

# **AUTO PINS (INDIA) LIMITED**

2776, PYARELAL, MOTOR MARKET KASHMERE GATE,  
DELHI – 110006

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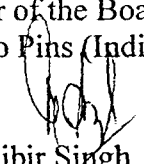
## **NOTICE**

NOTICE is hereby given that the ANNUAL GENERAL MEETING of the members of the **AUTO PINS (INDIA) LIMITED** will be held at the Registered office of the company at 2776, PYARELAL, MOTOR MARKET KASHMERE GATE, DELHI - 110006 on Wednesday, 30<sup>th</sup> Day of September, 2009 at 10.00 A.M. to transact the following businesses :-

### **ORDINARY BUSINESS:-**

1. To consider, receive and adopt the Audited Balance-Sheet of the Company as at 31st March, 2009 and the profit & loss account for the year ended on that date together with the Directors' report and Auditors' report thereon.
2. To appoint Mr. Subhash Jain, Director of the Company, who retires by rotation and Being eligible offers himself for re-appointment.
3. To appoint M/s Sanjay Rawal & co. Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board,  
For Auto Pins (India) Ltd.

  
Rajbir Singh  
(Managing Director)

Dated: 31<sup>st</sup> August, 2009  
Place: New Delhi

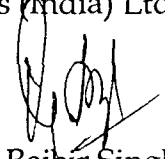
NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY. PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.

2. The share Transfer Books and Register of the Members will remain closed from Monday 28<sup>th</sup> September, 2009 to Wednesday 30<sup>th</sup> September, 2009 (both days inclusive).
3. The Members/Proxies are requested to produce the entrance, the attached admission slip duly completed and signed for admission to the meeting hall.
4. NO GIFTS WILL BE GIVEN AT THE ANNUAL GENERAL MEETING.

Dated: 31<sup>st</sup> August, 2009  
Place : New Delhi

By order of the Board,  
For Auto Pins (India) Ltd.

  
Rajbir Singh  
(Managing Director)

# **AUTO PINS (INDIA) LIMITED.**

2776, PYARELAL MOTOR MARKET, KASHMERE GATE,  
DELHI – 110006

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## **DIRECTORS REPORT**

To,  
The Members

Your Directors have great pleasure in presenting the Annual Report together with the Audited Statement of Annual Accounts for the Year ended 31<sup>st</sup> March, 2009

### **FINANCIAL RESULTS**

	(Rs. in Lacs) Current Year	(Rs. in Lacs) Previous Year
Sales & Other Income	363.844	193.13
Profit before Depreciation	86.723	24.44
Depreciation	101.409	102.11
Profit Before Tax	(14.685)	(77.67)
Income Tax	0.129	0.075
Profit After Tax	(14.814)	(77.74)

### **PERFORMANCE**

The over all performance for the 12 months was satisfactory as the Turnover of the company increased from Rs. 148.42 lacs to Rs. 227.216 lacs as compared to the previous year's turnover. The company has earned a loss during the year. However, your Directors are confident that the company will do better in future as the recessionary period of the Indian economy seems to over and the Company is trying its level best to improve its performance.

### **DIRECTORS**

Mr. Subhash Jain, Director of the Company retires by rotation and being eligible offers himself for re-appointment.

### **EXPORTS**

The Company has not earned export income during the financial year.

## **DIVIDEND**

As the company has not earned profit during the year, the company has set-off the previous loss against this; your Directors are not in the position to recommend any dividend for the year 2008-09.

## **AUDITORS**

M/S Sanjay Rawal & Co., Chartered Accountants, the Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting. They are eligible for reappointment.

## **CORPORATE GOVERNANCE**

In consonance with core values of the Company to enhance the wealth of shareholders with commitment to the customers, employees and society, your directors attach much significance to good corporate governance.

Pursuant to clause 49 of the said listing agreement, (a) Management discussion and analysis, (b) The report of the Directors on the practice prevalent on corporate governance in the Company and (c) Certificate from the Practicing Company Secretary on compliance of mandatory requirement of corporate governance are given as an annexure to this report.

## **LISTING**

The Company's Shares are listed on the Delhi Stock Exchange. The address of the Stock Exchange is:

The Delhi Stock Exchange Association  
3A & 4, Asaf Ali Road,  
New Delhi - 110 002

Bombay Stock Exchange Limited  
25<sup>th</sup> floor  
P.J. Tower, Dalal Street,  
Mumbai

## **PARTICULARS OF EMPLOYEE**

The company does not have any employees to whom the Provisions of Section 217 (2A) of the Companies Act 1956 read with the companies (Particulars of Employee Rules 1975) apply.

## **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.**

Particulars relating to Conservation of energy Research and Development, Technology, Absorption do not become applicable to the company, and details of Foreign Exchange earnings and outgo are as follows:

Foreign Exchange Earnings: Rs. NIL  
(In Indian Rupees)

Foreign Exchange Outgo : Rs. NIL  
(In Indian Rupees)

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed;

- (i) The financial statement has been prepared in accordance with the accounting standard issued by the Institute of Chartered Accountants of India and also the requirements of the Companies act, 1956, to the extent applicable to the Company. There have been no material departures from prescribed accounting standard while preparing these financial statements;
- (ii) The Board of Directors has selected the accounting policies described in the notes to the accounts, which have been consistently applied, except where otherwise stated. The estimates and judgments relating to the financial statements have been made on a prudent basis, in order that the financial statements reflect in a true and fair manner, the state of affairs of the Company as at March 31, 2009 and the profit of the Company for the year ended on that date;
- (iii) The board of directors and management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for the safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual account has been prepared on the historical cost conventions, as a going concern and on the accrual basis.

### **DEPOSITS**

During the year under review the company has not accepted any deposits .

## APPRECIATION

Your Directors wish to place on record their deep appreciation for the continued co-operation and support given by financial institution, Bank, Customers and shareholders of the company. They also acknowledge their deep appreciation for the contribution made by the employees at all levels to the operations of the company.

Dated : 31<sup>st</sup> August, 2009  
Place : New Delhi.

For and on behalf of the Board,  
Auto Pins (India) Limited

  
(RAJBIR SINGH)  
(MANAGING DIRECTOR)

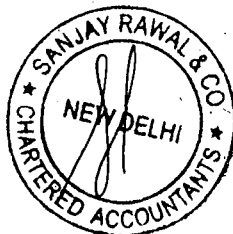
# SANJAY RAWAL AND CO.

## CHARTERED ACCOUNTANTS

OFFICE: A-146, G.F. DAYANAND COLONY, LAJPAT NAGAR-IV, NEW DELHI-110024,  
PH: 26421822, 26282518, Email: sanrawal@rediffmail.com

### Auditor's Report to the Member of Auto Pins (India) Ltd.

1. We have audited the attached Balance Sheet of **Auto Pins (India) Ltd.** as at 31<sup>st</sup> March 2009 and also the Profit & Loss account and the cash flow statement for the year ended on that date annexed hereto.  
These financial statements are 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 (Auditor's Report) Order, 2003 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:
  - i) 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;
  - ii) 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, **except as referred in (vi) below.**
  - iii) The Balance Sheet, Profit & Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv) In our opinion, the Balance Sheet, Profit & 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, **except as referred in (vi) below.**
  - v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2009 and taken on record by board of director, we report that none of the directors are disqualified as on 31<sup>st</sup> March 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;



CONTD 2/-

## vi) We report that:

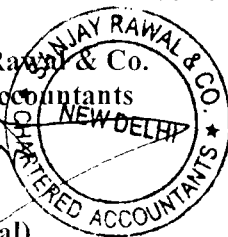
- a) Note No. 9 regarding order of the BIFR declaring the Company as Sick Company and pending the approval of revival scheme by BIFR/ Operating Agency, raise substantial doubt that the Company will be able to continue as a going concern.
- b) Note No.4(a) regarding Non provision of leave salary and gratuity of employees (amount unascertained)
- c) Note no.12 regarding non provision of interest on secured loan from certain parties (total loan Rs. 16320147.00) the amount of interest could not be ascertained.
- d) Note No. 14 regarding non provision of impairment loss, the amount of impairment loss could not be ascertained.

vii) In our opinion and to the best of our information and according to the explanations given to us the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and **subject to our remark with their resultant impact( to the extent ascertainable) as given in paragraph VI above** give a true and fair view in conformity with the accounting principles generally accepted in India:

- e) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2009;
- f) In the case of Profit and Loss Account, of the **LOSS** for the year ended on that date, and
- g) In the case of Cash flow statement, of the cash flows for the year ended on that date.

For Sanjay Rawal & Co.  
Chartered Accountants

(Sanjay Rawal)  
Partner



Place: New Delhi  
Dated: 31.08.2009

Cont...3/-



## ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 3 of our report of even date,

(i) (a) The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Assets have not been physically verified by the Management during the year.

(c) During the year, the company has not disposed off any substantial part of Fixed Assets.

(ii) (a) physical verification of inventories have not been conducted by the management at regular intervals.

(b) In our opinion and on the basis of information and explanations given to us, the procedure of physical verification of inventories followed by the management are not reasonable and adequate in relation to the size of the Company and the nature of its business. In absence of physical verification discrepancy between physical stock and the book record can not be commented upon.

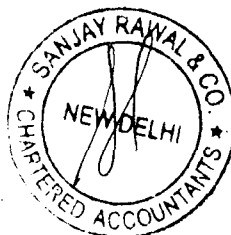
(iii) According to the information and explanations given to us, the company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms and other parties covered in the register maintained under section 301, of the Companies Act, 1956.

Accordingly, the provisions of clause 4(iii) (b) (c) (d) (f) and (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 the nature of its business for the purchase of inventory and fixed assets and for sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

(v) According to the information and explanations provided by the management, there were no transactions that need to be entered into a register in pursuance of Section 301 of the Companies Act , 1956. According, para v(b) of the Companies (Auditors' Report) Order, 2003 is not applicable.

Cont....4/-



(vi) During the year under review, the company has not accepted any deposits from public.

(vii) In our opinion, there is no internal Audit system of the Company.

(viii) According to information and explanation given to us provision of section 209 (i) (d) of the Companies Act, 1956 with regard to maintenance of cost records do not apply to the company.

(ix) (a) According to the records of the company, the company is not regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund Employees' State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Cess and other statutory dues. Following Statutory dues were outstanding as at 31/03/2009 for a period of more than 6 months from the date they became payable.

a) Investor Education & Protection Fund Rs. 2,94,118.00

(b) According to the records of the company, except for disputed Sales Tax dues of Rs. 20,68,084.00 as referred to in Note No.1 being contested before Sales Tax Appellate authority, there are no dues of Income Tax, Wealth Tax, Excise duty, Cess which have not been deposited on account of any dispute.

(x) The accumulated losses of the company exceed fifty percent of its net worth at the end of the financial year. The company has not incurred cash losses during the financial year and has also not incurred cash losses in immediately preceding financial year.

(xi) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has defaulted in repayment of dues to financial institutions. The amount of principal outstanding in respect of loan from one financial institutions is Rs. 11801086.00 and the amount of interest has not been provided in the books in respect of the above.

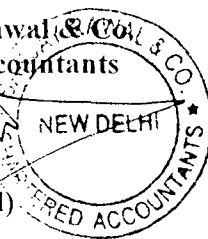
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- (xii) According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Society are not applicable to the company.
- (xiv) The nature of company's business/activities during the year does not include dealing in shares, securities, debentures or other investments; hence the requirement of offering comments on this clause is not applicable.
- (xv) According to the information and explanation given to us, the company has not given guarantee for the loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanation given to us no term Loan has been taken by the Company during the year.
- (xvii) According to the information and explanation given to us and on an overall examination of the Balance Sheet of the company, we report that during the year no funds raised on short-term basis have been used for long term investment by the company.
- (xviii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) During the period covered by our audit report, the company has not issued any debentures requiring report under this clause.
- (xx) The company has not raised any money by public issue during the year and hence the question of disclosure and verification of end use of such moneys does not arise.
- (xxi) Based upon the audit procedures performed and information and explanations given by the Management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For Sanjay Rawal & Co.  
Chartered Accountants

(Sanjay Rawal)  
Partner



Place: New Delhi  
Dated: 31.08.2009

**AUTO PINS (INDIA) LIMITED**  
**NEW DELHI**  
**BALANCE SHEET AS AT 31ST MARCH, 2009**

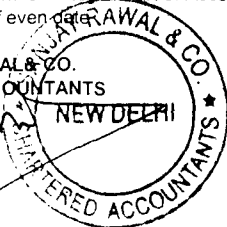
PARTICULARS	SCHEDULE	As at 31 st March, 2009	As at 31 st March, 2008
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	1	58046200	58046200
Reserve and surplus	2	50475300	50475300
Advance Against Equity Share		26965956	15765000
<b>LOAN FUNDS</b>			
Secured Loans	3	144543526	154951247
<b>TOTAL</b>		<b>280030982</b>	<b>279237747</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>	4		
Gross Block		234923240	234851940
Less Depreciation		150294244	140153322
Net block		<b>84628996</b>	<b>94698618</b>
<b>INVESTMENTS</b>	5	274500	274500
<b>CURRENT ASSETS LOANS &amp; ADVANCES</b>	6		
Inventories		18864683	10611927
Sundry Debtors		9784216	8412828
Cash and Bank Balances		1024861	1898165
Loans and Advances		3674782	5778841
<b>SUB TOTAL</b>		<b>33348542</b>	<b>26701761</b>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>	7		
Liabilities		94439664	97187207
Provisions for fringe benefit tax		33250	20304
<b>NET CURRENT ASSETS</b>		<b>-61124372</b>	<b>-70505750</b>
<b>PROFIT &amp; LOSS ACCOUNT</b>		256251858	254770379
(As per Annexed Account)			
<b>TOTAL</b>		<b>280030982</b>	<b>279237747</b>
<b>ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	13		

Schedule 1 to 13 form an Integral Part of Accounts  
As per our report of even date

For SANJAY RAWAL & CO.  
CHARTERED ACCOUNTANTS

SANJAY RAWAL  
PARTNER

Date : 31/03/2009  
Place : New Delhi



For and On behalf of the Board

SUBHASH JAIN  
DIRECTOR

RAJBIR SINGH  
MANAGING DIRECTOR

*(Signature of Subhash Jain)*  
*(Signature of Rajbir Singh)*

**AUTO PINS (INDIA) LIMITED**

**NEW DELHI**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009**

PARTICULARS	SCHEDULE	Year ended	
		31 st March,2009	31 st March,2008
<b>INCOME</b>			
Sales		22721632	14842139
Other Income	8	13662854	4470673
<b>TOTAL(a)</b>		<b>36384486</b>	<b>19312812</b>
<b>EXPENDITURE</b>			
Cost of goods sold	9	22149755	14217704
Management & Admn. Expenses	10	2967190	1635393
Financial Expenses	11	1077792	55293
Director Remuneration		300000	300000
Selling and Distribution Expenses	12	961492	659591
Balance Written Off		255868	761
Depreciation		10140922	10211520
<b>TOTAL(b)</b>		<b>37853019</b>	<b>27080262</b>
<b>PROFIT/(LOSS)) BEFORE TAX (a-b)</b>		<b>-1468533</b>	<b>-7767450</b>
<b>TAXES</b>			
LESS:PROVISION FOR FRINGE BENEFIT TAX		12946	7503
<b>PROFIT/(LOSS) AFTER TAX</b>		<b>-1481479</b>	<b>-7774953</b>
Add: Balance brought forward		-254770379	-246995426
<b>BALANCE CARRIED FORWARD TO BALANCE SHEET</b>		<b>-256251858</b>	<b>-254770379</b>
Basic/Diluted Earning Per share		-0.25	-1.34

**ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

13

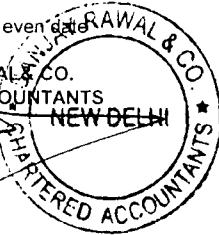
Schedule 1 to 13 form an Integral Part of Accounts

As per our report of even date

For SANJAY RAWAL & CO.  
CHARTERED ACCOUNTANTS

SANJAY RAWAL  
PARTNER

Date : 31/08/2009  
Place : New Delhi



For and On behalf of the Board

SUBHASH JAIN  
DIRECTOR

RAJBIR SINGH  
MANAGING DIRECTOR

**AUTO PINS (INDIA) LIMITED**  
**NEW DELHI**

**SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH, 2009**

PARTICULARS	As at 31 st March, 2009	As at 31 st March, 2008
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**SCHEDULES 1: CAPITAL**

**AUTHORISED**

6500000 Equity shares of Rs. 10/- each

65000000

65000000

**ISSUED & SUBSCRIBED & PAID UP**

5804620 Equity shares

58046200

58046200

of Rs 10/- each' fully paid up ( Out of the  
above 1904520 shares of Rs. 10/- each are  
allotted as fully paid up Bonus Shares)

**TOTAL**

58046200

58046200

**SCHEDULE 2: RESERVES AND SURPLUS**

**Share Premium Account**

Balance as per last Balance Sheet

50475300

50475300

**TOTAL**

50475300

50475300

**SCHEDULE 3: SECURED LOANS**

**(I) Haryana State Industrial Develop Corpn.**

Machinery Term Loan

11801086

11801086

(Exclusive charge against hypothecation of Machinery  
and personal guarantee of Managing Director  
of the Company.)

**(II) Analysis Securities Pvt. Ltd**

128223379

128223379

( Charge against immovable assets of the Company)

**(III) Others**

( Against Hypothication of specific Immovable/movable assets  
and personal guarantee of Managing Director of the company

4519061

4519061

a. Machinery term loan(s)

**(IV) Interest Accrued and Due on Loans**

0

10407721

**TOTAL**

144543526

154951247

**SCHEDULE 5: INVESTMENTS**

**QUOTED-LONG TERM**

-400 Equity shares of Rs. 10/- each

24500

24500

fully paid up in Canara bank

(Market value .100000 approx)

-12000 Equity shares of Rs. 35/- each

250000

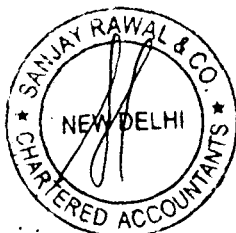
250000

partly paid up in Haryana Financial  
Corpn (Market value .N.A. )

**TOTAL**

274500

274500



*Ref: 100000* *100000*

**AUTO PINS (INDIA) LIMITED**  
**NEW DELHI**

**SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH, 2009 Contd.**

**SCHEDULE 6: CURRENT ASSETS, LOANS & ADVANCES**  
**INVENTORIES (AS TAKEN VALUED CERTIFIED BY MANAGEMENT)**

(At lower of cost and net realisable value)

Finished Goods	1275308	730615
Raw material	4965908	4792965
Work in Progress	11624554	4807230
Stores and Spares	998913	281117
<b>TOTAL</b>	<b>18864683</b>	<b>10611927</b>

**SUNDRY DEBTORS (UNSECURED)**

Debts outstanding for a period exceeding six months		
Considered Good	7955720	7955720
Considered Doubtful	12172231	12172231
	20127951	20127951
Less: Provision for Doubtful Debt	12172231	12172231
	7955720	7955720
Other Debts-considered good	1828496	457108
<b>TOTAL</b>	<b>9784216</b>	<b>8412828</b>

**CASH AND BANK BALANCES**

Cash in hand	419860	178069
Balance with scheduled Bank on:		
Current Accounts	605001	1330797
(in unconfirmed accounts-Ref. Note No. 24)		
Fixed Deposit Accounts	0	389299
<b>TOTAL</b>	<b>1024861</b>	<b>1898165</b>

**LOANS AND ADVANCES**

(unsecured, considered good unless otherwise stated)

Advances recoverable in cash or in kind or for value to be received	2424174	4291846
Advance FBT paid	25018	18769
Earnest Money Deposit	10000	
Security Deposits to others	1196767	1449403
Advance income tax/wealth tax(net)	18823	18823
<b>TOTAL</b>	<b>3674782</b>	<b>5778841</b>

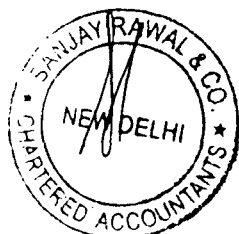
**SCHEDULE 7: CURRENT LIABILITIES AND PROVISIONS**

**CURRENT LIABILITIES**

Due to Directors	4100278	4496036
Sundry Creditors	68800878	77698787
Other Liabilities	19120435	13785400
Advance from Customers	2418073	1206984
<b>TOTAL</b>	<b>94439664</b>	<b>97187207</b>

**PROVISION**

Provision for Fringe Benefit Tax	33250	20304
	<b>33250</b>	<b>20304</b>



*Ref. no. 12/2009*

**AUTO PINS (INDIA) LIMITED**  
**NEW DELHI**

**SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH-2009 Contd.**

**SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

PARTICULARS	Year ended 31 st March, 2009	Year ended 31 st March, 2008
<b>SCHEDULE 8: OTHER INCOME</b>		
Interest Received	10701	
Miscellaneous Receipts	2805	331
Balance written Back	13649348	4470342
<b>TOTAL</b>	<b>13662854</b>	<b>4470673</b>
<b>SCHEDULE 9: COST OF GOODS SOLD</b>		
Opening stock of finished/semi/finished goods	5537845	4149870
<b>Add: Raw material consumed</b>		
Opening Stock	4792965	448039
Purchase (Net)	20784729	14540527
Less: Closing Stock	4965908	4792965
	<b>20611786</b>	<b>10195601</b>
<b>Manufacturing Expenses</b>		
Wages and Amenities to workers	2298618	1922119
Technical Staff salary etc	410231	334527
Consumable stores consumed	614797	208213
Oil & Lubricants consumed	3175398	1047486
Power and fuel consumed	1398173	1392917
Machinery repair/maintenance	1002769	504816
	<b>8899986</b>	<b>5410078</b>
Less: Closing Stock of finished/semi finished goods	12899862	5537845
<b>TOTAL</b>	<b>22149755</b>	<b>14217704</b>

**SCHEDULE 10: MANAGEMENT & ADMINISTRATIVE EXPENSES**

Salaries and Amenities to staff	1140802	977644
Rent, Rates & Taxes	698537	105904
Postage, Telegram and Telephone	207461	90776
Printing and Stationery	45290	18086
Travelling, conveyance and vehicle Maint	100129	80472
Legal exp. and filing fee	662325	295750
Auditors' Remuneration		
-Audit fee	50562	50562
Sales Tax Paid on Assessment	60420	15612
Miscellaneous expenses	1664	587
<b>TOTAL</b>	<b>2967190</b>	<b>1635393</b>

**SCHEDULE 11: FINANCIAL EXPENSES**

Bank charges	85554	51050
Bank Interest	24910	0
Interest on loan	967328	4243
<b>TOTAL</b>	<b>1077792</b>	<b>55293</b>

**SCHEDULE 12: SELLING AND DISTRIBUTION EXPENSES**

Packing and forwarding	1320	0
Commission on sales	48146	0
Advertisement & Exhibition exps	51000	6000
Rebate and Discount (Net)	861026	653591
<b>TOTAL</b>	<b>961492</b>	<b>659591</b>



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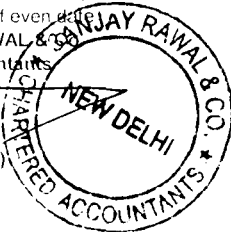
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009**

	CURRENT YEAR	PREVIOUS YEAR
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before Tax and extraordinary items	-1468533	-7767450
Adjustment for		
Depreciation	10140922	10211520
Finance Charges	1077792	55293
Operating Profit Before Working Capital Changes	9750181	2499363
Adjustment for		
Trade & other Receivable	732671	1915885
Inventories	-8252756	-5616448
Trade Payable	-2734597	7722185
Cash generated from operations	-504501	6520985
Direct Taxes	-12946	-7503
Finance Charges	-1077792	-55293
Cash Flow before extraordinary items	-1595239	6458189
Extra ordinary items	0	0
Net Cash from operating activities	-1595239	6458189
<b>B CASH FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-71300	-26780
Share application money	11200956	15765000
Net Cash from investing activities	11129656	15738220
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Proceeds from Borrowing	0	0
Net Cash used financing activities	-10407721	-24081652
Net Increase in Cash & Cash Equivalents	-873304	-1885243
Cash & Cash Equivalents (Opening Balance)	1898165	3783408
Cash & Cash Equivalents (Closing Balance)	1024861	1898165

Note : Figures in (-) represent outflows.

as per our report of even date  
For SANJAY RAWAL & CO  
Chartered Accountants

(SANJAY RAWAL)  
Partner  
Place: Delhi  
Date: 31/03/2009



For and On behalf of the Board

*[Signature]*  
DIRECTOR

MANAGING  
DIRECTOR

**BALANCE SHEET ABSTRACT AND COMPANY GENERAL BUSINESS PROFILE****1.REGISTRATION DETAILS**

Registration Number	7994
State code	55
Balance Sheet date	31.03.2009

**2.CAPITAL RAISED DURING THE YEAR**

(amount in Rs thousand)

Public issue	0
Right Issue	0
Bonus issue	0
Private Placement	26965.96
Total Liabilities	280031
Total Assets	280031

**3.SOURCES OF FUNDS**

Paid up Capital	58046
Share Application Money	26966
Secured Loans	144544
Reserve & Surplus	50475
	<b>280031</b>

**APPLICATION OF FUNDS**

Net Fixed Assets	84629
Investments	275
Net Current Assets	-61124
Misc. Expenditure	
Accumulated Losses	256252
	<b>280031</b>

**4.PERFORMANCE OF COMPANY**

Turnover of the company	36384
Total Expenditure	37853
+ /- Profit/Loss before tax	-1469
+ /- Profit/Loss after tax	-1481
Earning per share in Rs.	-0.51
Dividend Rate	NIL

**5.GENERIC NAME OF THREE PRINCIPAL PRODUCTS OF COMPANY**

Item Code No.	7320
Product Description	leaf spring
Item Code No.	8702
Product Description	Parts of motor vehicle



A handwritten signature in black ink, appearing to be "R. Chandra".

A handwritten signature in black ink, appearing to be "R. Chandra".

AUTO PINS INDIA LTD SCHEDULE FOR FIXED ASSETS AS ON 31.03.2009

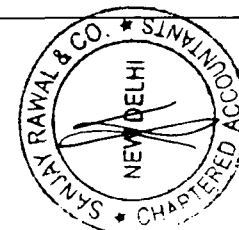
SCHEDULE-4

DEPRECIATION

Particulars	AS ON 01.04.2008	Additions during the year	SALE/ Transfer	Total Upto 31.3.2009	Upto 31.03.08	Adjust- met on Sale/Trf	Rate Of Dep	For the Year	Total Upto 31.03.09	WDV As on 31.03.2009	WDV As on 31.03.08
LAND FREEHOLD	228726	0	0	228726	0	0	0		0	228726	228726
PLANT & MACHINERY	202904285	0	0	202904285	112352620	0	4.75	9637954.00	121990574	80913711	90551665
BUILDING	6860845	0	0	6860845	4973650	0	10	188720.00	5162370	1698475	1887195
FURNITURE & FIXTURE	1239410		0	1239410	1153048	0	18.1	15632.00	1168680	70730	86362
MOTOR VEHICLE	5758340	0	0	5758340	5621533	0	30	41042.00	5662575	95765	136807
TYPEWRITER & OFFICE EQUIPMENT	1349837	0	0	1349837	1272991	0	13.91	10689.00	1283680	66157	76846
FIRE EQUIPINGUISHER	101167	0	0	101167	96576	0	13.91	639.00	97215	3952	4591
AIR CONDITIONERS & COOLERS	787258	71300	0	858558	739263	0	13.91	12797.00	752060	106498	47995
LIBRARY	81233	0	0	81233	69867	0	13.91	1581.00	71448	9785	11366
LABORATORY EQUIPMENT	301453	0	0	301453	286457	0	13.91	2086.00	288543	12910	14996
ELECTRICAL INSTALLATION	3722069	0	0	3722069	3547446	0	13.91	24291.00	3571737	150332	174623
COMPUTER	2715188	0	0	2715188	2444789	0	13.91	37613.00	2482402	232786	270399
TUBEWELL	38369	0	0	38369	37794	0	10	58.00	37852	517	575
DIES & TOOLS	8763760	0	0	8763760	7557288	0	13.91	167820.00	7725108	1038652	1206472
FIGURES FOR THE YEAR	234851940	71300	0	234923240	140153322	0		10140922	150294244	84628996	94698618
FIGURES FOR THE PREVIOUS YEAR	234825160	26780	0	234851940	129941802	0		10211520	140153322	94698618	

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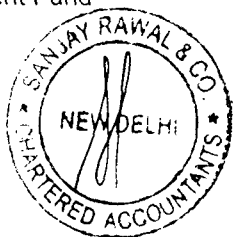
### 13. ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

#### (A) **ACCOUNTING POLICIES:**

1. **Recognition of Income & Expenditure**  
The accounts of the Company are prepared on the Historical Cost Convention using accrual method of accounting.
2. **FIXED ASSETS:-**  
Fixed assets are recorded at cost of acquisition inclusive of related expenses there on towards putting the assets into use.
3. **INVESTMENTS:-**  
Investments are stated at cost.
4. **DEPRECIATION:-**
  - a) The company follows the Straight Line Method of depreciation (SLM) in the case of Plant & Machinery and written down value method of depreciation (WDV) in all other remaining assets.
  - b) Machinery depreciation is provided on pro-rata basis.
5. **INVENTORIES:-**  
Raw material, Stores and Packing Materials are valued at lower of cost or net realizable value. Semi Finished and finished goods are valued at lower of cost or estimated net realizable value.
6. **RETIREMENT BENEFIT:-**  
The company has no provision in the books of account regarding accrued leave salary and Gratuity. However this been taken on the time of payment to employee's at the time of retirement or otherwise.
7. **IMPAIRMENT OF ASSETS:-**  
Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price or its value in use. Value in use is the present value of estimated future cash flow expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable willing parties, less the cost of the disposal.
8. **CONTINGENT LIABILITIES:-**  
Unprovided contingent liabilities are disclosed in the accounts by way of notes giving nature and quantum of such liabilities.

#### (B) **NOTES ON ACCOUNTS:**

	<u>CURRENT YEAR</u> Rs.	<u>PREVIOUS YEAR</u> Rs.
1. Contingent Liabilities		
a) Guarantee given by Bank in favour Of parties/authority in respect of		
Sales Tax Matters	0.00	20,00,000.00
Other Parties	0.00	4,00,000.00
b) i) For Excise/ESI/PF Matter	14,07,751.00	14,07,751.00
ii) Income Tax Matter	5,50,000.00	5,50,000.00
iii) Sales Tax Matter	20,68,084.00	20,68,084.00
c) Miscellaneous Matters(Gratuity)	15,00,000.00	27,00,000.00
2. Managing Director's Remuneration:		
Salary	3,00,000.00	300000.00
Perquisites	NIL	NIL
Contribution to Provident Fund	9360.00	9,360.00



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**Note:** Computation of Net Profit in accordance with Section 349 of the Companies Act, 1956 has not been given as commission by way of percentage of profit has not been paid for the year to any of the directors.

3. Balances grouped under Sundry Debtors, Advance from Customers, Sundry Creditors and Loans and Advances, Other Liabilities are subject to reconciliation and confirmation.

4. a) No Provision has been made for leave salary and gratuity of employee (amount unascertained)

b) No provision has been made for Income tax for the current year in view of current year loss & brought forward Losses and Depreciation.

5. In the opinion of the Board of Directors, the aggregate value of current Assets, Loans and Advance on realization in ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.

6. The Stocks have been taken as per inventories taken valued and certified by the management of the company.

7. As suppliers covered under the interest on Delayed Payment to "Micro, Small, and Medium Enterprises Development Act, 2006" are yet to be identified, liability towards interest remained as unpaid to such small scale and/ or ancillary industrial undertakings as on 31.03.2009 is unascertainable.

8. Sundry Debtors/Creditor/Advances/Liabilities Balance are written off/back as approved by the management.

9. The net worth of the company had become negative. The company has made a reference to Board For Industrial and Financial Reconstruction. The BIFR has declared that the Company had become a Sick Industrial Company as on 31-12-2003. Canara Bank has been appointed as Operating agency to conduct techno economic viability study and prepare revival scheme if feasible. Revival Scheme has been prepared by the company and the same is to be submitted to BIFR/ Operating Agency shortly. Pending the submission and approval of revival scheme by BIFR/Operating Agency, with regard to the revival of the Company, these Accounts has been prepared on going concern basis since the management is hopeful that revival scheme will be accepted, and hence in management consideration the going concern assumption is not vitiated

10. The interest amounting to Rs. 10407721.00 accrued on those loans, which has been subsequently repaid/settled by the company has been written back in profit & loss account.

11. The secured loans from Canara bank amounting to Rs.128223379.00 has been assigned in favour of Analysis Securities Pvt Ltd, along with security given to Canara Bank, for meeting fund required for One Time Settlement with Canara Bank. The company is liable to pay Rs.128223379.00 to Analysis Securities Pvt Ltd, irrespective of the settled amount with Canara Bank. Since then OTS has been arrived with Canara bank. Analysis Securities Pvt Ltd is entitled to interest @ 4% p.a. beginning 01.04.2008 and the loan was to be repaid by 31.12.2008, and subsequently the repayment date has been mutually extended to 31.03.2010. In case of non repayment of loan, Analysis Securities Pvt Ltd has option to convert the loan amount in to 25% of additional shares at mutually agreed valuation to be issued upon restructuring of the company.

12. The Company has not provided Interest on secured loans amounting to Rs.16320147.00 as the Company is approaching the lenders for settlement. The company estimates that the balance provided in the books shall be sufficient to cover the liabilities towards the above parties. Any consequential increase/decrease in principal/interest shall be adjusted in the accounts in the year in which the loan liability is settled.

13. Earning Per Share:	Current Year	Previous Year
a) Net Profit / (Loss)	(1468533)	(7774953)
b) Number of equity shares of Rs. 10 each outstanding during the year (No. of Shares)	5804620	5804620
c) Basic / Diluted Earning Per Shares (Rs.)	(0.25)	(1.34)

14. Impairment of Assets: - In pursuance of Accounting Standard 28- Impairment of assets issued by the chartered Accountants of India, the company has not reviewed it's carrying cost of assets with value in use (determined based on future earnings) / net selling price (determined based on estimation). The management intends to carry out in near future detailed exercise involving expert opinion and/ or the valuation of assets will be determined by Operating Agency appointed by BIFR to determine any loss to be accounted for impairment of assets. As such in the current financial year impairment loss has not been accounted for.



*Refain*

15. The Company has only one reportable business segment and geographical segment and hence no further disclosure is required under Accounting Standard – 17 on Segment Reporting.

16. The company does not have a Company Secretary as required under section 383-A of Companies Act, 1956.

17. Disclosures as per Accounting Standard 18 "Related Party disclosure" issued by the Institute of Chartered Accountants of India:-

A) **Managing Director's Remuneration:- Mr. S.Rajbir Singh**

	Current Year	Previous Year
Salary	Rs. 3,00,000.00	Rs. 3,00,000.00
Contribution to Provident Fund	Rs. 9,360.00	Rs. 9,360.00

B) Associates companies – NIL

C) Parties where control exists- NIL

18. In accordance with accounting standard 22 "Accounting for Taxes on Income" issued by the ICAI, deferred tax liabilities based on depreciation differences as on 31/03/2009 is adequately covered by deferred tax assets based on the benefits of unabsorbed depreciation, carried forward losses etc. that are available to the company as at 31/03/2009. And as such there is no impact of the same on these accounts. No further deferred tax assets has been recognized since there is no certainty of future taxable income to take benefit of Deferred tax assets.

**19. ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956.**

i) Particulars of Capacity and Production

a) Licensed Capacity	Not Applicable	Not Applicable
b) Installed Capacity	Not determinable	Not determinable
c) Actual Production	Figures in Nos.	Figures in Nos.
- Leaf Spring and Assemblies	33377	22377
- Axles	NIL	NIL
- Crown Pinion	NIL	NIL

ii) Particulars of Stock and Sales

a) Leaf Spring and Assemblies

	Current Year		Previous Year	
	Qty	Amount	Qty	Amount
Opening Stock	555	642040	3095	1786767
Sales	32897	22017515	24917	14522999
Closing Stock	1035	1186733	555	642040

b) Axles

Opening Stock	16	10400	16	10400
Sales	0	0	0	0
Closing Stock	16	10400	16	10400

c) Crown Pinion/PIN

Opening Stock	113	78175	113	78175
Sales	0	0	0	0
Closing Stock	113	78175	113	78175

d) Others

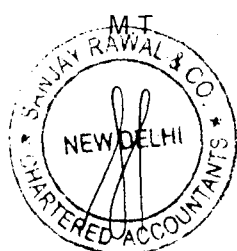
Scrap Sales	N.A.	704117	N.A.	319140
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III Particulars of Raw Material Consumed

Description	Unit	Current Year		Previous Year	
		Qty	Amount	Qty	Amount
Steel Flats	M.T.	583.34	20611786	318.34	10195601

TOTAL

583.34 20611786 318.34 10195601



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20. C.I.F. VALUE OF IMPORTS

- Capital goods

Nil  
(Nil)

21. EXPENDITURE IN FOREIGN CURRENCY

Nil  
(Nil)

22. EARNING IN FOREIGN CURRENCY FOR EXPORTS

Nil  
(Nil)

23. Following assets whether from the dissolved firm or thereafter, are yet to be transferred in the name of company.

Land at Kanpur  
Building at Kanpur  
Security Deposit

Book Value(Rs)

3500  
2085  
129299

24. Following Bank Balances are subject to confirmation / reconciliation if any. However there is no transaction during the year in most of the cases.

Current Accounts

Canara Bank – Jaipur

Rupees  
11342

Punjab & Sind Bank, Bombay

15328

Canara Bank – Dividend Account

403734

Canara Bank, Bombay

1470

Canara Bank, Pune

5718

Canara Bank, Ghaziabad

1098

Canara Bank, Delhi

12996

**451686**

25. Secured / Unsecured loans are subject to confirmation from the concerned parties.

26. Previous year's figures have been given in brackets. Figures in para 19 above have been given by the management and relied upon by the auditors.

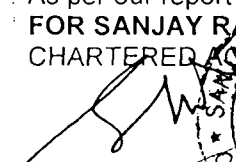
27. Previous year's figure have been re-grouped / re- arranged whenever necessary.

FOR & ON BEHALF OF THE BOARD

  
(SUBHASH JAIN)  
DIRECTOR

  
(RAJBIR SINGH)  
MANAGING DIRECTOR

As per our report of even date  
FOR SANJAY RAWAL & CO.  
CHARTERED ACCOUNTANTS

  
(Sanjay Rawal)  
PARTNER

Place : Delhi  
Date : 31/08/2009