

ANNUAL REPORT
2008-2009

CERTIFIED TRUE COPY

For, Madhusudan Industries Ltd.


Thomas Koshy

Asst. General Manager-Corp. Admn.



Madhusudan
Industries Limited

Annual Report 2008-2009

Board of Directors

Shri Shree Narayan Mohata
Shri Bhagwan Das Sharma.
Shri Rajesh B. Shah
Shri Sanwarmal Agarwal

Auditors

M/s. H. V. Vasa & Co.,
Chartered Accountants,
B-2, "Usha Kiran", Opp. Khanpur Gate,
Ahmedabad - 380 001.

Registered Office

Rakhial Station - 382 315
Taluka - Dehgam,
Dist. Gandhinagar, Gujarat.

Ahmedabad Office

"Madhusudan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380 006.

Registrar & Share Transfer Agent

MCS Limited,
101, Shatdai Complex, 1st Floor,
Opp. Bata Show Room, Ashram Road,
Ahmedabad - 380 009.

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**Annual General Meeting at 11.30 a.m. on Thursday,
the 24th day of September, 2009 at the Registered Office.**



Notice

Notice is hereby given that the Annual General Meeting of the Members of **MADHUSUDAN INDUSTRIES LIMITED** will be held at 11.30 a.m. on Thursday, the 24th day of September, 2009 at the Registered Office of the Company at Rakhial Station, Taluka Dehgam, District Gandhinagar – 382 315, to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt Audited Profit and Loss Account for the year ended 31st March, 2009 and Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To appoint a director in place of Shri Shree Narayan Mohata, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Shri Bhagwan Das Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors

Regd. Office :
Rakhial Station – 382 315
Taluka - Dehgam,
Dist. Gandhinagar.
17th August, 2009

B.K. Patodia
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Members are requested to notify immediately the change of address, if any, to the Company OR M/s. MCS Limited, Registrar and Share Transfer Agent.
3. The Register of Members and Share transfer book of the Company will remain closed from 16th September, 2009 to 24th September, 2009 (both days inclusive)
4. Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
5. Members are requested to send their queries atleast ten days before the date of the meeting so that the information can be made available at the meeting.
6. Unpaid / Unclaimed Dividend, Share application money received and due for refund and matured deposits unclaimed and unpaid for a period of seven years up to the financial year 2000-01 have been transferred to the Investor Education and Protection Fund pursuant to the provisions of Section 205C of the Companies Act, 1956. Shareholders are requested to note that no claim shall lie against the Company or the said fund in respect of any amounts which were unclaimed and unpaid for a period of seven years and transferred to the Fund.
7. Brief resume of directors, who are proposed to be appointed / re-appointed at this meeting are given below:

Name of Director	Shri Shree Narayan Mohata	Shri Bhagwan Das Sharma
Date of Birth	03.12.1944	12.09.1930
Date of appointment	18.04.2006	18.04.2006
Expertise in specified Functional areas	Administration & Commercial	Administration & Commercial
List of other Directorships held	Cera Sanitaryware Limited Madhusudan Holdings Ltd	—
Chairman / Member of the Committees of the Board of other Companies	—	—
Shareholding in the Company	250	—

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Directors' Report

To
The Members,

The Directors have pleasure in submitting the Annual Report together with the Statement of Accounts of your Company for the year ended 31st March 2009.

Performance

The summary of your Company's financial performance is given below:

	Year ended March 31, 2009 (Rs. in lacs)	Year ended March 31, 2008 (Rs. in lacs)
Profit before Depreciation and Taxes	(-) 122.58	30.69
Deducting therefrom Depreciation	14.36	4.30
Profit / Loss before tax	(-) 136.94	26.39
Deducting therefrom taxes of:		
- Current Tax	—	—
- Deferred Tax	—	—
- Fringe Benefit Tax	1.20	0.63
Profit after tax	(-) 138.14	25.76
Add: Balance brought forward from previous year	(-) 804.68	(-) 830.44
Amount available for Appropriations	(-) 942.82	(-) 804.68
The proposed appropriations are :		
1. Proposed Dividend	—	—
2. Tax on proposed Dividend	—	—
3. Debenture Redemption Reserve	—	—
4. Balance carried forward	(-) 942.82	(-) 804.68
	(-) 942.82	(-) 804.68

Horticulture Division

The Company's maiden venture into horticulture has been successful and in many ways a landmark event in the region. The Company successfully commissioned the pilot project of three green houses, spread over nearly 2.2 acres and have started growing and marketing Gerbera Flowers, Dutch Roses and coloured Capsicum. Sales of Gerbera and coloured Capsicum started in December, 2008, while Dutch Roses sales commenced in February, 2009. Our turnover in Horticulture during the year 2008-09 (four months) has been 8.85 lakhs. Considering that this was a pilot project and the fact that the project has been accomplished in an industrial land, which virtually considered a waste land, the Company has reasons to be satisfied with the progress of the project so far. The Company has received a subsidy of Rs.14.63 lakhs from the National Horticulture Board for the project.

All the stakeholders would be happy to know that our efforts have been recognised by the officials of National Horticulture Board as well as Gujarat State Horticulture Board. Especially our efforts at Rain Water Harvesting, using existing facilities, have been widely appreciated. The Company hosted a Horticulture Seminar-cum-Exhibition for the Gujarat Horticulture department in February, 2009. The 'state of the art' infrastructure was appreciated by all and the Company's flowers won prizes in State wide competition organised by the department.

The Company has requested Government of Gujarat for acquiring additional land. The efforts are continuing and the Company is hopeful that the Company would be able to obtain land from the Gujarat Government.

Trading Division

During the year, the Company gradually quit trading operations in Vanaspati. The turnover of Vanaspati was Rs.12.03 crores (2180 MT). The Company has decided to completely quit trading operations of Vanaspati. This will enable the Company to focus on the newly identified thrust areas.

Management Discussion and Analysis Report

a) Industry structure and development

The Company has successfully forayed into Horticulture, and has started doing pioneering work in the field. Since the Company aspires to become a prominent player in the Horticulture business, the Company has decided to quit the Vanaspati operations. The Government of India has come out with progressive policies for encouraging Horticulture and the Company would perform better in the days ahead, taking advantage of the changing environment.

b) Opportunities and threat

Agro industries in general and Horticulture in particular is considered a sunshine sector and has a bright future. Your Company would take advantage of being one of the first to venture into this area in the region. The Company has maintained its erstwhile infrastructural godowns, which has been leased out to Gujarat Government fetching a monthly income of Rs.1.67 lakhs. The availability of warehouses, on a Rail Head, with an official Entry Gate to Rakhial Railway Station, will also open up newer opportunities, especially in view of the progressive policies of the Central Government. The threat stems from the fact that your Company has not yet been able to acquire additional land for the planned expansion from Government of Gujarat and may need to acquire it directly at market price.

c) Segment-wise/Product-wise performance

The Company has performed reasonably well in Horticulture considering that this was the first year of operation. The Company has finally decided to quit trading operations of vanaspati and hence the performance was adversely impacted as a prelude to quitting the business.



d) Outlook

The future of the Company is bright. The Company hopes to perform better in the coming months, as the Horticulture project has proved successful. The Company will focus more in retail sales of flower with value addition to increase realisation. The potential in warehousing and establishment of cold chain storage also offers immense potential for future. The Company also sees great potential in the field of Renewable Sources of Energy and may venture into generation of Solar Energy.

e) Risks and concerns

The Horticulture project is vulnerable to various environmental factors and hence the plantations needs to be nurtured very carefully. The project also needs a larger scale of operation, for which the Company is trying to acquire additional land.

f) Internal control system and their adequacy

The Company has fully computerised its accounting system since many years which has proved versatile. The system of internal control of the Company is commensurate with the size and complexity of the Company's business. In addition, the operations are subject to periodic internal audit by independent Auditors.

g) Financial performance with respect to Operational Performance is discussed in the main part of the report

h) Material development in Human Resources / Industrial Relations

The company values and nurtures its human resources and Company would continue to adopt and implement the best HRD practices in future.

Corporate Governance

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, Report on Corporate Governance has been included in this Annual Report as a separate section.

Directors' Responsibility Statement

In compliance of Section 217 (2AA) of the Companies Act, 1956, Directors of your Company confirm:

- that the applicable accounting standards have been followed in the preparation of final accounts and that there are no material departures;
- that such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2009 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis.

Dividend

Due to operational loss, your directors have not recommended any dividend.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

The details required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are annexed to this report.

Exchequer

The Company has contributed Rs.23.38 lacs to the exchequer by way of Excise Duty, Customs duty, Income tax, VAT and other fiscal levies.

Fixed Deposits

Fixed Deposits from the Public, outstanding as on 31st March 2009 was Rs.261.01 lacs. There are Twenty Three Fixed Deposit holders with Rs.4.20 lacs of unclaimed / unrenewed deposits as on 31st March 2009. The Company on the basis of the working results during the year under review, can accept deposits from the Public as well as from the shareholders to the extent of Rs. 383.91 lacs.

Subsidiary Company

The particulars required Under Section 212 of the Companies Act, 1956 in respect of the Subsidiary Company viz. Madhusudan Fiscal Limited is appended.

Finance

The Company has obtained credit facilities from Bank of Baroda.

Employees

The Company has no employee as specified under Section 217(2A) of the Companies Act, 1956, hence, there is no information required to be provided in this regard.

Directors

Shri Shree Narayan Mohata and Shri Bhagwan Das Sharma, directors are due to retire at the end of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Brief resumes of Shri Shree Narayan Mohata and Shri Bhagwan Das Sharma, directors as required by clause 49 of the Listing Agreement with Stock Exchanges, are provided in the notice convening the Annual General Meeting of the Company.

Auditors

M/s. H.V. Vasa & Co., Statutory Auditors of the Company retire at the end of forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The Board recommends their re-appointment at the ensuing Annual General Meeting.

Insurance

The Company has adequately insured all its assets.

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Industrial Relations

The Company's relations with its employees remained cordial during the year.

The Company has taken adequate steps for the health and safety of its employees as required under the Gujarat Factories Rules, 1963.

Appreciation

Your Directors would like to place on record their gratitude for the co-operation and assistance given by Bank of Baroda and various departments of both State and Central Governments.

For and on behalf of the Board of Directors,

Sanwarmal Agarwal

Rajesh B. Shah

Directors

Ahmedabad

29th June, 2009

Annexure to the Directors' Report

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Report of the Board of Directors for the year ended 31st March, 2009.

Conservation of Energy

Form - A : Nil

Technology Absorption

Form B : Nil

Total Foreign Exchange used and earned

Total foreign exchange used : Rs. Nil

Total foreign exchange earned : Rs. Nil

Annexure to the Directors' Report

Statement of Holding Company's Interest in Subsidiary Company

Statement pursuant to Section 212 of the Companies Act, 1956

1. Name of the Subsidiary : **Madhusudan Fiscal Limited**
2. Financial year of the Subsidiary Company ended on : 31st March, 2009
 - (i) Number of Shares in Subsidiary held by Madhusudan Industries Limited on above date : 12,90,000 (Previous year 12,90,000) Equity Shares of Rs.10/- each
3. Holding Company's interest : 100 % (Previous year 100 %)
4. The Loss of Madhusudan Fiscal Limited for the year ended 31st March, 2009. : Rs.5,403/-
5. The loss for previous Financial Years since it became the Company's subsidiary. : Rs.66,93,914/-
6. No adjustment has been made in the books of Madhusudan Industries Ltd. in respect of the said loss of Madhusudan Fiscal Limited.

B. K. Patodia
Company Secretary

Ahmedabad
29th June, 2009

Rajesh B. Shah
Sanwarmal D. Agarwal

Director
Director

Ahmedabad
29th June, 2009



Annexure to the Directors' Report

CORPORATE GOVERNANCE REPORT

(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)

1) Company's Philosophy

The Company believes in the practice of good Corporate Governance and acting as a good corporate citizen.

The spirit of Corporate Governance has been prevailing in the Company for years together. The Company believes in the values of transparency, professionalism and accountability. The Company recognizes the accountability of the Board and importance of its decisions on its customers, dealers, employees, shareholders, and with every individual, who comes in contact with the Company.

2) Board of Directors

The Board comprises of four non-executive directors.

The Company did not have any pecuniary relationship or transactions with the non-executive directors during the period under review.

During the year, 6 Board Meetings were held on 21.05.2008, 06.06.2008, 31.07.2008, 24.10.2008, 29.01.2009 and 05.03.2009.

None of the directors on the Board are members in more than ten committees and they do not act as Chairmen of more than five committees across all companies in which they are directors.

The composition of directors and their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of other directorships and Committee Memberships are given below:

Sr. No.	Name of Director	Category of Directorship	No. of Meetings attended	Attendance at last AGM	No. of Other directorships	No. of Other Committee Memberships
1.	Shri R. B. Shah	Non-Executive Director	6	YES	3	-
2.	Shri Bhagwan Das Sharma	Non-Executive Director	-	NO	-	-
3.	Shri Shree Narayan Mohata	Non-Executive Director	-	NO	2	-
4.	Shri S. M. Agarwal	Non-Executive Director	6	YES	-	-

Code of Conduct

The Company has finalized model code of conduct for the Board members and senior Officers of the Company.

CEO / CFO Certification

As per clause 49 of Listing agreement with Stock Exchange, the Company has not appointed CEO / CFO.

Whistle Blower Policy

The Company has not implemented a whistle-Blower policy.

3) Audit Committee

The Audit Committee consists of 4 (four) independent directors, Shri Rajesh B. Shah – Chairman, Shri Bhagwan Das Sharma, Shri Shree Narayan Mohata and Shri S. M. Agarwal. The

Company Secretary is also Secretary to the Audit Committee. During the year under review, 4 (four) Committee Meetings were held on – 06.06.2008, 31.07.2008, 24.10.2008 and 29.01.2009.

Terms of reference:

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committee under Clause 49 of Listing Agreement and Section 292A of the Companies Act, 1956.

4) Remuneration Committee

The Remuneration Committee consists of Shri Rajesh B. Shah – Chairman, Shri B. D. Sharma, Shri S. N. Mohata and Shri S. M. Agarwal.

The Committee fixes the Remuneration of Executive / Whole-time Directors, which include all elements of remuneration package i.e. salary, benefits, bonus, pension, retirement scheme, share options and such other benefits.

The Committee also decides the fixed component and performance linked incentives, performance criteria, service contracts, notice period, severance fees etc. of the remuneration package of working directors, as and when necessary. Presently the Company has no whole time director.

5) Remuneration Policy

Remuneration of employees largely consists of basic remuneration and perquisites.

The component of the total remuneration varies for different grades and is governed by Industry pattern, qualifications and experience of the employee, responsibilities handled by him and his individual performance, etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and to retain talent in the organization and accord merit.

6) Details of remuneration for the year ended 31.03.2009

(i) Whole-time Directors

The Company has no Whole-time Director

(ii) Non-Executive Directors

Remuneration by way of sitting fees for attending Board Meetings are paid to the non-executive directors. Due to inadequate profit for the year ended 31.03.2009 no commission was paid to the Non-Executive Directors. The details of remuneration paid to them during the year are as under:

Name	Sitting Fees (Rs.)
Shri R. B. Shah	12,000
Shri Bhagwan Das Sharma	---
Shri Shree Narayan Mohata	---
Shri S. M. Agarwal	12,000
Total	24,000

(iii) Shareholding of Non-Executive Directors

Name	No. of Shares held	% of total shareholding
Shri R. B. Shah	NIL	NIL
Shri Bhagwan Das Sharma	NIL	NIL
Shri Shree Narayan Mohata	250	0.00
Shri S. M. Agarwal	NIL	NIL

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7) Share Transfer Committee

In accordance with the Listing Agreement with the Stock Exchange, the Board had delegated the powers of share transfers to the Share Transfer Committee. In order to expedite the process of share transfers/ transmissions / splits / consolidation, the Committee meets at least once in a fortnight.

The share transfer committee, consists of four directors Shri Rajesh B. Shah – Chairman, Shri B. D. Sharma, Shri S. N. Mohata and Shri S. M. Agarwal.

The Company has appointed M/s. MCS Limited, Ahmedabad, a SEBI registered Share Transfer Agent as Registrar and Share Transfer Agent.

8) Shareholders' / Investors' Grievance Committee

The Board has formed a Shareholders' / Investors' Grievance Committee consisting of the following directors:

Shri R. B. Shah	-	Chairman
Shri Bhagwan Das Sharma	-	Member
Shri Shree Narayan Mohata	-	Member
Shri S. M. Agarwal	-	Member

All investor complaints, which cannot be settled at the level of Company Secretary and Compliance Officer, will be forwarded to the Shareholders' Grievance Committee for final settlement.

During the year, ended 31.03.2009, the Company had received 14 complaints / queries from the Shareholders.

All the complaints received from the Shareholders were resolved. There is no complaint pending as of 31.03.2009, which is not attended / replied by the Company.

The Company confirms that there were no share transfers lying pending as on date, which were received upto 31.03.2009, and all requests for dematerialisation and rematerialisation of shares as on that date were confirmed / rejected into the NSDL / CDSL system. During the year, one Committee Meeting was held on 06.06.2008.

9) General Body Meetings

The last three Annual General Meetings were held as under:

Financial Year ended	Date	Time	Venue
31.03.2008	31.07.2008	11.30 a.m.	11/2/3, GIDC Industrial Estate, Nr. Jai Bhavani Glass Works, Kadi-382 715, District Mehsana.
31.03.2007	27.09.2007	11.30 a.m.	11/2/3, GIDC Industrial Estate, Nr. Jai Bhavani Glass Works, Kadi-382 715, District Mehsana.
31.03.2006	25.09.2006	11.30 a.m.	11/2/3, GIDC Industrial Estate, Nr. Jai Bhavani Glass Works, Kadi-382 715, District Mehsana.

In accordance with Clause 49 of the Listing Agreement with the Stock Exchange, special resolutions for Shifting of registered office of the company, alteration of object clause of Memorandum of association of the Company and commencement of new business were approved through postal ballot by the shareholders effective from 31.07.2008.

No resolution is required to be passed during current year and up to the date of Annual General Meeting through postal ballot.

10) Disclosures

1. There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year, which could have potential conflict with the interests of the Company at large.
2. There were no instances of non-compliance of any matter related to the capital market, during the last three years.

11) Means of Communication

1. Quarterly results are published in leading daily newspapers viz. Financial Express / Economic Times / Indian Express and a local language newspaper viz. Jai Hind / Loksatta / Financial Express/Economic Times. The annual results (annual reports) are posted to all the members of the Company.
2. Management's Discussion & Analysis forms part of this annual report, which is also being posted to all the members of the Company.
3. The official news releases, if any, are given directly to the press.
4. The Company uploads its financial results, shareholding pattern and other information on the EDIFAR website maintained by National Informatics Centre (NIC), which can be accessed through the website of the Securities and Exchange Board of India (SEBI) <http://www.sebi.gov.in>. These information are also uploaded by the Stock Exchange, Mumbai on the website <http://www.bseindia.com>.

12) General Shareholder Information

1. Annual General Meeting :

Date and Time : 24th September, 2009: 11.30
Venue : Rakhial Station, Taluka – Dehgam, Dist. Gandhinagar, Pin – 382315.

2. Financial Calendar 2009-10 (tentative) :

Annual General Meeting : 3rd / 4th week of September, 2010

Results for quarter ending

June 30, 2009	By last week of July, 2009
September 30, 2009	October, 2009
December 31, 2009	January, 2010
Results for year ending March 31, 2010 (Audited)	3rd / 4th week of June 2010

3. Book Closure date

16th September, 2009 to 24th September, 2009 (both days inclusive)

4. Dividend payment by the Company:

In view of Net loss no dividend is recommended by the Board of Directors for the year ended 31.03.2009.

5. Listing on Stock Exchanges

The Company's shares are listed at Bombay Stock Exchange Limited and company has paid listing fees for the year 2008-09 and 2009-10 to Bombay Stock Exchange Limited.

The Shares of the Company are voluntarily de-listed from The Calcutta Stock Exchange Association Ltd. w.e.f. 27-01-2009 under SEBI (delisting of Securities) Guidelines, 2003.

Stock Code:

The Stock Exchange, Mumbai: 515059.



6. Share price on Bombay Stock Exchange Ltd.

Month	High (Rs.)	Low (Rs.)
April 2008	10.39	8.92
May 2008	10.16	8.07
June 2008	10.54	8.66
July 2008	9.47	7.69
August 2008	10.97	7.77
September 2008	10.44	9.00
October 2008	9.65	8.36
November 2008	8.60	6.96
December 2008	7.30	6.94
January 2009	7.35	6.25
February 2009	7.04	6.36
March 2009	7.24	6.04

7. Share Transfer

Entire Share Transfer work and dematerialisation / rematerialisation work is assigned to R & T Agent, M/s. MCS Limited, Ahmedabad, a SEBI registered Share Transfer Agent. Request for Share transfer, dematerialisation and rematerialisation should be sent directly to M/s. MCS Limited, 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380 009. Shareholders have option to open their accounts with either NSDL or CDSL as the Company has entered into agreements with both of these depositories.

13) Share Transfer System

The share transfer/s is normally effected within a period of 15-20 days from the date of receipt, provided the documents being complete in all respects. The Company has formed Share Transfer Committee of directors, which meets atleast once in a fortnight for effecting transfer of shares and other related matters.

14) Distribution of Shareholding as on 31.03.2009

Shares	No. of Shareholders	Total No. of Shares
1-500	5331	700752
501 – 1000	141	115703
1001 – 2000	67	101228
2001 – 3000	25	65197
3001 – 4000	11	39558
4001 – 5000	9	43604
5001 – 10,000	14	100383
10,001 – 50,000	17	483280
50001-1,00,000	6	467048
And Above	10	3258247
Total	5631	5375000

15) Pattern of Shareholding as on 31.03.2009

Sr. No.	Category	No. of Shares	(%)
1.	NRI	1,346	0.03
2.	Financial Institutions/ Banks	2,71,117	5.04
3.	Mutual Funds	275	0.01
4.	Promoters	31,37,980	58.38
5.	Body Corporate	2,88,348	5.36
6.	Others	16,75,934	31.13
	Total	53,75,000	100.00

16) Dematerialisation of Shares as on 31.03.2009

As on 31st March, 2009, 31.48% of the Company's total shares representing 16,91,857 Shares were held in dematerialized form and the balance 68.52% representing 36,83,143 shares were in paper form.

The ISIN Number in NSDL and CDSL is "INE 469C01023".

17) Locations

The Company's Regd. Office is located at Rakhaial Station, Taluka Dehgam, Dist. Gandhinagar, Pin – 382315 and Ahmedabad office is located at 'Madhusudan House', Opp. Navrangpura Telephone Exchange, Ahmedabad-380 006.

18) Address for Correspondence

The Company's Registered Office is situated at Rakhaial Station, Taluka Dehgam, Dist. Gandhinagar, Pin – 382315. Shareholders' correspondence should be addressed either to the Registered Office of the Company as stated above and / or to the Ahmedabad Office of the Company at "Madhusudan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380 006 or to the Registrar and Share Transfer Agent, M/s. MCS Limited, 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380 009.

AUDITOR'S CERTIFICATE

To,
The Members of
Madhusudan Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by **Madhusudan Industries Limited**, for the year ended 31st March, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the Shareholders' / Investor's Grievance Committee.

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

For and on Behalf of
H. V. Vasa & Co.
Chartered Accountants

Ahmedabad
29th June, 2009

Tushar H. Vasa
Proprietor
Membership No. 16831

Auditors' Report to the Members of Madhusudan Industries Limited

To the Members of **Madhusudan Industries Limited**

1. We have audited the attached Balance Sheet of **Madhusudan Industries Limited** as at 31st March 2009, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. 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 principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto 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 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 account as required by law, have been kept by the Company so far as appears from our examination with the books.
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) On the basis of the written representation received from the Directors as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in the conformity with the accounting principles generally accepted in India:
 - (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;

(ii) in the case of Profit and Loss Account, of the loss of the Company for the year on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For H. V. Vasa & Co.
Chartered Accountants

(Tushar H. Vasa)

Proprietor

Membership No. 16831

Place : Ahmedabad
Date : 29th June, 2009

Annexure referred to in paragraph 3 of our report of even date

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets on the basis of available information, other than furniture and fixtures.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year in a phase periodical Manner, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
- (c) In our opinion, there was no substantial disposal of fixed assets during the year which would affect the going concern of the company.
- ii. In respect of inventories:
 - (a) As explained to us, inventories have been physically verified by the management at reasonable regular intervals during the year.
 - (b) In our opinion and according to the information and explanations 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 the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on such physical verification.
- iii. In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies act, 1956:
 - a. The Company had taken unsecured loans aggregating to Rs. 46.60 lacs from one company covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was Rs. 46.60 lacs and at the year end balance of loans taken from such company was Rs. 45.00 lacs.
 - b. In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - c. The Company had granted loans aggregating to Rs. 85.00 lacs to one company covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was Rs. 85.00 lacs and at the year end balance of loans outstanding from such company was Rs. 0.90 lacs.



- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, Sale of goods, fixed assets and scrap of fixed assets. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- v. (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act transactions that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions of purchase and sale exceeding the value of Rupees five lacs entered into during the financial year.
- vi. In respect of the deposits, in our opinion and accordingly to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the companies Act, 1956 and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vii. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- viii. According to the information and explanations given to us, The Central Government has not prescribed the maintenance of cost records for the Company under section 209(1)(d) of the Companies Act, 1956, in respect of manufacturing activities of the Company in previous year.
- ix. (a) The company has generally been regular in depositing undisputed dues of Provident Fund, Investors Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities.
- (b) There are no undisputed amounts outstanding as at 31st March, 2009 for a period of more than six months from the date of becoming payable.
- (c) Dues relating to items as listed below which have not been deposited as on 31st March, 2009 on account of disputes with related authorities :

Sr. No.	Name of the Statute	Nature of the Dues	Forum where dispute is pending	Amount (Rs.) In Lacs
1	Gujarat Sales Tax Act	Sales-tax	Gujarat Sales Tax Tribunal	139.34
2	Rajasthan Sales Tax Act	Sales-tax	Commissioner of Appeal	9.93
3	Rajasthan Sales Tax Act	Sales-tax	Tax Board	0.56
4	Central Sales Tax Act	Sales-tax	Commissioner of Appeals	0.66
5	Central Excise Act	Central Excise Duty	CESTAT	97.76
6	Income-tax Act	Income Tax	Income Tax Appellate Tribunal	4.90

- x. The Company has no accumulated losses but has incurred cash losses in the financial year under report. The Company had not incurred cash loss in the immediately preceding financial year.
- xi. As per the books and records maintained by the company and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to Banks.
- xii. According to the information and explanations given to us and based on the documents and records produced, 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 the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- xiv. In our opinion, the Company is not dealing or trading in shares, securities and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- xv. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
- xvi. On the basis of the records examined by us and according to information and explanations given to us, in our opinion, term loan availed by the Company was, prima facie, applied by the company during the year for the purpose for which the loan was obtained.
- xvii. According to the information and explanations given to us and on the basis of an overall examination of the balance sheet of the company, we report that funds raised on short-term basis have, prima facie, not been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The company did not have any outstanding debentures at the end of the year.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. Based upon the audit procedures performed and on the basis of 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 H. V. Vasa & Co.
Chartered Accountants

(Tushar H. Vasa)

Proprietor

Membership No. 16831

Place : Ahmedabad
Date : 29th June, 2009

Balance Sheet as at 31st March, 2009

		Schedule		Rs.	Rs.	Rs.	Rs.
				31-3-2009	31-3-2008		
I. Sources of Funds							
1.	Shareholders' Funds						
(a)	Share Capital	1		2,68,75,000	2,68,75,000		
(b)	Reserves & Surplus	2		8,42,76,412	9,66,27,379		
				<u>11,11,51,412</u>	<u>12,35,02,379</u>		
2.	Loan Funds :						
(a)	Secured Loans	3		2,65,81,796	57,02,490		
(b)	Unsecured Loans	4		3,45,98,829	2,99,85,933		
				<u>6,11,80,625</u>	<u>3,56,88,423</u>		
Total				<u>17,23,32,037</u>	<u>15,91,90,802</u>		
II. Application of Funds							
1.	Fixed Assets :	5					
(a)	Gross Block			3,38,64,924	1,80,91,022		
(b)	Less : Depreciation			1,30,47,979	1,19,22,396		
(c)	Net Block			2,08,16,945	61,68,626		
(d)	Capital Work-in-progress			---	1,11,399		
				<u>2,08,16,945</u>	<u>62,80,025</u>		
2.	Investments	6		1,37,84,056			1,37,89,426
3.	Current Assets, Loans & Advances						
(a)	Inventories	7		32,58,938	73,47,997		
(b)	Sundry Debtors	8		2,06,70,598	3,27,47,446		
(c)	Cash & Bank Balances	9		74,14,059	34,94,304		
(d)	Other Current Assets						
	Interest accrued on deposits			2,55,081	1,25,387		
(e)	Loans & Advances	10		11,95,07,660	11,64,62,392		
				<u>15,11,06,336</u>	<u>16,01,77,526</u>		
	Less: Current Liabilities & Provisions						
(a)	Liabilities	11		80,79,675	1,58,59,989		
(b)	Provisions	12		53,50,125	52,89,936		
				<u>1,34,29,800</u>	<u>2,11,49,925</u>		
				<u>13,76,76,536</u>	<u>13,90,27,601</u>		
4.	Miscellaneous Expenditure			54,500			93,750
	(To the extent not written off or adjusted)						
Total				<u>17,23,32,037</u>	<u>15,91,90,802</u>		
Notes forming part of the Accounts				17			

As per our report of even date attached
For and on behalf of
H. V. Vasa & Co.
Chartered Accountants
Tushar H. Vasa
Proprietor
Membership No. 16831

Ahmedabad
29th June, 2009

B. K. Patodia
Company Secretary

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

Ahmedabad
29th June, 2009



Profit and Loss Account for the year ended 31st March, 2009

		2008-2009		2007-2008	
	Schedule	Rs.	Rs.	Rs.	Rs.
Income					
Sales		12,23,31,831		8,68,21,941	
Less : Excise Duty		---		---	
Net Sales		12,23,31,831		8,68,21,941	
Other Income	13	1,10,22,566		1,04,11,128	
			13,33,54,397		9,72,33,069
Increase (Decrease) in Finished Goods and Work-in-process	14	-35,90,365		64,66,829	
			12,97,64,032		10,36,99,898
Expenditure					
Raw materials consumed		---		---	
Purchases (Trading)		12,07,33,109		8,93,54,193	
Payments to and provision for Employees	15	47,91,224		27,67,820	
Other Expenses	16	1,14,02,637		59,21,086	
Interest :					
on Term Loans		5,82,132		---	
on Others		45,13,373		25,87,501	
			50,95,505		25,87,501
Depreciation		14,35,924		4,29,739	
Total Expenditure		14,34,58,399		10,10,60,339	
Profit for the year before Taxation		-1,36,94,367		26,39,559	
Provision for taxation					
- Current Tax		---		---	
- Deferred Tax		---		---	
- Fringe Benefit Tax		1,20,000		63,000	
Profit after Taxation		-1,38,14,367		25,76,559	
Add : Surplus of Loss / Profit brought forward from previous year		-8,04,67,432		-8,30,43,991	
Balance carried to Balance Sheet		-9,42,81,799		-8,04,67,432	
Notes forming part of the Accounts	17				
No. of Equity Shares (Face Value Rs. 5/- each)		53,75,000		53,75,000	
Basic and diluted earning after Extra Ordinary Item per share (in Rs.)		-2.57		0.48	
Basic and diluted earning before Extra Ordinary Item per share (in Rs.)		-2.57		0.48	

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

Ahmedabad

29th June, 2009

B. K. Patodia
Company Secretary

Ahmedabad

29th June, 2009

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Schedules 1 to 17 Annexed to And Forming Part of The Accounts As At 31st March, 2009

	31-3-2009	31-3-2008
	Rs.	Rs.
1. Share Capital		
Authorised		
2,60,00,000 (2,60,00,000) Equity shares of Rs. 5/- each	13,00,00,000	13,00,00,000
Total	13,00,00,000	13,00,00,000
Issued, Subscribed & Paid Up		
53,75,000 (53,75,000) Equity shares of Rs. 5/- each fully paid	2,68,75,000	2,68,75,000
i) See note - 2 Schedule 17		
ii) Of the above		
15,00,000 Equity Shares allotted as fully paid Bonus Shares by capitalisation of General Reserve.		
Total	2,68,75,000	2,68,75,000
2. Reserves and Surplus		
1. Capital Reserve		
Subsidy from Governments	14,63,400	---
2. General Reserve		
As per last Balance Sheet	17,70,94,811	17,70,94,811
Add: Transferred from Capital Reserve	---	---
	17,70,94,811	17,70,94,811
3. Profit and Loss Account		
Total	-9,42,81,799	-8,04,67,432
	8,42,76,412	9,66,27,379
3. Secured Loans		
From a Bank		
i) Cash Credit : (See note 1)	1,68,11,430	57,02,490
ii) Term Loan (See note 2)	97,70,366	---
Total	2,65,81,796	57,02,490
Notes :		
1. Cash Credit facilities are secured by hypothecation of Stocks, Book Debts, all movable assets and by mortgage of fixed assets of the company situated at Village Rakhial, Dehgam, Gujarat; and guarantee of two directors.		
2. Term Loan from a bank is secured by land of the company situated at Village Sagdalpur, Dehgam, Gujarat.		
4. Unsecured Loans		
Fixed Deposits	2,61,01,000	2,30,57,000
Interest Accrued and Due	3,94,136	3,19,153
	2,64,95,136	2,33,76,153
Inter Corporate loan from Subsidiary Company	45,00,037	46,60,037
Inter corporate Deposits	36,03,656	19,49,743
Total	3,45,98,829	2,99,85,933

5. Fixed Assets

Sr. No.	Name of Assets	Gross Block				Depreciation				Net Block	
		As at	Additions	Deductions/	As on	For the year	For the year	Deductions/	Upto	As on	As on
		1-4-2008		Adjustments	31-3-2009	31-3-2008	2008-09	Adjustments	31-3-2009	31-3-2009	31-3-2008
		(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A.	Land										
	- Free hold	844888	---	---	844888	---	---	---	---	844888	844888
B.	Buildings	11273992	9858028	---	21132020	6997872	695689	---	7693561	13438459	4276120
C.	Plant & Machinery	327889	4972972	---	5300861	100464	329887	---	430351	4870510	227425
	Electric Plant & Installation	113188	---	---	113188	104989	1440	---	106429	6759	8199
	Laboratory Equipments	538827	---	---	538827	479471	16513	---	495984	42843	59356
	Weighing Machinery	387654	---	---	387654	193005	27076	---	220081	167573	194649
D.	Furniture, Fixtures and Equipments	4014218	794153	341251	4467120	3590034	208234	310341	3487927	979193	424184
E.	Vehicles	590366	490000	---	1080366	456561	157085	---	613646	466720	133805
	Total	18091022	16115153	341251	33864924	11922396	1435924	310341	13047979	20816945	6168626
	Previous Year	17973157	276700	158835	18091022	11569699	429739	77042	11922396	6168626	



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			31-3-2009		31-3-2008
			Rs.	Rs.	Rs.
6. Investments (At Cost)					
A. Government Securities : (Unquoted)					
(Deposited with Government Departments)					
National Savings Certificates				37,000	32,000
B. Investment in Subsidiary Company :					
12,90,000 (12,90,000) Fully paid Equity shares of			1,29,00,000		1,29,00,000
Madhusudan Fiscal Ltd. of Rs 10/- each (unquoted)					
C. Non-trade other investments (Quoted) (Long Term)					
In fully paid Equity Shares of Rs. 10/- each					
37 (37) Aditya Birla Nevo Limited		3,172		3,172	
300 (300) Dynamatic Forgings India Ltd.		5,736		5,736	
100 (100) Eicher Motors Ltd.		4,465		4,465	
*1000 (1000) Electro Steel & Casting Limited		81,595		81,595	
322 (322) Essar Steels Limited		28,207		28,207	
69 (69) Eurotex Ltd.		4,140		4,140	
10 (---) Euro Ceramics Ltd.		639		---	
--- (454) Gangadharam Appliances Ltd.		---		20,135	
200 (200) Gujarat Refractories Ltd.		3,370		3,370	
50 (50) Hanuman Tea Co. Ltd.		2,224		2,224	
1,300 (1,300) I G Petro Ltd.		1,13,874		1,13,874	
200 (200) Lan Esseda Software Systems Ltd.		27,104		27,104	
12,500 (12,500) Nagarjuna Fertilisers & Chemicals Ltd.		4,23,868		4,23,868	
10 (---) Nitco Limited		953		---	
300 (300) Orkay Silk Mills Ltd.		11,841		11,841	
100 (---) Orient Ceramics Limited		5210		---	
670 (670) Premier Ind. (India) Ltd.		29,762		29,762	
500 (500) Rama News Print Ltd.		30,000		30,000	
572 (572) Reliance Ind. Ltd.		88,698		88,698	
100 (---) Somany Ceramics Limited		2624		---	
36 (36) Ultra Tech Cement Limited.		11,365		11,365	
1,000 (1,000) Unicorn Organics Ltd.		35,509		35,509	
200 (200) Western India Sugar & Chem. Ltd.		8,000		8,000	
200 (200) XLO Machine Ltd.		4,180		4,180	
			9,26,536		9,37,245
In fully paid Equity Shares of Rs.5/- each					
100 (100) Cera Sanitaryware Ltd.			8,067		8,067
In fully paid Equity Shares of Rs.2/- each					
15 (15) Coromandal Fertilizers Ltd.		186		186	
50 (50) EID Parry Limited		436		436	
415 (415) Hindustan Sanitaryware Limited		13,315		13,315	
10 (---) Kajaria Ceramics Limited		339		---	
90 (90) Larsen & Toubro Ltd.		2,273		2,273	
			16,549		16,210
In units of Mutual Funds of Rs. 10/- each					
700 (700) Master Gain of Unit Trust of India		8,826		8,826	
1,200 (1,200) Master plus of Unit Trust of India		23,353		23,353	
1,427 (1,427) Master Share of Unit Trust of India		30,233		30,233	
			62,412		62,412
D. Debentures					
Fully Paid Non-Convertible					
40 (40) Western India Sugar & Chem. Ltd. of Rs. 50 each.			2,000		2,000
			1,39,52,564		1,39,57,934
Less : Provision in Diminution in value of Investment			1,68,508		1,68,508
Total			1,37,84,056		1,37,89,426
Aggregate Book Value - Quoted			8,47,056		8,57,426
- Unquoted			1,29,37,000		1,29,32,000
Aggregate Market Value - Quoted			13,76,457		23,16,411



	31-3-2009		31-3-2008	
	Rs.	Rs.	Rs.	Rs.
7. Inventories (Certified and valued by a Director) (As lower of Cost or Net Realisable Value)				
Stores, Chemicals & Coal etc. (at cost)		3,82,474		8,81,168
Stock-in-Process		5,24,203		---
Finished Goods		23,52,261		64,66,829
Total		<u>32,58,938</u>		<u>73,47,997</u>
8. Sundry Debtors (Unsecured-Considered Good)				
A. Debts outstanding for a period exceeding 6 months		1,95,20,363		2,21,49,176
B. Others		11,50,235		1,05,98,270
Total		<u>2,06,70,598</u>		<u>3,27,47,446</u>
9. Cash and Bank Balances				
A. Cash on Hand		40,376		24,091
B. Balances with Scheduled Banks:				
On Current Accounts	14,88,343		17,41,787	
On Unclaimed Dividend Accounts	1,11,940		2,18,426	
On Fixed Deposit Accounts	<u>57,73,400</u>		<u>15,10,000</u>	
Total		<u>74,14,059</u>		<u>34,94,304</u>
10. Loans and Advances (Unsecured-considered Good Unless otherwise stated)				
Inter Corporate Loans		9,17,74,992		9,09,93,280
Advances recoverable in cash or in kind or for value to be received (Includes - Secured Rs. 21,428/- (21,428/-))		50,37,638		51,28,613
Advance payment of Income-tax		2,25,32,820		2,01,78,289
Balance with Excise Authorities		1,62,210		1,62,210
Total		<u>11,95,07,660</u>		<u>11,64,62,392</u>
11. Current Liabilities				
Sundry Creditors		68,30,473		1,39,16,790
Advance from Customers		1,69,846		5,48,159
Unclaimed *				
- Dividend	1,12,166		2,18,402	
- Redeemed Preference Share	<u>29,000</u>		<u>29,000</u>	
Deposit by Dealers		1,41,166		2,47,402
Interest accrued but not due		1,59,000		1,82,000
Total		<u>7,79,190</u>		<u>9,65,638</u>
		<u>80,79,675</u>		<u>1,58,59,989</u>
* These figures do not include any amount, due and outstanding, to be credited to Investors Education & Protection Fund.				
12. Provisions				
For Taxation		53,50,125		52,89,936
Total		<u>53,50,125</u>		<u>52,89,936</u>

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	2008-2009		2007-2008	
	Rs.	Rs.	Rs.	Rs.
13. Other Income				
Interest (Non Trade Investments) (Gross)				
1. On Government Securities	512		1,910	
2. From Others (including tax deducted at source Rs. 22,36,374/- previous year Rs. 22,02,217/-)	1,00,76,779		97,60,763	
		1,00,77,291		97,62,673
Dividend (Non Trade Investments)		25,038		43,197
Rent Income		2,59,180		---
Profit on Sale of Investments		---		39,627
Profit on Sale of Fixed Assets		9,590		19,021
Brand Leasing Charges		---		1,92,166
Miscellaneous Income		61,500		---
Items pertaining to previous years Unspent liabilities and provisions no longer required written back (net)		5,89,967		3,54,444
Total		1,10,22,566		1,04,11,128
14. Increase (Decrease) in Finished Goods and Work-in Process				
Stock at Commencement				
Finished Goods (Traded Goods)	64,66,829		---	
By-Products	---		---	
Stock in Process	---		---	
		64,66,829		---
Stock at Close				
Finished Goods (Traded Goods)	23,52,261		64,66,829	
By-Products	---		---	
Stock in Process	5,24,203		---	
		28,76,464		64,66,829
Total		-35,90,365		64,66,829
15. Payment to and Provision for Employees				
Salaries, Wages, and Bonus		32,39,168		21,94,982
Contribution to Provident and other funds		8,36,002		2,45,137
Staff and Labour Welfare Expenses		7,16,054		3,27,701
Total		47,91,224		27,67,820
16. Other Expenses				
Stores, Spare Parts and Packing Materials		14,76,727		1,05,421
Power, Fuel and Electricity Expenses		2,09,063		1,18,484
Repairs to:				
Building	5,21,788		55,913	
Plant and Machinery	19,148		---	
Others	6,12,742		6,585	
		11,53,678		62,498
Rent		2,32,970		1,29,650
Insurance		64,673		54,509
Rates and Taxes		1,18,569		1,04,887
Freight and Forwarding Expenses		9,20,389		7,02,808
Brokerage, Commission and discounts on Sales & Publicity, Advertisement & Selling Expenses		8,14,395		3,44,717
Miscellaneous Expenses		40,02,338		30,08,591
Loss on Sale of Investments		19,681		---
Settlement Account		---		9,72,162
Amount Written off (net)		23,66,154		2,89,359
Directors' sitting Fees		24,000		28,000
Total		1,14,02,637		59,21,086



17. Notes forming part of the Accounts for the year ended 31st March, 2009.

1. Significant Accounting Policies

* **Basis of Accounting**

The Company prepares its financial statements on accrual basis in accordance with generally accepted accounting principles and comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

* **Sales**

Sales is net of discounts and Value Added Tax

* **Retirement Benefits**

- (i) Contribution to Provident Fund is made at applicable rates.
- (ii) Contribution to approved Gratuity Fund is made of the present liability for future Gratuity as determined on an actuarial valuation. The Company has no further obligation except contribution to the fund.
- (iii) Leave encashment benefit is accounted for on the basis of actuarial valuation.

* **Fixed Assets & Depreciation**

- (a) Fixed Assets are stated at cost. The Company capitalises all costs relating to the acquisition and installation of Fixed Assets.
- (b) Assets acquired under hire purchase instalment credit scheme, the cost of asset is capitalised while the annual financial charges at equated instalments are charged to revenue.
- (c) Depreciation for the year is provided at the rates and in the manner specified in Schedule-XIV of the Companies Act, 1956 as under:
 - (1) On Plant & Machinery and Electric Plant & Installation on straight-line method.
 - (2) On other assets on written down value method.
- (d) Leasehold land is amortised over the period of lease. In respect of other assets taken on lease before 01.04.2001, the value thereof is not capitalised, but the contracted lease rentals are charged to revenue on accrual basis.
- (e) The value of discarded Plant and Machinery has been written down to the lower of net book value and net realisable value.

* **Inventories**

- (a) Raw-materials, packing materials, stores, coal and chemicals are taken at lower of cost or net realisable value following (FIFO Method)
- (b) Stock-in-Process is valued at cost.
- (c) Finished goods are valued at lower of cost and net realisable value.
- (d) Excise duty on goods manufactured by the Company and remaining in inventory is included as a part of valuation of finished goods.
- (e) By-products are valued at net - realisable value.

* **Investments**

Investments are stated at cost.

* **Foreign Currency Transactions**

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss account. Exchange differences arising in respect of fixed assets acquired from outside India on or before accounting period commencing before December 2006 were capitalised as part of fixed assets.

* **Borrowing Cost**

Borrowing Costs that are attributable to the acquisition or construction of assets are capitalised as part of the cost of such assets.

* **Taxation**

Provision for tax for the year comprises current income-tax determined to be payable in respect of taxable income and deferred tax being the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent period(s).

* **Contingent Liability**

Contingent liabilities determined on the basis of available information; wherever material are provided for and Contingent liabilities not provided for in the accounts are disclosed by way of notes to the accounts.

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2. Transfer of Ceramic Division to Madhusudan Oils and Fats Limited (MOFL)

The Honourable High Court of Judicature at Gujarat vide its order dated 30.10.2001 has sanctioned Scheme of Arrangement (the Scheme) as approved by the shareholders in the Court-convened meeting held on 13.10.2001 under which all the assets (movable or immovable) as per Clause 2 of Scheme, liabilities and debts as described in the Scheme pertaining to the Ceramic business (described as the "Ceramic Division" in the Scheme) have been transferred to Madhusudan Oils and Fats Limited (MOFL) at book value w.e.f. 01.04.2001.

3. Contingent liability in respect of :

	31.03.2009 Rs.	31.03.2008 Rs.
Disputed Claims against the Company not acknowledged as debts.	3,05,12,520	3,04,78,420

4. The Company has yet to obtain balance confirmations from various parties. Due adjustments will be made on receipt thereof, if necessary.

5. Miscellaneous expenses include payment to Auditors as under :

	Current year Rs.	Previous year Rs.
Statutory Auditors :-		
- Audit Fees	33,090	33,708
- Taxation work	47,500	68,708
- Certificate etc.	5,618	---
	86,208	1,02,416

6. In view of the carried Forward losses, no provision for Income tax is made but provision for Fringe - Benefit tax is made by the Company.

7. Particulars in respect of goods manufactured : (On triple shift basis in tons per annum)

A. Capacity (in M.T.)	Licensed	Installed (as certified by Management)
1. Vanaspati and Refined Oils	72,200 (72,200)	- (-)
2. Oil Mill Expelling (Seeds)	- (-)	- (-)
3. Oil cake Extraction	1,80,000 (1,80,000)	- (-)
4. Soap	336 (336)	- (-)
5. Refined Vegetable Oils	18,000 (18,000)	- (-)
B. Actual Production		
1. Flowers (Qty. in Bunch)		30,432 (-)
2. Vegetables (Qty. in Kgs.)		1,643 (-)
3. Others (Qty. in Bunch)		9,237 (-)

8. (a) Sales and Stock of Goods Traded

	Unit	Opening Stock		Closing Stock		Sales	
		Quantity	Value Rs.	Quantity	Value Rs.	Quantity	Value Rs.
Vanaspati & Ref. Oil	MT	112 (-)	64,68,829 (-)	60 (112)	22,82,141 (64,66,829)	2,180 (1476)	12,03,56,802 (8,68,21,941)
Soap	MT	- (-)	- (-)	3 (-)	70,120 (-)	50 (-)	10,89,824 (-)
Flowers	Bunch	- (-)	- (-)	- (-)	- (-)	30,432 (-)	7,44,428 (-)
Vegetables	Kgs.	- (-)	- (-)	- (-)	- (-)	1,643 (-)	57,049 (-)
Others	Bunch	- (-)	- (-)	- (-)	- (-)	9,237 (-)	83,728 (-)
							12,23,31,831 (8,68,21,941)



(b) Purchases

Goods	Quantity M.T.	Value Rs.
Vanaspati	2,128 (1,588)	11,90,77,912 (8,93,54,193)
Soap	53 (—)	11,30,994 (—)
	2,181 (1,588)	12,02,08,906 (8,93,54,193)

9. (a) Current liabilities - Sundry Creditors include amount payable to SSI Units :	31.03.2009 Rs.	31.03.2008 Rs.
a. Amount due to SSI units	—	6,92,899
b. Others	68,30,473	1,32,23,891
c. Amount payable to SSI units	—	—

(b) Disclosures required for small enterprises and Micro enterprises for the year ended March 31, 2009

Particulars	As on 31-03-2009		As on 31-03-2008	
	Principal Amt.(Rs.)	Interest Amt.(Rs.)	Principal Amt.(Rs.)	Interest Amt.(Rs.)
Unpaid Principal and Interest thereon as at March 31, 2009	Nil	Nil	692899	Nil
Delayed payments due as at March 31, 2009	Nil	Nil	Nil	Nil
Interest paid on delay payment during the year	Nil	Nil	Nil	Nil
Interest due on principal amounts paid beyond the due date during the year	Nil	Nil	Nil	Nil
Interest accrued but not due	Nil	Nil	Nil	Nil
Total Interest due but not paid	Nil	Nil	Nil	Nil

Note : The above disclosure has been made based on the information provided by the management.

10. Employee Benefits

The company has with effect from 1st April, 2007, adopted Accounting Standard 15, Employee benefits (revised 2005), issued by the Institute of Chartered Accountants of India (the revised AS 15). Consequently, the disclosure as required as per revised AS15 are as under :

a) Brief description of the plans :

The company has various schemes for long-term benefits such as provident fund, gratuity and leave encashment. In case of funded scheme, the funds are recognised by the income tax authorities and administered through trustees / appropriate authorities.

The company defined contribution plans are Provident Fund (exempted employees) recognised by the Income Tax Authorities and administered through trustees. Since the company, no further obligation beyond making contributions and interest shortfall. Further the pattern of investment for investible funds is as prescribed by the Government. Accordingly other related disclosures in respect of provident fund have not been made.

The company, other defined contribution plans are Provident Fund (non exempted employees) Employees' Pension Scheme (under the Provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952), state plans namely Employees' State Insurance Fund,

Since company has no further obligation beyond making contributions.

The company's defined benefit are Gratuity and leave Encashment for all its employees. Gratuity fund is recognised by the Income Tax Authorities and is administered through trustees.

Liabilities for Defined Benefit Plan is provided on the basis of valuations, as Balance Sheet date, carried out by an independent actuary.

b) Charge to the Profit and Loss Account based on contribution

	2008-09 Rs.	2007-08 Rs.
Provident Fund	2,09,192	1,32,606
Employees Pension Scheme	79,102	43,041
ESIC	4,104	300
	2,92,398	1,75,947

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c) Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2009.

Particulars	Amount (Rs.)			
	31-03-2009		31-03-2008	
	Gratuity Funded Plan	Leave Encashment Non-funded Plan	Gratuity Funded Plan	Leave Encashment Non-funded Plan
Change in Defined Benefits Obligation				
Opening defined benefits obligation	1013270	391555	1404936	440866
Current service cost	119525	267159	62040	3532
Interest cost	70929	27409	110287	34608
Actuarial loss / (gain) Interest cost	299939	176343	(129773)	(76351)
Benefits paid	(409327)	(195507)	(434220)	(11100)
Closing defined benefits obligation	1094336	666959	1013270	391555
Change in Fair value of Assets				
Opening fair value of plan assets	1463078	—	1730781	—
Expected return on plan assets	118488	—	143724	—
Actuarial gain / (loss)	(66771)	—	(55667)	—
Contributions by employer	64516	—	78460	—
Benefits paid	(409327)	—	(434220)	—
Closing fair value of plan assets	1169984	—	1463078	—
Movement in net liability recognised in Balance Sheet				
Net opening liability	(449808)	391555	325845	440866
P & L Charge	438676	470911	(45503)	(38211)
Contribution Paid	(64516)	(195507)	(78460)	(11100)
Closing Net (asset) / liability	(75648)	666959	(449808)	391555
Expenses recognised in the Profit and Loss Account				
Current Service Cost	119525	267159	62040	3532
Interest on defined benefit obligation	70929	27409	110287	34608
Expected return on plan assets	(118488)	—	(143724)	—
Net actuarial loss / (gain) recognised in the current year	366710	176343	(74106)	(76351)
Total Expenses	438676	470911	(45503)	(38211)
Assets Information				
Government of India Securities	35%	—	35%	—
Corporate Bonds	56%	—	56%	—
Special Deposits Scheme	—	—	—	—
Others	9%	—	9%	—
Principal actuarial assumption				
Discount Rate (p.a.)	7%	7%	7.85%	7.85%
Expected rate of return on plan assets (p.a.)	9%	0%	9%	—
Annual Increase in Salary costs	6%	6%	6%	6%
Effect on the aggregate Service Cost & interest cost	—	—	—	—
Effect on defined benefit obligation	—	—	—	—

d) The Company has provided Rs.6.67 lacs (Rs. 3.92 lacs) being increment discounted value of liability for unavailed leave of the employees determined as per Actuarial Valuation.

11. Related party disclosures

Type of Transactions	Subsidiary Company	Associates	Key Management Personnel	Relatives of Key Management Personnel	Total 2008-09
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Sales - Fixed Assets	---	---	---	---	---
	(---)	(67,114)	(---)	(---)	(67,114)
Purchase - Material	---	21,163	---	---	21,163
	(---)	(1,44,500)	(---)	(---)	(1,44,500)
Income - Interest	---	5,86,472	---	---	5,86,472
	(---)	(5,03,313)	(---)	(---)	(5,03,313)
Finance - Loans / Advances	1,60,000	11,60,985	---	---	13,20,985
	(---)	(1,79,14,664)	(---)	(---)	(1,79,14,664)
Fixed Deposit/Loan received	---	95,60,000	---	---	95,60,000
	(---)	(2,60,50,000)	(---)	(---)	(2,60,50,000)
Balance at the end of the year					
Receivables	---	3,06,004	---	---	3,06,004
	(---)	(85,00,000)	(---)	(---)	(85,00,000)
Payables	45,00,037	---	---	---	45,00,037
	(46,60,037)	(---)	(---)	(---)	(46,60,037)

1. Subsidiary Company Madhusudan Fiscal Ltd.
2. Associates
 - Cera Sanitaryware Ltd.
 - Madhusudan Holdings Ltd.
 - Gujarat Soaps Pvt. Ltd.
3. Key Management Personnel ---
4. Relatives of Key Management Personnel ---

12. The Company is organized into following reportable segments referred to in Statement of Accounting Standard AS-17 for segmental reporting :

Details	Edible Oil	Horticulture	Total
Revenue			
- External	121446626	885205	122331831
	(86821941)	(-)	(86821941)
- Inter-Segment	-	-	-
	(-)	(-)	(-)
Total	121446626	885205	122331831
Result			
Segment Result	-6339826	-823112	-7162938
	(5656799)	(-)	(5656799)
Less : Depreciation	519967	915957	1435924
	(429739)	(-)	(429739)
Less : Interest	4513373	582132	5095505
	(2587501)	(-)	(2587501)
Profit before Tax	-11373166	-2321201	-13694367
	(2639559)	(-)	(2639559)
Less : Provision for Tax	120000	-	120000
	(63000)	(-)	(63000)
Net Profit for the year	-11493166	-2321201	-13814367
	(2576559)	(-)	(2576559)
Other Information			
Segment Assets	166379954	19327383	185707337
	(180246977)	(-)	(180246977)
Segment Liabilities	64813790	9796635	74610425
	(56838348)	(-)	(56838348)

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Details	Edible Oil	Horticulture	Total
Capital Expenditure	712940 (276700)	15402213 (-)	16115153 (276700)
Depreciation	519967 (429739)	915957 (-)	1435924 (429739)
Non-cash expenses other than depreciation	39250 (55700)	- (-)	39250 (55700)

13. Note on deferred tax liability

The Deferred tax liabilities as at 31st March, 2009 comprise of the following
Deferred Tax Liabilities on account of:

Depreciation

2008-09 Amount (Rs.)	2007-08 Amount (Rs.)
14,97,058	15,20,125

Less: Deferred Tax Assets on account of:

Others

14,97,058	15,20,125
-----------	-----------

Total

---	---
-----	-----

14. Previous Year's figures have been regrouped and reclassified where necessary. (Figures in brackets relate to previous year)

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Tushar H. Vasa

Proprietor

Membership No. 16831

Ahmedabad

29th June, 2009

B. K. Patodia

Company Secretary

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

Ahmedabad

29th June, 2009



Cash Flow Statement for the year ended 31st March, 2009

	Year ended March 31, 2009		Year ended March 31, 2008	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net profit before tax & Extra-ordinary items		-1,36,94,367		26,39,559
Adjusted for				
- Depreciation	14,35,924		4,29,739	
- Provision for Diminution in Value of Investment	---		---	
- Profit on Sale of Fixed Assets	-9,590		-19,021	
- Investment Income	19,681		-39,627	
- Dividend Received	-25,038		-43,197	
- Interest Received	-1,00,76,779		-97,62,673	
- Interest Charged	50,95,505		25,87,501	
		<u>-35,60,297</u>		<u>-68,47,278</u>
Operating profit before working capital changes		-1,72,54,664		-42,07,719
Adjusted for				
- Trade and other receivable	1,13,86,111		-1,07,18,731	
- Inventories	40,89,059		-73,47,997	
- Trade Payable	-77,80,314		79,22,522	
		<u>76,94,856</u>		<u>-1,01,44,206</u>
Cash generated from operation		-95,59,808		-1,43,51,925
Interest paid		-50,95,505		-25,87,501
Direct taxes paid		-24,14,342		-22,61,229
Cash flow before extra-ordinary items		-1,70,69,655		-1,92,00,655
Extra-ordinary items		-90,444		50,764
Net Cash From Operating Activities Total (A)		<u>-1,71,60,099</u>		<u>-1,91,49,891</u>
B. Cash flow from Investing activities				
Purchase of fixed assets		-1,60,03,754		-3,88,099
Sale of fixed assets		40,500		1,00,814
Subsidy Received		14,63,400		---
Purchase of Investments		-14,765		-81,595
Sale of Investments		454		15,82,717
Interest received		1,00,76,779		97,62,673
Dividend received		25,038		43,197
Net Cash Used in Investing Activities Total (B)		<u>-44,12,348</u>		<u>1,10,19,707</u>
C. Cash flow from financing activities				
Proceeds from issue of share capital		---		---
Right issue expenses		---		---
Proceeds from borrowings		2,54,92,202		58,64,976
Dividend paid		---		---
Net Cash Used in Financing Activities Total (C)		<u>2,54,92,202</u>		<u>58,64,976</u>
Net Changes in Cash & Cash Equivalents (A+B+C)		39,19,755		-22,65,208
Cash & Cash equivalent - Opening Balance		34,94,304		57,59,512
Cash & Cash equivalent - Closing Balance		74,14,059		34,94,304

As per our report of even, date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

Ahmedabad

29th June, 2009

B. K. Patodia
Company Secretary

Ahmedabad

29th June, 2009

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.	443
State Code	04
Balance Sheet Date	31-03-2009

II. Capital raised during the year (Amount in Rs. Thousands)

Public issue	-
Right issue	-
Bonus issue	-
Private/Preferential Placement	-

III. Position of Mobilisation and deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	1,72,332
Total Assets	1,72,332

Sources of Funds

Paid up Capital	26,875
Reserves & Surplus	84,276
Secured Loans	26,582
Unsecured Loans	34,599

Application of Funds

Net fixed Assets	20,817
Investments	13,784
Net Current Assets	1,37,677
Misc. Expenditure	55
Accumulated Losses	-

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	1,33,354
Total Expenditure	1,47,049
Profit / Loss before tax (PBT)	-13,694
Profit / Loss after tax (PAT)	-13,814
Earning Per Share (Rs.)	-2.57
(PAT/No. of Shares)	
Dividend Rate (%)	-

V. Generic Names of principal products / services of Company

Item Code No. (ITC Code)	Nil
Product description	Vanaspati i.e. Hydrogenated Vegetable Oils & Laundry Soap; Flowers & Vegetables

B. K. Patodia

Company Secretary

Rajesh B. Shah

Director

Ahmedabad
29th June, 2009

Sanvarmal D. Agarwal

Director

Auditors' Report to the Board of Directors of Madhusudan Industries Limited on the consolidated financial statements of Madhusudan Industries Limited and its Subsidiary.

To,
The Board of Directors,
Madhusudan Industries Limited

We have examined the attached Consolidated Balance Sheet of Madhusudan Industries Limited and its Subsidiary ("The Group") as at March 31, 2009 and the Consolidated Profit and Loss Account for the year then ended on that date, annexed thereto and also the Consolidated Cash Flow Statement for the period ended on that date.

Respective Responsibility of the Management and the Auditor

These financial statements are the responsibility of Madhusudan Industries Limited's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of Opinion

We conducted our audit in accordance with generally accepted auditing standards in India. These standards required that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and 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 principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides reasonable basis for our opinion.

We did not audit the financial statements of subsidiary, whose financial statements reflect total assets of Rs. 131.93 lacs as at March 31, 2009 and total revenues of Rs. 1.34 lacs for the year then ended. These financial statements have been audited by other auditor, whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of such subsidiary, is based solely on these certified financial statements.

We report that the consolidate financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, on "Consolidated Financial Statements" issued by the Institute of Chartered Accounts of India and on the basis of the separate audited financial statements of Madhusudan Industries Limited and its subsidiary included in the consolidated financial statements.

Opinion

On the basis of the information and explanations given to us and on the consideration of the separate audit report on individual audited financial statements of the Madhusudan Industries Limited and its aforesaid subsidiary, we are of the opinion that the consolidated financial statements read together with the significant accounting policies and notes give a true and fair view in the case of :

- (a) the Consolidated Balance Sheet of the consolidated state of affairs of the group as at March 31, 2009 ;
- (b) the Consolidated Profit and Loss Account of the consolidated results of operations of the group for the year ended; and
- (c) the Consolidated Cash Flow Statement, of the consolidated cash flow of the group for the year ended on that date.

Ahmedabad
29th June ,2009

For and on Behalf of
H. V. VASA & CO.
Chartered Accountants
TUSHAR H. VASA
Proprietor
Membership No. 16831

Consolidated Balance Sheet as at 31st March, 2009

		31-3-2009		31-3-2008	
	Schedule	Rs.	Rs.	Rs.	Rs.
I. Sources of Funds					
1. Shareholders' Funds					
(a) Share Capital	1	2,68,75,000		2,68,75,000	
(b) Reserves & Surplus	2	<u>7,78,70,109</u>		<u>9,02,26,479</u>	
			10,47,45,109		11,71,01,479
2. Loan Funds					
(a) Secured Loans	3	2,65,81,796		57,02,490	
(b) Unsecured Loans	4	<u>3,00,98,792</u>		<u>2,53,25,896</u>	
			5,66,80,588		3,10,28,386
Total		<u>16,14,25,697</u>		<u>14,81,29,865</u>	
II. Application of Funds					
1. Fixed Assets	5				
(a) Gross Block		3,71,29,924		2,19,50,006	
(b) Less : Depreciation		<u>1,61,56,131</u>		<u>1,55,94,761</u>	
(c) Net Block		2,09,73,793		63,55,245	
(d) Less : Lease Adjustment/Prov.on Leased Assets		1,56,848		1,86,093	
(e) Capital Work-in-progress		<u>---</u>		<u>1,11,399</u>	
			2,08,16,945		62,80,551
2. Investments	6		9,40,092		9,62,754
3. Current Assets, Loans & Advances					
(a) Inventories	7	32,58,938		73,47,997	
(b) Sundry Debtors	8	2,06,70,598		3,27,47,446	
(c) Cash & Bank Balances	9	84,01,468		43,12,328	
(d) Other Current Assets :					
Interest accrued on Deposits		2,55,081		1,25,387	
(e) Loans & Advances	10	<u>12,04,82,184</u>		<u>11,74,29,741</u>	
		15,30,68,269		16,19,62,899	
Less : Current Liabilities & Provisions					
(a) Liabilities	11	81,03,984		1,58,80,153	
(b) Provisions	12	<u>53,50,125</u>		<u>52,89,936</u>	
		1,34,54,109		2,11,70,089	
4. Miscellaneous Expenditure (To the extent not written off or adjusted)			13,96,14,160		14,07,92,810
			54,500		93,750
Total		<u>16,14,25,697</u>		<u>14,81,29,865</u>	
Notes forming part of the Accounts	17				

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

Ahmedabad

29th June, 2009

B. K. Patodia
Company SecretaryAhmedabad
29th June, 2009



Consolidated Profit and Loss Account for the year ended 31st March, 2009

	Schedule	2008-2009		2007-2008	
		Rs.	Rs.	Rs.	Rs.
Income					
Sales \ Lease Rent \ Finance Charges		12,23,31,831		8,68,21,941	
Less: Excise Duty		---		---	
		<u>12,23,31,831</u>		<u>8,68,21,941</u>	
Other Income	13	1,11,56,867		1,05,40,229	
			13,34,88,698		9,73,62,170
Increase (Decrease) in Finished Goods and Work-in-process	14	-35,90,365			64,66,829
Total		<u>12,98,98,333</u>		<u>10,38,28,999</u>	
Expenditure					
Raw materials consumed			---		---
Purchases (Trading)			12,07,33,109		8,93,54,193
Payments to and provision for Employees	15		47,91,224		27,67,820
Other Expenses	16		1,15,24,051		72,71,682
Interest :					
on Term Loans		5,82,132		---	
on Others		<u>45,31,663</u>		<u>25,87,501</u>	
			51,13,795		25,87,501
Depreciation			14,35,924		4,29,813
Total			<u>14,35,98,103</u>		<u>10,24,11,009</u>
Profit/Loss for the year Before Taxation			-1,36,99,770		14,17,990
Provision for Taxation					
- Current Tax			---		---
- Deferred Tax (Surplus)			---		---
- Fringe Benefit Tax			1,20,000		63,000
Profit/Loss After Taxation			-1,38,19,770		13,54,990
Add : Surplus Profit/ Loss brought forward from previous year			-8,71,61,346		-8,85,04,439
Add : Transferred to Statutory Reserve			---		-11,897
Balance carried to Balance Sheet			<u>-10,09,81,116</u>		<u>-8,71,61,346</u>
Notes forming part of the Accounts	17				

As per our report of even date attached
For and on behalf of
H. V. Vasa & Co.
Chartered Accountants
Tushar H. Vasa
Proprietor
Membership No. 16831

Ahmedabad
29th June, 2009

B. K. Patodia
Company Secretary

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

Ahmedabad
29th June, 2009

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Consolidated Schedules 1 to 17 Annexed to and Forming Part of the Accounts As at 31st March, 2009

	31-3-2009		31-3-2008	
	Rs.	Rs.	Rs.	Rs.
1. Share Capital				
Authorised				
2,60,00,000 (2,60,00,000) Equity shares of Rs. 5 (5) each		13,00,00,000		13,00,00,000
Total		13,00,00,000		13,00,00,000
Issued, Subscribed & Paid Up				
53,75,000 (53,75,000) Equity shares of Rs. 5 (5) each fully paid		2,68,75,000		2,68,75,000
i) See note - 2 Schedule 17				
ii) Of the above				
15,00,000 Equity Shares allotted as fully paid				
Bonus Shares by capitalisation of General Reserve.				
Total		2,68,75,000		2,68,75,000
2. Reserves and Surplus				
Capital Reserve				
Subsidy from Government		14,63,400		---
Capital Redemption Reserve		600		600
General Reserve				
As per last Balance Sheet	17,70,94,811		17,70,94,811	
Add : Transferred from Capital Reserve	---		---	
		17,70,94,811		17,70,94,811
Statutory Reserve				
As per Last Balance Sheet	2,92,414		2,80,517	
Add : Transferred from Profit & Loss A/c	---		11,897	
		2,92,414		2,92,414
Profit and Loss Account		-10,09,81,116		-8,71,61,346
Total		7,78,70,109		9,02,26,479
3. Secured Loans				
From a Bank				
i) Cash Credit : (See note 1)		1,68,11,430		57,02,490
ii) Term Loan (See note 2)		97,70,366		---
Total		2,65,81,796		57,02,490
Notes :				
1. Cash Credit facilities are secured by hypothecation of Stocks, Book Depts, all movable assets and by mortgage of fixed assets of the company situated at Village Rakhial, Dehgam, Gujarat and guarantee of two directors				
2. Term Loan from a bank is secured by land of the company situated at Village Sagdalpur, Dehgam, Gujarat.				
4. Unsecured Loans				
Fixed Deposits	2,61,01,000		2,30,57,000	
Interest Accrued and Due	3,94,136		3,19,153	
		2,64,95,136		2,33,76,153
Inter corporate Deposit		36,03,656		19,49,743
Total		3,00,98,792		2,53,25,896

5. Fixed Assets

Sr. No.	Name of Assets	Gross Block				Depreciation				Net Block	
		As at 1-4-2008 (Rs.)	Additions (Rs.)	Deductions/ Adjustments (Rs.)	As on 31-3-2009 (Rs.)	Upto 31-3-2008 (Rs.)	For the year 2008-09 (Rs.)	Deductions/ Adjustments (Rs.)	Upto 31-3-2009 (Rs.)	As on 31-3-2009 (Rs.)	As on 31-3-2008 (Rs.)
A.	Land										
	- Free hold	844888	---	---	844888	---	---	---	---	844888	844888
B.	Buildings	11273992	9858028	---	21132020	6997872	695689	---	7693561	13438459	4276120
C.	Plant & Machinery	327889	4972972	---	5300861	100464	329887	---	430351	4870510	227425
	Leased Plant & Machinery	3265000	---	---	3265000	3108152	---	---	3108152	156848	156848
	Electric Plant & Installation	113188	---	---	113188	104989	1440	---	106429	6759	8199
	Laboratory Equipments	538827	---	---	538827	479471	16513	---	495984	42843	59356
	Weighing Machinery	387654	---	---	387654	193005	27076	---	220081	167573	194649
D.	Furniture, Fixtures and Equipments	4015790	794153	342823	4467120	3591526	208234	311833	3487927	979193	424264
	Leased Furniture-Fixture and Equipments	1168	---	1168	—	1038	---	1038	—	—	130
E.	Vehicles	596710	490000	6344	1080366	462589	157085	6028	613646	466720	134121
	Leased- Vehicles	584900	---	584900	—	555655	---	555655	—	—	29245
	Total	21950006	16115153	935235	37129924	15594761	1435924	874554	16156131	20973793	6355245
	Previous Year	21832141	276700	158835	21950006	15241990	429813	77042	15594761	6355245	

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		31-3-2009		31-3-2008	
		Rs.	Rs.	Rs.	Rs.
6. Investments (At Cost)					
A. Government Securities : (Unquoted)					
(Deposited with Government Departments)					
National Savings Certificates			37,000		32,000
B. Non-trade other investments (Quoted) (Long Term)					
In fully paid Equity Shares of Rs. 10/- each					
37 (37) Aditya Birla Nevo Limited		3,172		3,172	
300 (300) Dynamatic Forgings India Ltd.		5,736		5,736	
100 (100) Eicher Motors Ltd.		4,465		4,465	
1000 (1000) Electro Steel & Casting Limited		81,595		81,595	
322 (322) Essar Steels Limited		28,207		28,207	
69 (69) Eurotex Ltd.		4,140		4,140	
10 (---) Euro Ceramics Ltd.		639		---	
--- (454) Gangadharam Appliances Ltd.		---		20,135	
200 (200) Gujarat Refractories Ltd.		3,370		3,370	
50 (50) Hanuman Tea Co. Ltd.		2,224		2,224	
1,300 (1,300) I G Petro Ltd.		1,13,874		1,13,874	
200 (200) Lan Esseda Software Systems Ltd.		27,104		27,104	
12,500 (12,500) Nagarjuna Fertilisers & Chemicals Ltd.		4,23,868		4,23,868	
10 (---) Nitco Limited		953		---	
300 (300) Orkay Silk Mills Ltd.		11,841		11,841	
100 (---) Orient Ceramics Limited		5210		---	
670 (670) Premier Ind. (India) Ltd.		29,762		29,762	
500 (500) Rama News Print Ltd.		30,000		30,000	
572 (572) Reliance Ind. Ltd.		88,698		88,698	
100 (---) Somany Ceramics Limited		2624		---	
36 (36) Utra Tech Cement Limited.		11,365		11,365	
1,000 (1,000) Unicorn Organics Ltd.		35,509		35,509	
200 (200) Western India Sugar & Chem. Ltd.		8,000		8,000	
200 (200) XLO Machine Ltd.		4,180		4,180	
			9,26,536		9,37,245
In fully paid Equity Shares of Rs.5/- each					
100 (100) Cera Sanitaryware Ltd.			8,067		8,067
In fully paid Equity Shares of Rs.2/- each					
15 (15) Coromandal Fertilizers Ltd.		186		186	
50 (50) EID Parry Limited		436		436	
415 (415) Hindustan Sanitaryware Limited		13,315		13,315	
10 (---) Kajaria Ceramics Limited		339		---	
90 (90) Larsen & Toubro Ltd.		2,273		2,273	
			16,549		16,210
In units of Mutual Funds of Rs. 10/- each					
700 (700) Master Gain of Unit Trust of India		8,826		8,826	
1,200 (1,200) Master plus of Unit Trust of India		23,353		23,353	
1,427 (1,427) Master Share of Unit Trust of India		30,233		30,233	
			62,412		62,412
C. Debentures					
Fully Paid Non-Convertible					
40 (40) Western India Sugar & Chem. Ltd. of Rs. 50 each.			2,000		2,000
D. Current Investments (Quoted)					
(a-1) In Fully Paid Equity Shares of Rs.10/- each					
145 (145) Tata Communication Ltd.		36,250		36,250	
(Formerly Videsh Sanchar Nigam Ltd.)					
400 (400) Melstar Information Technologies Ltd.		28,800		28,800	
850 (850) Entergra Limited		42,755		42,755	
(Formerly Induj Enertech Limited)					
150 (150) Unitex Designs Limited		7,545		7,545	
(Formerly Induj Infotech Limited)					
			1,15,350		1,15,350



	31-3-2009		31-3-2008	
	Rs.	Rs.	Rs.	Rs.
(a-2) In Fully Paid Equity Shares of Rs.5/- each 300 (300) Shree Rama Multi Tech Ltd.		36,000		36,000
(a-3) In Fully Paid Equity Shares of Rs.2/- each 2,500 (2,500) Dairy Den Ltd. (Non performing and fully provided for)		55,000		55,000
(a-4) In Fully Paid Equity Shares of Re.1 each 40 (40) Zee Entertainment Enterprise Limited (ZEEL) (Formerly Zee Telefilms Ltd.)	53,987		53,987	
20 (20) Wire & Wireless India Ltd. (On demerger of ZEEL)	-		-	
18 (18) Zee News Ltd. (On demerger of ZEEL)	-		-	
23 (-) Dish TV India Ltd. (Bonus of ZEEL)	-		-	
		53,987		53,987
		13,12,901		13,18,271
Less: Provision for diminution in value		3,72,809		3,55,517
Total		9,40,092		9,62,754
Aggregate Book Value - Quoted		9,03,092		9,30,754
- Unquoted		37,000		32,000
Aggregate Market Value - Quoted		14,72,481		24,30,748
7. Inventories (Certified and valued by a Director) (At lower of Cost or Net Realisable Value)				
Stores, Chemicals & Coal etc. (at cost)		3,82,474		8,81,168
Stock-in-process		5,24,203		-
Finished Goods		23,52,261		64,66,829
Total		32,58,938		73,47,997
8. Sundry Debtors (Unsecured-Considered Good)				
A. Debts outstanding for a period exceeding 6 months		1,95,20,363		2,21,49,176
B. Others (Good)		11,50,235		1,05,98,270
Total		2,06,70,598		3,27,47,446
9. Cash and Bank Balances				
A. Cash on Hand (Including in transit and cheques on hand Rs. Nil Previous Year Rs. Nil)		41,945		24,625
B. Balances with Scheduled Banks				
On Current Accounts	24,74,183		25,59,277	
On Unclaimed Dividend Accounts	1,11,940		2,18,426	
On Fixed Deposit Accounts	57,73,400		15,10,000	
		83,59,523		42,87,703
Total		84,01,468		43,12,328
10. Loans and Advances (Unsecured-considered Good)				
Inter Corporate Loans		9,71,76,545		9,65,53,317
Advances recoverable in cash or in kind or for a value to be received (Includes - Secured Rs.21,428/- (21,428/-)		5,37,602		4,68,576
Advance payment of Income-tax		2,26,05,827		2,02,45,638
Balance with Excise Authorities		1,62,210		1,62,210
Total		12,04,82,184		11,74,29,741

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		31-3-2009		31-3-2008	
		Rs.	Rs.	Rs.	Rs.
11. Current Liabilities					
Sundry Creditors			68,54,782		1,39,36,954
Advance from Customers			1,69,846		5,48,159
Unclaimed					
- Dividend*	1,12,166			2,18,402	
- Redeemable Preference Share	29,000			29,000	
			1,41,166		2,47,402
Deposit by Dealers			1,59,000		1,82,000
Interest accrued but not due			7,79,190		9,65,638
Total			81,03,984		1,58,80,153
This figures do not include any amount due and outstanding to be credited to Investors Education & Protection Fund.					
12. Provisions					
For Taxation			53,50,125		52,89,936
Total			53,50,125		52,89,936
		2008-2009		2007-2008	
		Rs.	Rs.	Rs.	Rs.
13. Other Income					
Interest (Non Trade Investments)(Gross)					
1. On Government Securities	512			1,910	
2. From Others (including tax deducted at source Rs. 22,63,901/- previous year Rs. 22,27,204/-)	1,02,00,440			98,72,638	
			1,02,00,952		98,74,548
Dividend (Non Trade Investments)			35,678		52,913
Rent Income			2,59,180		---
Brand Leasing Charges			---		1,92,166
Profit on Sale of Investments (Net)			---		39,627
Profit on sale of Fixed Assets (Net)			9,590		19,021
Miscellaneous Income			61,500		---
Unspent liabilities, provisions no longer required written back and items pertaining to previous year (net)			5,89,967		3,61,954
Total			1,11,56,867		1,05,40,229
14. Increase (Decrease) in Finished Goods and Work-in Process					
Stock at Commencement					
Finished Goods (Traded Goods)	64,66,829			---	
By-Products	---			---	
Stock in Process	---			---	
			64,66,829		---
Stock at Close					
Finished Goods (Traded Goods)	23,52,261			64,66,829	
By-Products	---			---	
Stock in Process	5,24,203			---	
			28,76,464		64,66,829
Total			-35,90,365		64,66,829



	2008-2009		2007-2008	
	Rs.	Rs.	Rs.	Rs.
15. Payment to and Provision for Employees				
Salaries, Wages and Bonus		32,39,168		21,94,982
Contribution to Provident and other funds		8,36,002		2,45,137
Staff and Labour Welfare Expenses		7,16,054		3,27,701
Total		<u>47,91,224</u>		<u>27,67,820</u>
16. Other Expenses				
Stores, Spare Parts and Packing Materials		14,76,727		1,05,421
Power, Fuel and Electricity Expenses		2,09,063		1,18,484
Repairs to:				
Building	5,21,788		55,913	
Plant and Machinery	19,148		---	
Others	<u>6,12,742</u>		<u>6,585</u>	
		11,53,678		62,498
Rent (Net)		2,32,970		1,29,650
Insurance		64,673		54,509
Rates and Taxes		1,24,919		1,08,857
Freight and Forwarding Expenses (net)		9,20,389		7,02,808
Brokerage, Commission and discounts on Sales		8,14,395		3,44,717
Miscellaneous Expenses		40,97,184		30,66,614
Settlement Account		---		9,72,162
Amount written off (Net)		23,66,154		15,75,962
Loss on sale of Investments (Net)		19,681		---
Director's Sitting Fees		26,400		30,000
Diminution in value of Current Investments		17,292		---
Discarded Assets (Net)		526		---
Total		<u>1,15,24,051</u>		<u>72,71,682</u>

17. Notes forming part of the Accounts for the year ended 31 st March, 2009.

1. Significant Accounting Policies

*** Principles of Consolidations**

The consolidated financial statements comprise the financial statements of the Madhusudan Industries Limited and its wholly owned subsidiary Madhusudan Fiscal Limited (Formerly Cera Leasing Finance & Industries Limited.)

*** Basis of Accounting**

The Company prepares its financial statements on accrual basis in accordance with generally accepted accounting principles and comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

*** Sales**

Sales is net of discounts and Value Added Tax.

*** Retirement Benefits**

- (i) Contribution to Provident Fund is made at applicable rates.
- (ii) Contribution to approved Gratuity Funds is made of the present liability for future Gratuity as determined on an actuarial valuation. The Company has no further obligation except contribution to the fund.
- (iii) Leave encashment benefit is accounted for on the basis of actuarial valuation.

*** Fixed Assets & Depreciation**

- (a) Fixed Assets are stated at cost. The Company capitalizes all costs relating to the acquisition and installation of Fixed Assets on net of MODVAT credits on the assets.
- (b) Assets acquired under hire purchase instalment credit scheme, the cost of asset is capitalized while the annual financial charges at equated instalments are charged to revenue.
- (c) Leased Assets are stated at cost less accumulated depreciation and after adjustment of the balance standing in Lease Adjustment Account and provisioning on the leased assets.
- (d) Depreciation for the year has been provided at the rates and in the manner specified in Schedule-XIV of the Companies Act, 1956 as under:
 - (1) On Plant & Machinery and Electric Plant & Installation of straight-line method.
 - (2) On other assets on written down value method other than assets held by Subsidiary Company on the straight-line method.
- (e) Leasehold land is amortized over the period of lease. In respect of other assets taken on lease before 01.04.2001, the value thereof is not capitalized, but the contracted lease rentals are charged to revenue on accrual basis.
- (f) The value of discarded Plant and Machinery has been written down to the lower of net book value and net realizable value.

*** Inventories**

- (a) Raw-materials, packing materials, stores, coal and chemicals are taken at lower of cost or net realisable value following (FIFO Method).
- (b) Stock-in-Process is valued at cost.
- (c) Finished goods are valued at lower of cost and net realisable value.
- (d) Excise duty on goods manufactured by the Company and remaining in inventory is included as a part of valuation of finished goods.
- (e) Hire Purchase Stock is valued at principal value net of receipts/write off.
- (f) By-products are valued at net - realisable value.

*** Investments**

- (a) Long Term Investments are stated at cost.
- (b) Current Investments are stated at cost or fair market value whichever is lower.

*** Foreign Currency Transactions**

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction. Foreign currency assets and liabilities are translated into Rupees at the rate of exchange prevailing on the date of the Balance Sheet. All exchange differences are dealt with in the statement of Profit and Loss, except those relating to the acquisition of fixed assets which are adjusted in the cost of the assets.

*** Taxation**

Provision for tax for the year comprises current income-tax determined to be payable in respect of taxable income and deferred tax being the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent period(s).

*** Contingent Liability**

Contingent liabilities determined on the basis of available information; wherever material are provided for and Contingent liabilities not provided for in the accounts are disclosed by way of notes to the accounts.

2. Transfer of Ceramic Division to Madhusudan Oils and Fats Limited (MCFL)

The Honourable High Court of Judicature at Gujarat vide its order dated 30.10.2001 has sanctioned Scheme of Arrangement (the Scheme) as approved by the shareholders in the Court-convened meeting held on 13.10.2001 under which all the assets (movable or immovable) as per Clause 2 of Scheme, liabilities and debts as described in the Scheme pertaining to the Ceramic business (described as the "Ceramic Division" in the Scheme) have been transferred to Madhusudan Oils and Fats Limited (MOFL) at book value w.e.f. 01.04.2001.

3. Contingent liability in respect of :

	31.03.2009 Rs.	31.03.2008 Rs.
Disputed Claims against the Company not acknowledged as debts:	3,05,12,520	3,04,78,420

4. The Company has yet to obtain balance confirmations from various parties. Due adjustments will be made on receipt thereof, if necessary.

5. Miscellaneous expenses include payment to Auditors as under :

	Current year Rs.	Previous year Rs.
a. Statutory Auditors:		
- Audit Fees	36,090	36,708
- Taxation work	51,500	73,202
- Certificate etc.	11,461	13,995
- Expenses reimbursed	2,000	4,000
	1,01,051	1,27,905

6. (a) Current liabilities - Sundry Creditors include amount payable to SSI Units :

	31.03.2009 Rs.	31.03.2008 Rs.
a. Amount due to SSI units	---	6,92,899
b. Others	68,54,782	1,32,44,055
c. Amount payable to SSI units :	---	---

(b) Disclosures required for small enterprises and Micro enterprises for the year ended March 31, 2009

	As on 31-03-2009		As on 31-03-2008	
Particulars	Principal Amt.(Rs.)	Interest Amt.(Rs.)	Principal Amt.(Rs.)	Interest Amt.(Rs.)
Unpaid Principal and Interest thereon as at March 31, 2009	Nil	Nil	692899	Nil
Delayed payments due as at March 31, 2009	Nil	Nil	Nil	Nil
Interest paid on delay payment during the year	Nil	Nil	Nil	Nil
Interest due on principal amounts paid beyond the due date during the year	Nil	Nil	Nil	Nil
Interest accrued but not due	Nil	Nil	Nil	Nil
Total Interest due but not paid	Nil	Nil	Nil	Nil

Note : The above disclosure has been made based on the information provided by the management.

7. Employee Benefits

The company has with effect from 1st April, 2007, adopted Accounting standard 15, Employee benefits (revised 2005), issued by the Institute of Chartered Accountants of India (the revised AS 15). Consequently, the disclosure as required as per revised AS15 are as under :

a) Brief description of the plans :

The company has various schemes for long-term benefits such as provident fund, gratuity and leave encashment. In case of funded scheme, the funds are recognised by the income tax authorities and administered through trustees / appropriate authorities.

The company defined contribution plans are Provident Fund (exempted employees) recognised by the Income Tax Authorities and administered through trustees. Since the company, as no further obligation beyond making contributions and interest shortfall. Further the pattern of investment for investible funds is as prescribed by the Government. Accordingly other related disclosures in respect of provident fund have not been made.

The company, other defined contribution plans are Provident Fund (non exempted employees), Employees' Pension Scheme (under the Provisions of the employees' Provident Funds and Miscellaneous Provisions Act, 1952), state plans namely Employees' State Insurance Fund,

Since company has no further obligation beyond making contributions.

The company's defined benefit are Gratuity and leave Encashment for all its employees. Gratuity fund is recognised by the Income Tax Authorities and is administered through trustees.

Liabilities for Defined Benefit Plan is provided on the basis of valuations, as Balance Sheet date, carried out by an independent actuary.

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b) Charge to the Profit and Loss Account based on contribution

	2008-09 Rs.	2007-08 Rs.
Provident Fund	2,09,192	1,32,606
Employees Pension Scheme	79,102	43,041
ESIC	4,104	300
	<u>2,92,398</u>	<u>1,75,947</u>

c) Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2009.

Particulars	Amount (Rs.)			
	31-03-2009		31-03-2008	
	Gratuity Funded Plan	Leave Encashment Non-funded Plan	Gratuity Funded Plan	Leave Encashment Non-funded Plan
Change in Defined Benefits Obligation				
Opening defined benefits obligation	1013270	391555	1404936	440866
Current service cost	119525	267159	62040	3532
Interest cost	70929	27409	110287	34608
Actuarial loss/(gain) Interest cost	299939	176343	(129773)	(76351)
Benefits paid	(409327)	(195507)	(434220)	(11100)
Closing defined benefits obligation	1094336	666959	1013270	391555
Change in Fair value of Assets				
Opening fair value of plan assets	1463078	—	1730781	—
Expected return on plan assets	118488	—	143724	—
Actuarial gain/(loss)	(66771)	—	(55667)	—
Contributions by employer	64516	—	78460	—
Benefits paid	(409327)	—	(434220)	—
Closing fair value of plan assets	1169984	—	1463078	—
Movement in net liability recognised in Balance Sheet				
Net opening liability	(449808)	391555	325845	440866
P & L Charge	438676	470911	(45503)	(38211)
Contribution Paid	(64516)	(195507)	(78460)	(11100)
Closing Net (asset)/liability	(75648)	666959	(449808)	391555
Expenses recognised in the Profit and Loss Account				
Current Service Cost	119525	267159	62040	3532
Interest on defined benefit obligation	70929	27409	110287	34608
Expected return on plan assets	(118488)	—	(143724)	—
Net actuarial loss/(gain) recognised in the current year	366710	176343	(74106)	(76351)
Total Expenses	438676	470911	(45503)	(38211)
Assets Information				
Government of India Securities	35%	—	35%	—
Corporate Bonds	56%	—	56%	—
Special Deposits Scheme	—	—	—	—
Others	9%	—	9%	—
Principal actuarial assumption				
Discount Rate (p.a.)	7%	7%	7.85%	7.85%
Expected rate of return on plan assets (p.a.)	9%	—	9%	—
Annual Increase in Salary costs	6%	6%	6%	6%
Effect on the aggregate Service Cost & interest cost	—	—	—	—
Effect on defined benefit obligation	—	—	—	—

- d) The Company has provided Rs.6.67 lacs (Rs. 3.92 lacs) being increment discounted value of liability for unavailed leave of the employees determined as per Actuarial Valuation.



8. Related party disclosures:

Type of Transactions	Associates (Rs.)	Key Management Personnel (Rs.)	Relatives of Key Management Personnel (Rs.)	Total (Rs.)
Sales -				
Fixed Assets	- (67,114)	- (-)	- (-)	- (67,114)
Purchase -				
Material	21,163 (1,44,500)	- (-)	- (-)	21,163 (1,44,500)
Income -				
Interest	7,07,941 (6,13,599)	- (-)	- (-)	7,07,941 (6,13,599)
Finance				
Loans & Advances given	11,60,985 (1,79,14,664)	- (-)	- (-)	11,60,985 (1,79,14,664)
Fixed Deposit/Loan recd.	95,60,000 (2,60,50,000)	- (-)	- (-)	95,60,000 (2,60,50,000)
Balance at the end of the year				
Receivables	12,07,520 (94,00,000)	- (-)	- (-)	12,07,520 (94,00,000)

Notes:

1. Associates
 - Cera Sanitaryware Ltd.
 - Madhusudan Holdings Ltd.
 - Gujarat Soaps Pvt. Ltd.
2. Key Management Personnel ---
3. Relatives of Key Management Personnel ---

9. Note on deferred tax liability

	2008-09 Amount (Rs.)	2007-08 Amount (Rs.)
Deferred tax liabilities on account of:		
- Depreciation	14,97,058	15,20,125
- Deferred Expenses	-	-
	<u>14,97,058</u>	<u>15,20,125</u>
Less: Deferred Tax Assets on account of:		
- Others	14,97,058	15,20,125
Total	<u>---</u>	<u>---</u>

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10. The Company is organized into following reportable segments referred to in Statement of Accounting Standard AS-17 for segmental reporting :

Details	Edible Oil	Horticulture	Lease & Finance	Inter-segment adjustments	Total
Revenue					
External	121446626 (86821941)	885205 -	- (-)	- (-)	122331831 (86821941)
Inter-Segment	- (-)	- (-)	- (-)	- (-)	- (-)
Total	121446626	885205	-	-	122331831
Result					
Segment Result	-6339826 (5656799)	-823112 (-)	12887 (-1221495)	- (-)	-7150051 (4435304)
Less : Depreciation	519967 (429739)	915957 (-)	- (74)	- (-)	1435924 (429813)
Less : Interest	4513373 (2587501)	582132 (-)	18290 (-)	- (-)	5113795 (2587501)
Profit before Tax	-11373166 (2639559)	-2321201 (-)	-5403 (-1221569)	- (-)	-13699770 (1417990)
Less : Provision for Tax	120000 (63000)	- (-)	- (-)	- (-)	120000 (63000)
Net Profit for the year	-11493166 (2576559)	-2321201 (-)	-5403 (-1221569)	- (-)	-13819770 (1354990)
Other Information					
Segment Assets	166379954 (180246977)	19327383 (-)	6518006 (6519264)	-17400037 (-17560037)	174825306 (169206204)
Segment Liabilities	64813790 (56838348)	9796635 (-)	24309 (20164)	-4500037 (-4660037)	70134697 (52198475)
Capital Expenditure	712940 (276700)	15402213 (-)	- (-)	- (-)	16115153 (276700)
Depreciation	519967 (429739)	915957 (-)	- (74)	- (-)	1435924 (429813)
Non-cash expenses other than depreciation	39250 (55700)	- (-)	- (-)	- (-)	39250 (55700)

11. Previous Year's figures have been regrouped and reclassified where necessary. (Figures in brackets relate to previous year)

As per our report of even date attached
For and on behalf of

H. V. Vasa & Co.
Chartered Accountants
Tushar H. Vasa
Proprietor
Membership No. 16831

Ahmedabad
29th June, 2009

B. K. Patodia
Company Secretary

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

Ahmedabad
29th June, 2009



Consolidated Cashflow Statement for the year ended March 31, 2009

	Year ended March 31, 2009		Year ended March 31, 2008	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net profit before tax & Extra-ordinary items		-1,36,99,770		14,17,990
Adjusted for				
Depreciation	14,35,924		4,29,813	
Provision of Dimunition in Value of Investment	17,292		-7,510	
Profit on Sale of Fixed Assets	-9,064		-19,021	
Investment Income	19,681		-39,627	
Dividend Received	-35,678		-52,913	
Interest Received	-1,02,00,952		-98,74,548	
Interest Charged	51,13,795		25,87,501	
		-36,59,002		-69,76,305
Operating profit before working capital changes		-1,73,58,772		-55,58,315
Adjusted for				
Trade and other receivable	1,13,84,594		-92,53,250	
Inventories	40,89,059		-73,47,997	
Trade Payable	-77,76,169		78,49,149	
		76,97,484		-87,52,098
Cash generated from operation		-96,61,288		-1,43,10,413
Interest paid		-51,13,795		-25,87,501
Direct taxes paid		-24,20,000		-20,72,927
Cash flow before extra-ordinary items		-1,71,95,083		-1,89,70,841
Extra-ordinary items		-90,444		50,764
Net Cash from Operating Activities Total (A)		-1,72,85,527		-1,89,20,077
B. Cash flow from Investing activities				
Purchase of fixed assets		-1,60,32,999		-3,88,099
Sale of fixed assets		69,745		1,00,814
Subsidy Received		14,63,400		---
Purchase of Investments		-14,765		-81,595
Sale of investments (net of profit /loss)		454		15,82,717
Interest received		1,02,00,952		98,74,548
Dividend received		35,678		52,913
Net Cash used in Investing Activities Total (B)		-42,77,535		1,11,41,298
C. Cash flow from financing activities				
proceeds from issue of share capital		---		---
Right issue expenses		---		---
proceeds from borrowings		2,56,52,202		58,64,976
Dividend Paid		---		---
Net Cash used in Financing Activities Total (C)		2,56,52,202		58,64,976
Net changes in Cash & Cash Equivalents (A+B+C)		40,89,140		-19,13,803
Cash & Cash Equivalent-Opening Balance		43,12,328		62,26,131
Cash & Cash Equivalent-Closing Balance		84,01,468		43,12,328

As per our report of even date attached
For and on behalf of
H. V. Vasa & Co.
Chartered Accountants
Tushar H. Vasa
Proprietor
Membership No. 16831

Rajesh B. Shah Director
Sanwamal D. Agarwal Director

Ahmedabad
29th June, 2009

B. K. Patodia
Compan/ Secretary

Ahmedabad
29th June, 2009

Madhusudan Fiscal Limited

Board of Directors

Shri S. C. Kothari
Shri S. K. Nema (upto 26.06.2009)
Shri Rajesh B. Shah
Shri Atul Sanghvi (w.e.f. 26-06-2009)

Auditors

M/s. N. M. Nagri & Co.,
Chartered Accountants,
E-26, Capital Commercial Centre,
Ashram Road, Ahmedabad - 380 009.

Registered Office

"Madhusudan House",
Opp. Navrangpura Telephone Exchange,
Ahmedabad - 380 006.
Gujarat.

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DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the Annual Report together with Statement of Accounts of your Company for the year ended 31st March, 2009.

Financial Results

Particulars	Year ended March 31, 2009 (Rs.)	Year ended March 31, 2008 (Rs.)
Assets Leased	—	—
Profit/Loss before Interest, Depreciation and Taxation	(-)5,403	(-)12,21,643
Deductions		
1. Interest	—	—
2. Depreciation	—	74
Profit before taxation	(-)5,403	(-)12,21,569
Less: Provision for tax – Deferred/Current	—	—
Profit after taxation	(-)5,403	(-)12,21,569
Add: Deferred Tax of earlier years	—	—
Less: Transferred to Statutory Reserve (U/S 45 IC RBI Act, 1934) (2006-2007)	—	11,897
Less: Loss brought forward from Previous year	(-)66,93,914	(-)54,60,448
Loss Carried forward	(-)66,99,317	(-)66,93,914

Directors' Responsibility Statement

In compliance of Section 217 (2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- ❖ that the applicable accounting standards have been followed in the preparation of final accounts and that there are no material departures;
- ❖ that such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at March 31, 2009 and of the profit of the Company for the year ended on that date;
- ❖ that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- ❖ that the annual accounts have been prepared on a going concern basis.

Dividend

Due to accumulated loss of earlier years and of current year directors have not recommended any dividend.

Directors

Shri S C Kothari is due to retire by rotation and being eligible offers himself for re-appointment.

Employees

The Company has no employee as specified under Section 217(2A) of the Companies Act, 1956, hence, there is no information required to be provided in this regard.

Deposits

The Company has not accepted any Public Deposit during the year 2008-09 nor there is any outstanding deposit due to any person as on 31.03.2009. The Company do not intend to accept any Public deposit in the year 2009-10.

Auditors

M/s. N. M. Nagri & Co., Statutory Auditors of the Company retire at the end of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their re-appointment at the ensuing Annual General Meeting.

Auditors' observations

As per Clause iii (b) of the annexure to the Auditors' Report, auditors have observed that loan to the holding company Madhusudan Industries Limited is considered interest free. Your directors have to state that holding company Madhusudan Industries Limited have invested Rs. 129 lacs as share capital in the company. Due to weak financial position, the company could not pay any dividend on share capital for many years. As such, loan to the holding company is considered interest free.

Similarly, as per para (vii) of the annexure to the Auditors' Report, your directors have to state that in absence of new lease business and very few number of transactions during the year, Internal Auditors have not been appointed and as such the company did not have internal audit system.

Secretarial Compliance Certificate

As required by Provision to sub-section (1) of Section 383 A of the Companies Act, 1956, the Secretarial Compliance Certificate from M/s. Umesh Parikh & Associates, Company Secretaries, is attached to this report.

Appreciation

Your Directors acknowledge with gratitude the co-operation and assistance given by Bank of Baroda.

For and on behalf of the Board of Directors

Ahmedabad
28th April, 2009

S. K. Nema
R. B. Shah
Directors

Secretarial Compliance Certificate

To,
The Members,
MADHUSUDAN FISCAL LIMITED
"Madhusudan House",
Opp. Navrangpura Telephone Exchange,
Ahmedabad – 380 006.

We have examined the registers, records, books and papers of MADHUSUDAN FISCAL LIMITED, (the Company) as required to be maintained under the Companies Act, 1956 (the Act), and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2009. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents and to the best of our knowledge and belief, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Gujarat.
3. The Company is a Public Limited Company and a subsidiary of Madhusudan Industries Limited. The Company has the minimum prescribed paid up share capital and comments on the maximum number of members during the year under review are not required.
4. The Board of Directors duly met 5 times on (1) 11-04-2008, (2) 24-05-2008, (3) 30-07-2008, (4) 20-10-2008 and (5) 19-01-2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the year under review.
6. The Annual General Meeting for the financial year ended on 31-03-2008 was held on 12-09-2008 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the year under review.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act, in respect of notices of disclosure of interest made by the Directors of the Company.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the year under review.
13. During the year under review :
 - (i) the Company has delivered all the certificates on lodgment thereof for transfer of securities in accordance with the provisions of the Act and there was no allotment / transmission of securities;
 - (ii) the Company has not deposited any amount in a separate Bank Account as no dividend was declared;
 - (iii) the Company was not required to post warrants to any member of the Company as no dividend was declared;
 - (iv) the Company has not transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debenture and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no such amounts outstanding;
 - (v) the Company has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and appointment of additional director has made in accordance with the provisions of the Act, and there was no appointment of alternate directors and directors to fill casual vacancy during the year under review.
15. The Company's Paid-up Share Capital being less than the prescribed limit of Rs. 5 Crores, it is not required to appoint any Managing Director / Whole – time Director / Manager and accordingly provisions of Section 269 of the Act, are not applicable.
16. The Company has not appointed any sole-selling agent during the year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the year under review.
18. The Directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.

19. The Company has not issued any Shares, Debentures or other securities during the year under review.
20. The Company has not bought back any shares during the year under review.
21. As there were no preference shares or debentures issued, there was no redemption of preference shares or debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58 A of the Act during the year under review.
24. The Company has not made any borrowings as envisaged in the section 293(1)(d) of the Act during the year under review.
25. The Company has given loans in compliance with the provisions of the Act and Company has not made investments or given guarantees or provided securities to other bodies corporate during the year under review.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under review.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under review.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under review.
30. The Company has not altered its Articles of Association during the year under review.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the year under review, for offences under the Act.
32. The Company has not received any money as security from its employees during the year under review.
33. The Company has not constituted any separate provident fund of employees or any class of employees as envisaged under section 418 of the said Act.

For Umesh Parikh & Associates
Company Secretaries

(Umesh Parikh)
Proprietor
C. P. No.: 2413

Place : Ahmedabad.
Date : 28-04-2009

Annexure "A"

Name of the Company : **MADHUSUDAN FISCAL LIMITED.**
CIN : **U65910GJ1984PLC006902**
Authorised Share Capital : **Rs. 1,50,00,000**

List of Registers as maintained by the Company :

1. Register of Charges under section 143.
2. Register of Members under Section 150.
3. Copies of Annual Returns under Section 159.
4. Register of Contracts under Section 301.
5. Register of Directors under Section 303.
6. Register of Directors' Shareholding under section 307.
7. Minutes of the General Meetings and Meetings of Board of Directors under section 193(1).
8. Attendance registers of all the meetings of Board and General Meeting of the Company.

Annexure "B"

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities for and during the financial year ended on 31-03-2009.

Sr. No.	Form No./ Return	Filed under Section	Description	Date of Filing	Whether Filed within prescribed time Yes/No	If delay in filing whether requisite additional Fee paid Yes/No
1.	32	303(2)	Appointment of Mr. Santosh Kumar Nema as an Additional Director and Cessation of Directorship by Mr. Anil Gupta w.e.f. 24-05-2008.	30-05-2008	Yes	No
2.	66	383A	Secretarial Compliance Certificate for the year 2007-2008.	06-10-2008	Yes	No
3.	32	303(2)	Appointment of Mr. Santosh Kumar Nema as a Director at AGM.	07-10-2008	Yes	No
4.	23AC & 23ACA	220	Annual Report for the financial year ended 31-03-2008.	10-10-2008	Yes	No
5.	20B	159(1)	Annual Return made upto 12-09-2008.	10-11-2008	Yes	No
6.	22B	187C	Declaration of beneficial interest.	11-02-2009	Yes	No

Auditors' Report

To
The Members,
MADHUSUDAN FISCAL LIMITED

We have audited the attached Balance Sheet of **MADHUSUDAN FISCAL LIMITED** (Formerly known as Cera Leasing Finance & Industries Limited) as at 31st March, 2009 together with the Profit & Loss Account of the Company for the year ended on that date, annexed thereto. 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.

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009; and
- (ii) in the case of the Profit & Loss Account, of the loss for the year ended on that date.

For **N. M. Nagri & Co.**
Chartered Accountants

(**N. M. Nagri**)
Partner

Membership No. 16992

Place : Ahmedabad

Date : 28/04/2009

1. 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 principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 (as amended), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that :-
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law, have been kept by the Company, so far as appears from our examination of the books;
 - (c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and notes thereon give the information required by the Companies Act 1956, in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India:

Annexure to Auditors' Report Referred to in Paragraph 2 of our Report of even date

- (i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, these fixed assets of the Company have been physically verified by the management at reasonable intervals during the year and no material discrepancies are stated to have been noticed on such physical verification as compared to the aforesaid records of fixed assets subject to Note No. 4.3(a) of Schedule 9 regarding certain leased assets being treated as non-recoverable for which full provisioning has been made.
- (c) In our opinion and according to the information and explanations given to us, there was no substantial disposal of fixed assets during the year, which would affect the going concern of the Company.
- (ii) As there was no stock of finished goods and raw materials held by the Company during the year, relevant clauses relating to stocks are not applicable for the year under report.
- (iii) (a) The Company has granted unsecured loans to two companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.55.62 lacs and the amount outstanding as at 31-03-2009 was Rs.54.02 lacs.
- (b) Out of the above two unsecured loans, loan to the holding company, Madhusudan Industries Limited (outstanding Rs.45.00 lacs as at 31/03/2009) is considered as interest free by the Company for the year under report. *To this extent, it is prima facie prejudicial to the interest of the Company.*
- (c) Both the unsecured loans given by the Company are repayable on demand. As reported in Para (b) above, loan to the holding company is considered as interest free by the Company and in case of the other unsecured loan, interest payment is regular.
- (d) There is no overdue amount in respect of loans given by the Company as these loans are repayable on demand.
- (e) The Company has taken unsecured loan of Rs.415 lacs from one company during the year covered in the register maintained under Section 301 of the Companies Act,

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1956 which was squared off during the year. The rate of interest and other terms and conditions of this loan are prima facie not prejudicial to the interest of the Company.

- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of plant and machinery, equipment and other assets wherever applicable. No major weakness in internal control system had come to our notice during the course of our audit. There have been no sale of goods and services during the year.
- (v) According to the information and explanations given to us, the particulars of contracts or arrangements and transactions referred to in Section 301 of the Act have been so entered in the register required to be maintained under that section. There is no transaction in excess of Rs.5 lacs in respect of any party and hence the question of reasonable prices in respect of such transactions having regard to the prevailing market prices does not arise.
- (vi) According to the information and explanations given to us, the Company has not accepted deposits from public during the year.
- (vii) The Company having paid up capital and reserves exceeding Rs. 50 lacs as at the commencement of the financial year, *did not have an internal audit system for the year under report.*
- (viii) The Company is not required to maintain cost records prescribed by the Central Government under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956.
- (ix) In respect of statutory dues :
 - (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, E.S.I., Income-Tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues to the extent applicable have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2009 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess, which have not been deposited on account of any dispute.
- (x) In our opinion, the accumulated losses of the Company at the end of the financial year are more than fifty percent of its net worth. The Company has not incurred cash losses in this financial year and in the immediately preceding financial year.

- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution, bank or debenture holders.
- (xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities and hence the question of maintenance of adequate records for this purpose does not arise.
- (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 the Order are not applicable to the Company.
- (xiv) The Company has maintained proper records of the transactions and contracts in respect of trading in shares, securities and other investments and timely entries have been made therein. All shares, securities and other investments have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not taken any term loans during the year under report.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the financial year and hence, the question of creation of securities or charge in respect thereof does not arise.
- (xx) According to the information and explanations given to us, the Company has not raised any money by a public issue during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year under report.

For N. M. Nagri & Co.
Chartered Accountants

(N. M. Nagri)
Partner

Place : Ahmedabad
Date : 28/04/2009

Membership No. 16992

Balance Sheet as at 31st March, 2009

		31-3-2009		31-3-2008	
		Schedule	Rs.	Rs.	Rs.
I. Sources of Funds					
1. Shareholders' Funds					
(a)	Share Capital	1	1,29,00,000		1,29,00,000
(b)	Reserves and Surplus	2	2,93,014		2,93,014
2. Loan Funds					
(a)	Secured Loans		---		---
(b)	Unsecured Loans		---		---
Total			1,31,93,014		1,31,93,014
II. Application of Funds					
1. Fixed Assets 3					
(a)	Gross Block		32,65,000	38,58,984	
(b)	Less : Depreciation		31,08,152	36,72,365	
(c)	Net Block		1,56,848	1,86,619	
(d)	Less : Provisioning on Leased Assets		1,56,848	1,86,093	
				526	
2. Investments			4	56,036	73,328
3. Deferred Tax Assets (Net)					
4. Current Assets, Loans and Advances 5 64,61,970 64,45,410					
Less : Current Liabilities and Provisions 6 24,309 20,164					
Net Current Assets			64,37,661	64,25,246	
5. Profit & Loss Account			66,99,317	66,93,914	
Total			1,31,93,014	1,31,93,014	
Notes forming part of the Accounts 9					

As per our attached report of even date
For and on behalf of
N. M. Nagri & Co.
Chartered Accountants
N. M. Nagri
Partner
Membership No. 16992

Ahmedabad
28th April, 2009

S. K. Nema Director
Rajesh B. Shah Director

Ahmedabad
28th April, 2009

Annual Report 2008-2009

Profit and Loss Account for the year ended 31st March, 2009

	Schedule	2008-2009 Rs.	2007-2008 Rs.
Income			
Interest & Other Income	7	1,34,301	1,29,101
Total		<u>1,34,301</u>	<u>1,29,101</u>
Expenditure			
Other Expenses	8	1,39,704	13,50,596
Depreciation		---	74
Total		<u>1,39,704</u>	<u>13,50,670</u>
Loss for the year before Taxation		-5,403	-12,21,569
Less : Provision for Taxation- Current Tax		---	---
Less : Provision for Taxation- Deferred Tax		---	---
Loss for the year after Taxation		<u>-5,403</u>	<u>-12,21,569</u>
Less : Transferred to Statutory Reserve (U/s 45IC of RBI Act, 1934)		---	11,897
Less : Deficit brought forward from Previous year		<u>-66,93,914</u>	<u>-54,60,448</u>
Loss carried to Balance Sheet		<u>-66,99,317</u>	<u>-66,93,914</u>
Basic and Diluted Earning per Share of Rs.10/- each		-0.004	-0.95
Notes forming part of the Accounts	19		

As per our attached report of even date

For and on behalf of

N. M. Nagri & Co.

Chartered Accountants

N. M. Nagri

Partner

Membership No. 16992

Ahmedabad

28th April, 2009

S. K. Nema

Director

Rajesh B. Shah

Director

Ahmedabad

28th April, 2009

Madhusudan Fiscal Limited

Schedules 1 to 9 Annexed to And Forming Part of The Accounts For The Year Ended 31st March, 2009

		31-3-2009		31-3-2008	
		Rs.	Rs.	Rs.	Rs.
1. Share Capital					
Authorised					
15,00,000	(15,00,000) Equity shares of Rs. 10/- each		1,50,00,000		1,50,00,000
	Total		1,50,00,000		1,50,00,000
Issued, Subscribed & Paid Up					
12,90,000	(12,90,000) Equity shares of Rs. 10/- each fully paid up (All the above shares are held by the Holding Company Madhusudan Industries Limited and its nominees)		1,29,00,000		1,29,00,000
	Total		1,29,00,000		1,29,00,000
2. Reserves and Surplus					
Capital Redemption Reserve					
	As per last Balance Sheet		600		600
Statutory Reserve (U/S 45IC of the RBI Act, 1934)					
	As per last Balance Sheet	2,92,414		2,80,517	
	Add : Transfer from Profit & Loss Account	---		11,897	
			2,92,414		2,92,414
	Total		2,93,014		2,93,014

3. Fixed Assets

Particulars of Assets	Gross Block				Depreciation				Net Block	
	As at 1-4-2008 (Rs.)	Addi- tions (Rs.)	Deduc- tions (Rs.)	As at 31-3-2009 (Rs.)	Upto 31-3-2008 (Rs.)	During the year (Rs.)	Deduc- tions (Rs.)	Upto 31-3-2009 (Rs.)	As at 31-3-2009 (Rs.)	As at 31-3-2008 (Rs.)
Leased Plant and Machinery	32,65,000	---	---	32,65,000	31,08,152	---	---	31,08,152	1,56,848	1,56,848
Leased Vehicles	5,84,900	---	5,84,900	---	5,55,655	---	5,55,655	---	---	29,245
Leased Furniture, Fixtures & Elevator	1,169	---	1,169	---	1,038	---	1,038	---	---	131
Furniture, Fixtures and Fittings	1,570	---	1,570	---	1,492	---	1,492	---	---	78
Vehicles	6,345	---	6,345	---	6,028	---	6,028	---	---	317
Total	38,58,984	---	5,93,984	32,65,000	36,72,365	---	5,64,213	31,08,152	1,56,848	1,86,619
Previous Year	38,58,984	---	---	38,58,984	36,72,291	74	---	36,72,365	1,86,619	

Annual Report 2008-2009

		31-3-2009		31-3-2008
		Rs.	Rs.	Rs.
4. Investments				
CURRENT INVESTMENTS (NON-TRADE)				
(a-1) In Fully Paid Equity Shares of Rs.10/- each (Quoted)				
145 (145) Tata Communications Limited (Formerly Videsh Sanchar Nigam Ltd.)	36,250		36,250	
400 (400) Melstar Information Technologies Ltd.	28,800		28,800	
850 (850) Entegra Ltd. (Formerly Induj Eneritech Ltd.)	42,755		42,755	
150 (150) Unitex Designs Limited (Formerly Induj Infotech Ltd.)	7,545		7,545	
		1,15,350		1,15,350
(a-2) In Fully Paid Equity Shares of Rs.5/- each (Quoted)				
300 (300) Shree Rama Multi Tech Ltd.	36,000		36,000	
(a-3) In Fully Paid Equity Shares of Re.1/- each (Quoted)				
40 (40) Zee Entertainment Enterprises Ltd. (ZEEL) (Formerly Zee Telefilms Ltd.)	53,987		53,987	
20 (20) Wire & Wireless India Ltd. (on demerger of ZEEL)	---		---	
18 (18) Zee News Ltd. (on demerger of ZEEL)	---		---	
23 (0) Dish TV India Limited (Bonus of ZEEL)	---		---	
		53,987		53,987
(a-4) In Fully Paid Equity Shares of Rs.2/- each (Unquoted)				
2,500 (2,500) Dairy Den Ltd. (Non performing and fully provided for)	55,000		55,000	
	2,60,337		2,60,337	
Less: Provision for diminution	2,04,301		1,87,009	
Total	56,036		73,328	
Aggregate Book Value - Quoted	56,036		73,328	
- Unquoted	---		---	
Aggregate Market Value - Quoted	96,024		1,14,337	
5. Current Assets, Loans and Advances				
(Unsecured, Considered Good Unless Otherwise Specified)				
1. Advance Payment of Income-tax	73,008		67,349	
2. Inter Corporate Loans (Unsecured, Considered good) (Including Interest - free Loans to Holding Company Rs.45,00,037/-, Previous year Rs.46,60,037/-, Maximum Balance during the year Rs. 46,60,037/-, Previous Year Rs.46,60,037/-).	54,01,553		55,60,037	
3. Bank Balances with Scheduled Banks in Current Account	9,85,840		8,17,490	
4. Cash on Hand	1,569		534	
Total	64,61,970		64,45,410	
6. Current Liabilities and Provisions				
(A) Current Liabilities				
Other Liabilities (Refer to Note No. 6(c) of Schedule-9)	24,309		20,164	
(B) Provisions	---		---	
Total	24,309		20,164	

7. Interest & Other Income

1. Interest (Tax deducted at source Rs.27,527/- Previous year Rs.24,987/-)	1,21,469	1,10,277
2. Dividend (Gross) on Current Investments	10,640	9,716
3. Provision for Diminution in Value of Current Investments no longer required, written back	---	7,510
4. Interest on Income Tax Refund	2,192	1,598
Total	1,34,301	1,29,101

8. Other Expenses

1. Service Charges	6,000	6,000
2. Rent, Rates & Taxes	6,350	3,970
3. Directors' Sitting Fees	2,400	2,000
4. Other Miscellaneous Expenses	7,318	7,035
5. Interest	18,290	---
6. Legal & Professional Charges	79,488	41,948
7. Telephone Expenses	2,040	2,040
8. Income Tax Appeal Fees	---	1,000
9. Sundry Balances written off (Net)	---	12,86,603
10. Diminuation in value of Current Investments	17,292	---
11. Discarded Assets (Net)	526	---
Total	1,39,704	13,50,596

9. Notes forming part of the Accounts for the year ended 31st March, 2009.

1. The name of the Company was changed from Cera Leasing Finance & Industries Limited to **Madhusudan Fiscal Limited** with effect from 18.12.2002 consequent upon the fresh Certificate of Incorporation, issued by the Registrar of Companies, Gujarat State, Ahmedabad dated 18.12.2002 and a fresh Registration Certificate issued by Reserve Bank of India dated 01.05.2003.

2. Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with the current year's figures.

3. The Company's appeal is pending with the Hon'ble High Court of Gujarat, preferred against the judgment of the Hon'ble Metropolitan Court, which had been decided against the Company's criminal cases filed in respect of alleged frauds involving Company's funds of approximately Rs.35.95 lacs. The Company has so far written off as bad debts Rs.35.34 lacs, which are considered as irrecoverable (net of recovery).

4. Significant Accounting Policies and practices

4.1. Accounting Convention :

The financial statements are prepared under the historical cost convention on an accrual basis.

4.2. Revenue/Income Recognition/Prudential Norms.

- a) Lease Rentals/Finance Charges are generally accounted for on accrual basis as per the Lease/Hire Purchase Agreements subject to Notes No.4.2 (b) and (c) hereinafter.
- b) Income from all assets leased prior to 01.04.1997 has been accounted for without transfer to / from a Lease Equalisation account whereas income from assets leased on and from 01.04.1997 upto 31.03.2001 is accounted for on the basis of the revised Guidance Note on Accounting for Leases issued by the Institute of Chartered Accountants of India (ICAI) which has recommended transfer to/from a Lease Equalisation account. Accounting Standard-19 on 'Leases' issued by the Institute of Chartered Accountants of India is made applicable in respect of all assets leased on or after 01.04.2001 up to 06.12.2006 and thereafter as per the Companies (Accounting Standards) Rules, 2006.
- c) The Company has complied with the Non Banking Financial (Non –Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 in respect of Accounting Standards, Asset Classification, Income Recognition and Provisioning for bad and doubtful debts as applicable to it. Accordingly, income is not recognised in respect of Non Performing Assets unless realised and on interest free and restructured Loans & Advances. Prudential Norms in respect of Capital Adequacy and Concentration of credit/investment are not applicable to the Company.
- d) The Schedule to the Balance Sheet of a Non Deposit Taking Non-Banking Financial Company as required in terms of Paragraph 13 of Non-Banking Financial (Non –Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is separately attached.

4.3. Fixed Assets and Depreciation.

- a) Leased Assets are stated at cost less accumulated depreciation and after adjustment of the balance standing in Lease Adjustment account and provisioning on the leased assets.
- b) The Fixed Assets which are not in use / are fully impaired have been written off to the Profit and Loss Account.
- c) The remaining Fixed Assets are stated at cost less accumulated depreciation.

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- d) The Company follows straight line method of depreciation on fixed assets at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 by writing off 95% of the original cost of the assets in accordance with the provisions of Section 205(2)(b) of the Companies Act, 1956.

4.4. Investments:

Investments are classified into long-term and current investments. Long-term investments are stated at cost. Current investments are stated at the lower of cost and fair value, computed individually as per the Companies (Accounting Standards) Rules, 2006.

4.5. Taxation:

Income tax expense whenever applicable, comprises of Current Tax and Deferred Tax charge determined to be payable in respect of Taxable Income and Deferred Tax, being the tax effect of timing differences representing the difference between Taxable Income and Accounting Income that originate in one period, and are capable of reversal in one or more subsequent period(s) by applying tax rate and tax laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Assets are recognised and carried forward only to the extent that there is a reasonable certainty or virtual certainty that the assets will be realised in future.

5. Payments to Auditors	Current Year (Rs.)	Previous Year (Rs.)
Audit Fees	3,000	3,000
Income tax Matters	4,000	4,494
Other Services	5,843	13,995
Expenses	2,000	4,000
Total	14,843	25,489

6. In the opinion of the Management :

- (a) The Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business, unless otherwise stated in this Schedule.
- (b) The provision for all known liabilities are adequate and not in excess of the amounts reasonably necessary.
- (c) The Company does not owe any amount to Micro, Small and Medium Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006.
- (d) No personal expenses have been charged to revenue account.

7. (a) The Company is yet to obtain balance confirmations from various parties. Due adjustments, if necessary, will be made on receipt thereof.

- (b) Contingent Liability not provided for in respect of initiation of penalty proceedings for A. Y. 2005-06 under the Income-tax Act, 1961 of approximately Rs.1,21,500/- (Previous year Rs. 1,21,500/-).

8. (a) In accordance with 'AS - 22' issued under the Companies (Accounting Standards) Rules, 2006, net Deferred Tax Assets as on 31.03.2009 are not recognised in the books of account as there is no virtual certainty that the deferred tax assets could be set off against future income.

- (b) Provision for Taxation has not been made in the accounts in absence of taxable income as per the provisions of the Income Tax Act, 1961.

- (c) Provisions of Fringe Benefit Tax are not applicable to the Company for the year.

	2008-09	2007-08
9. Earning per Equity Share :		
Net Profit available to Equity Share holders (Rs.)	(-)5,403	(-)12,21,569
Average number of Equity Shares	12,90,000	12,90,000
Earning per Equity share (Rs.) – Basic & Diluted(Face Value of Rs.10/- per Equity share)	(-)0.004	(-)0.95

10. Quantitative information pursuant to paragraphs 3 & 4 of Part II of Schedule VI to the Companies Act, 1956 are not applicable to the Company for the year.

Signatures to Schedules '1' to '9'

As per our attached report of even date

For and on behalf of

N. M. Nagri & Co.

Chartered Accountants

N. M. Nagri

Partner

Membership No. 16992

Ahmedabad

28th April, 2009

S. K. Nema

Director

Rajesh B. Shah

Director

Ahmedabad

28th April, 2009

~~Madhusudan Fiscal Limited~~

(As required in terms of Paragraph 13 of Non-Banking Financial (Non-deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.)

Name of the NBFC: **MADHUSUDAN FISCAL LIMITED**
(Formerly Cera Leasing Finance & Industries Limited)
Registration No.: **B.01.00382**

(Amount Rs. in lakhs)

Particulars		Amount outstanding	Amount overdue
Liabilities side:			
(1)	Loans and advances availed by the NBFC's inclusive of interest accrued thereon but not paid:		
(a)	Debentures : Secured	Nil	Nil
	Unsecured (Other than falling within the meaning of public deposits*)	Nil	Nil
(b)	Deferred Credits	Nil	Nil
(c)	Term Loans.	Nil	Nil
(d)	Inter-corporate loans and borrowing	Nil	Nil
(e)	Commercial Paper	Nil	Nil
(f)	Other Loans (specify nature)	Nil	Nil
Assets side:			Amount outstanding
(2)	Break-up of Loans and Advances including bills receivables [Other than those included in (4) below] :		
(a)	Secured		Nil
(b)	Unsecured		54.75
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i)	Lease assets including lease rentals under sundry debtors :-		
(a)	Financial lease		Nil
(b)	Operating lease		Nil
(ii)	Stock on-hire including hire charges under sundry debtors :-		
(a)	Assets on Hire		Nil
(b)	Repossessed Assets		Nil
(iii)	Other loans counting towards AFC activities:		Nil
(a)	Loans where assets have been repossessed		Nil
(b)	Loans other than (a) above		Nil
(4)	Break-up of Investments :		
Current Investments :			
1.	Quoted :		
(i)	Shares : (a) Equity (b) Preference		0.56 Nil
(ii)	Debentures and Bonds		Nil
(iii)	Units of mutual funds		Nil
(iv)	Government Securities		Nil
(v)	Others (please specify)		Nil
2.	Unquoted :		
(i)	Shares : (a) Equity (b) Preference		Nil Nil
(ii)	Debentures and Bonds		Nil
(iii)	Units of mutual funds		Nil
(iv)	Government Securities		Nil

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(v) Others (please specify)	Nil
Long Term Investments :	
1. Quoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil
2. Unquoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil

(5) Borrower group-wise classification of all assets, Financed as in (2) and (3) above :

Category	Amount net of provisions		Total
	Secured	Unsecured	
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group (Holding Company)	Nil	45.00	45.00
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	9.75	9.75
Total	Nil	54.75	54.75

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value/Break-up or fair value c : NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	0.96	0.56
Total	0.96	0.56

(7) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debt	Nil

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.	:	U65910GJ1984PLC006902
State Code	:	04
Balance Sheet Date	:	31-03-2009

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	:	-
Right Issue	:	-
Bonus Issue	:	-
Private / Preferential Placement	:	-

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	:	13,193
Total Assets	:	13,193

Sources of Funds

Paid-up Capital	:	12,900
Reserves & Surplus	:	293
Secured Loans	:	-
Unsecured Loans	:	-

Application of Funds

Net Fixed Assets	:	-
Investments	:	56
Net Current Assets	:	6,438
Deferred Tax Assets (Net)	:	-
Misc. Expenditure	:	-
Accumulated Losses	:	6,699

IV. Performance of Company (Amount in Rs. Thousands)

Total Income	:	134
Total Expenditure	:	139
Profit before tax (PBT)	:	-4
Profit after tax (PAT)	:	-5
Earning Per Share (Rs.)	:	-0.004
Dividend Rate (%)	:	Nil

V. Generic Names of Three Principal products/ Services of Company

i. Item Code No. (ITC CODE)	N.A
Product description	Equipment Leasing

Ahmedabad
28th April, 2009

S. K. Nema

Director

Rajesh B. Shah

Director

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Madhusudan
Industries Limited

Madhusudan Industries Limited

Regd. Office : Rakhial Station, Taluka - Dehgam, Dist. Gandhinagar,
Pin - 382 315. Gujarat.

DP ID *	
Client ID*	

PROXY

I/We _____

of _____

being a member(s) of Madhusudan Industries Ltd. hereby appoint _____

_____ of _____

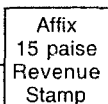
or failing him/her _____

of _____

as my/our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, the 24th September, 2009 at 11.30 a.m. or at any adjournment thereof.

Signed this _____ day of _____ 2009.

Signature(s) _____



L.F. No. _____

* Applicable for investors holding shares in electronic form.

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

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Madhusudan Industries Limited

Regd. Office : Rakhial Station, Taluka - Dehgam, Dist. Gandhinagar,
Pin - 382 315. Gujarat.

DP ID *	
Client ID*	

ATTENDANCE SLIP

Annual General Meeting - 2009

at Regd. Office : Rakhial Station, Taluka - Dehgam, Dist. Gandhinagar, Pin - 382 315. Gujarat.

Name of the attending Member/Proxy (In block letters) :

Member's Folio No. :

No. of Shares held :

I hereby record my presence at the Annual General Meeting held on 24th September, 2009.

Member's / Proxy's Signature

* Applicable for investors holding share in electronic form.

- Notes : 1. Please bring this Attendance slip to the meeting and handover at the entrance duly filled in.
2. Members are requested to bring copy of Annual Report with them.

Book-Post

To,



If undelivered, please return to :

Madhusudan Industries Limited

Madhusudan House, Opp. Navrangpura Telephone Exchange, Ahmedabad 380 006

Pratiksha - 098252 62512