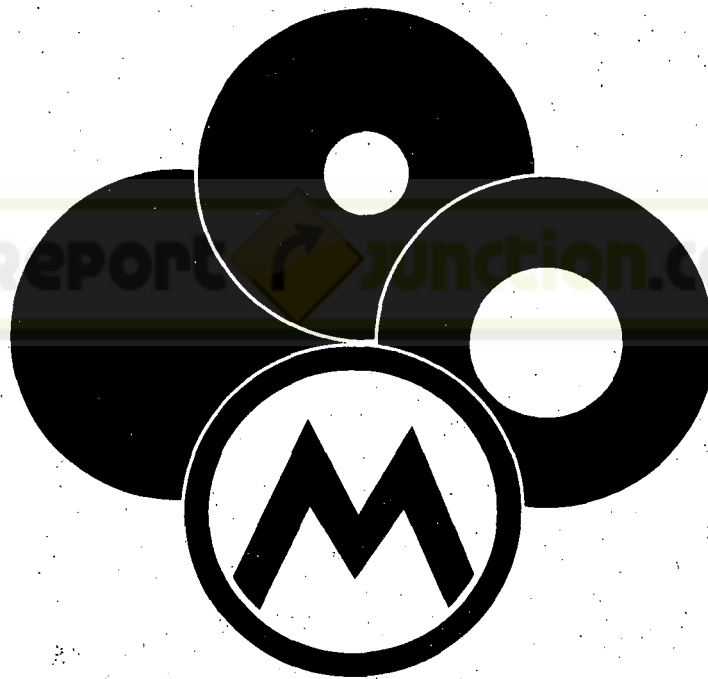


29th Annual Report 2008 - 2009



Mipco Seamless Rings (Gujarat) Limited



MIPCO SEAMLESS RINGS (GUJARAT) LIMITED

BOARD OF DIRECTORS

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

AUDITORS

Parikh & Shah
Chartered Accountants

REGISTERED OFFICE AND WORKS

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

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

Mipco Seamless Rings (Gujarat) Limited**NOTICE**

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

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

NOTES:

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

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

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

S. M. PATEL
Managing Director

Date : 8th May, 2009.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 4 :**

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

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

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

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

Item No. 5 :

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

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

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

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

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

Date: 8th May, 2009.

S. M. PATEL
Managing Director

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Mipco Seamless Rings (Gujarat) Limited

DIRECTORS' REPORT

Dear Members,

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

FINANCIAL RESULTS:

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

OPERATIONS:

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

SICK INDUSTRIAL STATUS

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

DIVIDEND:

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

FIXED DEPOSITS:

Your Company does not have any fixed deposits.

DIRECTORS:

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. such accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for that year.
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. the accounts have been prepared on a going-concern basis since the Directors are considering and evaluating ways and means to restructure operations by taking into account appropriate business strategies and financial viabilities.

AUDITORS REPORT:

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

CORPORATE GOVERNANCE:

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

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

The information relating to Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required to be disclosed under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not given as the Company has no business activities.

AUDITORS:

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

PARTICULARS RELATING TO EMPLOYEES:

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

For and on behalf of the Board

Place : Mumbai
Date : 8th May, 2009

S. V. S. Iyer
Director

S. M. Patel
Managing Director



CORPORATE GOVERNANCE REPORT:

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

Company's Philosophy on Code of Governance

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

Board of Directors

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

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

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

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

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

CODE OF CONDUCT:

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

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

I hereby confirm that:

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

S. M. Patel
Managing Director

AUDIT COMMITTEE:

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

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

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

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

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

Mipco Seamless Rings (Gujarat) Limited

REMUNERATION COMMITTEE:

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

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

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

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

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

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

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

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

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

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

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

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

The members of the Committee are:

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

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

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

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