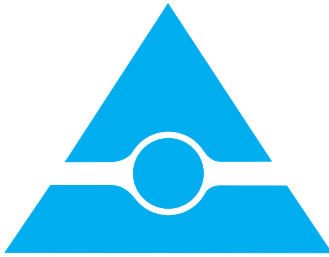


Axles India Limited



THIRTYFIRST ANNUAL REPORT
31ST MARCH 2013

Registered Office

21, Patullos Road
Chennai 600 002
Phone: 2852 2745

Factories

Singaperumal Koil Road
Sriperumbudur, Tamil Nadu 602 105
Phone No. 37101773, 37101775

Cheyyar Taluk, Tiruvannamalai Dist.
Tamil Nadu 604 410
Phone No. 27242209

Bankers

Indian Overseas Bank
Axis Bank Limited
HDFC Bank Limited

Registrars & Share Transfer Agents

Cameo Corporate Services Ltd.
"Subramanian Building"
1, Club House Road
Chennai 600 002
Phone No. 2846 0395, 2846 0390
Fax: 2846 0129
E-mail : investor@cameoindia.com

Board of Directors

S Ram (*Chairman*)
M K Surendran (*Managing Director*)
Srivats Ram
Rafael Aquique
Saket Sapra

Audit Committee

S Ram (*Chairman*)
M K Surendran
Saket Sapra

Remuneration Committee

S Ram (*Chairman*)
Saket Sapra

Auditors

Sundaram and Srinivasan
Chartered Accountants
23, C P Ramaswamy Road
Chennai 600 018

Financial Controller

Y Krishnamoorthy

Secretary

T V Venkata Subramanyam

CONTENTS

	Page
Notice to Shareholders	2
Report of the Directors	3
Report of the Auditors	6
Balance Sheet	10
Profit and Loss Statement	11
Notes to Financial Statements	12
Cash Flow Statement	27
Financial Summary	28

Thirty First Annual Report

Notice to Shareholders

NOTICE is hereby given that the Thirty First Annual General Meeting of the Company will be held on Thursday the 19th September 2013 at Mini Hall, Narada Gana Sabha, TTK Salai, Chennai – 600 018 at 11.00 am to transact the following items of business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the audited statements of accounts for the year ended 31st March 2013 and the Report of the Directors and the Auditors thereon.
- 2 To declare dividend for the year ended 31st March 2013.
- 3 To elect a Director in the place of Mr. Srivats Ram who retires by rotation and being eligible offers himself for re-election.
- 4 To elect a Director in the place of Mr. Rafael Aquique who retires by rotation and being eligible offers himself for re-election.
- 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 fix their remuneration.

Regd. Office:
21, Patullos Road
Chennai 600 002
22nd June 2013

By order of the Board
S RAM
Chairman

NOTES:

- 1 A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend the meeting and vote instead of himself and such a proxy need not be a member of the Company.
 - 2 Proxies must be lodged with the Company not less than 48 hours before the meeting.
 - 3 The Register of Members and Share Transfer Books of the Company will remain closed from 9th September 2013 to 19th September 2013 (both days inclusive).
 - 4 Dividend, as recommended by the Board of Directors, if declared at the meeting, shall be paid to those members whose name(s) appear in the Register of Members of the Company as on 19th September 2013. In respect of shares held in Electronic form, the dividend will be paid on the basis of beneficial ownership as per the details furnished by the depositories for this purpose.
 - 5 In terms of Section 205 A read with Section 205C of the Companies Act, 1956, the dividend declared by the Company, which remains unclaimed for a period of seven years will be transferred on due dates to the Investor Education and Protection Fund (IEPF). Members who have not encashed their interim dividend warrants for the years 2006-07 and 2007-08 are requested to send the same to the Secretarial Department of the Company at Singaperumal Koil Road, Sriperumbudur 602 105 for revalidation. It may also be noted that once the unclaimed dividend is transferred to the Government, as above, no claim shall lie against the Fund or the Company in respect of such amount.
-
-

Report of the Directors to the Shareholders

Your Directors present the Thirty First Annual Report of the Company along with the audited accounts for the year ended 31st March 2013.

WORKING RESULTS

The turnover during the year 2012-13 was ₹ 410 crores against ₹ 516 crores in 2011-12.

	(₹ in lakhs)	
	2012-13	2011-12
Profit before depreciation	1433.40	2090.69
Depreciation	(1098.11)	(955.89)
Exceptional item – Profit on sale of Drive Head Division	-	4088.95
Profit before tax for the year	335.29	5223.75
Profit after tax for the year	190.98	3968.52

PROSPECTS

Indian economy faced a difficult year. In 2012-13, inadequate rains affected agriculture. Without Government policy clearance and difficult fiscal position, investment on infrastructures and other major projects slowed down. This resulted in growth in GDP at 5% level, lower than rates at which Indian economy grew in the last five years.

The Commercial vehicle segment, especially the Medium and Heavy vehicle sales dropped 23%. With the introduction of Multi Axle rigid trucks above 30 Ton GVW the build up in Haulage capacity has been substantial, especially relating to that playing on the national highway trucks route. This is having an impact on demand for Heavy trucks.

In 2012-13, your company sold in the domestic market 167,000 numbers Axle Housing compared to 200,000 in 2011-12, a drop of 16%. Your Company exported 89,000 numbers in 2012-13 compared to 113,000 in 2011-12 because of drop in the overseas market demand.

Due to inadequate grid power supply, your Company had to resort to DG set power. Energy cost increased by 18% affecting our manufacturing costs. Cost of steel used in product remained stable during the year.

In the Coming year 2013-14, we expect domestic medium and heavy vehicle demand to remain flat for the reasons mentioned before. In the export market we expect the demand to be marginally lower.

DIVIDEND

Your Board of Directors decided to recommend, out of the profits of the current year, a dividend of ₹ 0.45 per share on the paid up capital of the Company as at 31st March 2013. The dividend will be paid to all the shareholders whose name appears in the Register of Members as on the Book closure date.

If the dividend recommended is approved at the Thirty First Annual General Meeting, a sum of ₹ 1,14,67,984.50 will become payable. A dividend tax of 16.995% (including surcharge) will be paid on the dividend declared.

Thirty First Annual Report

DEPOSITS

The deposits from public and shareholders as on 31st March 2013 were ₹ 780.25 lakhs.

DIRECTORS

Mr. Srivats Ram retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-election.

Mr. Rafael Aquique retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-election.

Mr. Andreas Weller resigned from the Board. The Board wishes to place on record its appreciation for his contribution during his tenure on the Board.

AUDITORS

The Auditors of the Company Messrs. Sundaram and Srinivasan, Chartered Accountants, retire at the conclusion of this Annual General Meeting and are eligible for re-appointment.

COST AUDITORS

Pursuant to the Circular dated 24th January 2012 of the Ministry of Corporate Affairs, your Company has appointed M/s. Geeyes & Co., Cost Accountants, Chennai (Firm Registration No. 00044), as the Cost Auditor for the year 2012-13, with the consent of Central Government, for audit of cost accounts maintained by the Company.

PARTICULARS OF EMPLOYEES

None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, Directors' Responsibility Statement is annexed hereto and forms an integral part of this report.

GENERAL

Your Directors wish to thank the Customers and Bankers for their excellent support and we look forward to their continued support.

Your Directors wish to place on record their appreciation of the excellent effort put in by all the employees of the Company.

Chennai
22nd June 2013

For and on behalf of the
Board of Directors

S RAM
Chairman

ANNEXURE A TO DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

The Board of Directors of Axles India Ltd. hereby declares that

- i in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii such accounting policies have been selected and applied consistently and judgements and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your company as at 31st March 2013 and of the profit of the company for the year ended on that date;
- iii proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv the annual accounts have been prepared on a going concern basis.

Chennai
22nd June 2013

For and on behalf of the
Board of Directors
S RAM
Chairman

ANNEXURE B TO DIRECTORS' REPORT

Information under Section 217 (1)(e) of the Companies Act, 1956.

Conservation of energy

Each of the production line is metered for power consumption and improvements are being made through energy audits.

Technology absorption

Your Company has capability to design and test Axle Housings that perform satisfactorily under Indian Operating conditions. Axle Housings that are exported are made to customer designs.

Foreign Exchange earnings and outgo

Foreign Exchange used	₹ 2,906.83 lakhs
Foreign Exchange earned	₹14,453.30 lakhs

Chennai
22nd June 2013

For and on behalf of the
Board of Directors
S RAM
Chairman

Thirty First Annual Report

Independent Auditors' Report on the Financial Statements

To the Members of Axles India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of AXLES INDIA LIMITED, which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
- (b) in the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India, in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the Order.
- 2 As required by Section 227(3) of the Act, 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 audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2013, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Sundaram & Srinivasan
Chartered Accountants
(Registration No. 004207S)
K Srinivasan
Partner
Membership No.5809

Chennai
22nd June 2013

Thirty First Annual Report

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- I (a) The Company is maintaining proper records showing full particulars, including quantitative details and the situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of fixed assets during the year.
- II (a) Physical verification of inventory has been conducted at reasonable intervals by the Management.
- (b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and the discrepancies noticed on physical verification which were not material, have been properly dealt with in the books of account.
- III The Company has neither granted nor taken any loans, secured or unsecured, to / from Companies, firms or other parties in the register maintained under section 301 of the Act. Hence the clauses (iii) (b) to (g) of the Order are not applicable.
- IV 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. There is no continuing failure to correct the major weaknesses in the internal control system.
- V (a) The particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under the Section.
- (b) The transactions in excess of ₹5 lakhs in respect of each party have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- VI The Company has complied with the provisions of Section 58 A and 58 AA or any other relevant provisions of the Act and the Rules framed there under with regard to the deposits accepted from the public.
- VII The Company has an adequate internal audit system commensurate with its size and nature of its business.
- VIII We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government 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 cost records with a view to determining whether they are accurate or complete.
-
-

- IX (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, VAT, Service Tax Customs Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities.
- (b) There was no disputed tax dues which have not been deposited with the respective authorities in respect of Income Tax, Excise Duty, VAT, Service Tax and Customs Duty. However, the disputed Sales Tax, Excise duty and Service Tax aggregating to ₹48.30 lakhs have not been deposited on account of disputes which are contested in appeals and rectification proceedings and are pending before the Tamil Nadu Sales Tax Appellate Tribunal/Appellate Assistant Commissioner Commercial Taxes, Customs, Excise and Service Tax Appellate Tribunal and Assistant Commissioner (Commercial Tax).
- X The Company has no accumulated losses and has not incurred cash losses during this financial year or in the immediately preceding financial year.
- XI The Company has not defaulted in repayment of dues to banks and financial institutions.
- XII The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4 (xiii) of the Order is not applicable to the Company.
- XIV The Company is not dealing or trading in shares, securities, debentures and other investments.
- XV The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- XVI The term loans were applied for the purpose for which the loans were obtained.
- XVII Based on the balance sheet and fund flow statement of the Company in our opinion the funds raised on short-term basis have not been used for long term investments.
- XVIII The Company has not made any preferential allotment of shares during the year.
- XIX The Company has not issued any debentures during the year.
- XX The Company has not raised any money by way of public issues during the year.
- XXI To the best of our knowledge and belief and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For **Sundaram & Srinivasan**
Chartered Accountants
(Registration No. 004207S)

K Srinivasan
Partner
Membership No.5809

Chennai
22nd June 2013

Thirty First Annual Report

Balance Sheet as at 31st March 2013

(₹ in lakhs)

	Note No.	31.03.2013	31.03.2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	2548.88	2548.88
(b) Reserves and Surplus	2	4132.48	4075.67
		6681.36	6624.55
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	767.41	1984.32
(b) Deferred Tax Liabilities (Net)	4	753.77	818.46
(c) Long Term Provisions	5	75.62	103.18
		1596.80	2905.96
(3) Current Liabilities			
(a) Short-Term Borrowings	6	2886.75	2405.54
(b) Trade Payables	7	4833.77	6221.57
(c) Other Current Liabilities	8	994.64	1759.59
(d) Short-Term Provisions	9	781.27	657.53
		9496.43	11044.23
TOTAL		17774.59	20574.74
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets	10	7080.44	7753.60
(ii) Intangible assets	11	23.63	6.94
(iii) Capital Work in Progress	12	-	13.24
(b) Non-current investments	13	0.36	0.36
(c) Long term loans and advances	14	275.61	513.91
		7380.04	8288.05
(2) Current Assets			
(a) Inventories	15	5277.54	6402.88
(b) Trade receivables	16	4172.84	4913.64
(c) Cash and cash equivalents	17	31.44	46.14
(d) Short-term loans and advances	18	910.80	921.35
(e) Other current assets	19	1.93	2.68
		10394.55	12286.69
TOTAL		17774.59	20574.74
Significant Accounting Policies	A		

As per our Report attached
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Registration No.004207S)

S Ram
Chairman

M K Surendran
Managing Director

Y Krishnamoorthy
Financial Controller

T V Venkata Subramanyam
Secretary

Chennai
22nd June 2013

K SRINIVASAN
Partner
Membership No. 5809

Profit & Loss Statement for the year ended 31st March 2013

(₹ in lakhs)

	Note No.	31.03.2013	31.03.2012
I Revenue from Operations			
(a) sale of products		41106.81	50262.75
(b) sale of services		217.01	280.05
(c) other operating revenues		<u>2918.24</u>	<u>4526.57</u>
Revenue from Operations - Gross		44242.06	55069.37
Less: Excise Duty {On sale of products			
₹2969.22 lakhs (previous year ₹3158.81 lakhs);			
Others ₹317.28 lakhs (previous year ₹423.37 lakhs)}		<u>3286.50</u>	<u>3582.18</u>
Revenue from Operations - Net		40955.56	51487.19
II Other Income	20	<u>121.22</u>	<u>163.18</u>
III Total Revenue (I+II)		41076.78	51650.37
IV Expenses			
a) Cost of materials consumed	21	25527.60	34729.29
b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	846.18	(220.20)
c) Employee benefits expense	23	4617.84	4758.60
d) Other expenses	24	7725.43	8997.50
e) Finance costs	25	926.33	1294.49
f) Depreciation and Amortisation Expenses	10 & 11	1098.11	955.89
Total Expenses		<u>40741.49</u>	<u>50515.57</u>
V Profit before exceptional items and tax (III-IV)		335.29	1134.80
VI Exceptional items (Profit on Sale of Drive head Division)		-	4088.95
VII Profit before tax (V+VI)		335.29	5223.75
VIII Tax expense			
(1) Current Tax		209.00	1045.26
(2) Deferred Tax		(64.69)	457.50
(3) Minimum Alternate Tax Credit Entitlement		<u>-</u>	<u>(247.53)</u> 1255.23
Profit for the year (VII-VIII)		<u>190.98</u>	<u>3968.52</u>
Earnings per equity share			
Basic & Diluted		0.75	15.57

Significant Accounting Policies A

S Ram
Chairman

M K Surendran
Managing Director

As per our Report attached
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Registration No.004207S)

Y Krishnamoorthy
Financial Controller

T V Venkata Subramanyam
Secretary

K SRINIVASAN
Partner

Chennai
22nd June 2013

Membership No. 5809

Thirty First Annual Report

Notes to Financial Statements

(₹ in lakhs)

31.03.2013 31.03.2012

1 SHARE CAPITAL

(a) Authorised

2 60 00 000 Equity Shares of ₹ 10/- each	2600.00	2600.00
6 00 000 12% Redemable Cumulative Non-convertible Preference Shares of ₹ 100 each fully paid-up	600.00	600.00
	3200.00	3200.00

(b) Issued

2 54 90 646 Equity Shares of ₹ 10/- each	2549.06	2549.06
--	----------------	---------

(c) Subscribed and Paid up

2 54 84 410 Equity Shares of ₹ 10/- each fully Paid-up	2548.44	2548.44
Add: Forfeited Shares [6236 Equity Shares @ ₹ 7 per share]	0.44	0.44
6 00 000 12% Redemable Cumulative Non-Convertible Preference shares of ₹ 100 each fully paid-up	-	600.00
Less : Redemeed during the year out of profits of the Company	-	600.00
	2548.88	2548.88

(d) Reconciliation of Shares outstanding at the beginning and end of the reporting period.

There is no change in the Shareholding pattern of Equity Share Capital during the year 2012-13.

600 000 12% Redemable Cumulative Non-Convertible Preference shares of ₹100 each was fully redemeed in the previous year out of profits of the Company.

(e) Shareholding of shareholders having more than 5% of shares as on (No. of shares in lakhs)

Sundaram Finance Limited	98.92	98.92
Wheels India Limited	24.24	24.24
Dana Global Products Inc	123.16	123.16

Thirty First Annual Report

Notes to Financial Statements

	(₹ in lakhs)	
	31.03.2013	31.03.2012
5 LONG TERM PROVISIONS		
Provision for employee benefits	75.62	103.18
CURRENT LIABILITIES		
6 Short-Term Borrowings		
A Secured Borrowings		
Loan repayable on demand from Banks	2011.18	1989.44
<i>Working Capital facilities from banks are secured by hypothecation of raw materials, work in progress, finished goods, consumable store and the whole of the moveable properties including book debts on first pari passu basis and additional security by a second charge on the fixed assets</i>		
Term Loan from Banks	656.51	188.75
<i>Secured by a pari passu first charge on the fixed assets of the Company and second pari passu charge on the current assets of the Company</i>		
B Unsecured Borrowings		
Fixed Deposits	219.06	227.35
	2886.75	2405.54
7 TRADE PAYABLES		
Due to Micro, Small and Medium Enterprises	403.18	332.86
Due to Others	4430.59	5888.71
	4833.77	6221.57
8 OTHER CURRENT LIABILITIES		
(i) Current Maturities of Long Term Debt <i>Refer Note No. 27</i>	141.57	751.57
(ii) Current Maturities of finance lease obligations	16.48	18.82
(iii) Interest accrued but not due on borrowings	64.26	86.12
(iv) Interest accrued and due on borrowings	4.39	1.51
(v) Unclaimed Matured Deposits	6.14	2.35
(vi) Unclaimed Dividend	3.04	3.05
(vii) Other Payables		
Statutory Dues	64.45	69.77
MTM on Forward Contracts	58.00	36.48
Advance from customers	154.70	140.63
Trade Deposits	23.19	33.86
Creditors for Capital Goods	33.94	99.25
Provision for Expenses	407.87	455.32
Provision for Excise Duty on Finished Goods	16.61	60.86
	994.64	1759.59

Notes to Financial Statements

(₹ in lakhs)

9 SHORT TERM PROVISIONS

	31.03.2013	31.03.2012
(i) Provision for employees benefits	647.10	622.43
(ii) Due to Managing Director	-	35.10
(iii) Provision for Dividend	114.68	-
(iv) Provision for Dividend Tax	19.49	-
	<u>781.27</u>	<u>657.53</u>

NON CURRENT ASSETS - FIXED ASSETS

(₹ in lakhs)

Description	Gross Block				Depreciation/Amortisation				Net Block		
	As at 31/03/12	Additions	Adjustments Relating to Foreign Exchange Fluctuations and Borrowing Costs	Deductions	As at 31/03/13	As at 31/03/12	Additions	Deletions	As at 31/03/13	As at 31/03/13	As at 31/03/12
10. TANGIBLE ASSETS											
Owned Assets											
Land (Free hold)	15.14	-	-	-	15.14	-	-	-	-	15.14	15.14
Buildings	2031.63	38.51	-	-	2070.14	513.88	64.88	-	578.76	1491.38	1517.75
Plant & Equipment	11969.39	360.33	-	-	12329.72	5889.74	1009.91	-	6899.65	5430.07	6079.65
Furniture & Fixtures	115.77	13.03	-	-	128.80	41.08	9.66	-	50.74	78.06	74.69
Vehicles	3.23	9.15	-	-	12.38	1.93	0.96	-	2.89	9.49	1.30
Leased Assets											
Vehicle	44.79	-	-	6.62	38.17	28.84	3.94	4.98	27.80	10.37	15.95
Machinery	58.29	-	-	-	58.29	9.17	3.19	-	12.36	45.93	49.12
Total	14238.24	421.02	-	6.62	14652.64	6484.64	1092.54	4.98	7572.20	7080.44	7753.60
11. INTANGIBLE ASSETS											
Computer Software	70.65	22.26	-	-	92.91	63.71	5.57	-	69.28	23.63	6.94
Total	70.65	22.26	-	-	92.91	63.71	5.57	-	69.28	23.63	6.94
Grand Total	14308.89	443.28	-	6.62	14745.55	6548.35	1098.11	4.98	7641.48	7104.07	7760.54
previous year	15867.86	833.89	-	2392.86	14308.89	6366.90	955.89	774.44	6548.35	7760.54	

12. CAPITAL WORK-IN-PROGRESS

(a) Buildings	-	11.18
(b) Plant and Machinery	-	2.06
	<u>-</u>	<u>13.24</u>

(₹ in lakhs)

31.03.2013 31.03.2012

13 NON-CURRENT INVESTMENTS

Investments in Equity Instruments

Non Trade - Quoted

In shares of Indian Overseas Bank

3600 Equity Shares of ₹ 10 each fully paid - up

Face Value ₹ 0.36 lakhs, Market Value ₹ 2.35 lakhs

(previous year ₹ 3.39 lakhs)

0.36

0.36

Thirty First Annual Report

Notes to Financial Statements

		(₹ in lakhs)	
		31.03.2013	31.03.2012
14	LONG TERM LOANS AND ADVANCES		
	Unsecured considered good		
	(i) Advances for Capital goods	40.69	28.96
	(ii) Security Deposits	91.52	93.67
	(iii) Advances to Employees	12.15	3.10
	(iv) Advance Tax and Tax deducted at Source less Provision for tax	82.72	4.65
	(v) Minimum Alternate tax credit entitlement	48.53	383.53
		<u>275.61</u>	<u>513.91</u>
	CURRENT ASSETS		
15	INVENTORIES		
	As certified by Managing Director		
	Raw materials and Components	1560.47	1791.55
	Work in progress	3171.50	3316.41
	Finished Goods	173.04	874.31
	Stores and Spares	171.27	229.14
	Loose tools	201.26	191.47
		<u>5277.54</u>	<u>6402.88</u>
16	TRADE RECEIVABLES		
	Unsecured Considered Good		
	Outstanding for a period exceeding Six months	222.65	250.58
	Other debts	3950.19	4663.06
		<u>4172.84</u>	<u>4913.64</u>
17	CASH AND CASH EQUIVALENTS		
	Cash on hand	1.34	1.37
	With Scheduled Banks in current account	4.06	4.57
	Unpaid Dividend Accounts	3.04	3.05
	Fixed Deposit Account	23.00	37.15
		<u>31.44</u>	<u>46.14</u>
18	SHORT TERM LOANS AND ADVANCES		
	Unsecured considered good		
	Advances to Vendors	195.41	216.10
	Deposits	17.08	13.76
	Balance with Excise and Sales Tax Department	313.04	392.65
	Minimum Alternate Tax Credit Entitlement	200.00	-
	Others		
	VAT Receivable	48.95	103.52
	Prepaid Expenses	58.68	48.97
	Advances to Employees	38.23	39.51
	Other Advances	39.41	106.84
		<u>910.80</u>	<u>921.35</u>
19	OTHER CURRENT ASSETS		
	Interest accrued on deposits	1.93	2.68
20	OTHER INCOME		
	Income on Advances and deposits	87.32	116.63
	Lease and Transition Services	30.54	45.14
	Dividend Income	0.16	0.18
	Profit on Sale of Fixed Assets	3.20	1.23
		<u>121.22</u>	<u>163.18</u>

Notes to Financial Statements

		(₹ in lakhs)	
		31.03.2013	31.03.2012
21	COST OF MATERIALS CONSUMED		
	(a) Raw Material	10099.01	13480.30
	(b) Components	15428.59	21248.99
		<u>25527.60</u>	<u>34729.29</u>
22	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
	Opening Inventory of Finished Goods	874.31	419.81
	Less: Closing inventory of Finished Goods	173.04	874.31
	Net change in stock of Finished Goods	<u>701.27</u>	<u>(454.50)</u>
	Opening inventory of Work in Progress	3316.41	3550.71
	Less: Closing inventory of Work in Progress	3171.50	3316.41
	Net change in stock of Work in Progress	<u>144.91</u>	<u>234.30</u>
	Net change in Finished Goods and Work in Progress	<u>846.18</u>	<u>(220.20)</u>
23	EMPLOYEE BENEFIT EXPENSES		
	(a) Salaries, Wages, Bonus and Commission	3799.88	3894.79
	(b) Contribution to Provident Fund and other Funds	295.74	375.13
	(c) Staff Welfare expenses	522.22	488.68
		<u>4617.84</u>	<u>4758.60</u>
24	OTHER EXPENSES		
	Consumption of Stores, Spares and Tools	1297.68	1364.50
	Power and Fuel	2066.16	2152.35
	Rent including Lease Rentals	19.00	27.48
	Rates and Taxes excluding tax on income	14.06	100.15
	Repairs		
	Building	51.33	47.01
	Plant & Machinery	834.31	781.49
	Others	176.13	184.38
	Insurance	66.82	65.42
	Auditors Remuneration		
	Statutory Audit	5.00	5.00
	Tax Audit	3.00	4.50
	Income Tax Matters	2.00	-
	Certification Fees	3.00	4.50
	Expenses	<u>2.10</u>	<u>2.10</u>
		<u>15.10</u>	<u>16.10</u>
	Packing and Carriage outwards	1789.82	2433.28
	Directors' Sitting Fees	0.02	0.14
	Net Loss on Foreign Exchange Transaction (Other than exchange loss considered in Financial cost)	760.14	897.22
	Miscellaneous Expenses	634.86	927.98
		<u>7725.43</u>	<u>8997.50</u>
25	FINANCE COSTS		
	(a) Interest expense	656.29	888.00
	(b) Other Borrowing Costs	38.68	87.81
	(c) Applicable net loss on foreign currency transactions and translation	231.36	318.68
		<u>926.33</u>	<u>1294.49</u>

Thirty First Annual Report

Notes on Accounts

A. Significant Accounting Policies:

a General

The financial statements have been prepared on the historical cost convention and in accordance with generally accepted accounting principles.

b Fixed Assets and Depreciation

Fixed Assets are stated at historical cost as reduced by accumulated depreciation. Depreciation on fixed assets including leased assets has been provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956.

The cost of intangible assets, viz., computer software is amortized over the estimated useful life viz five years on Straight Line basis.

In accordance with AS 16 – Borrowing Cost – issued by ICAI the borrowing cost attributable to acquisition of qualifying asset is capitalized till the said asset is put to use and other borrowing costs is recognized in the year in which it is incurred.

c. Investments

Investments are valued at cost or market value whichever is lower.

d. Inventories

The Raw Materials & Components, Stores & Spares and Loose Tools are valued at cost exclusive of credits under CENVAT / VAT Scheme on weighted average cost basis.

Work in progress and finished goods are valued at cost (the cost exclusive of credits under CENVAT / VAT scheme) including relevant and appropriate overheads.

e. Foreign Currency transactions:

Foreign currency transactions outstanding at the year end are accounted for at year end rates and the profit / loss so determined and also the realized exchange gains or losses are recognized in the profit and loss account. In respect of forward exchange contracts the difference between the forward rate and the exchange rate at the date of inception of the contract is recognized as income or expenses

Notes on Accounts

over the period of contract. Any profit or loss arising the cancellation or renewal of such forward exchange contracts is recognised as income or expenses for the year.

Derivative Contracts:

The Profit / Loss arising on derivative contracts is accounted for as Income / Expenditure on the date of settlement of the contract.

f. Staff terminal benefits:

The monthly contribution to provident Fund and yearly contribution to Superannuation Scheme and Gratuity Scheme administered by the LIC of India are charged against revenue. Leave encashment (compensated absence) benefits are accounted on accrual basis.

g. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences; being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Other deferred tax assets are recognized if there is reasonable certainty that there will be sufficient future taxable income available to realize such assets.

Thirty First Annual Report

Notes on Accounts

	(₹ in lakhs)	
	31.03.2013	31.03.2012
26 CONTINGENT LIABILITIES AND COMMITMENTS		
i) Contingent Liabilities		
a) Bills discounted with Banks	4710.28	6186.43
b) Disputed Sales Tax, Income Tax, Excise Duty, and service Tax not provided for	75.31	111.74
c) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	147.89	88.07
d) Claims against the Company not acknowledged debts	68.05	68.05

27 TERMS OF REPAYMENT OF TERM LOANS AND OTHER LOANS

The term loans and other loans are repayable over a period of 1 to 4 years as per the terms of agreement entered into with the Banks

28 Imported and Indigenous Materials consumed

	% to total Consumption	Value	% to total Consumption	Value
a) Raw Materials				
i) Imported	-	-	0.58	77.66
ii) Indigenous	100.00	10099.01	99.42	13402.64
	<u>100.00</u>	<u>10099.01</u>	<u>100.00</u>	<u>13480.30</u>
b) Components				
i) Imported	16.02	2471.14	15.13	3214.04
ii) Indigenous	83.98	12957.45	84.87	18034.95
	<u>100.00</u>	<u>15428.59</u>	<u>100.00</u>	<u>21248.99</u>

Refer to note no 21

c) Stores and spares				
i) Imported	2.34	30.32	3.90	53.27
ii) Indigenous	97.66	1267.36	96.10	1311.23
	<u>100.00</u>	<u>1297.68</u>	<u>100.00</u>	<u>1364.50</u>

Refer to note no 24

Notes on Accounts

(₹ in lakhs)

31.03.2013

31.03.2012

29 Details of Inventories

Raw Material & Components	Consumption	Closing Stock	Opening Stock	Consumption	Closing Stock	Opening Stock
Steel Plates	10099.01	253.84	365.89	13480.30	365.89	1055.45
Forgings	7954.98	339.82	337.81	11102.31	337.81	235.57
Other Raw Materials and Components	7473.61	966.81	1087.85	10146.68	1087.85	2140.45
	<u>25527.60</u>	<u>1560.47</u>	<u>1791.55</u>	<u>34729.29</u>	<u>1791.55</u>	<u>3431.47</u>

Refer to note no 15

Class of goods	Sales	Closing Stock		Opening Stock		Sales	Closing Stock		Opening Stock	
		Finished Goods	Work in Progress	Finished Goods	Work in Progress		Finished Goods	Work in Progress	Finished Goods	Work in Progress
Axle Housings	38137.59	173.04	874.31	3171.50	3316.41	43946.25	874.31	310.96	3316.41	3196.87
Drive Heads	-	-	-	-	-	3157.69	-	108.85	-	353.84
	<u>38137.59</u>	<u>173.04</u>	<u>874.31</u>	<u>3171.50</u>	<u>3316.41</u>	<u>47103.94</u>	<u>874.31</u>	<u>419.81</u>	<u>3316.41</u>	<u>3550.71</u>

Thirty First Annual Report

Notes on Accounts

	(₹ in lakhs)	
	31.03.2013	31.03.2012
30 Imports (CIF Value)		
i) Raw Materials	2593.93	3227.25
ii) Spare Parts	48.59	67.31
iii) Capital Goods	32.04	29.34
31 Expenditure in Foreign Currency		
i) Royalty (Net of Tax)	-	92.30
ii) Travel	7.90	15.31
iii) Interest	9.70	2.65
iv) Others	26.07	26.49
32 Amount remitted in Foreign Currency		
towards Dividend		
i) Number of Non-Resident Shareholders	1	1
ii) Number of Shares held	12316415	12316415
iii) Dividend and years to which it relates	-	-
33 Earnings in Foreign Exchange		
Exports (on FOB basis)	12621.85	14982.35
34 Earnings per Share		
Net profit as per P& L account	190.98	3968.52
Number of Shares	25484410	25484410
Nominal value per share - Rupees	10.00	10.00
Basic earnings per share - Rupees	0.75	15.57
35 Disclosures required under the “Micro, Small and Medium Enterprises Act, 2006”		
Particulars		
a Principal amount due to Suppliers under the Act	-	-
b Interest accrued and due to Suppliers under the Act, on the above amount	-	-
c Payment made to Suppliers (Other than interest) beyond the appointed day during the year	-	-
d Interest paid to Suppliers under the Act (Other than Section 16)	-	-
e Interest paid to Suppliers under the Act (Section 16)	-	-
f Interest due and payable to suppliers under the Act, for payments already made	-	-
g Interest accrued and remaining unpaid at the end of the year to Suppliers under the Act	-	-

This information has been given in respect of such vendors to the extent they could be identified as 'Micro, Small and Medium Enterprises' on the basis of information available with the Company on which the Auditors have relied upon.

Notes on Accounts

36 Employee Benefits:

The Company has followed the Accounting Standard 15 (AS-15 revised) "Employee Benefits".

Brief Description of the plans:

The Company has various schemes for long term benefits such as Provident Fund, Superannuation, Gratuity and Earned Leave Encashment. In case of funded schemes, the funds are recognized by the Income Tax Authorities and administered by Trustees/ Life Insurance Corporation of India. The Company's defined contribution plans are Provident Fund and Employee's Pension Scheme (under the provisions of the Employee's Provident Fund Miscellaneous Provisions Act.1952) and Superannuation Fund. The Company has no further obligation beyond making the contributions.

In respect of the Employees Provident Fund Scheme, the interest payable by the Trust to the beneficiaries as notified by the Government is met by the Trust and hence the Company has no obligation towards this interest contribution. The liability in respect of leave encashment benefit to staff is determined on the basis of actuarial valuation and provided for accordingly.

Disclosures for the Defined Benefit Plans based on Actuarial Reports are as under:

	(₹ in lakhs)			
	Gratuity (funded)		Leave Salary (unfunded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Change in defined benefit obligation				
Opening defined benefit obligation	404.09	313.12	122.25	86.05
Current service cost	34.87	28.91	31.99	42.44
Interest cost	32.33	25.05	7.95	5.58
Actuarial loss / (gain)	9.75	58.60	5.46	11.73
Benefits paid	(29.64)	(21.59)	(33.10)	(23.55)
Closing defined benefit obligation	451.40	404.09	134.55	122.25
Change in fair value of assets				
Opening fair value of plan assets	89.72	40.68		
Expected return on plan assets	12.23	5.75		
Actuarial gain / (Loss)		-		
Contribution by employer	132.00	64.88		
Benefits paid	(29.64)	(21.59)		
Closing fair value of plan assets	204.31	89.72		
Amount recognised in the Balance Sheet				
Present value of obligations at year end	451.40	404.09	134.55	122.25
Fair value of plan assets at year end	204.31	89.72	-	-
Amount now recognised as liability	247.09	314.37	134.55	122.25
Net (liability) / asset recognised as on 31st March	247.09	314.37	134.55	122.25
Expenses recognised in the Profit & Loss Statement				
		Gratuity (funded)		Leave Salary (Partly funded)
Current Service cost	34.87	28.91	31.99	42.44
Interest on defined benefit obligation	32.33	25.05	7.95	5.58
Expected return on plan assets	(12.23)	(5.75)	-	-
Net actuarial loss / (gain) recognised in the current year	9.75	58.60	5.46	11.73
Expenses recognised in the Profit & Loss A/c	64.72	106.81	45.40	59.75
Principal actuarial assumptions used				
Discount rate (p.a)	8.00%	8.00%	7.50%	7.50%
Expected rate of return on plan assets (p.a)	9.25%	9.25%	-	-
Attrition rate	1-3%	1-3%	3%	3%
Salary escalation	5%	5%	5%	5%

Thirty First Annual Report

Notes on Accounts

37 Segment information for the year ended 31st March 2013 in accordance with AS 17 issued by ICAI:

- (i) Primary segments:
Automotive components is the only reportable segment of the company
- (ii) Revenue by Geographical Segment:

	31.03.2013			31.03.2012		
	India	Outside India	Total	India	Outside India	Total
External	26798.06	14157.50	40955.56	34810.28	16676.91	51487.19
Inter-Segment	-	-	-	-	-	-
Total	<u>26798.06</u>	<u>14157.50</u>	<u>40955.56</u>	<u>34810.28</u>	<u>16676.91</u>	<u>51487.19</u>
Carrying amount of segment assets	17774.59	-	17774.59	20574.74	-	20574.74
Additions to fixed assets	443.28	-	443.28	833.89	-	833.89

The geographical segments considered for disclosure are as follows:

Sales within India include Sales to customers located within India

Sales outside India include Sales to customers located outside India.

(₹ in lakhs)

	31.03.2013		31.03.2012	
38 Related Party disclosures in accordance with AS18 issued by ICAI				
i) Associates				
Dana Global Products INC		-		-
Purchase of Goods				
Wheels India Limited	1.66		-	
Dana India P.Ltd.	2.96		0.20	
Dana Heavy Vehicle Systems Group, LLC	<u>19.60</u>	24.22	<u>79.25</u>	79.45
Sale of Goods				
Wheels India Limited	6.23		4.19	
Dana Commercial Vehicle Mfg.LLC	14113.38		16657.73	
Dana India P.Ltd.	5332.26		4596.81	
Dana Automotive System Group LLC	-		0.15	
Dana De Mexico Corporation	<u>44.11</u>	19495.98	<u>19.41</u>	21278.29
Receiving of Services				
Sundaram Finance Ltd	0.16		0.15	
Wheels India Limited	<u>3.84</u>	4.00	<u>4.34</u>	4.49
Sale of Drive Head Business				
Dana India P.Ltd.		-		5766.00
Rendering of Services				
Dana India P.Ltd.	204.95		285.88	
Wheels India Limited	<u>42.42</u>	247.37	<u>39.22</u>	325.10
Lease Payment				
Sundaram Finance Ltd		17.84		23.22

Notes on Accounts

	(₹ in lakhs)		
	31.03.2013	31.03.2012	
Interest Paid			
Sundaram Finance Ltd	-	42.13	
Royalty			
Dana heavy vehicle system group llc	-	92.30	
Tooling Advance received			
Dana India P.Ltd.	11.40	-	
Redemption of Preference Shares			
Sundaram Finance Ltd	-	600.00	
Dividend on Preference Shares			
Sundaram Finance Ltd	-	294.51	
Repayment of Loan			
Sundaram Finance Ltd	-	500.00	
Lease Rental deposit Received			
Dana India P.Ltd.	-	8.82	
Lease Rental deposit Repaid			
Dana India P.Ltd.	8.82	-	
Balance due to us			
Dana Commercial Vehicle Mfg.LLC	3210.69	3537.58	
Dana De Mexico Corporation	0.03	1.29	
Dana India Pvt.Ltd.	1623.59	1820.98	
Dana India Technical Center	-	0.03	
Dana Automotive System Group LLC	-	0.15	
Dana Automation Spain	-	0.36	
Dana heavy vehicle system group llc	-	5.31	
	4834.31	5365.70	
Balance due from us			
Dana heavy vehicle system group llc	5.06		
Dana India Pvt.Ltd.	5.02		
Sundaram Finance Ltd	-	0.57	
	10.08	0.57	
 ii) Key Managerial Personnel	M K Surendran	Mr S Ram	M K Surendran
Remuneration	46.17	35.10	-
Interest on fixed deposits	0.40	17.32	-
Deposits balance outstanding	3.86	156.98	-
Remuneration outstanding	-	35.10	-

Thirty First Annual Report

Notes on Accounts

		(₹ in lakhs)			
		31.03.2013	31.03.2012		
39	Disclosures relating to leases in accordance with AS19 issued by ICAI				
		Total Minimum Lease Payment	Present Value	Total Minimum Lease Payment	Present Value
	Finance Lease				
	As at Balance Sheet date	30.17	24.81	48.99	38.39
	Not later than 1 year	16.47	14.48	18.82	16.58
	Later than 1 year and not later than 5 years	13.69	10.32	30.17	21.81
	Later than 5 years	-	-	-	-
40	Disclosure on Accounting for intangible assets in accordance with AS26 issued by ICAI				
	Computer software & Technical knowhow <i>Refer to note no. 11</i>				
	Gross carrying amount at the beginning of the year		70.65		69.27
	Acquired during the year		22.26		1.38
	Gross carrying amount at the end of the year		92.91		70.65
	Gross amortisation at the beginning of the year		63.71		60.37
	Amortised during the year		5.57		3.34
	Gross amortisation at the end of the year		69.28		63.71
	Net carrying amount at the beginning of the year		6.94		8.90
	Net carrying amount at the end of the year		23.63		6.94
41	Derivative instruments				
	a Category-wise quantitative data about derivative instruments that are outstanding at the Balance Sheet date				
			USD in millions		USD in millions
	Option to Sell USD/INR at rate 40.00 to 40.63 per USD		-		3.30
	Option to Sell USD/INR at rate 40.75 to 41.97 per USD		-		1.20
	The purpose for which such derivative instruments were acquired, was to hedge export receivables.				
	b Foreign Currency exposures that are not hedged by a derivative instrument or otherwise ₹4258.50 lakhs (Previous year - ₹6850.18 lakhs)				

Signatories to Notes to Financial Statements

S Ram
Chairman

M K Surendran
Managing Director

As per our Report attached
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Registration No.004207S)

Y Krishnamoorthy
Financial Controller

T V Venkata Subramanyam
Secretary

K SRINIVASAN
Partner

Chennai
22nd June 2013

Membership No. 5809

**Cash Flow Statement in Accordance with AS-3 issued by ICAI
Annexed to the Balance Sheet as on 31st March 2013**

	(₹ in lakhs)	
	31.03.2013	31.03.2012
A Cash Flow From Operating Activities:		
Net Profit/(Loss) before Tax and Extraordinary items	335.29	1134.80
Adjustments for:		
Financial Expenses	926.33	1294.49
Foreign Exchange (Gain) / Loss	151.88	252.57
Depreciation	1098.11	955.89
(Profit) / Loss on sale of assets (net)	(3.20)	(1.23)
Interest and dividend received	(87.48)	(116.81)
Operating Profit before Working Capital changes	<u>2420.93</u>	<u>2384.91</u>
Adjustment for:		
Trade and Other Receivables	1001.60	(2636.65)
Inventories	1125.34	139.37
Trade Payables	<u>(1562.19)</u>	<u>564.75</u>
Cash generated from operations	<u>2985.68</u>	<u>78.02</u>
Direct Taxes Paid net of refund received	<u>(152.07)</u>	<u>(2419.26)</u>
Net cash from operating activities	<u>2833.61</u>	<u>1100.45</u>
		<u>(1079.90)</u>
		<u>20.55</u>
B Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(430.04)	(767.72)
Sale of Fixed Assets	4.84	4.07
Proceeds from Sale of Drivehead Division	-	5766.00
Interest and dividend received	88.23	115.92
Net Cash used in investing activities	<u>(336.97)</u>	<u>5118.27</u>
C Cash Flow From Financing Activities:		
Redemption of Preference Capital	-	(600.00)
Increase / (Decrease) in long term borrowings	(1824.03)	(2370.58)
Increase / (Decrease) in short term borrowings	260.88	(507.02)
Decrease in Miscellaneous Expenditure		
Interest paid	(948.19)	(1314.34)
Preference Dividend Paid	-	(294.51)
Preference Divided Tax paid	-	(47.78)
Net cash used in financing activities	<u>(2511.34)</u>	<u>(5134.23)</u>
Net increase in cash and cash equivalents	(14.70)	4.59
Cash and cash equivalent as at the beginning of the year	46.14	41.55
Cash and cash equivalent as at the end of the year	31.44	46.14

S Ram
Chairman

M K Surendran
Managing Director

Y Krishnamoorthy
Financial Controller

T V Venkata Subramanyam
Secretary

Chennai
22nd June 2013

As per our Report attached
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Registration No.004207S)

K SRINIVASAN
Partner
Membership No. 5809

Axles India Limited

Financial Summary – Last Ten Years

Particulars	(₹ in lakhs)									
	31.3.13	31.3.12	31.3.11	31.3.10	31.3.09	31.3.08	31.3.07	31.3.06	31.3.05	31.3.04
Sales Turnover (including other income)	41076.78	51650.37	48727.05	39318.17	31809.43	35887.85	29710.49	21773.18	18028.88	12413.16
Paid-up Capital	2548.88	2548.88	3148.88	3148.88	3148.88**	1619.82	1619.82@	1019.82	1019.82	1019.82
Reserves & Surplus	4132.48	4075.67	449.44	35.63	35.63	1279.48	1143.45	827.79	418.10	50.03
Profit Before Tax	335.29	5223.75	629.16	149.51	(2026.09)	502.20	816.71	906.36	856.15	620.79
Profit After Tax	190.98	3968.52	420.16	85.95	(1336.15)	313.79	510.81	584.05	512.14	359.32
Dividend - Amount	114.66*	294.51#	-	-	-	101.93	101.93	152.91	127.42	-
- Rate	4.50%	12%	-	-	-	10.00%	10.00%	15.00%	12.50%	-

* Dividend on equity shares subject to conformation by the members at the Annual General Meeting

Dividend on cumulative preference shares

** Includes ₹ 1529.06 lakhs of Right issue of equity share

@ Includes Preference Share Application money ₹ 600 lakhs