



28th Annual Report

2012-13



MM Auto

MM Auto Industries Limited

Regd. Office & Works : Plot No. 192-A, Sector-4, IMT Manesar - 122050,
Gurgaon, Haryana - INDIA

Tel.: +91-124-4763200 Fax : +91-124-4365189

e-mail : corporate@mmsprings.in Website: www.mmsprings.in

Mfg. Unit-II : E-56, Industrial Area, Haridwar-249401, Uttarakhand - INDIA

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BOARD OF DIRECTORS

MR. MANOJ SINGHAL
Chairman & Managing Director

MRS. MALTI SYNGLE
Whole Time Director

MR. DHIRAJ DHAR GUPTA
Director

MR. MAHESH CHANDER MUNJAL
Director

MR. DEVENDRA RAJ MEHTA
Director

MR. HARJEET SINGH ARORA
Director

MR. TEJ KISHEN MAGAZINE
Wholetime Director

COMPANY SECRETARY

MR. KABINDRA JHA



CORPORATE INFORMATION

COMMITTEES

AUDIT COMMITTEE

Mr. Tej Kishen Magazine
Chairman

Mr. Mahesh Chander Munja
Member

Mr. Dhiraj Dhar Gupta
Member

REMUNERATION COMMITTEE

Mr. Dhiraj Dhar Gupta
Chairman

Mr. Mahesh Chander Munjal
Member

Mr. Harjeet Singh Arora
Member

AUDITORS

M/s Navdeep Singh & Co.
Chartered Accountants
Patiala.

BANKERS

1. State Bank of India, Chandni Chowk, Delhi-110 006
2. Yes Bank Ltd., D-12, South Ext. II, New Delhi.

REGISTERED OFFICE & WORKS

Plot No.-192-A, Sector-4, IMT Manesar,
Gurgaon -122 050 (Haryana) India
Tel: ++91-124-4763200, Fax: ++91-124-4365189
E-mail: corporate@mmsprings.in, Website: www.mmsprings.in

Mfg. Unit-II: E-56, Industrial Area, Haridwar-249401, Uttarakhand,
E-mail: hdr@mmsprings.in



NOTICE

Notice is hereby given that the 28th Annual General Meeting of the members of MM Auto Industries Limited will be held on Monday, 30th day of September, 2013 at 2.30 P.M. at the Registered office of the Company, at Plot No.-192-A, Sector- 4, IMT Manesar, Gurgaon (Haryana)-122050 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet of the Company as at March 31st, 2013 and Profit & Loss Account for the year ended on that date together with the reports of Directors and Auditors thereon.
2. To consider declaration of dividend.
3. To appoint a Director in place of Mr. Dhiraj Dhar Gupta, Director who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Tej Kishen Magazine, Whole Time Director who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

To appoint M/s Navdeep Singh & Co. Chartered Accountants, having office at 89 Mansahia Colony, Patiala as Statutory auditors in respect of financial year 2013-14 who shall hold office as statutory auditors from this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. **To pass with or without modification, the following as ordinary resolution**

RESOLVED that pursuant to the provisions of Section 293(1)(e) and other applicable provisions of the Companies Act, 1956 and 2013 as may be applicable, consent of members be and is hereby accorded to the Board of Directors to give charitable and other contributions to such persons/institutions/societies to the extent of Rs. 60.00 Lac (Rupees Sixty Lac) during the financial year 2013-14 which sum may exceed 5% of net profits.

RESOLVED further that Mr. Manoj Singhal, Managing Director be and is hereby authorized to sign such documents as may be required for the above purpose.

By order of the Board
For **MM AUTO INDUSTRIES LTD.**
Sd/-
(Kabindra Jha)
Company Secretary

Place : Manesar (Gurgaon)
Date : 31-08-2013

NOTES:-

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxy in order to be effective must be received at the registered office of the company not less than 48 hours before the meeting.
2. Members are requested to communicate any change in address, (along with the documentary proofs) or updating of signature(s), if any, immediately to the Company's Secretarial Department at the registered office of the company.
3. Explanatory statement pursuant of section 173(2) of the Companies Act is enclosed hereto.

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

ITEM NO. 6

The Company is active in social and charitable activities. It is also organizing functions from time to time. As per Companies Act provisions the company can make expenditure upto 5% of net profits. The said amount restrict the activities and the amount is not sufficient for engaging in charitable activities. It is proposed that consent for a sum of Rs.60 Lac may be accorded to the Board of Directors to make expenditure for charitable and social activities.

Place : Manesar (Gurgaon)
Date : 31-08-2013

By order of the Board
For **MM AUTO INDUSTRIES LTD.**
Sd/-
(Kabindra Jha)
Company Secretary



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting to you the 28th Annual Report along with Audited Accounts for the Financial year ended 31st March 2013.

The Company has changed its name from M And M Auto Industries Limited to MM Auto Industries Limited, vide special resolution passed in the Extra-ordinary General Meeting held on 6th June, 2013.

OPERATIONS

The Directors are glad to inform that the Company has been continuing its growth process by expansion and improvement in terms of technology & human skills upgrade, capital assets etc.. In the process, the Company has also improved its turnover, profitability, business value, goodwill & brand image, compared to previous years. During the year under review, the Company has achieved many targets. The Co. is confident of achieving improved & progressive results and profitability, in continuity, in coming years. The Financial Results and Profitability are reported here below:

FINANCIAL RESULTS

PARTICULARS	(Rs. in Lac)	
	Financial Year	
	2012-13	2011-12
- Sales including other Income	8593.50	7213.12
- Profit/ (Loss) before tax and depreciation	589.13	665.12
- Depreciation and amortization	242.42	320.38
- Profit before tax	346.71	772.97
- Provision for tax	34.31	175.89
- Profit on sale of investment	0.0	428.22
- Net Profit after taxation	306.71	597.07

CORPORATE IDENTITY

MM Auto Industries Limited established in 1991 with manufacturing base at Khandsa Road Gurgaon Town. Keeping in view steady growth, the Company shifted its operation as well as Registered office to a very spacious plot of 4 acres (15487.5 sq. mt.) in the Industrial Model Township (IMT) Manesar, Dist. Gurgaon, Haryana, during 2008. With the shifting, the Company achieved yet another milestone in technology upgrade by adding several automatic and imported equipments to the plant. Thus creating new products in the Precision Metallic Coil Springs product range.

The Company has completed infrastructure for manufacturing of Precision Metallic Coil Springs, with fully equipped Coiling, Grinding, Stress Relieving, Material Handling, Packaging & Packing, Quality Assurance, R&D, Utilities & 100% Power Back Up, Efficient Logistics & ERP Support.

Start up manufacturing capacity of 645 mt. to present level of 10000+mt. Further balancing and expansion in Progress.

CORPORATE GOVERNANCE

We at MM AUTO believe that Corporate Governance is based on ethical value system, adopted and practiced in working culture of the Company. At MM AUTO, we practice a Value System based on following principles: 01. Complete Transparency in working. 02. Placing interests of the customers first. 03. Quest for Quality in every action & result. 04. Treating people with respect and grace. 05. Highest Standards of Integrity. 06. Team Work & Ownership Spirit in every action.. 07. Caring for Society & being good Corporate Citizens.

"MM Auto practices a culture of transparency, independence, accountability, responsibility, and fairness with a view to enhance Stakeholders value. Adequate checks & balances ensure that all mandatory provisions of Corporate Governance have duly been complied with in its true spirit.

To achieves the ideals of good Corporate Governance in the Company your Board is taking continued interest in quality control, cleanliness, good relationship and recognizes the interest of its shareholders, employees, customers, stakeholders and Government.

Employees are encouraged and involved in a participatory manner for continuous improvements in the working of the company. A separate report on the Management Discussion and Analysis and Disclosure about remuneration to managerial persons is enclosed as a part of the Annual Report.

REPORT ON STRATEGIC BUSINESS UNITS AND EXPANSION PROJECTS

The Company's Manufacturing Unit - II at Haridwar (Uttarakhand) has also achieved its target and performed well. During the year under review, the Haridwar unit has achieved turnover of Rs.33.36 crore. The Company expects further expansion at Haridwar plant and get progressive results. Haridwar Plant has been certified as ISO-9001-2008 and ISO/TS 16949-2009 systems compliant.

MARKET EXPLORATION & BRAND DEVELOPMENT

During the year under review, the Company has participated in various International Trade Fairs in India and abroad for Market exploration, Brand & business development. The Company foresees progressive growth in future.

CORPORATE SOCIAL RESPONSIBILITY

We at MM AUTO believe that Corporate Social Responsibility means connecting with people – sharing & caring. In CSR activity, the Co. is inspired by what former President of India , Dr APJ Abdul Kalam said: "CSR, if it is implemented with sustainability as a focus, enhances business sustainability, provides new opportunities, develops customer loyalty and improves stakeholder relationship and it should become an integral part of corporate strategy, management practices, business operations, product development and conservation of environment."

Our Company, in a humble manner, regularly contributes for causes, which directly connect with people and the Society. During the year the company donated an amount of Rs. 7134152/- (Rs. 71.34 lacs.) for social causes., such as: Education & scholarships, Promotion of Sports, Women Empowerment, Protection of Animals; Supporting Health Camps & rehabilitation of physically challenged, socio-cultural causes etc.



ENVIRONMENT AND ECOLOGY

We have a Healthy- Safe – Clean - Green work environment for Employees and Surrounding Community. The company takes care of human safety and healthy environment, energy conservation while designing and buying equipments, plant and machinery.

MM Auto endeavors to comply with all H.S.E. Laws and Regulations (Local – State – Central – International). MMAuto is committed to Health – Safety – Environment as internal part of Company's Philosophy. Management and Employees as trustees, responsible and accountable individually and jointly to create a safe and healthy working environment.

Adequate measures are adopted for Rainwater Harvesting in 4 acres premises at Manesar Plant.

SUBSIDIARY COMPANY

The company has one subsidiary:

M/s MM Vidut Private Limited Investment of Rs.5.00 lac

A Balance Sheet for the year ended 31.03.2013 and statement under the provisions of Section 212 of the Companies Act, 1956 of both companies are enclosed hereto as Annexure to this report.

DIVIDEND

During the year under review, the Board of Directors recommend and declared an interim dividend @ 5% of the paid up capital considering the accumulation of profits of the company, in the interest of the stake holders.

FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposit from the public under the provisions of Section 58A and Section 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposit) Rules, 1975.

BOARD OF DIRECTORS

During the year under review, there is change among directors Mr.Tej Kishen Magazine, Mr. Mahvir Prasad and Mr. Devendra Raj Mehta are appointed as directors among the Board. Mr.M.P.Jain and Mr. Shreedhar Gupta have resigned from the directorship w.e.f 15.04.2013 where Mr. Livtar Singh Chawla resigned on 01.05.2013. However, pursuant to the provisions of Section 256 of the Companies Act, 1956 Mr.Dhiraj Dhar Gupta and Mr.Tej Kishen Magazine are liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, offers themselves for reappointment.

DIRECTOR'S RESPONSIBILITY STATEMENT

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

- i) In the preparation of the Final Accounts for the financial year ending 31-03-2013, the applicable accounting standard had been followed along with proper explanations relating to material departures, if any.
- ii) The Directors have selected such accounting policies and applied them consistently and made Judgments and estimates that were 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 Profit & Loss Account of the company for the year under review;
- iii) The Directors have taken proper and sufficient care 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;
- iv) The Directors Have prepared the Accounts for the financial year ending 31-03-2013, on a going concern basis;

AUDITORS

M/s Navdeep Singh & Co. have given their consent to act as statutory auditors for the Financial year 2013-14 and being eligible for reappointment, the Board hereby recommends their reappointment. M/s Navdeep Singh & Co. have given Certificate to the effect that their appointment, if made, shall be within the purview of the Companies Act, 1956.

AUDITORS' REPORT

The Auditor's Report is self explanatory. There being no qualification or adverse remarks in the Report and therefore don't call for any comment.

AUDIT COMMITTEE

During the year under review, the Audit Committee has reviewed its accounts, audit process and accounting policies. The committee has suggested some improvements in maintenance of accounts and stock which the company is following up and whereas there was no fraud or misfeasance or any such activity which needs attention of shareholders.

The Internal Auditors are presenting Internal Audit Report on monthly basis. The Audit Committee review the said reports and remedial measures are being taken from time to time.

INDUSTRIAL RELATIONS

The Company maintains healthy and harmonious relations with workers for the sustainable future development of the organization. To stimulate the entrepreneurial spirit, we encourage delegation, empowerment and promote various schemes to keep their moral high. We also put maximum importance on ethical values and code of conduct.

Yours Directors wish to place on record their sincere appreciation to all the employees for the excellent team spirit, devotion, sustained effort and valuable contribution at all levels during the year. It is hoped that present cordial relations will continue in future.



PARTICULARS ABOUT CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 are given in Annexure II.

PARTICULARS OF EMPLOYEES

There is no Employee of the Company (whether employed for the whole of the year or apart thereof) who were in receipt of remuneration exceeding the limits as lay down under Section 217(2A) of the Companies Act, 1956. None of employee is relative of any director.

ACKNOWLEDGEMENTS

The Directors acknowledge with gratitude the co-operation and assistance received from the Central Government, State Government, Bankers, Customers, Suppliers, Shareholders.

Yours Directors place on record, their appreciation of the efficient and loyal services rendered by the Employees at all levels to the Company.

Yours Directors thank the Shareholders for their continued support, forbearance and the confidence reposed on the Management.

BY THE ORDER OF THE BOARD
FOR MM AUTO INDUSTRIES LIMITED

Sd/-
(MANOJ SINGHAL)
CHAIRMAN

Place : Manesar (Gurgaon)
Date : 31.08.2013



PART A: MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND OVERALL REVIEW

MM Auto, now has emerged one of the premium quality spring manufacturing company in India. It occupies an enviable position today as a premium quality spring manufacturing company. The company has great market future at a domestic level as well as international level and has also potentiality in competing with global standards. For meeting the demand of global market requirement, our company has started commercial production at IMT Manesar, Gurgaon comprising of the State of Art manufacturing facilities to meet the global standards. It is already an ISO9001:2008 and ISO/TS 16949:2009 Systems Certified Precision Metallic Helical Coil Springs manufacturing company. The Company continues to be member of IST, UK. As a result of this membership, the Company has improved its quality of its products. The Company continues its thrust on developing more efficient systems in over all operations and continuous upgrade of human skills. The manufacturing cost indicates improvement due to process of up-gradation. However, the results and benefits of technical tie-up are yet to be analyzed.

REPORT ON STRATEGIC BUSINESS UNITS

The Company's Plant Design, Machinery, Equipment, Manufacturing Process and Quality Systems are as per latest International Practices & Standards. The Company has improved the standards & practices in the areas of operation, health, safety and working environment.

Productivity, quality, delivery and cost optimization are appreciable. Continuous team efforts & involvement result in achieving excellence. Company growth objectives, increased business commitments are rock anchored in the pragmatic plans of company business futures. Our company is aggressively trying to explore further business expansion in the two wheeler and four wheeler segments of Automotive industry and hopeful to get success in the near future.

CODE OF CONDUCT

Company's code of conduct, laid down by the Board of Director's reflects the clarity of purpose and vision of the company.

OPPORTUNITIES, THREATS AND RISKS

Opportunities are constantly knocking at our doors because of continuous and rapid growth of the Automobile Industry in the country. Our Company will live up to the expectation of the share holders in all respects. Threats and risk thrown up by stiff competition will be met and over run by our infrastructure readiness without any cause of concern.

TECHNOLOGY RISK

Spring manufacturing technology in India has achieved steady stable condition without much threat of obsolescence. Company however is quite vigilant of technology obsolescence and will not hesitate to bring in the new machines and equipments.



FINANCIAL RISK

The Company has adequate systems and control to circumvent any financial risk. The company inculcated Lean Engineering philosophy and methodology to minimize waste, minimize inventory, single piece flow, reduced lead time and minimized process time etc.

INTERNAL CONTROLS AND ADEQUACY

The Company has in house internal control system which is being reviewed by the Audit Committee from time to time. The Internal Auditors are presenting Internal Audit Report on quarterly basis. The Audit Committee reviews the said reports and remedial measures are being taken from time to time.

HUMAN RESOURCES

Human resources being the most valuable resources of the organization, the company ensure nurturing the human values in building a highly motivated and spirited team of dedicated set of people to transform the dream and vision of the company into reality. Employee's relations have remained cordial and peaceful through out the year.

The Company constantly draws attention of employee's through motivation, training and development programmed for improving the productivity, knowledge & skills up gradate and quality of standards in all areas including operation, health, safety and environment. The Company is striving hard to achieve the better results and to become a part of global market in its respective field.

CAUTIONARY STATEMENT

Above averments are forward-looking in nature, based on certain assumptions and expectations of the future events that are subject to risk/uncertainties, change in Government regulations, tax structure and economic policies. Therefore, the performance/results and trends may differ materially from the historical results



PART B: DISCLOSURE ABOUT REMUNERATION TO MANAGERIAL PERSONS AND CONSTITUTION OF REMUNERATION COMMITTEE

REMUNERATION COMMITTEE

The existing Remuneration Committee comprises of three members namely Mr. Dhiraj Dhar Gupta, Mr. Mahesh Chander Munjal and Mr. Shreedhar Gupta. During the year under the review the remuneration of Mr. Manoj Singhal, Chairman & Managing Director has been increased from Rs. 7,50,000/- per month to Rs. 10,00,000/- and remuneration of Mrs. Malti Syngle, Whole Time Director has increased from Rs.3,00,000/- per month to Rs.3,50,000/- per month.

The terms of reference of the 'said committee' are as follows:

1. To determine on behalf of the Board and on behalf of the Shareholders the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.
2. To approve the payment of remuneration to Managerial Personnel as per policy lay down by the Committee.

Remuneration Policy:

The existing remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on an annual basis. This policy is in consonance with the existing industry practice.

Subject to the approval of the Board and of the Company in General Meeting and such other approvals as may be necessary the Executive Directors is paid remuneration as per the agreement entered into between them and the Company. The present remuneration package to Executive Directors includes salary, perks, performance linked incentive etc.



ANNEXURE II

PARTICULARS ABOUT CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is as under:

A. CONSERVATION OF ENERGY POWER & FUEL CONSUMPTION

The Provisions of Part A are not applicable.

B. TECHNOLOGY ABSORPTION

Research and Development (R&D)

The Company is continuously engaged in Research & Development program to improve its Products & Services to meet the changing needs of its customers. Since, there is no separate R & D division; the data cannot be segregated separately. The Company has been carrying out testing, quality check and development activities as per customer requirement. The information as per form B is as under:

1. Specific areas in which R&D was carried out by the Company

Design and development of Steel springs like Compression springs, torsion spring, extension spring, spiral springs and springs in wire forms. The Company maintains its own Laboratory where different springs are being tested on highly sophisticated and latest testing equipments. Quality checks are made at different levels. Your Company has been able to develop processes and methodologies that have resulted in constant improvement in quality and productivity.

2. Benefits derived as a result of the above R&D

By using lean manufacturing methodologies, & installing the CNC machines we ensured the level of accuracy & efficiency get improved and ultimately it reduce the cost.

3. Future plan of action

The Company has no specific plan to establish separate Research & Development division in near future.

4. Expenditure on R&D

Since there is no separate R&D division, as such, specific expenses incurred on it are not quantifiable.

Technology Absorption, Adaptation and Innovation

The information as per form B is as under:



a) Efforts, in brief, made towards technology adaptation and innovation:

The company has in-house technology department & the Company has been availing technical support by virtue of Membership of Institute of Spring Technology (IST), UK for continuous up-grade of technology.

b) We also take advantage of technological improvements from our Membership of:

- Indian Institute of Metals (IIM)
- The Automotive Research Association of India (ARAI)
- Automotive Components Manufacturers Association of India (ACMA)

2. Benefits derived as a result of the above efforts are product improvement, cost optimization, product development and import substitution:

With the support of IST- UK and others, the Company has improved its quality of springs and the Company improves upon its systems. The manufacturing cost is being controlled by process up gradation. The Company has purchased sophisticated software for design & manufacturing springs. The Company has also been taking expert advise from time to time to satisfy the customer requirement.

3 In case of Imported Technology (Imported during the last 5 years right from the beginning of the financial year), following information may be furnished.

The company has not imported any technology during the last five years. However, we get adequate technical inputs by virtue of Membership of IST, UK for up-gradation of technology. The full impact of cost of improvements in Research and Development, as a result of recent up-gradation can not yet be fully and accurately stated.

C. FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

	Current year (Rs.)	Previous year (Rs)
Earnings	59370	Nil
Outgo	-	-
CIF value of raw material	12910911/-	17015794/-
Other	2611750/-	10804320/-

BY THE ORDER OF THE BOARD
FOR MM AUTO INDUSTRIES LIMITED

Sd/-
(MANOJ SINGHAL)
CHAIRMAN

Place : Manesar (Gurgaon)
Date : 31.08-2013



ANNEXURE-III

STATEMENT U/S 212 OF THE COMPANIES ACT, 1956 OF SUBSIDIARY COMPANY

1	NAME OF SUBSIDIARY COMPANY	M AND M VIDYUT PRIVATE LIMITED
2	Financial Year ended	2012-13
3	Date from which they became Subsidiary Companies	30.03.2012
4	a Shares of subsidiary held by the M and M Auto Industries Ltd. with number and face value	50000 Shares @ Rs.10 each, total Rs. 500000
	b Extent of Interest of Holding Company at the end of the Financial Year of the Subsidiary Companies in %	83.33%
5	The net aggregate amount of profits or losses of the Subsidiary so far as it concern the Members of Holding Company	
	a Not dealt with in the Holding Company's Accounts -	
	i) For the Financial Year ended 31st March, 2013	(88,109)
	ii) For the Previous Financial Years	(434048)
	b Dealt with in the Holding Company's Accounts -	
	i) For the Financial Year ended 31st March, 2012	NIL
	ii) For the Previous Financial Years	NIL

Date: 31.08.2013

For MM AUTO INDUSTRIES LIMITED

Place: Delhi

S/d

S/d

Chairman & Managing Director

Company Secretary

AUDITOR'S REPORT

To

The Members of **MM Auto Industries Limited (Formerly Known as M and M Auto Industries Limited)**

Report on the Financial Statements

We have audited the accompanying financial statements of **MM Auto Industries Limited**, which comprise the Balance Sheet as at **March 31, 2013**, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting Policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

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

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

Report on Other Legal and Regulatory Requirements

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

PLACE : Manesar
DATE : 15-07-2013

For NAVDEEP SINGH & CO.
Chartered Accountants
Firm Registration No.: 08400N
Sd/-
(NAVDEEP SINGH CHOUDHARY)
Partner
Membership No. 034979



ANNEXURE TO THE AUDITOR'S REPORT

Referred to our Report of even date:

1. (a) The Company has maintained proper records of fixed assets showing full particulars including quantitative details and its situation.
- (b) The Management conducted the physical verification of assets as such intervals as considered appropriate. It has however, been reported that no discrepancies were noticed between the book records and the physical verification so carried out. In our opinion, the frequency of physical verification was reasonable having regard to the nature and size of the business of the Company.
- (c) The company has not disposed of any substantial part of its fixed assets, which has any effect on its going concern during the year.
2. (a) As explained to us, the management at reasonable intervals during the year has Physically verified the inventories. In our opinion the frequency of verification is reasonable having regard to the size of the company and the nature of its business
- (b) In our opinion and according to the information and explanation given to us, the Procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company has maintained proper records of inventories. As explained to us, no material discrepancies were noticed on physical verification of inventories.
3. (a) According to the information and explanations given to us, the company has granted un secured loans to company covered in the register maintained under Sec.301 of the Companies Act,1956.The Amount advanced during the Year is Rs 216/ lacs to M and M Asan Auto Ltd. & the year end balance of loan given to such company was Rs 14.24. lacs.
- (b) The Rates of Interest and other terms and condition of the loan given are prima facie not prejudicial to the interest of the company.
- (c) In our opinion and according to the information and explanations given to us, since no stipulation has been made for the repayment of the loan, we are not in a position to make any specific comments as per clause number 4(iii) (c) of the order. However, major amount of Loan has been repaid during the year.
- (d) In our opinion and according to the information and explanations given to us, since no stipulation has been made for the repayment of the loan, we are not in a position to make any specific comments as per clause number 4(iii) (d) of the order.



- (e) According to the information and explanation given to us, the company has not taken unsecured loan during the year from party covered in the register maintained under section 301 of the act. The maximum amount involved during the year was RS NIL & the year end balance of loans taken in previous years from such party was RS 1,77,392
 - (f) In our opinion and according to the information and explanations given to us, the loans are interest free. The other terms and conditions on which loan has been taken from parties listed in the register maintained under section 301 of the companies act, 1956 are prima facie, not prejudicial to the interest of the company.
 - (g) In our opinion and according to the information and explanation s given to us, since no stipulations has been made for the repayment of the loan, we are not in a position to make any specific comment
4. 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, with regard to purchases of inventories and fixed assets and for the sale of goods and services. No major weaknesses have been observed in the internal control system.
5. (a) As observed by us, all the particulars of contracts and arrangements that need to be entered in the register maintained in pursuance of sec.301 of the Act have been entered.
- (b) According to the information and explanations given to us, the transactions made in pursuance to contracts or arrangements entered in the register maintained under sec.301 of the Companies Act,1956, aggregating to Rs. 5,00,000 or more during the year in respect of each party have been made at prices which are reasonable having regard to prevailing market prices as available with the company.
6. In our opinion and according to the information and explanations given to us, the provisions of Section 58A and Section 58AA or any other relevant provisions of the Companies Act, 1956, with regard to the deposits accepted from the public are not applicable, as the Company has not accepted any deposit from the public.
7. In our opinion and according to the information and explanations given to us, clause 4(vii) of the order related to internal audit, the Company has an adequate internal audit system commensurate with its size and nature of its business.
8. (a) we have carried out a limited review of the books of accounts and cost records maintained by the company, pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956. in respect of certain manufacturing activities and are of the opinion that, prima facie, the prescribed accounts and the records have been maintained. We have, not, however made a detailed examination of the said records with a view to determine whether they are accurate or complete.
9. (a) It has been observed that the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty and Excise Duty,



cess and any other statutory dues as applicable with appropriate authorities.

According to the information and explanations given to us, there are no disputed amounts payable in respect of statutory dues including Provident Fund, Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty, Outstanding for a period of more than six months as at 31st March 2013 from the date they become Payable.

- (b) There is no disputed amount payable in case of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty and Excise Duty, Cess and any other statutory dues as applicable with appropriate authorities.
10. (a) The company does not have accumulated losses as at the end of the financial year.
(b) The company has not incurred cash loss in financial year ended 31st march 2013 and immediately preceding financial year.
11. In our opinion and according to the records of the company examined by us and the information and explanations given to us, the company has generally not defaulted in repayment of dues to any financial institution or bank. As informed to us, the company has raised no money through debentures during the year.
12. In our opinion and according to the explanations given to us, the company has not granted any loan or advances on the basis of security by way of Pledge of shares, debentures and other securities, therefore, the provisions of Paragraph 4(xii) of the order are not applicable to the company.
13. The company is not a chit fund company or nidhi / mutual benefit fund / Society. Accordingly, the provisions of paragraph 4(xiii) of the order are not applicable to the company.
14. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of paragraph 4 (xiv) of the order are not applicable to the company.
15. According to the information and explanations given to us the company has given a corporate guarantee and provided collateral security in the form of its factory land & building situated at 192A, sector –IV, IMT Manesar for working capital and term loan of RS 5.90 crores sanctioned by state bank of India to one of its Associates M/s MAND MASANAUTO LIMITED.
16. As per information and explanation given to us and on the basis of financial statements made available to us, all the term loans raised during the year were applied for the purpose for which loans were obtained.
17. According to the information and explanation given to us and on the basis of overall examination of the balance sheet of the company made available to us, we report that no funds raised on short term basis have been used for long term investment by the company.
18. We are informed that the company has not made any preferential allotment of shares to companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956.



- 19. According to the information and explanations given to us, the company has not issued any debentures. Accordingly, the provisions of paragraph 4 (xix) of the order are not applicable to the company.
- 20. According to the information provided to us, the company is not listed with any stock exchange. Accordingly, the provisions of paragraph 4(xx) of the order are not applicable to the company.
- 21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

PLACE : Manesar
DATE : 15-07-2013

For NAVDEEP SINGH & CO.
 Chartered Accountants
Firm Registration No.: 08400N

Sd/-
(NAVDEEP SINGH CHOUDHARY)
 Partner
Membership No. 034979



MM AUTO INDUSTRIES LIMITED

(Formerly known as M and M AUTO INDUSTRIES LIMITED)

PLOT NO-192 A, SECTOR-4, IMT MANESAR, GURGOAN, HARYANA - 122001

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note	Amount in Rs.	
		March 31, 2013	March 31, 2012
		₹	₹
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	69,962,170	69,962,170
Reserves and Surplus	2	280,813,618	253,640,107
		350,775,788	323,602,277
Share Application money pending allotment		9,040,000	-
		9,040,000	-
Non-Current Liabilities			
Long-Term Borrowings	3	129,791,521	89,767,822
Deferred Tax Liabilities (Net)		32,007,042	30,233,629
Other Long Term Liabilities	4	5,283,415	4,586,447
		167,081,978	124,587,898
Current Liabilities			
Short-Term Borrowings	5	152,005,966	87,970,444
Trade Payables	6	72,565,922	42,795,642
Other Current Liabilities	7	37,705,084	55,437
Short-Term Provisions	8	16,592,791	23,687,447
		278,869,762	154,508,970
Total		805,767,528	602,699,145
		₹	₹
II. ASSETS			
Non-Current Assets			
Fixed Assets (Tangible Assets)	9	374,886,119	372,748,808
Non-current investments	10	143,664,964	20,004,401
Long term loans and advances	11	5,235,007	7,963,081
		523,786,090	400,716,290
Current Assets			
Current investments	12	11,165,254	2,702,851
Inventories	13	89,576,589	99,909,227
Trade receivables	14	109,219,483	47,387,977
Cash and cash equivalents	15	25,597,942	1,045,139
Short-term loans and advances	16	46,422,170	50,937,661
		281,981,437	201,982,855
Total		805,767,528	602,699,145
NOTES TO ACCOUNTS	24	-	0
<i>Schedules referred to above and notes attached there to form an integral part of Balance Sheet</i>			
<i>This is the Balance Sheet referred to in our Report of even date.</i>			
FOR NAVDEEP SINGH & CO.	For & on behalf of Board of Directors		
CHARTERED ACCOUNTANTS		S/d	S/d
Firm Reg. No.: 08400N		Manoj Singhal	Malti Syngle
S/d		(CHAIRMAN & MANAGING DIRECTOR)	(DIRECTOR)
(CA. NAVDEEP SINGH CHOUDHARY)		S/d	
FCA,DISA(ICAI)		Kabindra Jha	
Partner		(COMPANY SECRETARY)	
Membership No. : 034979			
			PLACE: MANESAR
			DATED: 15.07.2013

**MM AUTO INDUSTRIES LIMITED**

(Formerly known as M and M AUTO INDUSTRIES LIMITED)

PLOT NO-192 A, SECTOR-4, IMT MANESAR, HARYANA - 122001

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2013

Particulars	Note	Amount in Rs.	
		March 31, 2013	March 31, 2012
		₹	₹
Revenue from operations		892,160,920	739,858,482
Less : Exice Duty		62,959,020	50,375,139
		829,201,900	689,483,343
Other Income	17	30,149,018	31,829,027
III. Total Revenue (I +II)		859,350,918	721,312,370
Expenses:			
Cost of materials consumed	18	557,980,382	381,568,549
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	10,439,285	40,516,895
Employee Benefit Expense	20	39,199,497	31,293,180
Finance Costs	21	29,576,524	25,185,705
Depreciation and Amortization Expense	22	24,242,357	32,038,092
Other Expenses	23	163,241,851	176,235,183
Total Expenses (IV)		824,679,896	686,837,603
Profit before exceptional and extraordinary items and tax	(III - IV)	34,671,022	34,474,767
Less : Exceptional Items		-	-
Profit after extraordinary items and tax (V + VI)		34,671,022	34,474,767
Add : Extraordinary Items (Profit on Sale of Investment)		-	42,822,322
Profit before tax (VII + VIII)		34,671,022	77,297,089
Tax expense:			
(1) Current Income Tax		6,942,975	15,654,492
(2) Dividend Tax		567,743	-
(3) Deferred tax		1,773,413	3,049,696
(4) Wealth tax		75,999	30,206
(5) MAT tax Entitlement		(5,360,731)	(1,144,856)
Profit(Loss) from the perid from continuing operations	(IX-X)	30,671,622	59,707,551
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
Profit/(Loss) for the period (XI + XIV)		30,671,622	59,707,551
Earning per equity share:			
(1) Basic		4.38	8.53
(2) Diluted		4.38	8.53

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

FOR NAVDEEP SINGH & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.: 08400N

S/d

(CA. NAVDEEP SINGH CHOUDHARY)

FCA,DISA(ICAI)

Partner

Membership No. : 034979

For & on behalf of Board of Directors

S/d

Manoj Singhal

(CHAIRMAN & MANAGING DIRECTOR)

S/d

Malti Syngle

(DIRECTOR)

S/d

Kabindra Jha

(COMPANY SECRETARY)

PLACE: MANESAR
DATED: 15.07.2013



MM AUTO INDUSTRIES LIMITED

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 1 Share Capital

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	AUTHORIZED CAPITAL 80,00,000 Equity Shares of Rs. 10/- each. 2,00,000 Preference Shares of Rs. 100/- each.	80,000,000 20,000,000 100,000,000	80,000,000 20,000,000 100,000,000
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL To the Subscribers of the Memorandum 20 Equity Shares and fully paid up share capital by allotment 6996197 Equity Shares of Rs. 10/- each.	69,962,170	69,962,170
	Total	69,962,170	69,962,170

3 RECONCILIATION OF SHARES

Particulars	March 31, 2013	March 31, 2012
At the beginning of the year (no. of Shares)	6,996,217	6,996,217
Add : Issued during the year	-	-
Add : issued in pursuant to scheme of Amalgamation	-	-
Shares at the end of year	6,996,217	6,996,217

4 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- each. The Equity Shares have Rights, Preferences and restrictions which are in accordance with the Provisions of Law, in particular to the Companies Act, 1956.

5 No Shares are being held by any Holding \ Ultimate Holding Company and \ or there Subsidiaries \ Associates

6 No shares were issued as Bonus Shares and for consideration other than cash during the period of five years immediately preceding the reporting date.

7 Details of Shareholders holding more than 5% Shares

Particulars	March 31, 2013	March 31, 2012
Shares Held by Mr. Manoj Singhal - Director	3,064,733	3,064,733
% of Shares Held by Mr. Manoj Singhal - Director	43%	43%
Shares held by MNS Global Finance Private Limited - Related Party	3,167,416	3,167,416
% of Shares held by MNS Global Finance Private Limited - Related Party	45%	45%
Shares at the end of year	6,232,149	6,232,149

8 Terms of Securities convertible into Equity Shares

Nil

Nil

**Note : 2 Reserve & Surplus**

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Securities Premium reserve	122,299,775	122,299,775
2	Surplus (Profit & Loss Account)	158,513,843	131,340,332
	Balance brought forward from previous year	131,340,332	71,736,576
	Add: Income Tax Adjustments		(103,795)
	Less: Dividend	(3,498,112)	
	Add: Profit for the period	30,671,622	59,707,551
	Total	280,813,618	253,640,107

Note : 3 Long Term Borrowings

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Term Loan		
	- From Bank	129,791,521	88,786,467
	- From Others	-	981,355
	Total in ₹	129,791,521	89,767,822

Note :

- All Term Loans, Cash Credit & Other Facilities of State Bank Of India (TL - Rs. 1472 Lacs, CC - Rs. 785 Lacs) are secured by - First Charge on entire Current Assets including Raw Material, SIP,FG, Stores, Spares, Book Debts, Receivables, Cheques etc. lying at the factory premises, godown, ware house, office etc.
- The credit facilities are further collateral secured by Charge over Property of 1/3 km Store, Khandsa Road, Gurgaon and at 192 A, Sector 4, IMT Manesar.
- The Credit & other Facilities from Yes Bank (134 lacs) is secured by Charge over property at Plot No. 3, Sector -4, Sidkul, Haridwar and subservient charge on all current assets of the company.
- Vehicle loans are secured by respective vehicles financed.
- Loan against property from India Bulls (Rs. 364 Lacs) is secured by charge on property at B 164, Engima, Sector -110, Gurgaon.

Note : 4 Other Long Term Liabilities

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Security with Hi Trac Manpower Service	25,000	25000
2	Security Rent with M and M Asan Auto Private Limited	720,000	720000
3	Provision for Leave Encashment	780,134	563373
4	Provision for Gratuity	3,758,281	3278074
	Total in ₹	5,283,415	4,586,447

Note : 5 Short Term Borrowings

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Loan Repayable on Demand		
	- From Bank	92,055,097	48,962,052
	- From Directors	177,392	177,392
2	Current Maturities of Term Loan	59,773,477	38,831,000
	Total in ₹	152,005,966	87,970,444



Note : 6 Trades Payable

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	-Sundry Creditors for Material/Supplies:	25,945,468	28,292,375
2	-Sundry Creditors for Services:	46,620,454	14,503,268
	Total in ₹	72,565,922	42,795,642

Note : 7 Other Current Liabilities

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Bank Credit Cards	-	30,139
2	Cheques Issued But Not Presented For Payment	109,978	13,073
3	Short Term Advances from Customers	97,106	12,225
4	Advance against Sale of Assets	37498000	-
	Total in ₹	37,705,084	55,437

Note : 8 Short Term Provisions

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Provision For Employees Benefit		
	EPF Payable	183,970	284,551
	E.S.I.C. Payable	3,309	35,688
	E.W.F. Payable	3,105	9,300
	Provision for Gratuity	935,981	454,165
	Provision for Leave Encashment	79,437	819,055
	Wages Payable	1,478,119	984,627
	Salary Payable	1,123,087	1,326,335
	Overtime Payable	353,309	309,430
	Director Salary Payable	658,442	700,062
2	Others		
	Security Expenses Payable	69,445	43,362
	Telephone Expenses Payable	84,740	51,591
	Electricity Expenses Payable	1,384,199	1,098,211
	Bonus Payable	454,739	384,140
	Expenses Payable	39,100	5,751
	Service Tax Payable	352,845	276
	Sales Tax Payable	782,590	780,802
	TDS Payable	989,451	715,404
	Provision for Income Tax	6,942,975	15,654,492
	Provision for Wealth Tax	106,205	30,206
	Dividend Tax Payable	567,743	-
	Total in ₹	16,592,791	23,687,447

MM AUTO INDUSTRIES LIMITED

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 9 Fixed Asset
 I. Fixed Assets

Sr. No	Particulars	Rate	Gross Block				Depreciation			Net Block		
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.12.2013	WDV as on 31.03.2012
I	Tangible Assets											
1	Land	0.00%	58,809,396	3,094,241	-	61,903,637	-	-	-	61,903,637	-	58,809,396
2	Building	3.34%	109,709,416	115,709	97,500	109,727,625	3,332,266	-	20,195,070	89,532,555	20,195,070	92,846,612
3	Plant and Equipment	4.75%	354,897,174	8,872,580	163,708	363,606,046	16,938,001	7,989	183,248,573	180,357,473	183,248,573	188,598,613
4	Office Equipments	4.75%	9,265,210	1,013,251	-	10,278,461	468,344	-	3,883,659	6,394,802	4,249,394	5,849,895
5	Electrical & Other Equipments	4.75%	14,935,199	-	-	14,935,199	709,422	-	1,864,481	10,685,805	1,715,790	11,395,227
6	Furniture & Fixtures	6.33%	3,553,313	32,688	-	3,586,001	1,638,517	-	1,775,790	2,555,965	1,715,790	2,761,723
7	Flags & Fixtures	4.75%	4,331,755	-	-	4,331,755	205,758	-	116,164	378,172	2,555,965	210,648
8	Computer Systems	16.21%	6,569,739	225,543	6,300,946	494,336	58,019	6,300,946	2,032,687	1,900,502	2,032,687	2,354,250
9	Commercial Vehicle	11.31%	3,941,189	-	-	3,941,189	445,748	-	5,100,021	19,218,747	234,863	7,846,982
10	Cars	9.50%	11,225,973	13,112,795	-	24,338,768	3,378,991	1,741,030	234,863	189,495	110,607	110,607
11	Motorcycle & Scooters	9.50%	311,147	113,211	-	424,358	34,323	-	9,666	12,996	14,998	14,998
12	Cycles	7.07%	22,662	-	-	22,662	1,602	-	-	-	-	-
13	MISC ASSETS											
	Each Costing <= Rs. 5000/-											
(a)	Furniture & Fixture	100.00%	170,824	-	-	170,824	-	-	170,824	-	-	-
(a)	Others	100.00%	1,017,672	52,869	-	1,070,541	61,879	-	1,044,090	26,451	-	35,461
	SUB TOTAL (A)		578,760,669	26,632,887	6,562,154	598,831,402	24,242,357	6,308,935	223,945,283	374,886,119	374,886,119	372,748,808
II	Intangible Assets											
	SUB TOTAL (B)											
III	Capital Work-in-progress											
	SUB TOTAL (C)											
IV	Intangible Assets Under Development											
	SUB TOTAL (D)											
	Total (A + B + C + D) (Current Year)		578,760,669	26,632,887	6,562,154	598,831,402	24,242,357	6,308,935	223,945,283	374,886,119	374,886,119	372,748,808
	(Previous Year)		560,329,395	21,810,137	3,378,863	578,760,669	30,572,850	771,889	206,011,861	372,748,808	372,748,808	384,118,495

Note : 10 Non Current Investment

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Investment in Property (at Cost)	133,684,964	12,504,401
2	Investment in Equity Instrument (Unquoted) In Associates (Unquoted) M and M Asan Auto Limited 648000 (Previous Year 700000) Equity Shares of Rs. 10 each fully Paid - up	6,480,000	7,000,000
	M and M Tradewings Private Limited 50000 (Previous Year 50000) Equity Shares of Rs. 10 each fully Paid - up	500,000	500,000
3	Share Application Money (M and M Asan Auto Limited)	3,000,000	-
	Total in ₹	143,664,964	20,004,401

Note : 11 Long Term Loans and Advances

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1)	Security Deposit a) Secured, Considered Good : Other Deposit	5,235,007	7,963,081
	Total in ₹	5,235,007	7,963,081

Note :12 Current Investment

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	In Short term Fixed Deposits (including Accrued Interest)	11,165,254	2,702,851
	Total in ₹	11,165,254	2,702,851

Note : 13 Inventories

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Raw Material	15,728,676	29,151,839
2	Work-in-Progress	49,843,838	60,825,792
3	Finished Goods	4,245,335	3,700,390
4	Stores, Spares & Tools	19,451,206	6,021,396
5	Scrap	48,677	50,953
6	Stationery, Electrical & Others	258,857	158,857
	Total in ₹	89,576,589	99,909,227

Note : 14 Trade Recievables

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Outstanding for more than six months a) Unsecured, Considered Good :	5,296,749	5,301,357
2	Others a) Unsecured, Considered Good :	103,922,734	42,086,619
	Total in ₹	109,219,483	47,387,977



Note : 15 Cash & Cash Equivalent

₹ ₹

Sr. No	Particulars	March 31, 2013	March 31, 2012
1	Cash-in-Hand	895,925	427,376
	Sub Total (A)	895,925	427,376
2	Bank Balance		
	Balance In Current Accounts	24,702,017	617,763
	Sub Total (B)	24,702,017	617,763
	Total [A + B]	25,597,942	1,045,139

Note :16 Short Terms Loans and Advances

₹ ₹

Sr. No	Particulars	March 31, 2013	March 31, 2012
1	Others		
	Advance to Suppliers	20,081,764	5,996,727
	Advance duty and taxes	14,213,558	15,759,295
	Balance With Revenue Authorities (Indirect Taxes)	4,398,885	2,991,350
	Prepaid Expenses	668,539	276,400
	Staff Advances	1,083,997	408,475
	Credit Cards	(30,997)	-
	M Tech Developers Private Limited	3,928,500	3,928,500
	Shaurya Housing Limited	183,150	183,150
	- to Subsidiaries		
	Other Advances	1,424,310	21,393,763
	Interest Receivable	470,465	-
	Total in ₹	46,422,170	50,937,661

Schedules Forming Part of Profit and Loss Account as at 31st March, 2013

Note : 17 Other Income

₹ ₹

Sr. No	Particulars	March 31, 2013	March 31, 2012
1	Discount Received	17,102,839	21,025,709
2	Profit/Loss on Sale of Fixed Assets	435,526	28,726
3	Interest Received	1,379,960	685,469
4	Misc. Income	109,371	189,167
5	Reimbursement of Staff Cost and other expense	3,120,000	3,120,000
6	Rent Received	4,578,000	4,020,000
7	Scrap Sale	3,053,908	1,188,881
8	Short & Excess (R/O)	52,093	6,345
9	Sundry Creditors Written Back	317,321	1,564,730
	Total	30,149,018	31,829,027

Note : 18 Cost of Material Consumed

₹ ₹

Sr. No	Particulars	March 31, 2013	March 31, 2012
a)	RAW MATERIALS AND STORES CONSUMED		
1	Opening Stock of Raw Material & Stores	35,173,235	17,277,159
2	Purchase of Raw Material	518,463,213	386,523,164
3	Purchase of Stores & Consumables	39,523,816	12,941,461
4	Less : Closing Stock of Raw Material & Stores	35,179,882	35,173,235
	Total	557,980,382	381,568,549



Note : 19 Change in Inventories of Finished Goods, WIP & Others

Sr. No	Particulars	March 31, 2013	March 31, 2012
1	Opening Stock	64,577,135	105,094,030
2	Closing Stock	54,137,850	64,577,135
	Total	10,439,285	40,516,895

Note : 20 Employment Benefit Expenses

Sr. No	Particulars	₹ March 31, 2013	₹ March 31, 2012
1	Salary Expenses		
	Salary	13,760,765	12,150,190
	House Rent Allowance	4,648,960	3,919,416
	Bonus	454,842	410,457
	Conveyance Allowance	1,444,823	1,298,379
2	Overtime, Gratuity & Leave Encashment Expenses		
	Overtime	4,213,392	3,206,161
	Gratuity Expenses	1,288,909	1,122,900
	Leave Encashment	137,439	1,071,044
3	PF & Other Expenses		
	Employer's Contribution to EPF	1,941,602	1,709,856
	Employer Contribution to EWF	12,370	15,900
	Employer Contribution to ESIC	607,353	493,553
	P.F. Administration and Other Charges	-	39,938
4	Staff Welfare Expenses		
	Annual Day Expenses	405,333	514,260
	Festival Expenses	4,988,552	1,429,081
	Diwali Expenses	473,066	501,370
	Food & Beverage-Staff	1,224,005	662,097
	Pooja Expenses	113,115	79,434
	Staff Welfare	1,752,270	1,019,398
5	Staff Recruitment & Training Expenses		
	Staff Recruitment Expenses	25,972	12,149
6	Medical Expenses		
	Medical Expenses	50,067	31,149
	Medical Reimbursement	1,656,662	1,606,449
	Total	39,199,497	31,293,180

Note :21 Financial Cost

Sr. No	Particulars	₹ March 31, 2013	₹ March 31, 2012
1	Bank Charges & comission	3,407,683	2,635,254
2	Interest Expenses	26,168,840	22,550,451
	Total	29,576,524	25,185,705

Note : 22 Depreciation & Amortised Cost

Sr. No	Particulars	₹ March 31, 2013	₹ March 31, 2012
1	Depreciation	24,242,357	30,572,850
2	Preliminary Expenses W/O	-	1,465,242
	Total	24,242,357	32,038,092



Note : 23 Other Expenses

Sr. No	Particulars	₹	₹
		March 31, 2013	March 31, 2012
1	Telephone Expenses	820,283	925,055
2	Travelling Expenses (Including Foreign Travelling)	4,389,183	6,670,972
3	Insurance Expenses	918,161	682,303
4	Postage & Telegram	416,428	203,027
5	Security Expenses	3,359,858	2,695,239
6	Printing & Stationery Expenses	1,279,813	1,349,833
7	Rent	4,063,106	3,814,533
8	Vehicle Running & Maintenance Expense	3,725,047	2,910,205
9	Donation	7,134,152	3,968,500
10	Conveyance & Transportation Expenses - Staff & Workers	935,384	939,839
11	Director Remuneration	13,835,000	11,100,000
12	Repair & Maintenance		
	Repair & Maintenance Building	2,287,873	508,987
	Repair & Maintenance	1,077,024	1,248,174
	Service Charges	322,596	302,708
13	Legal & Professional Expenses		
	Legal & Professional Expenses	1,446,866	689,278
	Professional Charges	3,793,531	2,242,618
	Consultancy Charges	61,675	193,949
14	Fees & Taxes		
	Member Subscription	1,045,527	1,134,092
	Fees & Subscription		4,000
	Rates & Taxes	373,464	159,083
15	Misc. Expenses	3,219,498	1,979,203
16	Audit Fee	628,000	315,000
17	Auditor out of pocket Expenses		130,463
18	Advertisement & Publicity	558,593	930,362
19	Selling and distribution expenses	13,287,929	14,048,661
20	Aurangabad Expenses		194,363
21	Bad Debts Written Off		2,016,650
22	Prior period Expenses	183,788	58,750
23	Foreign Exchange Fluctuation	787	863,991
	DIRECT/PRODUCTIONS EXPENSES		
24	Carriage Inward	2,056,113	2,164,221
25	Wages	11,928,017	19,833,922
26	Electricity Expenses	15,643,159	12,466,792
27	Job Work Charges	34,837,902	50,781,220
28	Repair & Machinery	3,753,802	2,334,449
29	Running & Maintenance- D.G.Set	9,368,950	7,092,430
30	Loading & Unloading Charges	13,477,369	524,728
31	Hardware & Maintenance		8,629
32	Metals		35,010
33	Plating Charges	2,787,375	18,629,103
34	Quality Assurance	17,748	21,114
35	Welding and Welding Accessories	2,167	10,011
36	Welfare & Safety	205,684	53,716
	Total	163,241,851	176,235,183

**NOTE NO. 24****SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNT AS ON 31ST MARCH, 2013****1. SIGNIFICANT ACCOUNTING POLICIES****a) ACCOUNTING CONVENTION**

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, as applicable to a going concern in accordance with generally accepted accounting principles in India, mandatory accounting standards prescribed in the Companies (Accounting Standard) Rules, 2006 issued by the Central Standards and in accordance with the relevant provisions of the Companies Act, 1956 to the extent applicable. The financial statements are presented in Indian Rupees rounded off to the nearest rupee.

b) USE OF ESTIMATES

The preparation of financial statements in confirmation with the generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Management believes that the estimates made in preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results and estimates are recognized in the period in which results are known/ materialized.

c) INVENTORIES

Inventories have been valued as under:

Raw materials	-	At cost
Work in progress	-	At raw material cost plus conversion cost
Finished good	-	At lower of cost or estimated realizable value
Consumable stores & tools	-	At cost
Scrap	-	At estimated realizable value
Stationery	-	At cost

The valuation of inventory has been made as per the requirement of AS-2 prescribed under the companies (accounting standards) rules, 2006.

d) FIXED ASSETS

- 1) Fixed assets are stated at their original cost of acquisition or construction and subsequent thereto less accumulated depreciation (except land)
- 2) Cost comprises of purchase price and all expenses directly attributable to the acquisition or construction of the asset.
- 3) Additions to fixed assets are normally accounted on cost basis (net of CENVAT and VAT credits) including the cost of installation , pre operative expenses, identifiable trial run expenses where incurred , eligible adjustment of accounts of foreign exchange fluctuation . pre operative and identifiable trail run expenses incurred by the company up to the date eligible assets are put to use for commercial production are allocated to them in the proportion to their cost.
- 4) The building under construction is transferred to building on the date of completion of construction as certified by the management.



5) The preoperative expenditure related upto starting up of the project not directly attributable to any particular fixed assets are capitalized under the head preoperative expenditure on the assets of balance sheet in the previous year.

e) DEPRECIATION

1. Depreciation on fixed asset has been provided on Straight Line Method at the rates prescribed in schedule XIV to the Companies Act, 1956
2. Addition/Deletion to fixed asset during the year are being depreciated on pro-rata basis with respect to the period of use.
3. Industrial plots have not been depreciated.
4. Fixed assets costing not more than RS. 5000/- are depreciated at the rate of 100% on pro-rata basis with respect to the period of use.

f) RECOGNITION OF INCOME

The company has recognized all incomes on accrual basis on accrual basis of accounting as per the provisions of Accounting Standard 9 – “ Revenue Recognition “ prescribed under Companies (Accounting Standards) Rules , 2006.

Sales are recognized on transfer of significant risk and rewards to the customer that usually takes place on dispatch of goods to the customer from the factory / storage area.

g) EXPENSES

The Company has recognized all expenses on accrual basis of accounting.

h) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded in terms of the Accounting standard 11 (Revised 2003) – “ The effects of changes in Foreign Exchange Rates “ prescribed under The Companies (Accounting Standards) Rules , 2006 at the exchange rates prevailing on the dates of the transaction . Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the period is recognized in the Profit & Loss Account except for the resultant net exchange gain or loss on account of imported fixed assets , which is adjusted in the carrying amount of the related fixed assets.

i) INVESTMENTS

Long Term Investments are stated at cost as per the requirements of Accounting Standard – 13, “Accounting for Investments “, prescribed under the Companies 9 Accounting Standards) Rules, 2006. Provision for diminution in the value o f long – term investment is made only if such decline is other than temporary in the opinion of the management.

j) PROVISION FOR RETIREMENT BENEFITS

1. Periodical contributions made to the concerned authorities towards Provident Fund Employees Welfare Fund and ESI are charged to Revenue on accrual basis.
2. Provision for gratuity and for leave salary in respect of unavailed leave of employees payable on retirement or otherwise outstanding as at the date of the balance sheet is made based on an actuarial valuation made by an independent actuary.

In order to fund this liability, the company has taken Group Gratuity Policy under the LIC Group Gratuity Scheme for payment of Gratuity to its employee.

k) BORROWING COSTS

Borrowing cost that is attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

l) EARNING PER SHARE

The basic earning per equity shares are computed by dividing the net profit or loss attributable to the equity share holders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for driving basic earning per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential, unless the results would be anti dilutive.

m) TAXATION

Income tax comprises current tax, deferred tax.

Current Taxes

Provision for Current tax is recognized in accordance with the provisions of the Income Tax Act , 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets are realized in the future. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each Balance Sheet data.

n) PREOPERATIVE EXPENDITURE

The Expenditure relating to the starting of the project which are not directly attributable to the fixed assets is recognized as Preoperative expenditure and will be written off in the five equal installments in the coming years

o) IMPAIRMENT OF ASSETS

In accordance with the provisions of AS-28 "Impairment of Assets" prescribed under The Companies (Accounting Standards) Rules, 2006, the carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is any impairment. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

p) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of



resources. Contingent liabilities are not recognized but are disclosed in the notes.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However contingent assets are assessed continually and if it is virtually certain that an economy benefit will arise, the asset and related income are recognized in the period in which change occurs.

q) CASH FLOW STATEMENT

Cash flows are reported using the indirect method as set out in the Accounting Standard 3 on cash flow statement prescribed under the Companies (Accounting Standards) Rules, 2006, whereby net profit before tax is adjusted for the effects of the transactions of non cash nature and any deferrals or accruals of the past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

2. NOTES TO ACCOUNTS

a) In the opinion of the management current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of the business and some of the advances paid to creditors, account of sundry creditors and sundry debtors are subject to confirmation, due reconciliation and consequential adjustments arising there from, if any.

b) Previous year figures have been regrouped, reworked, rearranged and reclassified wherever necessary to render them comparable with current year figures.

c) RETIREMENT BENEFITS

The disclosures as per the revised Accounting Standard – 15 on “Employee Benefits” prescribed under The Companies (Accounting Standards) Rules, 2006 are as follows:

i) Change in defined benefit obligation

GRATUITY

Particulars	Current Year	Previous Year
Present Value of obligation as at the beginning of the year	37,32,239	30,25,416
Current Service Cost	5,16,200	3,75,528
Interest Cost	2,98,579	2,57,865
Benefits Paid	(3,28,886)	(4,16,077)
Actuarial Cost / (gain)	4,76,130	4,89,507
Present Value of obligation as at the end of the year	46,94,262	37,32,239

The fair value of plan assets is Rs. 4,83,657 (including interest) as at 31st March '2012 in the form of contribution to LIC Gratuity Fund.

**LEAVE SALARY**

Particulars	Current Year	Previous Year
Present Value of obligation as at the beginning of the year	6,21,358	4,85,369
Current Service Cost	2,01,919	1,51,513
Interest Cost	47,709	41,369
Benefits Paid	(18,425)	(70,237)
Actuarial loss / (gain)	5,010	13,344
Present Value of obligation as at the end of the year	8,59,571	6,21,358

ii Principal actuarial assumptions

GRATUITY

Particulars	Current Year	Previous Year
Discount Rate	8.00%	8.50%
Rate of Increase in compensation levels	5.50%	6.00%
Expected Rate of Return on Plan Assets	N.A.	N.A.
Average remaining working lives if employees (years)	20.08	17.55

LEAVE SALARY

Particulars	Current Year	Previous Year
Discount Rate	8.00%	8.50%
Rate of Increase in compensation levels	5.50%	6.00%
Expected Rate of Return on Plan Assets	N.A.	N.A.
Average remaining working lives if employees (years)	20.32	17.55

(d) BORROWING COST

Borrowing Cost Capitalized on Qualifying Assets: Rs. Nil (Previous Year: Rs. NIL)

(e) SEGMENT REPORTING

The Company is primarily engaged in one Business Segment (Manufacturing of auto springs and circlips) and mainly one Geographical Segment (India). The ratio of export sales to the total turnover is insignificant and hence does not qualify to be a reportable segment as envisaged in the Accounting Standard 17 – “ Segment Reporting ” prescribed under The Companies (Accounting Standard) Rules , 2006.

(f) RELATED PARTY DISCLOSURES

Related Party relationships / transactions (excluding reimbursements)

Warranting disclosures under AS 18 – “ Related Party Disclosures ” Prescribed under The Companies (Accounting Standards) Rules , 2006 are as under:



Sr. No	Name of Related Party	Nature of Relationship	Nature of Transaction	Volume of Transaction	Amount doubtful w/off
1.	Mr. Manoj Singhal	Key Management Personal	Director Remuneration Paid	97,50,000	NIL
			Office Rent Paid	9,00,000	NIL
			Medical reimbursement	15,49,364	NA
			Share Application Received	65,40,000	NIL
2	Mrs. Malti Syngle	Key management Personal	Director Remuneration Paid	37,50,000	NIL
			Medical Reimbursement	1,07,298	NIL
3	Mr. T.K.Magazine	Key management Personal	Remuneration	3,35,000	NIL
4	M and M Asan Auto Limited	Associate	Lease Rent Received	44,28,000	NIL
			Reimbursement of Expenses	31,54,508	NIL
			Received Interest	7,15,926	NIL
			Short Term Advance Given	216,00,000	NIL
5	MNS Global Finance Pvt Ltd	Associate	Sale of Shares of M and M Asan Auto Ltd.	15,60,000	NIL
			Loan/ Advance	29,50,000	NIL

Related party relations are identified by the company and relied upon by the auditors.

(g) **EARNING PER SHARE (EPS)**

Pursuant to the Accounting Standard – 20 , " Earning Per Share " , issued by the Institute of Chartered Accountants of India , the value of EPS is calculated as below:

PARTICULARS	AMOUNT (RS.)	
	F.Y. 2012-13	F.Y. 2011-12
BASIC EARNING PER SHARE		
Net Profit attributable to equity shareholders	3,06,71,622	5,97,07,551
Weighted average number of equity shares	69,96,217	69,96,217
Basic Earning Per Share	4.38	8.53
DILUTED EARNING PER SHARE		
Net Profit attributable to equity shares	3,06,71,622	5,97,07,551
Weighted average number of equity shares (including potential equity shares)	69,96,217	69,96,217
Diluted Earning Per Share	4.38	8.53

(h) TAXATION

Income Tax

The Company has one unit situated in the area specified under section 80 IC of the Income Tax Act in the state of Uttarakhand that is in Haridwar. The Company is taking the benefit of the deduction during the current financial year. However, as per section 80 IC deduction of RS 2,66,86,109 is available during the year.

The Company has made a provision of RS. 69,42,975 towards the income tax liabilities of the company for the year under consideration.

Wealth tax

The Company has made a provision of wealth tax of RS. 75,999/- (Previous year 24161)

Deferred tax

Pursuant to accounting standards for taxes on income AS-22 deferred tax liabilities at the end of the year is as follows

	31/03/2013	31/03/2012
Deferred tax liability on Account of depreciation	3,27,09,179	3,05,75,348
Less: deferred tax asset on account Of provision for leave encashment, Gratuity & bonus	7,02,137	3,41,719
Net deferred tax liability	3,20,07,042	3,02,33,629

(i) Sundry creditors

The company has not received any intimation from suppliers regarding their status under the micro, small and medium enterprises development Act, 2006 and hence disclosures, if any relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said act have not been given.

**(j) Contingent Liabilities**

Contingent liabilities not provided for are as follows.

- Letter of credit for import of raw material USD 208390
- The company has given a Corporate guarantee and provided collateral security in the form of its factory land & building situated at 192A, sector -IV, IMT Manesar for working capital and term loan of RS 5.90 crores sanctioned by state bank of India to one of its subsidiary M/s M AND M ASANAUTO LIMITED.

(k) Additional information pursuant to the provisions of paragraphs 3 and 4 of part II of schedule vi to the companies act, 1956 is as under

1) auditors remuneration	31/03/2013	31/03/2012
As audit fees	6,28,000	3,15,000

(l) Details of Directors Remuneration

Remuneration of directors (including managing directors) is as under:

Sl. No.	Name & Designation	Particulars	F.Y. 2012-2013 Amount (Rs.)	F.Y. 2011-2012 Amount (Rs.)
1	Mr Manoj Singhal (Chairman & Managing Director)	Director Remuneration	75,00,000/-*	75,00,000/-*
2	Mrs. Malti Syngle (Director)	Director Remuneration	36,00,000/-*	36,00,000/-*
3	Mrs. T.K. Magazine	Director Remuneration	3,35,000/-*	NIL

* Excluding provision for Gratuity and Leave Encashment, if any.

The total remuneration as stated above is within the maximum permissible limits prescribed under clause B, Part II of schedule XIII of the Companies Act, 1956

(m) Foreign Exchange Earnings and Outgo

Expenditure in Foreign Exchange	F.Y. 2012-2013	F.Y. 2011-2012
- CIF value of Raw Material	1,29,10,911	17,01,57,794/-
- Capital Goods	NIL	NIL
- Others	26,11,750	1,08,04,320
Foreign Exchange Earned (FOB Value of Export Sales)	59,370	NIL

(n) The other Provisions of Part II of schedule VI to the Companies Act, 1956 are not applicable to the Company.

SIGNATURE TO NOTE. 1 TO 24

In terms of our audit report
Of even date attached

For Navdeep Singh & Co.

For & On Behalf of the Board of Directors

S/d
(Navdeep Singh Choudhary)
F.C.A.
Partner
M.No.034979
F.R.No.08400N

S/d
(Manoj Singhal)
Chairman & Managing
Director

S/d
(Malti Syngle)
Director

S/d
(Kabindra Jha)
Company Secretary

Place : Manesar
Date : 15.07.2013

M M AUTO INDUSTRIES LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2013

	PARTICULARS	AS ON 3/31/2013	AS ON 3/31/2012
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	Net Profit before Tax	34671022	34474766
	Add adjustments for :		
	Depreciation	24242357	30572850
	Loss on Sale of Fixed Assets	-435526	-28726
	Interest Costs	26168840	22550451
	Income Written Back	-369414	1571075
	Bad Debts Written Off		2016650
	Amortization		1465241
		<u>49606258</u>	<u>58147541</u>
	Operating Profit before Working Capital changes	84277279	92622307
	Adjustments for :		
	Current Assets	46983378	-32077852
	Non Current Assets	3163600	-1297000
	Current Liabilities	124730206	21129733
	Non Current Liabilities	42494080	-27893199
	Income Tax Adjustment	<u>-7497511</u>	<u>-17693335</u>
	Increase/(Decrease) in Net Current Assets	<u>115906997</u>	<u>-57831653</u>
	Net Cash generated from operations (A)	200184277	34790654
B.	CASH FROM INVESTING ACTIVITES		
	Purchase of Fixed Assets	-26632887	-21810137
	Sale of Fixed Assets	253219	2635700
	Increase in Investment	<u>-132122966</u>	<u>9096119</u>
	Net Cash Outflow from Investing Activities (B)	-158502634	-10078318
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase in Share Capital (including application money & premium money)	9040000	-5000000
	Interest Paid During the year	<u>-26168840</u>	<u>-22550451</u>
	Net Cash generated from financing activities (C)	-17128839	-72550451
D	PROFIT ON SALE OF INVESTMENTS		42822322
	Net Cash flow during the year (A+B+C)	<u>24552803</u>	<u>-5015793</u>
	NET INCREASE IN CASH AND CASH EQUIVALENTS		
	Cash and Cash Equivalents as at beginning of year (Opening Balance)	1045139	6060932
	Cash and Cash Equivalents as at the end of year (Closing Balance)	25597942	1045139
	TOTAL	<u>24552803</u>	<u>-5015793</u>

In terms of our audit report of even date attached
for Navdeep Singh & Co
Chartered Accountants

for and on Behalf of Board of Directors

S/d
(Navdeep Singh Choudhary)
Partner

S/d
(Manoj Singhal)
Chairman & Managing Director

S/d
(Malti Syngle)
Director

S/d
(Kabindra Jha)
Company Secretary

Place : Manesar
Date : 15/7/2013

M.No.034979
F.R.No.08400N



MM Auto Industries Ltd.

Regd. Office & Works: 192-A, Sector-4, IMT Manesar,
Gurgaon -122 050, Haryana, India.

PROXY FORM

No. of Shares	
Folio No.	

I/We.....of.....
being member(s) of MM Auto Industries Ltd hereby appoint
of.....
 or failing him/her.....
 of.....

as my/ our proxy to attend and vote for me/us and on my/our behalf at the 28th Annual General Meeting of the members of MM Auto Industries Ltd to be held on Monday the 30th September 2013 at its Registered Office at 192-A, Sector-4, IMT Manesar, Gurgaon -122 050, Haryana, India at 2.30 P.M. and/or at any adjournment thereof.

As witness my/our hand(s) this.....day of.....2013

.....
 Signature of the Members

**AFFIX
 1 RUPEE
 REVENUE
 STAMP**

.....
 Signature of the Proxy (ies)

Note: The proxy must be deposited at Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.



MM Auto Industries Ltd.

Regd. Office & Works: 192-A, Sector-4, IMT Manesar,
Gurgaon -122 050, Haryana, India.

ATTENDANCE SLIP

No. of Shares	
Folio No.	

I hereby record my presence at the 28th Annual General Meeting of the Members of MM Auto Industries Ltd held on Monday the 30th September, 2013 at 192-A, Sector-4, IMT Manesar, Gurgaon -122 050, Haryana, India.

Full Name of Member(s).....

..... Full Name of attending member/proxy.....

.....
Signature of Member/Proxy
(To be done at the Entry Point)

Note: Please fill in block letters, except signature. Please bring your copy of the Annual Report in Meeting.