

# **29<sup>th</sup>**

## **ANNUAL REPORT**

### **2011-2012**

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# **MFL INDIA LIMITED**



**BOARD OF DIRECTORS****Vineet Arora**

Director

**Anil Kumar Chaddha**

Director

**Palakuzhil Verghese Mohan**

Director

**Sudhir Kumar Sharma**

Director

**Devendra Manchanda**

Director

**Anil Thukral**

Additional Director

**MANAGER****Arimardan Pratap Singh**

Manager

**Compliance Officer****Vivek Khosla**

Company Secretary

**Auditors****M/S SRY & Associates,**

Chartered Accountants

New Delhi

**BANKERS**

State Bank of India

Kotak Mahindra Bank Limited

**Share Transfer Agents**

Link Intime India Pvt. Ltd.

A-40 2<sup>nd</sup> Floor,

Naraina Industrial Area, Ph-II

New Delhi-110028

Tel-91-11-4140592-93-94

Fax-91-11-41410591

**For Dematerialisation of Shares**

ISIN: INE244CO 1012

**Registered Office**B-802, Munirka Apartments, Plot No. 11,  
Sector-9,

Dwarka, New Delhi – 110 075.

Email-mfldelhi1981@gmail.com

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**NOTICE**

Notice is hereby given that 29<sup>th</sup> Annual General Meeting of MFL India Limited will be held on Friday, 28<sup>th</sup> September, 2012 at 9.30 A.M at Community Hall, Kilokari, New Delhi –110 014 to transact the following businesses.

**Ordinary Business:****Item No.1**

To receive, consider and adopt the Audited accounts of the Company for the year ended 31<sup>st</sup> March, 2012 together with the Reports of auditors and directors thereon.

**Item No.2**

To appoint a Director in place of Mr. Palakuzhill Verghese Mohan, who retires by rotation and being eligible, offers himself for re-appointment.

**Item No.3**

To appoint a Director in place of Mr. Devendra Manchanda, who retires by rotation and being eligible, offers himself for re-appointment.

**Item No.4**

To appoint a Director in place of Mr. Sudhir Kumar Sharma, who retires by rotation and being eligible, offers himself for re-appointment.

**Item No.5**

To re-appoint Statutory Auditors of the Company 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. M/s. SRY & Associates, Chartered Accountants, are eligible for re-appointment.

**Special Business:****Item No. 6****Appointment of Mr. Anil Thukral as a Director**

To consider and, if thought fit, to pass with or without modifications the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** Mr. Anil Thukral, who was appointed as an Additional Director of the Company w.e.f. April 05, 2012 and who holds the office pursuant to Section 260 of the Companies Act, 1956 ( hereinafter referred to as “ the Act”) , upto the date of this Annual General meeting and in respect of whom the Company has received a notice under Section 257 of the Act, in writing, proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary and incidental for giving effect to the foregoing resolution.”

**Item No. 7**

To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of Section 293 (1) (d) of the Companies Act, 1956 and other enabling provisions, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing any sum or sums of moneys for and on behalf of the Company, from time to time from any one or more persons, firms, bodies corporate, bankers, financial institutions, or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties, whether movable or immovable or stock-in process and debts, advances notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves which have not been set apart for any specific purpose, provided that the total amount upto which the moneys may be borrowed shall not exceed Rs.250 Crores (Rupees Two hundred and fifty Crores only) at any point of time on account of the principal.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be considered necessary or expedient to give effect to this Resolution.”

By the Order of the Board  
For MFL India Limited

Place: New Delhi  
Date: 1<sup>st</sup> September, 2012

Anil Kumar Chaddha  
Director  
DIN - 00009383

**Notes:**

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAY BE SEND IN THE FORM ENCLOSED AND IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY COMPLETE IN ALL RESPECT NOT LESS THAN 48 HOURS BEFORE THE MEETING. THE PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. A BLANK PROXY FORM IS ENCLOSED FOR USE, IF NECESSARY, BY THE MEMBER.**
- The Explanatory statement pursuant to Section 173(2) for item no. 6 and 7 are attached here with.
- Shareholders are requested to promptly notify any change in their addresses.
- The Register of Members and Share transfer books of the company shall remain closed from 27<sup>th</sup> September, 2012 to 28<sup>th</sup> September, 2012 (both days inclusive).
- Members/ Proxies should bring the attendance slips duly filled in for attending the meeting. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
- It will be appreciated that queries, if any, on accounts and operations of the company are sent to the registered office of the company ten days in advance of the meeting so that the information may be made readily available.
- Members are requested to bring their copy of Annual Report to the Meeting.

**ADDITIONAL INFORMATION**

**Brief Profile of Directors who are retiring by rotation and are eligible for re-appointment:**

Name of Director	Mr.Palakuzhill Verghese Mohan	Mr. Devendra Manchanda	Mr. Sudhir Kumar Sharma
Age	56 Years	53 Years	42 Years
Nationality	Indian	Indian	Indian
Shares held in the Company	Nil	Nil	Nil
Qualification	Graduate in Commerce	B.COM , F.C.A	Graduate in Commerce, Pursuing LLB
Expertise in specific functional area	Cooperation, Accounting & Audit	Accountancy, Finance and Risk Management	Sales Tax Consultant
Directorships held in other Indian Companies	8	6	6
Chairmanships/Member-ships of committees in other Indian Companies	NIL	NIL	NIL
Inter-se Relationship with other Directors	None	None	None

**EXPLANATORY STATEMENT**

[Pursuant to Section 173(2) of the Companies Act, 1956]

**ITEM NO. 6**

The Board of Directors of your Company had co-opted Mr. Anil Thukral, as Additional Director (Non-Executive and Professional) in the Board meeting of the Company held on 5<sup>th</sup> April, 2012.

As per Section 260 of the Companies Act, 1956 he will hold office upto the date of this Annual General Meeting. The Company has received a notice in writing in terms of Section 257 of the Companies Act, 1956 alongwith a requisite deposit, proposing his candidature for the office of director of the Company.

Mr. Anil Thukral, aged 42 years, is a visionary in the field of transportation and logistics business and is well versed with experience of 20 years in the line and expertise to run a successful transportation and logistics business. He holds a Bachelor's degree in Commerce. The Board of Directors considers that in view of the background and experience of Mr. Anil Thukral, it would be in the interest of the Company to appoint him as Director of the Company. The Board recommends the resolution for your approval.

Mr. Anil Thukral plays a very critical and significant role in decision making of the board. He also brings in strategic guidance, leadership and an independent view to the Company's Management with discharging their fiduciary responsibilities, thereby ensuring that the Management adheres to highest standards of ethics, transparency and disclosure.

Apart from your company MFL India Limited Mr. Anil Thukral currently does not hold directorship in any other company in term of section 275.

The Board of Directors recommends the resolution as set out at Item No.6 for the approval of the Members as Ordinary Resolution.

None of the director except Mr. Anil Thukral is interested or concerned in passing of the said resolution.

**ITEM NO. 7**

As the members are aware, your Company is exploring various opportunities for the all round growth of the Company through expansion and diversification by taking up various Projects in the Company in India. With a view to meet the capital expenditure and other funds requirements for the above purposes, the Company would be required to borrow funds from time to time by way of loans and/or issue of Bonds, Debentures or other securities. As per section 293(1) (d) of the Companies Act 1956, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Board beyond the aggregate of the paid up capital of the company and its free reserve requires approval from the shareholders of the Company.

As mentioned above with every new expansion and/or diversification plan, the capital requirements of the Company are also growing up and the aforesaid limit is likely to be exhausted in near future, and hence the proposal for obtaining the consent of the members by way of Ordinary Resolution for increasing upto such limit is made.

Place : New Delhi

Date : 1<sup>st</sup> September, 2012

**By order of the Board  
For MFL India Limited**

**Anil Kumar Chaddha  
Director  
DIN - 00009383**

**DIRECTORS' REPORT**

To

The Members

Your Directors have pleasure in presenting the 29<sup>th</sup> Annual Report of the Company together with Audited Accounts for the year ended 31<sup>st</sup> March, 2012.

**FINANCIAL RESULTS**

Particulars	(₹ In Lacs)	(₹ In Lacs)
	Current Year 2011-12	Previous Year 2010-11
Sales, other income & prior period income	7750.51	7584.92
Profit/(Loss) before Exceptional and Extraordinary Items and Tax	52.70	50.95
Exceptional Items	—	—
Extra Ordinary Items	—	—
Profit/(Loss) before Tax	52.70	50.95
Less: Current Tax	10.05	10.00
Earlier Year Tax	3.46	—
Add: Deferred Tax	(14.54)	(65.76)
Profit/(Loss) for the period from continuing operations	53.72	106.71
Profit/(Loss) for the period from discontinuing operations	—	—
Tax Expense of discontinuing operations	—	—
Profit/(Loss) for the Period	53.72	106.71

**MANAGEMENT DISCUSSION & ANALYSIS AND REVIEW OF OPERATIONS AND FUTURE LAW****OVERVIEW**

With the changing economic scenario, factors such as globalization of markets, international economic integration, removal of barriers to business and trade and increased competition have enhanced the need of transportation and Logistics. It is one of the most important infrastructure requirement which is essential for the expansion of opportunities and plays an important role in making or breaking the competitive positioning.

Transport volumes in India remain much less than those in the developed countries. India has still to go a long way in strengthening its transportation network. The countries transportation network suffers from several inadequacies and, in particular it has little resilience to deal with unforeseen demands.

Transportation, like all industries is largely influenced by information and communication technologies with the focus being on knowledge of customer needs and value added services. Surface transport is provided by the Road and the Indian Railways (primarily for carrying low value bulk commodity, mostly for the government sector). Cargo Road Transport is entirely in the hands of the private sector. An estimated 1.2 million trucks (9 tons capacity) crisscross the country covering more than 80,000 kilometers of roads. In India road transportation is preferred for cargo movement, where flexibility of routing assumes importance. It facilitates door-to-door delivery, overcoming unnecessary delays which normally take place in the other modes of transportation.

**INDUSTRY STRUCTURE & DEVELOPMENT**

Ever since the onset of economic reforms in early 1990s, India has experienced rapid economic growth along with increase in prosperity and income levels of citizens. However, this economic growth has also resulted in exponential growth of private vehicle ownership and use (similar to what US and Europe have experienced in early 1950s and late 1960s, respectively), which coupled with increase in population and other related factors, has resulted in transportation problems, namely accident, congestion, and pollution, at a severe level. All this and similar developments have brought home the urgency of recognizing that an efficient transportation system is necessary for increasing productivity and enabling the country to compete effectively in the world market. Adequacy and reliability of transport infrastructure and services are important factors that contribute towards the ability of the country to compete in the field of international trade and attract foreign direct investment.

Considering these aspects, Planning Commission of India in its 11th five-year plan clearly recognizes the necessity to foster the development of the various transport modes in an integrated manner that will lead to the realization of an efficient, sustainable, safe, and regionally balanced transportation system, where each mode of transport operates in its field of economy and usefulness, with competitive and non-discriminatory prices that are adequate to support progressive development of transport infrastructure and services. This would also enable the comparative advantages and economic efficiencies to be properly reflected in the user costs. Accordingly, the Planning Commission has earmarked 34% of the total investment in infrastructure, which is 9% of the GDP by 2011-12, exclusively for transportation infrastructure. Also, this investment is spread across all sectors of transport (road, rail, air, and water) as well as at all levels (urban, regional, inter-city, and rural) and for both passenger as well as freight movement.

However, all these efforts made by government puts an onus on transportation researchers, educators, managers, and policymakers across all transport sectors to orient their actions and works towards facilitating the achievement of desired outputs expected from the current and proposed investments by the government and to ultimately harbor the overall growth of the country. This is important to also achieve the vision of sustainable and integrated multi-modal transportation system for the country, as envisaged by Planning Commission. Currently, there is no appropriate platform in India for professionals across all modes of transport, to come together and interchange ideas and knowledge. Also, there is no regular avenue in India at present to collate and publish the research literature across all transportation sectors and modes for better inter-modal understanding. Government wishes to bridge this gap by providing such a platform/ avenue in India and become partner in the overall growth of the country.

### SEGMENT WISE PERFORMANCE

Our Company mainly deals in the business of Transportation and logistics but during the financial year the company has started the business of crusher which was subsequently shelved, on account of non-profitability. The consequent loss from the sale of plant and machinery of crusher business stands at Rs. 44, 43,074.00. The details of incomes and expenses from each segment is given separately in notes to accounts.

### OUTLOOK

Amidst the fiercely competitive market your company is determined to prosper through sustained and pragmatic development approach. Your Company since last few years taken initiatives to broaden its fleet base to minimize the risks and maximize the gains in buoyant markets. With the merger of the company we aim to reach new level never thought before. The prospect of business is shining with hope and our aim is to materialize that through our grit and dedication.

### RISKS AND CONCERNS

The board of management has reviewed the risk profile of the company and has come to a common understanding that the persistent major risks come from the uncertainty of the macroeconomic environment, ever changing legal component and execution of the mid and long term strategy.

The Company in its endeavor to minimize the risks associated with its type of business is employing competent team of professionals and is focused towards implementation of modern shore based management practices in order to increase the number of client willing to do business with us.

In order to mitigate the risks the Company has taken various steps to limit the various factors that emanate risks. These factors include:

- Insurance
- Proper credit check of the client portfolio
- Supporting customers, growth and competitiveness
- Regular risk-assessment and mitigation procedures
- Adequate professional training to staffs
- Proper follow up of accounts
- Efforts to broaden client base through different initiation

### HUMAN RESOURCES

We at the company understand that the employees are the face of the company. How company fares majorly depends upon how the employees are able to exploit their potential. We at MFL treat employees as our partner for the common endeavor of growth and prosperity. We regularly organize bonding programmes of and between the employees and the management. We conduct performance enhancing interactions through which we hope to achieve the common goal of safety, success and sustainability to all the stakeholders.



## ADEQUACY OF INTERNAL CONTROLS

The Company has adequate and effective internal control systems commensurate with the size of its operations and has complied with the various statutes of the Government and statutory authorities. Internal Audit has been entrusted to an external auditor and periodical review is being carried out. The Audit Committee meets regularly to review the adequacy of internal controls.

## IMPORTANT DEVELOPMENTS

### SHARE CAPITAL

During the year under review, the Authorized share capital of the company increased from ₹ 16,00,00,000 divided into 1,60,00,000 equity shares of ₹ 10 each to ₹ 37,00,00,000 divided into 3,70,00,000 equity shares of ₹ 10 each and issued and paid up equity share capital of the company increased from ₹ 149,14,00,000 divided into 1,49,14,000 equity shares of ₹ 10 each to ₹ 36,02,92,000 divided into 3,60,29,200 equity shares of ₹ 10 each.

As part of the realignment exercise, the Company has completed Scheme of Amalgamation with M/s Dynamic Movers Private Limited.

Your Directors are pleased to inform that pursuant to the order dated 2<sup>nd</sup> November, 2011, passed by the Hon'ble High Court of Delhi, and in accordance with the Scheme of Amalgamation with M/s. Dynamic Movers Private Limited 2,11,15,200 Equity Shares of the Company be allotted to the shareholders of M/s. Dynamic Movers Private Limited, details as given below:

SNo.	Name of the Allottee(s)	Address	Equity Shares Allotted	Distinctive Nos From - To
1.	Mr. Anil Thukral	G-504, Vill:Fazilpur,Jharsa, Gurgaon,Haryana	2,00,38,240	14914001 to 34952240
2.	Mrs. Sheetal Thukral	G-504, Vill:Fazilpur,Jharsa, Gurgaon,Haryana	10,43,040	34952241 to 35995280
3.	Mr. C.P.Thukral	343, Sector-37, Noida, Distt.- Gautam Budh Nagar,UP	33,920	35995281 to 36029200

## LISTING OF EQUITY SHARES

The Equity shares of the company continue to be listed on Bombay Stock Exchange Limited (BSE). The requisite annual listing fees have been paid to this exchange.

## SHARES UNDER COMPULSORY DEMATERIALIZATION

The Equity shares of your company are included in the list of specified scripts where delivery of shares in dematerialized (demat) form is compulsory, if the same are traded on a stock exchange, which is linked to a depository. 3,42, 20,671 (94.98 in %) Equity shares of the company were held in demat form as on March 31<sup>st</sup>, 2012.

## DIRECTORS

In accordance with the provisions of the Companies Act, 1956 Mr. Devendra Manchanda, Mr. Palakuzhill Vergese Mohan and Mr. Sudhir Kumar Sharma, Directors of the Company retires by rotation, and being eligible, offers himself for re-appointment.

## FIXED DEPOSITS

During the year under review the Company has not accepted any money from the public as Fixed Deposits.

## TRANSFER TO RESERVES IN TERMS OF SECTION 217(1)(B) OF THE COMPANIES ACT, 1956

For the financial year ended 31<sup>st</sup> March, 2012, the Company had not transfer any sum to Reserves. Therefore, your Company proposes to transfer the entire amount of profit to Profit and Loss Accounts of the Company.

## DIVIDEND IN TERMS OF SECTION 217(1)(C) OF THE COMPANIES ACT, 1956

In order to conserve the profits of the business of the company, to meet the growing funding requirements, your directors have not recommended any dividend for the year under report.

**DISCLOSURES UNDER SECTION 217(1)(D) OF THE COMPANIES ACT, 1956**

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

Information u/s 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 is furnished in Annexure "A" and forms part of this report.

**PARTICULARS OF EMPLOYEES**

No employee of the Company is covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1980 as amended to date.

**REPORT ON CORPORATE GOVERNANCE**

As stipulated by clause 49 of the Listing Agreement, the Report on Corporate Governance is given separately in this Annual Report. The Certificate of M/s. Amit Agrawal & Associates, Company Secretary in Practice, regarding the Compliance of Clause 49 of the Listing Agreement is enclosed herewith and form part of Directors' Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In terms section 217(2AA) of the Companies Act, 1956 your directors confirms as under:

1. That the preparations of Annual Accounts, the applicable accounting standards have been followed and no materials departures have been made from the same.
2. That they have selected such accounting policies and applied them consistently, except where changes have been made and disclosed appropriately and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state affairs of the Company at the end of profit or loss of the Company that period.
3. That they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for the safeguarding the assets of the company and preventing and detecting fraud and other irregularities.
4. That they have prepared the Annual Accounts on a going concern basis.

**BUY BACK OF SHARES**

The Company has not made any offer to Buy Back its shares.

**AUDITORS**

M/s. SRY & Associates, Chartered Accountants, be here by appointed as statutory auditors of the Company. The Company has received a certificate under section 224(1B) of the Companies Act, 1956 to the effect that their appointment, if made, will be within the prescribed limit. The Audit Committee has also recommended their re-appointment.

**AUDITOR'S REPORT**

The Auditors in their report have referred to the notes forming parts of Accounts. The said notes are self-explanatory and need not require any further clarifications. The suggestion given by them have taken note for future operation.

**ACKNOWLEDGEMENT**

The Directors acknowledge with gratitude the support given to the Company by the dealers, customers and suppliers, shareholders and investors who indeed deserve a special mention for their faith and confidence reposed by them in the Company.

**By order of the Board  
For MFL India Limited**

Place: New Delhi  
Date: 1<sup>st</sup> September, 2012

**(Anil Kumar Chaddha)**  
Director  
DIN – 00009383

**(Vineet Arora)**  
Director  
DIN-01518473

**ANNEXURE 'A' TO THE DIRECTORS' REPORT**

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 forming part of Directors' Report.

**1. CONSERVATION OF ENERGY**

The Operations of the Company do not consume high levels of energy. Adequate measures have been taken to conserve energy everywhere. Your Company uses latest technology and energy efficient equipments. As energy cost forms a very small part of the total costs, the impact on cost is not material.

**2. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION**

Your Company is in an Industry, which demands absorption of emerging technologies and trends so as to cater to the needs of its esteemed Clients. Your Company has developed methods for absorption and adaptation of new / emerging / developing technologies, in consonance with the needs of its Clients and its own requirements.

**3. FOREIGN EXCHANGE EARNINGS & OUTGO**

Total foreign exchange earned & used

- i) Foreign exchange earned : NIL
- ii) Foreign exchange used : NIL

**By order of the Board  
For MFL India Limited**

Place: New Delhi  
Date: 1<sup>st</sup> September, 2012

**(Anil Kumar Chaddha)**  
Director  
DIN – 00009383

**(Vineet Arora)**  
Director  
DIN-01518473

**CORPORATE GOVERNANCE REPORT**

(Pursuant to Clause 49 of the Listing Agreement)

In compliance with the clause 49 of the Listing Agreement with the Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and practice followed by the Company.

**I. Company's philosophy on Corporate Governance: -**

Corporate governance helps to serve corporate purposes by providing a framework within stakeholders can pursue the objectives of the organization most effectively. Corporate governance signifies, acceptance by management of the inalienable rights of the shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under Clause 49 of the Listing Agreement with the stock exchange.

**II. Board of Directorss****(a) Composition of the Board**

- (i) As on March 31, 2012, the Company has Five Directors with a Executive Chairman. Of the five Directors, three (i.e. 60.00 %) are Non-Executive and Independent Directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with Stock Exchange.
- (ii) None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the Companies in which they are Directors. Necessary disclosure regarding Committee positions in other public companies as on March 31, 2012 have been made by the Directors.
- (iii) The name and categories of the directors on the Board, and committee Chairmanship/Memberships held by them in other companies are given herein below. Other directorships do not include alternate directorships, directorships of private limited Companies, Section 25 Companies and of Companies incorporated outside India. Chairmanships /Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees.

Name of Directors	Categories of Directors	No. of other Directorships held in Other Public Companies	No. of Committees positions held in other Public Companies	
			Chairman	Member
Mr.Anil Kumar Chaddha	Promoter, Executive Director	2	NIL	NIL
Mr.Vineet Arora	Promoter, Executive Director	NIL	NIL	NIL
Mr.Sudhir Kumar Sharma	Non-Executive Independent Director	2	NIL	NIL
Mr. Devendra Manchanda	Non-Executive Independent Director	2	NIL	NIL
Mr.Palakuzhiil Verghese Mohan	Non-Executive Independent Director	2	NIL	NIL

- (iv) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- (v) During the year 2011-12, information as mentioned in Annexure 1A to clause 49 of the Listing Agreements has been placed before the Board for its consideration.

**(b) Number of Board Meetings held and attended by Directors**

- (i) During the Financial Year 2011-2012, the Board met 15 (Fifteen) times on :
  1. 15th April, 2011
  2. 4<sup>th</sup> May, 2011
  3. 28<sup>th</sup> May, 2011
  4. 30<sup>th</sup> June, 2011
  5. 29<sup>th</sup> July, 2011
  6. 2<sup>nd</sup> September, 2011
  7. 29<sup>th</sup> October, 2011
  8. 19<sup>th</sup> November, 2011
  9. 21<sup>st</sup> November, 2011

10. 1<sup>st</sup> December, 2011
11. 14<sup>th</sup> December, 2011
12. 29<sup>th</sup> December, 2011
13. 9<sup>th</sup> January, 2012
14. 10<sup>th</sup> February, 2012
15. 30<sup>th</sup> March, 2012

- (ii) The attendance record of each Directors at the Board Meetings during the period ended on 31<sup>st</sup> March 2012 and of last Annual General Meeting is as under: -

Name of Directors	Total No. of Meetings held	No. of board meeting attended	Attendance at the last AGM
Mr. Anil Kumar Chaddha	15	15	Yes
Mr. Vineet Arora	15	15	Yes
Mr. Palakuzhiil Verghese Mohan	15	8	Yes
Mr. Devendra Manchanda	15	8	Yes
Mr. Sudhir Kumar Sharma	15	9	Yes

#### Availability of Information to the members of Board:

Presentations are made to the Board of Directors on various functional, operational, statutory compliances and financial highlights etc.

Among others, this include:

- Annual operating Plans and budgets and any updates thereto.
- Capital expenditure plan and any updates.
- Quarterly Results of the Company.
- Minutes of the Audit Committee, Shareholders/Investor's Grievances Committee, and Remuneration & Recruitment Committee.
- The information on recruitment and remuneration of senior officers just below the Board level ,
- Details of any joint venture or collaboration agreement.

#### (III) Audit Committee

- (i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the stock Exchanges read with the Provisions of the Companies Act, 1956.

#### Terms of reference of the Audit Committee are broadly as under:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible informations disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing the financial statements and draft audit report, including the quarterly/half-yearly financial information.
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
  - ☐ Any changes in accounting policies and practices;
  - ☐ Major accounting entries based on exercise of judgement by management;
  - ☐ Significant adjustments arising out of audit;
  - ☐ The going concern assumption;
  - ☐ Compliance with accounting standards;
  - ☐ Compliance with stock exchange and legal requirements concerning financial statements;
  - ☐ Any related party transactions as per Accounting Standard 18.
- Reviewing the Company's Financial and risk management policies.
- Disclosure of contingent liabilities.
- Reviewing with the management external and internal auditors, the adequacy of internal control systems.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- (ii) The Audit Committee invites such of the executives, as it considers appropriate, representatives of the statutory Auditors and representatives of the internal Auditors to be present at its meeting.

(iii) During the period under review, the members of Audit Committee met 4 (Four) times. The Dates of the meetings were 04/05/2011, 29/07/2011, 29/10/2011 and 10/02/2012. The necessary quorum was present for all the meetings.

(iv) The composition of the Audit committee and the Details of the meetings attended by its members are given below:

S.No.	Name of Director	Position	Category	No. of Meetings During the Year 2011-12	
				Held	Attended
1	Mr.Devendra Manchanda	Chairman	Non-Executive Independent Director	04	04
2	Mr. Anil Kumar Chaddha	Member	Promoter Executive Director	04	04
3.	Mr.Sudhir Kumar Sharma	Member	Non-Executive Independent Director	04	04

(v) Mr. Devendra Manchanda having the requisite qualification as required under Clause 49 (II) of the Listing Agreement is the Chairman of the Audit Committee.

#### IV. Remuneration and Recruitment Committee

(i) The Company has a Remuneration and Recruitment Committee of Directors.

(ii) Terms of reference

- To oversee the method, criteria and quantum of compensation for executive and non executive directors.
- To review the recruitment of key management employees and their compensations;
- Formulation of initiatives leading to greater transparency and improved corporate governance.

(iii) During the period under review, the members of the Remuneration & Recruitment Committee met 2 (Two) times. The Dates of the meetings were 04/05/2011, 29/07/2011, 29/10/2011 and 10/02/2012.

(iv) The Composition of the Remuneration & Recruitment Committee and the details of meetings attended by its members are given below:

S. No.	Name of Director	Position	Category	No. of Meetings During the Year 2011-12	
				Held	Attended
1	Mr. Devendra Manchanda	Member	Non-Executive Independent Director	04	04
2	Mr .Sudhir Kumar Sharma	Member	Non-Executive Independent Director	04	04
3	Mr.Palakuzhiil Verghese Mohan	Member	Non-Executive Independent Director	04	04

- **Remuneration policy**

The Company has two Executive Director on the Board. The details of such remuneration are given below:

Details of remuneration of Executive Directors are as under:

Name of Director	Salary (Rs.)	Perquisites (Rs.)	Total (Rs.)
Mr.Anil Kumar Chaddha	NIL	NIL	NIL
Mr.Vineet Arora	NIL	NIL	NIL

- **Details of sitting fees paid during the period:**

Executive Directors and other Directors are not paid any sitting fees for attending the Board Meeting and its Committees.

#### V. Shareholders/Investors Grievance and Share Transfer Committee

(i) The Company has a Shareholders/Investors Grievance and Share Transfer Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non receipt of notices/annual reports etc.

(ii) During the period under review, the members of the Shareholders/Investors Grievance and Share Transfer Committee met 4 (Four) times. The Dates of the meetings were 04/05/2011, 29/07/2011, 29/10/2011 and 10/02/2012.

(iii) The Composition of shareholders/Investors Grievance and Share Transfer Committee and the details of meeting attended by its members are given below:

S. No.	Name of Director	Position	Category	No. of Meetings During the Year 2011-12	
				Held	Attended
1	Mr. Palakuzhiil Verghese Mohan	Chairman	Non Executive Independent Director	04	04
2	Mr. Anil Kumar Chaddha	Member	Promoter Executive Director	04	04
3	Mr. Sudhir Kumar Sharma	Member	Non Executive Independent Director	04	04

- Mr. Vivek Khosla, Company Secretary acts as the Secretary of the shareholders/Investors Grievance Committee as well as the Compliance officer of the Company pursuant to Clause 47(a) of the Listing Agreement with the Stock Exchange.

(iv) There was no application for share transfer pending as at 31<sup>st</sup> March, 2012.

(v) Details of investors complaints received and redressed during the year 2011-12:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
-	5	5	-

#### VI. Code of Conduct

The Board of Directors of the Company has laid down a Code of conduct for all its members and senior management personnel who have affirmed their compliance therewith.

#### To the Shareholders of MFL India Limited

#### Sub: Compliance with Code of Conduct

In accordance with clause 49 (1)(D) of the Listing Agreement, I, Vivek Khosla, Company Secretary and Compliance Officer of MFL India Limited, hereby confirm that all the members of the Board of Directors and senior Management personnel of the Company have affirmed their compliance with the code of conduct of the company in respect of the financial year ended 31<sup>st</sup> March, 2012.

Dated: 28<sup>th</sup> May, 2012

Place: New Delhi

**Vivek Khosla**  
Company Secretary

#### VII. General Body Meetings

(a) The details of Annual General Meetings held in last three years are as under: -

AGM	Day	Date	Time	Venue
26 <sup>th</sup>	Tuesday	22/09/2009	9:00 A.M.	Community Hall, Kilokari, New Delhi -110014.
27 <sup>th</sup>	Saturday	10/07/2010	9:00 A.M.	Community Hall, Kilokari, New Delhi -110014.
28 <sup>th</sup>	Thursday	29/12/2011	9.30 A.M	Community Hall, Kilokari, New Delhi -110014.

#### • Details of Special Resolutions passed in the previous 3 AGMs:

(I) In the AGM of the Company for the FY 2008-09 held on September 22, 2009, no special resolutions were passed.

(II) In the AGM of the Company for the FY 2009-10 held on July 10, 2010, three special resolutions were passed.

- Special Resolution accorded in terms of section 149 (2A) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors to commence business as provided in Clause no. 28 and 41 in the other objects of the Memorandum of Association of the Company more specifically.
- Special Resolution Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment (s) thereto or any statutory modification(s) or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009 ("SEBI Regulations") as in force, the regulations/ guidelines, if any, issued by the Government of India, the Reserve Bank of India and any



other applicable laws rules and regulations ( including any amendment (s) thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company and Listing Agreement entered into by the Company with the stock exchange where shares of the Company are listed, and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, the Reserve Bank of India, Securities and Exchange Board of India, Stock Exchange and any other relevant statutory, governmental authorities or departments, institutions or bodies ("Concerned Authorities") in this regard and further subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of the concerned Authorities while granting such approvals, sanctions and permissions as may be necessary ("Approvals") and any such conditions and /or modifications as may be prescribed, stipulated or imposed by any such Approvals and /or which may be agreed to or considered necessary by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), the consent, permission and approval of the members of the Company be and is hereby accorded the Board to creates, issue, offer and allot, from time to time in one or more tranches, on a preferential allotment basis, upto 42,00,000 (Forty Two Lacs) nos. of equity shares .

- (iii) Special Resolution in terms of Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment (s) thereto or any statutory modification(s) or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009 ("SEBI Regulations") as in force, the regulations/ guidelines, if any, issued by the Government of India, the Reserve Bank of India and any other applicable laws rules and regulations ( including any amendment (s) thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company and Listing Agreement entered into by the Company with the stock exchange where shares of the Company are listed, and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, the Reserve Bank of India, Securities and Exchange Board of India, Stock Exchange and any other relevant statutory, governmental authorities or departments, institutions or bodies ("Concerned Authorities") in this regard and further subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of the concerned Authorities while granting such approvals, sanctions and permissions as may be necessary ("Approvals") and any such conditions and /or modifications as may be prescribed, stipulated or imposed by any such Approvals and /or which may be agreed to or considered necessary by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), the consent, permission and approval of the members of the Company be and is hereby accorded the Board to creates, issue, offer and allot, from time to time in one or more tranches, on a preferential allotment basis, upto 54,00,000 (Fifty Four Lacs) nos. of equity share warrants or any other securities or financial instrument(s) convertible into equity shares of the Company (hereinafter referred to as "Warrants")

(III) In the AGM of the Company for the FY 2010-11 held on December 29, 2011, one special resolution were passed.

- (i) Special Resolution accorded in terms of section 149 (2A) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors to carry on the business activities as covered under other objects Clause III( C)13 of the Memorandum of Association of the company.

• **Special Resolution passed during the Financial year through postal ballot:**

- (i) No resolution was passed through postal ballot during the year.

**VIII. Disclosures**

(i) **Related party transactions:**

There are no materially significant related party transactions of the company which have potential conflict with the interest of the company at large.

(ii) **Accounting Treatment :**

While in the preparation of financial statements, no treatment different from that prescribed in an Accounting Standards has been followed.

- (iii) Details of non-compliance, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related capital markets, during the last three years: **NIL**



(iv) **Whistle Blower policy**

While the company has not formally established a Whistle Blower policy as a mechanism for its employees to report to the Management about any violation of business principles or unethical behavior, the employees are free to access the Management or audit Committee to report such instances.

(v) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Clause 49:**

The Company has complied with all the mandatory requirements as laid down under Clause 49 of the Listing Agreement in letter as well as spirit. The details of these compliances are set out in the relevant sections of this Report. The company has also set up the Remuneration Committee as prescribed under non mandatory requirements in Annexure I D to the clause 49 of the Listing Agreement with the Stock Exchange, details of which have been given earlier in this report.

**IX. Means of communication**(i) **Publication of Results:** The Quarterly Results/ Annual Results of the Company are published in the leading newspapers viz:-

- 1) Veer Arjun, JunSatta (in Hindi)
- 2) The Financial Express (English)

(ii) **News , Release, etc :** All vital Information pertaining to the Company and its Performance, financial or otherwise, its financial results, important developments in the Company sent to the stock exchanges from time to time , are regularly posted.

## (iii) Website development is in progress.

**X. General Shareholders' Information:**(a) **Registered Office:**

B-802, Munirka Apartments, Plot No. 11, Sector-9,  
Dwarka, New Delhi – 110 075

(b) **Registrar & Share Transfer Agents:**

M/s. Link Intime India Private Limited,  
A-40, 2nd Floor, Naraina Industrial Area,  
Phase-II, Near Batra Banquet Hall, New Delhi- 110 028.

(c) **Annual General Meeting to be held:****Day, Date, Time & Venue:**

Day : Friday  
Date : 28/09/2012  
Time : 9.30 A.M  
Venue : Community Hall, Kilokari, New Delhi-110 014.

(d) **Financial Year :** 01/04/2011 to 31/03/2012(e) **Date of Book Closure:** 27<sup>th</sup> September, 2012 to 28<sup>th</sup> September, 2012  
(both days inclusive)(f) **Dividend Payment Date:** N.A.(g) **Stock Exchanges in which the Company's Shares are listed:**

The Stock Exchange, Mumbai  
Stock Code:  
Bombay Stock Exchange Limited, Mumbai – 526622

**Status of payment of Listing Fees:**

The Company has paid the listing fees to the Stock Exchange, Mumbai.

(h) **Connectivity with the Depositories:**

National Securities Depositories Limited (NSDL)  
Central Depository Services (India) Limited (CDSL)  
Demat ISIN Numbers: INE 244CO1012

(i) **Dematerialization of shares:**

As of March, 2012, 3,42,20,671 Equity shares of the company stand dematerialized & this constitutes 94.98 in % of the holding in the Company.

(j) **Market Price Data High/Low during each month in last financial year:**

At BSE (Bombay Stock Exchange)

Month	High Price	Low Price
April, 2011	14.19	11.60
May, 2011	12.17	10.10
June, 2011	12.15	10.52
July, 2011	13.94	10.55
August, 2011	13.00	9.00
September, 2011	12.25	9.42
October, 2011	12.50	8.50
November, 2011	11.89	8.47
December, 2011	10.12	8.14
January, 2012	11.40	8.52
February, 2012	11.00	9.04
March, 2012	10.15	7.71

Since the shares of the Company are thinly traded, the comparison of the performance of the shares of the Company with indices such as BSE Sensex is not made.

(k) **Corporate Office and Address for correspondence:**

6/38, Rajiv Colony, Naharpur Rupa ,  
Gurgaon – 122 001. (Haryana)

(l) **Share Transfer System**

Share transfers are affected on requests in Demat form as well as in physical form periodically at frequent intervals.

**Distribution of shareholding as on 31.03.2012**

S.No.	Shareholding of Nominal value (in Rs.)	Nos. of Shareholders	% to total shareholders	Nominal Value in Rs.	% to Nominal Value
1	Upto 5000	11886	92.87	1,46,41,760	4.06
2	5001–10000	353	2.76	31,20,750	0.87
3	10001–20000	161	1.26	26,30,460	0.73
4	20001–30000	263	2.05	66,89,840	1.86
5	30001–40000	24	0.19	8,68,320	0.24
6	40001–50000	27	0.21	12,89,090	0.36
7	50001–100000	29	0.23	23,23,690	0.64
8	100001 & above	55	0.43	32,87,28,090	91.24
	<b>Total</b>	<b>12798</b>	<b>100.00</b>	<b>360292000</b>	<b>100.00</b>

**Shareholding Pattern as on 31.03.2012**

S.No.	Category	Nos. of Shares	% of holding
1	Promoters	7,00,000	1.94
2	Financial Institutions/Bank	0	0.00
3	FII	0	0.00
4	Foreign Institutional Investors	0	0.00
5	Foreign Venture Capital Investors	0	0.00
6	Mutual Funds	7800	0.02
7	Bodies Corporate	9419830	26.15
8	Indian Public	25873470	71.81
9	NRI/OCBs	26000	0.07
10	Clearing Members	2100	0.01
	Total	36029200	100.00

**CFO' S CERTIFICATE**

To the Board of Directors of MFL India Limited

- I. Anil Kumar Chaddha, Director and Chief Financial Officer of MFL India Limited to the best of my knowledge and belief, certify that:
- I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
    - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - No transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
  - I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
  - I have indicated to the auditors and the Audit committee that :
    - there has not been any significant changes in internal control over financial reporting during the year under the reference ;
    - there has not been any significant changes in accounting policies except to the extent already disclosed in the financial statement(s); and
    - there are no instances of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Delhi  
Date : 28<sup>th</sup> May, 2012

**Anil Kumar Chaddha**  
Director and Chief Financial Officer

**AMIT AGRAWAL & ASSOCIATES****Company Secretaries**

H-63, G.F., Vijay Chowk, Laxmi Nagar, Delhi-110092

Phone: 011 – 22024525, 43019279

E-mail : amitagcs @gmail.com

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

The Members of  
**M/s. MFL India Limited**  
B-802, Munirka Apartments,  
Plot No. 11, Sector-9,  
Dwarka, New Delhi – 110 075

We have examined the Compliance of conditions of Corporate Governance by MFL India Limited ("the Company") for the period ended 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of the Listing Agreement of the Company with Bombay Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the 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 and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in clause 49 of the Listing Agreements.

We further state that, such compliance neither an assurance as the future viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of  
**Amit Agrawal & Associates**  
**Company Secretaries**

Place : Delhi  
Date : 1<sup>st</sup> September, 2012

**(Amit Agrawal)**  
**Proprietor**  
**C.P.No. 3647**



## SRY & ASSOCIATES

*Chartered Accountants*

### AUDITORS' REPORT

The Members of

#### **M/S MFL INDIA LIMITED**

1. We have audited the attached Balance Sheet of **M/s MFL INDIA LIMITED**, as at 31<sup>st</sup> March, 2012, and the Profit and Loss Account for the year ended on that date annexed thereto and cash flow statement for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in 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 of India 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.

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

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit,
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- (c) The Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956,
- (e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956,
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,
  - i. In the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2012,
  - ii. In the case of the Profit and Loss Account, of the profit for the year ended on that date.
  - iii. In the case of Cash flow statement, of the cash flow for the year ended on that date.

**For SRY & ASSOCIATES**  
**Chartered Accountants**  
 Firm. R. No. 011227N

Place : New Delhi  
 Date : May 28, 2012

**Rajan Gupta**  
 Partner  
 Membership No. 089469

Off.: 503-504, Rattan Iyoti, 18 Rajendra Place, New Delhi-II 0008  
 Phone: 011-41538010-11, Fax: 011-41538010



## SRV & ASSOCIATES

Chartered Accountants

### ANNEXURE TO AUDITORS' REPORT

(referred to in paragraph 3 of our report of even date)

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The company has not disposed of substantial part of its fixed assets during the year, and therefore, it has not affected the company as a going concern.
- (ii) (a) As per the information and explanations given to us the management has conducted physical verification of inventory at reasonable intervals.
- (b) In our opinion and according to the explanations and information given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification otherwise the same have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanations given to us, the company has not granted secured or unsecured loans, to companies in the register maintained under section 301 of the Act.
- (b) The rate of Interest and other terms & conditions of loans taken by the company are prima facie not prejudicial to the interest of the company.
- (c) The payment of principal and interest are also regular.
- (d) The company has taken reasonable steps for recovery of principal and interest for amount overdue more than one lakh rupees.
- (e) The company has not taken any unsecured loans, there are no other transactions from the companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (f) The rate of Interest and other terms & conditions of loans taken by the company are prima facie not prejudicial to the interest of the company.
- (g) The payment of principal and interest are also regular.
- (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 fixed assets and for the sale of goods and service. However there is still scope of improvement in the same. During the course of our audit we have not observed any continuing failure to correct major weakness in internal control systems.
- (v) (a) As per the records, the particulars of contracts that need to be entered into a register in pursuance of section 301 of the Act have been so entered. (b) According to the explanations and information given to us the transactions in pursuance of such contracts have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time;
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public to which the directives issued by RBI and the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under apply. No order has been passed by the company Law board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- (vii) In our opinion the company has internal audit system commensurate with its size and nature of its business;

Off.: 503-504, Rattan Iyoti, 18 Rajendra Place, New Delhi-II 0008  
Phone: 011-41538010-11, Fax: 011-41538010



## SRY & ASSOCIATES

*Chartered Accountants*

- (viii) To the best of our knowledge and as per the explanations and information given to us the 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.
- (ix) (a) As per the records the company is regular in depositing 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 any other statutory dues with the appropriate authorities.
- (b) According to the information and explanations given to us, there no dues of sales tax, income tax, custom duty, wealth tax, Service Tax, excise duty and cess which have not been deposited:-
- (x) The accumulated losses of the company are less than fifty percent of its net worth The Company has not incurred cash losses during the financial year covered by our audit. The company does not have any accumulated losses in the immediately preceding financial year.
- (xi) The company has not made any default in payment of the dues to the bank and financial institution.
- (xii) As per the records the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) To the best of our knowledge and according to the information and explanations given to us the provisions of any special statute applicable to chit fund are not applicable to the Company.
- (xiv) According to the information and explanations given by the management, the company is not dealing in or trading in shares, securities, debentures and other investments. The Company has maintained proper records and timely entries have been made and the investments are in the name of the Company.
- (xv) The company has not given any guarantees for its associate company from bank.
- (xvi) The company has applied the term for the purpose for which term loan were obtained.
- (xvii) The funds raised for short term purpose has not been used for the long term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xix) The company has not issued any debentures.
- (xx) The Company has not raised any money by public issues.
- (xxi) On the examinations of records of the company no fraud on or by the company has been noticed or reported during the year.

For **SRY & ASSOCIATES**  
**Chartered Accountants**  
 Firm. R. No. 011227N

Place : New Delhi  
 Date : May 28, 2012

Rajan Gupta  
 Partner  
 Membership No. 089469

Off.: 503-504, Rattan Iyoti, 18 Rajendra Place, New Delhi-II 0008  
 Phone: 011-41538010-11, Fax: 011-41538010



**MFL INDIA LIMITED**  
**AUDITED BALANCE SHEET AS AT 31ST MARCH, 2012**

Particulars	Note No.	Year ending 31-03-2012	Year ending 31-03-2011
1	2	3	4
		Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	360,292,000	149,140,000
(b) Reserves and surplus	2	(33,243,763)	(38,615,947)
<b>2 Share Application Money Pending Allotment</b>		—	211,152,000
<b>3 Non-current liabilities</b>			
(a) Deferred tax liabilities (Net)		21,542,407	22,996,889
(b) Long-term provisions	3	—	—
(c) Long-term loans	4	36,337,102	94,287,669
<b>4 Current liabilities</b>			
(a) Trade payables		4,089,447	69,819,597
(b) Other current liabilities	5	836,721	4,150,190
(c) Short-Term Borrowings	6	81,354,329	50,010,916
(d) Short-Term Provisions		1,005,520	1,000,000
<b>TOTAL</b>		<b>472,213,762</b>	<b>563,941,313</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed assets (Tangible)</b>	7	143,770,653	170,695,220
(b) Fixed assets (In-tangible)	7	63,181,514	71,079,203
(c) Fixed assets (Capital work in-progress)	7	—	5,620,394
(d) Non-current investments	8	—	—
(e) Long-term loans and advances	9	1,995,438	4,017,000
<b>2 Current assets</b>			
(a) Current investments	10	—	—
(b) Inventories	11	—	—
(c) Trade receivables	12	238,496,305	266,330,290
(d) Cash and cash equivalents	13	11,321,353	31,177,539
(e) Short-term loans and advances	14	13,448,500	15,021,667
<b>TOTAL</b>		<b>472,213,762</b>	<b>563,941,313</b>

Figures have been rounded off to nearest rupee & previous year Figures have been regrouped/rearranged wherever necessary.

**For SRY & Associates**  
**Chartered Accountants**  
 Firm. Reg. No. 011227N

**For and on behalf of Board of Directors**

**Rajan Gupta**  
 Partner  
 M. No. 089469

**Vineet Arora**  
 Director  
 DIN 01518473

**Anil Thukral**  
 Director  
 DIN 01168540

**Vivek Khosla**  
 Company Secretary  
 M.No.A26608

Place : New Delhi  
 Date : May 28, 2012



**MFL INDIA LIMITED**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31.03.2012**

Particulars		Note No.	Year ending 31-03-2012	Year ending 31-03-2011
			<b>Rs.</b>	<b>Rs.</b>
I.	Revenue from operations	15	775,112,006	759,469,252
II.	Other income	16	(60,989)	(977,174)
III.	<b>Total Revenue (I + II)</b>		<u>775,051,017</u>	<u>758,492,078</u>
IV.	Expenses:			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade		5,026,655	-
	Transportation Expenses		425,218,896	405,002,540
	Vehicle Operating Expenses		141,315,857	137,083,283
	Changes in inventories of Stock-in-Trade	11	-	-
	Employee benefits expense	18	51,244,094	54,462,291
	Finance Cost	19	20,288,068	18,755,157
	Depreciation and amortization expense	7	46,578,367	59,339,335
	Other expenses	17	80,108,949	78,753,939
	<b>Total expenses</b>		<u>769,780,886</u>	<u>753,396,545</u>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<u>5,270,131</u>	<u>5,095,533</u>
VI.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		5,270,131	5,095,533
VIII.	Extraordinary Items		-	-
IX.	<b>Profit before tax (VII- VIII)</b>		5,270,131	5,095,533
X	Tax expense:			
	(1) Current tax		1,005,520	1,000,000
	(2) Deferred tax		(1,454,482)	(6,576,245)
	(3) Earlier Year tax		346,909	-
XI	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		5,372,184	10,671,778
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<u>5,372,184</u>	<u>10,671,778</u>
XVI	Earnings per equity share:			
	(1) Basic		0.15	0.29
	(2) Diluted		0.15	0.29

**For SRY & Associates**  
**Chartered Accountants**  
Firm. Reg. No. 011227N

**For and on behalf of Board of Directors**

**Rajan Gupta**  
Partner  
M. No. 089469

**Vineet Arora**  
Director  
DIN 01518473

**Anil Thukral**  
Director  
DIN 01168540

**Vivek Khosla**  
Company Secretary  
M.No.A26608

Place : New Delhi  
Date : May 28, 2012

## MFL INDIA LIMITED

**Note 1 Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule VI to the Companies Act, 1956**

Share Capital	As at 31st Mar. 2012		As at 31st Mar. 2011	
	Number	Rs.	Number	Rs.
<b>Authorised</b> Equity Shares of Rs.10/- each	37000000	370,000,000	15000000	150,000,000
<b>Issued</b> Equity Shares of Rs.10/- each	36029200	360,292,000	14914000	149,140,000
<b>Subscribed &amp; Paid up</b> Equity Shares of Rs.10/- each	36029200	360,292,000	14914000	149,140,000
<b>Total</b>	36029200	360,292,000	14914000	149,140,000

**Note 1A Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956 - NIL (Following disclosure should be made for each class of Shares)**

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	–	–	NA	–
Shares Issued during the year	–	–	–	–
Shares bought back during the year	–	–		
Shares outstanding at the end of the year	–	–		–

**Note 1A Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956 - NIL****Note 1B Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (if more than 5%)**

Name of Shareholder	As at 31st Mar. 2012		As at 31st Mar. 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
MR. ANIL THUKRAL	20,038,240	55.62	NIL	0
M/S SGM WEBTECH PVT LTD	2,050,000	5.69	2,050,000	13.75
M/S KRISHNA GARDEN PVT LTD	2,050,000	5.69	2,050,000	13.75
M/S ASHI EQUITIES PVT LTD	1,950,000	5.41	1,950,000	13.07
M/S MANORITES CAPITALMANAGEMENT LTD	1,550,000	4.30	2,050,000	13.75
MR. GURDEV SINGH	800,000	2.22	800,000	5.36

**Note 1C Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 1956 - NIL****Note 1D Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 1956 - NIL**

Unpaid Calls	Amount in Rs.
By Directors	Nil
By Officers	Nil

**Note 1F Appropriate disclosures to comply with this point to be made by the Management**

**Note 2 Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956**

<b>Reserves &amp; Surplus</b>	<b>As at 31st Mar. 2012</b>	<b>As at 31st Mar. 2011</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>a. Capital Reserves</b>		
Opening Balance	5,055,844.52	5,055,844.52
(+) Current Year Transfer	—	—
(-) Written Back in Current Year	—	—
Closing Balance	5,055,844.52	5,055,844.52
<b>b. Capital Redemption Reserve</b>		
Opening Balance	—	—
(+) Current Year Transfer	—	—
(-) Written Back in Current Year	—	—
Closing Balance	—	—
<b>c. Securities Premium Account</b>		
Opening Balance	—	—
Add : Securities premium credited on Share issue	—	—
Less : Premium Utilised for various reasons	—	—
Premium on Redemption of Debentures	—	—
For Issuing Bonus Shares	—	—
Closing Balance	—	—
<b>d. Debenture Redemption Reserve</b>		
Opening Balance	—	—
(+) Current Year Transfer	—	—
(-) Written Back in Current Year	—	—
Closing Balance	—	—
<b>e. Revaluation Reserve</b>		
Opening Balance	—	—
(+) Current Year Transfer	—	—
(-) Written Back in Current Year	—	—
Closing Balance	—	—
<b>f. Share Options Outstanding Account</b>		
Opening Balance	—	—
(+) Current Year Transfer	—	—
(-) Written Back in Current Year	—	—
Closing Balance	—	—
<b>g. General Reserves</b>		
Opening Balance	1,548,746.00	1,548,746.00
(+) Current Year Transfer	—	—
(-) Written Back in Current Year	—	—
Closing Balance	<b>1,548,746.00</b>	<b>1,548,746.00</b>
<b>Surplus</b>		
Opening balance	(45,220,538)	(55,892,316)
(+) Net Profit/(Net Loss) For the current year	5,372,184	10,671,778
Closing Balance	<b>(39,848,354)</b>	<b>(45,220,538)</b>
<b>Total</b>	<b>(33,243,763)</b>	<b>(38,615,947)</b>

**Note 3 Disclosure pursuant to Note no. 6(E) of Part I of Schedule VI to the Companies Act, 1956**

Long Term Provisions	As at 31st Mar. 2012	As at 31st Mar. 2011
	Rs.	Rs.
<b>(a) Provision for employee benefits</b>		
Superannuation (unfunded)	Nil	Nil
Gratuity (unfunded)	Nil	Nil
Leave Encashment (unfunded)	Nil	Nil
ESOP / ESOS	Nil	Nil
<b>(b) Others (Specify nature)</b>	Nil	Nil
<b>Total</b>	<b>—</b>	<b>—</b>

**Note 4 Disclosure pursuant to Note no. 6(C) of Part I of Schedule VI to the Companies Act, 1956**

Long Term Borrowings	As at 31st Mar. 2012	As at 31st Mar. 2011
	Rs.	Rs.
<b>Secured</b>		
<b>(a) Bonds/debentures</b> * (state in descending order of maturity or conversion, starting from the farthest redemption or conversion date)	Nil	Nil
<b>(b) Term loans</b>		
from banks	36,337,102	94,287,669
(Secured By Hypothecation of Vehicle)		
from other parties	Nil	Nil
<b>(c) Deferred payment liabilities</b>	Nil	Nil
<b>(d) Deposits</b>	Nil	Nil
<b>(e) Loans and advances from related parties</b>	Nil	Nil
<b>(f) Long term maturities of finance lease obligations</b>	Nil	Nil
<b>(g) Other Loan and Advances (Specify Nature)</b>	Nil	Nil
	36,337,102	94,287,669
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) &amp; (g)</b>		
1. Period of default	Nil	Nil
2. Amount		
<b>Unsecured</b>		
<b>(a) Bonds/debentures</b> * (state in descending order of maturity or conversion, starting from the farthest redemption or conversion date)	Nil	Nil
<b>(b) Term loans</b>		
from banks	Nil	Nil
from other parties	Nil	Nil
<b>(c) Deferred payment liabilities</b>	Nil	Nil
<b>(d) Deposits</b>	Nil	Nil
<b>(e) Loans and advances from related parties</b>	Nil	Nil
<b>(f) Long term maturities of finance lease obligations</b>	Nil	Nil
<b>(g) Other loans and advances (specify nature)</b>	Nil	Nil
	—	—
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) &amp; (g)</b>		
1. Period of default	N A	N A
2. Amount	N A	N A
<b>Total</b>	<b>36,337,102</b>	<b>94,287,669</b>

**Note 5 Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956**

Other Current Liabilities	As at 31st Mar. 2012	As at 31st Mar. 2011
	Rs.	Rs.
(a) Current maturities of long-term debt	Nil	Nil
(b) Current maturities of finance lease obligations	Nil	Nil
(c) Interest accrued but not due on borrowings	Nil	Nil
(d) Interest accrued and due on borrowings	Nil	Nil
(e) Income received in advance	Nil	Nil
(f) Unpaid dividends	Nil	Nil
(g) Application money received for allotment of securities and due for refund	Nil	Nil
(h) Unpaid matured deposits and interest accrued thereon	Nil	Nil
(i) Unpaid matured debentures and interest accrued thereon	Nil	Nil
<b>Other payables (specify nature)</b>		
Service Tax Charged but not due	Nil	Nil
Sale Tax Payable	94,408	Nil
TDS Payable	23,850	636
Expense Payable	718,463	4,149,554
<b>Total</b>	<b>836,721</b>	<b>4,150,190</b>

**Note 6 Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI to the Companies Act, 1956**

Short Term Borrowings	As at 31st Mar. 2012	As at 31st Mar. 2011
	Rs.	Rs.
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
from State Bank of India	81,354,329	50,010,916
(Secured By Hypothecation of Book debts and Vehicle)		
from other parties	Nil	Nil
<b>(b) Loans and advances from related parties</b>	Nil	Nil
<b>(c) Deposits</b>	Nil	Nil
<b>(d) Other loans and advances (specify nature)</b>	Nil	Nil
	81,354,329	50,010,916
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
1. Period of default	NA	NA
2. Amount	NA	NA
<b>Unsecured</b>		
<b>(a) Loans repayable on demand</b>		
from banks	Nil	Nil
from other parties	Nil	Nil
<b>(a) Loans and advances from related parties</b>		
<b>(c) Deposits</b>		
<b>(d) Other loans and advances (specify nature)</b>		
	-	-
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
1. Period of default	NA	NA
2. Amount	NA	NA
<b>Total</b>	<b>81,354,329</b>	<b>50,010,916</b>

**Old Schedule VI**

	<b>Secured Loans</b>	<b>Remarks</b>
1	Debentures	Deleted
2	Loans and Advances from Banks	Deleted
3	Loans and Advances from Subsidiaries	Covered as per point 'i(b)' above
4	Other Loans and Advances	Covered as per point 'i(d)' above
5	Loans from directors and managers should be shown separately, under each of the above sub-head.	Covered as per point 'i(e)' above
6	Interest accrued and due on Secured Loans should be included under the appropriate sub-heads under the head "SECURED LOANS".	Deleted
7	The nature of the security to be specified in each case.	Covered as per point 'ii' above
8	Where loans have been guaranteed by managers and/or directors, a mention thereof shall also be made and the aggregate amount of such loans under each head	Covered as per point 'iii' above
9	Terms of redemption or conversion (if any) of debentures issued must be stated together with earliest date of redemption or conversion.	Deleted
10	Particulars of any redeemed debentures which the company has power to issue should be given.	Deleted
11	Where any of the company's debentures are held by a nominee or a trustee for the company, the nominal amount of the debentures and the amount at which they are stated in the books of the company shall be stated.	Deleted

	<b>Unsecured Loans</b>	<b>Remarks</b>
1	Fixed Deposits	Deleted (Marked in Red)
2	Loans and Advances from subsidiaries	Covered as per point 'i(b)' above
3	Short Term Loans and Advances a. from banks b. from others	Covered as per point 'i(a)' above
4	Other Loans and Advances a. from banks b. from others	Deleted (Marked in Red)
5	Loans from directors and managers should be shown separately, under each of the above sub-head.	Covered as per point 'i(e)' above
6	Interest accrued and due on Unsecured Loans should be included under the appropriate sub-heads under the head "UNSECURED LOANS".	Deleted
7	Where loans have been guaranteed by managers and/or directors, a mention thereof shall also be made and the aggregate amount of such loans under each head	Covered as per point 'iii' above
8	Short Term Loans will include those which are due for not more than one year as at the date of the balance-sheet.	Deleted

Note 7	Disclosure pursuant to Note no. 61 (i), (ii), (iii), of Part I of Schedule VI to the Companies Act, 1956													
	Fixed Assets	Gross Block						Accumulated Depreciation				Net Block		
		Balance as at 1st Apr. 2011	Additions	Acquired through business combinations	Disposals	Revaluations/ (Impairments)	Balance As at 31st Mar. 2012	Balance as at 1st Apr. 2011	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance As at 31st Mar. 2012	Balance as at 1st Apr. 2011	Balance As at 31st Mar. 2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
A	Tangible Assets													
	Computer	1,236,998	3,050,000	-	1,236,998	-	3,050,000	795,712	247,203	-	795,712	247,203	441,286	2,802,798
	Fan	11,522	-	-	11,522	-	-	5,156	458	-	5,613	0	6,366	(0)
	EPBAX	33,881	-	-	33,881	-	-	5,035	1,346	-	6,381	0	28,846	(0)
	Generator	56,500	-	-	56,500	-	-	13,238	2,244	-	15,482	0	43,262	(0)
	Cooler	5,500	-	-	5,500	-	-	1,001	239	-	1,240	0	4,499	(0)
	Fax	16,150	-	-	16,150	-	-	10,314	702	-	11,016	(0)	5,836	0
	Furniture	37,555	-	-	-	-	37,555	18,112	2,377	-	-	20,489	19,443	17,066
	Telephone Instrument	203,719	-	-	150,000	-	53,719	68,503	8,509	-	55,832	21,179	135,216	32,540
	Air Conditioner	68,500	-	-	-	-	68,500	16,825	3,254	-	-	20,079	51,675	48,421
	HYUNDAI	743,444	-	-	-	-	743,444	176,707	70,627	-	-	247,334	566,737	496,110
	HYUNDAI i 10	372,387	-	-	372,387	-	-	103,126	29,577	-	132,703	(0)	269,261	0
	Swift Car	625,890	-	-	625,890	-	-	185,184	49,712	-	214,896	0	460,706	(0)
	Honda City	918,656	-	-	-	-	918,656	60,732	87,272	-	-	148,004	857,924	770,652
	Commercial Vehicle	375,261,700	42,890,000	-	175,627,100	-	242,524,600	207,636,887	38,160,115	-	142,875,469	102,921,533	167,624,814	139,603,067
	Invertor	32,750	-	-	32,750	-	-	10,275	1,424	-	11,699	0	22,475	(0)
	T V	5,200	-	-	5,200	-	-	1,161	226	-	1,387	(0)	4,039	0
	Scooter/ Motor cycle	162,903	-	-	162,903	-	-	49,746	12,939	-	62,685	0	113,157	(0)
	Dispenser	6,700	-	-	6,700	-	-	1,528	318	-	1,847	-	5,172	-
	Container	45,000	-	-	45,000	-	-	10,494	2,138	-	12,632	-	34,506	-
	Plant & Machinery	-	7,768,490	-	7,768,490	-	-	-	-	-	-	-	-	-
	Building	-	5,120,394	-	5,120,394	-	-	-	-	-	-	-	-	-
	Sub Total	379,844,955	58,828,884	-	191,277,365	-	247,396,474	209,149,736	38,680,678	-	144,204,593	103,625,821	170,695,219	143,770,653
b	Intangible Assets													
	Goodwill	78,976,892	-	-	-	-	78,976,892	7,897,689	7,897,689	-	-	15,795,378	71,079,203	63,181,514
c	Sub Total	78,976,892	-	-	-	-	78,976,892	7,897,689	7,897,689	-	-	15,795,378	71,079,203	63,181,514
	Capital Work in Progress													
	Building under construction	5,120,394	-	-	-	-	5,120,394	-	-	-	-	-	5,120,394	-
	Machinery under installation	500,000	-	-	-	-	500,000	-	-	-	-	-	500,000	-
Total	464,442,241	58,828,884	-	191,277,365	-	326,373,366	217,047,425	46,578,367	-	144,204,593	119,421,199	241,774,422	206,952,167	

**Vineet Arora**  
Director  
DIN 01518473

**Anil Thukral**  
Director  
DIN 01168540

**Vivek Khosla**  
Company Secretary  
M.No.A26608

**Note 8 Disclosure pursuant to Note no. 6 K (i) of Part I of Schedule VI to the Companies Act, 1956**

	Particulars	As at 31st Mar. 2012	As at 31st Mar. 2011
		Rs.	Rs.
<b>A</b>	<b>Trade Investments</b>		
	(a) Investment Properties	Nil	Nil
	(b) Investment in Equity instruments	Nil	Nil
	(c) Investments in preference shares	Nil	Nil
	(d) Investments in Government or Trust securities	Nil	Nil
	(e) Investments in debentures or bonds	Nil	Nil
	(f) Investments in Mutual Funds	Nil	Nil
	(g) Investments in partnership firms*	Nil	Nil
	(h) Other non-current investments (specify nature)	Nil	Nil
	<b>Total (A)</b>	<b>Nil</b>	<b>Nil</b>
<b>B</b>	<b>Other Investments</b>		
	(a) Investment Properties	Nil	Nil
	(a) Investment in Equity instruments (Refer Note 6a below)	Nil	Nil
	(c) Investments in preference shares	Nil	Nil
	(d) Investments in Government or Trust securities	Nil	Nil
	(e) Investments in debentures or bonds	Nil	Nil
	(b) Investments in Mutual Funds (Refer Note 6b serial No.B)	Nil	Nil
	(g) Investments in partnership firms*	Nil	Nil
	(h) Other non-current investments (specify nature)	Nil	Nil
	<b>Total (B)</b>	<b>Nil</b>	<b>Nil</b>
	<b>Grand Total (A + B)</b>	<b>Nil</b>	<b>Nil</b>
	Less : Provision for dimunition in the value of Investments	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**Note 8a Investments in Equity Shares**

	Particulars	As at 31st Mar. 2012	As at 31st Mar. 2011
		Rs.	Rs.
1	Aggregate amount of quoted investments	Nil	Nil
2	Aggregate amount of unquoted investments	Nil	Nil



Details of Trade Investments												
A.												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation
			2011	2010			2011	2010	2011	2010		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment Properties											
(b)	Investment in Equity Instruments											
(c)	Investments in Preference Shares											
(d)	Investments in Government or Trust securities											
(e)	Investments in Debentures or Bonds											
(f)	Investments in Mutual Funds											
(g)	Investments in partnership firms*											
(h)	Other non-current investments (specify nature)											
	Total											

Note 8b Details of Other Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation
			As at 31st Mar. 2012	As at 31st Mar. 2011			As at 31st Mar. 2012	As at 31st Mar. 2011	As at 31st Mar. 2012	As at 31st Mar. 2011		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment Properties											
(b)	Investment in Equity Instruments											
(c)	Investments in Preference Shares											
(d)	Investments in Government or Trust securities											
(e)	Investments in Debentures or Bonds											
(f)	Investments in Mutual Funds											
(g)	Investments in partnership firms*											
(h)	Other non-current investments (specify nature)											
	Total								-	-		

Note: Long term investments are valued at cost &amp; dividend earned reinvested.

**Note 9 Disclosure pursuant to Note no. 6 L (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956**

Long Term Loans and Advances	As at 31st Mar. 2012		As at 31st Mar. 2011	
	Rs.	Rs.	Rs.	Rs.
<b>a. Capital Advances</b>	—	—	—	—
<b>b. Security Deposits</b>				
Secured, considered good		—		
Unsecured, considered good		1,995,438		4,017,000
Doubtful		—		—
Less: Provision for doubtful deposits		—		—
		1,995,438		4,017,000
<b>c. Loans and advances to related parties</b>	—	—	—	—
<b>b. Other loans and advances (specify nature)</b>	—	—	—	—
		1,995,438		4,017,000

**Note 9A Disclosure pursuant to Note no. L (iv) of Part I of Schedule VI to the Companies Act, 1956**

Particulars	As at 31 March 2012	As at 31 March 2011
	Rs.	Rs.
Directors *	Nil	Nil
Other officers of the Company *	Nil	Nil
Firm in which director is a partner *	Nil	Nil
Private Company in which director is a member	Nil	Nil
	Nil	Nil

\*Either severally or jointly

**Note 10 Disclosure pursuant to Note no.6 N (i) and (ii) of Part I of Schedule VI to the Companies Act, 1956**

Details of Current Investments											
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Basis of Valuation
			As at 31st Mar. 2012	As at 31st Mar. 2011			31st Mar. 2012	31st Mar. 2011	As at 31st Mar. 2012	As at 31st Mar. 2011	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a)	Investement in Equity Instruments										<div>NIL</div>
(b)	Investments in Preference Shares										
(c)	Investments in Government or Trust securities										
(d)	Investments in Debentures or Bonds										
(A)	Investments in Mutual Funds										
(f)	Investments in partnership firms*										
(g)	Other non-current investments (specify nature)										
	Total										

NIL

Particulars	Total	Per share
Dividends proposed to be distributed to equity shareholders	Nil	Nil
Dividends proposed to be distributed to preference shareholders	Nil	Nil
Arrears of fixed cumulative dividends on preference shares	Nil	Nil
Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, Indicate below how such unutilized amounts have been used or invested.		
Not Applicable		

**Note 11 Disclosure pursuant to Note no.6 O (i), (ii) and (ii) of Part I of Schedule VI to the Companies Act, 1956**

Inventories	As at 31st Mar. 2012		As at 31st Mar. 2011	
	Rs.	Rs.	Rs.	Rs.
a. Raw Materials and components	Nil	Nil	Nil	Nil
b. Work-in-progress	Nil	Nil	Nil	Nil
c. Finished goods	Nil	Nil	Nil	Nil
e. Stores and spares	Nil	Nil	Nil	Nil
f. Loose Tools	Nil	Nil	Nil	Nil
g. Others (Specify nature)	Nil	Nil	Nil	Nil
<b>Total</b>		—		—

**Note 12 Disclosure pursuant to Note no.6 P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956**

Trade Receivables	As at 31st Mar. 2012	As at 31st Mar. 2011
	Rs.	Rs.
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	—	—
Unsecured, considered good	236,072,720	190,872,462
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
	236,072,720	190,872,462
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	—	—
Unsecured, considered good	2,423,585	75,457,828
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
	2,423,585	75,457,828
<b>Total</b>	238,496,305	266,330,290
Trade Receivable stated above include debts due by:		
Particulars	As at 31 March 2012	As at 31 March 2011
	Rs.	Rs.
Directors *	—	—
Other officers of the Company *	—	—
Firm in which director is a partner *	—	—
Private Company in which director is a member	—	—
	—	—

\*Either severally or jointly

**Note 13 Disclosure pursuant to Note no.6 Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956**

Cash and cash equivalents	As at 31st Mar. 2012		As at 31st Mar. 2011	
	Rs.	Rs.	Rs.	Rs.
<b>a. Balances with banks*</b>		—		—
<b>In Fixed deposits with State Bank of India</b>		855,000		—
<b>In Current Accounts</b>				
Kotak Mahindra Bank	211,503		1,671,403	
Bank Of India	11,346		12,349	
State Bank Of India	7,495,862		1,546,684	
Canara Bank	1,531		1,531	
Citi Bank Limited	100,000		68,000	
Karnatka Bank Limited	25,457		124	
	—	—	—	
b. Cheques, drafts on hand	—	—		—
c. Cash on hand*	—	2,620,654	—	27,877,448
		11,321,353		31,177,539

**Note 14 Disclosure pursuant to Note no.6 R (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956**

Short-term loans and advances	As at 31st Mar. 2012		As at 31st Mar. 2011	
	Rs.	Rs.	Rs.	Rs.
<b>a. Loans and advances to related parties</b>				
Secured, considered good	-			
Unsecured, considered good	3,561,064		308,400	
Doubtful	-			
Less: Provision for doubtful loans and advances	-			
		3,561,064		308,400
<b>b. Others (specify nature)</b>				
Secured, considered good	-			
Receivable from Revenue authorities	9,887,436		14,713,267	
Prepaid expenses	-		-	
Service Tax Credit	-		-	
Rajeev Kumar Nayak	-		-	
		9,887,436		14,713,267
		13,448,500		15,021,667

**Note 15 Disclosure pursuant to Note no. 2A of Part II of Schedule VI to the Companies Act, 1956**

Revenue from Operations	For the year ended 31st Mar. 2012	For the year ended 31st Mar. 2011
	Rs.	Rs.
Sale of product	3,534,060	—
Sale of services	771,577,946	759,469,252
Other operating revenues	—	—
Less:		
Service Tax	—	—
<b>Total</b>	<b>775,112,006</b>	<b>759,469,252</b>

**Note 16 Disclosure pursuant to Note no. 4 of Part II of Schedule VI to the Companies Act, 1956**

Other Incomes	For the year ended 31st Mar. 2012	For the year ended 31st Mar. 2011
	Rs.	Rs.
Interest Income (in case of a company other than a finance company)	108,367	32,555
Dividend Income	—	—
Net gain/loss on sale of investments	(169,356)	(1,009,729)
Other non-operating income (net of expenses directly attributable to such income)	—	—
<b>Total</b>	<b>(60,989)</b>	<b>(977,174)</b>

**Note 17 Other expenses****Note 17A Disclosure pursuant to Note no. 5 of Part II of Schedule VI to the Companies Act, 1956**

Additional Information	For the year ended 31st March 2012	For the year ended 31st March 2011
	Rs.	Rs.
Vehicle Running & Maintenance	47,563,006	44,456,554
Power & Fuel	2,531,390	—
Insurance	1,281,419	2,458,800
Telephone & Telex	1,124,609	1,139,737
Business Promotion	3,229,088	3,128,347
Advertisement Expense	124,363	46,320
Demurrage / Warpage Expense	550,000	523,693
Conveyance Expenses	947,462	775,356
Commission & Brokerage	271,465	1,434,000
Meeting Expenses	418,645	415,083
Donation	20,000	23,000
Electricity Expenses	358,443	272,535
Fees & Charges	14,054,376	12,775,056
General Expense	586,170	1,314,772
Rebate & Discount	1,673,497	4,936,342
Postage & Telegraph	52,664	39,267
Printing & stationery	642,199	582,433
Professional & Legal Expenses	1,499,627	612,134
Rent Office	1,088,044	1,057,768
Bank Charges	587,762	481,200
Sale Tax Demand	—	962,270
Travelling	1,482,660	1,297,212
<b>Total</b>	<b>80,086,889</b>	<b>78,731,879</b>

**Note 17B Disclosure pursuant to Note no. 5(i)(j) of Part II of Schedule VI to the Companies Act, 1956**

Payments to the auditor as		For the year ended 31st Mar. 2012	For the year ended 31st Mar. 2011
		Rs.	Rs.
Auditor		—	—
	b. for taxation matters	5,000	5,000
	c. for company law matters	10,000	10,000
	d. for management services		
	e. for other services	5,000	5,000
	f. for reimbursement of expenses		
	g. Service Tax	2,060	2,060
<b>Total</b>		<b>22,060</b>	<b>22,060</b>

**Note 18 Disclosure pursuant to Note no. 5(i)(a) of Part II of Schedule VI to the Companies Act, 1956**

Employee Benefits Expense		For the year ended 31st Mar. 2012	For the year ended 31st Mar. 2011
		Rs.	Rs.
(a) Salaries and incentives		50,177,592	52,748,163
(b) Contributions to -			
(i) Provident fund			224,708
(ii) Superannuation scheme		—	
(b) Gratuity		—	
(c) Staff welfare expenses		1,066,502	1,489,420
<b>Total</b>		<b>51,244,094</b>	<b>54,462,291</b>

**Note 19 Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956**

Finance Cost		For the year ended 31st Mar. 2012	For the year ended 31st Mar. 2011
		Rs.	Rs.
(a) Interest to bank on term Loan		6,760,158	13,579,823
(b) Interest to bank on working capital		13,527,910	5,175,334
<b>Total</b>		<b>20,288,068</b>	<b>18,755,157</b>

**Note 20 - SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS****SIGNIFICANT ACCOUNTING POLICIES****1. Accounting Convention**

The accounts have been prepared under the historical cost conventions to comply in all material aspects with applicable accounting principles in India, and are in accordance with Generally Accepted Accounting Principles and the Accounting Standards issued by Institute of Chartered Accountants of India to the extent applicable and the relevant provisions of the Companies Act, 1956. GAAP comprises mandatory Accounting Standard as prescribed by the companies (Accounting Standards) rules 2006, provisions of companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. The preparation of the financial statements in accordance with the generally accepted accounting principles requires that management makes estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as of the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**2. Fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses related to acquisition, commissioning and installation incurred to bring the assets to its working condition for intended use

**3. Depreciation including amortization of intangible assets**

Depreciation is provided on the straight-line method at the rates and in manner prescribed in Schedule XIV to the Companies Act, 1956 based on the estimated useful life of the asset as determined by the management. For additions and disposals, depreciation is provided pro-rata for the period of use. The management had decided to amortize the goodwill over a period of ten years.

**5. Revenue recognition**

**Transportation** Sales are recognized when the vehicles dispatched. Interest Income is recognized on time proportion basis.

**Sale of Aggregate** The sale is booked as soon as goods are dispatched from the Crusher to parties.

**6. Taxation**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961 and based on the expected outcome of assessment/ appeals.

Deferred tax is recognized on timing difference between the accounting income and the taxable income for the period and quantified using the tax rates and laws enacted or substantively enacted on the Balance Sheet date.

**7. Earnings per share**

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average no of equity shares outstanding the year. Diluted earning per share if computed in the case of the company will come same as the basic earning per share.

**8. Cash Flow Statement:**

Cash Flows are reported using the indirect method as specified in Accounting Standard (AS-3) "Cash Flow Statement". Cash and Cash Equivalent comprises of cash in hand, balance in bank accounts and earmarked fixed deposits with bank.

**A. NOTES TO ACCOUNTS**

1 The Company has some pending cases with sales tax and central excise, which the company has not acknowledged as debt.

**2 Contingent Liability**

i. There are disputed Liabilities on account of Sales Tax amounting Rs. 89,11,734/- the below mentioned disputes had been appealed before the appropriate appellate authority :

A) Against Sales Tax (A.Y.1988-1989)	7,66,336.00
B) Against Sales Tax (A.Y.1998-1999)	13,45,091.00
C) Against Sales Tax (A.Y.1999-2000)	6,21,721.00
D) Against Sales Tax (A.Y.2000-2001)	58,77,118.00
E) Against Sales Tax (A.Y.2002-2003)	3,01,468.00

ii. There is disputed Liability on account of Central Excise, amounting Rs. 25,00,000/- being penalty as per order No. 18/2009 dated 30/03/2009 of Commissioner, Central Excise, Delhi received by the Company on 16-06-2009. We have been informed by the management of the Company that the said demand will be contested in appeal before the appropriate appellate authority within the stipulated time allowed as per law.

iii. The performance Bank Guarantee amounting to Rupees 37,09,550/- have been issued to parties.

3. In the opinion of management, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to that stated in the Balance Sheet.

4. **Capital and other commitments:** The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31<sup>st</sup> March, 2012 is NIL (Previous Year:- NIL)

5. **Payment to Directors**

	Current Year Rs. NIL	Previous Year Rs. NIL
Remunerations		

6. **Payment to Auditor**

	Current Year	Previous Year
For Audit fee	10,000.00	10,000.00
For Tax Audit fee	5,000.00	5,000.00
For other Taxation matter	5,000.00	5,000.00
Service Tax	2,060.00	2,060.00
Total	22,060.00	22,060.00

7. **Expenditure in foreign currency**

	Current Year NIL	Previous Year NIL
For Traveling/others		

8. **Deferred Tax Provision for Deferred Tax Assets / Liabilities**

S.No.	Particulars	DTA	DTL
1	DTL as 01/04/2011		2,29,96,888.57
2	DTL on Fixed Assets		46,00,155.38
3	DTA for the carry forward of losses	60,52,529.78	
4	DTL as on 31/03/2012		2,15,44,514.17

9. Debits and credit balances of suppliers, customers and other are subject to confirmation and reconciliation.

10. Balance in non-operative bank accounts are subject to confirmation and reconciliation.

11. The earning per share, basic as well as diluted, is Rs. 0.15 per share.

12. Note 1-20 form as integral Para of the accounts and have been authenticated as such.

13. Employee Benefits Disclosures required under Accounting Standard 15

The provision of the Gratuity Act is not applicable to the company. The company does not have any employee more than five year old.

14. **Related Party disclosure :**

(I) **Key Managerial Personnel**

(i)	Anil Kumar Chaddha	Executive Director
(ii)	Vineet Arora	Executive Director
(iii)	Anil Thukral	Non-Executive , Professional Director

(II) **The list of the concern where related parties are interested :**

- Euro Financial Services Limited
- Ardour Finman Private Limited
- LKG Forex Limited
- Key Stone Exim Private Limited
- Remax Developers Private Limited
- Omkar Buildrop Private Limited
- More Realty Private Limited.
- Khera Baba Finlease and investment Private Limited
- A.Wargo Farms Private Limited
- Ritz Fincap Private Limited
- VJ Agritech Private Limited

During the year there were no related party transactions.

15. i). The company has entered in two Joint Ventures guided by respective agreement, for the aforesaid period.

Name	Participation Share	Country of Incorporation
"Dynamic movers-Blueview-Khazana (JV)"	51%	India
"Dynamic Movers-Blueview-Sidharth (JV)"	51%	India



- ii). "Dynamic Movers-Blueview-Khazana" has been awarded a contract amounting to Rs. 6 Crore by East Central Railway for the work related in connection with the New B.G Rail line Between Koderma-Giridih, Reach-VII. The work of the same is slated to start from next year. The company has following assets and liabilities due to being part of Joint Venture

**Assets of the Joint Venture attributable to the Company:** Rs. 2,15,181.00  
(EMD to the Eastern Central Railway)

**Liabilities of the Joint Venture attributable to the Company:** NIL

**Income of the Joint Venture attributable to the Company :** NIL

**Expense of the Joint Venture attributable to the Company:** NIL

- iii). The other joint venture the company has been involved namely "Dynamic Movers-Blueview-Sidharth" has been dissolved as a consequence of unsuccessful bid for which the Venture had been formed.

The Company has following Assets and Liability as a result of being the part of a Joint Venture

**Assets of the Joint Venture attributable to the company:** Rs. 4,06,898.00  
(EMD to the Eastern Central Railway)

**Liabilities of the Joint Venture attributable to the Company:** NIL

- iv). The Company has no capital commitments as a result of being a Joint Venture.

- 16. Segment Reporting:** The company has incurred a loss from the sale of plant and machinery of crusher business amounting to Rs. 44,43,074.00. The details of incomes and expenses from each segment is given below:

Particulars	Logistics and Supply Chain Activities		Crusher		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Segment Revenue</b>	77,16,07,518.02	75,98,60,394.51	35,34,060.00	NIL	77,51,41,578.02	75,98,60,394.51
<b>Segment Expense</b>	73,71,85,473.61	75,33,96,544.53	92,25,301.00	NIL	74,64,10,774.61	75,33,96,544.53
<b>Segment Result</b>	3,44,22,044.41	50,95,533.03	(56,91,241.00)	NIL	2,87,30,803.41	50,95,533.03
<b>Unallocated Revenue</b>					1,08,367.00	NIL
<b>Unallocated Expense</b>					2,35,62,218.00	NIL
<b>Profit Before tax</b>					52,76,952.41	50,95,533.03
<b>Tax Expense</b>					10,05,520.00	10,00,000.00
<b>Deferred Tax Reversed</b>					(14,52,374.40)	(65,76,245.43)
<b>Profit After Tax</b>					57,23,806.81	1,06,71,778.46

17. Previous year's figures have been regrouped, reclassified and rearranged in pursuant of revised schedule VI wherever necessary to correspond with the figures of the current year.

**In terms of our report of even date attached**

**For SRY & Associates**  
**Chartered Accountants**  
Firm. Reg. No. 011227N

**For and on behalf of Board of Directors**

**Rajan Gupta**  
Partner  
M. No. 089469

**Vineet Arora**  
Director  
DIN 01518473

**Anil Thukral**  
Director  
DIN 01168540

**Vivek Khosla**  
Company Secretary  
M.No.A26608

Place : New Delhi  
Date : May 28, 2012

**MEL INDIA LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

<b>PARTICULARS</b>	<b>31.03.2012</b>	<b>31.03.2011</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	5,270,131	5,095,533
Adjustment for :		
Depreciation & Amortation	38,680,678	51,441,646
Interest Expenses	20,288,068	18,755,157
Interest Received	(108,367)	(38,922)
Loss on sale of Assets	6,731,021	1,368,317
Profit on sale of Assets	(6,561,664)	(358,588)
Goodwill W/off	7,897,689	7,897,690
Operating Profit before working capital changes	72,197,556	84,160,833
Adjustment for change in Current Assets and Current Liabilities		
<b>Current Assets:</b>		
(Increase)/Decrease in Sundry Debtors	27,833,985	(75,543,195)
(Increase)/Decrease in Loans & Advances	3,594,729	(1,267,817)
(Increase)/Decrease in Other Current Assets	—	8,919,885
<b>Current Liabilities:</b>		
Increase/(Decrease) in Trade Creditors	(65,730,150)	(46,283,178)
Increase/(Decrease) in Other Current Liabilities	(3,313,469)	1,954,459
Cash used in Operating activities	34,582,651	(28,059,013)
Direct Taxes Paid	1,346,909	5,000,000
<b>Net Cash generated/(used) in Operating Activities</b>	<b>33,235,742</b>	<b>(33,059,013)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	46,903,417	23,100,650
(Purchase) of Fixed Assets	(53,208,490)	(33,742,856)
Capital Work in Progress	—	(5,620,394)
Interest Received	108,367	38,922
<b>Net Cash used in Investing Activities</b>	<b>(6,196,706)</b>	<b>(16,223,678)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Share Capital	—	96,000,000
Increase/(Decrease) in Unsecured Loan	—	(1,300,000)
Increase in Secured Loan	31,343,413	50,010,916
(Decrease) in Secured Loan	—	(44,959,402)
Increase/(Decrease) in Term Loan	(57,950,567)	(17,833,241)
Interest Paid	(20,288,068)	(18,755,157)
<b>Net Cash Generated/(used) in Financing Activities</b>	<b>(46,895,222)</b>	<b>63,163,116</b>
Net Increase /(Decrease) in cash & cash equivalents	(19,856,186)	13,880,426
Cash equivalents as on the beginning of the year	31,177,539	17,297,113
Cash equivalents as on the end of the year	11,321,353	31,177,539

**For SRY & Associates**  
**Chartered Accountants**  
 Firm. R. No. 011227N

**For and on behalf of Board**

**Rajan Gupta**  
 Partner  
 M. No. 089469

**Vineet Arora**  
 Director  
 DIN 01518473

**Anil Thukral**  
 Director  
 DIN 01168540

**Vivek Khosla**  
 Company Secretary  
 M.No.A26608

Place : New Delhi  
 Date : May 28, 2012



**SRY & ASSOCIATES**  
*Chartered Accountants*

**AUDITOR'S CERTIFICATE**

We have examined the cash flow statement, attached herewith, of M/s. MFL India Limited for the year ended 31<sup>st</sup> March, 2012. The Statement has been prepared by the Company in accordance with the requirement of listing agreement Clause 32 with Stock Exchanges and is based on and in agreement with corresponding Profit and loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

Place : New Delhi  
Date : 28<sup>th</sup> May, 2012

For **SRY & ASSOCIATES**  
**Chartered Accountants**  
**Firm: R. No. 011227N**

**Rajan Gupta**  
Partner  
Membership No. 089469

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Off.: 503-504, Rattan Iyoti, 18 Rajendra Place, New Delhi-II 0008  
Phone: 011-41538010-11, Fax: 011-41538010

## MFL INDIA LIMITED

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

## I. REGISTRATION DETAILS:

Registration No.	12730	State Code	55
Balance Sheet Date	31/03/2012		

## II. CAPITAL RAISED DURING THE YEAR

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

## III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities	145,165,526	Total Assets	472,213,763
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## Sources of Funds

Paid-Up Capital	360,292,000	Reserves & Surplus	6,604,591
Secured Loans	117,691,431	Unsecured Loans	NIL
Others	21,542,407		

## Application of Funds

Net Fixed Assets	206,952,167	Investments	NIL
Capital Work in Progress	NIL	Net Current Assets	175,980,141
Miscellaneous Expenditure	NIL	Accumulated Losses	(33,243,763)

## IV. PERFORMANCE OF COMPANY

Income	775,051,017	Total Expenditure	769,780,886
Profit/(Loss) before Tax	5,270,131	Profit after Tax	5,372,184
Earning per share in Rs.	0.15	Dividend Rate %	Nil

## V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY(as per monetary terms)

Item Code No.	—
Product Description	Logistics and Supply Chain Activities

**For SRY & Associates**  
**Chartered Accountants**

Firm R. No. 011227N

**For and on behalf of Board**

**Rajan Gupta**  
Partner  
M. No. 089469

**Vineet Arora**  
Director  
DIN 01518473

**Anil Thukral**  
Director  
DIN 01168540

**Vivek Khosla**  
Company Secretary  
M.No.A26608

Place : New Delhi  
Date : May 28, 2012

**MFL INDIA LIMITED**

Dear Shareholders,

MFL INDIA LIMITED is an Environment friendly Company and utilizes natural resources in a sustainable way. Recently ,the Ministry of Corporate Affairs (MCA),Government of India through its Circular Nos. 17/2012 and 18/2012,dated April 21,2012 and April 29,2012 respectively, has allowed companies to send officials documents to their shareholders electronically as part of its green initiatives in corporate governance.

In order to conserve paper and minimize the impact on the environment, the company proposes to send documents such as notice of the General Meetings, Audited Financial Statements, Directors and Auditors Reports, Postal Ballots etc, henceforth to all its shareholders in electronic form through emails.

We request you to inform **your e-mail address** to your Depository Participants and also register your e-mail ID at mfl Delhi1981@gmail.com (Company E-mail ID) and our Registrar and Share Transfer Agents viz, "M/S Link Intime India Private Limited" at the website [www.linkintime.com](http://www.linkintime.com) (E-mail ID: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)) in case you have already registered the same. You are not required to re-register unless there is change in your e-mail address.

**You are also required to intimate to the Depository Participants (DP), if ANY, in your registered address ,e-mail ID and /or changes in your bank account details.**

We expect to receive your co-operations towards this welcome initiative taken by MCA

Thanking You

Yours truly

**FOR MFL INDIA LIMITED**

**Company Secretary**

## ATTENDANCE SLIP

## MFL INDIA LIMITED

Regd. Office : B-802, Munirka Apartments, Plot No. 11, Sector 9, Dwarka, New Delhi – 110 075.

Folio No.	
DP Id.*	

No. of Shares :	
Client Id. &:	

(To be handed over at the registration Counter)

I, hereby record my presence at the 29<sup>th</sup> Annual General Meeting of the Company to be held on Friday, the 28<sup>th</sup> September, 2012 at 9.30 A.M. at Community Hall, Kilokarl, New Delhi -110 014.

(All particulars should Confirm with the Company's Records )

Member's Name : .....  
 (In Block Letters)  
 Father / Husband's Name : .....  
 Complete Address : .....  
 E-mail. ID\*\* : .....  
 Proxy's Name : .....  
 Member/Proxy's Signature : .....

(To be signed at the time of handing over this slip)

**Note:**

- Members/proxies are required to bring the duly signed attendance slip to the meeting and hand it over at the entrance. (Please also bring your copy of the enclosed Annual Report)
- All joint holders should use only one slip.
- Attendance slip not filed in properly will not be entertained.

\*:Applicable for investors holding shares in electronic form

\*\*Members are requested to fill-up E-mail ID

MEMBERS MAYPLEASE NOTE THAT NO GIFTS SHALL BE DISTRIBUTEDAT THE MEETING

## PROXY FORM

## MFL INDIA LIMITED

Regd. Office: B-802, Munirka Apartments, Plot No. 11, Sector 9, Dwarka, New Delhi – 110 075.

Folio No.	
DP Id.*	

No. of Shares :	
Client Id. &:	

I/We

Name(s) in full	Father / Husbands Name	Address as Regd. with the Company.
1 .....	.....	.....
2 .....	.....	.....
3 .....	.....	.....

being a member/members of MFL INDIA LIMITED, hereby appoint .....or failing him/her ..... of ....  
 ..... as my / our proxy to vote for me/us and on my/our behalf at the 29<sup>th</sup> Annual General meeting of the Company to be held on  
 Friday, the 28<sup>th</sup> September, 2012 at 9.30 A.M. at Community Hall, Kilokarl, New Delhi -110 014.

Signature of the Shareholder(s)	1 .....	2 .....	3 .....
Signature of the Proxy(ies)	1 .....	2 .....	

Date : .....

Revenue Stamp

**Note :The Proxy must be returned so as to reach the registered office of the Company, not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be member of the Company.**

\*:Applicable for investors holding shares in electronic form .

Book Post

If undelivered, please return to:

**MFL INDIA LIMITED**

**Regd. Off.:** B-802, Munirka Apartments, Plot No. 11, Sector-9, Dwarka, New Delhi - 110075