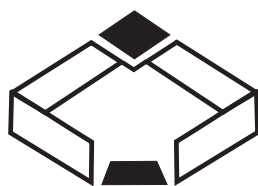


**19<sup>th</sup>**  
**ANNUAL**  
**REPORT**  
**2009-10**



**Mid India Industries Limited**

Regd. Office : Textile Mill Area,  
Mandsaur - 458 001 (M.P.) India

**BOOK POST**

**TO,**

**PRINTED MATTER**

If not delivered please return to :  
Mid India Industries Limited  
Regd. Office : Textile Mill Area,  
Mandsaur - 458 001 (M.P.) India

**Board of Directors**

Shri Pradeep Ganediwal, **Managing Director**  
 Shri Pradyumn Ganediwal, **Director**  
 Shri Shreeram Singh, **Director**  
 Shri Aneet Jain, **Director**  
 Shri Ajay Kumar Dubey, **Director**

**Registered Office & Works**

Textile Mill Area  
 Mandsaur - 458 001 (M.P.)

**Corporate Office**

2/3, New Palasia  
 Pt. Ramnarayan Shastri Marg  
 Indore - 452 001 (M.P.)

**Audit Committee of the Board**

Shri Shreeram Singh, **Chairman**  
 Shri Aneet Jain  
 Shri Ajay Kumar Dubey

**Auditors**

M/s.Kamal Nayan Singhal & Company  
 Chartered Accountants  
 55, Murai Mohalla  
 Indore - 452 001

**Share Holder's / Investor's Grievance Committee of the Board**

Shri Aneet Jain, **Chairman**  
 Shri Shreeram Singh  
 Shri Ajay Kumar Dubey

**Cost Auditor**

M/s. K.G. Goyal & Co.  
 Cost Accountants  
 8, Chitragupta Nagar I,  
 Jyoti Nagar Railway Crossing,  
 Jaipur 302 005

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**Registrar & Transfer Agent**

M/s. Ankit Consultancy Pvt. Ltd.,  
 (Unit : Mid India Industries Ltd.)  
 4-A, Rajgarh Kothi  
 2nd Floor, Alankar Point,  
 Indore - 452 001 (M.P.)

**ANNUAL GENERAL MEETING**

On Thursday, 30th September, 2010  
 at 11.00 a.m. at Textile Mill Area,  
 Mandsaur (M.P.)

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

**NOTICE**

NOTICE is hereby given that the Nineteenth Annual General Meeting of MID INDIA INDUSTRIES LIMITED will be held on Thursday the 30th day of September, 2010 at Registered Office of the Company at Textile Mill Area, Near Railway Station, Mandsaur (M.P.) at 11.00 A.M. to transact the following business:

**ORDINARY BUSINESS:**

- To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2010 and the Balance Sheet as on that date and Reports of the Directors and Auditors thereon.
- To appoint a Director in place of **Shri Aneet Jain**, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of **Shri Ajay Kumar Dubey**, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint Auditors of the company to hold the office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

For and on behalf of the Board

Place : Indore  
 Dated : 23/08/2010

(PRADEEP GANEDIWAL)  
 Chairman

**NOTES :**

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- The Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, The 28th day of September, 2010 to Wednesday, the 29th day of September, 2010 (both days inclusive).
- Members are requested to bring their copy of the Annual Report with them for meeting.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED FOR 30TH SEPTEMBER, 2010**

Name of Director	ANEET JAIN	AJAY KUMAR DUBEY
Date of Birth	25/07/1973	15/07/1957
Date of Appointment	30/04/2002	25/03/2006
Qualification	M.B.A.	B. Tech
Expertise in Specific Functional Area	Finance	Textile Technology
List of Companies in which outside Directorship held*	-	-
Chairman/Member of the Committee of Board of Directors of the Companies	Mid India Industries Limited a. Audit Committee b. Shareholder's Grievances Committee	Mid India Industries Limited a. Audit Committee b. Shareholder's Grievances Committee

\* Excluding Private Limited Companies.

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting Nineteenth Annual Report on the business and operations with Audited Statement of Accounts for the year ended 31st March, 2010.

**FINANCIAL RESULTS****(Rs. in Lacs)**

<b>Particulars</b>	<b>01/04/2009 to 31/03/2010</b>	<b>01/04/2008 to 31/03/2009</b>
Turnover and Other Income	2582.57	2338.32
Profit/(Loss) before Interest and Depreciation	105.72	43.72
Interest	0.61	0.44
Profit/(Loss) after Interest but before Depreciation	105.11	43.28
Depreciation	30.24	21.84
Net Profit/(Loss) from Operation	74.87	21.43

**OPERATIONS**

During the year under review the company has achieved turnover of Rs. 2558.93 lacs as compared to Rs. 2231.83 lacs in the previous year. The profit after tax stood at Rs. 74.87 lacs as compared to Rs. 21.43 lacs in the previous year.

**DIVIDEND**

In view of the carry forward losses of the company, the Directors regret their inability to recommend any dividend.

**DIRECTORS**

In accordance with provisions of Companies Act, 1956 and Company's Articles of Association Shri Aneet Jain & Shri Ajay Kumar Dubey retire by rotation and are eligible for reappointment.

**CORPORATE GOVERNANCE**

A separate section on Corporate Governance forming part of the Director's Report and the certificate from the Company's Auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the listing agreement is included in the Annual Report.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors state as under:

- (i) That in the preparation of Annual Accounts, the applicable accounting standards have been followed and there has been no material departure;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end to the financial year and of the loss of the Company for that period;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for prevention and detecting fraud and other irregularities to the best of their knowledge and ability;
- (iv) That the Directors have prepared the Annual Accounts on a going concern basis.

**AUDITORS**

M/s Kamal Nayan Singhal & Co., Statutory auditors of the company hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The Company has received certificate from Auditor to the effect that there appointment, if made, would be within the prescribed limit under Section 224(1-B) of the Companies Act, 1956.

**AUDITORS OBSERVATIONS**

The observations of the Auditors as referred to in the Auditors' Report are suitably explained in the Notes to the Accounts.

**PARTICULARS OF EMPLOYEES**

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 is not applicable as there is no employee coming under the preview of Section 217(2A) of the Act.

**INDUSTRIAL RELATIONS**

The directors are happy to report that the company had harmonious industrial relations at all levels of organisation. It will be the endeavor of the company to continue to maintain good industrial climate.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS**

In term of Section 217(1)(e) of the Companies Act, 1956 and the Companies (Disclosure of particulars in the report of Board of Directors):

Particulars	01/04/2009 to 31/03/2010	01/04/2008 to 31/03/2009
<b>1. Conservation of Energy</b>		
Power & Fuel consumption:		
(a) Electricity Purchased:		
Unit (Kwh)	6578365	6161384
Amount (Rs.)	28698173	25484910
Rate per Unit (Rs./Kwh)	4.36	4.14
(b) Consumption per Unit of Production:		
Production (Kgs.)	2114854	1969077*
Electricity (Kwh/Kg.)	3.11	3.13
<b>2. Technology absorption</b>		
The plant do not require any specific technology		
<b>3. Foreign Exchange earnings/outgo (Rs. in lacs)</b>		
(a) Foreign Exchange earned		
i.) Sales	285.15	118.03
ii) Other Activities	114.75	104.75
(b) Foreign Exchange Used		
i) Purchase of Raw Material	0	7.63
ii) Stores & Spares	0	1.93

\* Including production of 64890 Kgs of Carded Cotton Sliver.

**APPRECIATION**

Your Directors would take this opportunity to place on record their profound appreciation for the pains taking efforts made by the Officers, staff and workers of the company. The directors also wish to express their sincere appreciation to valued clients, bankers, Government Departments and Shareholders for their continued support.

for and on behalf of the Board

Place: Indore  
Dated: 23/08/2010

(PRADEEP GANEDIWAL)  
Managing Director

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENT**

The company is engaged in manufacturing and marketing of different types of Cotton Yarn. There has been growing demand of the products manufactured by your Company.

**HIGHLIGHTS OF PERFORMANCE**

The same has been given in the Directors Report under the heading of 'FINANCIAL RESULTS' and 'OPERATIONS'.

**OPPORTUNITIES AND THREATS/ RISK AND CONCERNS**

With the opening of international market of textiles & yarn there are vast opportunities for the products of the Company. There are some threats from the global competitors.

**INTERNAL CONTROL SYSTEM**

The Company has proper internal control system which provides adequate safeguard and effective monitoring of the transactions.

**HUMAN RESOURCES**

Various initiatives have been taken to enhance the skills, knowledge and competency of the employees. The industrial relations remained harmonious throughout the year.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could influence the Company's operations include competition, government policies and regulations.

**REPORT ON CORPORATE GOVERNANCE**

The Report on Corporate Governance as required under Clause 49 of the Listing Agreement for the year ended 31st March, 2010 is set out below:

**1. Company's Philosophy on Corporate Governance:**

The Company views sound Corporate Governance as an integral part of its efforts to enhance shareholders' value. The Company endeavors to safeguard the interests of investors, customers, suppliers and lenders to build the confidence of the society in general.

**2. Board of Directors:**

During the year twelve meetings of the Board were held on 11/04/2009, 24/04/2009, 28/04/2009, 03/07/2009, 28/07/2009, 14/08/2009, 30/09/2009, 28/10/2009, 17/11/2009, 28/11/2009, 29/12/2009 and 28/01/2010.

The Particulars of Directors are as follows:-

Name of Director	Category of Directorship and Promoter	No. of Meetings attended	No. of other Directorship	Committee Membership
Shri Pradeep Ganediwal	Promoter & M.D.	9	2	0
Shri Pradyumn Ganediwal	Promoter & Director	2	2	0
Shri Shreeram Singh	Director	12	1	2
Shri Aneet Jain	Director	12	1	2
Shri Ajay Kumar Dubey	Director	8	0	2

**3. Audit Committee:**

The Audit Committee consists of following Directors:-

1. Shri Shriram Singh - Chairman
2. Shri Aneet Jain
3. Shri Ajay Kumar Dubey

All the members are independent and possess sound knowledge of finance, accounting and company law. The functions of Audit Committee are as per Company Law and Listing Agreement with Stock Exchanges. These include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies. The Committee met 4 times during the year. The attendance record of the members of Committee is as under:

Shri Shriram Singh	-	Attended 4 meetings
Shri Aneet Jain	-	Attended 4 meetings
Shri Ajay Kumar Dubey	-	Attended 4 meetings

**4. Remuneration of Directors:**

The Company has not constituted a Remuneration Committee. The Company does not pay any remuneration to the Managing Director or any Director of Board.

**5. Shareholders'/Investors' Grievances Committee:**

The Company has constituted a Shareholders'/Investors' Grievance Committee. The Members



of the committee are as under:

1. Shri Aneet Jain - Chairman
2. Shri Shriram Singh
3. Shri Ajay Kumar Dubey

The committee is to oversee the effective redressal of the complaints of the Shareholders/ Investors. The committee may recommend steps to be taken for further improvement in the quality of service to the investors. The Registrar & Transfer Agent has sent replies to shareholders in respect of all complaints received during the period. There was no valid request pending for transfer of shares ending as on 31-03-2010.

**6. General Body Meetings:**

Year Ending	Date of A.G.M.	Location	Time
31-03-2007	29-09-2007	Mandsaur	11.00 A.M.
31-03-2008	30-09-2008	Mandsaur	11.00 A.M.
31-03-2009	30-09-2009	Mandsaur	11.00 A.M.

No special resolutions were passed through postal ballot in the last AGM. No special resolutions requiring postal ballot are placed before the shareholders for approval at the forthcoming AGM.

**7. Disclosures:****(a) Related party transactions:**

Details of transactions with related parties as specified in the Accounting Standards have been reported in Notes to the Accounts under para (11). There is no materially significant transaction with the related party which may have potential conflict with the interest of the company at large.

**(b) Details of non-compliance:** There were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

**(c) Auditors Certificate on corporate governance is enclosed herewith.**

**8. Means of Communication:**

The Company communicates with the shareholders through its annual reports, quarterly results and by filing of various returns with statutory bodies like stock exchanges and the Registrar of Companies.

**9. General Shareholders' Information:****(a) Annual General Meeting:**

Date & Time : 30-09-2010 at 11.00 a.m.

Day : Thursday

Venue : Textile Mill Area, Near Railway Station, Mandsaur (M.P.)

**(b) Financial Calendar:**

Results for the quarter ending 30-06-2010: July, 2010.

Results for the quarter ending 30-09-2010: October, 2010.



Results for the quarter ending 31-12-2010: January, 2011.

Results for the quarter ending 31-03-2011: April, 2011.

**(c) Date of Book Closure:**

From 28-09-2010 to 29-09-2010 (Both days are inclusive)

**(d) Listing on Stock Exchanges:**

1. Bombay Stock Exchange Ltd., Mumbai
2. Delhi Stock Exchange Limited, New Delhi
3. Ahmedabad Stock Exchange Ltd., Ahmedabad
4. Madhya Pradesh Stock Exchange Limited, Indore

**(e) Stock Code:**

BSE 500277

**(f) Connectivity No.:**

ISIN INE401C01018

**(g) Stock Market Data:**

The Monthly Highest and Lowest closing quotations of the Equity Shares of the Company during each month in the Financial Year 2009-2010 on the Bombay Stock Exchange, Mumbai.

Month	Highest	Lowest	Month	Highest	Lowest
April'2009	4.10	2.90	October'2009	4.00	2.62
May'2009	4.26	2.89	November'2009	3.15	2.66
June'2009	4.50	3.72	December'2009	3.65	2.87
July'2009	4.72	4.27	January'2010	3.94	3.51
August'2009	4.06	3.52	February'2010	3.68	3.00
September'2009	4.39	2.87	March'2010	4.28	2.89

**(h) Registrar and Share Transfer Agent:**

Ankit Consultancy Pvt. Ltd. (Unit: MID INDIA INDUSTRIES LIMITED)  
Alankar Point, II Floor, Geeta Bhavan Chouraha  
A.B. Road, INDORE (M.P.)

**(i) Share Transfer System:**

Share transfers are registered and returned to within 30 days from the date of receipt, if the documents are in order in all respects. The share transfer committee of the board of directors of the Company meets frequently to approve the transfer of shares.

**(j) Dematerialisation of shares:**

As on 31-03-2010 14.36% of shares were in the dematerialised form.



**(k) Distribution of Shareholding: (As on 31-03-2010)**

Range of Shares	No. of Shareholders	% to Holders	No. of Shares Held	% to Shares
Upto 100	7641	45.73	7609400	4.67
101-200	4230	25.31	8455020	5.19
201-300	1019	6.10	3051790	1.87
301-400	581	3.48	2323090	1.43
401-500	1072	6.42	5359900	3.29
501-1000	1019	6.10	8589110	5.27
1001-2000	687	4.11	11247950	6.90
2001-3000	138	0.83	3560830	2.18
3001-4000	84	0.50	3005020	1.84
4001-5000	72	0.43	3390350	2.08
5001-10000	70	0.42	5009170	3.07
Above 10000	97	0.58	101398370	62.21
<b>TOTAL</b>	<b>16710</b>	<b>100.00</b>	<b>16300000</b>	<b>100.00</b>

**(l) Shareholding Pattern: (As on 31-03-2010)**

Category	No. of Shareholders	Total Shares	%	Demat Shares	%
Resident Individuals	15548	12932122	79.34	2058102	12.63
NRI/OCB's	1030	664100	4.07	45100	0.28
Bodies Corporate	123	2158877	13.24	232977	1.43
Mutual Funds	2	40600	0.25	0	0
Financial Institutions	1	500000	3.07	0	0
Bankers	2	300	0	300	0
Any Other (Clearing Members)	4	4001	0.02	4001	0.02
<b>TOTAL</b>	<b>16710</b>	<b>16300000</b>	<b>100.00</b>	<b>2340480</b>	<b>14.36</b>

Promoter & Promoter Group Holding : No. of Shares 7693760 (47.20%) including Demat Shares 292600 (1.80%).

**(m) Address of correspondence:-**

Investors correspondence should be address to :  
M/s Ankit Consultancy Pvt. Ltd.  
(Unit : MID INDIA INDUSTRIES LIMITED)  
Alankar Point, II Floor, Geeta Bhavan Chouraha,  
A.B. Road, INDORE (M.P.) – 452 001



**DECLARATION**

As provided under clause 49 of the Listing Agreement with Stock Exchanges, the Board Members and Senior Management personnel have confirmed compliance with the Code of Conduct for the Financial Year ended 31st March, 2010.

for and on behalf of the Board

Place: Indore  
Dated: 23/08/2010

(PRADEEP GANEDIWAL)  
Managing Director

**AUDITOR'S CERTIFICATE**

To the Members of  
MID INDIA INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by the Mid India Industries Limited, for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of Corporate Governance is responsibility of the management. Our examination has been limited to a review of the procedure and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has completed with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per records maintained by the Shareholder's Grievance Committee.

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

for KAMAL NAYAN SINGHAL & COMPANY  
Chartered Accountants  
(Registration No. 002628C)

(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No. 071749)

Place: Indore (M.P.)  
Date: 23/08/2010



**AUDITORS REPORT**

To,  
The Member of  
MID INDIA INDUSTRIES LIMITED,

1. We have audited the attached Balance Sheet of MID INDIA INDUSTRIES LIMITED, as at 31st March, 2010, Profit and Loss Account and also the Cash Flow Statement of the company for the ended on that date annexed thereto which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our Responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principals used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure referred to in paragraph (1) above, we report that:
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit.
  - b. In our opinion, proper books of accounts, as required by law, have been kept by the company so far as appears from our examinations of those books.
  - c. The Balance Sheet, Profit & Loss Account and the Cash Flow Statement, dealt with by this report, are in agreement with the books of account.
  - d. In our opinion, the Profit & Loss Account, the Balance Sheet and Cash Flow Statement comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 to the extent they are applicable to the company.
  - e. On the basis of the information and explanations given to us none of the directors of the company are prima facie disqualified from being appointed as Director of the Company under 274 (1)(g) of the Companies Act'1956.
  - f. In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with and subject to the notes give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
    - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010,
    - (ii) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that day and
    - (iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that day.

for KAMAL NAYAN SINGHAL & COMPANY  
Chartered Accountants  
(Registration No. 002628C)

(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No. 071749)

Place: Indore (M.P.)  
Date: 23/08/2010



## Annexure to the Auditor's Report

(Refer to in paragraph (3) of our report of even date to the members of Mid India Industries Limited on the Financial Statements for the years ended 31st March, 2010.)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) A major portion of the assets has been physically verified by the Management in accordance with a phased program of verification adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on verification.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of the business.  
(c) In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory. No material discrepancies noticed between records of inventory and physical verifications of inventory.
- (iii) (a) The Company has taken unsecured loans from companies and firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.  
(b) In view of our comment in paragraph III (a) above, clauses III (b) to III (g) of paragraph 4 of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control.
- (v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the company entered into transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.  
(b) In view of our comment in paragraph v (a) above, clause v (b) of the aforesaid order in our opinion is not applicable.
- (vi) The Company has not accepted any deposits from public consequently the provisions of Section 58A of the Companies Act, 1956 and Companies (Acceptances of Deposit) Rules, 1975 are not applicable.
- (vii) In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) The Central government has prescribed maintenance of cost records in respect of Cotton & P.C. Yarn under section 209(1)(d) in the companies act, 1956. We have broadly reviewed the books of accounts maintained & in our opinion the company has prima facie maintained the prescribed accounts & records.
- (ix) (a) In our opinion the company is regular in depositing undisputed statutory dues with the appropriate authorities.



- (b) In respect of undisputed income-tax, wealth tax, sales tax, custom duty and excise duty, there were no amounts outstanding as on 31st March, 2010 which have remained unpaid for more than six months from the date on which they became payable.
- (x) The company has accumulated losses but has not incurred any cash losses during the financial year covered by our report.
- (xi) In our opinion and explanations given to us, the company has not defaulted in repayment of dues to the bank.
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund society. Therefore the provisions of clause 4(xiii) of Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in share, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In our opinion, the Company has not given guarantees for loan taken by others from banks or financial institutions.
- (xvi) The company has not taken a term loan.
- (xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of share during the year, therefore, the provisions of clause (xviii) of paragraph 4 of the aforesaid order are not applicable to the company.
- (xix) The Company has not issued any debenture during the year. Accordingly the provisions of clause (xix) of paragraph 4 of the aforesaid order are not applicable to the company.
- (xx) The Company has not raised any money by the way of Public Issue during the year, therefore, the provision of clause (xx) of paragraph 4 of the aforesaid order are not applicable to the company.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

for KAMAL NAYAN SINGHAL & COMPANY  
Chartered Accountants  
(Registration No. 002628C)

(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No. 071749)

Place: Indore (M.P.)  
Date: 23/08/2010



**BALANCE SHEET AS AT 31st MARCH, 2010**

PARTICULARS	Schedule No.	Amount as on 31.03.2010 (Rs.)	Amount as on 31.03.2009 (Rs.)
<b>SOURCE OF FUNDS</b>			
<b>Shareholders Funds</b>			
Share Capital	1	163000000	163000000
Reserves & surplus	2	500000	500000
<b>Loan Funds</b>			
Secured Loans	3	0	142632
Unsecured Loan	4	61724365	41650903
<b>TOTAL</b>		<b>225224365</b>	<b>205293535</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	5	218364857	207559849
Less: Depreciation		184700945	181676465
Net Block		33663911	25883384
Add: Capital Work-in-Progress		0	10805007
		33663911	36688391
<b>Current Assets, Loans and Advances</b>			
Inventories	6	26264951	18538379
Sundry Debtors	7	31192624	17141213
Cash & Bank Balances	8	1256697	2303210
Loans & Advances	9	24583739	21173549
Deposits	10	2413748	1981034
		85711759	61137385
Less: Current liabilities & provisions			
Current Liabilities	11	9462671	16630549
Provisions	12	4854488	3554166
		14317159	20184715
NET CURRENT ASSETS		71394600	40952670
Profit & Loss A/c Debit Balance		120165854	127652472
<b>TOTAL</b>		<b>225224365</b>	<b>205293533</b>

Schedule 1 to 12 &amp; 22 form an Integral part of Balance Sheet.

for KAMAL NAYAN SINGHAL & CO.  
Chartered Accountants  
(Registration No. 002628C)(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No.071749)Place: Indore  
Date: 23/08/2010

for and on behalf of the Board

(PRADEEP GANEDIWAL) Managing Director  
(SHREERAM SINGH) Director**PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2010**

PARTICULARS	Schedule No.	Amount as on 31.03.2010 (Rs.)	Amount as on 31.03.2009 (Rs.)
<b>INCOME</b>			
Sales	13	255893363	223183290
Income from Overseas Operation (Net)		1650610	6355066
Other Income	14	713412	4293988
Increase/(Decrease) in Closing Stock	15	(1965778)	(4348776)
<b>TOTAL</b>		<b>256291608</b>	<b>229483568</b>
<b>EXPENDITURE</b>			
Raw Material Consumption	16	156107639	151992365
Employee Cost	17	16044969	14373670
Manufacturing Expenses	18	40210803	33415965
Administrative Expenses	19	4917781	3782312
Selling & Distribution Expenses	20	6718768	9132559
Financial Expenses	21	182436	323464
Depreciation		3024480	2185507
Trading Account (Purchase)		21598112	12007825
<b>TOTAL</b>		<b>248804989</b>	<b>227213667</b>
<b>NET PROFIT/(LOSS) BEFORE TAX</b>		<b>7486619</b>	<b>2269901</b>
<b>PROVISION FOR TAXATION</b>			
Income Tax Payable		0	0
Fringe Benefit Tax Payable		0	127206
<b>NET PROFIT/(LOSS) AFTER TAX</b>		<b>7486619</b>	<b>2142695</b>
Add: Balance B/f from Last Year		127652473	129795167
Balance carried to Balance Sheet		120165854	127652472

Schedule 13 to 22 form an Integral part of Profit &amp; Loss A/c

for KAMAL NAYAN SINGHAL & CO.  
Chartered Accountants  
(Registration No. 002628C)(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No.071749)Place: Indore  
Date: 23/08/2010

for and on behalf of the Board

(PRADEEP GANEDIWAL) Managing Director  
(SHREERAM SINGH) Director



Mid India Industries Limited

SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2010

PARTICULARS	Amount as on 31.03.2010 (Rs.)	Amount as on 31.03.2009 (Rs.)									
<b>Schedule No.1- Share Capital</b>											
<b>Authorised</b>											
3,00,00,000 Equity Shares of Rs. 10/- each Issued & Subscribed	300000000	300000000									
1,63,00,000 Equity Shares of Rs. 10/- each Paid Up	163000000	163000000									
1,63,00,000 Equity Shares of Rs. 10/- each	163000000	163000000									
<b>TOTAL</b>	<b>163000000</b>	<b>163000000</b>									
<b>Schedule No.2 - Reserve and Surplus</b>											
Capital Subsidy	500000	500000									
	500000	500000									
<b>Schedule No.3 - Secured Loan</b>											
Cholamandalam DBS Finance Ltd. (Secured against hypothecation of Vehicles)	0	142632									
	0	142632									
<b>Schedule No. 4 - Unsecured Loan</b>											
Pradeep Ganediwal	12400000	0									
Pradyumn Ganediwal	49324365	41650903									
	61724365	41650903									
<b>Schedule No. 5 - Fixed Assets</b>											
Sl. No.	Description	Gross Block (At Cost)			Depreciation			Net Block			
		As At 31.03.2009	Addition During the Year	Sale/ Transfer During the Year	As At 31.03.2010	Upto 31.03.2009	For the Period	Dedu- ction	Upto 31.03.2010	As At 31.03.2010	As At 31.03.2009
1.	Land	600000	0	0	600000	0	0	0	600000	600000	
2.	Factory Building	42342453	0	0	42342453	19773872	1414238	0	21188110	21154343	22568581
3.	Plant & Machinery	128689111	10805007	0	139494118	127002147	1353877	0	128356024	11138095	1686964
4.	Humidification	9791906	0	0	9791906	9791906	0	0	9791906	0	0
5.	Electrification	8428254	0	0	8428254	8428254	0	0	8428254	0	0
6.	Generator	9574733	0	0	9574733	9574733	0	0	9574733	0	0
7.	Misc Fixed Assets	2442704	0	0	2442704	2442704	0	0	2442704	0	0
8.	Furniture & Fitting	2255928	0	0	2255928	2011573	140544	0	2152117	103811	244355
9.	Vehicle	1486334	0	0	1486334	741190	95591	0	836781	649553	745144
10.	Office Equipments	1948426	0	0	1948426	1910087	20229	0	1930316	18110	38339
	Total Rupees :	207559849	10805007	0	218364856	181676466	3024480	0	184700945	33663911	25883384
	Previous Year:	207559849	0	0	207559849	179490959	2185507	0	181676466	25883384	28068891

Annual Report for the year ended 31-03-2010



PARTICULARS	Amount as on 31.03.2010 (Rs.)	Amount as on 31.03.2009 (Rs.)
<b>Schedule No.6 - Inventories</b> (As per valued and certified by management)		
Finished Goods	3538540	3840950
Raw Material	14588368	3250740
Packing Material	250483	896969
Stores & Spares	2010290	3009082
W.I.P.	3496860	4636544
Waste	616592	396175
Scrap	95460	132000
Purchase Trading Account (Zim)	1668358	2375919
<b>TOTAL</b>	<b>26264951</b>	<b>18538379</b>
<b>Schedule No.7 - Sundry Debtors</b>		
Less than six months	30328579	15797276
more than six months	864045	1343937
<b>TOTAL</b>	<b>31192624</b>	<b>17141213</b>
<b>Schedule No.8 - Cash &amp; Bank Balances</b>		
Cash in Hand	646058	1582868
Balance with schedule Banks		
In current accounts	610639	109801
In Fixed Deposits accounts	0	610541
<b>TOTAL</b>	<b>1256697</b>	<b>2303210</b>
<b>Schedule No.9 - Loans &amp; advances</b>		
Advances recoverable in cash or in kind or for value to be received		
Advances to employees and others	2894956	5241710
Advance to Raw Material Suppliers	7834897	5939
Advance for Expenses	462212	961000
advance to store suppliers	891674	568724
Advance to Machinery Suppliers	12500000	14396176
<b>TOTAL</b>	<b>24583739</b>	<b>21173549</b>



**Mid India Industries Limited**

PARTICULARS	Amount as on 31.03.2010 (Rs.)	Amount as on 31.03.2009 (Rs.)
<b>Schedule No.10 - Deposits</b>		
Deposits with government departments	2292885	1803171
Other deposits	120863	177863
<b>TOTAL</b>	<b>2413748</b>	<b>1981034</b>
<b>Schedule No.11 - Current Liabilities</b>		
Trade Creditors	5517586	13742964
Creditors for Stores Suppliers	3591521	2613039
Advance from Custmors	0	219694
Other Creditors	353564	54852
<b>TOTAL</b>	<b>9462671</b>	<b>16630549</b>
<b>Schedule No.12 - Provisions</b>		
Provisions for outstanding liabilities	4854488	3426960
Provisions for Taxation	0	127206
<b>TOTAL</b>	<b>4854488</b>	<b>3554166</b>

for KAMAL NAYAN SINGHAL & CO.  
Chartered Accountants  
(Registration No. 002628C)

(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No.071749)

Place: Indore  
Date: 23/08/2010

for and on behalf of the Board

(PRADEEP GANEDIWAL) (SHREERAM SINGH)  
Managing Director Director

**Annual Report for the year ended 31-03-2010**



**SCHEDULE FORMING PART OF PROFIT AND LOSS ACCOUNTS AS AT 31ST MARCH, 2010**

PARTICULARS	Schedule No.	Amount as on 31.03.2010 (Rs.)	Amount as on 31.03.2009 (Rs.)
<b>Sales</b>	<b>13</b>		
Yarn Sales (Including carded sliber sales)		221694342	206060376
Sales (Export -Trading)		28515481	11803356
Sales (Waste)		5683540	5319558
<b>Total</b>		<b>255893363</b>	<b>223183290</b>
<b>Other Incomes</b>	<b>14</b>		
Creditors Written-off as per I.T. Order		0	566472
Discount Recd		64295	375
Foreign Currency Fluctuation		485764	3224765
Interest		47562	355348
Interest on Deposits		109724	87406
Export Commission Recd.		6067	59622
<b>Total</b>		<b>713412</b>	<b>4293988</b>
<b>Increase/(Decrease) in Closing Stock</b>	<b>15</b>		
Closing Stock:			
Finished Goods		3538540	3840950
Work in Process		3496860	4636544
Waste		616592	396175
Scrap		95460	132000
Purchase Trading (zim)		1668358	2375919
<b>Total Closing Stock</b>		<b>9415810</b>	<b>11381588</b>
Less: Opening Stock			
Finished Goods		3840950	6608153
Work in Process		4636544	6835851
Waste		396175	355560
Scrap		132000	69320
Purchase Trading (zim)		2375919	1861480
<b>Total Closing Stock</b>		<b>11381588</b>	<b>15730364</b>
<b>Increase/(Decrease) in Closing Stock</b>		<b>(1965778)</b>	<b>(4348776)</b>
<b>Raw Material Consumption</b>	<b>16</b>		
Opening Stock		3250740	3292138
Add: Purchase during the year		167445266	151950967
		<b>170696006</b>	<b>155243105</b>



**Mid India Industries Limited**

Less: Closing Stock		14588368	3250740
<b>Consumption during the year</b>		<b>156107639</b>	<b>151992365</b>
<b>Employee Cost</b>	<b>17</b>		
Salaries, Wages, Allowances & Bonus		14552420	13061057
Contribution to P.F. & Other Funds		1069412	988539
Staff Welfare		423137	324074
<b>Total</b>		<b>16044969</b>	<b>14373670</b>
<b>Manufacturing Expenses</b>	<b>18</b>		
Opening Stock of Stores		3009082	2810883
Add: Purchase		4694857	3501033
		7703939	6311916
Less: Closing Stock		2010290	3009082
<b>Stores Consumed</b>		<b>5693649</b>	<b>3302834</b>
Opening Stock of Packing Material		896969	810307
Add: Purchase		3284942	3201101
		4181911	4011408
Less: Closing Stock		250483	896969
<b>Packing Material Consumed</b>		<b>3931428</b>	<b>3114439</b>
Repair & Maint. (Plant & Machinery)		631930	452562
Power & Fuel (M.P.E.B)		28698173	25476059
Quality Claim		35596	32450
Excise Duty of Purchase		42275	231185
Freight Expenses		67461	338763
Job Work Charges		9529	462090
Hank Yarn Obligation		20763	5583
Lease Rent		1080000	0
<b>Total</b>		<b>40210803</b>	<b>33415965</b>
<b>Administrative Expenses</b>	<b>19</b>		
Advertisement & Publicity		80052	64575
Audit Fees		20000	20000
Books & Periodicals		14062	11295
Charity & Donation		4200	5500
Coolie & Cartage		218328	183312
Club Fees		10345	10562
Commercial Tax Recovery		670831	0
Consultancy Charges		400000	285329
Cost Audit Fees		30000	30000
Diwali Expenses		25585	23395
Electricity Charges		142377	70303

Schedule Continue

**Annual Report for the year ended 31-03-2010**



Schedule Continue

Entry Tax Recovery		274384	0
Fees & Subscription		258156	218186
Filing Fee		20802	4756
Garden Exp.		130771	104988
Insurance Premium		16862	205463
Legal Expenses		32760	140
Listing Fee		33090	273251
Misc. Expenses		318766	131380
Postage & Telegram		85015	52239
Printing & Stationery		44634	50589
Professional Fees		109000	138900
P.F. Recovery		29734	0
Rates & Taxes		47931	54274
Rent		91980	368865
Rep. & Maint. (Bldg.)		315065	78044
Rep. & Maint. (Other)		232661	111570
Secretarial Expenses		170960	136694
Telephone & Fax Charges		522822	604768
Travelling Expenses (Director)		40956	11341
Travelling Expenses (Staff)		286143	199230
Vehicle Maintenance Charges		235325	327970
Water Tax		4184	5393
<b>Total - Administrative Expenses</b>		<b>4917781</b>	<b>3782312</b>
<b>Selling &amp; Distribution Exp</b>	<b>20</b>		
Commission On Sales		1655667	3279053
Selling Expenses		5063101	5853506
<b>Total - Selling &amp; Distribution Exp</b>		<b>6718768</b>	<b>9132559</b>
<b>Financial Expenses</b>	<b>21</b>		
Bank Charges		116706	279691
Interest A/c		60730	43773
Loan Processing Fee		5000	0
<b>Total - Financial Expenses</b>		<b>182436</b>	<b>323464</b>

for KAMAL NAYAN SINGHAL & CO.

for and on behalf of the Board

Chartered Accountants  
(Registration No. 002628C)

(KAMAL NAYAN SINGHAL)

(PRADEEP GANEDIWAL)

(SHREERAM SINGH)

Partner

Managing Director

Director

Place: Indore  
Date: 23/08/2010

(Membership No.071749)

**SCHEDULE – 22****NOTES ON ACCOUNTS FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.****ACCOUNTING POLICIES:****1. Basis of preparation of Financial Statements:**

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles and provisions of the Companies Act, 1956, subject to what is stated herein below, as adopted consistently by the company.

**2. Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialised.

**3. Fixed Assets:**

All fixed assets are stated at cost less accumulated depreciation.

**4. Depreciation:**

Depreciation on Fixed Assets has been provided on straight line method in accordance with the provisions of Section 205(2)(b) of the Companies Act, 1956 at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

**5. Inventories:**

Inventories of raw materials, stores and spares, packing material and trading goods are valued at cost of the last purchase made, finished goods produced or purchased by the company are carried at cost, work-in-progress at estimated cost and waste at realizable value.

**6. Sales:**

Sales of goods are recognized at the point of dispatch of finished goods to customers. Sales are exclusive of duty & taxes.

**7. Foreign Exchange Transactions:**

Export sale in foreign currency are accounted for at the Exchange Rate prevailing on the Shipping Bills date, where such sales are not covered by forward contract. The fluctuation in exchange rates are accounted for as and when the payment is received in the year of realization.

**8. Employee Retirement Benefits:**

Company's contribution to Provident Fund and Superannuation Fund are charged to Profit & Loss Account. Provision has not been made for gratuity as the same is accounted for on cash basis.

**9. Claims:**

Insurance, C.S.T. reimbursement and other claims, to the extent considered recoverable are accounted for in the year of claim. C.S.T. Reimbursement recoverable is deducted from the respective head under which it was charged.

**10. Segment Reporting:**

A. PRIMARY SEGMENTS: As the company's business activity falls within a single



primary business i.e. "Manufacturing of Cotton/Polyester Cotton blended yarn." The disclosure requirement of Accounting Standard (AS) -17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

B. SECONDARY SEGMENTS: The Company earned net income of Rs. 16.50 Lacs from overseas trading activities during the year against Rs. 63.55 Lacs against previous year ended 31/03/2009.

**11. Related Party Disclosures:**

Related Party disclosures as required under Accounting Standard (AS) - 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

(Rs. Thousands)

Transactions	Associates	Key Management Personal/Relatives	Grand Total
Sales of Goods (Trading)			
Druahtee Investments Ltd.	27,775.74	0.00	27,775.74
Eastway Agritec International Ltd.	722.05	0.00	722.05
Continental Ginnery Limited	13.21	0.00	13.21
<b>TOTAL</b>	<b>28,511.00</b>	<b>0.00</b>	<b>28,511.00</b>
Net Income from Sales of Services			
Druahtee Investments Ltd.	1,650.00	0.00	1,650.00
<b>TOTAL</b>	<b>1,650.00</b>	<b>0.00</b>	<b>1,650.00</b>
Office Rent Paid			
Smt. Sushila Devi Ganediwal	0.00	60.00	60.00
<b>TOTAL</b>	<b>0.00</b>	<b>60.00</b>	<b>60.00</b>
Unsecured Advances/Deposit Given			
Mid India International Limited	80.76	0.00	80.76
Ganediwal Finance & Leasing Pvt. Ltd.	16.01	0.00	16.01
Blue Ocean Global Pvt. Ltd.	16.7	0.00	16.7
Ganediwal Agri Foods Pvt. Ltd.	0.53	0.00	0.53
<b>TOTAL</b>	<b>114.00</b>	<b>0.00</b>	<b>114.00</b>
Unsecured Loan Received			
Pradyumn Ganediwal	0.00	49,324.36	49,324.36
Pradeep Ganediwal	0.00	12,400.00	12,400.00
<b>TOTAL</b>	<b>0.00</b>	<b>61,724.36</b>	<b>61,724.36</b>

**12. Deferred Tax Liability:**

Deferred tax liability as required under Accounting Standards (AS) -22, the company has not provided any deferred tax liability due to carry forward accumulated losses of previous years.

for KAMAL NAYAN SINGHAL & CO.  
Chartered Accountants  
(Registration No. 002628C)

for and on behalf of the Board

(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No.071749)

(PRADEEP GANEDIWAL)  
Managing Director

(SHREERAM SINGH)  
Director

Place: Indore  
Date: 23/08/2010



**II. INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH (3) & (4) OF PART- II OF SCHEDULE VI TO THE COMPANIES ACT, 1956.**

a. Break-up of expenditure on employees.		
Employees in receipt of remuneration of not less than Rs. 6,00,000/-per year or Rs. 50,000/- per month when employed for part of the year	Nil (Nil)	
b. Managerial Remuneration.		
i/ Managing Director	Nil (Nil)	
c. Auditors Remunerations.		
i/ Audit Fees	20,000/- (20,000/-)	
ii/ Other Services	Nil (Nil)	
d. Cost Auditors Remunerations.	30,000/- (30,000/-)	
e. Directors traveling.	40,956/- (11,341/-)	
f. Expenditure in Foreign Exchange.	Nil (9,56,297/-)	
g. Foreign Exchange Earning.		
i/ By Sales	2,85,15,481/- (1,18,03,356/-)	
ii/ Other Income	1,14,75,000/- (1,04,75,000/-)	
h. Loans and Advances includes Rs. 1,18,906.00 due from a firm in which directors are interested maximum amount due during the year Rs. 1,18,906.00		
i. Total Outstanding dues of Small Scale Industrial Undertaking is Rs. NIL (NIL )		
j. Previous year figures have been re-grouped and re-cast where-ever necessary to make them comparable with this year figures.		
k. Figures have been rounded-off to the nearest rupees. Figures in bracket are for previous year.		



**III. PARTICULARS IN RESPECT OF CAPACITY, PRODUCTION, OPENING & CLOSING STOCK, PURCHASES, SALES AND CONSUMPTION OF RAW MATERIALS.**

(A) CAPACITY:	LICENCED	INSTALLED
COTTON/BLENDED YARN SPINDLES	24968 (24968)	16992 (16992)
ROTORS	432 (432)	432 (432)
	QTY IN KGS	RS.(LAKHS)
(B) PRODUCTION:		
YARN	2114854 (1904187)	
CARDED COTTON SLIVER	- (64890)	
(C) OPENING STOCKS:		
RAW MATERIALS	47805 (43895)	32.51 (32.92)
GOODS IN PROCESS	52096 (78573)	46.37 (68.36)
FINISHED GOODS	37735 (69705)	38.41 (66.08)
(D) PURCHASES:		
RAW MATERIALS	2573592 (2184630)	1674.45 (1519.51)
(E) SALES:		
YARN	2120899 (1936157)	2216.94 (2060.60)
CARDED COTTON SLIVER	- (64890)	- (61.08)
(F) CLOSING STOCKS:		
RAW MATERIALS	188237 (47805)	145.88 (32.51)
GOODS IN PROCESS	38854 (52096)	34.97 (46.37)
FINISHED GOODS	31690 (37735)	35.39 (38.41)
(G) CONSUMPTION:		
RAW MATERIAL CONSUMED	2412591 (2207197)	1561.08 (1519.92)
RAW MATERIAL LOST IN FIRE	33811	11.11

for KAMAL NAYAN SINGHAL & CO.  
Chartered Accountants  
(Registration No. 002628C)

for and on behalf of the Board

(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No.071749)

(PRADEEP GANEDIWAL)  
Managing Director

(SHREERAM SINGH)  
Director

Place: Indore  
Date: 23/08/2010



IV. INFORMATION PURSUANT TO PART IV OF SCHEDULE-VI OF THE COMPANIES ACT, 1956:  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE

<b>(a) Registration Details:</b>			
State Code		10	
Registration No.		6324	
Balance Sheet Date		31.03.2010	
<b>(b) Capital Raised during the year:</b>			
Public Issue		Nil	
Right Issue		Nil	
Bonus Issue		Nil	
Private Placement		Nil	
<b>(c) Position of Mobilisation &amp; Deployment of Funds:</b>			
Total Liabilities		239541524	
Total Assets		239541524	
<b>Source of Funds:</b>			
Paid-up Capital		163000000	
Reserve & Surplus		500000	
Secured Loans		0	
Unsecured Loans		61724365	
<b>Application of Funds:</b>			
Net Fixed Assets		33663911	
Net Current Assets		71394600	
Accumulated Losses		120165854	
<b>(d) Performance of Company:</b>			
Turnover		256291608	
Total Expenditure		248804989	
Profit/(Loss) Before Tax		7486619	
Profit/(Loss) After Tax		7486619	
E.P.S.		0.46	
Dividend (%)		-	
<b>(e) Generic Names of Three Principal Products/Services of Company:</b>			
Product Description	Item Code No. (ITC No.)		
Cotton Yarn	5205		
PC Yarn	5206		

for KAMAL NAYAN SINGHAL & CO.  
Chartered Accountants  
(Registration No. 002628C)

(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No.071749)

for and on behalf of the Board

(PRADEEP GANEDIWAL)  
Managing Director

(SHREERAM SINGH)  
Director

Place: Indore  
Date: 23/08/2010



Cash Flow Statement annexed to the Balance Sheet  
for the year ended 31.03.2010

	Amount (Rs)		Amount (Rs)	
	As On		As On	
	31-03-2010		31-03-2009	
<b>A. Cash Flow from Operating Activities</b>				
Net Profit after Tax as per P & L A/c		7486618		2142695
adjusted for				
Net Prior Year Expenses		0		0
Net Profit before Tax and extraordinary items		7486618		2142695
adjusted for				
Depreciation	3024480		2185507	
Interest	0		0	
Loss on Sale of Assets	0		0	
Extra-Ordinary Items	0		0	
Misc. Expenditure w/o	0	3024480	0	2185507
Net Profit before Working Capital Changes		10511098		4328202
adjusted for				
Trade & Other Receivables	(14051411)		16341514	
Inventories	(7726572)		4105313	
Deposits	(432714)		(364671)	
Trade Payables	(5867556)	(28078252)	(3871612)	16210544
Cash Generated from Operations		(17567154)		20538746
Interest Paid		0		0
Cash flow before extraordinary items		(17567154)		20538746
Net Prior Year Expenses		0		0
Net Cash from Operating Activities		(17567154)		20538746
<b>B. Cash Flow from Investing Activities</b>				
Purchase of Fixed Assets	(10805008)		0	
Capital Work-in-progress	10805007		(2093675)	
Sale of Fixed Assets	0		0	
Sale of Investment	0		0	
Loans & Advances	(3410190)		9267053	
Net Cash used in Investing Activities		(3410191)		7173378



**Mid India Industries Limited**

**C. Cash Flow from Financing Activities**

Increase in Paid-up Share Capital	0	0	
Proceeds from Long Term Borrowings	20073462	(28352281)	
Repayment of Long Term Borrowings	0	0	
Bank Borrowings	(142632)	(430128)	
Net Cash used in Financing Activities		19930830	(28782409)
Net Increase in Cash & Cash Equivalents (A+B+C)		(1046515)	(1070285)
Opening Balance of Cash & Cash Equivalents		2303212	3373497
Closing Balance of Cash & Cash Equivalents		1256697	2303212

NOTE: Figures in brackets represent cash out flow.

Previous year figures have been re-grouped wherever necessary.

for KAMAL NAYAN SINGHAL & CO.  
Chartered Accountants

(K.N. SINGHAL)  
Partner

for and on behalf of the Board

(PRADEEP GANEDIWAL)  
Managing Director

(SHREERAM SINGH)  
Director

Place: Indore  
Date: 02/08/2010

The above Cash Flow Statement has been completed from and is based on the audited accounts of Mid India Industries Limited for the year ended on 31st March,2010 reported upon by us on 23rd August, 2010. According to the information and explanations given the aforesaid Cash Flow statement has been prepared pursuant to clause 32 of Listing agreement with Stock Exchanges and the real locations required for purpose are as made by the Company.

for KAMAL NAYAN SINGHAL & COMPANY  
Chartered Accountants  
(Registration No. 002628C)

(KAMAL NAYAN SINGHAL)  
Partner  
(Membership No. 071749)

Place: Indore (M.P.)  
Date: 23/08/2010

**PROXY FORM**

I/We, \_\_\_\_\_  
(L.F.No. \_\_\_\_\_ or DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_)  
(Address) \_\_\_\_\_ being a member/s  
of MID INDUSTRIES LIMITED, TEXTILE MILL AREA, MANDSAUR, do hereby  
appoint \_\_\_\_\_ or/failing him  
\_\_\_\_\_ of \_\_\_\_\_ as my/our behalf a  
19th Annual General Meeting to be held at Registered Office of the Company, Textile Mill Area,  
Mandsaur - 458 001, on Thursday 30th day of September, 2010 at 11.00 a.m. and at any adjournment  
thereof.

In witness whereof I/we have set my/our hand/s this \_\_\_\_\_ day of \_\_\_\_\_ 2010.



(Signature of the Shareholder across the stamp)

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

**ATTENDANCE SLIP**

Members Ledger Folio No. \_\_\_\_\_ or DP ID No. \_\_\_\_\_ Client  
ID No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Name of attending Member (In Block Letters) \_\_\_\_\_ Name of Proxy  
(In Block Letters) \_\_\_\_\_ (to be filled in, if Proxy  
attends instead of the member).

I hereby record my presence at Nineteenth Annual General Meeting of the Company held at Textile  
Mill Area, Mandsaur on 30th September, 2010.

\_\_\_\_\_  
Members/Proxy's Signature  
(To be signed at the time of handling over the slip)