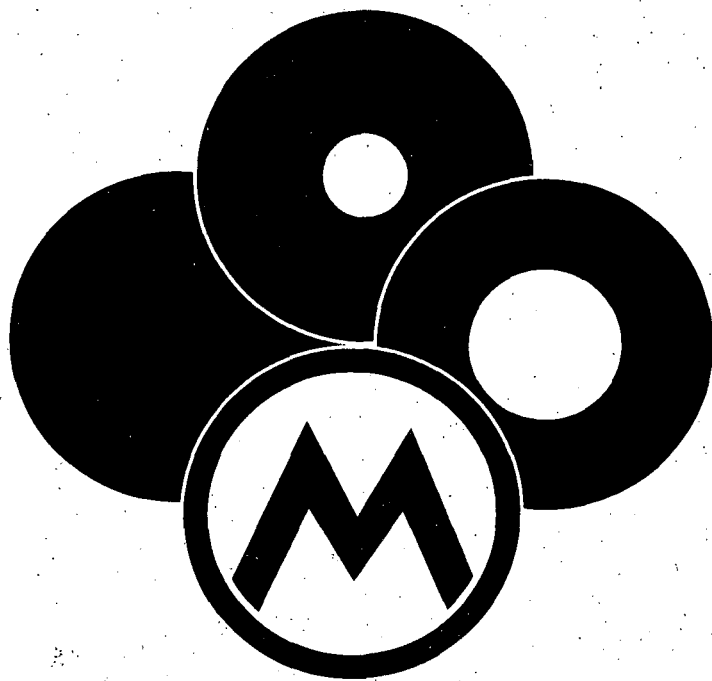


**29th
Annual Report
2008 - 2009**



Mipco Seamless Rings (Gujarat) Limited



**MIPCO
SEAMLESS
RINGS
(GUJARAT)
LIMITED**

BOARD OF DIRECTORS

| | |
|---------------------------|-------------------|
| Mr. T. M. Patel | Chairman |
| Mr. S. M. Patel | Managing Director |
| Mr. S. V. Subramania Iyer | |
| Mr. Jai R. Patel | |

AUDITORS

Parikh & Shah
Chartered Accountants

REGISTERED OFFICE AND WORKS

Plot No.109
GIDC Industrial Estate,
Narmadanagar,
Bharuch – 392 015,
(Gujarat).

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**Twenty-Ninth Annual General Meeting
on Friday, the 17th July, 2009 at the
Registered Office of the Company, at
Plot No.109, GIDC Industrial Estate,
Narmadanagar, Bharuch – 392 015,
(Gujarat), at 11.00 a.m.**

Mipco Seamless Rings (Gujarat) Limited

NOTICE

NOTICE is hereby given that the Twenty-Ninth Annual General Meeting of the Members of **MIPCO SEAMLESS RINGS (GUJARAT) LIMITED** will be held at the Registered Office of the Company at Plot No. 109, GIDC Industrial Estate, Narmadanagar, Bharuch-392 015 on Friday, the 17th July, 2009, at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jal.R. Patel who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modifications, the following resolution as SPECIAL RESOLUTION:-
"RESOLVED THAT pursuant to the provisions of Sections 269 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-appointment of Mr. S.M. Patel as Managing Director of the Company for a period of three years with effect from 1st August, 2009 without any remuneration."
5. To consider and, if thought fit, to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION:-
"RESOLVED THAT pursuant to Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorised to deal, negotiate and dispose off the Wind Mills situated at Lamba, Jamnagar District."
"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the meeting.
2. Explanatory Statement for Special Business mentioned in the Notice is annexed hereto pursuant to the provisions of Section 173(2) of the Companies Act, 1956.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 10th July, 2009 to Friday, the 17th July, 2009 (both days inclusive).
4. Members are requested to notify their change of address, if any.
5. Members are requested to write to the Company for any queries, regarding Accounts, so as to reach the Company at least ten days before the meeting, to enable the management to keep the information ready at the Meeting.

Registered Office:
Plot No.109, GIDC Industrial Estate,
Narmadanagar, Bharuch – 392 015.

By Order of the Board of Directors
For **MIPCO SEAMLESS RINGS (GUJARAT) LIMITED**

S. M. PATEL
Managing Director

Date : 8th May, 2009.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 4 :

At the 26th Annual General Meeting of the Company held on 17th August, 2006 Mr. S. M. Patel was reappointed as Managing Director for a period of three years with effect from 1st August, 2006. The said term expires on 31st July, 2009. As per the provisions of Section 269(1) of the Companies Act, 1956 a company having paid up capital of Rs.5 crores or more shall have a Managing Director or Whole-time Director or Manager. Since the Company stopped its business activities and it does not have any income, it is proposed to reappoint Mr. S. M. Patel as Managing Director for a further period of three years with effect from 1st August, 2009 without any remuneration.

Mr. S. M. Patel shall not be liable to retirement by rotation during his tenure in office as Managing Director.

Other than Mr. S. M. Patel, none of the Directors of the Company is in any way concerned or interested in the aforesaid resolution except Mr. T.M. Patel being related to him.

The Board of Directors of the Company recommends the passing of resolution for the re-appointment of Mr. S.M. Patel as Managing Director for a further term of 3 years commencing from 1st August, 2009.

Item No. 5 :

The Company has Wind Mills at Lamba, Jamnagar District, Gujarat. Since the Company is not carrying on any business activity, the Board of Directors feels that it is desirable to sell the said Wind Mills at the best available price to meet the expenses of the Company.

None of the Directors of the Company is in any way concerned or interested in the aforesaid resolution.

The Board of Directors recommends the resolution for approval of the members.

Registered Office:
Plot No.109, GIDC Industrial Estate,
Narmadanagar, Bharuch - 392 015.

By Order of the Board of Directors
For **MIPCO SEAMLESS RINGS (GUJARAT) LIMITED**

Date: 8th May, 2009.

S. M. PATEL
Managing Director

Mipco Seamless Rings (Gujarat) Limited

DIRECTORS' REPORT

Dear Members,

The Directors present herewith their 29th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2009.

FINANCIAL RESULTS:

| | Year ended 31.03.2009 Rs. in lacs. | Year ended 31.03.2008 Rs. in lacs. |
|--|--|--|
| Gross Profit/(Loss) before Interest, Depreciation and Tax | (6.76) | (48.17) |
| Less : Depreciation | -- | 0.05 |
| Loss for the year | (6.76) | (48.22) |
| Extraordinary Items(Net of tax expense Rs.Nil) Interest Remission on one time settlement | 403.78 | 348.61 |
| Sundry Balances of Creditors written off | | |
| Less : Provision for Tax: | | |
| Fringe Benefit Tax | | (0.73) |
| Income Tax for earlier years | | (0.35) |
| Deferred Tax charge/credit | (0.14) | |
| Add : Balance Brought forward from previous year | (1696.34) | (1995.65) |
| Loss carried to Balance Sheet | <u>(1299.46)</u> | <u>(1696.34)</u> |

OPERATIONS:

The Company has closed its manufacturing operations for more than a year. It does not have any other business activity.

SICK INDUSTRIAL STATUS

As informed to you earlier, on account of sustained loss, the entire Net Worth of your Company stood eroded as at 31st March, 2002 and as required under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 and based on the Audited Figures for the period ended 31st March, 2002, a reference was made to the BIFR by your Company.

DIVIDEND:

In view of the loss, your Directors do not recommend any dividend for the year under review.

FIXED DEPOSITS:

Your Company does not have any fixed deposits.

DIRECTORS:

Mr. Jal R. Patel, a Non-Executive and Independent Director of the Company, retires by rotation and being eligible, offers himself for re-appointment. Necessary resolution for his re-appointment is being placed for your approval.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act 1956, your Directors report that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. such accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for that year.
3. 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.
4. the accounts have been prepared on a going-concern basis since the Directors are considering and evaluating ways and means to restructure operations by taking into account appropriate business strategies and financial viabilities.

AUDITORS REPORT:

In regard to the qualification at Sr. No.6 of the Auditors Report, your Directors state that item No.4 of Directors Responsibility Statement hereto is self-explanatory.

CORPORATE GOVERNANCE:

Your Company has complied with the requirements of the Code of Corporate Governance in accordance with Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited. A separate report on Corporate Governance along with Auditors' certificate on its compliance is attached to this Report. Management Discussion and Analysis, as prescribed by the Listing Agreement, also forms a part of the Annual Report.

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

The information relating to Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required to be disclosed 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 is not given as the Company has no business activities.

AUDITORS:

M/s. Parikh & Shah, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received confirmation that their appointment, if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

PARTICULARS RELATING TO EMPLOYEES:

Information pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is not applicable to the Company.

For and on behalf of the Board

Place : Mumbai
Date : 8th May, 2009

S. V. S. Iyer
Director

S. M. Patel
Managing Director



CORPORATE GOVERNANCE REPORT:

Your Company comes within the purview of Clause 49 of the Listing Agreement and accordingly a Report on Corporate Governance, in the manner specified, is given here below:

Company's Philosophy on Code of Governance

Your Company has always adhered to the tenets of good Corporate Governance with a clear sight of the right to information by Shareholders with respect to Company's activities.

Board of Directors

The Board of Directors consists of four members, comprising three Non-Executive Directors and a Managing Director. The Company has a Non-executive Chairman with the number of Non-executive Directors being more than 50% of the total number of Directors and the number of Independent Directors are two.

Particulars of the Directorships, Chairmanships and Memberships of Board/Committees and attendance at Board/General Meeting of the Company are given herebelow:

| Name of the Director | Executive/Non-Executive/ Independent | No. of outside Directorships in Public Companies | Membership held in Committee of Directors | Chairmanship held in Committee of Directors | No. of Board Meetings attended | Whether attended last AGM |
|---------------------------|---|---|--|--|---|---------------------------------|
| Mr. T. M. Patel | Non-Executive Chairman | 3 | 4 | 1 | 4 | Yes |
| Mr. S. M. Patel | Managing Director | 2* | 3 | 1 | 4 | Yes |
| Mr. S. V. Subramania Iyer | Non-Executive – Independent | - | - | 1 | 4 | Yes |
| Mr. Jal R. Patel | Non-Executive – Independent | 5 | 5 | 2 | 3 | No |

* In addition, Mr. S. M. Patel is Alternate Director in a Public Limited Company.

During the financial year 2008-09, four Board meetings were held on 6th May, 2008, 25th July, 2008, 21st October, 2008 and 22nd January, 2009 and the AGM was held on 25th July, 2008.

CODE OF CONDUCT:

The Board of Directors has adopted the Code of Business conduct and Ethic for Directors. The said Code has been communicated to the Directors.

The Code has been circulated to all the members of the Board and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director is given below:

I hereby confirm that:

The Company has obtained from all the members of the Board affirmation that they have complied with the Code of Business Conduct and Ethics for Directors in respect of Financial Year 2008-2009.

S. M. Patel
Managing Director

AUDIT COMMITTEE:

The Audit Committee of the Company has such powers as are detailed under Section 292A of the Companies Act, 1956, and also as are detailed in terms of Clause 49 of the Listing Agreement.

The responsibilities of the Audit Committee include inter-alia, overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment/removal of external auditors and fixing their remuneration, reviewing the quarterly, half yearly and annual financial statements before submission to the Board, and discussing the scope of audit with external auditors.

The composition of the Audit Committee is in consonance with the Listing Agreement and is as given hereunder:

| Name of the Director | Category | No. of Audit Committee Meetings Attended |
|---------------------------|--------------------------------------|--|
| Mr. S. V. Subramania Iyer | Independent-Non-Executive (Chairman) | 4 |
| Mr. Jal R. Patel | Independent-Non-Executive (Member) | 3 |
| Mr. T. M. Patel | Non-Executive (Member) | 4 |

During the Financial year ended 31st March, 2009, four Audit Committee Meetings were held on 6th May, 2008, 25th July, 2008, 21st October, 2008 and 22nd January, 2009.

Mipco Seamless Rings (Gujarat) Limited

REMUNERATION COMMITTEE:

The general scope of work entrusted to the Remuneration Committee includes recommendation of remuneration packages for the Managing Director and review thereof, based on performance and achievements, within the provisions of the Companies Act, 1956 and amendments thereto.

The Remuneration Committee has not held a meeting during the financial year 2008-09, as there was no issue relating to Managerial Personnel. The composition of the Remuneration Committee is as under:

| Name of the Director | Category |
|---------------------------|---|
| Mr. S. V. Subramania Iyer | Independent Non-executive Director (Chairman) |
| Mr. Jal R. Patel | Independent Non-executive Director (Member) |
| Mr. T. M. Patel | Non-Executive Director (Member) |

The remuneration structure of the Managing Director consists of salary, perquisites, and contribution to Provident Fund, Superannuation, and Gratuity. The tenure of re-appointment of the Managing Director/details of salary and perquisites and contribution to Provident Fund for the financial year ended 31st March, 2009 are as given below:

| Name | Tenure | Salary (Rupees) | Perquisites (Rupees) | Contribution to Provident Fund (Rupees) | Total (Rupees) |
|-----------------|---|-----------------|----------------------|---|----------------|
| Mr. S. M. Patel | Reappointed for 3 years from 01.08.2006 | | | | |

No remuneration to Managing Director is provided from 01.08.2006 as right to receive the same has been waived by him.

The non-executive directors do not draw any remuneration from the Company except sitting fees, which are paid at the rate of Rs.2,000/- for each meeting of the Board/Committee Meeting attended by them. The total amount of sitting fees paid during the year is Rs.20,000/

The details of sitting fees paid to the Non-Executive Directors during the year under report and their shareholding in the company, are as given below:

| Name of the Non-Executive Director | Sitting Fees paid during the period 01.04.2008 to 31.03.2009 (Rs.) | No. of shares held As on 31st March, 2009(Nos.) |
|------------------------------------|--|---|
| Mr. T. M. Patel | 8,000.00 | |
| Mr. S. V. Subramania Iyer | 8,000.00 | 512 |
| Mr. Jal R. Patel | 4,000.00 | 225 |

Considering the financial situation of the Company, the Board of Directors at their meeting held on 25th July, 2008 has waived payment of sitting fees for attending Board/Audit/Remuneration Committee Meeting with effect from next meeting.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

The "Transfer-Cum-Shareholders'/Investors' Grievance Committee held its meetings on 15th April, 2008, 30th April, 2008, 8th May, 2008, 5th June, 2008, 16th June, 2008, 30th June, 2008, 17th July, 2008, 1st August, 2008, 14th August, 2008, 1st September, 2008, 15th September, 2008, 30th September, 2008, 31st October, 2008, 28th November, 2008, 31st December, 2008, 30th January, 2009, 26th February, 2009, 23rd March, 2009 and 31st March, 2009.

The members of the Committee are:

| Name | Category | No. of Committee Meetings attended |
|-----------------|-----------------------------------|------------------------------------|
| Mr. T. M. Patel | Non-Executive Director [Chairman] | 19 |
| Mr. S. M. Patel | Managing Director (Member) | 19 |

The Transfer-cum-Shareholders'/Investors' Grievance Committee redresses all investors' grievances with due diligence. The powers of approving the issue of duplicate certificates and all matters connected with securities' transfers, transmissions, sub-divisions, consolidations etc. vests with the Committee. At every meeting of the Transfer-Cum-Shareholders'/Investors' Grievance Committee, a periodic summary statement, depicting transfer, transmission, etc of the securities of the Company, is placed before the Committee and a thorough review thereof is made.

Mr. Sanjay B. Desai is the Compliance Officer. All complaints received from shareholders/investors have been generally resolved to the satisfaction of the complainants.

During the year 01.04.2008 to 31.03.2009, there were no complaints received from the shareholders and there were none pending as on 31st March, 2009.



GENERAL BODY MEETINGS:

Location and time where the last three Annual General Meetings were held are as under:

| Financial Year | Date | Location of the Meeting | Time |
|----------------|-------------------|--|------------|
| 2005-2006 | 17th August, 2006 | Conference Room of the Registered Office of the Company at 109, GIDC Industrial Estate, Narmadanagar, Bharuch – 392 015. | 3.00 p.m. |
| 2006-2007 | 17th July, 2007 | Conference Room of the Registered Office of the Company at 109, GIDC Industrial Estate, Narmadanagar, Bharuch – 392 015. | 3.00 p.m. |
| 2007-2008 | 25th July, 2008 | Conference Room of the Registered Office of the Company at 109, GIDC Industrial Estate, Narmadanagar, Bharuch – 392 015. | 12.00 noon |

Out of the previous 3 years, the Company has passed Special Resolution in the Annual General Meeting held for the year 2005-06.

No Special Resolution requiring Postal Ballot as required by the Companies (passing of the resolution by postal ballot) Rules, 2001/Clause 49 of the Listing Agreement has been placed for Shareholders' approval at the last Annual General Meeting nor is any resolution proposed to be taken up through postal ballot at the ensuing Annual General Meeting.

DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS:

Mr. Jal R. Patel, aged 71 years, is a Financial Management Consultant. He is an Associate Member of Institute of Company Secretaries of India and Institute of Chartered Accountants of India. He has held the position of Managing Director of FAG Bearings India Ltd. for 23 years and he retired from the organisation as the Chairman. He is also a Director of the following public limited companies:-

| Name of the Company | Designation/Membership of Board/Committee |
|-----------------------------|--|
| Gujarat Gas Company Limited | Director/Chairman of audit Committee/Member of Shareholders Grievance Committee. |
| ABC Bearings Limited | Director/Chairman of Audit Committee/Member of Remuneration Committee |
| Ineos ABS India Ltd. | Director/Member of Audit Committee |
| Shri Dinesh Mills Ltd. | Director/Member of Shareholders Grievance Committee |
| Eimco Elecon (India) Ltd. | Director/Member of Audit Committee |

DISCLOSURES:

During the year 2008-09, the Company had no materially significant related party transaction, which is considered to have potential conflict with the interests of the Company at large.

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchange, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.

The Company has complied with all mandatory requirements and it is in the process of compliance with various non-mandatory requirements.

MEANS OF COMMUNICATION:

The Board of Directors of the Company approves and takes on record the unaudited financial results of the Company within one month of the close of the quarter/half year and announces forthwith the results to the Bombay Stock Exchange Limited, where the shares of the Company are listed, as also the same are published within 48 hours in two newspapers as prescribed. As the Company has published the audited annual results within the stipulated period of three months, as required by the Listing Agreement with the Bombay Stock Exchange Limited, the unaudited results for the last quarter of the financial year are not published.

Management Discussion and Analysis Report forms part of this Annual Report.

GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting

Date : 17th July, 2009.

Time : 11.00 a.m.

Venue : Registered Office of the Company at Plot No.109, GIDC Industrial Estate, Narmadanagar, Bharuch – 392 015, (Gujarat).

Financial Year:

The Company follows April-March as its financial year. The results for every quarter are declared in the month following the quarter except for the quarter January-March, for which the audited results are declared in May/June as permitted under the Listing Agreement.

Mipco Seamless Rings (Gujarat) Limited

Date of Book Closure

Friday, the 10th July, 2009 to Friday, the 17th July, 2009 (both days inclusive).

Dividend Payment Date

There is no dividend recommended for the year due to the losses.

Listing on Stock Exchanges

The Company's shares are listed on Bombay Stock Exchange Limited, Mumbai.

Stock Code

Scrip Code No.: 505797

Stock Price Data

Bombay Stock Exchange Limited, Mumbai (BSE)

There was no trading of Company's shares during the year 2008-09.

Registrar and Transfer Agents

The Company has not appointed any Registrar and Transfer Agents for the share transfer work. The Company has an in-house share transfer facility at its Registered Office.

Distribution of Shareholding:

Categories of Shareholding as on 31st March, 2009.

| Category | Shares | |
|--|----------------|---------------|
| | Number | % to Total |
| Promoters and Promoters Group | 1304372 | 36.38 |
| Mutual Funds & UTI | 204613 | 5.71 |
| Banks, Financial Institutions, Insurance Companies | 2300 | 0.06 |
| Foreign Institutional Investors | 0 | 0 |
| Private Corporate Bodies | 107301 | 3.00 |
| Indian Public | 1962514 | 54.75 |
| NRIs/OCBs | 3700 | 0.10 |
| Others (Shares in Transit) | 0 | 0 |
| Total | 3584800 | 100.00 |

Distribution of shareholding as on 31st March, 2009.

| No. of equity shares held | No. of Shareholders | % of Shareholders | No. of Shares | % of Shareholding |
|---------------------------|---------------------|-------------------|----------------|-------------------|
| 1 - 500 | 18574 | 97.38 | 1236405 | 34.49 |
| 501 - 1000 | 317 | 1.66 | 249228 | 6.95 |
| 1001 - 2000 | 99 | 0.52 | 142483 | 3.98 |
| 2001 - 3000 | 28 | 0.15 | 70035 | 1.95 |
| 3001 - 4000 | 11 | 0.06 | 36602 | 1.02 |
| 4001 - 5000 | 11 | 0.06 | 49620 | 1.39 |
| 5001 - 10000 | 16 | 0.08 | 114005 | 3.18 |
| 10001 and above | 18 | 0.09 | 1686422 | 47.04 |
| Total | 19074 | 100.00 | 3584800 | 100.00 |

Dematerialisation of Shares and Liquidity: The Equity shares of the Company are in physical form as on 31st March, 2009.

The Company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments.



Plant Location

--

Address for Correspondence

Shareholders may correspond on all matters relating to transfer/dematerialisation of shares, payment of dividend, and any other query relating to shares of the Company, to the Registered Office of the Company at Plot No.109, GIDC Industrial Estate, Narmadanagar, Bharuch – 392 015, (Gujarat).

For and on behalf of the Board

Place: Mumbai

Date : 8th May, 2009.

S. V. S. Iyer
Director

S. M. Patel
Managing Director

Auditors' Certificate regarding compliance of Corporate Governance

To the Members of Mipco Seamless Rings (Gujarat) Limited

We have examined the compliance of the conditions of Corporate Governance by Mipco Seamless Rings (Gujarat) Limited for the year ended 31st March 2009, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange.

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.

We have conducted our review on the basis of the relevant records and documents maintained by the Company. Based on such review and as per the information and explanations given to us by the Company, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreement.

We state that as per the records maintained by the company there were no investor grievances remaining unattended/pending for more than 30 days.

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 PARIKH & SHAH
Chartered Accountants

Mumbai, 8th May, 2009

H. K. DESAI
Partner

Mipco Seamless Rings (Gujarat) Limited

MANAGEMENT DISCUSSION AND ANALYSIS:

a) Outlook:

The company being a Sick Industrial Unit has made a reference to BIFR in earlier years and as per order dated 29.08.2005 the BIFR has directed the matter presently stands abated.

b) Segmentwise Performance:

Your Company has only one reportable segment of activity namely 'rings' as defined by Accounting Standard-17 issued by Institute of Chartered Accountants of India.

c) Internal Control Systems and their Adequacy:

The Company does not have any manufacturing activity.

d) Financial performance with respect to operations:

During the year, the Company continued to incur losses before extraordinary items and taxation.

e) Human Resources and Industrial Relations:

The Company does not have any employee except the Managing Director.



AUDITORS' REPORT

To,
The Members of
MIPCO SEAMLESS RINGS (GUJARAT) LIMITED

We have audited the attached Balance Sheet of Mipco Seamless Rings (Gujarat) Limited as at 31st March, 2009 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.

We conducted our audit in accordance with auditing standards generally accepted in India, which requires 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, and 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.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of books and records of the Company as considered appropriate and as per the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

1. 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;
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of account of the Company;
4. 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;
5. On the basis of written representations received from the Directors of the company and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of Section 274 (1) (g) of the Companies Act, 1956;
6. **The accounts for the year though have been prepared on the assumption of going concern basis, however the company's ability to continue as a going concern is dependent upon restructuring of operations by considering appropriate business strategies and financial viabilities.**

Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the 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;

- a. in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- b. in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- c. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For PARIKH & SHAH
Chartered Accountants

(H. K. Desai)
Partner

Membership No. 13719

Mumbai: 8th May, 2009.

Mipco Seamless Rings (Gujarat) Limited

RE : MIPCO SEAMLESS RINGS (GUJARAT) LIMITED

ANNEXURE TO AUDITORS' REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

1. a) The Company has maintained proper records showing full particulars including quantitative details and location of its fixed assets (viz. wind mill).
- b) During the year, the management has physically verified the fixed asset and no material discrepancies have been noticed on such verification.
- c) No fixed asset has been disposed off during the year.
- 2 There being no inventory on hand during the year/at the end of the year commenting on procedure of physical verification of inventory, maintenance of proper records and ascertaining of discrepancies does not arise.
- 3 a) 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.
- b) 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.
- 4 According to the information and explanations given to us, for the activities carried out during the year, there was in our opinion, adequate internal control system commensurate with the size of the Company and nature of the business. No major weakness was noticed in the course of our audit in this behalf.
- 5 In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register maintained under Section 301 of the Companies Act, 1956.
- 6 The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
- 7 **The Company does not have any formal internal audit system. As informed to us this is in view of the continuing suspension of the business operations:**
- 8 The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
- 9 a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, sales-tax, wealth-tax, service tax, custom duty, excise-duty, and other statutory dues during the year. As at 31st March, 2009, there were no undisputed dues payable for a period of more than six months from the date they became payable.
- b) According to information and explanation given to us the disputed dues in respect of Sales tax and Income tax that have not been deposited by the Company are as follows:

| Name of Statute | Nature of dues | Amount (Rs. In lacs) and (Period to which it relates) | Forum where the dispute is pending |
|-----------------------------|----------------|---|--|
| Gujarat Sales Tax Act, 1969 | Sales Tax | Rs.1.65 lacs (1988-1989) | Asst. Sales Tax Commissioner – Appeal 7 Vadodara |
| | | Rs.6.25 lacs (1999-2000) | The Gujarat Sales Tax Tribunal at Ahmedabad |
| Income Tax Act, 1961 | Income Tax | Rs.39.94 lacs (2005-06) | Commissioner of Income Tax (Appeal - VI) Mumbai |

10. The accumulated losses of the Company exceeded fifty percent of its net worth at the end of the financial year. The Company has not incurred cash loss in the current year and immediately preceeding financial year.
11. The Company has not availed any loans from Banks Financial Institution or by issue of debentures.
12. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund/nidhi/mutual benefit fund/society. Accordingly the provisions of the clause 4(xiii) of the Order are not applicable.
14. As the Company is not dealing or trading in shares, securities, debentures and other investments, paragraph 4(xiv) of the Order is not applicable.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.



16. The Company has not obtained any term loans during the year.
17. According to the information and explanations given to us, the Company has not raised any funds on short term basis during the year.
18. The Company has not made any preferential allotment of shares to any parties and companies covered under the register maintained u/s.301 of the Companies Act, 1956 during the year.
19. No security or charge is required to be created since the company has not issued any Debentures.
20. The Company has not raised any money by public issue during the year.
21. On the basis of examination of books of account and other relevant records in the course of our audit and as per the information and explanation given to us no fraud on or by the Company has been noticed or reported during the year.

For PARIKH & SHAH
Chartered Accountants

(H. K. Desai)
Partner

Membership No. 13719

Mumbai: 8th May, 2009.

Mipco Seamless Rings (Gujarat) Limited
Balance Sheet as at 31st March 2009

| | Schedules | As at 31st March 2009 Rupees In lacs | As at 31st March 2008 Rupees In lacs |
|--|-----------|--|--|
| SOURCES OF FUNDS | | | |
| 1. SHAREHOLDERS' FUNDS | | | |
| (a) Share Capital | 1 | 558.40 | 558.40 |
| (b) Reserves and Surplus | 2 | 778.66 | 778.66 |
| 2. TOTAL | | <u>1,337.06</u> | <u>1,337.06</u> |
| APPLICATION OF FUNDS | | | |
| 3. FIXED ASSETS | 3 | 8.62 | 8.62 |
| 4. DEFERRED TAX ASSETS | 4 | 3.07 | 3.21 |
| 5. CURRENT ASSETS, LOANS AND ADVANCES | | | |
| (a) Cash and Bank Balances | 5 | 0.08 | 1.78 |
| (b) Loans and Advances | 6 | 40.97 | 57.20 |
| | | <u>41.05</u> | <u>58.98</u> |
| 6. Less : CURRENT LIABILITIES AND PROVISIONS | 7 | | |
| (a) Current Liabilities | | 6.10 | 420.65 |
| (b) Provisions | | 9.04 | 9.44 |
| | | <u>15.14</u> | <u>430.09</u> |
| 7. NET CURRENT ASSETS | | 25.91 | (371.11) |
| 8. PROFIT AND LOSS ACCOUNT | | 1,299.46 | 1,696.34 |
| 9. TOTAL | | <u>1,337.06</u> | <u>1,337.06</u> |
| 10. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS | 10 | | |

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board

For **PARIKH & SHAH**
Chartered Accountants

S. V. S. IYER
Director

H. K. DESAI
Partner

S. M. PATEL
Managing Director

Mumbai, 8th May, 2009

Mumbai, 8th May, 2009



Profit and Loss Account for the Year ended 31st March 2009

| | Schedules | For the Year ended 31st March 2009 Rupees in lacs | For the Year ended 31st March 2008 Rupees in lacs |
|--|-----------|---|---|
| 1. INCOME | | | |
| Other Income | 8 | 0.03 | 8.77 |
| | | <u>0.03</u> | <u>8.77</u> |
| 2. EXPENDITURE | | | |
| (a) Manufacturing and Other Expenses | 9 | 6.79 | 56.94 |
| (b) Depreciation | | - | 0.05 |
| | | <u>6.79</u> | <u>56.99</u> |
| 3. LOSS FOR THE YEAR BEFORE EXCEPTIONAL ITEMS AND TAX | | (6.76) | (48.22) |
| 4. EXCEPTIONAL ITEMS : | | | |
| Interest Remission on one Time Settlement | | - | 348.61 |
| Sundry Balances of Creditors Written Off (Refer Note 3-b) | | 403.78 | - |
| 5. PROFIT AFTER EXCEPTIONAL ITEMS AND BEFORE TAX | | <u>397.02</u> | <u>300.39</u> |
| 6. PROVISION FOR TAXATION | | | |
| Income Tax for earlier years | | - | (0.73) |
| Deferred Tax (charge) / credit | | (0.14) | (0.35) |
| 7. PROFIT AFTER TAX | | <u>396.88</u> | <u>299.31</u> |
| 8. BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR | | (1,696.34) | (1,995.65) |
| 9. BALANCE CARRIED TO BALANCE SHEET | | <u>(1,299.46)</u> | <u>(1,696.34)</u> |

This is the Profit and Loss account referred to in our report of even date.

For PARIKH & SHAH
Chartered Accountants

H. K. DESAI
Partner

Mumbai, 8th May, 2009

For and on behalf of the Board

S. V. S. IYER
Director

S. M. PATEL
Managing Director

Mumbai, 8th May, 2009

Mipco Seamless Rings (Gujarat) Limited
Schedules forming part of the Balance Sheet

| | As at 31st March 2009 Rupees in lacs | As at 31st March 2008 Rupees in lacs |
|--|--|--|
| 1. SHARE CAPITAL | | |
| AUTHORISED : | | |
| a) 50,00,000 Equity Shares of Rs.10/- each | 500.00 | 500.00 |
| b) 2,00,000 Cumulative Redeemable Preference Shares of Rs. 100/- each. | 200.00 | 200.00 |
| | <u>700.00</u> | <u>700.00</u> |
| ISSUED & SUBSCRIBED : | | |
| 35,84,800 Equity Shares of Rs.10/- each fully paid up. | 358.48 | 358.48 |
| Less : Calls in arrears | 0.09 | 0.09 |
| | <u>358.39</u> | <u>358.39</u> |
| Add : Forfeited Shares - 200 Equity Shares (amount originally paid up) | 0.01 | 0.01 |
| | <u>358.40</u> | <u>358.40</u> |
| 2,00,000 5% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up. | 200.00 | 200.00 |
| | <u>558.40</u> | <u>558.40</u> |
| 2. RESERVES AND SURPLUS | | |
| CASH SUBSIDY RESERVE | | |
| Balance as per last Balance Sheet | 34.12 | 34.12 |
| CAPITAL RESERVE | | |
| Balance as per last Balance Sheet | 744.54 | 233.25 |
| Credited during the year | - | 511.29 |
| | <u>744.54</u> | <u>744.54</u> |
| | <u>778.66</u> | <u>778.66</u> |

3. FIXED ASSETS Rupees in lacs.

| PARTICULARS | COST | | | | DEPRECIATION | | | | NET BLOCK | |
|----------------------------|---------------------|-----------|------------|---------------------|--------------------|-----------------|----------------------------------|---------------------|---------------------|---------------------|
| | AS AT 01.04.2008 | ADDITIONS | DEDUCTIONS | AS AT 31.03.2009 | UPTO 31.03.2008 | FOR THE YEAR | ADJUSTMENT ON ACCOUNT OF SALE | UP TO 31.03.2009 | AS AT 31.03.2009 | AS AT 31.03.2008 |
| PLANT AND MACHINERY | | | | | | | | | | |
| Wind Mills | 172.50 | - | - | 172.50 | 163.88 | - | - | 163.88 | 8.62 | 8.62 |
| TOTAL | 172.50 | - | - | 172.50 | 163.88 | - | - | 163.88 | 8.62 | 8.62 |
| Previous year 2007-08 | 175.86 | - | 3.36 | 172.50 | 164.97 | 0.05 | 1.14 | 163.88 | 8.62 | 10.89 |

| | DEFERRED TAX ASSET/ (LIABILITY) As at 1st April, 2008 Rupees in lacs | (CHARGE) /CREDIT FOR THE CURRENT YEAR Rupees in lacs | DEFERRED TAX ASSET (LIABILITY) As at 31st March, 2009 Rupees in lacs |
|---|---|---|---|
| 4 DEFERRED TAX ASSETS | | | |
| Expenses allowable for Tax purpose when paid | 3.21 | 0.14 | 3.07 |
| TOTAL | <u>3.21</u> | <u>0.14</u> | <u>3.07</u> |



Schedules forming part of the Balance Sheet

As at 31st
March 2009
Rupees in lacs

As at 31st
March 2008
Rupees in lacs

5. CASH AND BANK BALANCES

| | | |
|----------------------------|-------------|-------------|
| (a) Cash on Hand | - | - |
| (b) With Scheduled Banks : | | |
| In Current Account | 0.08 | 0.11 |
| In Fixed Deposit | - | 1.67 |
| | <u>0.08</u> | <u>1.78</u> |

6. LOANS AND ADVANCES

Unsecured-Considered Good :

| | | |
|---|--------------|--------------|
| (a) Advances recoverable in cash or in kind or for value to be received | 32.91 | 39.11 |
| (b) Security Deposits | - | 0.02 |
| (c) Balance with Central Excise | - | 0.19 |
| (d) Income Tax | 8.06 | 17.88 |
| | <u>40.97</u> | <u>57.20</u> |

7. CURRENT LIABILITIES AND PROVISIONS

CURRENT LIABILITIES :

| | | |
|-----------------------|-------------|---------------|
| (a) Sundry Creditors | 0.04 | 177.83 |
| (b) Other Liabilities | 6.06 | 242.82 |
| | <u>6.10</u> | <u>420.65</u> |

PROVISIONS

| | | |
|----------|--------------|---------------|
| Gratuity | 9.04 | 9.44 |
| | <u>15.14</u> | <u>430.09</u> |

Mipco Seamless Rings (Gujarat) Limited

Schedules forming part of the Profit and Loss Account

| | Rupees in lacs | For the Year ended 31st March 2009 Rupees in lacs | For the Year ended 31st March 2008 Rupees in lacs |
|---|-------------------|---|---|
| 8. OTHER INCOME | | | |
| (a) Sale of Scrap | | - | 4.64 |
| (b) Interest Received | | 0.03 | 1.71 |
| (c) Profit on sales of assets | | - | 0.30 |
| (d) Excess provision written back | | - | 1.53 |
| (e) Sundry Credit balances written off | | - | 0.59 |
| | | <u>0.03</u> | <u>8.77</u> |
| 9. MANUFACTURING AND OTHER EXPENSES | | | |
| (a) Decrease in stock of Work in Process | | - | 0.88 |
| (b) Loss on sale of stores & spares | | - | 13.45 |
| (c) Excise Duty Claims | | - | 5.04 |
| (d) Employees' Remuneration and Beniffites : Compensation to Staff / Workers on Termination of Services | | - | 23.84 |
| (e) Repairs : Wind Mills | | 2.15 | 2.32 |
| (f) Rent, Rates & Taxes | | 0.77 | 0.78 |
| (g) Insurance | | 0.21 | 1.45 |
| (h) Postage & Courier Charges | | 0.82 | 0.81 |
| (i) Printing & Stationary | | 0.75 | 1.17 |
| (j) Remuneration to Auditors : Audit Fees | 0.05 | | 0.10 |
| For Income Tax matter | 0.06 | | - |
| For Certification work | 0.06 | | 0.07 |
| Service tax | <u>0.01</u> | | <u>0.02</u> |
| | | 0.18 | 0.19 |
| (k) Legal & Professional Fees | | 0.38 | 2.12 |
| (l) Advertisement Expenses (Others) | | 0.73 | 0.63 |
| (m) Bad Debts (net of provision) | | - | 3.03 |
| (n) Directors' Fees | | 0.20 | 0.44 |
| (o) Interest others | | 0.07 | 0.18 |
| (p) Annual Listing Fee | | 0.10 | 0.10 |
| (q) License and Other Fees | | 0.35 | 0.23 |
| (r) Other Expenses | | <u>0.08</u> | <u>0.28</u> |
| | | <u>6.79</u> | <u>56.94</u> |



Schedule Forming part of the Accounts

10. SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

1. FIXED ASSETS:

- (a) Fixed Assets are stated at their historical cost.
- (b) Additions to fixed assets comprise their purchase price and directly attributable costs.
- (c) Depreciation is provided at the rates prescribed in Schedule XIV to the Companies Act, 1956

2. INVENTORY VALUATION:

- (a) Stock of Stores & Spares, Raw Materials & Tools : At lower of cost (on FIFO basis) or net realisable value.
- (b) Work in Process : At lower of cost or net realisable value.
Cost comprising of raw materials, manufacturing and other overheads.
- (c) Finished Goods : i. At lower of cost or market value.
ii. Excise Duty payable on finished goods stocks at the end of the year is accounted for and is considered for valuation purposes.

3. RETIREMENT BENEFITS:

Retirement benefits to employees comprise of payments of gratuity, superannuation and provident fund under the approved Schemes of the Company. Gratuity liability is provided on the basis of actuarial valuation and funded with an approved Trust.

4. REVENUE RECOGNITION:

- (i) Sales comprise sale of goods including excise duty and is accounted on the transfer of property in the goods to the buyer.
- (ii) Revenue from job work is recognised by the completed service contract.

B. NOTES TO ACCOUNTS

| | 2008-2009 Rs. In lacs | 2007-2008 Rs. In lacs |
|--|--------------------------|--------------------------|
| 1. Contingent Liabilities not Provided for : | | |
| (i) For Counter-guarantees to the Bank against Bank's Guarantee to Government Departments and other Authorities. | | 1.53 |
| (ii) Claims of Central Excise Duty disputed by the Company | | 56.51 |
| (iii) Income tax demand contested in appeal | 39.94 | - |
| (iv) Claims of Sales Tax disputed by the Company. | 7.90 | 7.90 |
| (v) Claim for power charges by GEB disputed by the Company | | 5.90 |
| (vi) Claim of workers pending settlement in court | 1.50 | 1.50 |
| 2. Arrears of dividend on Cumulative Redeemable Preference Shares for the years 2001-02 to 2008-09 | 80.00 | 70.00 |
| 3. a The Company being a Sick Industrial Unit has made a reference to BIFR in earlier year and as per order dated 29.08.2005 the Board has directed that the matter stands abated. | | |
| b Consequently old balances pertaining to outstanding dues of Sundry Creditors aggregating Rs.403.78 lacs no longer payable are written off. | | |

Mipco Seamless Rings (Gujarat) Limited

4 RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18

RELATED PARTIES

| | | | |
|----|--|--|--|
| A. | (i) Associate Companies: ABC Bearings Ltd., Mipco Investments Pvt. Ltd., Manoway Investments Pvt. Ltd., Maple Investments Pvt. Ltd., Emsons Leasing Co.Pvt. Ltd., | (ii) Managing Director : Mr. S. M. Patel. | (iii) Directors: Mr. T. M. Patel Mr. S.V.S. Iyer Mr. Jal R. Patel |
|----|--|--|--|

| | | | |
|----|---|--|--|
| B. | Related Party Transactions. | 31.03.2009 Rupees in lacs | 31.03.2008 Rupees in lacs |
| | Associate Companies : | | |
| | (i) Sale of fixed assets | - | 2.51 |
| | (ii) Rent paid | 0.06 | 0.06 |
| | (iii) Sale of Stores and Spares and Other Material | - | 18.25 |
| C. | Outstanding balances as on 31.03.2009 | - | Cr. 233.49 |
| D. | Details of remuneration to Managing Director is disclosed in the Notes to Accounts. | | |
| E. | There are no write offs of any amounts for any of the above related parties. An amount of Rs. 232.04 lacs is written back (previous year NIL) in respect of one of the related parties. | | |

5 In accordance with Accounting Standard-22 Accounting for Taxes on Income, the company has considered deferred taxes during the year

- (I) The deferred tax has been retained only to the extent of liability for Gratuity and accordingly Deferred Tax of Rs. 0.14 lacs (previous year 0.35 lacs) has been charged to Profit & Loss Account.
- (II) Deferred tax arising on account of brought forward losses and unabsorbed depreciation is presently not recognised for want of certainty of sufficient future taxable income being generated.

6 a) The Company presently does not have any Manufacturing Operations and restructuring of activities is under consideration.
b) Quantitative Details and other information therefore are not applicable.

7 a) Computation of Net Profit as per Section 309(5) and Section 198 of the Companies Act, 1956 Not applicable in absence of any business activities.
b) Managing Director's remuneration under Section 198 of the Companies Act, 1956 - Nil

Notes: (i) Central government vide letter dated 15.02.2007 has approved payment of remuneration to Managing Director at Rs. 75000/-per month with effect from 01.08.2006. No provision is made in the accounts thereof for the period 01.08.2006 to 31.03.2009 as the Managing Director has waived his right to receive the remuneration till the revival of business activities.

- (ii) Rs. 1.90 lacs (Previous Year Rs.1.90 lacs) included under advances is recoverable from the Managing Director out of excess remuneration aggregating Rs. 5.44 lacs paid in earlier years.

8 Particulars of the Balance Sheet abstract and the Company's General Business Profile, pursuant to Part IV of Schedule VI to the Companies Act, 1956, are attached hereto.

Signature to schedules 1 to 10
As per our report of even date attached.

For and on behalf of the Board

For PARIKH & SHAH
Chartered Accountants

S. V. S. IYER
Director

H. K. DESAI
Partner

S. M. PATEL
Managing Director

Mumbai, 8th May, 2009

Mumbai, 8th May, 2009



Cash Flow Statement for the year ended 31st March, 2009

| | Rs.In lacs | 2008-2009 Rs.In lacs | 2007-2008 Rs.In lacs |
|---|------------|-------------------------|-------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES : | | | |
| NET PROFIT / (LOSS) FOR THE YEAR | | 397.02 | 300.39 |
| Adjustments for : | | | |
| Depreciation | - | | 0.05 |
| Interest Income | (0.03) | | (1.71) |
| Bad Debts | - | | 3.03 |
| Sundry Balance W/off | - | | (2.12) |
| Profit On Sale of Fixed Assets | - | | (0.30) |
| Interest remission on One Time Settlement | - | | (348.61) |
| Sundry creditors balances written off | (403.78) | | |
| | | (403.81) | (349.66) |
| | | (6.79) | (49.27) |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | | | |
| Trade and other receivables | 0.49 | | 28.17 |
| Inventories | - | | 28.82 |
| Trade Payable | (5.25) | | 21.49 |
| | | (4.76) | 78.48 |
| | | (11.55) | 29.21 |
| CASH GENERATED FROM OPERATIONS | | | |
| Refund of Direct Tax | | 9.82 | 0.24 |
| | | (1.73) | 28.97 |
| CASH FLOW BEFORE EXTRAORDINARY ITEMS | | | |
| Insurance Claim Received | | - | - |
| NET CASH FLOW FROM OPERATING ACTIVITIES | (A) | (1.73) | 28.97 |
| B CASH FLOW FROM INVESTING ACTIVITIES : | | | |
| Sale of Fixed Assets | - | | 2.51 |
| Interest received | 0.03 | | 1.24 |
| | | 0.03 | 3.75 |
| NET CASH USED IN INVESTING ACTIVITIES | (B) | 0.03 | 3.75 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Repayment of Borrowings | - | | (35.00) |
| NET CASH USED FROM FINANCING ACTIVITIES | (C) | | (35.00) |
| NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS | (A+B+C) | (1.70) | (2.28) |
| CASH & CASH EQUIVALENTS (OPENING BALANCE) | | 1.78 | 4.06 |
| CASH & CASH EQUIVALENTS (CLOSING BALANCE) | | 0.08 | 1.78 |
| NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS | | (1.70) | (2.28) |

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For PARIKH & SHAH
Chartered Accountants

S. V. S. IYER
Director

H. K. DESAI
Partner

S. M. PATEL
Managing Director

Mumbai, 8th May, 2009

MIPCO SEAMLESS RINGS (GUJARAT) LIMITED

Information pursuant to part IV of the Companies Act, 1956.
Balance Sheet Abstract and Company's General Business Profile

I Registration details

Registration No. 3 6 4 3 State Code 0 4
Balance Sheet Date 3 1 0 3 2 0 0 9
Date Month Year

II Capital Raised during the year (Amount in Rs. Thousands)

Public Issue N I L Right Issue N I L
Bonus Issue N I L Private Placement N I L

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities 1 3 3 7 0 6 Total Assets 1 3 3 7 0 6
Sources of Funds
Paid Up Capital 5 5 8 4 0 Reserves & Surplus 7 7 8 6 6
Secured Loans N I L Unsecured Loans N I L
Application of Funds
Net Fixed Assets 8 6 2 Investments N I L
Net Current Assets
+ -
+ 2 5 9 1 Misc. Expenditure N I L
Deferred Tax Assets 3 0 7
Accumulated Losses 1 2 9 9 4 6

IV Performance of the Company (Amount in Rs. Thousands)

Turnover 3 Total Expenditure 6 8 0
+ - Profit/Loss
+ - before Tax and exceptional item (-) 6 7 6
+ after Tax and * + 3 9 6 8 8
Earning Per Share in Rs. + 1 1 . 0 7 Dividend Rate % N I L

V Generic Names of Three Principal Products/Services of the Company (As per monetary Terms)

Item Code No (ITC Code) 8 4 8 2 0 0
Product Description S E A M L E S S R I N G S F O R
 B E A R I N G R A C E S



MIPCO SEAMLESS RINGS (GUJARAT) LIMITED

Regd. Office: Plot No.109, GIDC Industrial Estate, Narmadanagar, Bharuch – 392 015, (Gujarat).

ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall

Full Name of the

Member attending

Full Name of the

First JointHolder

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

Name of

Proxy

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

I hereby record my presence at the TWENTY-NINTH ANNUAL GENERAL MEETING of the Company held on Friday, the 17th July, 2009 at 11.00 a.m. at the Registered Office of the Company at Plot No.109, GIDC Industrial Estate, Narmadanagar, Bharuch – 392 015, Gujarat.

Regd. Folio No.

No. of Shares held

Member's/Proxy's signature
(to be signed at the time of
handing over this slip)

(Please cut here)

MIPCO SEAMLESS RINGS (GUJARAT) LIMITED

Regd. Office: Plot No.109, GIDC Industrial Estate, Narmadanagar, Bharuch – 392 015, (Gujarat).

PROXY FORM

I/We _____ of

_____ in the district of _____

being member(s) of the above named Company, hereby

appoint _____

of _____ in the district of _____

or failing him _____

of _____ in the district of _____ as my/our proxy and to

vote for me/us on my/our behalf at the TWENTY-NINTH ANNUAL GENERAL MEETING of the Company to be held on Friday, the 17th July, 2009, at 11.00 a.m. at the Registered Office of the Company at Plot No.109, GIDC Industrial Estate, Narmadanagar, Bharuch – 392 015, Gujarat, or any adjournment thereof.

Signed this _____ day of _____ 2009.

Regd. Folio No. _____ No. of Shares held _____

Please
affix
15 Paise
Revenue
Stamp

The Companies Act, 1956 lays down that an instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

BOOK - POST

To,

If undelivered, please return to:

Mipco Seamless Rings (Gujarat) Limited

Registered Office : Plot No.109, GIDC Industrial Estate,
Narmadanagar, Bharuch – 392 015, (Gujarat).