

WHEEL & AXLE TEXTILES LIMITED

Regd. Off. Dr. Amichand Shah's Wadi, Rampura Tunki, Surat 395 003

NOTICE is hereby given that the TWENTY SIXTH ANNUAL GENERAL MEETING of the members of **Wheel & Axle Textiles Limited** will be held at the Registered office of the Company at Dr. Amichand Shah's Wadi, Rampura Tunki, Surat 395 003 on Wednesday, August 17, 2011 at 12.00 noon. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet and Profit and Loss account for the year ended March 31, 2011 and the Reports of Auditors and Directors thereon.
2. To declare a dividend on the Equity shares of the Company
3. To appoint a Director in place of Shri Suhail P. Shah who retires by rotation and being eligible offers himself for reappointment.
4. To re- appoint M/s Bipinchandra J. Modi & Co., Chartered Accountants, having ICAI firm registration no. **101521W** to hold office from the conclusion of the forthcoming Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

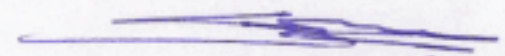
Notes

A member entitled to attend and vote is entitled to appoint a proxy and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

Place : Surat

Date : July 18, 2011

By Order of the Board



Suhail P. Shah

Director

WHEEL & AXLE TEXTILES LIMITED
Regd Off : Dr. Amichand Shah's Wadi, Rampura Tunki, Surat 395 003

DIRECTORS' REPORT

To
The Members of:
Wheel & Axle Textiles Limited

The Directors of your Company have pleasure in presenting the **TWENTY SIXTH** Annual Report of the Company together with the audited accounts for the financial year ended on March 31st, 2011

1. FINANCIAL RESULTS

	2010-11	2009-10
	(Rs.)	(Rs.)
Profit before Interest & Tax	(25,71,978)	56,05,098
Less : Interest	0	0
Provision for taxation	0	0
Provision for deferred tax	0	0
Net Profit	(25,71,978)	56,05,098
Add : Excess provision	70,464	0
Add : Prior year adjustments	0	0
Add : Balance brought forward	4,35,34,429	3,79,87,636
Profit available for appropriation	4,10,33,215	4,35,92,734
Appropriations		
Proposed Dividend	50,000	50,000
Tax on proposed dividend	8,112	8,305
General Reserve	0	0
Balance carried to Balance Sheet	4,09,75,104	4,35,34,429
Total	4,10,33,215	4,35,92,734

2. DIVIDEND

The Directors have pleasure in recommending a dividend at the rate of 1% on the Equity Shares of the Company which will result in a net outflow of Rs.58,112/- including dividend tax of Rs. 8,112/-. The dividend, if approved by the members at the meeting, will be paid to such share holders whose names appear on the Register of Members on the date of the Annual General Meeting.

3. DEPOSITS

The Company has not accepted or renewed any deposits from the public during the year under review.

4. DETAILS OF EMPLOYEES UNDER SECTION 217(2A) AND 217 (1) (e) OF THE COMPANIES ACT, 1956

There are no employees drawing a salary of more than Rs. 5,00,000 per month, if employed for part of the year or more than Rs. 60,00,000 per annum if employed for the entire year, hence the details as required by Section 217(2A) of the Companies Act, 1956 are not furnished.

The Company has not carried on any manufacturing activity during the year, neither has it dealt with foreign exchange for the year under review and hence the particulars under Section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not furnished.

5. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the profit of the Company for the year ended March 31, 2011
- We had taken proper and sufficient care 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
- We had prepared the annual accounts on a going concern basis.

6. DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Mr. Suhail P. Shah is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

7. AUDITORS

The term of the existing Statutory Auditors of the Company expires at the forthcoming Annual General Meeting. A certificate stating that the appointment as Statutory Auditors, if made, will be within the limits prescribed under Section 224(1B) has been received from Bipinchandra J. Modi & Co., Chartered Accountants, from the existing auditors. Members are requested to appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and also to fix their remuneration.

8. COMMENTS ON THE AUDITOR'S REPORT

The observations made in the Auditor's Report are self explanatory and do not call for any further comments.

9. COMPLIANCE CERTIFICATE

In terms of Section 383A(1) of the Companies Act, 1956, and Companies (Compliance Certificate) Rules, 2001 the certificate issued by a Company Secretary in Whole-time Practice certifying that the Company has complied with all the provisions of the Companies Act, 1956 is annexed to the Report.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE,

Prescribed information requiring compliance with the rules relating to conservation of energy and technology absorption and Foreign Exchange pertaining to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is not applicable.

Date : July 18th, 2011

For and on behalf of the Board

Place : Surat



Suhail P. Shah
Director



Bipin Modi
B. Com. FCA, DISA (CAAT)
Alok Gandhi
M.Com., ACA

Bipinchandra J. Modi & Co.

Chartered Accountants
B.No. 18/A, Prakash Co-Op.Hsg.Society
B/h Intelligent Guidance Classes
Athwalines, Surat 395 001
Phone :- 2665349, Mobile :
9376822354
Email : bjmodi@gmail.com
PAN : AAHFB2203M
STC No.: AAHFB2203MST001

Auditors' Report

To the Members,

Wheel & Axle Textiles Limited

1. We have audited the attached Balance sheet of **Wheel & Axle Textiles Limited** as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. 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.
2. We conducted our audit in accordance with the 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report 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 31st March, 2011 and taken on record by the Board of Directors, I report that none of the directors is disqualified as on 31st March, 2011 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 accounts read along with Significant Accounting Policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required, and give 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, 2011;
 - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Bipinchandra J. Modi & Co.**

FRN : 101521W

Chartered Accountants



(Bipin J. Modi)

Partner

Membership No. 031687

Surat, dated: July 18, 2011



Bipinchandra J. Modi & Co.

Bipin Modi
B. Com. FCA, DISA (CAAT)
Alok Gandhi
M.Com., ACA

Chartered Accountants
B.No. 18/A, Prakash Co-Op.Hsg.Society
B/h Intelligent Guidance Classes
Athwalines, Surat 395 001
Phone : 2665349, Mobile :
9376822354
Email : bjmodi@gmail.com
PAN : AAHFB2203M
STC No.: AAHFB2203MST001

**Annexure referred to in paragraph 3 of our report of even date on the accounts
for the year ended 31st March, 2011**

- i. The Company has no fixed assets, hence paragraphs (i)(a), (b) and (c) of the Order are not applicable.
- ii. The paragraphs (ii)(a), (b) and (c) of the Order are not applicable
- iii. (a) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956, paragraphs (iii)(b), (c), (d), (e), (f), (g) of the Order are not applicable.
- iv. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory and with regard to the sale of goods. During the course of our audit, I have not observed any continuing failure to correct major weaknesses in internal control.
- v. (a) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered in to the register maintained under Section 301 of the Companies Act, 1956, paragraph (v)(b) of the Order is not applicable.
- vi. The Company has not accepted any deposits from the public.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
- ix. (a) According to information and explanations given to us, the Company is generally been regular in depositing undisputed statutory dues as applicable with the appropriate authorities during the year.
(b) According to information and explanation given to us, there are no statutory dues as applicable which have not been deposited on account of any dispute.
- x. The Company does not have accumulated losses as at 31st March, 2011 and has not incurred cash losses during the financial year ended on that date or in the immediately preceding financial year.
- xi. The Company has not taken any loans from financial institutions or banks or debenture holders and hence the question of default in repayment of dues and the period and amount does not arise.
- xii. In our opinion, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and any other securities.





Bipin Modi
B. Com. FCA, DISA (CAAT)
Alok Gandhi
M.Com., ACA

Bipinchandra J. Modi & Co.

Chartered Accountants
B.No. 18/A, Prakash Co-Op.Hsg Society
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STC No.: AAHFB2203MST001

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- xiii. The provisions of any special statute as specified under paragraph (xiii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to information and explanation given to us, the Company is not a dealer or a trader in shares, securities, debentures and other investments.
- xv. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi. The Company has not taken any term loan during the current year.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on short term basis which have been used for long term investment, and vice versa.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 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 issue during the year.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Surat, dated: July 18, 2011

For Bipinchandra J. Modi & Co.

FRN : 101521W

Chartered Accountants



(Bipin J. Modi)

Partner

Membership No. 031687

BALANCE SHEET as at 31st March, 2011

	Schedule	31-3-2011 ₹	31-3-2010 ₹
I. SOURCES OF FUNDS :			
Shareholders' Funds:			
(a) Share Capital	1	50,00,000	50,00,000
(b) Reserves & Surplus	2	5,36,08,996	6,33,11,307
Total		<u>5,86,08,996</u>	<u>6,83,11,307</u>
II. APPLICATION OF FUNDS :			
Investments	3	5,85,11,643	6,82,45,471
Current Assets, Loans & Advances:	4		
(a) Cash and Bank Balances		1,42,547	2,40,177
(b) Other assets		22,000	--
(c) Loans and Advances		--	2,96,255
		<u>1,64,547</u>	<u>5,36,432</u>
Less : Current Liabilities & Provisions :	5		
(a) Current Liabilities		9,083	43,616
(b) Provisions		58,112	4,26,980
		<u>67,195</u>	<u>4,70,596</u>
Net Current Assets		97,353	65,836
Total		<u>5,86,08,996</u>	<u>6,83,11,307</u>
Notes forming part of the accounts	8		

As per our report of even date

For and on behalf of the Board



Directors

Place : Surat

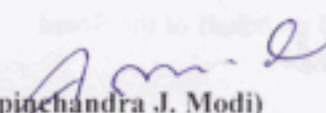
Date : 18-07-2011



For Bipinchandra J. Modi & Co.

FRN : 101521W

Chartered Accountants


(Bipinchandra J. Modi)

Partner

Membership No.031687

Place : Surat

Date : 18-07-2011

WHEEL AND AXLE TEXTILES LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2011

	Schedule	2010-11 ₹	2009-10 ₹
INCOME :			
Income	6	6,45,132	58,33,868
Total		<u>6,45,132</u>	<u>58,33,868</u>
EXPENDITURE :			
Operating, Administrative and other expenses	7	32,17,110	2,28,770
Total		<u>32,17,110</u>	<u>2,28,770</u>
Profit before tax		(25,71,978)	56,05,098
Less : Taxation - Current tax		--	--
- Deferred tax		--	--
Profit after tax		<u>(25,71,978)</u>	<u>56,05,098</u>
Add : Excess Provision for tax of earlier years		70,764	--
Balance brought forward		4,35,34,429	3,79,87,636
Balance available for Appropriation		<u>4,10,33,215</u>	<u>4,35,92,734</u>
APPROPRIATION :			
Proposed dividend		50,000	50,000
Tax on proposed dividend		8,112	8,305
Balance carried to Balance Sheet		4,09,75,104	4,35,34,429
		<u>4,10,33,215</u>	<u>4,35,92,734</u>
Basic & diluted earning per share (Face value of Rs.10)		(5.14)	11.21


Notes forming part of the accounts 8

As per our report of even date

For and on behalf of the Board

For Bipinchandra J. Modi & Co.
FRN : 101521W
Chartered Accountants

Directors


(Bipinchandra J. Modi)
Partner
Membership No.031687

Place : Surat
Date : 18-07-2011

Place : Surat
Date : 18-07-2011



Schedules annexed to and forming part of Accounts

	31-3-2011	31-3-2010
	₹	₹

Schedule 1 : Share Capital

Authorised:

500,000 equity shares of Rs.10 each

50,00,000

50,00,000

50,00,00050,00,000

Issued, subscribed and paid up:

500,000 equity shares of Rs.10 each fully paid.

50,00,000

50,00,000

50,00,00050,00,000**Schedule 2 : Reserve & Surplus**

General Reserve :

As per last Balance Sheet

1,05,68,006

1,05,68,006

Add : Deferred tax asset

--

--

1,05,68,0061,05,68,006

Capital Reserve :

As per last Balance Sheet

92,08,872

92,08,872

Less : Transfer to Profit & Loss account

71,42,986

--

20,65,88692,08,872

Balance in Profit and Loss account

4,09,75,104

4,35,34,429

5,36,08,9966,33,11,307**Schedule 3 : Investments**

31-3-2011

31-3-2010

₹

₹

Long Term Investments :**Trade Investments :**Quoted Shares :

-- (4,38,323) Equity shares of Garden Silk Mills Ltd. of Rs.10 each fully paid.

--

1,65,77,785

Un quoted Shares :

-- (10,00,000) 1% Cumulative Redeemable Preference shares of Amichand Textiles Ltd. of Rs.10 each

--

1,00,00,000

-- (275,000) 1% Cumulative Participating Redeemable Preference shares of Vareli Fabrics P.Ltd. of Rs.10 each

27,50,000

-- (10,00,000) 1% Non-Cumulative Optionally Convertible Preference shares of Vareli Trading Company Ltd. of Rs.10 each fully paid.

1,00,00,000



Schedules annexed to and forming part of Accounts

	31-3-2011	31-3-2010
	₹	₹
<u>Schedule 3 : Investments (Contd.)</u>		
Others :		
Art pieces & Paintings	20,000	8,41,915
Investment in Partnership Firms :		
In Capital Account	5,84,91,643	1,55,75,771
	<u>5,85,11,643</u>	<u>1,55,75,771</u>
Non Trade Investments :		
<u>Unquoted Units :</u>		
-- (8,13,802) Units of Prudential ICICI Infrastructure Fund (Dividend plan) of Rs.10 each.		
	--	1,25,00,000
	--	1,25,00,000
	<u>5,85,11,643</u>	<u>6,82,45,471</u>
Aggregate value of Investments :		
	₹	₹
Quoted: Cost	--	94,34,799
Quoted : Market Value	--	3,02,00,455
Unquoted: Cost	5,85,11,643	5,16,67,686

Schedule 4 : Current Assets, Loans & Advances**A. Current Assets :**

Cash and Bank Balances :

- Cash on hand	5,901	6,753
- Balance with Scheduled Banks in current account	1,36,646	2,33,424

Other assets

	22,000	--
	<u>1,64,547</u>	<u>2,40,177</u>

B. Loans and Advances :

Taxes paid in advance

	--	2,96,255
	--	2,96,255
	<u>1,64,547</u>	<u>5,36,432</u>



Schedules annexed to and forming part of Accounts

	31-3-2011 ₹	31-3-2010 ₹
Schedule 5 : Current Liabilities & Provisions		
A. Current Liabilities:		
Sundry creditors	6,618	39,046
Others	--	1,000
Unclaimed dividend	2,465	3,570
	<u>9,083</u>	<u>43,616</u>
B. Provisions:		
For Proposed dividend	50,000	50,000
For Tax on proposed dividend	8,112	8,305
For Income tax	--	3,68,675
	<u>58,112</u>	<u>4,26,980</u>
	<u>67,195</u>	<u>4,70,596</u>

	2010-11 ₹	2009-10 ₹
Schedule 6 : Other income		
Dividend income	13,23,382	15,98,787
Interest income	--	528
Share of Profit/(Loss) in partnership firm	(7,10,023)	42,34,553
Creditors written off	31,773	--
	<u>6,45,132</u>	<u>58,33,868</u>

Schedule 7 : Operating, Administrative and other expenses

Advertisement expenses		67,930	1,01,575
Audit fees		6,618	8,273
Bank charges		1,360	1,023
Director sitting fees		9,000	17,000
General charges		58,555	67,506
Insurance - Paintings		11,090	9,124
Insurance - Others		222	222
Loss on sale of Investments	1,01,19,533		
Less : Transfer from Capital reserves	<u>71,42,986</u>	29,76,547	--
Professional & legal fees		18,947	21,647
Securities transaction tax		23,621	--
Professional tax		2,400	2,400
Share of tax liability of partnership firm		40,820	--
		<u>32,17,110</u>	<u>2,28,770</u>



Schedules annexed to and forming part of AccountsSchedule 8 : Notes forming part of the Accounts :

1 SIGNIFICANT ACCOUNTING POLICIES :

A. SYSTEM OF ACCOUNTING :

The Company follows the mercantile system of accounting and recognises income and expenditure on the accrual basis.

B. INVESTMENTS :

- i) Long Term investments of the company are stated at their cost of acquisition. However long term investments acquired upto 31st March, 1996 were revalued at the estimated realisable value as on 31st March, 1996 and are stated at the same value on the Balance Sheet date. The difference on account of such revaluation had been taken to Capital Reserve account. Necessary adjustments are made in the Capital Reserve account whenever any of the revalued investments are sold.
- ii) Provision for diminution in the value of long term investments is made only if, such a decline is other than temporary in the opinion of the management.

C. SALES & PURCHASES :

Sales & Purchases are recognised net of returns.

D. TAXATION :

- i) Current tax has been determined and provided as the amount of tax payable in respect of taxable income for the year.
- ii) Deferred tax has been recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2 The Company has invested in the capital of the following partnership firms :

Name of the Partnership Firm : RAYBAN INVESTMENTS

Total Capital of the Firm : Rs.27,66,71,113/-

	Name of the partners	Share of Profit/Loss
1	Shri Praful A. Shah	51.00%
2	Shri Praful A. Shah (HUF)	4.00%
3	Smt. Shilpa P. Shah	3.00%
4	Shri Alok P. Shah	15.00%
5	Shri Suhail P. Shah	15.00%
6	Amichand Textiles Ltd.	1.00%
7	Bijlee Textiles Ltd.	1.00%
8	Jarigold Textiles Ltd.	1.00%
9	Pashah Textiles Ltd.	1.00%
10	Prabhat Silk Mills Ltd.	1.00%
11	Rosekamal Textiles Ltd.	1.00%
12	SPS Silk Ltd.	1.00%
13	Vareli Fabrics Pvt. Ltd.	1.00%
14	Wheel & Axle Textiles Ltd.	1.00%
15	Inita Power Co. Ltd.	1.00%
16	Regatta Textiles Pvt. Ltd.	1.00%
17	Mirmira Properties Pvt. Ltd.	1.00%



Schedules annexed to and forming part of AccountsSchedule 8 : Notes forming part of the Accounts :

3	Income from Investments :	2010-11	2009-10
		₹	₹
	a) From Trade Investments	9,16,481	7,85,513
	b) From Other Investments	4,06,901	8,13,802
4	Profit / (Loss) on Investments :		
	a) Long Term Investments	--	--
	b) On account of membership of partnership firm	(7,10,023)	42,34,553
5	Payment to Auditors : (including service tax)	2010-11	2009-10
		₹	₹
	a) For Statutory audit	6,618	6,618
	b) For Tax audit	-	1,655
	c) For Certification & Other services	6,620	6,620

6 Particulars of investments purchased and sold during the year :

<u>Description</u>	<u>Cost (Rs.)</u>
ICICI Prudential Floating Rate Plan B	94,24,621

7 Quantitative details : Nil

8 No Provision for Current tax has been made after taking into account the set off available under the provisions of Minimum Alternate Tax.

9 The Company has no suppliers which constitutes small scale Industrial undertaking.

10 The Company principally engaged in the business of Textiles. Accordingly there are no reportable segments as per Accounting Standard No.17 issued by the Institute of Chartered Accountants of India on 'Segment Reporting'.

11	Earnings per share :	2010-11	2009-10
		₹	₹
	a) Weighted average number of shares outstanding	5,00,000	5,00,000
	b) Net Profit after tax available for Equity shareholders	(25,71,978)	56,05,098
	c) Basic and diluted Earning per share	(5.14)	11.21
	(On Face value per share of Rs.10 each)		

12 The equity shares of the company are listed on the following Stock Exchanges and company has duly paid the requisite amount of annual listing fees for the year 2010-11 to both the Stock Exchanges.

a) Ahmedabad Stock Exchange Limited
Kamdhenu Complex, Opp. Sahajanand College,
Panjarapole, Ahmedabad - 380 015.

b) Bombay Stock Exchange Limited
Phiroz Jeejeebhoy Tower,
Dalal Street, Mumbai-01.



Schedules annexed to and forming part of AccountsSchedule 8 : Notes forming part of the Accounts (Contd.) :

- 13 Related party disclosures as required by Accounting Standard No.18 issued by the Institute of Chartered Accountants of India are as follows :

(a) Relationships :i) Joint Ventures / Partnerships :

Rayban Investments

ii) Related enterprises where transactions have taken place :

Amichand Textiles Ltd.

Vareli Fabrics Pvt. Ltd.

Garden Silk Mills Ltd.

(b) The following transactions were carried out with related parties :

	Related Parties	
	Referred in 14(a)(i)above	Referred in 14(a)(ii)above
i) <u>Transactions during the year :</u>		
Given (net) towards capital accounts	4,36,25,894 (14,25,000)	-- (-)
Interest received	- (528)	-- (-)
Share of Profit/(Loss) earned	(7,10,023) (42,34,553)	-- (-)
Income by way of dividend	-- (-)	9,16,481 (15,98,787)
Office administration & accounting charges	-- (-)	18,000 (25,000)
ii) <u>Outstanding balance at the end of the year :</u>		
Debit balance	5,84,91,643 (1,55,75,751)	-- (-)

Note : Figures in brackets represent previous year's amount.

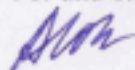
- 14 Previous year's figures have been regrouped and / or recast wherever found necessary to make them comparable with current year figures.

- 15 Additional information pursuant to Part IV Schedule VI to the Companies Act, 1956 is as per Annexure " A ".

Signatures to Schedules 1 to 10

As per our report of even date

For and on behalf of the Board



Directors

Place : Surat

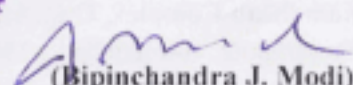
Date : 15-07-2011



For Bipinchandra J. Modi & Co.

FRN : 101521W

Chartered Accountants



(Bipinchandra J. Modi)

Partner

Membership No.031687

Place : Surat

Date : 18-07-2011

Annexure " A "

Additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

a) Registration details :-

Registration No.	1	3	2	5	5
State Code	0	4			
Balance sheet Date	3	1	0	3	1

b) Capital raised during the year :-

Public Issue	N	I	L
Right Issue	N	I	L
Bonus Issue	N	I	L
Preferential Allotment	N	I	L

c) Position of mobilisation and deployment of funds (Amt. in Rs. '000s) :-

Total Liabilities	5	8	6	7	6
Total Assets	5	8	6	7	6

Sources of funds -

Paid up Capital		5	0	0	0
Reserves & Surplus	5	3	6	0	9
Secured Loans			N	I	L
Unsecured Loans			N	I	L

Application of funds-

Net Fixed Assets			N	I	L
Investments	5	8	5	1	2
Net Current Assets				9	7
Misc. Expenditures			N	I	L
Accumulated Losses			N	I	L

d) Performance of the company -

Total Turnover			6	4	5
Total Expenditures		3	2	1	7
+ / - Profit / Loss before Tax	(-)	2	5	7	2
+ / - Profit / Loss after Tax	(-)	2	5	7	2
Earning per Share in Rs.			N	I	L
Dividend rate in %		1	.	0	0

e) General names of three principal products/services of the company -

Item Code No. (ITC Code)	5	4	0	7
Product description	Woven fabrics of synthetic filament yarn.			



CASH FLOW STATEMENT

for the year ended 31st March, 2011

	Rupees in Lacs	
	Current Year	Previous Year
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Tax and Extra ordinary Items	(25.72)	56.05
Adjustments for -		
(Profit) / Loss on sale of Investments	29.77	--
Dividend (received)	(13.23)	(15.99)
Interest (received)	-	(0.01)
Share of (Profit) / Loss in partnership firm	7.10	(42.35)
Operating Profit before working Capital Changes	(2.09)	(2.29)
Adjustments for -		
(Increase) / Decrease in Debtors	--	--
(Increase) / Decrease in Stock in trade	--	--
(Increase) / Decrease in other current Assets	--	--
Increase / (Decrease) in Current Liabilities	(0.35)	(0.15)
Cash generated from operations	(2.43)	(2.44)
Interest (paid)	--	--
Direct Taxes (paid) / Refund	(0.24)	1.03
Net Cash Flow from operating Activities	(2.67)	(1.41)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
(Purchase) of Investments	(530.51)	(13.68)
Sale of Investments	519.55	--
Dividend received	13.23	15.99
Interest received	-	0.01
(Increase) / Decrease in Loans & Advances	--	--
Net Cash from Investing Activities	2.28	2.32
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend (Paid)	(0.50)	(0.50)
Dividend tax (Paid)	(0.08)	(0.09)
Net Cash from Financing Activities	(0.58)	(0.59)
Net increase in Cash & Cash equivalents (A+B+C)	(0.98)	0.32
Cash and Cash equivalent as at 01/04/2010	2.40	2.08
Cash and Cash equivalent as at 31/03/2011	1.43	2.40

For and on behalf of the Board

Directors

Place : Surat

Date : 18-07-2011

AUDITOR'S CERTIFICATE

I have verified the above Cash Flow Statement of Wheel & Axle Textiles Limited from the audited annual financial statements for the year ended March 31, 2011 and found the same in accordance therewith and also with the requirements of Clause 32 of listing agreement with the Stock Exchanges.

For Bipinchandra J. Modi & Co.

FRN : 101521W

Chartered Accountants

(Bipinchandra J. Modi)

Partner

Place : Surat

Date : 18-07-2011

Membership No.031687

