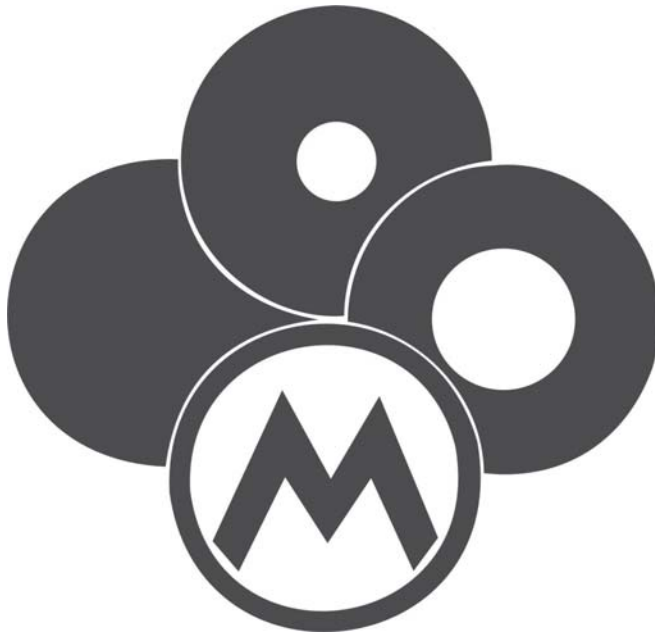


**33rd
Annual Report
2012-2013**



Mipco Seamless Rings (Gujarat) Limited



**MIPCO
SEAMLESS RINGS
(GUJARAT)
LIMITED**

BOARD OF DIRECTORS

Mr. Sachendra Tummala	Managing Director
Mr. S. M. Patel	Director
Mr. Sanjiv Kumar	Director
Mr. Ravi Kumar Chennupati	Director
Mr. Surya Chilukuri	Director

AUDITORS

Ganesh Venkat & Co;
Chartered Accountants

REGISTERED OFFICE AND WORKS

H. No. 100, Nilkanthnagar,
Gujarat Housing Board,
Bharuch – 392 001, (Gujarat).

CONTENTS

Notice	4
Directors' Report	6
Corporate Governance Report	8
Management Discussion & Analysis Report	15
Auditors' Report	17
Balance Sheet	22
Profit and Loss Account	24
Schedules to Balance Sheet	29
Schedules to Profit and Loss Account	37
Cash Flow Statement	40

***Thirty Third
Annual General Meeting***

on Friday, the 23rd August, 2013
at Registered Office of the Company
at H. No. 100, Nilkanthnagar,
Gujarat Housing Board, Bharuch -
392 001, Gujarat at 1.30 PM.



NOTICE

NOTICE is hereby given that the Thirty Third Annual General Meeting of the Members of **MIPCO SEAMLESS RINGS (GUJARAT) LIMITED** will be held at Registered Office of the Company at H. No. 100, Nilkanthnagar, Gujarat Housing Board, Bharuch – 392 001,(Gujarat). on Friday, the 23rd August, 2013, at 1.30 PM to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 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. Sanjiv Kumar, who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint Auditors for the current year and fix their remuneration and for that purpose

to pass the following resolution with or without any modifications as an **ORDINARY RESOLUTION.**

“RESOLVED THAT M/s. Ganesh Venkat & Co., Chartered Accountants, Hyderabad (Firm Registration Number: 005293S) be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company.”

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

Sachendra Tummala
Managing Director

Place: Hyderabad

Date : 22nd July, 2013

NOTES:

1. **A Member entitled to attend and vote is entitled to appoint Proxy to attend and vote instead of himself and the Proxy need not be the Member of the Company. The Proxies in order to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
2. Members/proxies are requested to fill the attendance slips duly filled in for attending the meeting and bring their copies of the Annual Report to the meeting.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

4. Members are requested to notify immediately any change in their address to our Share Transfer Agents.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 20th August, 2013 to 23rd August, 2013 (both days inclusive).
6. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
7. Corporate Members intending to depute their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.



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.

9. The information pertaining to the Directors proposed to be re-appointed are furnished below in terms of Clause 49 of the Listing Agreement with the Stock Exchanges:

Mr. Sanjiv Kumar

Mr. Sanjiv Kumar, a Chartered Accountant by profession, has served in various companies

in different capacities like VP (Finance), CFO, Global CFO etc. He also served various Board of the various listed and non-listed companies. Presently he is a Director of Mipco Seamless Rings (Gujarat) Limited.

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

Sachendra Tummala
Managing Director

Place: Hyderabad
Date : 22nd July, 2013

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholders,

The Ministry of Corporate Affairs (“MCA”) vide its circulars dated 21st April, 2011 and 29th April, 2011 has taken a “Green Initiative in Corporate Governance”, thereby allowing companies to serve electronic documents to its shareholders.

Environment conservation and sustainable development are continuously on your Company’s radar and therefore your Company supports MCA in this initiative. Accordingly, henceforth, we propose to send documents such as notices of general meeting(s), annual reports and other communications to the shareholders through e-mail. Please note that all such documents shall be kept open for inspection at the registered office of the Company during office hours.

We solicit your valuable cooperation and support in our endeavor to contribute our bit to

the environment. You are requested to please fill the details in the format provided below. Please note that fields marked ‘*’ are mandatory to fill.

Registered Folio or DP Id - Client Id *

Full Name *

Email Id *

Contact No. (eg: 91-9812345678, 91-22-12345678)

Declaration: (Select whichever is applicable)*

I agree to receive the communication through e-mail

I agree to receive the communication through physical mode

In case there is any change in your e-mail Id or any other details, please e-mail us the details at sharexindia@vsnl.com or contact us. In case of shares held in electronic form, you are requested to inform your DP as well.



DIRECTORS' REPORT

Dear Members,

The Directors present herewith their 33rd Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2013.

FINANCIAL RESULTS:

Rs. in lacs.

	Year ended 31.03.2013	Year ended 31.03.2012
Gross Profit/(Loss) before Interest, Depreciation and Tax	(9.62)	(7.87)
Less: Depreciation	—	—
Loss for the year	(9.62)	(7.87)
Extraordinary Items (Net of tax expense Rs.Nil)		
Interest Remission on one time settlement		
Sundry Balances of Creditors written off		
Less : Provision for Tax:		
Fringe Benefit Tax Refund	—	—
Deferred Tax charge/credit	—	—
Add: Balance Brought forward from previous year	(1319.96)	(1312.09)
Loss carried to Balance Sheet	(1329.58)	(1319.96)

OPERATIONS:

The Company has closed its manufacturing operations for the last few years. It does not have any other business activity.

DIVIDEND:

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

DIRECTORS:

Mr. Sanjiv Kumar Director of the Company retires by rotation and being eligible, offers himself for re-appointment. Necessary resolution for his re-appointment is being placed before the members for approval.

SCHEME OF AMALGAMATION:

Your Company is under process of merger with Corpus Software Private Limited. During the year under review, your Company has filed scheme of amalgamation with the Bombay Stock Exchange Limited (BSE) for *in principle* approval and applications with Hon'ble High Courts of Gujarat and Karnataka. Your Company has received *in principle* approval from BSE and waiting for the orders of Hon'ble High Courts.

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 explanatory statement 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.

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. Ganesh Venkat & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing 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.

DEPOSITS : The Company has not invited any deposits from the Public under Section 58A 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.

ACKNOWLEDGEMENTS :

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, financial institutions and central and State government for their consistent support to the Company. The Directors also wish to place on record their appreciation of the sincere and dedicated services of the employees.

For and on behalf of the Board

Place: Hyderabad
Date : 22nd July, 2013

Sachendra Tummalala
Managing Director



CORPORATE GOVERNANCE REPORT COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

A Good Corporate Governance is simply Good Business. Our Company's philosophy on corporate governance envisages adherence to the highest levels of transparency, accountability and equity in all areas of its operations and in all interactions with its stakeholders. Your Company is committed to achieving the highest standards of corporate governance in its pursuit of excellence, growth and value creation. It believes that all operations must be spearheaded by integrity, transparency and accountability for meeting its obligations towards enhancing shareholder value continuously.

At the core of its corporate governance practice is the Board, along with its committees which oversees how the management serves, protects & creates short term and long-term interests of shareholders and other stakeholders. The Company's corporate governance practices comply with the corporate governance requirements as per the Listing Agreement with Stock Exchange.

A report, in line with the requirement of the Listing Agreement, on the practices followed by the Company is given below:

Board of Directors

i. Board Composition

The Company's Board of Directors comprised 5 Directors, consisting of one Executive Director, one Non-Executive Director and three Independent Directors as defined under the Listing Agreement with Stock Exchanges. The composition of the Board is in accordance with the requirements of the Corporate Governance of the Listing Agreement with the Stock Exchanges. All Directors certified that they are not members of more than ten committees in terms of the Listing Agreement and do not act as Chairman of more than five committees across all the companies in which they are Directors. The below table give the composition of the Company's Board.

The constitution of the Board during the financial year 2012-13 is as under:

Name of the Director	Executive/ Non-Executive Independent	No. of outside Directorships in Public Companies	Membership held in Committee of Directors (other Public Companies)	Chairmanship held in Committee of Directors (other Public Companies)
Mr. Sachendra Tummala	Managing Director	Nil	Nil	Nil
Mr. Sanjiv Kumar	Non-Executive Director	Nil	Nil	Nil
Mr. Ravi Kumar Chennupati	Non-Executive Independent	Nil	Nil	Nil
Mr. Surya Chilukuri	Non-Executive Independent	Nil	NIL	NIL
Mr. S.M. Patel	Non-Executive Independent	2	3	NIL



ii. Board Meetings and Attendance of Directors

The Board meets atleast once in a quarter to consider amongst other business, the performance of the Company and the quarterly results. When necessary, additional meetings are held. The Board meetings are generally held at the Corporate Office of the Company at Hyderabad. Agenda for each meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board member is free to suggest the inclusion of items on the agenda. The gap between two consecutive meetings did not exceed four months.

During the year ended 31st March 2013, the Board met five times viz. 28th May 2012, 2nd August 2012, 12th November 2012, 11th December 2012, 12th February 2013.

Table hereunder gives the attendance record of the Directors at the Board Meetings held during the financial year 2012-13 and previous AGM held on 14.09.2012.

Name of the Director	No. of Board Meetings held during the tenure	No. of Board Meetings attended	Whether attended last AGM
Mr. Sachendra Tummala	5	5	Yes
Mr. Sanjiv Kumar	5	5	Yes
Mr. Ravi Kumar Chennupati	5	5	No
Mr. S.M. Patel	5	Nil	No
Mr. Surya Chilukuri	5	5	No

iii. Code of Ethics

The Board of Directors of the Company laid a Code of Conduct for Directors. All Directors affirmed compliance with the Code for the year under review. The declaration to this effect, signed by Mr. Sachendra Tummala, Managing Director, is annexed to this report.

Audit Committee

Terms of reference

The terms of reference of the Audit Committee are in accordance with all items listed in Clause 49(II)(D) and (E) of the listing agreement and Section 292(A) of the Companies Act, 1956. The same inter alia includes the following:

(a) Primary objectives of the Audit Committee

The Audit Committee acts as a link between the Statutory Auditors and the Board of Directors. The primary objective of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process and to ensure accurate, timely and proper disclosures and transparency and quality of financial reporting.

(b) Scope of the Audit Committee

1. Meet four times a year or more frequently as circumstances require. The Audit Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.



2. Recommending the appointment and removal of Statutory Auditors, fixation of audit fees and also to approve the payment for other services.
3. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.

(c) Composition of the Audit Committee

The Audit Committee is constituted as per the requirements of clause 49 of the Listing Agreement. The composition of audit committee is in compliance with the requirements of clause 49 (II) (A) of the Listing Agreement. It consists of 3 members, 2 of them including chairman, are independent directors. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

The Audit Committee currently comprises of the following Directors:

1. Mr. Surya Chilukuri, Chairman
2. Mr. Sanjiv Kumar
3. Mr. Ravi Kumar Chennupati

(d) Audit Committee Meetings and Attendance during the Financial Year 2012-13

The Audit Committee met four times during the financial year on 28th May 2012, 2nd August 2012, 12th November 2012 and 12th February 2013.

Table showing attendance of the members at Audit Committee Meeting is as under:

Sl. No.	Name of the Director	Category	No. of Meetings Attended
1.	Mr. Surya Chilukuri	Independent Director & Chairman	4
2.	Mr. Sanjiv Kumar	Non-executive Director	4
3.	Mr. Ravi Kumar Chennupati	Independent Director	4

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.

There is no meeting of Remuneration Committee held during the financial year. The composition of the Remuneration Committee:

1. Mr. Surya Chilukuri, Chairman
2. Mr. Sanjiv Kumar
3. Mr. Ravi Kumar Chennupati

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, 2013 are as given below:

Name	Tenure	Salary (Rupees)	Perquisites (Rupees)	Contribution to Provident Fund (Rupees)	Total (Rupees)
Mr. Sachendra Tummala	Appointed for 5 years from 10.08.2011	Nil	Nil	Nil	Nil



The Non-Executive Directors do not draw any remuneration from the Company including sitting fees. The Board of Directors waived the sitting fees payable for attending Board/Committee Meetings in view of stoppage of business activities.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

The Shareholders'/Investors' Committee currently comprises of the following Directors:

1. Mr. Sanjiv Kumar, Chairman
2. Mr. Surya Chilukuri, Director
3. Mr. Sachendra Tummala, Managing Director

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.

During the year 01.04.2012 to 31.03.2013, there were three complaints received from the shareholders and there were none pending as on 31st March, 2013.

Shareholders'/Investors' Grievance Committee is being sending final call letters to those shareholders who have not paid the call money till date. Shareholders are requested to pay their call money at the earliest.

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
2009-2010	30 th December, 2010	Registered Office of the Company at Plot No.109, GIDC Industrial Estate, Narmadanagar, Bharuch-392 015,(Gujarat).	12.00 noon
2010-2011	23 rd Sep., 2011	Hotel Kohinoor Luxury Living Pvt. Ltd. G-1, Hilton Plaza, Opp. Railway Station, Bharuch-392001, Gujarat	1.00 p.m.
2011-2012	14 th Sep., 2012	Hotel Kohinoor Luxury Living Pvt. Ltd. G-1, Hilton Plaza, Opp. Railway Station, Bharuch-392001, Gujarat	1.30 p.m.

The Company has passed Special Resolution in the Annual General Meeting held for the year 2009-10 & 2010-11.



1. DISCLOSURES

(i) Related Party transactions:

There were no materially significant related party transactions during the year under review that may have potential conflict with the interest of the Company at large. The details of related party transactions as required under Accounting Standard 18 notified under the Companies Act, 1956 are given in Notes to Accounts forming part of accounts for the year ended on 31st March 2013.

(ii) Compliance by the Company:

There is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

(iii) Whistle Blower Policy and Access of personnel to the Audit Committee:

The Company does not have a formal Whistle Blower Policy; however, the Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behaviour, frauds and other grievances. No personnel of the Company have been denied to the Audit Committee.

(iv) Compliance with the Mandatory requirements and Implementation of the Non-Mandatory requirements:

The Company has complied with the mandatory requirements of the Corporate Governance Clauses of the Listing Agreement. The Company has not implemented the non-mandatory requirements enlisted by way of annexure to Clause 49 of the Listing Agreement.

(v) Disclosure of accounting treatment:

The Company follows accounting standards notified under the Companies Act, 1956 in the preparation of financial statements, the Company has not adopted a treatment different from the prescribed in any accounting standard.

(vi) Management Discussion and Analysis Report:

The Management Discussion and analysis report forms part of this Annual report.

(vii) Code of Conduct:

The Company has obtained declaration from the Managing Director confirming compliance of Code of Conduct.

Declaration as required under Clause 49 (I) (D) (ii) of the Stock Exchange Listing Agreement

I hereby declare that all the Directors of the Company have affirmed compliance with Code of Business Conduct for the financial year ended on 31st March 2013.

Place: Hyderabad
Date : 22nd July, 2013

Sd/-
Sachendra Tummala
Managing Director



Means of Communication

The Quarterly, half-yearly, annual financial results, notices as well as proceedings of the Annual General Meeting are communicated to the stock exchanges immediately after the conclusion of the respective meetings. The results are published in English and Gujarati news papers.

Certification on Corporate Governance

As required by Clause 49 of the Listing Agreement, a certificate issued by M/s. Ganesh Venkat & Co., Chartered Accountants, Statutory Auditors of the Company, regarding compliance of conditions of Corporate Governance is given as an annexure to the Report.

General shareholder information

a) Annual General Meeting

DATE : Friday the 23rd August, 2013
TIME : 1.30 PM
VENUE : H. No. 100, Nilkanthnagar, Gujarat Housing Board,
Bharuch – 392 001, (Gujarat)

b) Financial Calendar for the year 2013-14 (Tentative)

Results for Quarter ending June, 2013	-	Within 45 days of end of quarter
Results for Quarter ending September, 2013	-	Within 45 days of end of quarter
Results for Quarter ending December, 2013	-	Within 45 days of end of quarter
Results for Quarter ending March, 2014	-	Last Week of May, 2014

c) Book Closure Dates

20th August, 2013 to 23rd August, 2013 (both days inclusive)

d) Listing of equity shares & stock code

The equity shares of the company are listed at Bombay Stock Exchange Limited., Mumbai, 1st Floor, New Trading Ring, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 and the listing fee for 2012-13 has already been paid by the company.

e) Stock Price Data :

There was no trading of Company's shares during the year 2012-13.

f) ISIN No: INE860N01012

g) Registrar and Transfer Agents

M/s Venture Capital & Corporate Investments Private Limited.
12-10-167, Bharatnagar, Hyderabad-500 018
Ph: 040-23818475/8476 Fax: 040-23868024



g) Distribution of Shareholding:

Categories of Shareholding as on 31st March, 2013.

Category	Shares	
	Number	% to Total
Promoters and Promoters Group	1563722	43.62
Mutual Funds & UTI	0	0
Banks, Financial Institutions, Insurance Companies	2460	0.07
Foreign Institutional Investors	0	0
Private Corporate Bodies	107678	3.02
Indian Public	1910940	53.29
NRIs/OCBs	0	0
Total	3584800	100.00

Distribution of shareholding as on 31st March, 2013.

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 - 500	18309	97.54	1209394	33.74
501 - 1000	302	1.61	237680	6.63
1001 - 2000	95	0.51	135981	3.79
2001 - 3000	23	0.12	56923	1.59
3001 - 4000	11	0.06	36602	1.02
4001 - 5000	8	0.04	36770	1.03
5001 - 10000	14	0.07	101005	2.82
10001 and above	9	0.05	1770445	49.39
Total	18766	100.00	3584800	100.00

Address for Correspondence

Mipco Seamless Rings (Gujarat) Limited
iLabs Centre, Ground Floor, A-Block,
Unit No. 18, Hitech City,
Hyderabad – 500081 (AP)
Ph: 040-30787305 Fax: 040-30787314
E-mail: Sachin.guha@corpus.com

For and on behalf of the Board

Place : Hyderabad
Date : 22nd July, 2013

Sachendra Tummala
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS:

a) Outlook:

The Directors are exploring possibilities of alternative business proposals.

b) Segmentwise Performance:

The Company does not have business activity.

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 incurred losses in the absence of business activity.

e) Human Resources and Industrial Relations:

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



Auditors' Certificate regarding Compliance of Corporate Governance

To
The Members
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 2013, 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 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 Ganeshvenkat & Co.,
Chartered Accountants

Hyderabad, 22nd July, 2013.

G.Raja Venkat
Partner



AUDITOR'S REPORT

To
The Members
Mipco Seamless Rings (Gujarat) Limited

Report on Financial Statements

We have audited the accompanying financial statements of **MIPCO SEAMLESS RINGS (GUJARAT) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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



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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid , no cess is due and payable by the Company.

For M/s. GANESH VENKAT & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 005293S

G. RAJAVENKAT

Partner

Membership No. 025104

Place : Hyderabad
Date : 29th May 2013



ANNEXURE TO AUDITORS' REPORT

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of MIPCO SEAMLESS RINGS (GUJRAT) Limited. on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. According to the information and explanation given to us and on the basis of our examination of the books of account ,all fixed assets has been disposed off by the company and consequently commenting on maintenance of records and physical verification of assests does not arise.
2. According to the information and explanation given to us on the basis of our examination of the books of account during the course of our audit, 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) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
 - b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Except interest free unsecured loan taken from a director, the term and condition of which in our opinion are not prima facie prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5.
 - (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
 - b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.



6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company does not have an internal audit system in view of the continuing suspension of the business operations.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
9. a) According to the records of the company, 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 to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes except the following.

Name of the Statute	Nature of dues	Amount (Rs. In lacs) and (Period to which it relates)	Forum where dispute is pending
Gujarat Sales Tax Act, 1969	Sales Tax	Rs. 1.65 lacs(1988-89)	Asst. Sales Tax Commissioner Appeal 7 Circle 4 - Vadodara Gujarat Sales Tax Tribunal at Ahmedabad
Income Tax Act, 1961	Income Tax	Rs. 39.94 lacs(2005-06)	Income Tax Appellate Tribunal - 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 incurred cash loss in the current year and immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, 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 or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.



14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & 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 guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no short term funds have been raised by the Company during the year.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For M/s. GANESH VENKAT & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 005293S

G. RAJAVENKAT

Partner

Membership No. 025104

Place : Hyderabad
Date : 29th May 2013

**Balance Sheet as at March 31, 2013**

(All amounts in Indian Rupees lacs except as otherwise stated)

(Rs. in Lakhs)

	Note No.	As at March 31, 2013	As at March 31, 2012
A) EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a) Share Capital	2	558.40	558.40
b) Reserves and Surplus	3	(550.92)	(541.30)
c) Money received against share warrants		-	-
		7.48	17.10
2. Share application money pending allotment			
3. Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
		-	-
4. Current liabilities			
(a) Short-term borrowings	4	19.46	10.77
(b) Trade payables	5	1.60	0.48
(c) Other current liabilities	6	0.37	0.50
(d) Short-term provisions	7	9.04	9.04
		30.47	20.79
TOTAL		37.95	37.89
B) ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(v) Fixed assets held for sale		-	-



(b) Non-current investments		-	-
(c) Deferred tax assets (net)	14	2.79	2.79
(d) Long-term loans and advances	8	0.31	0.31
(e) Other non-current assets	9	16.41	16.41
		19.51	19.51
2. Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	10	16.35	16.35
(d) Cash and cash equivalents	11	0.14	0.13
(e) Short-term loans and advances	12	0.06	-
(f) Other current assets	13	1.90	1.90
		18.44	18.38
TOTAL		37.95	37.89
See accompanying notes forming part of the financial statements			

In terms of our report attached
For GANESH VENKAT & Co
Firm Registration No: 005293S
Chartered Accountants

For and on behalf of the Board of
Mipco Seamless Rings (Gujarat) Limited

SACHIN GUHA **SANJIV KUMAR** **SACHENDRA TUMMALA**
COMPANY SECRETARY DIRECTOR DIRECTOR

G. RAJA VENKAT
PARTNER
Membership No. 025014

Hyderabad, 29th May, 2013

**Profit and Loss Account for the Year ended March 31, 2013**

(All amounts in Indian Rupees lacs except as otherwise stated)

(Rs. in Lakhs)

	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
A) CONTINUING OPERATIONS			
1 Revenue from operations (gross)		-	-
Less: Excise duty		-	-
Revenue from operations (net)		-	-
2 Expenses			
(a) Cost of materials consumed		-	-
(b) Purchases of stock-in-trade		-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		-	-
(d) Employee benefits expense		-	-
(e) Other expenses	15	9.62	7.87
Total		9.62	7.87
3 Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA) (1 - 2)		(9.62)	(7.87)
4 Finance costs		-	-
5 Depreciation and amortisation expense		-	-
6 Other income		-	-
7 Profit / (Loss) before exceptional and extraordinary items and tax (3 ± 4 ± 5 ± 6)		(9.62)	(7.87)
8 Exceptional items		-	-
9 Profit / (Loss) before extraordinary items and tax (7 ± 8)		(9.62)	(7.87)
10 Extraordinary items		-	-
11 Profit / (Loss) before tax (9 ± 10)		(9.62)	(7.87)
12 Tax expense:			
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit (where applicable)	-	-	-
(c) Current tax expense relating to prior years	-	-	-
(d) Net current tax expense		-	-
(e) Deferred tax	13	-	-
		-	-
13 Profit / (Loss) from continuing operations (11 ± 12)		(9.62)	(7.87)



B DISCONTINUING OPERATIONS			
14.i Profit / (Loss) from discontinuing operations (before tax)		-	-
14.ii Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
14.iii Add / (Less): Tax expense of discontinuing operations			
(a) on ordinary activities attributable to the discontinuing operations		-	-
(b) on gain / (loss) on disposal of assets/settlement of liabilities	-	-	
15 Profit / (Loss) from discontinuing operations (14.i ± 14.ii ± 14.iii)		-	-
16 Profit / (Loss) for the year (13 ± 15)		(9.62)	(7.87)
17.i Earnings per share (of ' 10/- each):			
(a) Basic	17		
(i) Continuing operations		(0.59)	(0.54)
(ii) Total operations		(0.59)	(0.54)
(b) Diluted			
(i) Continuing operations		(0.59)	(0.54)
(ii) Total operations		(0.59)	(0.54)
17.ii Earnings per share (excluding extraordinary items) (of '10/- each):	17		
(a) Basic			
(i) Continuing operations		(0.59)	(0.54)
(ii) Total operations		(0.59)	(0.54)
(b) Diluted			
(i) Continuing operations		(0.59)	(0.54)
(ii) Total operations		(0.59)	(0.54)
See accompanying notes forming part of the financial statements			

In terms of our report attached

For GANESH VENKAT & Co
Firm Registration No: 005293S
 Chartered Accountants

For and on behalf of the Board of
Mipco Seamless Rings (Gujarat) Limited

SACHIN GUHA
 COMPANY SECRETARY

SANJIV KUMAR
 DIRECTOR

SACHENDRA TUMMALA
 DIRECTOR

G. RAJA VENKAT
 PARTNER

Membership No. 025014

Hyderabad, 29th May, 2013



Notes forming part of the financial statements

1 Significant accounting policies

1.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

1.3 Inventories

Inventories are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

1.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash & Cash equivalents comprises cash on hand and demand deposits with banks.

1.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



1.6 Depreciation and amortisation

Depreciation has been provided as per the rates prescribed in Schedule XIV to the Companies Act, 1956

1.7 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 recognized by the completed service contract.

1.8 Tangible fixed assets

- (i) Tangible fixed assets are stated at their historical cost.
- (ii) Additions to tangible fixed assets comprise their purchase price and directly attributable costs.

1.9 Employee benefits

Since there was no employee during the year, no provision has been created during the year for gratuity and the balance of previous year is being carried forward Retirement Benefits to employees comprise of payments of gratuity and provident fund.

1.10 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

1.11 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable



had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

1.12 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

1.13 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not charged to profit and loss account and are disclosed separately in the Notes.



Notes forming part of the financial statements

Note 2 : Share Capital

(Rs. in Lakhs)

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
(a) Authorised				
Equity shares of ₹ 10 each with voting rights	5,000,000	500.00	5,000,000	500.00
5% Cumulative redeemable preference shares of ₹ 100 each	200,000	200.00	200,000	200.00
(b) Issued				
Equity shares of ₹ 10 each with voting rights	3,585,000	358.50	3,585,000	358.50
5% Cumulative redeemable preference shares of ₹ 100 each	200,000	200.00	200,000	200.00
(c) Subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights	3,582,975	358.30	3,582,975	358.30
(d) Subscribed and Not fully paid up				
Equity shares of ₹ 10 each with voting rights, ₹ 5 not paid up	1,825	0.09	1,825	0.09
	3,584,800	358.39	3,584,800	358.39
Add: Forfeited Shares	200	0.01	200	0.01
	3,585,000	358.40	3,585,000	358.40
5% Cumulative redeemable preference shares of ₹ 100 each	200,000	200.00	200,000	200.00
Total		558.40		558.40

Refer Notes (i) to (v) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes	Closing Balance
Equity shares with voting rights:								
Year ended 31 March, 2013								
- Number of shares	3,582,975	-	-	-	-	-	-	3,582,975
- Amount (₹ in lakhs)	358.30	-	-	-	-	-	-	358.30
Year ended 31 March, 2012								
- Number of shares	3,582,975	-	-	-	-	-	-	3,582,975
- Amount (₹ in lakhs)	358.30	-	-	-	-	-	-	358.30
5% Cumulative redeemable preference shares of ₹ 100 each								
Year ended 31 March, 2013								
- Number of shares	200,000	-	-	-	-	-	-	200,000
- Amount (₹ in lakhs)	200.00	-	-	-	-	-	-	200.00
Year ended 31 March, 2012								
- Number of shares	200,000	-	-	-	-	-	-	200,000
- Amount (₹ in lakhs)	200.00	-	-	-	-	-	-	200.00



Arrears of fixed cumulative dividends on redeemable preference shares as at 31 March, 2013 ₹ 120 Lakhs (As at 31 March, 2012 ₹ 110 Lakhs)

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	No. of shares held	% holding in that class of shares	No. of shares held	% holding in that class of shares
Equity shares with voting rights Sachendra Tummala	1,563,72	43.62	1,563,722	43.62
5% Cumulative redeemable preference shares of ₹ 100 each Sachendra Tummala	200,000	100.00	200,000	100.00

(iii) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	Aggregate number of shares	
	As at 31 March, 2013	As at 31 March, 2012
Equity shares with voting rights Fully paid up pursuant to contract(s) without payment being received in cash Fully paid up by way of bonus shares Shares bought back	NIL	NIL
5% Cumulative redeemable preference shares of ₹ 100 each Fully paid up pursuant to contract(s) without payment being received in cash Fully paid up by way of bonus shares Shares bought back	NIL	NIL



(iv) Details of calls unpaid

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
<u>Equity shares with voting rights</u>				
Aggregate of calls unpaid				
- by directors	-	-	-	-
- by officers	-	-	-	-
- by others	1,825	0.09	1,825	0.09

(v) Details of forfeited shares

Class of Shares	As at 31 March, 2013		As at 31 March, 2012	
	No. of shares	Amount originally paid up Rs. in Lakhs	No. of shares	Amount originally paid up Rs. in Lakhs
Equity shares with voting rights	200	0.01	200	0.01

Note 3 Reserves and surplus

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
(a) Capital reserve		
Opening balance	744.54	744.54
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	744.54	744.54
(b) Cash Subsidy Reserve		
Opening balance	34.12	34.12
Add: Additions / transfers during the year	-	-
Less: Utilisations / transfers during the year	-	-
Closing balance	34.12	34.12
(k) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(1,319.96)	(1,312.09)
Add: Profit / (Loss) for the year	(9.62)	(7.87)
Amounts transferred from:		
General reserve	-	-



Other reserves	-	-
Less: Interim dividend		
Dividends proposed to be distributed to equity shareholders (₹ NIL per share)	-	-
Dividends proposed to be distributed to preference shareholders (₹ NIL per share)	-	-
Tax on dividend	-	-
Transferred to		
General reserve	-	-
Capital redemption reserve	-	-
Debenture redemption reserve	-	-
Other reserves (give details)	-	-
Closing balance	(1,329.58)	(1,319.96)
Total	(550.92)	(541.30)
Note 4 Short-term borrowings		
Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Loans and advances from related parties		
Unsecured Loan from Director - Sachendra Tummala	19.46	10.77
	19.46	10.77
Note 5 Trade payables		
Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Trade payables	1.60	0.48
	1.60	0.48
Note 6 Other current liabilities		
Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Other payables		
(i) Statutory remittances (TDS payable)	0.07	0.44
(ii) Rent payable	0.30	0.06
(iii) Other accounts payable	-	-
	0.37	0.50

**Note 7 Short-term provisions**

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Provision for gratuity	9.04	9.04
	9.04	9.04

Since there was no employee during the year, no provision has been created during the year for gratuity and the balance of the previous year is being carried forward.

Note 8 Long-term loans and advances

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Sales Tax Deposit (Against Stay) 1988-89 - Unsecured, considered good	0.31	0.31
Total	0.31	0.31

Note 9 Other non-current assets

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Interest on CST	2.04	2.04
Interest on GST	6.31	6.31
Advance income tax (net of receivable ₹ 9.8 (As at 31 March, 2011 ₹ 9.8)	8.06	8.06
	16.41	16.41

Note 10 Trade Receivables

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	16.35	16.35
Doubtful	-	-
	16.35	16.35
Less: Provision for doubtful trade receivables	-	-
Total	16.35	16.35

**Note 11 Cash and cash equivalents**

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
(a) Cash on hand	0.02	0.02
(b) Cheques, drafts on hand		-
(c) Balances with banks		
(i) In current accounts	0.12	0.11
Total	0.14	0.13
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	0.14	0.13

Note 12 Short Term Loans & advances

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Rent Deposit	0.06	
Total	0.06	-

Note 13 Other Current Assets

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Excess remuneration recoverable from director paid in earlier years	1.90	1.90
Total	1.90	1.90

Note 14 Deferred tax (liability) / asset

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Deferred tax (liability) / asset	2.79	2.79
<u>Tax effect of items constituting deferred tax liability</u>		
On expenditure deferred in the books but allowable for tax purposes	-	-
Others		



Tax effect of items constituting deferred tax liability	-	-
Tax effect of items constituting deferred tax assets		
Tax effect of items constituting deferred tax assets	-	-
Net deferred tax (liability) / asset	2.79	2.79
In accordance with Accounting Standard-22 Accounting for Taxes on Income.		
(I) The deferred tax Assets relates to the extent of liability for Gratuity carried forward.		
(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.		

Note 15 Other expenses

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Rent including lease rentals	0.44	0.24
Annual Listing Fees	0.17	0.17
Printing and stationery	0.77	0.13
Postage & Courier	1.73	0.78
Licence & Other fees	0.07	0.15
Share Transfer Agent Fee	1.22	0.53
Merger Expenses	1.65	3.03
Advertisement Expenses (Others)	0.64	0.51
Legal and professional	1.35	1.21
Payments to auditors (Refer note below)	0.29	0.61
Dmat expenses	0.43	-
Travel expense	0.29	-
Miscellaneous expenses	0.59	0.51
Total	9.62	7.87

Note:

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Payments to the auditors comprises (net of service tax input credit, where applicable):		



As auditors - statutory audit	0.22	0.22
For taxation matters	-	-
For company law matters	-	-
For management services	-	-
For other services	0.07	0.39
Reimbursement of expenses	-	-
Total	0.29	0.61

Note 16 Additional information to the financial statements**16.1 Contingent liabilities and commitments (to the extent not provided for)**

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Contingent Liabilities not Provided for :		
(i) Income Tax demand contested in appeal.	39.94	39.94
(ii) Claims of Sales Tax disputed by the Company.	7.90	7.90
Arrears of dividend on Cumulative Redeemable Preference Shares for the years 2001-02 to 2012- 13	120.00	110.00

16.2 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.,
 Corpus Software Pvt. Ltd.
- (ii) Key Management Personnel:
 Mr. Sachendra Tummala (Managing Director)
 Mr. S.M. Patel (Director)

B. Related Party Transactions

Particulars	As at 31 March, 2013 Rs. in Lakhs	As at 31 March, 2012 Rs. in Lakhs
Associate Companies :		
Rent paid	0.24	0.24
Key Management Personnel:		
Short term borrowings (Unsecured)	8.69	10.27



C. Outstanding balances		
Associate Company	0.30	0.06
Key Management Personnel:		
Mr. Sachendra Tummala (Managing Director)	19.46 Credit	10.77 Credit
Mr. S.M. Patel (Director)	1.90 Debit	1.90 Debit

D Rs 1.90 lacs (Previous Year Rs. 1.90 lacs) included under other current assets is recoverable from the Mr. SM Patel (Director) out of excess remuneration aggregating Rs 5.44 lakhs paid in earlier years.

E There are no write offs or write back of any amounts for any of the above related parties.

16.3 The Company presently does not have any Manufacturing Operations and restructuring of activities is under consideration.

16.4 Quantitative Details and other information therefore are not applicable.

16.5 (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

16.6 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges
Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

Name of the party	Relationship	Amount outstanding as at 31 March, 2013	Maximum balance outstanding during the year
		NIL	NIL
		(NIL)	(NIL)

Note: Figures in bracket relate to the previous year.

Note 17 Disclosures under Accounting Standard 20 on Earnings Per Share

Particulars	for the year ended 31st March, 2013 Rs. in Lakhs	for the year ended 31st March, 2012 Rs. in Lakhs
Earnings per share		
<u>Basic</u>		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	(9.62)	(7.87)
Less: Preference dividend and tax thereon	(11.62)	(11.62)



Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(21.24)	(19.49)
Weighted average number of equity shares	3,583,888	3,583,888
Par value per share	10	10
Earnings per share from continuing operations - Basic	(0.59)	(0.54)
<u>Total operations</u>		
Net profit / (loss) for the year	(9.62)	(7.87)
Less: Preference dividend and tax thereon	(11.62)	(11.62)
Net profit / (loss) for the year attributable to the equity shareholders	(21.24)	(19.49)
Weighted average number of equity shares	3,583,888	3,583,888
Par value per share	10	10
Earnings per share - Basic	(0.59)	(0.54)
<u>Diluted</u>		
The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods.		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	(9.62)	(7.87)
Less: Preference dividend and tax thereon	(11.62)	(11.62)
Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	(21.24)	(19.49)
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	(21.24)	(19.49)
Weighted average number of equity shares for Basic EPS	3,583,888	3,583,888
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	3,583,888	3,583,888
Par value per share	10	10
Earning per share - Basics	(0.59)	(0.54)



<u>Total operations</u>		
Net profit / (loss) for the year	(9.62)	(7.87)
Less: Preference dividend and tax thereon	(11.62)	(11.62)
Net profit / (loss) for the year attributable to the equity shareholders	(21.24)	(19.49)
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	
Profit / (loss) attributable to equity shareholders (on dilution)	(21.24)	(19.49)
Weighted average number of equity shares for Basic EPS	3,583,888	3,583,888
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	3,583,888	3,583,888
Par value per share	10	10
Earnings per share - Diluted	(0.59)	(0.54)

Note 18 Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached

For GANESH VENKAT & Co
Firm Registration No: 005293S
 Chartered Accountants

For and on behalf of the Board of
Mipco Seamless Rings (Gujarat) Limited

SACHIN GUHA
 COMPANY SECRETARY

SANJIV KUMAR **SACHENDRA TUMMALA**
 DIRECTOR DIRECTOR

G. RAJA VENKAT
 PARTNER
 Membership No. 025014

Hyderabad, 29th May, 2013

**Cash Flow Statement for the year ended 31st March, 2013**

(Rs. in Lakhs)

	For the year ended March 31, 2013	For the year ended March 31, 2012
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) before extraordinary items and tax	(9.62)	(7.87)
<u>Adjustments for :</u>		
Interest Income	-	-
Loss On Sale Of Fixed Assets	-	-
Sundry creditors balances written off	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(9.62)	(7.87)
<u>Changes in Working Capital:</u>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade and other receivables	-	4.48
Inventories	-	-
Other current assets	-	-
Short Term Loans and Advances	(0.06)	-
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payable	1.12	(0.08)
Short-term borrowings	8.69	10.27
Other current liabilities	(0.13)	(7.18)
CASH GENERATED FROM OPERATIONS	0.01	(0.38)
Refund Fringe Benefit Tax	-	-
CASH FLOW BEFORE EXTRAORDINARY ITEMS	0.01	(0.38)
Extra Ordinary item	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	0.01	(0.38)
B CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Fixed Assets	-	-
Interest received	-	-
NET CASH USED IN INVESTING ACTIVITIES (B)	-	-



C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings	-	-
NET CASH USED FROM FINANCING ACTIVITIES	(C) -	-
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	0.01	(0.38)
CASH & CASH EQUIVALENTS (OPENING BALANCE)	0.13	0.51
CASH & CASH EQUIVALENTS (CLOSING BALANCE)	0.14	0.13
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	0.01	(0.38)

In terms of our report attached
For GANESH VENKAT & Co
Firm Registration No: 005293S
Chartered Accountants

For and on behalf of the Board of
Mipco Seamless Rings (Gujarat) Limited

SACHIN GUHA
COMPANY SECRETARY

SANJIV KUMAR
DIRECTOR

SACHENDRA TUMMALA
DIRECTOR

G. RAJA VENKAT
PARTNER
Membership No. 025014

Hyderabad, 29th May, 2013





MIPCO SEAMLESS RINGS (GUJARAT) LIMITED

Regd. Office: H.No.100, Nilkanthnagar, Gujarat Housing Board, Bharuch-392001, (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 THIRTY THIRD ANNUAL GENERAL MEETING of the Company held on Friday, the 23rd August, 2013 at 1.30 pm at H. No. 100, Nilkanthnagar, Gujarat Housing Board, Bharuch – 392 001,(Gujarat).

Demat No.

Regd. Folio No.

No. of Shares held

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



MIPCO SEAMLESS RINGS (GUJARAT) LIMITED

Regd. Office: H.No.100, Nilkanthnagar, Gujarat Housing Board, Bharuch-392001, (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 THIRTY THIRD ANNUAL GENERAL MEETING of the Company to be held on Friday, the 23rd August, 2013, at 1.30 pm at H. No. 100, Nilkanthnagar, Gujarat Housing Board, Bharuch – 392 001,(Gujarat), or any adjournment thereof.

Signed this of day of 2013.

Regd. Folio No.

Demat No.

No. of Shares held

Please Affix
1 ₹
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

iLabs Centre, Ground Floor, A-Block, Unit No. 18,
Hitech City, Hyderabad - 500 081, INDIA