and by the Company or substantial non payment by the customer for goods sold by the Company.
- Any issue which involves public or product liability claims of substantial nature, including any judgment order.
- Details of any joint venture or collaboration agreement.
- Transaction that involves substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problem and their proposed solutions. Any significant development on the human resources/ industrial relations front like signing of a wage agreement, implementation of VRS etc.





- Sale of material nature of investments, subsidiary assets which are not in normal course of business.
- Quarterly details of foreign exchange exposures and steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non compliance of any regulatory, statutory or listing requirements and shareholder service such as non-payment of dividend, delay in share transfer etc.

(c) **Details of sitting fees, remuneration etc. paid to Directors for the year ended 31st March, 2015 :**

Name of the Directors	Remuneration paid to Directors	Sitting fees paid for attending Board/Audit Committee
Mr. N C Vadgama	95000/- per month	NIL
Mr. S M Thanki	95000/- per month	NIL
Mr. R R Bambhania	95000 /-per month	NIL
Mr. J R Bhogayta	95000/- per month	NIL
Mr. B D Joshi	NIL	10000/-
Mr. B R Sureja	NIL	10000/-
Mr. K J Mehta	NIL	10000/-
Mr. D B Nakum	NIL	10000/-

NOTE: The Non-Executive Directors are not entitled to any remuneration except sitting fees for attending Board/Committee meetings. As regards to Executive Directors, they are entitled to remuneration as per terms of appointment.

2. **COMMITTEES OF THE BOARD :**

There are Four Board Committees constituted/ reconstituted as at date :

1. Audit Committee,
2. Nomination and Remuneration Committee,
3. Stakeholders Relationship Committee
4. Risk Management Committee

The terms of reference of the Board Committees are determined by the Board from time to time. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

AUDIT COMMITTEE :

2.1.1 Composition of Committee :

The Audit Committee of Directors comprises of three Non-Executive Independent directors viz. (1) Mr. B D Joshi (2) Mr. K J Mehta and (3) Mr. D B Nakum, who all have adequate financial and accounting knowledge.

2.1.2 Meeting and attendance of Audit Committee :

Five Audit Committee meetings were held on 24th May, 2014, 21st July, 2014, 6th September, 2014, 14th October, 2014 and 17th January, 2015. The attendance of Audit Committee member is given hereunder:

Name of the Director	Category	Nos. of Meeting Attended
Mr. B D Joshi	Chairman of Committee	5
Mr. K J Mehta	Member of Committee	5
Mr. D B Nakum	Member of Committee	5

The Audit committee at its meeting held on 25th May, 2015 reviewed the Annual Accounts for the year 2014-2015 and recommended the same for approval of the Board of Directors.

The Audit Committee also reviewed the performance of the Senior Managerial personnel including the Vice President. Considering the recommendation of the Remuneration Committee, the audit committee also recommended the enhanced remuneration for Mr. Hiren Vadgama and Mr. Jignesh Thanki, Vice President of the Company in the revised scale of Rs 150000-250000-250000 along with the performance incentive on "Profit".

The Audit Committee invites such of the executives and directors, as it considers appropriate to be present at its meetings. The Manager, the Accountant, the Statutory Auditors and the Internal Auditors are normally invited to this meeting.

2.1.3 Brief Description of Terms of Reference :

The terms of reference of the Audit Committee are as set out in Clause 49 of the Listing Agreement with the Stock Exchanges, under the Companies Act and with any other applicable laws. The Audit Committee reviews the financial statements of subsidiary of the Company and also performs the following functions:

- to review the audit plan and Company's external auditors report;
- to recommend appointment, remuneration and terms of appointment of auditors of the company;
- to review the financial statements of the Company before their submission to the Board;





- to review with management the quarterly financial statements of the Company before their submission to the Board;
- to review the co-operation given by the Company’s officers to the external auditors;
- to discuss nature and scope of audit before audit commences with statutory auditors;
- to review the scope and results of internal audit procedures;
- to nominate external auditors for re-appointment;
- to review interested person transactions; and
- to generally undertake such other functions and duties as may be required by statute or by the Listing Manual, and by such amendments made thereto from time to time.
- It shall have the authority to investigate into any matter relating to accounts as referred to it by the Board and for this purpose; they shall have full access to information contained in “Accounting records” of the Company.

NOMINATION AND REMUNERATION COMMITTEE :

2.2.1 Composition of Committee :

The Company has set up a Nomination and remuneration committee which consist of three Non-Executive independent Directors namely (1) Mr. B D Joshi (2) Mr. K J Mehta and (3) Mr. D B Nakum.

The Company pays remuneration by way of salary and perquisites to their whole time directors and senior managerial personnel subject to the requisite approval from the Board of Directors of the Company or from the shareholders as and when required under the “act”.

During the Financial Year 2014-15, Mr. N. C. Vadgama, Mr. S. M. Thanki, Mr. R.R. Bambhania and Mr. J. R. Bhogayta, the whole time directors have been paid monthly remuneration of Rs.95,000/- each for the whole year. All other Directors have been paid Rs.10000/- during the year as sitting fees.

The Remuneration committee at its meeting held on **20th April, 2015** reviewed the performance and recommend remuneration package to the Managing/Whole-time Directors and also Senior Managerial Personnel of the Company

The Committee recommended the enhanced remuneration for Mr. Hiren Vadgama and Mr. Jignesh Thanki, Vice President of the Company in the revised scale of Rs. 150000-25000-250000 along with the performance incentives on “Profit”

2.2.2 Terms of Reference :

The role of the Remuneration Committee is to facilitate the transparency, accountability and reasonableness of the remuneration of Director and Senior Management Personnel.

The Remuneration Committee will recommend to the Board a framework of remuneration for the Directors, key managerial personnel and other employees and determine specific remuneration packages for each Director.

All aspects of remuneration, including but not limited to directors’ fees, salaries, allowances, bonuses, options and benefits-in-kind shall be covered by the Remuneration Committee.

Each member of the Remuneration Committee shall abstain from voting any resolutions in respect of his remuneration package.

2.2.3 Remuneration Policy :

The Non Executive Independent Directors of the Company are paid by way of sitting fees. There is no other pecuniary relationship or transaction by the Company with Non Executive Directors.

The Company pays remuneration to its Executive Chairman, Managing Directors and Executive Directors by way of Salary, perquisites and bonus. The remuneration is approved by the Board and is within the overall limits approved by the shareholders.

STAKEHOLDER RELATIONSHIP COMMITTEE :

2.3.1 Composition of Committee :

The Shareholders/Investors Grievance Committee was constituted to look into the redressal of shareholders/investors grievances, if any, like transfer/transmission/demat of shares, loss of shares certificate, non-receipt of annual report, dividends etc.

2.3.2 Scope of Committee :

The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.

The Composition of Committee is as follows:

Name of the Directors & Position	Category
Mr. B R Sureja - Independent Non-Ex. Director	Chairman of Committee
Mr. N C Vadgama - Chairman & Ex. Director	Member of Committee
Mr. R R Bambhania - Joint Managing Director	Member of Committee

One meeting of Share holder/Investor Grievances Committee was held on **20th April, 2015**.

The Company has received nil no of complaint from shareholders during the Financial Year 2014-15.





RISK MANAGEMENT COMMITTEE :

During the year under review, the Company has constituted Risk Management Committee in the compliance of requirement of clause 49 of the Listing agreement. The said committee was formed with defined role and responsibilities.

2.4.1 Composition of Committee :

The Composition of Committee is as follow:

Name of the Directors & Position	Category
Mr. N. C. Vadgama -Chairman & Ex. Director	Chairman of Committee
Mr. S. M. Thanki – Managing Director	Member of Committee
Mr. H. N. Vadgama – Vice President	Member of Committee

2.4.2 Terms of Reference :

- To drive and co-ordinate risk management process covering all areas of risk including operational, financial, commercial, regulatory, reputational etc., through an appropriate business risk management organization.
- To ensure that the business risk strategy and management processes comply with applicable regulatory requirements and corporate governance principles.
- To ensure that the business risk management principles and processes are widely understood across the Company through adequate induction, training and awareness programs.
- To periodically monitor and review Company's key business risks and risk mitigation plans, and advise the Board of business risks which could materially impact the Company's delivery of its business plans, strategy, and reputation, if left untreated.
- To monitor external developments in the business environment which may have an adverse impact on the Company's risk profile, and make recommendations, as appropriate.
- To sponsor specialist reviews of key risk areas as appropriate.
- To report to the Board on key risks, risk management performance and the effectiveness of internal controls.

One meeting of Risk Management Committee was held on **20th April, 2015**.

3. MEETING OF INDEPENDENT DIRECTORS :

During the year under review, the Independent Directors held one separate meeting on **20th April, 2015** to discuss the process for evaluation of the performance of the Board, its Committees, Chairman and the individual Directors of the Company. The meeting was attended by all the independent Directors.

4. PERFORMANCE EVALUATION OF THE BOARD :

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for the year 2014-15 as per details provided in the Board's Report.

5. CODE FOR PREVENTION OF INSIDER TRADING :

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Companies Act, 2013, the Company has a code for prevention of Insider Trading by its Directors and employees in designated roles/functions. The code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with shares of Company and cautioning them of the consequences of violations. The code clearly specifies that the Directors and designated employees of the Company can trade in the shares of the Company only during the period when 'trading window' is open. The trading window, amongst others, is closed during the time of declaration of financial results and occurrence of any material events as per the code. An annual disclosure is also taken from all the Directors and designated employees of the Company disclosing their shareholding at the year end.

6. CODE OF CONDUCT :

In compliance with Clause 49 of the Listing Agreement and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct ('The Code'). The Code is applicable to the members of the Board, the executive officers and all employees of the Company and its subsidiaries. The Code is available on website, www.aec.com.

7. VIGIL MECHANISM :

The Company has established Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and Employees) to report unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s) / employee(s) and direct access to the Chairman of Audit Committee in exceptional cases. The Vigil Mechanism policy has been displayed on the website, www.aec.com.

4. GENERAL BODY MEETINGS :

Last three Annual General Meetings of the Company were held are given below:

Financial Year	Date	Location of the Meeting	Time
2012 - 2013	22/09/2012	Village: PATLA, Tal: BHESANDist: JUNAGADH 362 030	11.00 a.m.
2013 - 2014	23/09/2013	Village: PATLA, Tal: BHESANDist: JUNAGADH 362 030	11.00 a.m.
2014 -2015	09/09/2014	Village: PATLA, Tal: BHESANDist: JUNAGADH 362 030	11.00 a.m.

All resolutions moved at the last Annual General Meeting were passed in the manner of "Poll" by the requisite majority of members since the Company has given a facility of e-voting to their members as being mandated by the SEBI.



The followings are the Special Resolutions passed at the previous three Annual General Meetings.

Whether AGM Held on	Special Resolution Passed	Summary
1. 22-09-2012	NO	None
2. 23-09-2013	YES	Reappointment of Mr. N.C.Vadgama as Executive Director of the Company for the period of five years w.e.f 1 st August, 2013
	YES	Reappointment of Mr. S.M. Thanki as Managing Director of the Company for the period of five years w.e.f 1 st August, 2013
	YES	Reappointment of Mr. R. R. Bambhania as Joint Managing Director of the Company for the period of five years w.e.f 1 st August, 2013
3. 09.09.2014	YES	Reappointment of Mr. J. R. Bhogayta as Executive director of the Company for the period of five years w.e.f 1 st August, 2013
	YES	To borrow monies pursuant to section 180(1) (c) of the Companies Act, 2013
	YES	To sell, Lease or otherwise dispose of the whole or substantially the whole of undertaking pursuant to section 180 (1) (a) of the Companies Act, 2013
	YES	To approve and make the period of office of Mr. Narottam C. Vadgama liable to retire by rotation.
	YES	To approve and make the period of office of Mr. Shashikant M Thanki liable to retire by rotation.
	YES	To enter into related party transaction with Accurate Engineering INC., USA pursuant to section 188(1) of the Companies Act, 2013.
	YES	To enter into related party transaction with Max Precision Bearings Private Limited pursuant to section 188(1) of the Companies Act, 2013.
	YES	To enter into related party transaction with Austin Trades, a registered partnership firm pursuant to section 188(1) of the Companies Act, 2013.
	YES	To enter into related party transaction with Accord Precision Products, a registered partnership firm pursuant to section 188(1) of the Companies Act, 2013.
	YES	To enter into related party transaction with Optimum Services INC., a registered partnership firm pursuant to section 188(1) of the Companies Act, 2013.
YES	To enter into related party transaction with SNR Enterprises, a registered partnership firm pursuant to section 188(1) of the Companies Act, 2013.	
YES	To enter into related party transaction with Accumax Engineering Company, a registered partnership firm pursuant to section 188(1) of the Companies Act, 2013.	
YES	To alter the Article of Association of the Company pursuant to the provisions of Section 14 of the Companies Act, 2013.	

9. DISCLOSURES :

- During the year under review, besides the transactions mentioned elsewhere in the annual report, there were no significant related party transactions or pecuniary transactions by the Company with its promoter, directors, management and subsidiaries for the year ended on 31st March, 2015 that had a potential conflict with the interests of the Company at large.
- The Audit Committee is briefed of the related party transactions undertaken by the Company in the ordinary course of business the material individual transactions which were not in the normal course of business and material individual transactions with related parties or others, which were not at arm's length basis together with management's justification for the same.
- The Senior Management has made disclosures to the Board relating to all material, financial and commercial transactions stating that they did not have personal interest that could result in the conflict with the interest of the Company at large.
- The Company has complied with various rules and regulations prescribed by the Stock Exchange, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last 3 years. No penalties or strictures have been imposed by them on the Company.
- The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of Financial Statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.
- The Managing Director (CEO) have certified to the Board in accordance with Clause 49 (V) of the Listing Agreement pertaining to CEO Certification for the financial year ended on 31st March, 2015.

10. MEANS OF COMMUNICATION :

- The Company does not send its half-yearly reports to each shareholder as the same is not required to be sent legally.
- The quarterly, half-yearly and full year results are regularly submitted to the stock exchange in accordance with the listing agreement and are published in newspapers like Indian Express and Financial Express.
- The website of the Company is www.aec.com





11. GENERAL SHAREHOLDER INFORMATION :

- **Annual General Meeting :**
 - Date & Time** : Tuesday, 22nd September, 2015 at 11.00 a.m.
 - Venue** : Village : PATLA, Taluka: BHESAN, Dist.: JUNAGADH-362 030
- **Financial year** : 2014-2015 (1st April to 31st March)
- **Date of Book Closure** : 15th September, 2015 to 22nd September, 2015 (Both days inclusive)
- **Dividend Payment Date** : 20th October, 2015
- **Listing on Stock Exchange** : Bombay Stock Exchange Limited
- **Stock Code** : 522005 (BSE) ISIN No. INE759F01012
- **Market Price Data:**

The monthly high and low shares traded on the Bombay Stock Exchange Limited during financial year 2014-15.

Month	Year	High (Rs.)	Low (Rs.)	Month	Year	High (Rs.)	Low (Rs.)
April	2014	58.00	42.50	October	2014	91.50	81.05
May	2014	65.75	46.50	November	2014	104.75	80.55
June	2014	84.00	58.75	December	2014	101.90	75.00
July	2014	87.90	70.00	January	2015	118.00	89.00
August	2014	92.90	77.95	February	2015	92.85	76.10
September	2014	97.80	79.75	March	2015	88.85	70.00

- **Registrar & Share Transfer Agents :**
SHAREPRO SERVICES (India) Pvt. Ltd:
13-AB, Samhita Warehousing Complex, 2nd Floor, Near Sakinaka Telephone Exchange,
Andheri-Kurla Road, Sakinaka, Andheri (East) MUMBAI 400 072
Phone No.: +91-022-67720300 / 67720400 Fax No.: +91-022-28591568
- **Share Transfer Systems :**
Presently, the share transfer received in physical form are processed and the share certificate are returned within a period 15 days from the date of receipt, subject to the documents being valid and complete in all respects.
- **Distribution Pattern of shareholding as on 31st March, 2015.**

No. of Equity Shares Held	Number of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	5276	89.621	799390	22.986
501- 1000	312	5.300	252513	7.261
1001- 2000	137	2.327	200251	5.758
2001- 3000	49	0.832	124107	3.569
3001- 4000	20	0.340	71838	2.066
4001- 5000	22	0.374	100072	2.877
5001- 10000	30	0.510	199867	5.747
10001 and above	41	0.696	1729762	49.737
Grand Total	5887	100.00	3477800	100.00
Physical Mode	1604	27.83	345302	9.93
Electronic Mode	4264	72.97	3132498	90.07

Shareholding Pattern as on 31st March, 2015 :

Category	Number of Shares	% of Holding
Indian Promoters/Relatives	1175179	33.790
Resident Individuals & Corporate	2269909	65.268
Fin. Institutions/Banks/Mutual Fund	6900	0.200
NRIs	25812	0.742
TOTAL	3477800	100.00

- **Dematerialization of equity shares and liquidity :**
The Company's equity shares are compulsorily dematerialized with effect from 17.10.2002. The Company's ISIN No. **INE759F01012**. Any shareholder, desirous of dematerialization of their shares, is required to approach any Depository Participant for opening of account or for any operational clarification; the Share Certificates are required to be sent to the Company through Depository Participant only.
Nearly **90.07%** of total equity shares of the Company are held in dematerialized form with following depository.
NSDL: 2237234 Shares (64.33%) CDSL: 895264 Shares (25.74%)





• **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments conversion date and likely impact on equity :**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

• **Plant Location :**

Village : PATLA, Taluka: BHESAN
District : JUNAGADH 362 030 (Gujarat)
Phone : 02873 – 252223 / 252267 / 252268
Fax : 0285-2661505 & 02873-252225
E-mail : info@aec.com

• **Address for Correspondence :**

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, and please write to:

SHAREPRO SERVICES (India) Pvt. Ltd.

13-AB, Samhita Warehousing Complex, 2nd Floor,
Near Sakinaka Telephone Exchange, Andheri-Kurla Road,
Sakinaka, Andheri (East) MUMBAI 400 072
Phone No. : 022-67720300/67720400 Fax No.: 022-28591568
Email: sharepro@shareproservices.com
For general correspondence write to:

Austin Engineering Co. Ltd.

Village : PATLA, Taluka: BHESAN
District : JUNAGADH 362 030 (Gujarat)
Phone : 02873 – 252223 / 252267 / 252268
Fax : 0285-2661505 & 02873-252225
Email : info@aec.com

12. CEO and CFO CERTIFICATION :

The CEO's and CFO's certification of the financial statements and a declaration that all Board Members and senior management have affirmed compliance with the Company's Code of Business Ethics for the year ended 31 March, 2015 is attached with this report.

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER TO THE BOARD

We, Shashikant Thanki, Managing Director and Siddik Kotal, Chief Financial Officer of Austin Engineering Company Limited, certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing Generally Accepted Accounting Principles including Accounting Standards, applicable laws and regulations.
2. 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.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Statutory Auditors and Audit Committee are appraised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the Auditors and to the Audit Committee:
 - a) that there are no significant changes in internal control over financial reporting during the year;
 - b) that there are no significant changes in accounting policies during the year;
 - c) that there are no instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the Company's internal control system over financial reporting.

S. M. Thanki

S. A. Kotal

**Date: 28th May, 2015
Place: Junagadh**

**Sd/-
Managing Director**

**Sd/-
Chief Financial Officer**



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

In accordance with Clause 49 Sub-Clause 1(D) of the Listing Agreement with the Stock Exchange, I hereby confirm that, all Directors and the Senior Management Personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial year ended on 31st March, 2015.

FOR AUSTIN ENGINEERING CO. LTD
Sd/-
S. M. THANKI
MANAGING DIRECTOR

Date: 28th May, 2015
Place: Patla, Junagadh

14. AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS :

To,

The Members

AUSTIN ENGINEERING CO. LTD

We have examined the compliance of conditions of Corporate Governance by **AUSTIN ENGINEERING COMPANY LIMITED** during the year ended on **31st March, 2015** as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange in India.

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

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

We have been explained that no investor grievances remaining unattended/pending for a period exceeding one month as on 31st March, 2015.

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 Dhirubhai Dand & Co
CHARTERED ACCOUNTANTS
Sd/-
DHIRUBHAI H. DAND
PROPRITOR

Place: Junagadh
Dated: 28th May, 2015





MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW OF BEARING INDUSTRY AND DEVELOPMENTS THERETO :

During the year 2014, the global economy struggled to gain momentum. According to World Bank's Economic Prospects report released in January 2015, global growth in year 2014 was placed at 2.6%. As a result the scenario at the Global Platform also remained very subdued and all major economies in the world faces a decrease in economic activity.

The Indian Economy in 2014 continued to face several challenges resulting into the slowest growth during the same period ended on a note of cautious optimisation and hope of better future for the Industry. The continued uncertainty on policy front, persistent inflationary pressures, resultant high interest rate and absence of resolutions on key issues in several core sectors stunted any investments and/or growth prospects across the vital sectors. The economic environment witnessed a change in the middle of the year with the election of a new stable government at the centre. The business confidence and optimism returned to the corporate dialogue towards the end of the year even as the overall economy improved only marginally. Indian Economy after slowing to sub 5% in the financial year 2013-14, is showing signs of moderate growth.

The Indian bearing Industry is no exception to this situation. The market size is estimated to be an amount INR 85 billions. However, the split between domestic production and imported bearings remained more or less unchanged as compared to last year. OEM and the end users across industrial and automotive sectors were impacted by the prevailing economy sluggishness which resulted the challenging year for the Indian Bearing Industries. During the year, core sector performance remained unchanged while some showed deceleration of the negative trend and few others posted very moderate growth.

Austin Engineering Company Limited with its wide range of products coupled with deep customer relationship continues to focus on outpacing the external challenges efficiently by building on its competitive edge and delivering sustainable results.

OPPORTUNITIES :

The long term prospects for Indian economy remains bright owing to the growth of internal consumption driven by the country's demographic dividend, rapid urbanization, growth of manufacturing and infrastructure development. In the short term, with revival of business confidence coupled with positive actions on reforms, infrastructure and inclusive growth by the government, the economy is likely to develop positively. The government's call for 'Make in India' has sent out positive cues to the global investor's community. This augurs well for the domestic manufacturing sector and will aid economic activities in the country. The coming year seems to be more promising as compared to last year.

THREATS :

Bearing industry being capital intensive, there is always a threat of under utilization of expensive resources to be used and lesser absorption of fixed cost faced by the Company. Moreover, facing competition from Chinese Markets due to dumping of cheap bearings is area of serious concern for the Company.

Continual increase in raw material and consumables is another area of threat.

Increase in Labour cost will have to be matched by corresponding increase in productivity to retain compositeness of industry.

The shortage of appropriately skilled labour across is emerging as a significant and complex challenge to the Company's growth and future.

Your Company continues to focus on quality and technology innovations besides further developing application engineering and R&D capabilities to strengthen the competitiveness.

STRENGTH :

The Directors of the Company are well experienced and technically qualified with well succession plan. The Company is in this line of business for more than three decades and enjoys high reputation in the name of its brand and in the market. The Company has wide market network with established customer base. The Company is able to obtain skilled workmen at comparatively lower cost. The Company is profit making one and self performance is improving year after year.

SEGMENT WISE PERFORMANCE :

The company primarily operates in two segments of activities, namely, 'Bearings' and 'Power' which are used in wide range of applications across industries. The volatility and turbulence in the economy, higher input cost, and production cuts planned in the industry has adversely affected the production and demand curves and the trend continued throughout the year. Their present performance and future prospects have been given separately in Directors' Report.

INTERNAL CONTROL SYSTEMS :

An important aspect of Good Corporate Governance is a well-defined 'Internal Control' and 'Internal Audit' system. Therefore your Company views internal audit as a continuous process to keep management regularly appraised about the existence, adequacy and effectiveness of control systems and processes in the operations of the organisation.

The Company has a sound system of internal controls for financial reporting of various transactions and compliance with relevant laws, rules and regulations. The Company has well documented policies, procedures and authorization guidelines commensurate with the level of responsibility and standard operating procedures specific to the business.

The Internal Audit Department has extensive audit programs for the year. The post audit checks and reviews are also carried out to ensure follow up on the observations made by the Audit Committee. The Audit Committee reviews the internal audit reports and the adequacy of internal controls periodically and takes corrective action as and when necessary.

All transactions are authorised as per company's Approval and Signature Guidelines, which are recorded and reported in an organised manner.



**FINANCE :**

"AECL" operates primarily in the bearings and related components segment which are used in a wide range of applications across industries. The Indian economy continues to battle with several challenges from subdued demand and investments, contraction of industrial production and high interest rate during the year 2014. The macro environment improved a little as we went through the year with the new regime in power.

Your company has been consistently practicing prudent finance and working capital management. The strong focus on working capital and liquidity management has helped timely generation of sufficient internal cash flow to invest in long-term strategic objectives of the company.

BUSINESS STRATEGY AND OUTLOOK :

"AECL" is the leading manufacturer of all types of anti-friction bearings and it offers wide range of varieties to the different segments of people. The company blend optimism with caution as it looks ahead to short term future. Easing of inflation and liquidity will set better chance for investment and consumption.

At the company level, the majority of product range is the import substitute and there is likelihood to increase our sale on export front. A number of steps for strict cost control and improving efficiency and production at all levels have been taken which is expected to further enhance the performance of company in the years to come. At the core of "AECL", technical up gradation and advancement is a perpetual effort soliciting involvement of the top management which itself endeavours to encourage new development, continuous quality improvement and strong desire to prove that your company's technology is proficient to compete with any top technologically advanced organization and thus, resulting in unshakeable customer confidence in India and abroad for "AEC" bearings.

The Company is trying to focus on sharpening its competitiveness and offering various product- mixes which is totally market driven.

The Company restricts its export domain only to the most quality-conscious market like the United States and European Union which accounts majority of its revenue. We have 100% subsidiary in USA which also acts on marketing front. What may come as a surprise to the most is that, despite our very modest size, we have the widest range of bearings in the domestic market, weighing from 50 Gms to over 500 Kgs.

We manufacture bearings for demanding applications. It is among a handful of customized bearing manufacturer worldwide producing bearings of 1800mm diameter.

Ours special bearing range includes:

1. Steel Plant bearings
2. Mining Equipment.
3. Material handling equipment.
4. Bearings for cement, sugar, paper and other continuous process industry
5. Special bearings for high speed heavy duty turbines (used in power plants)
6. Oilfield applications
7. Agro-machinery
8. Gear Box
9. Motor/Pumps

HUMAN RESOURCES AND INDUSTRIAL RELATIONS :

The Company believes that the quality of its employees is the key to its success in the long run and therefore is committed to provide necessary human resource development and training opportunities to equip them with skill, enabling them to adapt to contemporary technological advancements. Industrial relations during the year continued to be cordial. The company is committed to maintain good relations through negotiations and meetings and it encourages its employees to be 'entrepreneurial' and focus on experimenting and being innovative.

The performance linked bonus and rewards were instituted, which not only helped to improve productivity but also brought the culture of healthy competitive performance within the organization. The gap between existing and desired skills has been filled up in the employees through training and development.

Your Company firmly believes that Human Resource Development strategies and practices will continue to provide sustained competitive advantage. The management of your Company deeply appreciate the spirit and commitment of its dedication of its employees.

CAUTIONARY STATEMENT :

Certain statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied therein. Important factors that could make a difference include raw material availability and prices thereof, cyclical demand and pricing in the company's principal markets, changes in government regulations and tax regime, economic developments within India and the countries in which the company conducts business and other incidental factors. The Company will not be in any way responsible for any actions based on such statements and undertakes no obligation to publicly update these forward looking statements to reflect subsequent events or circumstances.





INDEPENDENT AUDITORS' REPORT

To,
The Members of
AUSTIN ENGINEERING CO. LTD.

Report on the Financial Statements

We have audited the accompanying Financial Statements of Austin Engineering Company Limited (" the company") which comprise the Balance Sheet as at **31st March, 2015**, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibilities for the Financial Statements :

The Company's Board of Director's is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act"). read with the Rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the fraud 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 control, 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.

Auditors' Responsibility :

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provision of the Act, the accounting and auditing standard and Matters which are required to be included in the audit report under the provision of the Act and the rules made there under.

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depends 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 true and fair view in order to design audit procedure that are appropriate in the circumstances. An audit also include evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 financial statements.

Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 :

- (a) in the case of the Balance sheet, of the state of affairs of the Company as at **31st March, 2015** ;
- (b) in the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2015 ("the order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the **Annexure** 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 purpose of our audit ;
 - b. In our opinion, proper Books of Account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the Books of Accounts;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified u/s 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules 2014.
 - e. On the basis of written representations received from the directors, as on **March 31, 2015**, taken on record by the board of Directors, none of the directors is disqualified as on **March 31, 2015**, from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to other matters to be included in the Auditors' 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 28.1 (iii) & (iv) to the financial statements;
 - ii) The company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
 - iii) There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the company.

FOR DHIRUBHAI DAND & CO.,
Firm Registration No. 118190W
Chartered Accountants

PLACE : JUNAGADH
DATE : May 28, 2015

DHIRUBHAI H. DAND
PROPRIETOR
M. NO. 017117





ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our Audit, we report that:

- i) In respect of its fixed assets :
 - a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets (other than in respect of tools, dies, furniture & fixtures).
 - b) As explained to us, Fixed Assets have been physically verified by the Management at the reasonable intervals; no material discrepancies were noticed on such verification.
- ii) In respect of its Inventories :
 - a) As explained to us, Inventories have been physically verified during the year by the Management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its Inventories. No material discrepancy was noticed on physical verifications of stocks by the management as compared to books records.
- iii) According to the information and explanations given to us and on the basis of our examinations of the books of accounts, the Company has not granted any loans, secured or unsecured, to Companies, firm or other parties listed in the register maintained u/s 189 of the Companies Act, 2013.
- iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of Inventory and Fixed Assets and payment for expenses and for Sale of Goods and services. During the course of our Audit, no major instance of continuing failure to correct any weaknesses in the internal control has been noticed.
- v) The company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
- vi) We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained.
- vii) a) According to the information and explanations given to us and based on the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Value Added Tax, Wealth-Tax, Custom Duty, Excise Duty, Service-Tax, Cess and other material Statutory dues, as applicable to it with the appropriate authorities.

According to the information and explanations given to us and based on the records of the Company examined by us,, no undisputed amount of Statutory dues were outstanding, as at **March 31, 2015** for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Wealth-Tax, Sales-Tax, Value Added Tax, Service-Tax, Custom Duty and cess which have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of income tax and Central Excise as at **March 31, 2015** have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Amount (Rs.)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act,1961	Income Tax	316000	Financial year 2010-11	Commissioner of Income Tax (Appeals)
Central Excise Act, 1944	Excise Duty and Penalty	377441	Financial year 2012-13 & 2013-14	Commissioner of Central Excise (Appeals)

* net of amounts paid under protest.

- c) In our opinion and according to the information and explanations given to us, the Company has transferred the amount which is required to be transferred to the Investor Education & Protection Fund in accordance with the relevant provision of the Companies' Act, 1956 (1 of 1956) and Rules made there under within time.
- viii) The Company does not have any accumulated losses and has not incurred any cash losses during the financial year covered by our Audit and in the immediately preceding financial year.
- ix) Based on our audit procedure and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institution.
- xi) In our opinion, and according to the information and explanations given to us, the Company has not raised any term loan during the year.
- xii) Based on the audit procedures carried in accordance with the auditing standards generally accepted in India and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the course of audit nor we have been informed of any such case by the Management.

FOR DHIRUBHAI DAND & CO.,
Firm Registration No. 118190W
Chartered Accountants

DHIRUBHAI H. DAND
PROPRIETOR
M. NO. 017117

PLACE : JUNAGADH
DATE : May 28, 2015





Balance Sheet as at 31.03.2015

Particulars	Note No.	31-03-2015		31-03-2014	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1. Shareholder's funds					
(a) Share Capital	3	34,778,000		34,778,000	
(b) Reserves and Surplus	4	535,399,099	570,177,099	511,351,683	546,129,683
2. Non-current liabilities					
(a) Long-term borrowings	5	223,693		545,835	
(b) Long-term Provisions	6	33,818,433	34,042,126	21,547,257	22,093,092
3. Current Liabilities					
(a) Short term borrowings	7	93,518,511		53,148,904	
(b) Trade payables	8	173,290,118		184,062,984	
(c) Other current liabilities	9	38,089,280		45,970,032	
(d) Short term provisions	10	35,683,947	340,581,856	33,294,044	316,475,964
TOTAL :			944,801,081		884,698,739
II ASSETS					
1. Non-current assets					
(a) Fixed assets					
(i) Tangible assets	11	96,629,186		103,162,420	
(ii) Intangible assets	11	25,675,783		27,205,060	
(b) Non-current investments	12	4,057,625		4,899,773	
(c) Deferred Tax Assets (Net)	13	8,729,659		3,059,118	
(d) Long-term loans and advances	14	13,130,375	148,222,628	12,749,476	151,075,847
2. Current assets					
(a) Inventories	15	470,206,033		434,954,981	
(b) Trade receivables	16	247,426,936		249,753,942	
(c) Cash and Cash equivalents	17	30,672,718		16,016,807	
(d) Short-term loans and advances	18	48,186,602		32,806,481	
(e) Other current assets	19	86,164	796,578,453	90,681	733,622,892
TOTAL :			944,801,081		884,698,739
Significant accounting policies and notes to accounts	1 to 28				

As per our Report of even date

For **DHIRUBHAI DAND & Co.**,
(Firm Registration No. 118190W)
Chartered Accountants

DHIRUBHAI H. DAND
Proprietor
M. No. 017117

Place : JUNAGADH
Date : May 28, 2015

S. A. Kotal
Chief Financial Officer

Z. M. Talreja
Company Secretary

For and on behalf of the Board of Directors

N. C. Vadgama Chairman & Executive Director
S. M. Thanki Managing Director
R. R. Bambhania Joint Managing Director
J. R. Bhogayta Executive Director

Place : PATLA, Taluka, BHESAN, Dist.. JUNAGADH
Date : May 28, 2015





Statement of Profit and Loss for the Year ended 31.03.2015

Particulars	Note No.	2014-15		2013-14	
		Rs.	Rs.	Rs.	Rs.
I Revenue from operations	20	982,987,439		873,381,109	
II Other Income	21	2,507,852		14,348,032	
III Total Revenue (I + II)			985,495,291		887,729,141
IV Expenses					
Cost of Materials Consumed	22	314,078,273		264,943,572	
Purchases of Stock in Trade	23	149,424,623		145,357,571	
Changes in inventories of finished goods, work in progress and Stock-in- trade	24	(37,325,527)		(9,268,139)	
Employee benefits expense	25	169,088,459		146,556,371	
Finance Costs	26	9,417,371		6,946,129	
Depreciation	11	13,085,229		21,835,857	
Other expense	27	323,374,126		271,229,325	
Total Expense			941,142,554		847,600,686
V Profit before exceptional and extraordinary items and tax (III-IV)			44,352,737		40,128,455
VI Exceptional Items			-		-
VII. Profit before extraordinary items and tax (V-VI)			44,352,737		40,128,455
VIII Extraordinary items			-		-
IX Profit before tax (VII-VIII)			44,352,737		40,128,455
X Tax expense:					
(1) Current tax		15,950,000		14,240,000	
(2) Deferred tax		(4,454,773)		(4,837,048)	
XI Profit for the period from continuing operations (IX - X)			32,857,510		30,725,503
XII Profit/(Loss) for the period from discontinuing operations			-		-
XIII Tax expense of discontinuing operations			-		-
XIV Profit from discontinuing operations (after tax) (XII-XIII)			-		-
XV Profit/(Loss) for the year (XI + XIV)			32,857,510		30,725,503
XVI Earnings per equity share:					
(1) Basic			9.45		8.83
(2) Diluted			9.45		8.83
Significant accounting policies and notes to accounts	1to28				

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**
(Firm Registration No. 118190W)
Chartered Accountants

DHIRUBHAI H. DAND
Proprietor
M. No. 017117

Place : JUNAGADH
Date : May 28, 2015

S. A. Kotal
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R. R. Bambhania Joint Managing Director
J. R. Bhogayta Executive Director

Place : PATLA, Taluka, BHESAN, Dist.. JUNAGADH
Date : May 28, 2015



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
A CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before extraordinary items and tax		44,352,737		40,128,455
Adjustments for:				
Depreciation	13,085,229		21,835,857	
Finance Cost	9,417,371		6,946,129	
(Profit) / Loss on sale of Assets/shares	(79,481)		(9,770)	
Interest/Dividend Income	(834,432)		(1,748,998)	
		<u>21,588,687</u>		<u>27,023,218</u>
Operating Profit before working capital changes		65,941,424		67,151,673
Adjustments for (increase)/decrease in operating assets:				
Inventories	(35,251,052)		(9,900,345)	
Trade Receivable	2,327,006		(39,544,559)	
Short Term loans & Advances	(15,380,121)		(2,782,343)	
Long Term Loans & Advances	(380,899)		4,909,691	
Other Current Assets	4,517		27,682	
Adjustments for : increase/(decrease) in operating liabilities				
Trade payables	(10,772,866)		19,505,292	
Other Current Liabilities	(7,880,752)		11,731,787	
Short Term Provisions	1,911,939		(21,103,997)	
Long Term Provisions	12,271,176	(53,151,052)	18,786,588	(18,370,204)
Cash generated from operations		12,790,372		48,781,469
Direct taxes paid		(15,647,453)		(14,240,000)
NET CASH FROM OPERATING ACTIVITIES :		(2,857,081)		34,541,469
B CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets		(9,303,574)		(11,287,347)
Purchase of Investments		-		-
Sale of Fixed Assets		121,000		205,000
Sale of Investments		1,334,318		430,500
Interest/Dividend Received		834,432		1,748,998
Net Cash used in investing activities		(7,013,824)		(8,902,849)
C CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds of Long Term Borrowings (net)		(322,142)		(920,244)
Net Increase / (Decrease) in Short term Borrowings		40,369,607		(18,514,121)
Dividend Paid		(5,216,700)		(5,216,700)
Dividend Tax Paid		(886,578)		(886,578)
Finance Cost		(9,417,371)		(6,946,129)
Net Cash used in financial activities		24,526,816		(32,483,772)
Net increase in cash and cash equivalents(A+B+C)		14,655,911		(6,845,152)
Cash and Cash equivalents at the beginning of the year		16,016,807		22,861,959
Cash and Cash equivalents at the end of the year Note:17		30,672,718		16,016,807

Significant accounting policies and notes to accounts 1 to 28

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**
(Firm Registration No. 118190W)
Chartered Accountants

DHIRUBHAI H. DAND
Proprietor
M. No. 017117

Place : JUNAGADH
Date : May 28, 2015

S. A. Kotal
Chief Financial Officer

Z. M. Talreja
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For and on behalf of the Board of Directors

N. C. Vadgama Chairman & Executive Director

S. M. Thanki Managing Director

R. R. Bambhania Joint Managing Director

J. R. Bhogayta Executive Director

Place : PATLA, Taluka, BHESAN, Dist.. JUNAGADH
Date : May 28, 2015





Notes forming part of the financial statements of the Accounts for the year ended 31st March, 2015.

1. Corporate Information :

AUSTIN ENGINEERING COMPANY LIMITED is a public Limited Company domiciled in India and incorporate under the provisions of the Companies Act, 1956, Its shares are listed in one stock exchange in India. (BSE) The company is engaged in manufacturing and selling all type of Bearings and its components under trademark "aec". The company is also engaged in generating of Power from wind energy. The Manufacturing unit of the company is situated at village Patla, Taluka Bhesan, Dist. Junagadh-362 030. The Company is having one fully owned subsidiary Company at U.S.A.. The company caters to both domestic and international markets.

2. Basis of Preparation :

The financial statement of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) including accounting standards notified under the relevant provisions of the Companies Act, 2013. The Financial statements have been prepared on an accrual basis and under the historical cost convention except where specifically stated.

Use of Estimates :

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting 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 / materialise.

Significant Accounting policies :

a. Fixed Assets & Depreciation :

1. Fixed assets are stated at cost less depreciation. Cost of acquisition or construction is inclusive of duties, taxes and other incidental expenses.

Depreciation on assets is provided on the basis of Straight Line Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. In respect of the assets added during the Period, the depreciation is provided on pro-rata basis from the date of such assets first put to use till the end of the financial year. No depreciation is charged on assets sold during the year.

2. Intangible Assets amortized as follows :

- Trademark is amortized over the useful life estimated by the management.
Over a period of 50 years.
- Computer Software is amortized over the useful life estimated by the management.
Over a period of 5 years.

b. Lease :

Where the Company as a lesser leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lesser are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of Profit and loss on a Straight-line basis over the lease term.

c. Inventories :

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the weighted average basis and where applicable, includes the cost of material (net of available Cenvat credit), labour and factory overheads. Finished products also include excise duty on products manufactured.

d. Cenvat :

Cenvat benefit is accounted for by reducing the purchase cost of the materials/fixed assets.





e. Foreign Currency Transaction :

Initial recognition :

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion :

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange difference :

Monetary items denominated in Foreign Currencies at the year end and not covered by forward exchange contract are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the contract.

All exchange differences are recognized as income or as expenses in the period in which they arise except monetary item in a non-integral foreign operation and long term foreign currency monetary items of fixed assets.

f. Retirement benefits :

- A) Company's contributions Payable during the year to the Government Provident fund and ESIC, which are defined contribution schemes, are charged to the Profit & Loss Account.
- B) Gratuity and leave encashment which are defined benefits, are accrued based on actuarial valuation at the balance sheet date, carried out by an independent actuary.
- C) Actuarial gains/losses in respect of defined benefits are immediately taken to Profit & Loss account and are not deferred.

g. Excise :

Excise Duty has been accounted on the basis of, both, payments made in respect of goods cleared as also provision made for goods lying in bonded warehouse.

h. Dividend :

Dividend whenever proposed by the Board of Directors as appropriation of profits are provided for in the books of account, pending approval of the shareholders at the annual general meeting.

i. Contingent liability :

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but disclose its existence in the financial statements.

Liabilities in respect of Show Cause Notices received are considered as contingent liabilities only when they are converted into demands and contested by the Company.

j. Investment :

Investments are classified into long term investment. Investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.

k. Export Incentives :

Export Incentives relating to DEPB Licenses and Duty draw back are accounted in the year of export on accrual basis considering the realizable value thereof..

l. Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

Sales of goods :

Revenue from sales of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Sales include excise duty, sales tax and value added tax. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire liability arising during the year.

Interest :

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.



**Dividend Income :**

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

m. Earnings Per Share :

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. Provisions :

A provision is recognized when the company has a present obligation as a result of past event, It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed of each reporting date and adjusted to reflect the current best estimate.

Where the company expects some or all of a provision to be reimbursed, for example under and insurance contract, the reimbursement is recognized as separate asset but only when the reimbursement is virtually certain. The expenses relating to any provision is presented in the statement of profit and loss net of any reimbursement.

o. Cash and cash equivalents :

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

p. Taxation :

Tax expenses comprises current and deferred tax. Current Income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the report date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognizing in equity and not in the Statement of profit and loss.

The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax rules that have enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward business losses and unabsorbed depreciation allowance under tax laws, are recognized only if there is a virtual certainty of its realization. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date, the carrying amounts of deferred tax assets are reviewed to re-assure realization.

q. Derivative instruments and hedge accounting :

The company uses foreign exchange forwards contracts to hedge its exposure to movements in foreign exchange rate. This foreign exchange forward contract is not used for trading or speculation purposes. The accounting policy for forward contracts is based on whether it meet the criteria for designation as effective cash flow hedges. To designate the forward contract as an effective cash flow hedge, the company objectively evaluates with appropriate supporting documentation at the inception of the each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. Effective hedge is generally measured by comparing the cumulative change in the fair value of the hedge contracts with a cumulative change in the fair value of the hedged item.

For forward contracts that are designated as effective cash flow hedges, the gain or loss from the effective portion of the hedge is recorded and reported directly in the share holders' fund (under the head "hedging reserve") and are reclassified into the profit & loss account upon the occurrence of the hedged transactions.

The company recognizes gains or losses from changes in fair value of forward contracts that are not designated as effective cash flow hedges for accounting purposes in the profit and loss account in the period the fair value changes occur.

r. Segment reporting :

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serve different markets. The analysis of geographical segments is based on the areas in which major operating division of the company operate.



**Notes forming parts of the financials statements for the year ended 31st March, 2015**

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 3 : SHARE CAPITAL				
AUTHORISED :				
40,00,000 Equity Shares of Rs.10/- each		40,000,000		40,000,000
ISSUED, SUBSCRIBED AND PAID UP :				
34,77,800 Equity Shares of Rs.10/- each fully paid up. *		34,778,000		34,778,000
(Previous Year 34,77,800 Equity Shares of Rs. 10/- each fully paid up.)				
TOTAL :		34,778,000		34,778,000

* 53200 Equity Shares of Rs. 10 each brought back during the period of five years immediately preceding the reporting date, total amount of share capital Rs. 532000/-

* No Shareholders holding more than 5% shares in the company.

* Terms / rights attached to shares :

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The company declare and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company after distribution of all preferential amounts. The distribution will be in propotion to the numbers of equity shares held by the shareholders.

NOTE 4 : RESERVES & SURPLUS

RESERVES :				
Capital Reserve		792,427		792,427
Cash subsidy reserve		2,935,458		2,935,458
Share Premium		86,795,000		86,795,000
Capital Redemption Reserve		532,000		532,000
<u>General Reserve</u>				
As per last Balance Sheet	56,149,239		52,149,239	
Add: Transfer from Profit & Loss A/c	4,000,000	60,149,239	4,000,000	56,149,239
		151,204,124		147,204,124
<u>Profit & Loss Account</u>				
As per last Balance Sheet	364,147,559		343,525,334	
Add. Profit for the year	32,857,510		30,725,503	
	397,005,069		374,250,837	
Less:- Appropriations				
- Adjustment relating to Fixed Assets (Refer to Note 11.1)	2,531,399		-	
- Dividend on Equity shares	5,216,700		5,216,700	
- Tax on distributed profit on Equity shares	1,061,995		886,578	
- Transfer to General Reserve	4,000,000	384,194,975	4,000,000	364,147,559
TOTAL :		535,399,099		511,351,683





Notes forming parts of the financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 5 : LONG TERM BORROWINGS				
<u>SECURED</u>				
(A) Deferred Payment Loan				
from HDFC Bank (Refer Note : 09)		-		78,753
from ICICI Bank (Refer Note : 09) (excluding current maturity)		223,693		467,082
TOTAL :		223,693		545,835

* Borrowings under Item (A) is Secured against Hypothecation of Vehicles. The rate of Interest for loan from HDFC Bank is 11% and for loan from ICICI Bank is 10.75%. Loans are repayable in 36 equal monthly instalments.

NOTE 6 : LONG TERM PROVISIONS

Leave Salary Provision		3,576,782		2,917,669
Gratuity Provision		30,241,651		18,629,588
TOTAL :		33,818,433		21,547,257

NOTE 7 : SHORT TERM BORROWINGS

<u>SECURED</u>				
Working Capital Loan from Bank of Baroda		93,518,511		53,148,904
TOTAL :		93,518,511		53,148,904

* Working Capital Loan from bank is Secured against Hypothecation of all Stocks, Bill Discount and Book-debts and all movable machinery including stores & spares, Equitable Mortgage of all Land & Building of the Company. The Cash credit limit is repayable on Demand.

NOTE 8 : TRADE PAYABLES

Trade Payables		173,290,118		184,062,984
TOTAL :		173,290,118		184,062,984

* The Company has not received information from vendors regarding their status under the Micro, small and Medium Enterprise Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act have not been given.

* Trade payables includes amount due to Directors of Rs. 383,600/-.(Previous year Rs. 383,600/-) .



**Notes forming parts of the financials statements for the year ended 31st March, 2015**

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 9 : OTHER CURRENT LIABILITEIS				
Current maturity of long term borrowings				
Deferred Payment loan from Banks		322,142		1,606,016
Creditors for Capital Goods		26,732,919		27,457,571
Advance Payment From Customers		6,822,556		12,476,920
Unpaid Dividend		2,419,584		2,405,562
T.D.S., T.C.S. Payable		1,792,079		2,023,963
TOTAL :		38,089,280		45,970,032

* Payable on Purchase of Fixed Assets include amount due to H.U.F. of Directors Rs.15,418,518/-.
(Previous Year Rs. 15,768,568/-).

NOTE 10 : SHORT TERM PROVISIONS

Proposed Dividend		5,216,700		5,216,700
Provisions for Tax Proposed Dividend		1,061,995		886,578
Provisions for Income Tax (Net of Advance Tax & TDS)		302,547		—
Bonus Provision		18,096,542		17,084,056
Gratuity Provision		10,360,943		9,580,876
Leave Salary Provision		645,220		525,834
TOTAL :		35,683,947		33,294,044





Notes forming parts of the financials statements for the year ended 31st March, 2015

NOTE 11 : FIXED ASSETS

SR. NO.	ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance as at 01/04/2014 Rs.	Addition During the year Rs.	Sales/Trans. During the year Rs.	Balance as at 31/03/2015 Rs.	Provided Upto 01/04/2014 Rs.	Provided During the year Rs.	Adjustment/ (Deductions) Rs.	Total as at 31/03/2015 Rs.	Balance as at 31/03/2015 Rs.	Balance as at 31/03/2014 Rs.
A	Tangible Assets (Own assets)										
1	Freehold Land	71,871	-	-	71,871	-	-	-	-	71,871	71,871
2	Leasehold Land	96,408	-	-	96,408	-	-	-	-	96,408	96,408
3	Factory Building	50,790,448	976,038	-	51,766,486	24413615	2138858	-	26,552,473	25,214,013	26,376,833
4	Plant & Machinery	166,077,069	2,934,593	-	169,011,662	121779182	4287295	-	126,066,477	42,945,185	44,297,887
5	Plant & Machinery(100%Depreciation)	2,774,089	-	-	2,774,089	2774089	-	-	2,774,089	-	-
6	Electric Installation	9,899,896	402,447	-	10,302,343	9897713	14403	-	9,912,116	390,227	2,183
7	Tools Dies & Measuring Instruments	41,575,980	2,264,530	-	43,840,510	36619595	413774	-	37,033,369	6,807,141	4,956,385
8	Furniture & Fixture	16,901,902	787,397	-	17,689,299	10524138	890591	-	11,414,729	6,274,570	6,377,764
9	Office & Factory Equipments	8,941,224	1,178,129	-	10,119,353	4003280	1068976	2313716	7,385,972	2,733,381	4,937,944
10	Vehicles	22,797,327	-	1,218,697	21,578,630	12176338	2435635	197759	14,809,732	6,768,898	10,620,989
11	Computers	9,951,240	576,715	-	10,527,955	9411319	342284	108320	9,861,923	666,032	539,921
12	Wind Electric Power Converter	35,307,710	-	-	35,307,710	30423475	222775	-	30,646,250	4,661,460	4,884,235
	Sub Total (A)	365,185,164	9,119,849	1,218,697	373,086,316	262,022,744	11,814,591	2,619,795	276,457,130	96,629,186	103,162,420
B	INTANGIBLE ASSETS										
1	'aec' TRADE MARK	40,861,000	-	-	40,861,000	15,322,875	817220	-	16,140,095	24,720,905	25,538,125
2	Computer Software	3,293,331	183,725	-	3,477,056	1,626,396	453418	442,364	2,522,178	954,878	1,666,935
	Sub Total (B)	44,154,331	183,725	-	44,338,056	16,949,271	1,270,638	442,364	18,662,273	25,675,783	27,205,060
	TOTAL (A + B)	409,339,495	9,303,574	1,218,697	417,424,372	278,972,015	13,085,229	3,062,159	295,119,403	122,304,969	130,367,480
	PREVIOUS YEAR	398,793,662	11,287,347	741,514	409,339,495	257,682,442	21,835,857	546,284	278,972,015	130,367,480	141,111,220

NOTE : 11.1

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives. The written down value of Fixed assets whose lives have expired as at 1st April, 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs. 25,31,399/-.

NOTE 12 : NON CURRENT INVESTMENTS (AT COST)

LONG TERM INVESTMENTS :

PARTICULARS	2014-15			2013-14		
	No. of Shares	Face Value Rs.	Rs.	No. of Shares	Face Value Rs.	Rs.
(A) UNQUOTED :						
Equity Share (Fully Paid)						
Kowa Spining Ltd.	60,000	10	1,050,000	60,000	10	1,050,000
Investment in Subsidiary Company						
- Accurate Engineering Inc. - U.S.A.	25,000	US\$ 1	1,142,950	25,000	US\$ 1	1,142,950
Share Application Money given to Subsidiary Company						
- Accurate Engineering Inc. - U.S.A.	25,000	US\$ 1	1,128,650	25,000	US\$ 1	1,128,650
(B) QUOTED :						
Equity Share (Fully Paid)						
A.J.Brothers Ltd.	3,800	10	57,000	3,800	10	57,000
Ahmedabad Gases Ltd.	-	-	-	3,900	10	39,000
Antifriction Brg.Corp.n.	100	10	6,500	177	10	7,130
Asahi Fibres Ltd.	3,000	10	30,000	3,000	10	30,000
Asian Bearings Ltd.	100	10	1,525	100	10	1,525





Notes forming parts of the financials statements for the year ended 31st March, 2015

NOTE 13 : NON CURRENT INVESTMENTS (AT COST) (Contd....)

PARTICULARS	2014-15			2013-14		
	No. of Shares	Face Value Rs.	Rs.	No. of Shares	Face Value Rs.	Rs.
Bagri Min & Chem Ltd.	2,600	10	26,000	2,600	10	26,000
Bhupendra Cap. & Fin.Ltd.	1,700	10	68,000	1,700	10	68,000
Cosboard Ind. Ltd.	-	-	-	1,400	10	19,600
Damania Cap.Markets Ltd.	9,300	10	279,000	9,300	10	279,000
Fag Bearings Ltd. Share	-	-	-	100	10	53650
Gujarat Meditech Ltd.	900	10	9,000	900	10	9,000
Hindustan Agri Ltd.	700	10	7,000	700	10	7,000
Indo Dutch Protiens Ltd.	700	10	7,000	700	10	7,000
Kongarar Textiles Ltd.	600	10	27,000	600	10	27,000
NHC Food .Ltd.	-	-	-	525	10	15,000
NRB Bearings share	-	-	-	100	2	4593
Orissa Luminaries Ltd.	2,000	10	20,000	2,000	10	20,000
Pennar Aqua Exports Ltd.	7,700	10	77,000	7,700	10	77,000
Wintac Limited	-	-	-	700	10	70,000
Reliance Industries Ltd. Share	-	-	-	124	10	173913
SKF Bearing Ltd. Share	-	-	-	300	10	104601
Stiefel Und.Schuh (I) Ltd.	400	10	4,000	400	10	4,000
Supriya Pharma Ltd.	500	10	10,000	500	10	10,000
Thambi Modern Spng.Mills	600	10	30,000	600	10	30,000
Timken India Ltd.	-	-	-	50	10	7144
Tina Electronics Ltd.	1,100	10	11,000	1,100	10	11,000
Valley Abresive Ltd.	1,500	10	15,000	1,500	10	15,000
Eimco Elecon (I) Limited	-	-	-	100	10	18,446
Elecon Engineering Company Limited	-	-	-	100	2	7,218
Gujarat State Petronet Ltd.	-	-	-	200	10	19,690
Hindalco Industries Limited	-	-	-	200	1	28,820
IDFC limited	-	-	-	100	10	10,717
Neyveli Lignite Limited	-	-	-	1,200	10	117,342
Steel Authority of India Limited	-	-	-	200	10	21,786
Tata Communication Limited	-	-	-	200	10	39,186
Tata Spong	-	-	-	100	10	29,759
Tata Steel Limited	-	-	-	100	10	44,491
The Shipping Corporation of India Limited	-	-	-	200	10	16,562
(C) GOVERNMENT SECURITIES :						
National Saving Certificate (Pledged as security to excise dept)			51,000			51,000
TOTAL :			<u>4,057,625</u>			<u>4,899,773</u>
Aggregate Book Value of Investment						
- Unquoted			3,321,600			3,321,600
- Quoted Market Value Rs. 391607/- (Previous year Rs. 1552111/-)			685,025			1,527,173
- Government Securities			51,000			51,000
TOTAL :			<u>4,057,625</u>			<u>4,899,773</u>





Notes forming parts of the financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 13 : DEFERRED TAX (LIABILITIES) / ASSETS - NET				
Deferred Tax Liabilities on account of Difference between Book & Tax Depreciation		(4,026,322)		(6,544,022)
Deferred Tax Assets on Account of Employees Benefits		12,755,981		9,603,140
Deferred Tax (Liabilities) / Assets		8,729,659		3,059,118
NOTE 14 : LONG TERM LOANS AND ADVANCES				
Unsecured Considered Good				
Advances recoverable in cash or in kind or for value to be received.		1,587,063		1,273,334
Sundry Deposits		3,361,774		3,398,073
Advance Income Tax (Net of Provision for taxation)		-		7,773
Advances & Deposit to Related Parties		167,296		2,267,296
Advances for capital expenditure		2,349,242		988,000
Other Loans		5,665,000		4,815,000
TOTAL :		13,130,375		12,749,476
NOTE 15 : INVENTORIES				
[Valued as stated in the accounting policies in Note No. 2.1(b)]				
Raw materials		53,011,091		52,826,611
Raw materials - Goods-in-transit		1,663,417		6,085,304
Work - in - progress @ (Refer Note below)		230,840,132		195,732,606
Finished goods		139,894,430		118,752,696
Finished goods - Goods-in-transit		19,523,817		42,072,436
Stock-in-trade		11,743,738		8,118,852
Stores and spares		8,514,096		7,304,167
Packing materials		5,015,312		4,062,309
TOTAL :		470,206,033		434,954,981
Note : Details of Inventory of work - in - progress				
a) Steel Bars		8,589,670		1,805,359
b) Races		185,696,405		158,639,390
c) Cages		3,146,162		3,226,893
d) S.M. Race & Forged Rings		15,756,998		13,591,845
e) Other materials		17,650,897		18,469,119
TOTAL :		230,840,132		195,732,606
NOTE 16 : TRADE RECEIVABLES				
Unsecured Considered Good				
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		19,306,519		27,210,477
Other Trade Receivables		228,120,417		222,543,465
TOTAL :		247,426,936		249,753,942

Trade receivable due to partnership firms in which directors relatives are partners Rs. 63,793/- (Previous year Rs. 1,91,687/-).





Notes forming parts of the financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 17 : CASH & CASH EQUIVALENTS				
Cash on Hand		2,097,405		3,397,023
Balance with Scheduled Bank				
In Current Account	16,429,703		1,176,405	
In Fixed Deposit A/c @	9,698,816		9,037,817	
In EEFC Account	27,210		—	
In Unpaid Dividend A/c.	2,419,584	28,575,313	2,405,562	12,619,784
TOTAL :		30,672,718		16,016,807
@ Fixed deposits with banks which have an original maturity of more than 12 months				
NOTE 18 : SHORT TERM LOANS AND ADVANCES				
<u>Unsecured Considered Good</u>				
Advances recoverable in cash or in kind or for value to be received.		14,696,673		8,360,136
Advances for expenses		3,593,844		1,962,402
Advances for raw materials		2,496,342		3,104,091
Advances to Employees		4,108,896		4,391,889
Balance with Government authorities				
(a) Central Excise	4,665,662		4,290,292	
(b) VAT Credit Receivable	9,390,457		6,462,023	
(c) Service Tax Credit Receivable	4,926,699	18,982,818	1,899,087	12,651,402
Prepaid Expenses		4,308,029		2,336,561
TOTAL :		48,186,602		32,806,481
NOTE 19 : OTHER CURRENT ASSETS				
Interest Accrued on Deposit , Bond		86,164		90,681
TOTAL :		86,164		90,681
NOTE 20 : REVENUE FROM OPERATIONS				
(A) Sales of Products				
Sales of Manufactured Goods				
a) Bearings	728,107,117		573,125,069	
b) Bearing Components	78,767,080	806,874,197	128,530,428	701,655,497
Sales of Trade Goods		176,010,939		181,994,556
Wind Electric Power Income		7,910,747		8,235,420
(B) Other Operating Revenues				
a) Sales of scrap	7,935,707		5,727,300	
b) Job-work Income	584,232		760,044	
c) Duty Drawback & other export incentives	11,356,153		9,194,945	
		19,876,092		15,682,289
		1,010,671,975		907,567,762
Less : - Excise duty		27,684,536		34,186,653
TOTAL :		982,987,439		873,381,109





Notes forming parts of the financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 21 : OTHER INCOME				
Interest Income		830,182		1,738,010
[Tax Deducted at Source Rs. 83,019/- (Previous Year Rs. 1,74,243/-)]				
Dividend Income		4,250		10,988
From Long Term Investment				
Foreign Exchange Rate Diff. Income		-		12,064,563
Service tax refund		114,533		-
Rent Income		132,283		123,500
Profit on sale of Fixed Assets		-		64,999
Profit on sale of Share Investment		492,170		-
Miscellaneous income		934,434		345,972
TOTAL :		2,507,852		14,348,032
NOTE 22 : MATERIALS CONSUMED				
Opening Stock		58,911,915		56,900,184
Add: Purchases		312,472,113		268,282,521
		371,384,028		325,182,705
Less: Sales		2,631,247		1,327,218
		368,752,781		323,855,487
Less: Closing Stock		54,674,508		58,911,915
TOTAL :		314,078,273		264,943,572
Materials Consumed Comprises :				
a) Steel Bars & Tubes		64,661,437		72,400,671
b) Races		77,016,068		58,937,611
c) Cages		33,822,700		22,582,604
d) S.M. Race & Forged Rings		84,709,041		61,020,513
e) Other materials		53,869,027		50,002,173
TOTAL :		314,078,273		264,943,572
NOTE 23 : PURCHASE OF TRADED GOODS				
Purchase of Traded goods		149,424,623		145,357,571
TOTAL :		149,424,623		145,357,571
NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK -IN-TRADE .				
Inventories at the end of the year				
Finished goods	159,418,247		160,825,132	
Semi-finished goods	230,840,132		195,732,606	
Stock - in - Trade	11,743,738	402,002,117	8,118,852	364,676,590
Inventories at the beginning of the year				
Finished goods	160,825,132		138,817,662	
Semi-finished goods	195,732,606		206,646,092	
Stock - in - Trade	8,118,852	364,676,590	9,944,697	355,408,451
Net (increase)/ decrease		(37,325,527)		(9,268,139)





Notes forming parts of the financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 25 : EMPLOYEE BENEFIT EXPENSES				
Salary, Wages & Bonus		154,635,108		132,546,770
Contribution to Provident and other Fund (Refer Note No. 28(18))		11,044,895		10,380,108
Staff Welfare Expenses		3,408,456		3,629,493
TOTAL :		169,088,459		146,556,371
NOTE 26 : FINANCE COSTS				
Interest expenses on :				
(i) Borrowings From Bank	6,292,721		3,746,482	
(ii) Creditors	3,036,244		2,874,074	
(iii) Others	88,406	9,417,371	325,573	6,946,129
TOTAL :		9,417,371		6,946,129
NOTE 27 : OTHER EXPENSES				
Stores & Spares consumed		46,463,166		35,117,206
Packing materials consumed		21,372,911		17,513,589
Job work charges		110,980,432		102,484,085
Power & Fuel		11,497,090		10,024,043
Rent		536,477		269,950
Repairs and Maintenance - Machinery		1,884,178		1,841,160
Repairs and Maintenance - Building		1,165,198		1,290,283
Repairs and Maintenance - Others		468,290		287,309
Insurance		1,189,224		1,224,992
Excise Duty #		2,520,111		(2,070,970)
Rates and Taxes		329,945		98,192
Communication		866,161		801,334
Travelling Exp.		8,442,736		7,820,196
Legal & Professional Fees		2,459,767		2,569,004
Directors' Sitting Fees		40,000		40,000
Loss on Sale of Assets		412,689		55,229
Donation		647,500		340,000
Sales commission		16,285,085		17,327,018
Sales promotion		3,754,374		3,030,102
Sales-tax / VAT		11,869,181		13,233,585
Discount		6,507,689		7,128,502
Foreign Exchange Rate Diff.		8,467,920		-
Payment to Auditors @		775,000		775,000
Service Tax		227,804		274,687
Other Misc.Expenses		64,211,198		49,754,829
TOTAL :		323,374,126		271,229,325

Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods.

@ Payment to Auditors comprises (net of service tax)

For Statutory Audit		375,000		375,000
For Taxation Matter		340,000		340,000
For Other Services		60,000		60,000
TOTAL :		775,000		775,000



**NOTE 28 : ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS****1. Contingent liabilities not provided for in respect of :**

- [i] The claim of the agent of M/s. Accurate Engineering Company for the commission on the sales affected by the Company is not accepted. The matter is under dispute in the court and the amount is not ascertainable.
- [ii] Bank guarantees outstanding as at 31st March,2015 for which the Company has given counter guarantees amounting to Rs. 59,74,654/- (Previous year Rs. 72,09,763/-).
- [iii] Income Tax demand of Rs.6,32,440/- (Previous year Rs. 17,77,970/-)raised by the Income Tax department at the time of Assessment. The said demand is disputed by the company. The company has paid Rs. 3,16,440/- (Previous year Rs. 11,45,530/-) against the said demand.
- [iv] Central Excise demand of Rs. 3,99,937/- (Previous year Rs. NIL) raised by the Central Excise department. The said demand is disputed by the company. The company has paid Rs.22,496/- (Previous year Rs. NIL) against the said demand.

2. In the opinion of the Board of Directors, current assets and loans and advances have a value on realization in ordinary course of business at least equal to the amount at which they are stated.

3. Confirmations of debit/credit balances have not been received and hence these balance are subject to adjustment if any.

4. BUYBACK OF SHARES :

Up to March 31, 2010, the Company had bought back and extinguished total 53,200 equity shares of Rs. 10 each at an average price of Rs. 54.99 per share, utilizing a sum of Rs. 29,35,463/- (inclusive of brokerage and applicable taxes total amount Rs.9,869/-). The amount of Rs.23,93,594/- paid towards buy back of shares, in excess of the face value, had been charged to General Reserve Account. The Company had also transferred Rs 5,32,000/-from free reserves to Capital Redemption Reserve Account, which represents the nominal value of shares bought back during the previous year.

5. Value of raw materials and components consumed :

	2014-15		2013-14	
	% of total Consumption	Value Rs.	% of total Consumption	Value Rs.
Imported at landed cost	0.38	1,183,486	0.22	592,250
Indigeneously obtained	99.62	312,894,787	99.78	264,351,322
	100.00	314,078,273	100.00	229,591,110

6. The stores and spares consumed :

Imported at landed cost	00.00	–	00.00	–
Indigeneously obtained	100.00	46,463,166	100.00	35,117,206
	100.00	46,463,166	100.00	61,059,478

7. CIF Value of Imports :

	Rs.	Rs.
Raw materials	1,201,056	1,476,227
Packing materials	–	186,996
Capital goods	–	5,348,820

8. Expenditure in foreign currency in respect of :

- Travelling	1,908,354	1,713,397
- Sales Commission	207,310	307,650
- Professional charges Exp.	1,461,579	–
- Subscription & Advertisement Expenses	–	166,177

9. Earnings in foreign exchange :

Export of goods calculated on F.O.B. basis	478,974,834	386,731,920
--	-------------	-------------



**Notes forming parts of the financials statements for the year ended 31st March, 2015****10. DETAILS OF SEGMENT REPORTING :**

The company has identified two reportable Segments viz. Bearing and Power.

(1) PRIMARY SEGMENT :

Particulars	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	<u>Bearing</u>	<u>Bearing</u>	<u>Power</u>	<u>Power</u>	<u>Total</u>	<u>Total</u>
1. SEGMENT REVENUE	977,584,544	879,337,691	7,910,747	8,391,450	985,495,291	887,729,141
Other Unallocated Revenue	-	-	-	-	-	-
TOTAL :	977,584,544	879,337,691	7,910,747	8,391,450	985,495,291	887,729,141
Less: Inter Segment Revenue	-	-	7,910,747	8,235,420	7,910,747	8,235,420
Net Income from Operation	977,584,544	879,337,691	-	156,030	977,584,544	879,493,721
2. SEGMENT RESULTS						
PROFIT BEFORE TAX & INTEREST	46,855,133	43,364,400	6,914,975	3,710,184	53,770,108	47,074,584
LESS : Interest					9,417,371	6,946,129
Other unallocated Expenses					-	-
TOTAL PROFIT BEFORE TAX	46,855,133	43,364,400	6,914,975	3,710,184	44,352,737	40,128,455
3. CAPITAL EMPLOYED						
(SEGMENT ASSETS-SEGMENT LIABILITIES)						
Segment Assets	930,217,669	875,336,832	5,853,753	6,302,789	936,071,422	881,639,621
Add: Common assets					8,729,659	3,059,118
TOTAL ASSETS	930,217,669	875,336,832	5,853,753	6,302,789	944,801,081	884,698,739
Segment Liabilities	368,310,683	332,443,848	34,604	21,930	368,345,287	332,465,778
Add : Common Liabilities					6,278,695	6,103,278
TOTAL LIABILITIES	368,310,683	332,443,848	34,604	21,930	374,623,982	338,569,056
SEGMENT CAPITAL EMPLOYED	561,906,986	542,892,984	5,819,149	6,280,859	570,177,099	546,129,683

(2) GEOGRAPHICAL SEGMENTS:

(a) The following table shows the distribution of the company's sales by geographical market:

Revenue	Rs.	
	2014-15	2013-14
Within India	461,724,597	495,545,958
Overseas	493,476,003	353,917,442
TOTAL :	955,200,600	849,463,400

(B) Assets base on geographical location : Carrying Amount of Segment assets Addition to Fixed Assets and Intangible Assets

	2014-15	2013-14	2014-15	2013-14
	Within India	848,069,054	787,894,705	9,303,574
Overseas	96,732,027	96,795,711	-	5,470,862
TOTAL :	944,801,081	884,690,416	9,303,574	11,591,627

11. EARNINGS PER SHARE :

Basic Earnings per Share	Rs. 9.45	8.83
Diluted Earnings per Share	Rs. 9.45	8.83
Nominal value per Share	Rs. 10.00	10.00

Earning per share is calculated by dividing the profit attributable to the Equity Shareholders by the number of Equity Shares outstanding during the period. The numbers used in Calculating basic and diluted earnings per Equity Share are as stated below:





Notes forming parts of the financials statements for the year ended 31st March, 2015

		2014-15	2013-14
Profit	Rs.	32,857,510	30,725,503
The number of shares outstanding during the period:	Nos.	3477800	3,477,800

12. DEFERRED TAX LIABILITEIS / (ASSETS) :

Particulars	as at 31.03.2015 Rs.	as at 31.03.2014 Rs.
Deferred Tax Liabilities on account of Difference between book & Tax Depreciation	4,026,322	6,544,022
Deferred Tax Assets on account of Employees Benefits	(12,755,981)	(9,603,140)
TOTAL :	(12,755,981)	(9,603,140)
Deferred Tax Liabilities/(Assets) (Net)	(8,729,659)	(3,059,118)

13. Amortisation of Intangible Assets :

In accordance with the accounting standard 26 "Intangible assets" issued by the Institute of Chartered Accountants of India, intangible assets are amortised as follows:

- (a) Considering the legal rights are renewable, renewal is virtually certain and economic benefits to be derived, the useful life of 50 years of Trademark is estimated by the Management and hence the Cost of Trademark is amortised over 50 years. For the year Rs. 8,17,220/- (Previous year Rs. 8,17,220/-) is charged to profit & loss account.

14. Derivatives and Foreign Currency exposures :

The Company uses forward contract to mitigate its risks associated with foreign currency fluctuations having underlying transaction in relation to Sale of goods. The company does not enter into any forward contract which is intended for trading or speculative purposes.

The details of forward contracts outstanding at the year end is as follows :-

	Number of Contracts		Amount in foreign currency		Equivalent amount in Rs.	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Currency	NIL	NIL	NIL	NIL	NIL	NIL
USD	NIL	NIL	NIL	NIL	NIL	NIL

The details of foreign currency exposures that are not hedged by derivative instrument or otherwise are summarised below :

Particulars	Amount in Foreign Currency		Equivalent amount in Rs.	
	2014-15	2013-14	2014-15	2013-14
Payable				
USD	37,725	175,997	2,361,264	10,577,397
EURO	16,044	4,750	1,083,159	392,238
YEN	-	805,000	-	504,455
TOTAL :			3,444,423	11,474,090
Receivable				
EURO	938,204	984,809	63,338,556	81,322,041
USD	545,314	266,381	34,131,614	16,009,460
TOTAL :			97,470,170	97,331,501
BANK				
USD EEFC BANK ACCOUNT	435	-	27,210	-
EURO EEFC BANK ACCOUNT	-	-	-	-





Notes forming parts of the financials statements for the year ended 31st March, 2015

15. REMITTANCE IN FOREIGN CUURENCY ON ACCOUNT OF DIVIDEND :

The company has paid dividend in respect of shares held by Non Residents Share Holders :

	2014-15	2013-14
Number of share holder	1	1
Number of shares held	80,000	80,000
Amounts remitted	120,000	200,000
Year to which dividend relates	2013-14	2012-13

16. IMPAIRMENT OF ASSETS :

The Company has adopted the provisions of Accounting Standard - 28 on "Impairment of Assets" as recommended by the Institute of Chartered Accountants of India. On the assessment made by the Management and the Valuation Report of the approved Valuer, there is no impairment of assets and therefore no provisions for impairment of loss is required.

17. RELATED PARTY INFORMATION :

Disclosures in respect of related parties (as defined in Accounting Standard 18), with whom transactions have taken place during the year are given below :

(1) Relationship

(a) Enterprises where control of Key Management Personnel and/or their relatives exists.

- | | |
|------------------------------------|---------------------------|
| (i) Max Precision Bearings P. Ltd. | (iv) Austin Traders |
| (ii) Accumax Engineering Company | (v) Optimum Services Inc. |
| (iii) Accord Precision Products | |

(b) Key Management Personnel

- | | |
|----------------------------|--------------------------|
| (i) Shri S. M. Thanki | (ii) Shri N. C. Vadgama |
| (iii) Shri R. R. Bambhania | (iv) Shri J. R. Bhogayta |
| (v) Shri S. A. Kotal | (vi) Ms. Z. M. Talreja |

(c) Relative of Key Management Personnel

- | | |
|-------------------------------|-----------------------------------|
| (i) Shri S. M. Thanki HUF | (v) Shri Jignesh S. Thanki |
| (ii) Shri R. N. Bambhania HUF | (vi) Shri Hiren N. Vadgama |
| (iii) Shri N. C. Vadgama HUF | (vii) Shri Chandulal N. Bambhania |
| (iv) Shri J. R. Bhogayata HUF | |

(d) Subsidiary Company

- (i) Acurate Engineering Inc. - U.S.A.

Note : Related party relationship is as identified by the company and relied upon by the auditors.

(2) Transaction with Related Parties

Particulars	(Amount in Rs.)							
	Referred in 1 (a) above		Referred in 1 (b) above		Referred in 1 (c) above		Referred in 1 (d) above	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
INCOME:								
(1) Sales of Goods & Mat.	9411502	10582343	-	-	-	-	262274589	89103990
(2) Job Work	393232	263044	-	-	-	-	-	-
(3) Tooling Charges	-	-	-	-	-	-	42735	-
(4) Misc. Income	-	-	-	-	-	-	342260	-
EXPENSES								
(1) Purchase of Goods	27635192	36145217	-	-	-	-	97428	-
(2) Remuneration	-	-	5674768	5172304	4585945	3937775	-	-
(3) Jobwork	59972293	40203024	-	-	-	-	-	-
(4) Interest	-	-	-	-	2615260	2485733	-	-
(5) Dividend Paid	-	-	615000	615000	1200824	1188287	-	-
OUTSTANDING								
Payable	22076464	22236973	414117	383600	20962250	22656689	101314	-
Receivable	63793	2291687	-	-	-	-	33807798	14077293
Advances	-	-	-	-	-	-	167296	167296





Notes forming parts of the financials statements for the year ended 31st March, 2015

18. Disclosures in respect of Defined Contribution Plan, recognised as expenses for the year is as under :

(Amount in Rs.)

	2014-15	2013-14
Employer's Contribution to Provident Fund, E.S.I.	11,044,895	10,380,108

Disclosures in respect of Defined benefit plans in respect of Leave Encashment and Gratuity The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method for gratuity and Leave Encashment

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
The amount recognised in the Balance Sheet are as follows:				
Present Value of obligation (Total Funded & Unfunded)	73,352,483	61,273,961	4,222,001	3,443,502
Fair value of plan assets	32,749,889	33,063,497	-	-
Unrecognised past service cost	-	-	-	-
Net liability in the Balance Sheet - (Un - funded)	40,602,594	28,210,464	4,222,001	3,443,502

The amount recognised in the Profit & Loss A/c are as follows :

Current Service cost	2,849,098	2,961,010	1,767,527	2,013,151
Interest on obligation	5,514,656	4,832,657	309,915	294,471
Expected return on plan assets	-	-	-	-
Net actuarial losses (gains) recognised in year	6,517,010	(6,104,460)	1,390,962	(48,121)
past service cost	-	-	-	-
Losses (gains) on curtailment and settlements	-	-	-	-
Total included in 'employee benefit expenses'	12,645,672	(265,862)	3,468,404	2,259,501
Actual return on plan assets	(2,235,092)	(1,955,069)	-	-

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as under :

	2014-15	2013-14	2014-15	2013-14
Opening defined benefit obligation	61,273,961	60,408,215	3,443,502	3,680,891
Prior period adjustment	-	-	-	-
Service cost	2,849,098	2,961,010	1,767,527	2,013,151
Interest Cost	5,514,656	4,832,657	309,915	294,471
Actuarial losses (gains)	6,797,196	(5,365,764)	1,390,962	(48,121)
Benefits Paid	(3,082,428)	(1,562,157)	(2,689,905)	(2,496,890)
Closing defined benefit obligation	73,352,483	61,273,961	4,222,001	3,443,502

Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows :

	2014-15	2013-14	2014-15	2013-14
Opening fair value of plan assets	33,063,497	28,921,145	-	-
Expected Return	2,235,092	1,955,069	-	-
Actuarial gains and (losses)	280,186	738,696	-	-
Contribution by Employer	253,542	3,010,744	-	-
benefits paid	(3,082,428)	(1,562,157)	-	-
Closing fair value of plan assets	32,749,889	33,063,497	-	-



**Notes forming parts of the financials statements for the year ended 31st March, 2015****Principal actuarial assumptions at the balance sheet date**

Discount rate per annum as at 31st March, 2014	7.80%	9.00%	7.80%	9.00%
Expected return per annum on plan assets as at 31.03.2014	8.75%	9.25%	0.00%	0.00%
Salary Escalation per Annum	5.00%	5.00%	5.00%	5.00%
Retirement Age	60 years	60 years	60 years	60 years
Mortality	IALM 1994-96 Ultimate		IALM 1994-96 Ultimate	
Withdrawal Rates	1.00%	1.00%	1.00%	1.00%

The estimates of future salary increases, consideration in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

19. Depreciation :

Pursuant to the notification of schedule II of the Companies Act, 2013 ("the Act") by the Ministry of Corporate affairs effective 01/04/2014. The Management has internally reassessed based on technical evaluation and changed, wherever necessary, the useful lives to compute depreciation, to confirm to the requirements of the Act. Accordingly, the carrying amount as at 01/04/2014 is being depreciated over the revised remaining useful life of the asset. The carrying value of Rs. 25,31,399/- in case of assets with nil revised remaining useful life as at 01/04/2014 is reduced after tax adjustment from the retained earnings as at such date.

Further had the company continued with the Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956, charge for depreciation for the year ended 31/03/2015 would have been higher by Rs. 93,06,146/- and the profit before tax would have been lower by such amount.

20. Lease commitments :

Obligation towards operating leases (As lessee)

The Company has entered into operating lease arrangements for vehicles and office premises. Rent expenses of Rs. 4,58,274/- (Previous Year Rs. 1,90,700/-) in respect of obligation under non cancellable operating leases have been recognised in the Statement of Profit and Loss.

The total of future minimum lease payments under non cancellable operating leases for the following periods :

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
a : Not later than one year	235,200	190,800
b : Later than one year but not later than five years	4,301,106	—

21. Previous year figures

The company has regrouped / rearranged previous year figures in veiw of easy comparison with current year figures.

22. Figures rounded off to nearest rupee. All the figures includig previous year figures have been rounded off to nearest rupee.

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**
(Firm Registration No. 118190W)
Chartered Accountants

DHIRUBHAI H. DAND
Proprietor
M. No. 017117

Place : JUNAGADH
Date : May 28, 2015

S. A. Kotal
Chief Financial Officer

Z. M. Talreja
Company Secretary

For and on behalf of the Board of Directors

N. C. Vadgama Chairman & Executive Director

S. M. Thanki Managing Director

R. R. Bambhanja Joint Managing Director

J. R. Bhogayta Executive Director

Place : PATLA, Taluka, BHESAN, Dist.. JUNAGADH
Date : May 28, 2015





AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT

To The Board of Directors of
Austin Engineering Company Limited

Report on the Consolidated Financial Statements :

1. We have audited the accompanying consolidated financial statements of AUSTIN ENGINEERING COMPANY LIMITED (the "Company") and its subsidiary (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements :

2. 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 of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including 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 Group and for preventing and detecting frauds and other irregularities; selection and application of the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility :

3. Our responsibility is to express an opinion on these consolidated 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 there under. 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 misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operative effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion :

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the report of the other auditors on the financial statements / consolidated financial statements of the subsidiary as noted below, 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:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2015;
 - (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters :

6. We did not audit the financial statements of subsidiary , whose financial statements reflect total assets of Rs. 72,674,376/- as at March 31, 2015, total revenues of Rs. 289,204,872/- and net cash flows amounting to Rs. (11,092,951/-) for the year then ended on that date. These financial statements have been audited by other auditor whose reports have been furnished to us and our opinion, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of other matters.

FOR DHIRUBHAIDAND & CO.,
Firm Registration No. 118190W
Chartered Accountants

DHIRUBHAIH. DAND
PROPRIETOR
M. NO. 017117

PLACE : JUNAGADH
DATE : May 28, 2015.





Consolidated Balance Sheet as at 31.03.2015

Particulars	Note No.	31-03-2015		31-03-2014	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1. Shareholder's funds					
(a) Share Capital	3	34,778,000		34,778,000	
(b) Reserves and Surplus	4	549,365,219	584,143,219	525,954,076	560,732,076
2. Non- current liabilities					
(a) Long-term borrowings	5	1,218,123		1,904,155	
(b) Long-term Provisions	6	33,818,433	35,036,556	21,547,257	23,451,412
3. Current Liabilities					
(a) Short term borrowings	7	99,777,511		59,158,904	
(b) Trade payables	8	186,032,460		197,785,196	
(c) Other current liabilities	9	38,312,288		46,171,367	
(d) Short term provisions	10	35,864,996	359,987,255	33,312,735	336,428,202
TOTAL :			979,167,030		920,611,690
II ASSETS					
1. Non-current assets					
(a) Fixed assets					
(i) Tangible assets	11	97,691,173		104,969,978	
(ii) Intangible assets	11	25,675,783		27,205,060	
(b) Non-current investments	12	1,786,025		2,628,173	
(c) Deferred Tax Assets (Net)	13	10,316,125		7,130,424	
(d) Long-term loans and advances	14	12,963,079	148,432,185	12,582,180	154,515,815
2. Current assets					
(a) Inventories	15	476,454,216		434,954,981	
(b) Trade receivables	16	268,115,013		264,642,386	
(c) Cash and Cash equivalents	17	37,892,850		33,601,346	
(d) Short-term loans and advances	18	48,186,602		32,806,481	
(e) Other current assets	19	86,164	830,734,845	90,681	766,095,875
TOTAL :			979,167,030		920,611,690
Significant accounting policies and notes to accounts					
1 to 28					

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**
(Firm Registration No. 118190W)
Chartered Accountants**DHIRUBHAI H. DAND**
Proprietor
M. No. 017117Place : JUNAGADH
Date : May 28, 2015**S. A. Kotal**
Chief Financial Officer**Z. M. Talreja**
Company Secretary

For and on behalf of the Board of Directors

N. C. Vadgama Chairman & Executive Director
S. M. Thanki Managing Director
R. R. Bambhania Joint Managing Director
J. R. Bhogayta Executive DirectorPlace : PATLA, Taluka, BHESAN, Dist.. JUNAGADH
Date : May 28, 2015



Consolidated Statement of Profit and Loss for the Year ended 31.03.2015

Particulars	Note No.	2014-15		2013-14	
		Rs.	Rs.	Rs.	Rs.
I Revenue from operations	20	1,013,178,626		903,121,027	
II Other Income	21	2,158,365		14,087,022	
III Total Revenue (I + II)			1,015,336,991		917,208,049
IV Expenses					
Cost of Materials Consumed	22	313,980,845		264,943,572	
Purchases of Stock in Trade	23	149,424,623		145,357,571	
Changes in inventories of finished goods, work in progress and Stock-in- trade	24	(43,573,710)		(3,668,175)	
Employee benefits expense	25	180,460,954		154,743,355	
Finance Costs	26	9,779,671		7,271,914	
Depreciation	11	14,278,069		22,910,047	
Other expense	27	346,048,711		280,838,345	
Total Expense			970,399,163		872,396,629
V Profit before exceptional and extraordinary items and tax (III-IV)			44,937,828		44,811,420
VI Exceptional Items			-		-
VII Profit before extraordinary items and tax (V-VI)			44,937,828		44,811,420
VIII Extraordinary items			-		-
IX Profit before tax (VII-VIII)			44,937,828		44,811,420
X Tax expense:					
(1) Current tax		16,124,438		14,240,000	
(2) Deferred tax		(1,969,933)		(4,610,656)	
XI Profit for the period from continuing operations (IX - X)			30,783,323		35,182,076
XII Profit/(Loss) for the period from discontinuing operations			-		-
XIII Tax expense of discontinuing operations			-		-
XIV Profit from discontinuing operations (after tax) (XII-XIII)			-		-
XV Profit/(Loss) for the year (XI + XIV)			30,783,323		35,182,076
XVI Earnings per equity share:					
(1) Basic			8.85		10.12
(2) Diluted			8.85		10.12
Significant accounting policies and notes to accounts	1to28				

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**
(Firm Registration No. 118190W)
Chartered Accountants

DHIRUBHAI H. DAND
Proprietor
M. No. 017117

Place : JUNAGADH
Date : May 28, 2015

S. A. Kotal
Chief Financial Officer

Z. M. Talreja
Company Secretary

For and on behalf of the Board of Directors

N. C. Vadgama Chairman & Executive Director

S. M. Thanki Managing Director

R. R. Bambhania Joint Managing Director

J. R. Bhogayta Executive Director

Place : PATLA, Taluka, BHESAN, Dist.. JUNAGADH
Date : May 28, 2015



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

PARTICULARS	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
A CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before extraordinary items and tax		44,937,828		44,811,420
Adjustments for:				
Depreciation	14,278,069		22,910,047	
Finance Cost	9,779,671		7,271,914	
(Profit)/ Loss on sale of Assets/shares	(79,481)		(787,913)	
Interest/Dividend Income	(834,432)		(1,748,998)	
Increase (decrease)in foreign exchange translation reserve	1,437,914		(1,341,562)	
		24,581,741		26,303,488
Operating Profit before working capital changes		69,519,569		71,114,908
Adjustments for :(increase)/decrease in operating assets :				
Inventories	(41,499,235)		(4,300,381)	
Trade Receivable	(3,472,627)		(38,117,353)	
Short Term loans & Advances	(15,380,121)		(2,782,343)	
Long Term Loans & Advances	(380,899)		4,909,691	
Other Current Assets	4,517		27,682	
Adjustments for :increase/(decrease) in operating liabilities				
Trade payables	(11,752,736)		19,298,171	
Other Current Liabilities	(7,859,079)		4,056,797	
Short Term Provisions	1,911,939		(21,103,997)	
Long Term Provisions	12,271,176	(66,157,065)	18,786,588	(19,225,145)
Cash generated from operations		3,362,504		51,889,763
Direct taxes paid		(15,659,533)		(14,975,786)
NET CASH FROM OPERATING ACTIVITIES :		(12,297,029)		36,913,977
B CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets		(9,750,843)		(14,021,717)
Purchase of Investments		-		-
Sale of Fixed Assets		121,000		1,543,515
Sale of Investments		1,334,318		430,500
Interest/Dividend Received		834,432		1,748,998
Net Cash used in investing activities		(7,461,093)		(10,298,704)
C CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds of Long Term Borrowings (net)		(686,032)		(241,745)
Net Increase / Decrease in Short term Borrowings		40,618,607		(17,943,121)
Dividend Paid		(5,216,700)		(5,216,700)
Dividend Tax Paid		(886,578)		(886,578)
Finance Cost		(9,779,671)		(7,271,914)
Net Cash used in financial activities		24,049,626		(31,560,058)
Net increase in cash and cash equivalents(A+B+C)		4,291,504		(4,944,785)
Cash and Cash equivalents at the beginning of the year		33,601,346		38,546,131
Cash and Cash equivalents at the end of the year Note :17		37,892,850		33,601,346

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**
(Firm Registration No. 118190W)
Chartered Accountants

DHIRUBHAI H. DAND
Proprietor
M. No. 017117

Place : JUNAGADH
Date : May 28, 2015

S. A. Kotal
Chief Financial Officer

Z. M. Talreja
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For and on behalf of the Board of Directors

N. C. Vadgama Chairman & Executive Director
S. M. Thanki Managing Director
R. R. Bambhania Joint Managing Director
J. R. Bhogayta Executive Director

Place : PATLA, Taluka, BHESAN, Dist.. JUNAGADH
Date : May 28, 2015





Notes forming part of the Consolidated Financial Statement as at 31st March, 2015.

1. BACKGROUND

1.1 Overview :

Austin Engineering Company Limited ('Austin' or 'the company'), a publicly held company together with its subsidiary Accurate Engineering Inc. USA ('Accurate')(Collectively 'the Group')is primarily engaged in the Business of Bearings.

Consolidated financial statements have been prepared to meet the requirements of Clause 32 of Listing Agreement with the Stock Exchange.

1.2 Basis of Consolidation :

The consolidation of accounts is done in accordance with the requirements of Accounting Standard – 21 (AS-21). 'Consolidated Financial Statement' issued by The Institute of Chartered Accountants of India. The Consolidated Financial Statements ('CFS') include the financial statement Of Austin Engineering Company Ltd., and its wholly owned foreign Subsidiary company Accurate Engineering Inc. - USA.

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

'Accurate' is a wholly owned subsidiary of 'Austin'. 'Accurate' provides Sale of Goods as well as Marketing and distribution Services for the finished products of 'Austin'.

1.3 Principles of Consolidation :

The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21-"Consolidated Financial Statements"

The accompanying financial statements for the year ended 31st March, 2015, have been prepared incorporating Accounting Policies of the parent company under the historical cost conversion, in compliance with Indian Generally Accepted Accounting Practice ('GAAP') comprises with mandatory and relevant Accounting Standards (AS) issued by the Institute of Chartered Accountants of India ('ICAI') in compliance with the provisions of Companies Act, 2013.

1.4 Foreign Currency Translation :

The reporting currency of the company is the Indian rupee. The reporting currency of the Company's foreign subsidiary is US Dollars.

Transactions arising in foreign currency are reported at exchange rate at the date of transaction. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

For the purpose of consolidation, income and expenses are translated at average rates and the assets and liabilities are stated at closing rate. The net impact of such change is disclosed under Foreign Exchange Translation Reserve.

1.5 Use of Estimates :

The Consolidated Financial Statements include the accounts of the Company and its subsidiary company. The preparation of consolidated financial statement requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of financial statements, and the reported amount of revenues and expenses during the reporting year. The estimates and assumption used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from the estimates used in preparing the accompanying financial statements.

2. Significant Accounting Policies on consolidated accounts :

a. Fixed Assets & Depreciation :

1. Fixed assets are stated at cost less depreciation. Cost of acquisition or construction is inclusive of duties, taxes and other incidental expenses.

Depreciation on assets is provided on the basis of Straight Line Method at the rates prescribed in Schedule II of the Companies Act,2013. In respect of the assets added during the period, the depreciation is provided on pro-rata basis from the date of such assets first put to use till the end of the financial year. No depreciation is charged on assets sold during the year.

2. Intangible Assets amortized as follows:

- Trademark is amortized over the useful life estimated by the management. - Over a period of 50 years.
- Computer Software is amortized over the useful life estimated by the management. - Over a period of 5 years.

b. Lease :

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.





Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of Profit and loss on a Straight-line basis over the lease term.

c. Inventories :

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the weighted average basis and where applicable, includes the cost of material (net of available Cenvat credit), labour and factory overheads. Finished products also include excise duty on products manufactured.

d. Cenvat :

Cenvat benefit is accounted for by reducing the purchase cost of the materials/ fixed assets.

e. Foreign Currency Transaction :

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion :

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange difference :

Monetary items denominated in Foreign Currencies at the year end and not covered by forward exchange contract are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the contract.

All exchange differences are recognized as income or as expenses in the period in which they arise except monetary item in a non-integral foreign operation and long term foreign currency monetary items of a fixed assets.

f. Retirement benefits :

- A) Company's contributions Payable during the year to the Government Provident fund and ESIC, which are defined contribution schemes are charged to the Profit & Loss Account.
- B) Gratuity and leave encashment which are defined benefits, are accrued based on actuarial valuation at the balance sheet date, carried out by an independent Actuary.
- C) Actuarial gains/losses in respect of defined benefits are immediately taken to Profit & Loss account and are not deferred.

g. Excise :

Excise Duty has been accounted on the basis of, both, payments made in respect of goods cleared as also provision made for goods lying in bonded warehouse.

h. Dividend :

Dividend whenever proposed by the Board of Directors as appropriation of profits are provided for in the books of account, pending approval of the shareholders at the annual general meeting.

i. Contingent liability :

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but disclose its existence in the financial statements.

Liabilities in respect of Show Cause Notices received are considered as contingent liabilities only when they are converted into demands and contested by the Company.

j. Investment :

Investments are classified as long term investments. Investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.

k. Export Incentives :

Export Incentives relating to DEPB Licenses and Duty drawback are accounted in the year of export on accrual basis considering the realizable value thereof.

l. Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.





Sales of goods :

Revenue from sales of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Sales include excise duty, sales tax and value added tax. Excise duty deducted from revenue(gross) is the amount that is included in the revenue (gross) and not the entire liability arising during the year.

Interest :

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend Income :

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

m. Earnings Per Share :

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. Provisions :

A provision is recognized when the company has a present obligation as a result of past event, It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed of each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, for example under and insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expenses relating to any provision is presented in the statement of profit and loss net of any reimbursement.

o. Cash and cash equivalents :

Cash and cash equivalents for the purpose of cash flow statement comprises of cash at bank and in hand and short-term investments with an original maturity of three months or less.

p. Taxation:

Tax expenses comprises current and deferred tax. Current Income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the report date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognize in equity and not in the Statement of profit and loss.

The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax rules that have enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward business losses and unabsorbed depreciation allowance under tax laws, are recognized only if there is a virtual certainty of its realization. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date, the carrying amount of deferred tax assets is reviewed to re-assure realization.

q. Derivative instruments and hedge accounting :

The company uses foreign exchange forwards contracts to hedge its exposure to movements in foreign exchange rate. This foreign exchange forward contract is not used for trading or speculation purposes. The accounting policies for forward contracts is based on whether it meet the criteria for designation as effective cash flow hedges. To designate the forward contract as an effective cash flow hedge, the company objectively evaluates with appropriate supporting documentation at the inception of the each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. Effective hedge is generally measured by comparing the cumulative change in the fair value of the hedge contracts with a cumulative change in the fair value of the hedged item.

For forward contracts that are designated as effective cash flow hedges, the gain or loss from the effective portion of the hedge is recorded and reported directly in the share holders' fund (under the head "hedging reserve") and are reclassified into the profit & loss account upon the occurrence of the hedged transactions.

The company recognizes gains or losses from changes in fair value of forward contracts that are not designated as effective cash flow hedges for accounting purposes in the profit and loss account in the period the fair value changes occur.

r. Segment reporting :

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serve different markets. The analysis of geographical segments is based on the areas in which major operating division of the company operate.





Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
AUTHORISED :				
40,00,000 Equity Shares of Rs.10 each		40,000,000		40,000,000
ISSUED, SUBSCRIBED AND PAID UP :				
34,77,800 Equity Shares of Rs.10 each fully paid up. *		34,778,000		34,778,000
(Previous Year 34,77,800 Equity Shares of Rs. 10 each fully paid up.)				
TOTAL :		34,778,000		34,778,000

* 53200 Equity Shares of Rs. 10 each brought back during the period of five years immediately preceeding the reporting date, total amount of share capital Rs. 532000/-

* No Shareholders holding more than 5 % shares in the company.

* Terms / rights attached to shares :

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The company declare and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company after distribution of all preferential amounts. The distribution will be in propotion to the numbers of equity shares held by the shareholders.

NOTE 4 : RESERVES & SURPLUS**RESERVES:**

Capital Reserve		792,427		792,427
Cash subsidy reserve		2,935,458		2,935,458
Share Premium		86,795,000		86,795,000
Capital Redemption Reserve		532,000		532,000
<u>General Reserve</u>				
As per last Balance Sheet	56,149,239		52,149,239	
Add: Transfer from Profit & Loss A/c	4,000,000	60,149,239	4,000,000	56,149,239
		151,204,124		147,204,124
Foreign Exchange Translation Reserve		(3,106,101)		(4,544,015)
<u>Profit & Loss Account</u>				
As per last Balance Sheet	383,293,967		358,215,169	
Add. Profit for the year	30,783,323		35,182,076	
	414,077,290		393,397,245	
Less:- Appropriations				
- Adjustment relating to Fixed Assets (Refer to Note 11.1)	2,531,399		-	
- Dividend on Equity shares	5,216,700		5,216,700	
- Tax on distributed profit on Equity shares	1,061,995		886,578	
- Transfer to General Reserve	4,000,000	401,267,196	4,000,000	383,293,967
TOTAL :		549,365,219		525,954,076

NOTE 5 : LONG TERM BORROWINGS**SECURED**

(A) Deferred Payment Loan				
from HDFC Bank (Refer Note : 09)		-		78,753
from ICICI Bank (Refer Note : 09) (excluding current maturity)		223,693		467,082
(B) Capital Lease Obligation (Refer Note : 09)		994,430		1,358,320
TOTAL :		1,218,123		1,904,155

* Borrowings under Item (A) is Secured against Hypothecation of Vehicles. The rate of Interest for loan from HDFC Bank is 11% and for loan from ICICI Bank is 10.75%. Loans are repayable in 36 equal monthly instalments.





Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 6 : LONG TERM PROVISIONS				
Leave Salary Provision		3,576,782		2,917,669
Gratuity Provision		30,241,651		18,629,588
TOTAL :		33,818,433		21,547,257
NOTE 7 : SHORT TERM BORROWINGS				
SECURED				
Working Capital Loan from Bank of Baroda *		93,518,511		53,148,904
Loan from Bank		6,259,000		6,010,000
TOTAL :		99,777,511		59,158,904
NOTE 8 : TRADE PAYABLES				
Trade Payables		186,032,460		197,785,196
TOTAL :		186,032,460		197,785,196
NOTE 9 : OTHER CURRENT LIABILITEIS				
Current maturity of long term borrowings				
Deferred Payment loan from Banks		322,142		1,606,016
Current portion of Lease		223,008		201,335
Creditors for Capital Goods		26,732,919		27,457,571
Advance Payment From Customers		6,822,556		12,476,920
Unpaid Dividend		2,419,584		2,405,562
T.D.S., T.C.S. Payable		1,792,079		2,023,963
TOTAL :		38,312,288		46,171,367
NOTE 10 : SHORT TERM PROVISIONS				
Proposed Dividend		5,216,700		5,216,700
Provisions for Tax Proposed Dividend		1,061,995		886,578
Provisions for Income Tax (Net of Advance Tax & TDS)		483,596		18,691
Bonus Provision		18,096,542		17,084,056
Gratuity Provision		10,360,943		9,580,876
Leave Salary Provision		645,220		525,834
TOTAL :		35,864,996		33,312,735

* Working Capital Loan from bank is Secured against Hypothecation of all Stocks, Bill Discount and Book-debts and all movable machinery including stores & spares, Equitable Mortgage of all Land & Building of the Company. The Cash credit limit is repayable on Demand.

NOTE 8 : TRADE PAYABLES

Trade Payables

TOTAL :

* The Company has not received information from vendors regarding their status under the Micro, small and Medium Enterprise Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act have not been given.

* Trade payables includes amount due to Directors of Rs.3,83,600/- (Previous year Rs. 383,600/-).

NOTE 9 : OTHER CURRENT LIABILITEIS

Current maturity of long term borrowings

Deferred Payment loan from Banks

Current portion of Lease

Creditors for Capital Goods

Advance Payment From Customers

Unpaid Dividend

T.D.S., T.C.S. Payable

TOTAL :

* Payable on Purchase of Fixed Assets include amount due to H.U.F. of Directors. Rs. 15,418,518/- (Previous Year Rs. 1,57,68,568/-).

NOTE 10 : SHORT TERM PROVISIONS

Proposed Dividend

Provisions for Tax Proposed Dividend

Provisions for Income Tax (Net of Advance Tax & TDS)

Bonus Provision

Gratuity Provision

Leave Salary Provision

TOTAL :





Notes forming parts of the financials statements for the year ended 31st March, 2015

NOTE 11 : Fixed Assets

SR. NO.	ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance as at 01/04/2014 Rs.	Addition During the year Rs.	Sales/Trans. During the year Rs.	Balance as at 31/03/2015 Rs.	Provided Upto 01/04/2014 Rs.	Provided During the year Rs.	Adjustment/ (Deductions) Rs.	Total as at 31/03/2015 Rs.	Balance as at 31/03/2015 Rs.	Balance as at 31/03/2014 Rs.
A	Tangible Assets (Own assets)										
1	Freehold Land	71,871	0	0	71,871	-	-	-	0	71,871	71,871
2	Leasehold Land	96,408	0	0	96,408	-	-	-	0	96,408	96,408
3	Factory Building	50,790,448	976,038	0	51,766,486	24,413,615	2,138,858	-	26,552,473	25,214,013	26,376,833
4	Plant & Machinery	166,077,069	2,934,593	0	169,011,662	121,779,182	4,287,295	-	126,066,477	42,945,185	44,297,887
5	Plant & Machinery (100% Depreciation)	2,774,089	0	0	2,774,089	2,774,089	-	-	2,774,089	0	0
6	Electric Installation	9,899,896	402,447	0	10,302,343	9,897,713	14,403	-	9,912,116	390,227	2,183
7	Tools Dies & Measuring Instruments	41,575,980	2,264,530	0	43,840,510	36,619,595	413,774	-	37,033,369	6,807,141	4,956,385
8	Furniture & Fixture	16,950,163	826,391	0	17,776,554	10,729,352	905,362	-	11,634,714	6,141,840	6,220,811
9	Office & Factory Equipments	8,941,224	1,178,129	0	10,119,353	4,003,280	1,068,976	2,313,716	7,385,972	2,733,381	4,937,944
10	Vehicles	24,594,947	0	1,218,697	23,376,250	12,585,809	3,268,458	197,759	16,052,026	7,324,224	12,009,138
11	Computers	11,444,410	984,990	0	12,429,400	10,328,127	687,530	108,320	11,123,977	1,305,423	1,116,283
12	Wind Electric Power Converter	35,307,710	0	0	35,307,710	30,423,475	222,775	-	30,646,250	4,661,460	4,884,235
	Sub Total (A)	368,524,215	9,567,118	1,218,697	376,872,636	263,554,237	13,007,431	2,619,795	279,181,463	97,691,173	104,969,978
B	INTANGIBLE ASSETS										
1	'aec' TRADE MARK	40,861,000	0	0	40,861,000	15,322,875	817,220	-	16,140,095	24,720,905	25,538,125
2	Computer Software	3,293,331	183,725	0	3,477,056	1,626,396	453,418	442,364	2,522,178	954,878	1,666,935
	Sub Total (B)	44,154,331	183,725	0	44,338,056	16,949,271	1,270,638	442,364	18,662,273	25,675,783	27,205,060
	TOTAL (A + B)	412,678,546	9,750,843	1,218,697	421,210,692	280,503,508	14,278,069	3,062,159	297,843,736	123,366,956	132,175,038
	PREVIOUS YEAR	401,737,736	14,021,717	3,080,907	412,678,546	259,918,766	22,910,047	2,325,305	280,503,508	132,175,038	141,818,970

NOTE 12 : NON CURRENT INVESTMENTS (AT COST)

Long Term Investments :

PARTICULARS	2014-15			2013-14		
	No. of Shares	Face Value Rs.	Rs.	No. of Shares	Face Value Rs.	Rs.
(A) UNQUOTED:						
Equity Share (Fully Paid)						
Kowa Spining Ltd.	60,000	10	1,050,000	60,000	10	1,050,000
(B) QUOTED:						
Equity Share (Fully Paid)						
A.J.Brothers Ltd.	3,800	10	57,000	3,800	10	57,000
Ahmedabad Gases Ltd.	-	-	-	3,900	10	39,000
Antifriction Brg.Corpn.	100	0	6,500	177	10	7,130
Asahi Fibres Ltd.	3,000	10	30,000	3,000	10	30,000
Asian Bearings Ltd.	100	10	1,525	100	10	1,525
Bagri Min & Chem Ltd.	2,600	10	26,000	2,600	10	26,000
Bhupendra Cap. & Fin.Ltd.	1,700	10	68,000	1,700	10	68,000
Cosboard Ind. Ltd.	-	-	-	1,400	10	19,600
Damania Cap.Markets Ltd.	9,300	10	279,000	9,300	10	279,000
Fag Bearings Ltd. Share	-	-	-	100	10	53650





Notes forming parts of the financials statements for the year ended 31st March, 2015

NOTE 12 : NON CURRENT INVESTMENTS (AT COST) (Contd....)

PARTICULARS	2014-15			2013-14		
	No. of Shares	Face Value Rs.	Rs.	No. of Shares	Face Value Rs.	Rs.
Gujarat Meditech Ltd.	900	10	9,000	900	10	9,000
Hindustan Agri Ltd.	700	10	7,000	700	10	7,000
Indo Dutch Protiens Ltd.	700	10	7,000	700	10	7,000
Kongarar Textiles Ltd.	600	10	27,000	600	10	27,000
NHC Food .Ltd.	-	-	-	525	10	15,000
NRB Bearings share	-	-	-	100	2	4593
Orissa Luminaries Ltd.	2,000	10	20,000	2,000	10	20,000
Pennar Aqua Exports Ltd.	7,700	10	77,000	7,700	10	77,000
Wintac Limited	-	-	-	700	10	70,000
Reliance Industries Ltd. Share	-	-	-	124	10	173,913
SKF Bearing Ltd. Share	-	-	-	300	10	104,601
Stiefel Und.Schuh (I) Ltd.	400	10	4,000	400	10	4,000
Supriya Pharma Ltd.	500	10	10,000	500	10	10,000
Thambi Modern Spng.Mills	600	10	30,000	600	10	30,000
Timken India Ltd.	-	-	-	50	10	7,144
Tina Electronics Ltd.	1,100	10	11,000	1,100	10	11,000
Valley Abresive Ltd.	1,500	10	15,000	1,500	10	15,000
Eimco Elecon (I) Limited	-	-	-	100	10	18,446
Elecon Engineering Company Limited	-	-	-	100	2	7,218
Gujarat State Petronet Ltd.	-	-	-	200	10	19,690
Hindalco Industries Limited	-	-	-	200	1	28,820
IDFC limited	-	-	-	100	10	10,717
Neyveli Lignite Limited	-	-	-	1,200	10	117,342
Steel Authority of India Limited	-	-	-	200	10	21,786
Tata Communication Limited	-	-	-	200	10	39,186
Tata Spong	-	-	-	100	10	29,759
Tata Steel Limited	-	-	-	100	10	44,491
The Shipping Corporation of India Limited	-	-	-	200	10	16,562
(C) GOVERNMENT SECURITIES :						
National Saving Certificate (Pledged as security to excise dept)			51,000			51,000
TOTAL :			2,628,173			3,058,673
Aggregate Book Value of Investment						
- Unquoted			1,050,000			1,050,000
- Quoted Market Value Rs. 1552111 /-			685,025			1,527,173
(Previous year Rs. 1642870/-)						
- Government Securities			51,000			51,000
TOTAL :			1,786,025			2,628,173





Notes forming parts of the financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 13 : DEFERRED TAX (LIABILITIES) / ASSETS - NET				
Deferred Tax Liabilities on account of Difference between Book & Tax Depreciation		(3,996,609)		(6,483,444)
Deferred Tax Assets on Account of Employees Benefits		14,312,734		13,613,868
Deferred Tax (Liabilities) / Assets		<u>10,316,125</u>		<u>7,130,424</u>
NOTE 14 : LONG TERM LOANS AND ADVANCES				
<u>Unsecured Considered Good</u>				
Advances recoverable in cash or in kind or for value to be received		1,587,063		1,273,334
Sundry Deposits		3,361,774		3,398,073
Advance Income Tax (Net of Provision for taxation)		-		7,773
Advances & Deposit to Related Parties		-		2,100,000
Advances for capital expenditure		2,349,242		988,000
Other Loans		5,665,000		4,815,000
TOTAL :		<u>12,963,079</u>		<u>12,582,180</u>
NOTE 15 : INVENTORIES				
[Valued as stated in the accounting policies in Note No. 1(iii)]				
Raw materials		53,011,091		52,826,611
Raw materials - Goods-in-transit		1,663,417		6,085,304
Work - in - progress @ (Refer Note below)		230,840,132		195,732,606
Finished goods		142,373,958		118,752,696
Finished goods - Goods-in-transit		23,292,472		42,072,436
Stock -in -trade		11,743,738		8,118,852
Stores and spares		8,514,096		7,304,167
Packing materials		5,015,312		4,062,309
TOTAL :		<u>476,454,216</u>		<u>434,954,981</u>
Note : Details of Inventory of work - in - progress				
a) Steel Bars & Tubes		8,589,670		1,805,359
b) Races		185,696,405		158,639,390
c) Cages		3,146,162		3,226,893
d) S.M. Race & Forged Rings		15,756,998		13,591,845
e) Other materials		17,650,897		18,469,119
TOTAL :		<u>230,840,132</u>		<u>195,732,606</u>
NOTE 16 : TRADE RECEIVABLES				
<u>Unsecured Considered Good</u>				
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		19,355,729		29,307,065
Other Trade Receivables				
Less : Provision for doubtful trade receivables	249,400,832 641,548	248,759,284	235,335,321 -	235,335,321
TOTAL :		<u>268,115,013</u>		<u>264,642,386</u>

Trade receivable due to partnership firms in which directors relatives are partners Rs. 63,793/-
(Previous year Rs. 1,91,687/-).





Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 17 : CASH & CASH Equivalents				
Cash on Hand		2,097,405		3,397,023
Balance with Bank				
In Current Account	23,649,835		18,760,944	
In fixed deposit A/c @	9,698,816		9,037,817	
In EEFC Account	27,210		-	
In Unpaid dividend A/c.	2,419,584	35,795,445	2,405,562	30,204,323
TOTAL :		37,892,850		33,601,346
@ Fixed deposits with banks which have an original maturity of more than 12 months				
NOTE 18 : SHORT TERM LOANS AND ADVANCES				
Unsecured Considered Good				
Advances recoverable in cash or in kind or for value to be received.		14,696,673		8,360,136
Advances for expenses		3,593,844		1,962,402
Advances for raw materials		2,496,342		3,104,091
Advances to Employees		4,108,896		4,391,889
Balance with Government authorities				
(a) Central Excise	4,665,662		4,290,292	
(b) VAT Credit Receivable	9,390,457		6,462,023	
(c) Service Tax Credit Receivable	4,926,699	18,982,818	1,899,087	12,651,402
Prepaid Expenses		4,308,029		233,656
TOTAL :		48,186,602		32,806,481
NOTE 19 : Other Current assets				
Interest Accrued on Deposit , Bond		86,164		90,681
TOTAL :		86,164		90,681
NOTE 20 : Revenue from Operations				
(A) Sales of Products				
Sales of Manufactured Goods				
a) Bearings	758,298,304		602,864,987	
b) Bearing Components	78,767,080	837,065,384	128,530,428	731,395,415
Sales of Trade Goods		176,010,939		181,994,556
Wind Electric Power Income		7,910,747		8,235,420
(B) Other Operating Revenues				
a) Sales of scrap	7,935,707		5,727,300	
b) Job-work Income	584,232		760,044	
c) Duty Drawback & other export incentives	11,356,153		9,194,945	
		19,876,092		15,682,289
		1,040,863,162		937,307,680
Less : - Excise duty		27,684,536		34,186,653
TOTAL :		1,013,178,626		903,121,027





Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 21 : OTHER INCOME				
Interest Income		830,182		1,738,010
[Tax Deducted at Source Rs. 83,019/- (Previous Year Rs. 1,74,243/-)]				
Dividend Income		4,250		10,988
From Long Term Investment				
Foreign Exchange Rate Diff. Income		-		11,007,311
Service tax refund		114,533		-
Rent Income		132,283		123,500
Profit on sale of Fixed Assets		-		843,142
Profit on sale of Share Investment		492,170		-
Miscellaneous income		584,947		364,071
TOTAL :		2,158,365		14,087,022
NOTE 22 : MATERIALS CONSUMED				
Opening Stock		58,911,915		56,900,184
Add: Purchases		312,374,685		268,282,521
		371,286,600		325,182,705
Less: Sales		2,631,247		1,327,218
		368,655,353		323,855,487
Less: Closing Stock		54,674,508		58,911,915
TOTAL :		313,980,845		264,943,572
Materials Consumed Comprises :				
a) Steel Bars & Tubes		64,661,437		72,400,671
b) Races		77,016,068		58,937,611
c) Cages		33,822,700		22,582,604
d) S.M. Race & Forged Rings		84,709,041		61,020,513
e) Other materials		53,771,599		50,002,173
TOTAL :		313,980,845		264,943,572
NOTE 23 : PURCHASE OF TRADED GOODS				
Purchase of Traded goods		149,424,623		145,357,571
TOTAL :		149,424,623		145,357,571
NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK -IN-TRADE .				
Inventories at the end of the year				
Finished goods	165,666,430		160,825,132	
Semi-finished goods	230,840,132		195,732,606	
Stock - in - Trade	11,743,738	408,250,300	8,118,852	364,676,590
Inventories at the beginning of the year				
Goods on Consignment With Customer	-		5,599,964	
Finished goods	160,825,132		138,817,662	
Semi-finished goods	195,732,606		206,646,092	
Stock - in - Trade	8,118,852	364,676,590	9,944,697	361,008,415
Net (increase)/ decrease		(43,573,710)		(3,668,175)





Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2015

Particulars	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE 25 : Employee Benefit Expenses				
Salary,wages & bonus		166,007,603		140,733,754
Contribution to Provident and other Fund		11,044,895		10,380,108
Staff Welfare expenses		3,408,456		3,629,493
TOTAL :		180,460,954		154,743,355
NOTE 26 : FINANCE COSTS				
Interest expenses on :				
(i) Borrowings From Bank	6,655,021		4,072,267	
(ii) Creditors	3,036,244		2,874,074	
(iii) Others	88,406	9,779,671	325,573	7,271,914
TOTAL :		9,779,671		7,271,914
NOTE 27 : OTHER EXPENSES				
Stores & Spares consumed		46,463,166		35,117,206
Packing materials consumed		21,372,911		17,513,589
Job work charges		110,980,432		102,484,085
Power & Fuel		11,497,090		10,024,043
Rent		775,235		498,475
Repairs and Maintenance - Machinery		1,884,178		1,841,160
Repairs and Maintenance - Building		1,165,198		1,290,283
Repairs and Maintenance - Others		468,290		287,309
Insurance		1,189,224		1,224,992
Excise Duty #		2,520,111		(2,070,970)
Rates and Taxes		341,079		852,751
Communication		1381319		801,334
Travelling Exp.		9,704,747		8,166,701
Legal & Professional Fees		2629346		2,923,248
Directors' Sitting Fees		40000		40,000
Loss on Sale of Assets		412689		55,229
Donation		647500		340,000
Sales commission		16,285,085		17,327,018
Marketing Expenses		12,463,533		7,545,713
Sales promotion		3,754,374		3,030,102
Sales-tax / VAT		11,869,181		13,233,585
Discount		6,507,689		7,128,502
Foreign Exchange Rate Diff.		11,216,793		-
Bad Debt		817,042		-
Payment to Auditors @		1,237,089		775,000
Service Tax		227,804		274,687
Other Misc.Expenses		68,197,606		50,134,303
TOTAL :		346,048,711		280,838,345
# Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods.				
@ Payment to Auditors comprises (net of service tax)				
For Statutory Audit		837,089		375,000
For Taxation Matter		340,000		340,000
For Other Services		60,000		60,000
TOTAL :		1,237,089		775,000



Note 28 : Additional Information to the Financial Statements
1. Contingent liabilities not provided for in respect of:

- [i] The claim of the agent of M/s. Accurate Engineering Company for the commission on the sales affected by the Company is not accepted. The matter is under dispute in the court and the amount is not ascertainable.
- [ii] Bank guarantees outstanding as at 31st March, 2015 for which the Company has given counter guarantees amounting to Rs. 57,74,654/- (Previous year Rs. 72,09,763/-).
- [iii] Income Tax demand of Rs. 6,32,440/- (Previous year Rs. 17,77,970/-) raised by the Income Tax department at the time of Assessment. The said demand is disputed by the Company. The company has paid Rs. 3,16,440/- (Previous year Rs. 11,45,530/-) against the said demand. Based on the facts, the company has been legally advised that the demand is likely to either deleted or substantially reduced and accordingly no provision has been made.
- [iv] Central Excise demand of Rs. 3,99,937/- (Previous year Rs. NIL) raised by the Central Excise department. The said demand is disputed by the company. The company has paid Rs. 22,496/- (Previous year Rs. NIL) against the said demand.

2. BUY BACK OF SHARES :

Up to March 31, 2010, the Company had bought back and extinguished total 53,200 equity shares of Rs. 10 each at an average price of Rs. 54.99 per share, utilizing a sum of Rs. 29 Lacs (inclusive of brokerage and applicable taxes total amount Rs.9,869/-. The amount of Rs.24 Lacs paid towards buy back of shares, in excess of the face value, had been charged to General Reserve Account. The Company had also transferred Rs 5 Lacs from free reserves to Capital Redemption Reserve Account, which represents the nominal value of shares bought back during the previous year.

3. RELATED PARTY INFORMATION :

Disclosures in respect of related parties (as defined in Accounting Standard 18), with whom transactions have taken place during the year are given below :

(1) Relationship
(a) Enterprises where control of Key Management Personnel and/or their relatives exists.

- (i) Max Precision Bearings Pvt. Ltd.
- (ii) Austin Traders
- (iii) Accumax Engineering Company
- (iv) Optimum Services Inc.
- (v) Accord Precision Products

(b) Key Management Personnel

- (i) Shri S. M. Thanki
- (ii) Shri N. C. Vadgama
- (iii) Shri J. R. Bhogayta
- (iv) Shri R. R. Bambhania
- (v) Shri S A Kotal
- (vi) Ms. Z M Talreja
- (vii) Shri B N Vadgama
- (viii) Shri H N Vadgama (Sept. - 2014 to Nov. - 2014)

(c) Relative of Key Management Personnel

- (i) Shri S. M. Thanki HUF
- (ii) Shri R. N. Bambhania HUF
- (iii) Shri N. C. Vadgama HUF
- (iv) Shri J. R. Bhogayata HUF
- (v) Shri Jignesh S. Thanki
- (vi) Shri Hiren N. Vadgama
- (vii) Shri Chandulal N. Bambhania

Note : Related party relationship is as identified by the company and relied upon by the auditors.

(2) Transaction with Related Parties :
(Amount in Rs.)

Particulars	Related Parties					
	Referred in 1 (a) above		Referred in 1 (b) above		Referred in 1 (c) above	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
INCOME						
(1) Sales of Goods & Mat.	9,411,502	10,582,343	-	-	-	-
(2) Job Work	393,232	263,044	-	-	-	-
EXPENSES						
(1) Purchase of Goods	27,635,192	36,145,217	-	-	-	-
(2) Remuneration	-	-	11,928,391	9,559,984	4,585,945	3,937,775
(3) Jobwork	59,972,293	40,203,024	-	-	-	-
(4) Interest	-	-	-	-	2,615,260	2,485,733
(5) Dividend	-	-	615,000	615,000	1,200,824	1,188,287
OUTSTANDING						
Payable	22,076,464	22,236,973	414,117	383,600	20,962,250	22,656,689
Receivable	63,793	2,291,687	-	-	-	-





4. DETAILS OF SEGMENT REPORTING :

The company has identified two reportable Segments viz. Bearing and Power.

(1) PRIMARY SEGMENT :

(Amount in Rs.)

Particulars	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	Bearing	Bearing	Power	Power	Total	Total
1. SEGMENT REVENUE	1,007,426,244	908,816,599	7,910,747	8,391,450	1,015,336,991	917,208,049
Other Unallocated Revenue	-	-	-	-	-	-
TOTAL :	1,007,426,244	908,816,599	7,910,747	8,391,450	1,015,336,991	917,208,049
Less : Inter Segment Revenue	-	-	7,910,747	8,235,420	7,910,747	8,235,420
Net Income from Operation	1,007,426,244	908,816,599	-	156,030	1,007,426,244	908,972,629
2. SEGMENT RESULTS						
PROFIT/(LOSS) BEFORE TAX & INTEREST	47,802,524	48,373,150	6,914,975	3,710,184	54,717,499	52,083,334
LESS : Interest	-	-	-	-	9,779,671	7,271,914
Other unallocated Expenses	-	-	-	-	-	-
TOTAL PROFIT BEFORE TAX :	47,802,524	48,373,150	6,914,975	3,710,184	44,937,828	44,811,420
3. CAPITAL EMPLOYED						
(SEGMENT ASSETS - SEGMENT LIABILITIES)						
Segment Assets	962,997,152	907,178,477	5,853,753	6,302,789	968,850,905	913,481,266
Add: Common assets	-	-	-	-	10,316,125	7,130,424
TOTAL ASSETS :	962,997,152	907,178,477	5,853,753	6,302,789	979,167,030	920,611,690
Segment Liabilities	388,710,513	353,754,406	34,603	21,930	388,745,116	353,776,336
Add: Common Liabilities	-	-	-	-	6,278,695	6,103,278
TOTAL LIABILITIES :	388,710,513	353,754,406	34,603	21,930	395,023,811	359,879,614
SEGMENT CAPITAL EMPLOYED	574,286,639	553,424,071	5,819,150	6,280,859	584,143,219	560,732,076

(2) GEOGRAPHICAL SEGMENTS :

(a) The following table shows the distribution of the company's sales by geographical market :

Revenue	2014-15	2013-14
Within India	461,724,594	495,545,958
Overseas	523,667,193	417,844,013
TOTAL :	985,391,787	913,389,971

(b) Assets base on geographical location :

Particulars	Carrying Amount of		Addition to Fixed Assets	
	Segment assets		and Intangible Assets	
	2014-15	2013-14	2014-15	2013-14
Within India	848,069,054	787,894,705	9,303,574	6,120,765
Overseas	131,097,976	132,716,985	447,269	7,900,952
TOTAL :	979,167,030	920,611,690	9,750,843	14,021,717

5. Depreciation :

Pursuant to the notification of schedule II of the Companies Act, 2013 ("the Act") by the Ministry of Corporate affairs effective 01/04/2014. The Management has internally reassessed based on technical evaluation and changed, wherever necessary, the useful lives to compute depreciation, to conform to the requirements of the Act. Accordingly, the carrying amount as at 01/04/2014 is being depreciated over the revised remaining useful life of the asset. The carrying value of Rs. 25,31,399/- in case of assets with nil revised remaining useful life as at 01/04/2014 is reduced after tax adjustment from the retained earnings as at such date.

Further had the company continued with the Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956, charge for depreciation for the year ended 31/03/2015 would have been higher by RS. 93,06,146/- and the profit before tax would have been lower by such amount.





6. Lease commitments :

Obligation towards capital Lease

The Company purchased vehicle from the vendor, Sai Atlanta BLLC vide capital lease agreement dated July 13, 2013. The new lease term is 60 months with a monthly pasyment of Rs. 33059/- commencing from July 2013. The implicit rate of interest in the lease is 3.101 % per annum.

Interest expense during the year was Rs. 42854/- (March 31, 2014 : Rs. 33151).

Minimum future lease payment under capital lease as at March 31, 2015 is as follows :

Year ending	Amount Rs.
March 31, 2016	253,490
March 31, 2017	450,648
March 31, 2018	450,648
March 31, 2019	112,662
Net minimum lease payments	1,267,448
Less : Amount representing interest	50,010
Present value of lease payments	1,217,438

Obligation towards operating leases (As lessee)

The Company has entered into operating lease arrangements for vehicles and office premises. Rent expenses of Rs. 6,97,032/- (Previous Year Rs. 4,10,084/-) in respect of obligation under non cancellable operating leases have been recognised in the Statement of Profit and Loss.

The total of future minimum lease payments under non cancellable operating leases for the following periods :

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
a : Not later than one year	397,934	190,800
b : Later than one year but not later than five years	4,301,106	–

7 Previous year figures

The company has regrouped / rearranged previous year figures in veiw of easy comparison with current year figures.

8 Figures rounded off to nearest rupee. All the figures includig previous year figures have been rounded off to nearest rupee.

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**
(Firm Registration No. 118190W)
Chartered Accountants

DHIRUBHAI H. DAND
Proprietor
M. No. 017117

Place : JUNAGADH
Date : May 28, 2015

S. A. Kotal
Chief Financial Officer

Z. M. Talreja
Company Secretary

For and on behalf of the Board of Directors

N. C. Vadgama Chairman & Executive Director

S. M. Thanki Managing Director

R. R. Bambhania Joint Managing Director

J. R. Bhogayta Executive Director

Place : PATLA, Taluka, BHESAN, Dist.. JUNAGADH
Date : May 28, 2015





AUSTIN ENGINEERING COMPANY LIMITED

Village: Patla, Taluka: Bhesan, Dist: Junagadh 362 030, Gujarat, India.

CIN: L27259GJ1978PLC003179

Form No. MGT-11

FORM OF PROXY

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L27259GJ1978PLC003179

Name of the Company: Austin Engineering Company Limited

Registered Office: Village: Patla, Taluka: Bhesan, Dist: Junagadh 362 030, Gujarat, India.

Name of the member(s) :	
Registered Address :	
E-mail ID :	
Folio No./Client No. :	
DP ID :	

I / We, being the member(s) of shares of the above named Company, hereby appoint:

- Name : _____
Address : _____
E-mail Id : _____
Signature: _____ or failing him
- Name : _____
Address : _____
E-mail Id : _____
Signature: _____ or failing him
- Name : _____
Address : _____
E-mail Id : _____
Signature: _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on Tuesday, the 22nd day of September, 2015 at 11.00 a.m. at Village: Patla, Taluka: Bhesan, Dist: Junagadh 362 030, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business :

- Adoption of Annual Accounts of the Company as on 31st March, 2015 (Ordinary Resolution)
- Declaration of dividend on equity shares. (Ordinary Resolution)
- Re-appointment of S.M. Thanki who retires by rotation (Ordinary Resolution).
- Re-appointment of N.C.Vadgama who retires by rotation. (Ordinary Resolution)
- Appointment of M/s. Dhirubhai Dand & Co., Chartered Accountants, Junagadh as Auditors of the Company and fixing there remuneration. (Ordinary Resolution)

Special Business:

- Appointment of Ms. Aarti Goswami as Non- Executive Women Director. (Ordinary Resolution)
- Revision of Salary of Mr. Hiren N Vadgama, Vice President- Operations. (Special Resolution)
- Revision of Salary of Mr. Jignesh Thanki, Vice President- Engineering. (Special Resolution)
- To enter into Related Party Transaction with Accurate Engineering INC-USA. (Special Resolution)
- To enter into Related Party Transaction with Max Precision Bearings Private Limited. (Special Resolution)
- To enter into Related Party Transaction with Accumax Engineering Company. (Special Resolution)
- To enter into Related Party Transaction with Eminent Trading (India) LLP. (Special Resolution)
- To enter into Related Party Transaction with United Trading Company. (Special Resolution)

Signed this _____ day of _____ 2015.

Signature of shareholder : _____

Signature of Proxy holder(s) : _____

Affix 1 Re.
Revenue
stamp

Note: 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.



AUSTIN ENGINEERING COMPANY LIMITED

Village: Patla, Taluka: Bhesan, Dist: Junagadh 362 030, Gujarat, India.

CIN: L27259GJ1978PLC003179

ATTENDANCE SLIP

DP ID**	:
CLIENT ID**	:

REGD. FOLIO NO.	:
NO. OF SHARES HELD	:

Full Name of the member attending _____

Full Name of the joint-holder _____

(To be filled in if first named Joint - holder does not attend meeting)

Name of Proxy _____

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 37th Annual General Meeting held at Village: Patla, Taluka: Bhesan, Dist: Junagadh 362 030 on Tuesday, 22nd September, 2015 at 11.00 a.m.

Signed this _____ day of _____ 2015

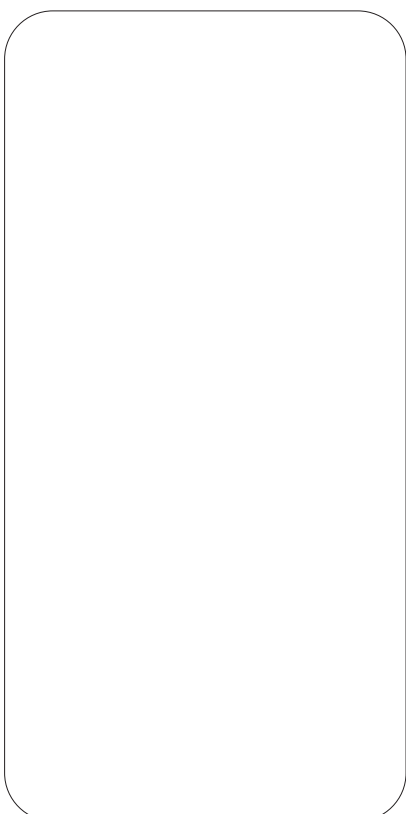
Signature of member/proxy

Notes :

Only Member / Proxy will be allowed to attend the meeting and they should bring with them the duly filled attendance slip.

** Applicable to the members whose shares are held on dematerialized form.

Book - Post



If undelivered, please return to :

AUSTIN ENGINEERING COMPANY LIMITED

Village : Patla, Taluka : Bhesan,

Dist. Junagadh - 362 030