

34<sup>th</sup> Annual Report  
2011-2012



Austin Engineering Company Limited

# Certificate

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

Certificate Registr. No. **01 111 058896**  
IATF Certificate No. **0123700**

**TÜV Rheinland Cert GmbH certifies:**

**Certificate Holder:** **Austin Engineering Company Limited**  
Village Patla, Taluka Bhesan  
Via. Ranpur (Sorath) Post, Hadmatiya District,  
Junagadh - 362 030, Gujarat, India.

**Scope:** **Manufacture of Antifiction Bearings for Automotive Application  
-with product design and development-**

An audit was performed, Report No. 058896. Proof has been  
furnished that the requirements according to ISO /TS  
169429:2009 are fulfilled.  
The due date for all future audits is 12-05 (dd.mm).

**Validity:** The certificate is valid from 2011-07-04 until 2014-07-13.

2011-07-04



TÜV Rheinland Cert GmbH \*)  
Am Grauen Stein · 51105 Köln  
Deutschland



2-IAO-QMC-01003





# AUSTIN ENGINEERING COMPANY LIMITED

## 34th ANNUAL REPORT 2011-2012

### : 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 Director
Dr. B. R. SUREJA	:	Non Executive Director
Mr. K. J. MEHTA	:	Non Executive Director
Mr. D. B. NAKUM	:	Non Executive Director

### **AUDITORS :**

DHIRUBHAI DAND & CO.  
Chartered Accountants  
Gokul Chamber, JUNAGADH - 362 001.

### **: BANKERS :**

BANK OF BARODA,  
Azad Chowk Branch - JUNAGADH - 362 001.

### **: 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-bearings.com>

E-mail : [info@aecbearings.com](mailto:info@aecbearings.com)





## NOTICE

**NOTICE** is hereby given that the **34<sup>th</sup> Annual General Meeting** of the Company will be held at the Registered Office of the Company at Village: Patla, Taluka: Bhesan, Dist: Junagadh 362 030 on Saturday, **22<sup>nd</sup> September, 2012** at 11.00 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended on 31<sup>st</sup> March, 2012 and the Directors' and Auditors' Reports thereon.
2. To declare dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2012.
3. To appoint a Director in place of Mr. Jeshanker R Bhogayta, who, retires by rotation and being eligible offers himself for re- appointment.
4. To appoint a Director in place of Mr. Dipsing B Nakum, who, retires by rotation and being eligible offers himself for re- appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remunerations.

By order of the Board of Directors

Sd/-  
N C Vadgama  
Chairman

Place: Patla, Dist. Junagadh

Date: 29<sup>th</sup> May, 2012

### NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and on poll to vote instead of himself and the proxy need not be a member of the Company. The proxy must be lodged with the Company not less than 48 hours before the time fixed for holding the meeting.
2. The Register of Members and Share Transfer book of the Company will remain closed from **15<sup>th</sup> September, 2012 to 22<sup>nd</sup> September, 2012 (both days inclusive)**.
3. Dividend on Equity shares, upon its declaration at the meeting shall be paid to the shareholders, whose names appear on the Register of members of the Company on **15<sup>th</sup> September, 2012**. In case of shares held in dematerialized form, the dividend thereon, upon its declaration at the meeting, shall be paid to the beneficial owners as per list provided by the depositories for the said purposes.
4. 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 can't 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.
5. 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, 2<sup>nd</sup> Floor, Near Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri (East), MUMBAI 400 072.
6. Pursuant to the requirements on Corporate Governance under Clause 49 of Listing Agreement entered into with the Stock Exchange, the information about the Directors proposed to be appointed/ re-appointed is given in the Annexure to the Notice.
7. "AECL" is concerned about the environment and encourages the utilization of the natural resources in a sustainable manner. The Ministry of Corporate Affairs (MCA,) Government of India, through its Circular Nos. 17/2011 and 18/2011 dated April, 21, 2011 and April 29, 2011 respectively, has allowed Companies to send official documents to their shareholders electronically as part of its Green Initiatives in Corporate Governance.

Recognizing the spirit of the Circular issued by the MCA, "AECL" henceforth proposes to send documents like the Notice convening the General Meetings, Financial Statements, Directors' Report, Auditor's Report, etc. on the email address provided by the members to their Depositories/ Depository Participants (DP). The same shall also make available at Company's website [www.aec-bearings.com](http://www.aec-bearings.com)

Members are requested to update their email address with the Depository Participants to ensure that the Annual Report and other documents reach them on their preferred email address.

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](mailto:austin@shareproservices.com) to receive the soft copy of the Annual Report by email instead of hard copy.





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 share in physical form can submit their PAN details to the Company or their Registrar and Transfer Agents.
9. Relevant documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days, except Fridays and Sundays, between 11.00 a.m. to 1.00 p.m. up to the date of the meeting.
10. Members seeking any further information are required to write to the Company at least 7 days before the meeting so as to enable the management to keep the information ready at the meeting.
11. Members/Proxies are requested to bring their copy of the Annual Report to the Meeting along with duly filled in Attendance Slips for attending the meeting.
12. Members holding shares in single name and in physical mode are advised to make nomination in respect of their shareholdings in the Company. The said nomination form can be downloaded from the Company's website [www.aec-bearings.com](http://www.aec-bearings.com)

**BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AND DIRECTORS APPOINTED SINCE LAST A.G.M**

Particulars	Mr. J. R. Bhogayta	Mr. D. B. Nakum
Date of Birth	08-01-1946	15-04-1944
Appointed on	27-07-1978	15-03-2003
Qualifications	D. M. E.	B. Com
Expertise in Specific Functional Areas	Engineering	Banking
Directorships held in other Public Companies (excluding foreign companies)	NIL	NIL
Membership/ Chairmanship of Committees across public Companies	NIL	NIL
Shareholding	75500	-

By order of the Board of Directors

Sd/-  
N C Vadgama  
Chairman

Place: Patla, Dist. Junagadh

Date: 29<sup>th</sup> May, 2012



**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the 34<sup>th</sup> Annual Report together with the Audited accounts for the year ended 31<sup>st</sup> March, 2012.

**FINANCIAL RESULTS**

(Rs. In Lacs)

	Year ended 31 <sup>st</sup> March, 2012	Year ended 31 <sup>st</sup> March, 2011
Gross profit before Interest Depreciation and Tax	1227	1032
Less: Interest and Depreciation	309	273
Profit before Tax	918	759
Add: MTM Gain on Derivatives Contracts For the ineffective hedge	0	26
Less: Provision for Taxation Deferred Tax Assets	300 (19)	253 (20)
Profit after Tax.	<b>637</b>	<b>552</b>
Add: Balance brought forward from last year	2830	2459
Profit available for appropriations	3467	3011
Appropriations:		
- Proposed Dividend	87	87
- Provision for Tax on Proposed Dividend	14	14
- Transfer to General Reserve	100	80
Balance carried forwarded to next year	<b>3266</b>	<b>2830</b>

**OPERATING RESULTS:**

The performance of the Company during the year remains fair. The sales of the Company have increased both in domestic and export segment. The sales during the year were Rs. 10215 Lacs as against Rs. 8359 Lacs in the previous year. The sales thus registered an increase of 22.20% as compared to the last year.

The net profit of the Company has increased from Rs. 552 lacs to Rs. 637 lacs registering growth of 15.40% as compared to the last year. The Company has earned revenue of Rs. 72 Lacs making profit before tax to the tune of Rs 35 Lacs out of the Wind Mill Project.

The Company continued to launch a number of new and higher value added products along with tightening cost factors, which will further strengthen the Company's competitiveness and profitability in the future.

**DIVIDEND:**

The Directors are pleased to recommend for your approval a dividend of **Rs. 2.50** (Tax Free) per Equity share of the Company in respect of the financial year ended on 31<sup>st</sup> March, 2012. (Previous Year **Rs.2.50**) 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:**

There is no deposit outstanding/unpaid as at 31<sup>st</sup> March, 2012.

**DIRECTORS:**

Mr. Jeshanker R Bhogayta and Mr. Dipsing B Nakum, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re- appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000 Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- Appropriate accounting policies have been selected and applied prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the profit of the company for the year under review.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

**AUDITORS:**

**M/s. Dhirubhai Dand & Co., Chartered Accountants**, the auditors of the Company retires at the conclusion of the ensuing Annual General Meeting. They are eligible for re-appointment and have furnished the certificate to the effect that their appointment, if made, will be in accordance with the limits specified under Section 224(B) of the Companies Act, 1956.



**COST AUDIT:**

As per the Government directives, the company's cost record in respect of Bearings for the financial year ended on 31<sup>st</sup> March, 2012 were being audited by **Ms. Ila Patel, Cost Auditor** who were appointed by the Board of Directors by its meeting held on 18<sup>th</sup> January, 2012 on recommendation of Audit Committee pursuant to the provisions of section 233B of the Companies Act, 1956 in place of casual vacancy arisen due to the death of Mr. S B Parikh.

**COMPLIANCE CERTIFICATE:**

The Company has obtained compliance certificate from **M/s. K.J.SHAH & COMPANY, Company Secretaries**, Ahmedabad, under section 383 (A) of the Companies Act, 1956 and a copy of such certificate is annexed to this report.

**PARTICULARS OF EMPLOYEES:**

The particulars of employees as required under section 217(2-A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 is given in the annexure appended hereto and forms part of this Report. As per the Provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, the report and accounts are being sent to the shareholders of the company, excluding the statement of particulars of employees under Section 217(2A) of the Act. Any share holder 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' 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 under Section 212 of the Companies Act, 1956 is annexed to this report.

**CONSOLIDATED FINANCIAL STATEMENTS:**

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

**AUDIT COMMITTEE:**

The Audit committee consists of the following directors viz:

1. Mr. B. D .Joshi, Chairman of committee
2. Mr. K. J. Mehta, Members of committee
3. Mr. D. B. Nakum, Members of committee

All the members of Audit Committee are independent directors.

**CORPORATE GOVERNANCE REPORT:**

The Company has accepted 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 are annexed to 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.

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

The particulars as prescribed under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules 1988 are set out in an Annexure to this Report.

**ACKNOWLEDGMENT:**

The Directors wish to place on record their gratitude for the continued co-operation and patronage extended by the esteemed customers both in OEM and aftermarket 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

Sd/-

N C Vadgama  
Chairman

Place: Patla, Dist. Junagadh

Date: 29<sup>th</sup> May, 2012





**ANNEXURE (I)**

Information under section 217(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of Directors Report for the financial year ended on 31<sup>st</sup> March, 2012.

**FORM A**

**(A) CONSERVATION OF ENERGY:**

- (a) Energy Conservation measures taken:  
Regular preventive maintenance of Machinery & Electric equipments.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: None
- (c) 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.
- (d) 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**

**(A) RESEARCH & DEVELOPMENT:**

- (i) 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.
- (ii) 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.
- (iii) 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.
- (iv) 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.

**(B) TECHNOLOGY, ADOPTION & ABSORPTION & INNOVATION:**

The Company is making continuous efforts towards modernization and technology up-gradation and innovations. Quality of earnings has improved substantially & is well accepted by OEM as import substitute. Technology imported during last five years: Nil.

**(C) FOREIGN EXCHANGE EARNING AND OUTGO:**

		(Rs. in Lacs)	
S.No.	FOREIGN EXCHANGE EARNINGS:	2011- 2012	2010- 2011
1	Exports of goods on FOB basis	4637	3783
	<b>Total Foreign Exchange Earned</b>	<b>4637</b>	<b>3783</b>
	<b>FOREIGN EXCHANGE OUTGO:</b>		
1	Import of CIF value of Raw Materials, Capital goods & Spares.	94	99
2	Traveling	8	11
3	Sales Commission	3	1
4	Foreign Marketing & Sales Promotion Expenses	1	1
5	Seminar Expenses	1	-
6	Dividend	2	1
	<b>Total Foreign Exchange Used</b>	<b>109</b>	<b>113</b>

On behalf of the Board of Directors

Place: Patla, Dist. Junagadh  
Date: 29<sup>th</sup> May, 2012

Sd/-  
N. C. Vadgama  
Chairman





## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OVERVIEW OF BEARING INDUSTRY:

The Indian Bearing market consists of Roller as well as Ball Bearing which are estimated at about 85 billion out of which about 45% have been met with imports. Production of bearing industry in organized sector as estimated by Ball and Roller Bearing Manufacturer's Association was placed at about 43 billions. Indigenous manufacturers are regularly expanding their capacity to meet growing demand for diverse sectors.

Roller Bearing is the precision engineering industry requiring high investments. India has a number of manufacturers in unorganized sector that mainly caters to the requirements in replacement sectors. At the same time small scale companies are often the origin of counterfeit products and thus poses severe threats both to bearing companies and the consuming industries

The automotive industry is the single largest consumer of the bearing product. According to SIAM, sales of overall automobile sector increased by about 14% in 2011 as compared to 31% in 2010. These were mainly due to the decline in sale of passenger car. Rising interest rate, fluctuating fuel price frequently and the negative global sentiments were the main reasons for such slow down. The sentiments in two wheelers and commercial vehicles were more enthusiastic.

### Production of Automotive Industry April-December 2011

Category	Number of Vehicles In thousands		% of change
	Year 2011	Year 2010	
Two-Three Wheelers	12200	10,448	17%
Passenger Cars & MUVs	2200	2,134	3%
Light Commercial Vehicles	391	288	36%
Medium and Heavy Vehicles	271	243	12%

Source: SIAM

The overall index of industrial production in India remained subdued during 2011. In 2011, industrial production grew at 3.6% as compared to 8.3% in the last year. Production of capital goods declined by 2.9% as compared to last year. Production of core industries like coal, cement, petroleum, fertilizers grew only at 4.4% as compared to 5.7% in the last year indicating deceleration in infrastructure industry.

### STRENGTH:

The Directors are well experienced and technically qualified with well succession plan. The Company is in this line of business for more than 33 years and enjoys its brand name 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.

### OPPORTUNITIES:

Despite the subdued sentiments in economic growth in India, the long term outlook as a whole remains positive.

A steady growth in educated young population in India, expansion of middle class and trickle down effects of overall prosperity in rural areas, are good indicators of inclusive economic growth. The need for effective and efficient transportation both personal and public will rise more rapidly than before. The 'value consciousness' of Indian middle class will mean that market growth will be mainly focused in areas of motorcycles and small cars segments at least during the medium term.

A large number of public and private investment programs in power sector indicate Indian government's priority to infrastructure sector. Renewable energy too shows a lot of potential in the medium and long term.

Overall prospects for industrial development remain positive in India and it seems that the strong demand for bearing products will continue in the coming times. The inflationary force on economy is a great concern requiring urgent corrective steps to tame the inflation.

### THREATS:

Over the last few years increase in the price of steel which is the major raw material put a pressure on cost and margin of Indian bearing manufacturers.

Dumping of cheap bearings by Chinese manufacturer always causes a serious threat to the industry.

Slow growth in developed markets in US and Europe also causes depressionary trends in the said bearing industry.

Counterfeit bearing products accounting for about 20% to 25% were sold in the replacement market. These fake products of inferior quality represent threat not only to organized sectors but to global customer as whole. Your Company is taking active measures to protect "AEC" brands. Your Company continues to focus on quality and technology innovations besides further developing application engineering and R & D capabilities to strengthen the competitiveness.

### SEGMENT WISE PERFORMANCE:

The Company has primarily two segments of activities, namely, 'Bearings' and 'Power'. Their present performance and future prospects have been given separately in Directors' Report.





#### **INTERNAL CONTROL SYSTEMS:**

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 authorisation 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.

#### **BUSINESS STRATEGY AND OUTLOOK:**

“AEC” 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 like hood 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 “AEC”, technical up gradation and advancement is a perpetual effort soliciting involvement of the top management which itself endeavors 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 mix 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 the 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 and the Company is committed to maintain good relations through negotiations and meetings.

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.

#### **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.





## COMPLIANCE CERTIFICATE

Company Identification No: L27259GJ1978PLC003179

Nominal Capital: Rs. 4000000

To,  
The Members,  
AUSTIN ENGINEERING COMPANY LIMITED

We have examined the registers, records, books and papers of AUSTIN ENGINEERING COMPANY LIMITED as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31<sup>st</sup> March 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

- 1) The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
- 2) The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
- 3) The Company being a public limited company, comments are not required.
- 4) The Board of Directors duly met Six times on 30<sup>th</sup> May, 2011, 30<sup>th</sup> May, 2011, 19<sup>th</sup> July, 2011, 22<sup>nd</sup> September, 2011, 18<sup>th</sup> October, 2011 and 18<sup>th</sup> January, 2012 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
- 5) The Company has closed its Register of Members and/or Debenture holders from 15<sup>th</sup> September, 2011 to 22<sup>nd</sup> September, 2011 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
- 6) The Annual General Meeting for the financial year ended on ended on 31<sup>st</sup> March, 2011 was held on 22<sup>nd</sup> September, 2011 after giving due notice to the members of the Company and other concerned and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 7) No extra ordinary general meeting was held during the financial year.
- 8) The Company has not advanced loans to its directors or persons or firms or companies referred in the section 295 of the Act.
- 9) The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
- 10) The Company has made necessary entries in the Register maintained under section 301 of the Act.
- 11) The Company has obtained necessary approvals from the Board of Directors, members and previous approval of the Central Government pursuant to Section 314 of the Act wherever applicable.
- 12) The Board of Directors or duly constituted Committee of Directors has approved the issue of duplicate share certificates.
- 13) The Company has:
  - i) Delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the act.
  - ii) Deposited amount of dividend declared in a separate Bank Account on 26<sup>th</sup> September, 2011 which is within five days from the date of declaration of such dividend.
  - iii) Paid/posted warrants for dividends to all the members within a period of 30 days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to unpaid Dividend Account of the Company with Yes Bank Ltd, Worli Mumbai, on 20th October, 2011.
  - iv) Transferred the amounts in unpaid dividend account, application money due for refund, matured deposits and interest accrued thereon which have remained unclaimed for a period of seven years to Investor Education and Protection Fund.
  - v) Duly complied with the requirements of section 217 of the Act.
- 14) The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
- 15) The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year.
- 16) The Company has not appointed any sole selling agents during the financial year.
- 17) The Company has obtained all necessary approvals of the Central Government, Company Law board, Regional Director, Registrar or such authorities prescribed under the various provisions of the Act as detailed below:
  - (i) Approval from the Central Government under the proviso to sub-section (1B) of Section 314 of the Companies Act, 1956.
  - (ii) Approval from the Central Government under the proviso to sub-section (2) of Section 233B of the Companies Act, 1956.
  - (iii) Approval from the Regional Director under the proviso to sub-section (1) of Section 297 of the Companies Act, 1956.
- 18) The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and rules made there under.
- 19) The Company has not issued any shares, debentures or other securities during the financial year.
- 20) The Company has not bought back any shares during the financial year.
- 21) There was no redemption of preference shares or debentures during the financial year.
- 22) The Company wherever necessary has kept in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
- 23) The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
- 24) The amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial year 31<sup>st</sup> March, 2011 is within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened annual/ extraordinary general meeting.





- 25) The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
- 26) The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
- 27) The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
- 28) The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
- 29) The Company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
- 30) The Company has not altered its Articles of Association during the financial year.
- 31) As informed to us, there was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
- 32) The Company has not received any money as security from its employees during the financial Year. 33) The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

**Name of the Company Secretary**

Place: AHMEDABAD  
Date: 30<sup>th</sup> May, 2012

**KAUSHIK SHAH**  
CP NO 1414 FCS NO 2420

**ANNEXURE "A"**

**STATUTORY REGISTERS:**

- 1) Register of Members : U/s 150
- 2) Register of Directors : U/s 303
- 3) Register of Directors Shareholdings : U/s 307
- 4) Register of Contracts, Companies & Firms in which director etc. are interested : U/s 301(3)
- 5) Register of Board Minutes : U/s 193
- 6) Register of AGM / EOGM Minutes : U/s 193

**OTHER REGISTERS:**

- 1) Register of Transfer
- 2) Register of Attendance of Board Minutes
- 3) Register of Attendance of AGM / EOGM

**ANNEXURE "B"**

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31<sup>st</sup> March, 2012:

S. No.	Form No. / Return	Filed Under Section	Date of Filing	Whether filed within prescribed time Yes / No	If delay in filing whether requisite additional fees paid Yes / No
1.	Form 8	125	09/04/2011	Yes	No
2.	Form 8	125	09/04/2011	Yes	No
3.	Form 8	125	09/04/2011	Yes	No
4.	Form 8	125	23/04/2011	Yes	No
5.	Form 8	125	23/04/2011	Yes	No
6.	Form 8	125	23/04/2011	Yes	No
7.	Form 62	Rule 10(Acceptance of Deposits) Rules, 1975	23/06/2011	Yes	No
8.	Form 62	Rule 10(Acceptance of Deposits) Rules, 1975	23/06/2011	Yes	No
9.	Form 17	138	25/07/2011	Yes	No
10.	Form 23 C	233B(2)	18/08/2011	Yes	No
11.	Form 66	383A	05/10/2011	Yes	No
12.	Form 23	192	05/10/2011	Yes	No
13.	Form 20B	159	18/10/2011	Yes	No
14.	Form 17	138	24/10/2011	Yes	No
15.	Form 23ACA	220	30/11/2011	Yes	No
16.	Din 4 (Bhavesh Sureja)	Rule 7 of Companies(DIN) Rule, 2006	24/02/2012	Yes	No
17.	Din 4 (Krishnakant Mehta)	Rule 7 of Companies(DIN) Rule, 2006	28/02/2012	Yes	No
18.	Form 23 C	233B(2)	13/03/2012	Yes	No

**Name of the Company Secretary**

Place: AHMEDABAD  
Date: 30<sup>th</sup> May, 2012

**KAUSHIK SHAH**  
CP NO 1414 FCS NO 2420



## REPORT ON CORPORATE GOVERNANCE

The Company is committed to continue the practice of good corporate governance. Corporate governance mandates certain disclosures to be made by the company and the shelters the interest of the stake holders. Good corporate governance ensures efficient and ethical management.

The Company is in compliance with the requirement of the guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement with the Stock Exchange. In Compliance with the said requirements, the Company's policies on Corporate Governance and its compliance thereof in respect of specific areas, as applicable, for the year ended 31<sup>st</sup> March, 2012 is set out below for information of shareholders and investors of the Company

### 1. PHILOSOPHY:

The Company firmly believes that corporate governance is very closely linked to its core values and its associated with best practice, a fine blend of law, regulation and voluntary practice with the overall objective to safeguard the interest of its stakeholder. The Company complies with the statutory requirement of corporate governance and follows voluntarily the best practice of corporate governance in the highest ethical value and moral. Your company confers the compliance of corporate governance as contained in clause 49 of Listing Agreements.

### 2. BOARD OF DIRECTORS:

#### (a) Composition of Board:

The Board of directors of the Company consists of Eight Directors. In Executive Directors, there are two whole-time directors, One Managing Director and One Joint Managing Director. All others are Non-Executive as well as independent directors. The Chairman of the Board is an Executive Director and 50% of the Board comprises of independent directors.

Name of the Directors	No. of Board Meeting Attained During the year	Whether Attained AGM held on Sep 22, 2011	No. of other Director		No. of outside Committee(s)	
			Public	Private	Public	Private
<b>Mr. N.C Vadgama</b> Chairman & E.D.	6	YES	1	1	-	-
<b>Mr. S.M.Thanki</b> Managing Director	6	YES	1	1	-	-
<b>Mr. R R Bambhania</b> Jt. Managing Director	4	YES	1	1	-	-
<b>Mr. J R Bhogayta</b> Executive Director	4	NO	1	-	-	-
<b>Dr. B R Sureja</b> Non Executive Director	5	YES	-	-	-	-
<b>Mr. K J Mehta</b> Non Executive Director	5	YES	-	-	-	-
<b>Mr. D B Nakum</b> Non Executive Director	5	YES	-	-	-	-
<b>Mr. B D Joshi</b> Non Executive Director	5	YES	-	-	-	-

Attention of the members is invited to the relevant items in the Notice of the Annual General Meeting for seeking their approval for the aforesaid appointments. The information as required under clause 49(IV) (G) of the Listing Agreement is annexed to the Notice of the AGM.

#### (b) Details of Board Meeting held during the year 2012-12.

Date of Meeting	No. of directors Present	Date of Meeting	No. of directors Present
30 <sup>th</sup> May, 2011	7	30 <sup>th</sup> May, 2011	7
19 <sup>th</sup> July, 2011	7	22 <sup>nd</sup> September, 2011	3
18 <sup>th</sup> October, 2011	8	18 <sup>th</sup> January, 2012	8

#### (c) Details of sitting fees, remuneration etc. paid to Directors for the year ended 31<sup>st</sup> March, 2012.

Name of the Directors	Remuneration paid to Directors	Sitting fees paid for attending Board/Audit Committee
Mr. N C Vadgama	90000 Per Month	NIL
Mr. S M Thanki	90000 Per Month	NIL
Mr. R R Bambhania	90000 Per Month	NIL
Mr. J R Bhogayta	90000 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.



**(d) Remuneration Committee:**

The Company has set up a 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 said Remuneration committees usually recommend/review the remuneration package of the Managing/Whole-time Directors and also senior managerial personnel. The Company pays remuneration by way of salary and perquisites subject to requisite approval from the Board of Directors of the Company and also from the shareholders as prescribed under the Companies Act, 1956.

During the Financial Year 2011-12, Mr. N. C. Vadgama, Mr. S. M. Thanki, Mr. R.R. Bambhania and Mr. J. R. Bhogayta have been paid monthly remuneration of **Rs.90,000/-** each for the whole year. **All other Directors have been paid Rs.10000/- during the year as Sitting Fees.**

**3. AUDIT COMMITTEE:**

The Audit Committee of Directors comprises 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 accounting knowledge.

The Audit Committee whose terms of reference have been specified as per Clause 49 of the Listing Agreement and as defined by the Board is as under:

- (i) 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.
- (ii) Overview of the Company's financial reporting process and manner of disclosure of financial information to ensure that the financial statements are true and correct.
- (iii) Recommending the appointment and removal of Statutory Auditors, Cost Auditors, fixation of their audit fees and also approval for payment for any other services relating there to.
- (iv) Reviewing the Company's financial and risk management polices.
- (v) Looking into the reasons for substantial defaults if any, in the payment to the shareholders (non-payment of declared dividends etc) and creditors etc.
- (vi) And such other matters incidental or as may be delegated by the Board of Directors to the Committee from time to time.

Five Audit Committee meetings were held on 30<sup>th</sup> May, 2011, 19<sup>th</sup> July, 2011, 22<sup>nd</sup> September, 2011, 18<sup>th</sup> October, 2011 and 18<sup>th</sup> January, 2012. 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 day, 29<sup>th</sup> May, 2012 reviewed the Annual Accounts for the year 2012-2013 and recommended the same for approval of the Board of Directors.

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.

**4. SHAREHOLDERS/INVESTORS GRIEVANCE 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.

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. N C Vadgama -Chairman & Executive Director	Chairman of Committee
Mr. R R Bambhania -Joint Managing Director	Member of Committee
Mr. B.R Sureja -Independent Non-Executive Director	Member of Committee

One meeting of Share holder/Investor Grievances Committee was held on 4<sup>th</sup> April, 2012.

The Company has received 1 nos. of complaint from shareholders and they have been resolved satisfactorily. No complaint was pending as at date.



## 5. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Company has a policy for prevention of Insider Trading in the securities of the Company. The Code, inter alia, prohibits purchase/sale of shares of the Company by the employees while in possession of unpublished price sensitive information in relation to the Company.

The Company adopted the Code of Conduct and ethics for Directors and Senior Management. The code had been circulated to all the members of the Board and senior management. The Board member and senior management have affirmed their compliance with the Code. A declaration of Managing Director as to the compliance of the Code of Conduct by the Board Members and Key Managerial Employees has been provided at the end of this report.

## 6. GENERAL BODY MEETINGS:

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

Financial Year	Date	Location of the Meeting	Time
2009 - 2010	22/09/2009	Village: PATLA, Tal: BHESAN, Dist: JUNAGADH 362 030	11.00 a.m.
2010 - 2011	22/09/2010	Village: PATLA, Tal: BHESAN, Dist: JUNAGADH 362 030	11.00 a.m.
2011 - 2012	22/09/2011	Village: PATLA, Tal: BHESAN, Dist: JUNAGADH 362 030	11.00 a.m.

All resolutions moved at the last Annual General Meeting were passed by a show of hands by the requisite majority of members attending the meeting. The followings are the Special Resolutions passed at the previous three Annual General Meetings.

AGM Held on	Whether Special Resolution Passed	Summary
1. 22-09-09	None	N. A.
2. 22-09-10	Yes	1. Appointment of Relative of Director pursuant to Section 314(1B)-Mr. Hiren Vadgama 2. Appointment of Relative of Director pursuant to Section 314(1B)-Mr. Jignesh Thanki
3. 22-09-11	Yes	1. Remuneration to Relative of Director pursuant to Section 314(1B)Mr. HirenVadgama 2. Remuneration to Relative of Director pursuant to Section 314(1B)Mr Jignesh Thanki

## 7. 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 31<sup>st</sup> March, 2012 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 (summary), 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, 2012**.

## 8. 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 [www.aec-bearings.com](http://www.aec-bearings.com)

## 9. GENERAL SHAREHOLDER INFORMATION :

### (i) Annual General Meeting :

Date & Time: Saturday, 22<sup>nd</sup> September, 2012 at 11.00 a.m.

Venue: Village: PATLA, Taluka: BHESAN, Dist.: JUNAGADH-362 030

### (ii) Financial year : 2011-2012 (1<sup>st</sup> April to 31<sup>st</sup> March)

### (iii) Date of Book Closure: 15<sup>th</sup> September, 2012 to 22<sup>nd</sup> September, 2012 (Both days inclusive)

### (iv) Dividend Payment Date: 20<sup>th</sup> October, 2012.





**(v) Listing on Stock Exchange:** Bombay Stock Exchange Limited

The annual listing fees for the year 2012-13 have been paid to the aforesaid stock Exchange.

**(vi) Stock Code: 522005 (BSE) ISIN No. INE759F01012**

**(vii) Market Price Data:**

The monthly high and low shares traded on the Bombay Stock Exchange Limited during financial year 2011-12.

Month	Year	High (Rs.)	Low (Rs.)	Month	Year	High (Rs.)	Low (Rs.)
April	2011	86.50	69.25	October	2011	83.00	69.10
May	2011	82.50	67.45	November	2011	78.55	68.45
June	2011	76.60	67.20	December	2011	76.95	61.20
July	2011	91.90	70.25	January	2012	73.95	64.40
August	2011	88.85	71.60	February	2012	76.90	69.05
September	2011	80.90	71.60	March	2012	74.00	65.10

**(Viii)Registrar & Share Transfer Agents :**

SHAREPRO SERVICES (India) Pvt. Ltd:

13-AB, Samhita Warehousing Complex, 2<sup>nd</sup> 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

**(ix) Share Transfer Systems:**

Presently, the share transfer received in physical form are processed and the share certificate are returned within a period **15days** from the date of receipt, subject to the documents being valid and complete in all respects.

**(x) Distribution Pattern of shareholding as on 31<sup>st</sup> March, 2012.**

No. of Equity Shares Held	Number of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	5741	90.253	861238	24.764
501 - 1000	332	5.219	269977	7.763
1001 - 2000	129	2.028	187682	5.397
2001 - 3000	44	0.692	110543	3.179
3001 - 4000	29	0.456	104628	3.008
4001 - 5000	16	0.252	73742	2.120
5001 - 10000	25	0.393	175259	5.039
10001 and above	45	0.707	1694731	48.730
Grand Total	6361	100.00	3477800	100.00
Physical Mode	1665	26.18	378502	10.88
Electronic Mode	4696	73.82	3099298	89.12

**Shareholding Pattern as on 31<sup>st</sup> March, 2012:**

Category	Number of Shares	% of Holding
Indian Promoters/Relatives	1194568	34.35
Resident Individuals & Corporate	2249088	64.67
Fin. Institutions/Banks/Mutual Fund	7000	0.20
NRIs	27144	0.78
<b>TOTAL:</b>	<b>3477800</b>	<b>100.00</b>

**(xi) 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 Dematerialisation 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 **89.19%** of total equity shares of the Company are held in dematerialized form with following depository.

**In N S D L: 2187831 Shares (62.91%) In C D S L: 913967 Shares (26.28%)**







**(xii) Outstanding GDRs/ ADRs /Warrants or any Conversable Instruments conversion date and likely impact on equity:**

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

**(xiii) Plant Location :**

Village : PATLA, Taluka: BHESAN  
 District : JUNAGADH 362 030 (Gujarat)  
 Phone : 02873 – 252223 / 252267 / 252268  
 Fax : 0285-2661505 & 02873-252267-8  
 E-mail : info@aecbearings.com

**(xiv) Address for Correspondence :**

For any assistance regarding dematerialisation 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, 2<sup>nd</sup> 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](mailto: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 & 02873-252267-252268  
 Email : [info@aecbearings.com](mailto:info@aecbearings.com)

**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 31<sup>st</sup> March, 2012.

FOR AUSTIN ENGINEERING CO. LTD.

Sd/-

**S.M.THANKI**

MANAGING DIRECTOR

Place : Patla, Dist. Junagadh

Date : 29<sup>th</sup> May, 2012

**Auditors' Certificate on Compliance with the conditions of Corporate Governance under clause 49 of the Listing Agreements:**

To the Members of **AUSTIN ENGINEERING CO. LTD**

We have examined the compliance of conditions of Corporate Governance by **AUSTIN ENGINEERING COMPANY LIMITED** during the year ended on 31<sup>st</sup> March, 2012 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 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 : 29<sup>th</sup> May, 2012





## AUDITORS' REPORT

To,

**The Members of AUSTIN ENGINEERING CO. LTD.**

We have audited the attached Balance Sheet of Austin Engineering Company Limited as at **31st March, 2012** and also the Statement of Profit & Loss for the year ended on that date annexed thereto and the Cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

We report as follows:

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we enclosed in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order..
2. Further to our comments in the Annexure referred in paragraph (1) above, we report that :
  - a) We have 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 as far as appears from our examination of the books.
  - c) The Balance Sheet, Statement of Profit & Loss & Cash Flow Statement dealt with by this report are in agreement with the Books of Account.
  - d) In our opinion, the Balance Sheet, Statement of Profit & Loss & Cash Flow Statement comply with the accounting standards referred to in Sub. Section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors, as on 31.03.2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view in conformity with the accounting principles generally accepted in India;
    - (i) in the case of the Balance sheet, of the state of affairs of the Company as at **31st March, 2012**;
    - (ii) in the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
    - (iii) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

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

**DHIRUBHAI H. DAND**  
**PROPRIETOR**  
**M. NO. 017117**

**PLACE : JUNAGADH**  
**DATE : 29th May, 2012**

### ANNEXURE TO THE AUDITORS' REPORT

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

- i)
  - a) The Company has maintained proper records to show full particulars including quantitative details and situations of Fixed Assets (other than in respect of tools, dies, furniture & fixture).
  - b) As per the information and explanations given to us, the Fixed Assets of the Company have been physically verified by the Management at reasonable intervals and no serious discrepancies between the book records and physical verification were noticed.
  - c) During the year, the Company has not disposed off any substantial / major part of Fixed Assets.
- ii)
  - a) As per the information and explanations given to us, the Inventories have been physically verified by the Management at reasonable intervals during the year.
  - b) In our opinion and as per the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) The Company has maintained proper records of Inventories. According to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii)
  - a) As per information furnished, the Company has not granted any Loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, Accordingly, the provisions of clauses 4 (iii) (b) to (d) of the Order are not applicable.



- b) As per information furnished, the Company has not taken any Loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, Accordingly, the provisions of clauses 4 (iii) (f) to (g) of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of Inventory and Fixed Assets and for the Sale of Goods and services. We have not observed any continuing failure to correct major weaknesses in the internal control system.
- v) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956 :
- a) To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
- b) According to the information and explanations given to us and excluding certain transactions of purchase of goods, material and services of special nature for which alternate quotations are not available, the transactions in pursuance of such contracts or arrangements have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- vi) In our opinion and according to the information and explanations given to us, the Company has complied with the Provisions of Sections 58A and 58AA and other relevant provisions of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from public.
- vii) In our opinion, the Internal Audit functions carried out during the year by a firm of chartered accountants appointed by the management have commensurate with the size of the Company and nature of its business.
- viii) We have broadly reviewed the cost records maintained by the company relating to the manufacturing of bearings, pursuant to the Companies (Cost Accounting Records) rules, 2011 prescribed by the Central Govt. Under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix) a) According to information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service-Tax, Custom Duty, Excise Duty, Cess and other Statutory dues wherever applicable. According to information and explanations given to us, no undisputed arrears of Statutory dues were outstanding as at **31st March-2012**, for a period of more than six months from the date they became payable.
- b) The details of disputed statutory dues are as under :

Name of the Statute	Nature of Dues	Amount disputed Rs.	Amount Paid Rs.	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Dues	72,34,520	21,70,400	Commissioner of Income Tax

- x) There are no accumulated losses of the Company as on **31st March-2012**. The Company has not incurred any Cash losses during the financial year covered by our Audit and the immediately preceding financial year.
- xi) Based on our audit procedure and on the basis of information and explanation given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to Banks. The Company has no borrowings from financial institutions or by way of debentures.
- xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any Loans and/or Advances on the basis of security by way of pledge of Shares, Debentures and other securities.
- xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit fund Company or Nidhi / Mutual Benefit Fund / Society.
- xiv) Clause (xiv) of the Order is not applicable to the Company as the Company is not dealing or trading in Shares, Securities, Debentures and other Investments.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi) During the year, the company has not taken any term loans and hence requirements of reporting regarding application of term loan does not arise.
- xvii) According to the Cash Flow Statement and other records examined by us and the information and explanations given to us, on and over all basis, funds raised on short term basis have prima facie not been used during the year for long term investment.
- xviii) The company has not made any preferential allotment of shares during the year to parties of companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) Clause (xix) of the Order is not applicable to the Company as the Company has not issued any Debentures.
- xx) The Company has not raised any money by Public Issues during the year covered by our report.
- xxi) As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

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

**DHIRUBHAI H. DAND**  
**PROPRIETOR**  
**M. NO. 017117**

**PLACE : JUNAGADH**  
**DATE : 29th May, 2012**

**Balance Sheet as at 31.03.2012**

Particulars	Note No.	31-03-2012		31-03-2011	
		Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholder's funds</b>					
(a) Share Capital	3	348		348	
(b) Reserves and Surplus	4	4,658	5,006	4,122	4,470
<b>2. Non-current liabilities</b>					
(a) Long-term borrowings	5	22		-	
(b) Deferred Tax liabilities (Net)	6	33		53	
(c) Long-term Provisions	7	16	71	244	297
<b>3. Current Liabilities</b>					
(a) Short term borrowings	8	818		809	
(b) Trade payables	9	1,546		1,604	
(c) Other current liabilities	10	326		413	
(d) Short term provisions	11	603	3,293	286	3,112
<b>TOTAL</b>			<b>8,370</b>		<b>7,879</b>
<b>II ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Fixed assets					
(i) Tangible assets	12	1,160		1,150	
(ii) Intangible assets	12	283		292	
(iii) Capital work-in-progress	12	-		11	
(b) Non-current investments	13	54		50	
(c) Long-term loans and advances	14	148	1,645	143	1,646
<b>2. Current assets</b>					
(a) Inventories	15	4,282		3,525	
(b) Trade receivables	16	1,817		1,846	
(c) Cash and Cash equivalents	17	286		439	
(d) Short-term loans and advances	18	338		419	
(e) Other current assets	19	2	6,725	4	6,233
<b>TOTAL</b>			<b>8,370</b>		<b>7,879</b>

Significant accounting policies and notes to accounts

1 to 28

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**  
Chartered Accountants

**DHIRUBHAI H. DAND**  
Proprietor  
M. No. 017117

Place : Junagadh  
Date : 29th May, 2012

**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 : 29th May, 2012





### Statement of Profit and Loss for the Year ended 31.03.2012

Particulars	Note No.	Rs. in lacs	2011-12 Rs. in lacs	Rs. in lacs	2010-11 Rs. in lacs
I Revenue from operations	20	10,173		8,522	
I Other Income	21	133		55	
<b>III Total Revenue (I + II)</b>			<b>10,306</b>		8,577
IV Expenses					
Cost of Materials Consumed	22	3,684		3,110	
Purchases of Stock in Trade	23	1,269		1,128	
Changes in inventories of finished goods, work in progress and Stock-in- trade	24	(826)		(651)	
Employee benefits expense	25	1,318		1,024	
Finance Costs	26	111		87	
Depreciation	12	198		186	
Other expense	27	3,634		2,934	
<b>Total Expense</b>			<b>9,388</b>		7,818
V Profit before exceptional and extraordinary items and tax (III-IV)			<b>918</b>		759
VI Exceptional Items			-		26
MTM Gains on derivative contracts for ineffective hedge					
VII. Profit before extraordinary items and tax (V-VI)			<b>918</b>		785
VIII Extraordinary items			-		-
IX Profit before tax (VII-VIII)			<b>918</b>		785
X <b>Tax expense:</b>					
(1) Current tax		300		253	
(2) Deferred tax		(19)	<b>281</b>	(20)	233
XI Profit for the period from continuing operations (IX - X)			<b>637</b>		<b>552</b>
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)			<b>637</b>		<b>552</b>
<b>XVI Earnings per equity share:</b>					
(1) Basic ( in Rs.)			<b>18.31</b>		15.88
(2) Diluted ( in Rs. )			<b>18.31</b>		15.88

Significant accounting policies and notes to accounts

1to28

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**  
Chartered Accountants

**DHIRUBHAI H. DAND**  
Proprietor  
M. No. 017117

Place : Junagadh  
Date : 29th May, 2012

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 : 29th May, 2012



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2012**

(Rs.in Lacs)

PARTICULARS	2011-2012		2010-2011	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit before extraordinary items and tax		918		785
Adjustments for:				
Depreciation	198		186	
Finance Cost	111		86	
MTM Gains on derivative Contracts for ineffective hedge	-		(26)	
(Profit )/ Loss on sale of Assets/shares	4		(0)	
Interest/Dividend Income	(10)		(6)	
		303		239
Operating Profit before working capital changes		1,221		1,024
Adjustments for : ( increase ) / decrease in operating assets:				
Inventories	(757)		(983)	
Trade Receivable	29		(331)	
Short Term loans & Advances	81		(10)	
Long Term Loans & Advances	(5)		(26)	
Other Current Assets	2		-	
Adjustments for : increase / (decrease) in operating liabilities				
Trade payables	(58)		653	
Other Current Liabilities	(87)		26	
Short Term Provisions	294		14	
Long Term Provisions	(228)	(729)	21	(634)
Cash generated from operations		492		390
Direct taxes paid		(277)		(251)
NET CASH FROM OPERATING ACTIVITIES :		214		139
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets		(201)		(141)
Purchase of Investments		(4)		-
Sale of Fixed Assets		9		4
Sale of Investments		-		-
Interest/Dividend Received		10		6
Net Cash used in investing activities		(186)		(131)
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds of Long Term Borrowings (net)		22		(133)
Net Increase / Decrease in Short term Borrowings		9		67
Dividend Paid		(87)		(52)
Dividend Tax Paid		(14)		(9)
Finance Cost		(111)		(86)
Net Cash used in financial activities		(181)		(214)
Net increase in cash and cash equivalents(A+B+C)		(153)		(205)
Cash and Cash equivalents at the beginning of the year		439		644
Cash and Cash equivalents at the end of the year Note : 17		286		439

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**  
Chartered Accountants**DHIRUBHAI H. DAND**  
Proprietor  
M. No. 017117Place : Junagadh  
Date : 29th May, 2012

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 : 29th May, 2012



## Notes forming part of the Financial Statements of the Accounts for the year ended 31<sup>st</sup> March, 2012.

### 1. Corporate Information :

AUSTIN ENGINEERING COMPANY LIMITED is a public limited Company domiciled in India and incorporated 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 of all type of Bearings and its components under the trademark "aec". The company is also engaged in manufacturing of Power from wind energy. The Manufacturing unit of the company is situated at village Patla, Taluka Bheshan, Dist. Junagadh - 362 030 (Gujarat). The Company is having one fully owned subsidiary Company in 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 the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting standards ) Rules, 2006, ( as amended ) and the relevant provisions of the Companies Act, 1956. The Financial statements have been prepared on an accrual basis and under the historical cost convention. except where specifically stated.

#### 2.1 Significant Accounting policies:

##### a. Change in accounting policy

During the year ended 31<sup>st</sup> March, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company for preparation and presentation of its financial statements, the adoption of revised Schedule VI does not impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

##### b. 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 XIV of the Companies Act, 1956. 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.

##### 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 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 contracts 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 financials statements for the year ended 31st March, 2012**

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 3 : SHARE CAPITAL</b>				
<b>AUTHORISED :</b>				
40,00,000 Equity Shares of Rs.10 each		400		400
<b>ISSUED, SUBSCRIBED AND PAID UP :</b>				
34,77,800 Equity Shares of Rs.10 each fully paid up. *		348		348
(Previous Year 34,77,800 Equity Shares of Rs. 10 each fully paid up.)				
<b>TOTAL :</b>		<b>348</b>		<b>348</b>

\* 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. 5 lacs.

\* 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		8		8
Cash subsidy reserve		30		30
Share Premium		868		868
Capital Redemption Reserve		5		5
General Reserve				
Opening Balance	381		301	
Add: Transfer from Profit & Loss A/c	100	481	80	381
		1,392		1,292
<b>Surplus</b>				
Opening Balance	2,830		2,459	
Add. Profit for the year	637		552	
	3,467		3,011	
<b>Less:-</b>				
- Dividend on Equity shares	87		87	
- Tax on distributed profit on Equity shares	14		14	
- Transfer to General Reserve	100	3266	80	2830
<b>TOTAL :</b>		<b>4,658</b>		<b>4,122</b>



## Notes forming parts of the financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 5 : LONG TERM BORROWINGS</b>				
<b>SECURED</b>				
(A) Deferred Payment Loan from HDFC Bank (Refer Note : 10) (excluding current maturity)		22		-
(B) Term Loan (Refer Note : 10)				
1) from Bank of Baroda		-		-
2) from Bank of Baroda (excluding current maturity)		-		-
<b>TOTAL :</b>		<b>22</b>		<b>-</b>

\* Borrowings under Item (A) is Secured against Hypothecation of Vehicles

\* Borrowings under Item (B)(1) is Secured against Hypothecation of Machinery.

\* Borrowings under Item (B)(2) is Secured against Hypothecation of Wind Power Machinery.

### NOTE 6: DEFERRED TAX LIABILITIES

Deferred Tax Liabilities on account of Difference between Book & Tax Depreciation		104		123
Deferred Tax Assets on Account of Employees Benefits		(71)		(70)
<b>Deferred Tax Liabilities / (Assets)</b>		<b>33</b>		<b>53</b>

### NOTE 7 : LONG TERM PROVISIONS

Gratuity Provision		-		233
Leave Salary Provision		16		11
<b>TOTAL :</b>		<b>16</b>		<b>244</b>

### NOTE 8 : SHORT TERM BORROWINGS

#### SECURED

Working Capital Loan from Bank of Baroda		818		809
<b>TOTAL :</b>		<b>818</b>		<b>809</b>

\* 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 and against the personal guarantees of. Managing & whole-time Directors. The Cash credit limit is repayable on Demand and carries Interest @ 12.75 % p.a.



**Notes forming parts of the financials statements for the year ended 31st March, 2012**

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 9: TRADE PAYABLES</b>				
Trade Payables		1,546		1,604
<b>TOTAL :</b>		<b>1,546</b>		<b>1,604</b>

\* 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. 4 lacs. (Previous year Rs. 3 lacs) .

<b>NOTE 10 : OTHER CURRENT LIABILITEIS</b>				
<b>Current maturity of long term borrowings</b>				
Deferred Payment loan from HDFC Bank	11		1	
Term Loan from Bank of baroda	-	11	54	55
<b>Creditors for Capital Goods</b>		229		207
Advance Payment From Customers		42		108
Trade Deposit		-		1
Other payables		2		2
Unpaid Dividend		21		17
Service Tax Payable ( Rs. 5799/- Previous year Rs. NIL)		-		-
T.D.S., T.C.S. Payable		21		23
<b>TOTAL :</b>		<b>326</b>		<b>413</b>

\* Payable on Purchase of Fixed Assets include amount due to H.U.F. of Directors. Rs. 113 lacs (Previous Year Rs. 100 lacs).

<b>NOTE 11 : SHORT TERM PROVISIONS</b>				
Proposed Dividend		87		87
Provisions for Tax Proposed Dividend		14		14
Provisions for Income Tax (Net of Adv. Tax & T.D.S.)		49		26
Bonus Provision		146		116
Gratuity Provision		302		39
Leave Salary Provision		5		4
<b>TOTAL :</b>		<b>603</b>		<b>286</b>



## Notes forming parts of the financials statements for the year ended 31st March, 2012

### NOTE 12 : Fixed Assets

SR. NO.	ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance as at 01/04/2011 Rs. in lacs	Addition During the year Rs. in lacs	Sales/Trans. During the year Rs. in lacs	Balance as at 31/03/2012 Rs. in lacs	Provided Upto 01/04/2011 Rs. in lacs	Provided During the year Rs. in lacs	Adjustment on account of Sales Rs. in lacs	Total as at 31/03/2012 Rs. in lacs	Balance as at 31/03/2012 Rs. in lacs	Balance as at 31/03/2011 Rs. in lacs
<b>A</b>	<b>Tangible Assets (Own assets)</b>										
1	Freehold Land	1	-	-	1	-	-	-	-	1	1
2	Leasehold Land	1	-	-	1	-	-	-	-	1	1
3	Factory Building	438	36	-	474	195	15	-	210	264	243
4	Plant & Machinery	1,480	58	-	1,538	945	91	-	1,036	502	535
5	Plant & Machinery (100% Depreciation)	28	-	-	28	28	-	-	28	-	-
6	Electric Installation	95	3	-	98	95	3	-	98	-	-
7	Tools, Dies & Measuring Instruments	371	12	-	383	326	12	-	338	45	45
8	Furniture & Fixture	105	30	-	135	78	7	-	85	50	27
9	Office & Factory Equipments	65	15	-	80	29	3	-	32	48	36
10	Vehicles	185	48	31	202	93	13	18	88	114	92
11	Computers	87	8	-	95	75	6	-	81	14	12
12	Wind Electric Power Converter	353	-	-	353	195	37	-	232	121	158
	<b>Sub Total (A)</b>	<b>3,209</b>	<b>210</b>	<b>31</b>	<b>3,388</b>	<b>2,059</b>	<b>187</b>	<b>18</b>	<b>2,228</b>	<b>1,160</b>	<b>1,150</b>
<b>B</b>	<b>INTANGIBLE ASSETS</b>										
1	'aec' TRADE MARK	409	-	-	409	131	8	-	139	270	278
2	Computer Software	19	2	-	21	5	3	-	8	13	14
	<b>Sub Total (B)</b>	<b>428</b>	<b>2</b>	<b>-</b>	<b>430</b>	<b>136</b>	<b>11</b>	<b>-</b>	<b>147</b>	<b>283</b>	<b>292</b>
	<b>TOTAL (A + B)</b>	<b>3,637</b>	<b>212</b>	<b>31</b>	<b>3,818</b>	<b>2,195</b>	<b>198</b>	<b>18</b>	<b>2,375</b>	<b>1,443</b>	<b>1,442</b>
	<b>PREVIOUS YEAR</b>	<b>3,518</b>	<b>131</b>	<b>14</b>	<b>3,635</b>	<b>2,019</b>	<b>186</b>	<b>10</b>	<b>2,195</b>	<b>1,441</b>	<b>1,500</b>
<b>C</b>	<b>CAPITAL WORK IN PROGRESS (BUILDING)</b>									-	11

### NOTE 13 : NON CURRENT INVESTMENTS (AT COST)

#### Long Term Investments :

PARTICULARS	2011-2012			2010-2011		
	No. of Shares	Face Value Rs.	Rs. in lacs	No. of Shares	Face Value Rs.	Rs. in lacs
<b>(A) UNQUOTED:</b>						
Equity Share (Fully Paid)						
Kowa Spining Ltd.	60,000	10	11	60,000	10	11
Investment in Subsidiary Company - Accurate Engineering Inc. - U.S.A.	25,000	US\$ 1	11	25,000	US\$ 1	11
Share Application Money given to Subsidiary Company - Accurate Engineering Inc. - U.S.A.	25,000	US\$ 1	11	25,000	US\$ 1	11
<b>(B) QUOTED:</b>						
Equity Share (Fully Paid)						
A.J.Brothers Ltd.	3,800	10	1	3,800	10	1
Ahmedabad Gases Ltd.	3,900	10	1	3,900	10	1
Antifriction Brg.Corpn. Rs. 7130 (Previous year Rs. 7130 )	177	10	-	177	10	-
Asahi Fibres Ltd. Rs. 30000 (Previous year Rs. 30000 )	3,000	10	-	3,000	10	-

**Notes forming parts of the financials statements for the year ended 31st March, 2012****NOTE 13 : NON CURRENT INVESTMENTS (AT COST) (Contd....)**

PARTICULARS	2011-2012			2010-2011		
	No. of Shares	Face Value Rs.	Rs. in lacs	No. of Shares	Face Value Rs.	Rs. in lacs
Asian Bearings Ltd. Rs. 1525 (Previous year Rs.1525 )	100	10	-	100	10	-
Bagri Min & Chem Ltd. Rs. 26000 (Previous year Rs.26000 )	2,600	10	-	2,600	10	-
Bhupendra Cap. & Fin.Ltd. Cosboard Ind. Ltd. Rs. 19600 (Previous year Rs.19600 )	1,700 1,400	10 10	1 -	1,700 1,400	10 10	1 -
Damania Cap.Markets Ltd. Fag Bearings Ltd. Share	9,300 100	10 10	3 1	9,300 100	10 10	3 1
Gujarat Meditech Ltd. Rs. 9000 (Previous year Rs.9000 )	900	10	-	900	10	-
Hindustan Agri Ltd. Rs. 7000 (Previous year Rs. 7000 )	700	10	-	700	10	-
Indo Dutch Protiens Ltd. Rs. 7000 (Previous year Rs. 7000 )	700	10	-	700	10	-
Kongarar Textiles Ltd. Rs. 27000 (Previous year Rs. 27000 )	600	10	-	600	10	-
NHC Food .Ltd. Rs. 15000 (Previous year Rs. 15000 )	525	10	-	525	10	-
NRB Bearings share Rs. 4593 (Previous year Rs. 4593 )	100	2	-	50	2	-
Orissa Luminaries Ltd. Rs. 20000 (Previous year Rs. 20000 )	2,000	10	-	2,000	10	-
Pennar Aqua Exports Ltd. Wintac Limited	7,700 700	10 10	1 1	7,700 700	10 10	1 1
Reliance Industries Ltd. Share SKF Bearing Ltd. Share	124 300	10 10	2 1	124 300	10 10	2 1
Stiefel Und.Schuh (I) Ltd. Rs. 4000 (Previous year Rs. 4000 )	400	10	-	400	10	-
Supriya Pharma Ltd. Rs. 10000 (Previous year Rs. 10000 )	500	10	-	500	10	-
Thambi Modern Spng.Mills Rs. 30000 (Previous year Rs. 30000 )	600	10	-	600	10	-
Timken India Ltd. Rs. 7144 (Previous year Rs. 7144 )	50	10	-	50	10	-
Tina Electronics Ltd. Rs. 11000 (Previous year Rs. 11000 )	1,100	10	-	1,100	10	-
Valley Abresive Ltd. Rs. 15000 (Previous year Rs. 15000 )	1,500	10	-	1,500	10	-
Eimco Elecon (I) Limited Rs. 18446 (Previous year Rs. 18446 )	100	10	-	-	-	-
Elecon Engineering Company Limited Rs. 7218 (Previous year Rs. 7218 )	100	2	-	-	-	-



## Notes forming parts of the financials statements for the year ended 31st March, 2012

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

PARTICULARS	2011-2012			2010-2011		
	No. of Shares	Face Value Rs.	Rs. in lacs	No. of Shares	Face Value Rs.	Rs. in lacs
Gujarat State Petronet Ltd. Rs. 19690 (Previous year Rs. NIL )	200	10	-	-	-	-
Hindalco Industries Limited Rs. 28820 (Previous year Rs. NIL )	200	1	-	-	-	-
IDFC limited Rs. 10717 (Previous year Rs. NIL )	100	10	-	-	-	-
Neyveli Lignite Limited	1200	10	1	-	-	-
Steel Authority of India Limited Rs. 21786 (Previous year Rs. NIL )	200	10	-	-	-	-
Tata Communication Limited	200	10	1	-	-	-
Tata Spong	100	10	1	-	-	-
Tata Steel Limited	100	10	1	-	-	-
The Shipping Corporation of India Limited Rs. 16562 (Previous year Rs. NIL )	200	10	-	-	-	-
(C) DEBENTURE :						
Essar Oil Ltd.	4,100	105	4	4,100	105	4
(D) GOVERNMENT SECURITIES :						
National Saving Certificate (Pledged as security to excise dept)			1			1
<b>TOTAL</b>			<b>54</b>			<b>50</b>
<b>Aggregate Book Value of Investment</b>						
- Unquoted			33			33
- Quoted Market Value Rs. 17 lacs (Previous year Rs. 14 lacs )			20			16
- Government Securities			1			1
<b>TOTAL :</b>			<b>54</b>			<b>50</b>

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 14: LONG TERM LOANS AND ADVANCES</b>				
<b>Unsecured Considered Good</b>				
Advances recoverable in cash or in kind or for value to be received.		23		19
Sundry Deposits		45		29
Advances & Deposit to Related Parties @		38		44
Advances for capital expenditure		7		7
Other Loans		35		44
<b>TOTAL :</b>		<b>148</b>		<b>143</b>

@ Details of loans and advances to related parties should be given in accordance with the disclosures requirements contained in AS 18 Related Party Disclosures.



**Notes forming parts of the financials statements for the year ended 31st March, 2012**

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 15 : INVENTORIES</b>				
[Valued as stated in the accounting policies in Note No. 1(iii)]				
Raw materials		668		791
Raw materials - Goods-in-transit		38		-
Work - in - progress ( Refer Note below)		2,274		1,950
Finished goods		798		651
Finished goods - Goods-in-transit		351		-
Stock -in -trade		35		29
Stores and spares		73		59
Packing materials		45		45
<b>TOTAL :</b>		<b>4,282</b>		<b>3,525</b>
Note : Details of Inventory of work - in - progress				
a) Steel Bars & Tubes		52		64
b) Races		1,718		1,394
c) Cages		45		30
d) S.M. Race & Forged Rings		189		211
e) Other materials		270		251
<b>TOTAL :</b>		<b>2274</b>		<b>1950</b>
<b>NOTE 16 : TRADE RECEIVABLES</b>				
<b>Unsecured Considered Good</b>				
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		32		60
Other Trade Receivables		1,785		1,786
<b>TOTAL :</b>		<b>1,817</b>		<b>1,846</b>

Trade receivable due to partnership firms in which directors relatives are partners Rs. 4 lacs. (Previous year Rs. 14 lacs).

<b>NOTE 17 : CASH &amp; CASH Equivalents</b>				
Cash on Hand		9		9
Balance with Bank				
In Current Account	163		341	
In fixed deposit A/c @	75		72	
In EEFC Account	18		-	
In Unpaid dividend A/c	21	277	17	430
<b>TOTAL :</b>		<b>286</b>		<b>439</b>

@ Fixed deposits with banks which have an original maturity of more than 12 months





## Notes forming parts of the financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 18 : SHORT TERM LOANS AND ADVANCES</b>				
Unsecured Considered Good				
Advances recoverable in cash or in kind or for value to be received.		71		126
Advances for expenses		61		29
Advances for raw materials		25		28
Advances to Employees		52		36
Balance with Government authorities				
(a) Central Excise	25		108	
(b) VAT Credit Receivable	52		60	
(c) Service Tax Credit Receivable	38	115	20	188
Prepaid Expenses		14		12
<b>TOTAL :</b>		<b>338</b>		<b>419</b>
<b>NOTE 19: Other Current assets</b>				
Interest Accrued on Deposit , Bond		1		1
Rent Receivable		1		3
<b>TOTAL :</b>		<b>2</b>		<b>4</b>
<b>NOTE 20 : Revenue from Operations</b>				
(A) Sales of Products				
Sales of Manufactured Goods				
a) Bearings	7,054		6,145	
b) Bearing Components	1,577	8,631	784	6929
Sales of Trade Goods		1,584		1,430
Wind Electric Power Income		72		66
(B) Other Operating Revenues				
a) Sales of scrap	79		69	
b) Job-work Income	11		11	
c) Duty Drawback & other export incentives	154		267	
d) Tooling Charges	-	244	33	380
		10,531		8,805
Less : - Excise duty		358		283
<b>TOTAL:</b>		<b>10,173</b>		<b>8,522</b>
<b>NOTE 21 : OTHER INCOME</b>				
Interest Income		10		6
[Tax Deducted at Source Rs. 1 lac (Previous Year Rs. 1 lac)]				
Dividend Income ( Rs. 10254 P.Y. 3415)		-		-
From Long Term Investment				
Foreign Exchange Rate Diff. Income		115		24
Rent Income		1		4
Profit on sale of Fixed Assets		2		3
Miscellaneous income		5		18
<b>TOTAL :</b>		<b>133</b>		<b>55</b>





## Notes forming parts of the financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 22 : MATERIALS CONSUMED</b>				
Opening Stock		791		470
Add: Purchases		3,676		3,478
		4,467		3,948
Less: Sales		77		47
		4,390		3,901
Less: Closing Stock		706		791
<b>Total :</b>		<b>3,684</b>		<b>3,110</b>
<b>Materials Consumed Comprises :</b>				
a) Steel Bars & Tubes		1,049		962
b) Races		854		622
c) Cages		449		343
d) S.M. Race & Forged Rings		534		644
e) Other materials		798		539
<b>TOTAL :</b>		<b>3,684</b>		<b>3,110</b>
<b>NOTE 23 : PURCHASE OF STOCK-IN-TRADE</b>				
Purchase of Stock-in-Trade		1,269		1,128
<b>TOTAL :</b>	<b>1,269</b>		<b>1,128</b>	
<b>NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE</b>				
Inventories at the end of the year				
Finished goods	1,148		651	
Semi-finished goods	2,274		1,951	
Stock - in - Trade	35	3,457	29	2,631
Inventories at the beginning of the year				
Finished goods	651		641	
Semi-finished goods	1,951		1,322	
Stock - in - Trade	29	2,631	17	1,980
<b>Net (increase)/ decrease</b>		<b>(826)</b>		<b>(651)</b>
<b>NOTE 25 : Employee Benefit Expenses</b>				
Salary,wages & bonus		1,205		921
Contribution to Provident and other Fund (Refer Note No. 28.18)		89		75
Staff Welfare expenses		24		28
<b>TOTAL :</b>		<b>1,318</b>		<b>1,024</b>
<b>NOTE 26 : FINANCE COSTS</b>				
Interest expenses on :				
(i) Borrowings From Bank	81		59	
(ii) Creditors	29		27	
(iii) Others	1	111	1	87
<b>TOTAL :</b>		<b>111</b>		<b>87</b>



## Notes forming parts of the financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 27 : OTHER EXPENSES</b>				
Stores & Spares consumed		727		576
Packing materials consumed		197		163
Job work charges		1,355		1,011
Power & Fuel		122		114
Rent		3		3
Repairs and Maintenance - Machinery		14		15
Repairs and Maintenance - Building		32		22
Repairs and Maintenance - Others		3		4
Insurance		9		7
Rates and Taxes		1		1
Communication		7		7
Travelling Exp.		58		67
Forward Contract losses		-		33
Sales commission		198		156
Sales promotion		42		37
Sales-tax		147		118
Discount		61		53
Payment to Auditors ( Refer Note below)		7		6
Bad - Debt Written Off		-		70
Service Tax		3		2
Other Misc.Expenses		648		469
<b>TOTAL :</b>		<b>3,634</b>		<b>2,934</b>
Payment to Auditors comprises (net of service tax)				
For Statutory Audit		3		3
For Taxation Matter		3		2
For Other Services		1		1
<b>TOTAL :</b>		<b>7</b>		<b>6</b>

### Note 28 Additional Information to the Financial Statements

- Contingent liabilities not provided for in respect of:
  - The claim of the agent of M/s. Accurate Engineering Company for the commission on the sales effected by the Company is not accepted. The matter is under dispute in the court and the amount is not ascertainable.
  - Bank guarantees outstanding as at 31st March, 2012 for which the Company has given counter guarantees amounting to Rs. 115 lacs (Previous year Rs. 106 lacs).
  - Income Tax demand of Rs. 72 lacs ( Previous year Rs. NIL ) raised by the Income Tax department at the time of Assessment. The said demand is disputed by the company. The company has paid Rs.22 lacs ( Previous year Rs. NIL ) 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.
- 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.
- Confirmations of debit/credit balances have not been received and hence these balance are subject to adjustment if any.
- 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.

**Notes forming parts of the financials statements for the year ended 31st March, 2012****5. Value of raw materials and components consumed:**

	2011-12		2010-11	
	% of total Consumption	Value Rs. in Lacs	% of total Consumption	Value Rs. in lacs
Imported at landed cost	2.77	102	3.84	120
Indigeneously obtained	97.23	3,582	96.16	2,991
	100.00	3,684	100.00	3,111

**6. The stores and spares consumed:**

Imported at landed cost	00.00	-	00.00	-
Indigeneously obtained	100.00	727	100.00	576
	100.00	727	100.00	576

**7. CIF Value of Imports**

	Rs. in Lacs	Rs. in Lacs
Raw materials	94	99
Capital goods	-	-

**8. Expenditure in foreign currency in respect of**

- Travelling	8	11
- Sales Commission	3	1
- Marketing & Sales Pramotion Exp.	1	1
- Seminar Expenses	1	-

**9. Earnings in foreign exchange**

Export of goods calculated on F.O.B. basis	4,637	3,783
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**10. DETAILS OF SEGMENT REPORTING:**

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

**(1) PRIMARY SEGMENT:**

Particulars	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
	Bearing	Bearing	Power	Power	Total	Total
<b>1. SEGMENT REVENUE</b>	<b>10,101</b>	8,511	<b>72</b>	66	<b>10,173</b>	8,577
Other Unallocated Revenue	-	-	-	-	-	-
<b>TOTAL</b>	<b>10,101</b>	8,511	<b>72</b>	66	<b>10,173</b>	8,577
Less: Inter Segment Revenue	-	-	<b>72</b>	66	<b>72</b>	66
Net Income from Operation	<b>10,101</b>	8,511	-	-	<b>10,101</b>	8,511
<b>2. SEGMENT RESULTS</b>						
PROFIT/(LOSS) BEFORE TAX & INTEREST	<b>993</b>	825	<b>35</b>	28	<b>1,027</b>	853
LESS : Interest	-	-	-	-	<b>111</b>	86
Other unallocated Expenses	-	-	-	-	-	(26)
<b>TOTAL PROFIT BEFORE TAX</b>	<b>993</b>	825	<b>35</b>	28	<b>916</b>	793



## Notes forming parts of the financials statements for the year ended 31st March, 2012

Particulars	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
	<u>Bearing</u>	<u>Bearing</u>	<u>Power</u>	<u>Power</u>	<u>Total</u>	<u>Total</u>
<b>3. CAPITAL EMPLOYED</b> (SEGMENT ASSETS - SEGMENT LIABILITIES)						
Segment Assets	8,242	7,715	129	165	8,371	7,879
Add: Common assets	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>8,242</b>	<b>7,715</b>	<b>129</b>	<b>165</b>	<b>8,371</b>	<b>7,879</b>
Segment Liabilities	3,231	3,234	0	22	3,231	3,256
Add: Common Liabilities	-	-	-	-	134	154
<b>TOTAL LIABILITIES</b>	<b>3,231</b>	<b>3,234</b>	<b>0</b>	<b>22</b>	<b>3,365</b>	<b>3,409</b>
<b>SEGMENT CAPITAL EMPLOYED</b>	<b>5,011</b>	<b>4,481</b>	<b>129</b>	<b>143</b>	<b>5,006</b>	<b>4,470</b>

### (2) GEOGRAPHICAL SEGMENTS:

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

	Rs. in lacs	Rs. in lacs
	2011-12	2010-11
Revenue	5,264	4,312
Within India	4,592	3,764
Overseas		
<b>TOTAL:</b>	<b>9,856</b>	<b>8,076</b>

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

	2011-12	2010-11	2011-12	2010-11
	Within India	8,034	7,140	214
Overseas	337	740	-	-
<b>TOTAL:</b>	<b>8371</b>	<b>7880</b>	<b>214</b>	<b>141</b>

### 11. EARNINGS PER SHARE

	2011-12	2010-11
Basic Earnings per Share	Rs. 18.31	15.88
Diluted Earnings per Share	Rs. 18.31	15.88
Nominal value per Share	Rs. 10	10

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:

	2011-12	2010-11
Profit Rs. In lacs	637	552
The number of shares outstanding during the period:	Nos. 3,477,800	3,477,800

### 12. DEFERRED TAX LIABILITIES / (ASSETS):

Particulars	as at	as at
	31.03.2012	31.03.2011
	Rs. in lacs	Rs. in lacs
Deferred Tax Liabilities on account of		
Difference between book & Tax Depreciation	104	123
Deferred Tax Assets on account of Employees Benefits	(71)	(70)
<b>TOTAL:</b>	<b>(71)</b>	<b>(70)</b>
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>33</b>	<b>53</b>

**Notes forming parts of the financials statements for the year ended 31st March, 2012****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 lacs (Previous year Rs. 8 lacs ) is charged to profit & loss account.

**14. Derivatives and Foreign Cuurency 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.	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
<b>Currency</b>	<b>NIL</b>	NIL	<b>NIL</b>	NIL	<b>NIL</b>	NIL
<b>USD</b>	<b>NIL</b>	NIL	<b>NIL</b>	NIL	<b>NIL</b>	NIL

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

Particulars	Amount in Foreign Currency		Equivalent amount in Rs. In lacs	
	2011-12	2010-11	2011-12	2010-11
<b>Payable</b>				
USD	21341	16748	11	8
EURO	4952	-	3	-
<b>TOTAL:</b>			<b>14</b>	<b>8</b>
<b>Receivable</b>				
EURO	393915	792055	269	484
USD	131814	571211	67	256
<b>TOTAL:</b>			<b>336</b>	<b>740</b>
<b>BANK</b>				
USD EEFC BANK ACCOUNT	8555	-	4	-
EURO EEFC BANK ACCOUNT	20025	-	14	-
<b>TOTAL:</b>			<b>18</b>	<b>-</b>

**15. REMITTANCE IN FOREIGN CUURENCY ON ACCOUNT OF DIVIDEND**

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

	2011-12	2010-11
Number of share holder	1	1
Number of shares held	80000	80000
Amounts remitted Rs. in lacs	2	1
Year to which dividend relates	2010-11	2009-10



## Notes forming parts of the financials statements for the year ended 31st March, 2012

### 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) SNR Enterprises               | (v) Optimum Services Inc. |
| (iii) Accord Precision Products    |                           |

##### (b) Key Management Personnel

- |                         |                        |
|-------------------------|------------------------|
| (i) Shri S M Thanki     | (iii) Shri N C Vadgama |
| (ii) Shri R R Bambhania | (iv) Shri J R Bhogayta |

##### (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

Rs. in lacs

##### Related Parties

Particulars	Referred in 1 (a) above		Referred in 1 (b) above		Referred in 1 (c) above		Referred in 1 (d) above	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
<b>INCOME:</b>								
(1) Sales of Goods & Mat.	188	168	-	-	-	-	2159	1673
(2) Job Work	11	5	-	-	-	-	-	-
(3) Tooling Charges	-	-	-	-	-	-	-	33
<b>EXPENSES:</b>								
(1) Purchase of Goods	1940	1304	-	-	-	-	-	-
(2) Remuneration	-	-	49	46	28	15	-	-
(3) Jobwork	451	283	-	-	-	-	-	-
(4) Interest	-	-	-	-	25	22	-	-
<b>SALE OF ASSETS:</b>								
<b>PURCHASE OF ASSETS:</b>								
<b>OUTSTANDING:</b>								
Payable	199	204	4	3	189	166	-	-
Receivable	41	56	-	-	-	-	49	198



**Notes forming parts of the financials statements for the year ended 31st March, 2012****18. Disclosures in respect of Defined Contribution Plan, recognised as expenses for the year is as under :**

	Rs.in lacs			
	2011-12		2010-11	
Employer's Contribution to Provident Fund, E.S.I.	89		75	
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	
<b>The amount recognised in the Balance Sheet are as follows :</b>	2011-12	2010-11	2011-12	2010-11
Present Value of obligation ( Total Funded & Unfunded )	485	393	21	14
Fair value of plan assets	183	121	-	-
Unrecognised past service cost	-	-	-	-
Net liability in the Balance Sheet - (Un - funded )	302	272	21	14
<b>The amount recognised in the Profit &amp; Loss A/c are as follows :</b>				
Current Service cost	25	21	18	12
Interest on obligation	31	25	1	1
Expected return on plan assets	-	-	-	-
Net actuarial losses (gains) recognised in year	61	38	9	(1)
past service cost	-	-	-	-
Losses (gains) on curtailment and settlements	-	-	-	-
Total included in 'employee benefit expenses'	105	76	28	12
Actual return on plan assets	12	8	-	-
<b>Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as under :</b>				
Opening defined benefit obligation	393	318	14	15
Prior period adjustment	-	-	-	-
Service cost	25	21	18	12
Interest Cost	31	25	1	1
Actuarial losses ( gains )	61	38	9	1
Benefits Paid	25	10	20	16
closing defined benefit obligation	485	393	21	14
<b>Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows :</b>				
Opening fair value of plan assets	121	67	-	-
Expected Return	12	8	-	-
Actuarial gains and (losses)	-	-	-	-
Contribution by Employer	75	55	-	-
benefits paid	25	10	-	-
Closing fair value of plan assets	183	121	-	-





## Notes forming parts of the financials statements for the year ended 31st March, 2012

Principal actuarial assumptions at the balance sheet date				
Discount rate per annum as at 31st March, 2012	8.00%	8.00%	8.00%	8.00%
Expected return per annum on plan assets as at 31.03.2012		9.15%	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	LIC 1994-96 Ultimate		LIC 1994 -96Ultimate	
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. Previous year figures

Till the year ended 31st March, 2011, the company was using pre-revised Schedule VI to the Companies act, 1956, for preparation and presentation of its financial statements. During the year ended 31st March, 2012 the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed preparation of Financial statements. However, it significantly impacts presentation and disclosures made in the financial statements particularly presentation of balance sheet .

20. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with Section 212 of the companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiary has been included in the Consolidated Financial statements.

21. Figures rounded off to nearest lacs. All the figures including previous year figures have been rounded off to nearest lacs. Where the rounding off has become zero, actual figures have been shown in brackets.

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**  
Chartered Accountants

**DHIRUBHAI H. DAND**  
Proprietor  
M. No. 017117

Place : Junagadh  
Date : 29th May, 2012

**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 : 29th May, 2012





**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956  
RELATING TO THE SUBSIDIARIES**

For the year ended 31st March, 2012

1	Name of the Company	<b>ACCURATE ENGINEERING INC. U.S.A.</b>
2	Financial Year of the Subsidiary Company	<b>31st March, 2012</b>
3	No. of Shares held in Subsidiary of Company as on the above date	<b>50,000 Equity Shares of \$ 1 Each</b>
4	% holding (Equity)	<b>100%</b>
5	% holding (Preference)	<b>NIL</b>
6	The net aggregate of Profit (Losses) of the Subsidiary Company so far as they concern the members of the Company	
	a) Dealt with in the Accounts of the Company for the year ended 31st March, 2012	<b>NIL</b>
	b) Not dealt with in the Accounts of the Company for the year ended 31st March, 2012	<b>\$ 41,994</b>
7	The net aggregate of Profit (Losses) of the Subsidiary Company for the previous financial year since it became a subsidiary company so far as they concern the members of the Company	
	a) Dealt with in the Accounts of the Company for the year ended 31st March, 2011	<b>NIL</b>
	b) Not dealt with in the Accounts of the Company for the year ended 31st March, 2011	<b>\$ 1,42,917</b>
8	Changes in the interest of the Company between the end of the financial year of the subsidiary company and of the Company's Financial year ended 31st March, 2012	<b>NIL</b>
9	Material changes between the end of the Financial year of the subsidiary company and the company's Financial year ended 31st March, 2012	<b>N.A. as the year end of the Company and being the same as at 31st March, 2012</b>
	(a) Fixed Assets (b) Investments (c) Money Lent	
	(d) Money borrowed other than those for meeting current liabilities	

For and on behalf of the Board of Directors

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

**AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT**

To,  
The Board of Director  
AUSTIN ENGINEERING CO. LTD.

We have audited the attached Consolidated Balance Sheet of Austin Engineering Company Limited and its subsidiary (collectively, 'the group') as at **31st March, 2012** and also the Consolidated Statement of Profit & Loss for the year ended on that date annexed thereto and the Consolidated Cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

We did not audit the financial statements of Accurate Engineering Inc. USA, Subsidiary Company, whose financial statements reflect total assets of Rs. 439 lacs as at 31st March 2012, (Previous Year Rs. 389 lacs) the total revenue of Rs. 2663 lacs - for the year ended 31st March, 2012 ( Previous Year Rs. 1939 lacs ). These financial statements and other financial information have been audited by the other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

We report that the consolidated financial statements have been prepared by the management of company in accordance with the requirements of Accounting Standards 21 (AS-21). "Consolidated Financial Statement" issued by The Institute of Chartered Accountants of India.

Based on our audit and on consideration of report of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Consolidated Balance sheet, of the state of affairs of the Group as at 31st March, 2012 ;
- (ii) in the case of the Consolidated Statement of Profit & Loss, of the **Profit** for the year ended on that date; and
- (iii) in the case of Consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date.

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

**PLACE : JUNAGADH**  
**DATE : 29th May, 2012**

**DHIRUBHAI H. DAND**  
**PROPRIETOR**  
**M. NO. 017117**





## Consolidated Balance Sheet as at 31.03.2012

Particulars	Note No.	31-03-2012		31-03-2011	
		Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholder's funds</b>					
(a) Share Capital	3	348		348	
(b) Reserves and Surplus	4	4,756	5,104	4,196	4,544
<b>2. Non-current liabilities</b>					
(a) Long-term borrowings	5	31		11	
(b) Deferred Tax liabilities / (assets) (Net)	6	(2)		41	
(c) Long-term Provisions	7	16	45	244	296
<b>3. Current Liabilities</b>					
(a) Short term borrowings	8	818		809	
(b) Trade payables	9	1,685		1,667	
(c) Other current liabilities	10	401		416	
(d) Short term provisions	11	631	3,535	298	3,190
<b>TOTAL:</b>			<b>8,684</b>		<b>8,030</b>
<b>II ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Fixed assets					
(i) Tangible assets	12	1,173		1,169	
(ii) Intangible assets	12	283		292	
(iii) Capital work-in-progress	12	-		11	
(b) Non-current investments	13	31		27	
(c) Long-term loans and advances	14	146	1,633	141	1,640
<b>2. Current assets</b>					
(a) Inventories	15	4,334		3,649	
(b) Trade receivables	16	2,006		1,797	
(c) Cash and Cash equivalents	17	370		521	
(d) Short-term loans and advances	18	339		419	
(e) Other current assets	19	2	7,051	4	6,390
<b>TOTAL:</b>			<b>8,684</b>		<b>8,030</b>

Significant accounting policies and notes to accounts

1 to 28

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**  
Chartered Accountants

**DHIRUBHAI H. DAND**  
Proprietor  
M. No. 017117

Place : Junagadh  
Date : 29th May, 2012

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 : 29th May, 2012



**Consolidated Statement of Profit and Loss for the Year ended 31.03.2012**

Particulars	Note No.	2011-12		2010-11	
		Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
I Revenue from operations	20	10,666		8,754	
II Other Income	21	134		54	
III <b>Total Revenue (I + II)</b>			<b>10,800</b>		8,808
IV Expenses					
Cost of Materials Consumed	22	3,684		3,110	
Purchases of Stock in Trade	23	1,297		1,163	
Changes in inventories of finished goods, work in progress and Stock-in-trade	24	(703)		(751)	
Employee benefits expense	25	1,390		1,091	
Finance Costs	26	111		86	
Depreciation	12	206		188	
Other expense	27	3,867		3,087	
<b>Total Expense</b>			<b>9,852</b>		7,974
V Profit before exceptional and extraordinary items and tax (III-IV)			<b>948</b>		834
VI Exceptional Items			-		26
MTM Gains on derivative contracts for ineffective hedge					
VII. Profit before extraordinary items and tax (V-VI)			<b>948</b>		860
VIII Extraordinary items			-		-
IX Profit before tax (VII-VIII)			<b>948</b>		860
X <b>Tax expense:</b>					
(1) Current tax		328		265	
(2) Deferred tax		(42)	286	(33)	232
XI Profit for the period from continuing operations (IX - X)			<b>662</b>		628
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)			<b>662</b>		628
XVI <b>Earnings per equity share:</b>					
(1) Basic			<b>19.04</b>		18.06
(2) Diluted			<b>19.04</b>		18.06

Significant accounting policies and notes to accounts

1to28

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**  
Chartered Accountants**DHIRUBHAI H. DAND**  
Proprietor  
M. No. 017117Place : Junagadh  
Date : 29th May, 2012

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 : 29th May, 2012



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2012

(Rs.in Lacs)

PARTICULARS	2011-2012		2010-2011	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit before extraordinary items and tax		948		860
Adjustments for:				
Depreciation	206		188	
Finance Cost	111		86	
MTM Gains on derivative Contracts for ineffective hedge	-		(26)	
(Profit) / Loss on sale of Assets/shares	4		(0)	
Interest/Dividend Income	(10)		(6)	
Increase (decrease) in foreign exchange translation reserve	(1)		(20)	
		<b>310</b>		<b>222</b>
Operating Profit before working capital changes		<b>1,258</b>		<b>1,082</b>
Adjustments for : ( increase ) / decrease in operating assets :				
Inventories	(685)		(1,084)	
Trade Receivable	(209)		(356)	
Short Term loans & Advances	80		(50)	
Long Term Loans & Advances	(5)		13	
Other Current Assets	2		-	
Adjustments for : increase / (decrease) in operating liabilities				
Trade payables	18		703	
Other Current Liabilities	(15)		37	
Short Term Provisions	294		14	
Long Term Provisions	(228)		21	(701)
Cash generated from operations		<b>510</b>		<b>380</b>
Direct taxes paid		<b>(289)</b>		<b>(251)</b>
<b>NET CASH FROM OPERATING ACTIVITIES :</b>		<b>221</b>		<b>130</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets		(204)		(160)
Purchase of Investments		(4)		-
Sale of Fixed Assets		9		4
Sale of Investments		-		-
Interest/Dividend Received		10		6
Net Cash used in investing activities		<b>(189)</b>		<b>(150)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds of Long Term Borrowings (net)		20		(133)
Net Increase / Decrease in Short term Borrowings		9		67
Dividend Paid		(87)		(52)
Dividend Tax Paid		(14)		(9)
Finance Cost		(111)		(86)
Net Cash used in financial activities		<b>(183)</b>		<b>(214)</b>
Net increase in cash and cash equivalents(A+B+C)		<b>(151)</b>		<b>(234)</b>
Cash and Cash equivalents at the beginning of the year		<b>521</b>		<b>752</b>
Cash and Cash equivalents at the end of the year Note : 17		<b>370</b>		<b>521</b>

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**  
Chartered Accountants**DHIRUBHAI H. DAND**  
Proprietor  
M. No. 017117Place : Junagadh  
Date : 29th May, 2012

For and on behalf of the Board of Directors

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

Place : PATLA, Taluka, BHESAN, Dist.. JUNAGADH  
Date : 29th May, 2012



## Notes forming part of the Consolidated Financial Statement as at 31<sup>st</sup> March, 2012.

### 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.

'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 Consolidated Financial Statements of the Group have been prepared based on a line-by-line consolidation of Profit & Loss Account & Balance Sheet.

All inter company balances and transactions within the group are eliminated on consolidation in terms of AS – 21.

The accompanying financial statements for the year ended 31<sup>st</sup> March, 2012, 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, 1956.

#### 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. Change in accounting policy:

During the year ended 31<sup>st</sup> March, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company for preparation and presentation of its financial statements, the adoption of revised Schedule VI does not impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

#### b. 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 XIV of the Companies Act, 1956. 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.



**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 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 contracts 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, 2012**

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 3 : SHARE CAPITAL</b>				
<b>AUTHORISED :</b>				
40,00,000 Equity Shares of Rs.10 each		400		400
<b>ISSUED, SUBSCRIBED AND PAID UP :</b>				
34,77,800 Equity Shares of Rs.10 each fully paid up. *		348		348
(Previous Year 34,77,800 Equity Shares of Rs. 10 each fully paid up.)				
<b>TOTAL :</b>		<b>348</b>		<b>348</b>

\* 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. 5 lacs.

\* 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		8		8
Cash subsidy reserve		29		29
Share Premium		868		868
Capital Redemption Reserve		5		5
General Reserve				
Opening Balance	382		301	
Add: Transfer from Profit & Loss A/c	100	482	80	381
		1,392		1,291
Foreign Exchange Translation Reserve		(2)		(1)
Surplus				
Opening Balance	2,906		2,457	
Add. Profit for the year	661		630	
	3567		3087	
Less:-				
- Dividend on Equity shares	87		87	
- Tax on distributed profit on Equity shares	14		14	
- Transfer to General Reserve	100	3366	80	2906
<b>TOTAL :</b>		<b>4,756</b>		<b>4,196</b>





## Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 5 : LONG TERM BORROWINGS</b>				
<b>SECURED</b>				
(A) Deferred Payment Loan				
from HDFC Bank ( Refer Note : 10)		22		-
(excluding current maturity)				
(B) Term Loan ( Refer Note : 10)				
1) from Bank of Baroda		-		-
2) from Bank of Baroda		-		-
(excluding current maturity)				
(C) Capital Lease Obligation (Refer Note : 10)		9		11
<b>TOTAL:</b>		<b>31</b>		<b>11</b>
<b>NOTE 6 : DEFERRED TAX LIABILITIES</b>				
Deferred Tax Liabilities on account of				
Diferance between Book & Tax Depreciation		107		125
Deferred Tax Assets on Account of				
Employees Benefits & Accrued expenes		(109)		(84)
Deferred Tax Liabilities / (Assets)		(2)		41
<b>NOTE 7 : LONG TERM PROVISIONS</b>				
Gratuity Provision		-		233
Leave Salary Provision		16		11
<b>TOTAL :</b>		<b>16</b>		<b>244</b>
<b>NOTE 8 : SHORT TERM BORROWINGS</b>				
<b>SECURED</b>				
Working Capital Loan				
from Bank of Baroda		818		809
<b>TOTAL :</b>		<b>818</b>		<b>809</b>

\* 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 and against the personal guarantees of. Managing & whole-time Directors. The Cash credit limit is repayable on Demand and carries Interest @ 12.75% p.a.





## Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 9 : TRADE PAYABLES</b>				
Trade Payables		1,685		1,667
<b>TOTAL:</b>		<u>1,685</u>		<u>1,667</u>

\* 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. 4 lacs (Previous year Rs. 3 lacs) .

### NOTE 10 : OTHER CURRENT LIABILITIES

Current maturity of long term borrowings				
Deferred Payment loan from HDFC Bank	11		1	
Term Loan from Bank of baroda	-	11	54	55
Current portion of Lease		3		3
Creditors for Capital Goods		229		207
Advance Payment From Customers		42		108
Trade Deposit		-		1
Deffered Revenue		72		-
Other payables		2		2
Unpaid Dividend		21		17
Service Tax Payable		-		-
[Rs. 5799 (Previous Year Rs. NIL) ]				
T.D.S., T.C.S. Payable		21		23
<b>TOTAL:</b>		<u>401</u>		<u>416</u>

\* Payable on Purchase of Fixed Assets include amount due to H.U.F. of Directors. Rs. 113 lacs. ( Previous Year Rs. 100 lacs ).

### NOTE 11 : SHORT TERM PROVISIONS

Proposed Dividend		87		87
Provisions for Tax Proposed Dividend		14		14
Provisions for Income Tax (Net of Advance Tax & T.D.S.)		77		38
Bonus Provision		146		116
Gratuity Provision		302		39
Leave Salary Provision		5		4
<b>TOTAL:</b>		<u>631</u>		<u>298</u>



**Notes forming parts of the financials statements for the year ended 31st March, 2012****NOTE 12 : Fixed Assets**

SR. NO.	ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance as at 01/04/2011 Rs. in lacs	Addition During the year Rs. in lacs	Sales/Trans. During the year Rs. in lacs	Balance as at 31/03/2012 Rs. in lacs	Provided Upto 01/04/2011 Rs. in lacs	Provided During the year Rs. in lacs	Adjustment on account of Sales Rs. in lacs	Total as at 31/03/2012 Rs. in lacs	Balance as at 31/03/2012 Rs. in lacs	Balance as at 31/03/2011 Rs. in lacs
<b>A</b>	<b>Tangible Assets (Own assets)</b>										
1	Freehold Land	1	-	-	1	-	-	-	-	1	1
2	Leasehold Land	1	-	-	1	-	-	-	-	1	1
3	Factory Building	438	37	-	475	195	15	-	210	265	243
4	Plant & Machinery	1,480	58	-	1,538	945	91	-	1,036	502	535
5	Plant & Machinery (100% Depreciation)	28	-	-	28	28	-	-	28	-	-
6	Electric Installation	95	3	-	98	95	3	-	98	-	-
7	Tools Dies & Measuring Instruments	371	12	-	383	326	12	-	338	45	45
8	Furniture & Fixture	105	30	-	135	80	7	-	87	48	25
9	Office & Factory Equipments	65	15	-	80	29	3	-	32	48	36
10	Vehicles	203	48	31	220	93	20	18	95	125	110
11	Computers	94	9	-	103	79	7	-	86	17	15
12	Wind Electric Power Converter	353	-	-	353	195	37	-	232	121	158
	<b>Sub Total (A)</b>	<b>3,234</b>	<b>212</b>	<b>31</b>	<b>3,415</b>	<b>2,065</b>	<b>195</b>	<b>18</b>	<b>2,242</b>	<b>1,173</b>	<b>1,169</b>
<b>B</b>	<b>INTANGIBLE ASSETS</b>										
1	'aec' TRADE MARK	409	-	-	409	131	8	-	139	270	278
2	Computer Software	19	2	-	21	5	3	-	8	13	14
	<b>Sub Total (B)</b>	<b>427</b>	<b>3</b>	<b>-</b>	<b>430</b>	<b>136</b>	<b>11</b>	<b>-</b>	<b>147</b>	<b>283</b>	<b>292</b>
	<b>TOTAL (A + B)</b>	<b>3,661</b>	<b>215</b>	<b>31</b>	<b>3,845</b>	<b>2,201</b>	<b>206</b>	<b>18</b>	<b>2,389</b>	<b>1,456</b>	<b>1,461</b>
	<b>PREVIOUS YEAR</b>	<b>3,524</b>	<b>150</b>	<b>13</b>	<b>3,661</b>	<b>2,022</b>	<b>187</b>	<b>10</b>	<b>2,201</b>	<b>1,461</b>	<b>1,502</b>
<b>C</b>	<b>CAPITAL WORK IN PROGRESS (BUILDING)</b>									-	11

**NOTE 13 : NON CURRENT INVESTMENTS (AT COST)****Long Term Investments :**

PARTICULARS	2011-2012			2010-2011		
	No. of Shares	Face Value Rs.	Rs. in lacs	No. of Shares	Face Value Rs.	Rs. in lacs
<b>(A) UNQUOTED:</b>						
Equity Share (Fully Paid) Kowa Spining Ltd.	60,000	10	10	60,000	10	10
<b>(B) QUOTED:</b>						
Equity Share (Fully Paid) A.J.Brothers Ltd.	3,800	10	1	3,800	10	1
Ahmedabad Gases Ltd.	3,900	10	1	3,900	10	1
Antifriiction Brg.Corpn. Rs. 7130 (Previous year Rs. 7130)	177	10	-	177	10	-
Asahi Fibres Ltd. Rs. 30000 (Previous year Rs. 30000)	3,000	10	-	3,000	10	-
Asian Bearings Ltd. Rs. 1525 (Previous year Rs.1525)	100	10	-	100	10	-
Bagri Min & Chem Ltd. Rs. 26000 (Previous year Rs.26000)	2,600	10	-	2,600	10	-



## Notes forming parts of the financials statements for the year ended 31st March, 2012

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

PARTICULARS	2011-2012			2010-2011		
	No. of Shares	Face Value Rs.	Rs. in lacs	No. of Shares	Face Value Rs.	Rs. in lacs
Bhupendra Cap. & Fin.Ltd.	1,700	10	1	1,700	10	1
Cosboard Ind. Ltd. Rs. 19600 (Previous year Rs.19600 )	1,400	10	-	1,400	10	-
Damania Cap.Markets Ltd.	9,300	10	3	9,300	10	3
Fag Bearings Ltd. Share	100	10	1	100	10	1
Gujarat Meditech Ltd. Rs. 9000 (Previous year Rs.9000 )	900	10	-	900	10	-
Hindustan Agri Ltd. Rs. 7000 (Previous year Rs. 7000 )	700	10	-	700	10	-
Indo Dutch Protiens Ltd. Rs. 7000 (Previous year Rs. 7000 )	700	10	-	700	10	-
Kongarar Textiles Ltd. Rs. 27000 (Previous year Rs. 27000 )	600	10	-	600	10	-
NHC Food .Ltd. Rs. 15000 (Previous year Rs. 15000 )	525	10	-	525	10	-
NRB Bearings share Rs. 4593 (Previous year Rs. 4593 )	100	2	-	50	2	-
Orissa Luminaries Ltd. Rs. 20000 (Previous year Rs. 20000 )	2,000	10	-	2,000	10	-
Pennar Aqua Exports Ltd.	7,700	10	1	7,700	10	1
Wintac Limited	700	10	1	700	10	1
Reliance Industries Ltd. Share	124	10	2	124	10	2
SKF Bearing Ltd. Share	300	10	1	300	10	1
Stiefel Und.Schuh (I) Ltd. Rs. 4000 (Previous year Rs. 4000 )	400	10	-	400	10	-
Supriya Pharma Ltd. Rs. 10000 (Previous year Rs. 10000 )	500	10	-	500	10	-
Thambi Modern Spng.Mills Rs. 30000 (Previous year Rs. 30000 )	600	10	-	600	10	-
Timken India Ltd. Rs. 7144 (Previous year Rs. 7144 )	50	10	-	50	10	-
Tina Electronics Ltd. Rs. 11000 (Previous year Rs. 11000 )	1,100	10	-	1,100	10	-
Valley Abresive Ltd. Rs. 15000 (Previous year Rs. 15000 )	1,500	10	-	1,500	10	-
Eimco Elecon (I) Limited Rs. 18446 (Previous year Rs. 18446 )	100	10	-	-	-	-
Elecon Engineering Company Limited Rs. 7218 (Previous year Rs. 7218 )	100	2	-	-	-	-
Gujarat State Petronet Ltd. Rs. 19690 (Previous year Rs. NIL )	200	10	-	-	-	-

**Notes forming parts of the financials statements for the year ended 31st March, 2012****NOTE 13 : NON CURRENT INVESTMENTS (AT COST) (Contd....)**

PARTICULARS	2011-2012			2010-2011		
	No. of Shares	Face Value Rs.	Rs. in lacs	No. of Shares	Face Value Rs.	Rs. in lacs
Hindalco Industries Limited Rs. 28820 (Previous year Rs. NIL)	200	1	-	-	-	-
IDFC limited Rs. 10717 (Previous year Rs. NIL)	100	10	-	-	-	-
Neyveli Lignite Limited	1200	10	1	-	-	-
Steel Authority of India Limited Rs. 21786 (Previous year Rs. NIL)	200	10	-	-	-	-
Tata Communication Limited	200	10	1	-	-	-
Tata Spong	100	10	1	-	-	-
Tata Steel Limited	100	10	1	-	-	-
The Shipping Corporation of India Limited Rs. 16562 (Previous year Rs. NIL)	200	10	-	-	-	-
<b>(C) DEBENTURE :</b>						
Essar Oil Ltd.	4,100	105	4	4,100	105	4
<b>(D) GOVERNMENT SECURITIES :</b>						
National Saving Certificate (Pledged as security to excise dept)			1			1
<b>TOTAL :</b>			<b>31</b>			<b>27</b>
<b>Aggregate Book Value of Investment</b>						
- Unquoted			10			10
- Quoted Market Value Rs. 17 lacs (Previous year Rs. 14 lacs)			20			16
- Government Securities			1			1
<b>TOTAL :</b>			<b>31</b>			<b>27</b>

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 14 : LONG TERM LOANS AND ADVANCES</b>				
<b>Unsecured Considered Good</b>				
Advances recoverable in cash or in kind or for value to be received.		23		19
Sundry Deposits		45		29
Advances & Deposit to Related Parties @		38		44
Advances for capital expenditure		7		7
Other Loans		35		44
<b>TOTAL :</b>		<b>148</b>		<b>143</b>

@ Details of loans and advances to related parties should be given in accordance with the disclosures requirements contained in AS 18 Related Party Disclosures.



## Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 15 : INVENTORIES</b>				
[Valued as stated in the accounting policies in Note No. 1(iii) ]				
Raw materials		668		791
Raw materials - Goods-in-transit		38		-
Work - in - progress @ ( Refer Note below)		2,274		1,950
Finished goods		798		775
Finished goods - Goods-in-transit		351		-
Goods on Consignment With Customer		52		-
Stock -in -trade		35		29
Stores and spares		73		59
Packing materials		45		45
<b>TOTAL :</b>		<b>4,334</b>		<b>3,649</b>
Note : Details of Inventory of work - in - progress				
a) Steel Bars & Tubes		52		64
b) Races		1,718		1,394
c) Cages		45		30
d) S.M. Race & Forged Rings		189		211
e) Other materials		270		251
<b>TOTAL :</b>		<b>2274</b>		<b>1950</b>
<b>NOTE 16 : TRADE RECEIVABLES</b>				
Unsecured Considered Good				
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		32		61
Other Trade Receivables		1,974		1,736
<b>TOTAL :</b>		<b>2,006</b>		<b>1,797</b>

Trade receivable due to partnership firms in which directors relatives are partners Rs. 5 lacs (Previous year Rs. 14 lacs).

<b>NOTE 17 : CASH &amp; CASH Equivalents</b>				
Cash on Hand		9		9
Balance with Bank				
In Current Account	247		423	
In fixed deposit A/c @	75		72	
In EEFC Account	18		-	
In Unpaid dividend A/c.	21	361	17	512
<b>TOTAL :</b>		<b>370</b>		<b>521</b>

@ Fixed deposits with banks which have an original maturity of more than 12 months





## Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 18: SHORT TERM LOANS AND ADVANCES</b>				
Unsecured Considered Good				
Advances recoverable in cash or in kind or for value to be received.		71		126
Advances for expenses		61		29
Advances for raw materials		25		28
Advances to Employees		52		36
Balance with Government authorities				
(a) Central Excise	25		108	
(b) VAT Credit Receivable	53		60	
(c) Service Tax Credit Receivable	38	116	20	188
Prepaid Expenses		14		12
<b>TOTAL :</b>		<b>339</b>		<b>419</b>
<b>NOTE 19 : Other Current assets</b>				
Interest Accrued on Deposit , Bond		1		1
Rent Receivable		1		3
<b>Total :</b>		<b>2</b>		<b>4</b>
<b>NOTE 20 : Revenue from Operations</b>				
<b>(A) Sales of Products</b>				
Sales of Manufactured Goods				
a) Bearings	7,547		6,410	
b) Bearing Components	1,577	9,124	784	7,194
Sales of Trade Goods				
Wind Electric Power Income		1,584		1,430
		72		66
<b>(B) Other Operating Revenues</b>				
a) Sales of scrap	79		69	
b) Job-work Income	11		11	
c) Duty Drawback & other export incentives	154		267	
		244		347
		11,024		9,037
Less : - Excise duty		358		283
<b>TOTAL:</b>		<b>10,666</b>		<b>8,754</b>
<b>NOTE 21 : OTHER INCOME</b>				
Interest Income		10		6
[Tax Deducted at Source Rs. 1 lac. (Previous Year Rs. 1 lac)]				
Dividend Income ( Rs. 10254 P.Y. 3415) From Long Term Investment		-		-
Foreign Exchange Rate Diff. Income		115		24
Rent Income		1		4
Profit on sale of Fixed Assets		2		2
Miscellaneous income		6		18
<b>TOTAL :</b>		<b>134</b>		<b>54</b>





## Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 22 : MATERIALS CONSUMED</b>				
Opening Stock		791		470
Add: Purchases		3,676		3,478
		4,467		3,948
Less: Sales		77		46
		4,390		3,901
Less: Closing Stock		706		791
<b>TOTAL :</b>		<b>3,684</b>		<b>3,110</b>
<b>Materials Consumed Comprises :</b>				
a) Steel Bars & Tubes		1,049		962
b) Races		854		622
c) Cages		449		343
d) S.M. Race & Forged Rings		534		644
e) Other materials		797		539
<b>TOTAL :</b>		<b>3,683</b>		<b>3,110</b>
<b>NOTE 23 : PURCHASE OF TRADED GOODS</b>				
Purchase of Traded goods		1,297		1,163
<b>TOTAL :</b>		<b>1,297</b>		<b>1,163</b>
<b>NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK -IN-TRADE .</b>				
<b>Inventories at the end of the year</b>				
Finished goods	1,148		775	
Semi-finished goods	2,274		1,950	
Stock - in - Trade	35	3,457	29	2,754
<b>Inventories at the beginning of the year</b>				
Finished goods	775		663	
Semi-finished goods	1,950		1,322	
Stock - in - Trade	29	2,754	18	2,003
<b>Net (increase)/ decrease</b>		<b>(703)</b>		<b>(751)</b>
<b>NOTE 25 : Employee Benefit Expenses</b>				
Salary,wages & bonus		1,277		988
Contribution to Provident and other Fund (Refer Note No.)		89		75
Staff Welfare expenses		24		28
<b>TOTAL :</b>		<b>1,390</b>		<b>1,091</b>
<b>NOTE 26 : FINANCE COSTS</b>				
<b>Interest expenses on :</b>				
(i) Borrowings From Bank	81		59	
(ii) Creditors	29		27	
(iii) Others (Previous year Rs. 18739)	1	111	-	86
<b>TOTAL :</b>		<b>111</b>		<b>86</b>





## Notes forming parts of the Consolidated financials statements for the year ended 31st March, 2012

Particulars	2011-12		2010-11	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE 27 : OTHER EXPENSES</b>				
Stores & Spares consumed		727		576
Packing materials consumed		197		163
Job work charges		1,355		1,011
Power & Fuel		122		114
Rent		5		4
Repairs and Maintenance - Machinery		14		15
Repairs and Maintenance - Building		32		22
Repairs and Maintenance - Others		3		4
Insurance		9		7
Rates and Taxes		8		7
Communication		7		7
Travelling Exp.		59		69
Forward Contract losses		–		33
Sales commission		198		156
Marketing Expenses		210		136
Sales promotion		42		37
Sales-tax		147		118
Discount		61		53
Payment to Auditors ( Refer Note below )		11		10
Bad - Debt Written Off (Rs. 40052 )		–		70
Service Tax		3		2
Other Misc.Expenses		657		473
<b>TOTAL :</b>		<b>3,867</b>		<b>3,087</b>
Payment to Auditors comprises (net of service tax )				
For Statutory Audit		7		6
For Taxation Matter		3		3
For Other Services		1		1
<b>TOTAL :</b>		<b>11</b>		<b>10</b>

**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 effected 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,2012 for which the Company has given counter guarantees amounting to Rs. 115 lacs (Previous year Rs. 106 lacs).
- [iii] Income Tax demand of Rs. 72 lacs ( Previous year Rs. NIL ) raised by the Income Tax department at the time of Assessment. The said demand is disputed by the company. The company has paid Rs.22 lacs ( Previous year Rs. NIL ) 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.

**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. | (iv) Optimum Services Inc.    |
| (ii) SNR Enterprises                 | (v) Accord Precision Products |
| (iii) Austin Traders                 |                               |

**(b) Key Management Personnel**

- |                         |                         |
|-------------------------|-------------------------|
| (i) Shri S M Thanki     | (iv) Shri R R Bambhania |
| (ii) Shri N C Vadgama   | (v) Shri B N Vadgama    |
| (iii) Shri J R Bhogayta |                         |

**(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 |                                   |

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

**(2) Transaction with Related Parties****Rs. in lacs****Related Parties**

Particulars	Referred in 1 (a) above		Referred in 1 (b) above		Referred in 1 (c) above	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
<b>INCOME</b>						
(1) Sales of Goods & Mat.	188	168	-	-	-	-
(2) Job Work	11	5	-	-	-	-
<b>EXPENSES</b>						
(1) Purchase of Goods	1940	1304	-	-	-	-
(2) Remuneration	-	-	80	74	28	15
(3) Jobwork	451	283	-	-	-	-
(4) Interest	-	-	-	-	25	22
<b>OUTSTANDING</b>						
Payable	199	204	4	3	189	166
Receivable	41	56	-	-	-	-

**4. DETAILS OF SEGMENT REPORTING:**

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

**Rs. in Lacs****(1) PRIMARY SEGMENT:**

Particulars	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
	Bearing	Bearing	Power	Power	Total	Total
<b>1. SEGMENT REVENUE</b>	10,728	8,743	72	66	10,800	8,809
Other Unallocated Revenue					-	-
<b>TOTAL :</b>	10,728	8,743	72	66	10,800	8,809
Less: Inter Segment Revenue	-	-	72	66	72	66
Net Income from Operation	10,728	8,743	-	-	10,728	8,743
<b>2. SEGMENT RESULTS</b>						
PROFIT/(LOSS) BEFORE TAX & INTEREST	1,024	902	35	28	1,059	930
LESS : Interest					111	86
Other unallocated Expenses					-	(26)
TOTAL PROFIT BEFORE TAX	1,024	902	35	28	948	870





Particulars	2011-12 Bearing	2010-11 Bearing	2011-12 Power	2010-11 Power	2011-12 Total	2010-11 Total
<b>3. CAPITAL EMPLOYED</b> (SEGMENT ASSETS - SEGMENT LIABILITIES)						
Segment Assets	8,555	7,866	129	165	8,684	8,031
Add: Common assets					2	-
TOTAL ASSETS	8,555	7,866	129	165	8,686	8,031
Segment Liabilities	3,481	3,322	-	22	3,481	3,344
Add: Common Liabilities					101	141
TOTAL LIABILITIES	3,481	3,322	-	22	3,582	3,486
SEGMENT CAPITAL EMPLOYED	5,074	4,544	129	143	5,104	4,545

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

Revenue	2011-12	2010-11
Within India	5,264	4,312
Overseas	5,085	4,030
<b>TOTAL:</b>	<b>10349</b>	<b>8342</b>

**(b) Assets base on geographical location:**

Particulars	Carrying Amount of Segment assets		Addition to Fixed Assets and Intangible Assets	
	2011-12	2010-11	2011-12	2010-11
Within India	8,034	7,341	214	141
Overseas	650	690	2	19
<b>TOTAL:</b>	<b>8684</b>	<b>8,031</b>	<b>216</b>	<b>160</b>

**5. Previous year figures**

Till the year ended 31st March, 2011, the company was using pre-revised Schedule VI to the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended 31st March, 2012 the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of balance sheet.

**6. Figures rounded off to nearest lacs. All the figures including previous year figures have been rounded off to nearest lacs. Where the rounding off has become zero, actual figures have been shown in brackets.**

As per our Report of even date

For **DHIRUBHAI DAND & Co.,**  
Chartered Accountants**DHIRUBHAI H. DAND**  
Proprietor  
M. No. 017117Place : Junagadh  
Date : 29th May, 2012**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 : 29th May, 2012**FINANCIAL INFORMATION OF SUBSIDIARY COMPANY****(BASED ON AUDITED RESULT)****(Rs. in lacs)**

S. N.	NAME OF THE SUBSIDIARY COMPANY	REPORTING CURRENCY	CAPITAL	RESERVES	TOTAL ASSETS	TOTAL LIABILITIES	INVESTMENT	TURNOVER/ TOTAL REVENUE	PROFIT BEFORE TAXATION	PROFIT AFTER TAXATION	PROPOSED DIVIDEND	COUNTRY
1	ACCURATE ENGINEERING INC. - U.S.A.	INR	23	109	439	439	NIL	2663	25	20	NIL	U.S.A
		US \$	50000	212473	857228	857228	NIL	5535180	51230	41994	NIL	

AS ON 31.03.2012 1 US \$ = Rs. 51.16





# AUSTIN ENGINEERING COMPANY LIMITED

Village : Patla, Taluka : Bhesan, Oist.: Junagadh - 362 030.

## FORM OF PROXY

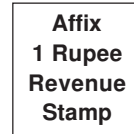
DP ID** :	
CLIENT ID** :	

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

I/we \_\_\_\_\_ resident of \_\_\_\_\_  
 \_\_\_\_\_ being member(s) of

AUSTIN ENGINEERING COMPANY LTD. hereby appoint Mr./Ms. \_\_\_\_\_  
 of \_\_\_\_\_ or failing him Mr./Ms. \_\_\_\_\_  
 of \_\_\_\_\_ as my/our proxy to vote for me/us my/our behalf at the 34th Annual  
 General Meeting of the Company to be held on Saturday, 22nd September, 2012 at 11-00 A.M.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012



Signature of Member(s)

### Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A proxy need not be a member.
3. The proxy from duly completed should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting. "Applicable to the members whose shares are held on dematerialized form.



# AUSTIN ENGINEERING COMPANY LIMITED

Village : Patla, Taluka : Bhesan, Oist.: Junagadh - 362 030.

## 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 the member does not attend the meeting)

Name of Proxy \_\_\_\_\_

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

I/we hereby record my presence at the 34th Annual General Meeting of the Company held at the Registered Office of the Company on Saturday, 22nd September, 2012 at 11-00 A.M.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

\_\_\_\_\_  
 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.

# Certificate

Standard **ISO 9001:2008**

Certificate Registr. No. **01 100 058896**

**TÜV Rheinland Cert GmbH certifies:**

**Certificate Holder:** **Austin Engineering Company Limited**  
Village Patla, Taluka Bhesan  
Via. Ranpur (Sorath) Post, Hadmatiya District,  
Junagadh - 362 030, Gujarat, India.

**Scope:** **Desing and Manufacture of Antifiction Bearings**

An audit was performed, Report No. 058896. Proof has been furnished that the requirements according to ISO 9001:2008 are fulfilled.

The due date for all future audits is 17-04 (dd.mm).

**Validity:** The certificate is valid from 2012-08-02 until 2015-06-14.  
First certification 2009

2012-08-02

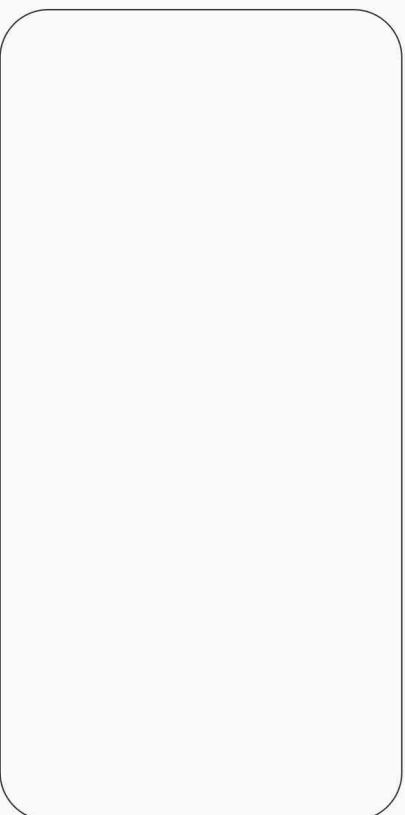


TÜV Rheinland Cert GmbH \*)  
Am Grauen Stein · 51105 Köln



DGA-ZM-58-95-00

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If undelivered, please return to :

**AUSTIN ENGINEERING COMPANY LIMITED**

Village : Patla, Taluka : Bhesan,

Dist. Junagadh - 362 030