

MADHUR INDUSTRIES LIMITED

ANNUAL REPORT

2010-2011

MADHUR INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of Madhur Industries Limited will be held at Regd. Office at Madhur Complex, Stadium Cross Road, Navrangpura, Ahmedabad on 30th September, 2011 at 9.30 A.M. at the registered office of the company to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Accounts of the company for the year ended 31st March 2011 and the Report of the Directors and auditors thereon.
2. To appoint Director in place of Mr. Vitthala Shetty, who retires by rotation and eligible for re-appointment.
3. To appoint Auditors, and to fix their remuneration.

Place: Ahmedabad

By order of the Board of Directors,

Date: 18/08/2011

FOR MADHUR INDUSTRIES LTD.

Vinit Parikh.
CHAIRMAN

NOTES: -

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 27th Sept. 2011 to 30th Sept. 2011 (both days inclusive).
3. As a measure of economy, Annual Report will not be distributed at the Meeting. So, members are requested to bring their copy of Annual Report with them to the Annual General Meeting.

MADHUR INDUSTRIES LIMITED

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Accounts for the financial year ended on 31st March 2011.

1. Financial Results (Rs. in lacs)

Particulars	2010-11	2009-10
Sales	458.33	252.99
Other income	16.93	20.36
Depreciation	20.70	26.49
Other Expenditure	446.10	234.68
Profit/ Loss before Tax	8.63	(148.58)
Profit/Loss after Tax	8.63	(143.48)

During the current year your company has achieved a reasonable level of growth. We are hoping that the phenomenal growth shall be achieved during the next coming years.

2. Directors

Mr. Vitthala Shetty, Director of the company retires at the ensuring Annual General meeting and eligible for re-appointment.

3. Personnel

Your directors' wish to place on record their appreciation for the contribution to growth of the business made by employees at all levels. Information as required pursuant to section 217(2A) of the companies Act, 1956 has not been given, as it is not applicable.

4. Auditors

M/s Purushottam Khandelwal & Co., Chartered Accountants, Ahmedabad, Auditor of the Company retire at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for Re-appointment.

5. Deposits

During the year, Company has not accepted inter corporate Deposits, which falls under Section 58A of Companies Act, 1956.

6. Energy, Technology And Foreign Exchange

The additional information required to be disclosed in terms of notification No.1029 dated 31st December, 1998 issued by the Department of Company Affairs, Ministry of Finance is not applicable.

7. Directors' Responsibility Statement

Pursuant to Section 217(2A) of Companies Act, 1956, the Directors confirm that:

- i. In the preparation of Annual Accounts, appropriate accounting standard have been followed.
- ii. Appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give true and fair view of state of affairs of the company at the end of financial year ended 31st March, 2011.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Annual Accounts have been prepared on going concern basis.

8. Auditor's Qualification

Auditors have qualified their report to the members of the Company. In this connection directors of the Company have discussed the same at arm's length on the recommendation of audit committee and have initiated to take necessary action so as to show fair view of state of affairs of the company in the coming financial year.

9. Report on Corporate Governance

Compliance Report on Corporate Governance is a part of Annual Report is annexed herewith.

10. Acknowledgements

Your Directors wish to please on record their appreciation of the whole hearted co-operation extended to company from various departments of the central and state governments, company' bankers and financial institutions and employees of the company and look forward for the same cordial relationship in coming years.

PLACE: AHMEDABAD
DATE : 18/08/2011

FOR AND ON BEHALF OF THE BOARD

Vinit Parulk.

CHAIRMAN

Madhur Industries Limited 2010-11

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REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) constituted the Committee on Corporate Governance to promote and raise the standard of Corporate Governance of listed companies. The Committee has made recommendation on the composition of the board of directors, audit committee, board procedure etc.

The company has taken necessary steps to comply with the clause of 49 of the revised Listing Agreement given below is the report of the Directors on the Corporate Governance.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company believes in functioning in a transparent manner with the basic philosophy being to enhance the Shareholder value, keeping in mind the needs and interest of other stakeholders, in compliance thereof. The following information is placed before the shareholders.

BOARD OF DIRECTORS

Name of Director	Category	No. of Board Meeting	Attended	Last AGM Attendance
Shri Vinit R. Parikh	Mg. Director	9	9	Yes
Shri Shalin V. Parikh	Chairman & Whole-time Director	9	9	Yes
Shri Hitesh Gandhi	Independent Director	9	9	Yes
Shri Vittala Shetty	Independent Director	9	7	Yes

No Directors are having Chairmanship of more than five companies where they are director.

Name of Director	Other Directorship (No. of Company)
Shri Vinit Parikh	1
Shri Shalin Parikh	1
Shri Hitesh Gandhi	3
Shri Vittala Shetty	No

In line with the requirements of the code of the corporate governance, the board of directors comprises of four members. However, Your Company is trying its level best to accomplish the revised clause-49 of listing agreement.

A declaration signed by Shri Vinit Parikh, Managing Director of the company according compliance of sub-Clause (1D) of Clause 49 of the listing Agreement is attached herewith forming part of his Annual Report.

Madhur Industries Limited 2010-11

2. AUDIT COMMITTEE

Pursuant to the revised clause 49 of the listing agreement, the company has appointed Audit committee consisting of followings:

- | | |
|---------------------------|------------|
| (i) Mr. Hitesh Gandhi | - Chairman |
| (ii) Mr. Shalin Parikh | - Member |
| (iii) Mr. Vitthala Shetty | - Member |

The scope of committee includes.

- Review of company's financial reporting process and the financial statement.
- Review internal control systems and functioning of internal audit process.
- Post audit review with statutory auditors.

During the year under review, Audit committee met four times where all the members attended meetings.

3. REMUNERATION COMMITTEE

Remuneration paid to directors of the company is as follow.

- Mr. Vinit R. Parikh Rs. 900,000/-
- Mr. Shalin Parikh Rs. 360,000/-

Remuneration committee consists of Mr. Hitesh Gandhi and Mr. Vitthala Shetty.

4. SHAREHOLDERS' COMMITTEE

The company has complied the requirement of the sub clause VI (A), (B) of the clause 49 of the Listing agreement.

The composition of shareholders cum investors' grievance committee was as follows:

- | | |
|--------------------------|------------|
| (i) Mr. Vinit Parikh | - Chairman |
| (ii) Mr. Vitthala Shetty | - Member |

During the year, the company and their Registrar and Share Transfer Agents M/s Link Intime India Pvt. Ltd. has resolved all investors complaints. It is policy of the company to give reply of shareholders complaint within the time frame prescribed by the SEBI/Stock Exchanges.

The Share received for transfer is approved on 15th and 30th of the each month and are given effect by the Registrar and Share Transfer Agent.

M/s. Link Intime India Pvt. Ltd continued to provide its services as common Agent for electronic as well as physical share transfer work.

Madhur Industries Limited 2010-11

5. GENERAL BODY MEETING:

Date	Type	Time	Location
30/09/2008	AGM	11.00 AM	Madhur Complex, Stadium Cross Road, Navarangpura, Ahmedabad
30/09/2009	AGM	11.00 A.M.	
30/09/2010	AGM	09.30 A.M.	

There are no special resolutions passed by the company through postal ballot at any of the above annual general meeting.

6. DISCLOSURES:

- (A) During the year under review, the quarterly unaudited results were taken on record by the Board of Directors at the end of month of respective quarter. However in terms of clause 41 of Listing Agreement, the same were furnished to the concerned stock exchanges were also circulated in the newspaper within the stipulated time.
- (B) Company has followed accounting standards diligently.
- (C) Further, company is in the process of lying down risk assessment system.
- (D) Further, company has not received any funds through capital market during the year.
- (E) Transaction with related parties have been properly disclosed in notes to accounts and discussed at length by audit committee.
- (F) Management discussion and analysis report is attached to and forms part of this report.
- (G) Further, Shri Vinit Parikh, Managing Director of the company as certified to board of directors of the company regarding compliance of sub-clause (v) of clause 49 of listing agreement.

7. MEANS OF COMMUNICATION:

The means of communication between the Shareholders and company are transparent and investor friendly. Steps are being taken to display the corporate results on the EDIFAR & Corporate website, which is being developed.

8. GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting:
(Date, Time & Venue)

Date: 30/09/2011

Time : 9.30 a.m.

Venue: Madhur Complex, Stadium Cross Road,
Navrangpura, Ahmedabad- 380009

Madhur Industries Limited 2010-11

Financial Calendar 1st April 2010 to 31st March 2011
Date of Book Closure From 27th Sept.2011 to 30th Sept. 2011
(Both days inclusive)

Dividend Payment Date No Dividend declared

9. LISTING OF STOCK EXCHANGE:

Bombay Stock Exchange Limited
Ahmedabad Stock Exchange Limited

10. MARKET PRICE DATA AT BOMBAY STOCK EXCHANGE LIMITED:

MONTH	HIGH (RS.)	LOW (RS.)
April, 2010	22.45	15.00
May, 2010	14.30	11.30
June, 2010	14.20	9.40
July, 2010	17.70	10.50
August, 2010	18.56	9.04
September, 2010	30.70	17.45
October, 2010	54.25	31.55
November, 2010	76.00	46.20
December, 2010	75.40	48.85
January, 2011	73.00	47.45
February, 2011	40.75	41.30
March, 2011	49.40	33.10

11. DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH, 2011:

No. of Equity shares held	No. of shareholders	% of total s.holders	No. of shares held	% of shareholding
1 to 500	2933	86.90	435396	10.65
501 to 1000	158	4.68	131194	3.21
1001 to 2000	72	2.13	111063	2.72
2001 to 3000	63	1.87	163397	4.00
3001 to 4000	18	0.53	65159	1.59
4001 to 5000	41	1.22	198536	4.85
5001 to 10000	49	1.45	365731	8.94
10001 to above	41	1.22	2619524	64.05
TOTAL	3375	100.00	4090000	100.00

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12. DISTRIBUTION PATTERN AS ON THE 31STMARCH, 2011:

Category	No. of shares held	% of shareholding
Promoters & relatives	1950660	47.69
Banks/FII/ FI	4800	0.12
Public	1521257	37.20
Body Corporate	554141	13.55
NRI	17100	0.42
Clearing Members	42042	1.03

13. REGISTRAR AND SHARE TRANSFER AGENT:

M/s. Link Intime India Pvt. Ltd.
211, Sudarshan Complex,
Nr. Mithakhali underbridge,
Navrangpura,
Ahmedabad-380009

14. SHARE TRANSFER SYSTEM:

The share transfer work is handled by registrar and transfer agent for the company.

Share Transfers are registered and dispatched within a period of thirty days from the date of the lodgements if the transfer documents are correct and valid in all respects.

15. DEMATRIALISATION OF SHARES:

Outstanding GDRs/ADRs/Warrants or any Convertibles : N.A.
instruments and conversion date and likely impact on Equity

Address for Correspondance : Madhur Complex,
Stadium Cross Road,
Navrangpura,
Ahmedabad-380009

3172600 shares out of 4090000 Equity shares of the company have been dematerialized as at 31st March, 2011 representing 77.57% of total paid-up capital of the company.

For and On behalf of the Board of Directors

Date : 18/08/2011
Place : Ahmedabad

Vinit Parikh
VINIT PARIKH
Managing Director

Madhur Industries Limited 2010-11

MANAGEMENT DISCUSSION AND ANALYSIS

1. Overall Review :

The overall performance during the financial year 2010-11 has been satisfactory.

2. Financial Review :

Total turnover for the year ended 31st March, 2011 was Rs. 458.33 lacs. This increase was mainly on account of improvement in manufacturing process and sales promotion drive. Better working capital management was also one of the emphasis on which proper weightage was laid upon.

3. Internal Control System and their adequacy :

Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or deposition.

4. Business Environment :

The Performance of the company for the year under review was satisfactory.

5. Risk and Concern :

The building, plant and machinery, vehicle and stocks of the company are adequately insured.

6. Cautionary Statement :

Statements in this report on management Discussion and analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Important factors that could make a different to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibilities in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information of event

BY ORDER OF THE BOARD OF DIRECTORS

Place: Ahmedabad

For **Madhur Industries Limited**

Date : 18/08/2011

Vinit Parikh.

Mr. Vinit Parikh

Chairman

Madhur Industries Limited 2010-11

CERTIFICATION BY MANAGING DIRECTOR TO THE BOARD

I, Mr. Vinit Parikh, Managing Director of the MADHUR INDUSTRIES LTD certify that :

1. I have reviewed the financial statements for the year and that to the best of my knowledge and belief :
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b. These statements give a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. These are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. I accept overall responsibility for the company's internal control system and financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all the levels of management and statutory auditors and reports significant issues to the Audit Committee of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies and material weakness.
4. I indicate to the auditors and to the audit committee :
 - a. Significant changes in internal control over financial reporting during the year.
 - b. Significant changes in accounting policies during the year;
 - c. Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

However, during the year there were no such changes or instances.

Date : 18/08/2011

Place : Ahmedabad

Vinit Parikh.

Managing Director

Madhur Industries Limited 2010-11

DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR ABOUT CORPORATE GOVERNANCE

I, Mr. Vinit Parikh, Chairman & Managing Director of Madhur Industries Limited hereby confirm pursuant to clause 49(1)(d) of the listing agreement that:

1. The board of directors of Madhur Industries Limited has laid down a code of conduct has been placed on the company's website.
2. All the members of the board as well as senior management personal have complied with the said code of conduct for the year ended 31st March 2011.

Place: Ahmedabad

Date: 18/08/2011



Mr. Vinit Parikh

Chairman & Managing Director

Madhur Industries Limited 2010-11

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Madhur Industries Limited

We have examined the compliance of the conditions of corporate Governance by Madhur Industries Limited for the year ended on March 31, 2011, as stipulated in Clause 49 of the listing Agreements of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of the opinion on the financial statement of the Company.

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

We 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.

Place : Ahmedabad
Date : 18/08/2011

For, Purushottam Khandelwal & Co.
Chartered Accountants

P. H. Khandelwal
Purushottam Khandelwal
Proprietor

AUDITORS' REPORT

TO
THE MEMBERS OF
MADHUR INDUSTRIES LTD.

1. We have audited the attached Balance Sheet of **MADHUR INDUSTRIES LTD.**, as at **31 March 2011**, the Profit and Loss Account of the Company for the year ended on that date and Cash Flow statement, 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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on 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 require by Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report)(Amendment) Order, 2004 issued by Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained the available information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c. The Reports on the accounts of Mumbai Branches audited by the branch auditors has been forwarded to us & the same has been considering in preparing our report.
- d. The Balance Sheet , the Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
- e. In our opinion, the Balance Sheet ,Profit & Loss Account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section 3C of Section 211 of the Companies Act, 1956;
Except Accounting Standard -15 on Retirement benefits as no provision has been made for retirement benefits , The effect of the same can not be quantified, to that extent loss for the year and balance of Profit & Loss account and balance of current liabilities is understated.

Accounting Standard -13 on Accounting for investments as no provision is made for diminution in the value of investment of group concern amounting to Rs. 63, 90,965 lacs.

- f. On the basis of written representations received from the directors as at 31 March, 2011 and taken on record by the Board of Directors and in accordance with the information and explanations as made available, the directors of the company do not have prima - facie have any disqualification as at 31March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- g. The Bank accounts of the Company was frizzed by the CBI BS & FC, Mumbai in the financial year 2001-02, therefore no provision has been made for bank balance of Rs. 32,56,783, DD in Transit of Rs.32,372 , doubtful sundry debtors of Rs. 34.07 lacs & doubtful advance of Rs. 82.21 lacs exceeding six months . The Consequential effect of this is not ascertainable.

a. Note in Schedule relating to non provision of interest on fixed deposit (accepted in previous year u/s 58A) for the year ending on 31st March, 2011 and matured/encashed Fixed Deposits for which the cheques are issued from separate bank account (which is freezed CBI BS & FC, Mumbai) but not cleared due to suspension of banking operation of Madhavpura Mercantile Co. Op. Bank Ltd. Consquently the loss and liability are understated to the extent.

i. Subject to the above ,In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act,1956, in the manner so required and given a true and fair view in conformity with the accounting principles generally accepted in India:

i In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2011.

ii In the case of the Profit and Loss Account, of the profit of the Company for the period ended on that date.

iii In the case of Cash Flow Statement, of the Cash Flow of the Company for the year ended on that date.

Date: - 18/08/2011
Place: - Ahmedabad

For Purushottam Khandelwal & Co.
Chartered Accountants

P. H. Khandelwal

(P.H. Khandelwal)
Proprietor

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date)

1. (a) As per the information and explanation given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As per the information and explanation given to us, the assets have been physically verified by the management during the regular interval. However the details regarding the same are not available for our verification.

(c) The Company has not disposed of any substantial part of its fixed assets during the year as would affect its going concern status.
2. (a) As per the information and explanations given to us, the inventories has been physically verified during the year by the management.

(b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management is 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 that have been noticed on physical verification of inventories as compared to books records.
3. (a) As per the information and explanations given to us, the Company has granted unsecured loans to six parties covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum balance outstanding during the year was Rs. 12,76,746.

(b) In our opinion, the rate of interest and other terms and conditions of such loan are not, prime facie, prejudicial to the interest of the Company.

(c) The company is neither regular in making recovery of the principal amount nor its interest.

(d) There is overdue amount of loans granted exceeding one lacs in case of three parties and company is in process of recovery of the amount to the. Parties covered in the register maintained under section 301 of the Companies Act, 1956.

(e) As per the information and explanations given to us, the Company has taken unsecured loans from three parties covered in the Register maintained u/s. 301 of the Companies Act, 1956. The maximum balance outstanding during the year was Rs. 7,59,094.

(f) The terms and conditions of the above loans are prima facie not prejudicial to the interest of the company.

(g) The company is neither regular in making repayment of the principal amount nor its interest.

4. In our opinion and according to information and explanation given to us; there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets, and for the sale of goods and services. Further on the basis of our examination of books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. In our opinion and according to the information and explanations given to us, there is no transaction during the year as referred to in Section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the company has not accepted/renewed the deposits falling within preview of Section 58A / 58AA of the Companies Act, 1956 during the financial year. However the honorable Company Law Board (CLB) western region bench Mumbai, by its order dated 29th April, 2002 in company petition no 58AA/58A(9)/CLB/WR/2002/494 has order that there is a default on the part of the company to repay the small depositors their deposits as per terms and condition of acceptance of deposits. However considering the submission made by the company that the company is already having a separate Bank account for accepting and repaying fixed deposits with Madhavpura Mercantile Co. Op. Bank Ltd. , the banker of the company and has transferred funds to the tune of Rs. 175 Lacs to the said amount (which is frizzed by CBI BS & FC Mumbai) for repayment of depositors and since the clearing of the Madhavpura Mercantile Co. Op. Bank Ltd., the banker of the company has been suspended w.e.f. 13th March, 2001 the company is unable to repay to depositors whose FD's stand matured & for repayment of the premature FD's Hon'ble Company Law Board has given directions to the company as contained in order. One of prime direction of the order is that:

The Company shall make repayment of deposits along with interest at the contracted rate till the date of payment to depositors whose deposits become matured and also to depositors who have requested the company for repayment of their premature fixed deposits within 30 days of start of clearing of Madhavpura Mercantile Co. Op. Bank Ltd. However clearance of Bank already has been started but the above bank account has been freezed by CBI BS & FC Mumbai hence company could not paid deposits.

7. In our opinion and according to the information and explanation given to us, the Company has no internal audit system commensurate with size and nature of its business.
8. In our opinion and according to the information and explanations given to us, the central government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
9. (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, excise duty, cess and other material statutory dues applicable to it. And the Company had no arrears of such outstanding statutory dues as at 31st March, 2011 for a period more than six months from the date they became payable except TDS of preceding years of Rs.4083 not deposited.

(b) According to the information and explanation given to us, and details produced for verification, there are dues of Income tax of Rs. 69,83,703 which have not been deposited as the said dispute is pending before CIT (Appeal).
10. In our opinion and according to the information and explanations given to us, the company has not incurred any cash losses during the financial year under review. Moreover, the company has accumulated losses of Rs. 3,22,46,424.53 at the end of the financial year.
11. According to the records of the company examined by us and on the basis of information and explanations given to us, the company has issued cheques of Rs. 2,10,07,851/- from its current account for repayment of Term Loan to Madhavpura Mercantile Co. Op. Bank Ltd by way of transfer of funds. We are unable to express our opinion because necessary documents are not available by bank to us whether same have been credited or not.
12. The company has not granted any loans and advances on the basis of securities by way pledge of shares, debentures and other securities.

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 are not applicable to the company.

14. According to the information and explanation given to us, the company is dealing or trading in shares, securities, Proper records have been maintained of the transactions and contracts and timely entries have been made therein. The other investments have been held by the company in its own name except to the extent of exemption, if any granted under section 49 of the act.
15. In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions during the year.
16. As per the information and explanation given to us, the company has not taken term loans during the financial year.
17. In our opinion and according to the information and explanations given to us, the Company has not used any funds raised on short term basis for long term investment.
18. The Company has not made any preferential allotment to parties covered in the register maintained under Section 301 of the Companies Act, 1956.
19. During the period covered by our audit report, the company has not issued any debentures.
20. As the company has not raised money by making Public issue during the Financial year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For, Purushottam Khandelwal & Co.
Chartered Accountants

P. H. Khandelwal
Purushottam Khandelwal
Proprietor

Place: Ahmedabad.

Date : 18/08/2011

MADHUR INDUSTRIES LIMITED
BALANCE SHEET AS ON 31-03-2011

	SCH.	AS AT 31.3.2011	AS AT 31.3.2010
SOURCE OF FUNDS			
1. Shareholders' Funds	1	40,900,000	40,900,000
(a) Share Capital	2	53,467,442	53,467,442
(b) Reserve & Surplus			
2. LOAN FUNDS	3	12,858	12,858
Secured Loans	4	615,430	647,950
Unsecured Loans			
TOTAL		94,995,730	95,028,250
APPLICATION OF FUNDS			
4. FIXED ASSETS	5	51,256,924	50,660,143
Gross Block		31,405,166	29,401,094
Less: Depreciation		19,851,758	21,259,049
Net Blocks			
5. INVESTMENTS	6	10,376,752	15,673,584
6. CURRENT ASSETS AND LOAN ADVANCES	7		
Inventories		9,611,222	9,072,935
Debtors		10,863,953	4,581,302
Cash & bank balance		4,920,753	3,964,116
Loans and Advances		10,432,120	9,823,177
TOTAL(A)		35,828,048	27,441,530
7. LESS : CURRENT LIABILITIES & PROVISIONS	8		
(a) Current Liabilities		3,351,359	2,884,642
(b) Provisions		739,943	746,612
TOTAL(B)		4,091,302	3,631,254
8. NET CURRENT ASSEST (A - B)		31,736,746	23,810,276
Deffered Tax Assets(Seen Note)		-	
MISCELLANEOUS EXPENDITURE	9	784,048	1,176,072
Profit & Loss Account		32,246,426	33,109,269
TOTAL		94,995,730	95,028,250

NOTES ON ACCOUNTS :AS PER SCHEDULE
AS PER REPORT OF EVEN DATE
FOR ,PURUSHOTTAM KHANDLWAL & CO
CHARTERED ACCOUNTANTS

P. H. Khandelwal

PROPRIETOR
PURUSHOTTAM H.KHANDLWAL
M.NO.100601
FRN :123825W

PLACE AHMEDABAD
DATE 18-8-2011

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FOR, MADHUR INDUSTRIES LIMITED

Vinit Parikh
DIRECTOR

Shalin V. Parikh
DIRECTOR

MADHUR INDUSTRIES LTD.
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-2011

	SCH.	AT 31.3.2011	AT 31.3.2010
INCOME			
1. Sales & Services	10	45,832,949	25,299,814
2. Other Income	11	1,693,158	2,036,248
3. Increase/ (Decrease) in inventories	12	17,040	(15,376,851)
TOTAL (A)		47,543,146	11,959,211
EXPENDITURE			
Consumption of Raw Material	13	32,901,395	9,413,604
Payment to & Provision for Employees	14	4,661,199	6,745,538
Trading & Manufacturing Exp.	15	1,175,257	1,667,289
Administrative, Selling & other Expenses	16	5,747,511	5,583,512
Financial Charges	17	125,039	58,175
Depreciation		2,069,898	2,649,586
TOTAL (B)		46,680,300	26,117,704
Profit before Tax(A-B)		862,846	(14,158,493)
Provision for Taxation			
(a) Current Tax		-	-
(b) Deferred Tax		-	190,446
Provision for FBT		-	-
Net Profit after Tax		862,846	(14,348,939)
Balance of last year carried forward		(33,109,269)	(18,760,330)
Balance for the year carried to balance sheet		(32,246,423)	(33,109,269)

NOTES ON ACCOUNTS :AS PER SCHEDULE
AS PER REPORT OF EVEN DATE

18

FOR ,PURUSHOTTAM KHANDELWAL & CO
CHARTERED ACCOUNTANTS

P. H. Khandelwal
PROPRIETOR
PURUSHOTTAM H.KHANDELWAL
M.NO.100601
FRN :123825W

FOR, MADHUR INDUSTRIES LIMITED

Vinit Parulkar *Shalin V. Pawil.*
DIRECTOR DIRECTOR

PLACE AHMEDABAD
DATE 18-8-2011

SCHEDULES FORMING PARTS OF ACCOUNTS

	AS AT 31.3.2011	AS AT 31.3.2010
<u>SCHEDULE "1" SHARE CAPITAL</u>		
AUTHORISED SHARE CAPITAL 50,00,000 equity Share of Rs 10/- each	50,000,000	50,000,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL 40,90,000 Equity shares of Rs. 10/- each (P.Y 4090000 Equity Share of Rs 10/- each)	40,900,000	40,900,000
	40,900,000	40,900,000
<u>SCHEDULE "2" RESERVES & SURPLUS</u>		
1.Capital Reserve		
A.Capital subsidy from spices board	100,000	100,000
B.Revaluation reserve on fixed assets brought forward	673,864	673,864
LESS: Tranferred to P&L A/c	-	-
	673,864	673,864
C.Amalgamation Reserve	306,145	306,145
SUB TOTAL	1,080,009	1,080,009
2.General Reserve		
As per last balance sheet	52,312,558	52,312,558
SUB TOTAL	52,312,558	52,312,558
3.INVESTMENT ALLOWANCE(UTILISED)	74,875	74,875
SUB TOTAL	74,875	74,875
	53,467,442	53,467,442
BALANCE CARRIED TO BALANCE SHEET		
<u>SCHEDULE "3" SECURED LOANS</u>		
FROM BANKS		
CASH CREDIT	12,858	12,858
Secured by hypothecation of stock in trade comprising of raw material, stock in process & finished goods & book debts and floating charge over all existing & future fixed assets, also guranted by director of the company.		
TOTAL	12,858	12,858
<u>SCHEDULE "4" UNSECURED LOANS</u>		
From Directors & Relatives	206,294	238,814
From Bank	185,043	185,043
From Public	170,093	170,093
Trade Deposit	54,000	54,000
TOTAL	615,430	647,950
<u>SCHEDULE "6" INVESTMENTS(AT COST)</u>		
GOVT SECURITIES (UNQUOTED)		
National Defence Bond Deposited with Central Govt.(Food Corp. of India)	1,500	1,500
National Saving Certificate Deposited with Central Govt.(Export Div.)	1,100	1,100

SCHEDULE - 5 - FIXED ASSETS

PARTICULARS	Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS ON 01-04-2010	ADDITION	DEDUCTION	AS ON 31-03-2011	AS ON 01-04-2010	ADDITION	DEDUCTION	AS ON 31-03-2011	AS ON 31-03-2010
Land leasehold	0%	1,858,302	-	-	1,858,302	-	-	-	1,858,302	1,858,302
Factory Building	3.34%	14,631,954	-	-	14,631,954	7,947,823	488,707	8,436,530	6,195,424	6,684,131
Office Building (Mumbai)	1.63%	1,290,122	-	-	1,290,122	256,306	21,029	277,335	1,012,787	1,033,816
Plant & Machinery	4.75%	15,645,743	113,513	-	15,759,256	7,950,054	745,872	8,695,926	7,063,330	7,695,689
Laboratory Equipment	4.75%	3,183,694	-	-	3,183,694	2,072,099	151,225	2,223,324	960,370	1,111,595
Furniture & Fixtures	6.33%	8,895,286	-	-	8,895,286	6,691,229	563,072	7,254,301	1,640,985	2,204,057
Vehicles	9.50%	1,440,025	438,018	-	1,878,043	1,440,025	40,016	1,480,041	398,002	-
Office Equipments	6.33%	1,403,974	-	-	1,403,974	732,515	58,621	791,136	612,838	671,459
Computer	16.21%	2,311,043	45,250	-	2,356,293	2,311,043	1,356	2,246,573	109,720	-
TOTAL		50,660,143	596,781	-	51,256,924	29,401,094	2,069,898	31,405,166	19,851,758	21,259,049
Previous Year		51,243,760	693,496	12,771,113	50,660,143	27,663,233	2,649,583	29,401,094	21,259,049	23,580,527

OTHER INVESTMENTS		
A. Quoted		
9,27,500 (previous year 9,27,500) Equity Shares of Madhur Capital & Finance Ltd	6,390,965	6,390,965
B. Unquoted		
a. 9000 Shares of Madhavpura Mercantile Co. Op. Bank Ltd. Of Rs. 100 each fully paid up. (P.Y.9000 shares)	900,000	900,000
b. 498 Equity Shares of Bombay Merc. Co. Op. Bank Ltd.(P.Y.498)	4,980	4,980
c. Investment in units of Mutual Fund of Standard Chartered Mutual Fund	-	213,299
d. Investment in units of IDFC Liquid Plus Fund Treasury Plan	-	140,608
e. Investment in units of Fidelity India liquid Plus Fund	-	4,158,162
f. Investment in Templeton India Floting Rate Income Fund	2,708,606	3,798,772
g. Investment in Fortis Money Plus Fund	369,601	64,198
h. Investment in ICICI Prudential Flexible		
TOTAL	10,376,752	15,673,584
<u>SCHEDULE "7" CURRENT ASSETS</u>		
A. Inventories(As taken valued & Certified by Management)		
Raw Materials	1,020,962	1,769,863
Packing Materials & Other Materials	8,215,503	6,945,355
Finished Goods including goods in transit	374,757	357,717
Sub Total (i)	9,611,222	9,072,935
B. Sundry Debtors(Unsecured)		
Considered goods	7,601,104	286,471
Considered doubtful	3,262,849	4,294,831
Sub Total (ii)	10,863,953	4,581,302
TOTAL (i+ii)	20,475,175	13,654,237
<u>CASH & BANK BALANCES</u>		
Cash on Hand	185,477	121,463
Balance with Schedule Bank	4,462,010	3,490,096
D.D. In Transit	32,372	32,372
In Fixed Deposit	240,894	320,185
TOTAL	4,920,753	3,964,116
<u>LOAN & ADVANCES</u>		
1. Advances recoverable in Cash or Kind or value to be received	-	36,733
2. Due from company under the same management	1,216,176	1,066,347
Advance to Others(Exports)	4,522,303	4,457,264
3. Staff Loans	204,462	155,962
4. Other Advances	44,676	180,222
5. Sundry Deposits (includes Rent Deposits to a director of Rs. Nil P.Y Rs. Nil)	4,014,497	3,421,564
6. Advance Income Tax	430,006	444,007
7. Prepaid Expenses	-	61,078
TOTAL	10,432,120	9,823,177

SCHEDULE "8" CURRENT LIABILITIES & PROVISIONCURRENT LIABILITIES

Sundry Creditor	617,714	193,158
a. For Goods	233,609	465,488
b. For Expenses	1,204,965	911,172
Advance received from customers	658,298	626,855
Unpaid Expenses	26,923	53,637
Statutory Liabilities	609,850	634,332
Other Liabilities	3,351,359	2,884,642
Sub Total(i)		

PROVISION

For Taxation	318,132	318,132
Others	421,811	428,480
Sub Total(ii)	739,943	746,612

TOTAL(i+ii)

4,091,302	3,631,254
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SCHEDULE "9" MISCELLANOUS EXP.

(To the extend not written off or adjusted)

Preliminary Expense (Export Division)

Opening Balance	1,176,072	1,568,096
Add : Incurred during the year	-	-
Less : Written off during the year	392,024	392,024
TOTAL	784,048	1,176,072

SCHEDULE "10" SALESSales
(Net of Return, Rate & Weight difference)**TOTAL**

45,832,949	25,299,814
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45,832,949	25,299,814
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SCHEDULE "11" OTHER INCOME

Bank Interest	-	420
Cash Discount on Purchase	15,549	-
Excess Depreciation Claimed	-	377,556
Interest on Sales Tax Refund	-	-
Profit on vaida Trading	-	182,584
Bad Debt written off recovered	-	-
Dividend Income	123,953	332,624
Miscellaneous Income	65,827	-
Interest Received on FDR	52,448	163,294
Profit on Currency/Vaida Trading	-	-
Kasar/VataV	142,086	44,537
Liquid Mutual Fund Income	90,236	-
Remission of Creditors Liability	690,894	627,007
Remission of Other Liability	-	25,000
DEPB Licence sale	512,165	283,226

TOTAL

1,693,158	2,036,248
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SCHEDULE "12" INCREASE\DECREASE IN STOCK

Closing Stock	374,757	357,717
Less : Opening Stock	357,717	15,734,568
INCREASE\DECREASE IN STOCK	17,040	(15,376,851)

SCHEDULE "13" CONSUMPTION OF RAW MATERIAL

Opening Stock Of Raw Materials	8,715,218	9,470,044
Add:Purchase of Raw Materials	33,422,643	8,658,778
	42,137,860	18,128,822
	9,236,465	8,715,218
Less: Closing Stock of Raw Materials		
Consumption of Raw Materials	32,901,395	9,413,604

SCHEDULE "14" PAYMENT & PROVISION FOR EMPLOYEE

Salary, Wages, Bonus & Other Allowance	4,563,153	6,631,914
Contribution to PF, ESI & Other Funds	56,386	42,627
Contribution ESI	-	7,720
Gratuity Expnses	31,443	31,443
Staff Welfare Expense	10,217	31,834
	4,661,199	6,745,538

NOTE

Out of which amt paid to Directors	1,260,000	1,050,000
(a) Salary, Perquisites & Other Benefits & HRA	18,720	18,720
(b) Contribution to PF		
	1,278,720	1,068,720

TOTAL**SCHEDULE "15" TRADING & MANUFACTURING EXPENSES**

Container Stuffing Charges	-	18,700
Terminal Handling Charges/Ocean & Air freight	117,054	151,414
Instant Process Exp./Fumigation Expense	28,270	35,914
Other Expenses	15,000	3,753
Octroi Exp.	4,998	-
Discount	(2,547)	205
Freight Inward	22,414	27,449
Factory Expenses	12,952	171,133
Packing Charge	-	10,900
Power Consumption	432,581	499,479
Job Work & Labour Charges	2,959	122,081
Laboratory Expenses	141,444	273,614
Water Charges	52,767	42,492
Forward Contract Charges	28,073	6,934
SUB TOTAL	855,965	1,364,068

Repair and Maintenance

Office/Building Repairs	67,894	69,264
Machinery Repairs	29,295	62,295
Other Repairs/Factory Elec. Maintainance	222,103	171,662
	319,292	303,221

SUB TOTAL**TOTAL**

	1,175,257	1,667,289
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SCHEDULE "16" ADMINISTRATIVE & OTHER EXPENSES

Advertisement Exp.	96078	269368
Agency Charges	151750	-
Annual Subscription Fees	17965	6618
Annual Custody Fees	24266	13236
Auditor's Remuneration	70000	70000
Bad Debts	63000	323948
Business Promotion Expenses	254861	220105
Clearing and forwarding Expenses	0	6618
Cold Storage Charges	6801	-
Consultancy Charges	2280	251000
Conveyance Expenses	140413	36037
Commission & Brokerage	81523	8408
Computer Expenses	40135	26413
Custom Duty/Export Duty	0	-
Demate Charges	0	-
Demonstration Exps.	4932	28673
Dept Liscence app fees & ser. Charges	5600	4600
Donation	151	-
ECGC Application Fees	0	-
ECGC Premium	44290	10131
Electricity Exp.	56920	61108
Freight Outward	1273691	160157
Internet Expenses	68412	14880
Insuranse Expense	11648	83635
Legal and Professional Expense	288159	569541
Licence renewal/Membership Fees	1015	34905
Listing Fees	0	12133
Lorry Hire Charges	200	-
Loss on Vaida Trading	0	173986
Membership Expenses	55148	-
Miscellaneous Expenses	283083	329566
Office Exp.	295150	185536
Packing Expenses	45654	-
Postage & telegram Exp.	170880	130459
Professional Tax	0	5176
Quality Claim	0	63224
Rent, Rate & Taxes	249910	310183
Sales Promotion Exp.	114821	5800
Sales Tax / VAT	0	-
Security Exp.	294505	290224
Stationery & Printing Exp.	74795.5	54718
Telephone Exp.	248722	349450
Transportation Charges	79242	58384
Travelling & Conveyance Exp.	372929	704891
Vehical Exp.	34917	231043
Warehouse Charges	114520	87334
Weight and Quality Charges	217121	-
Preliminary Exp.W/off	392024	392024
Total	5,747,511	5,583,512

SCHEDULE "17" FINANCIAL CHARGES

Bank Charges	79772	11478
Interest to Bank	45267	45363
Cash Discount Given	0	1334
TOTAL	125,039	58,175

MADHUR INDUSTRIES LIMITED

SCHEDULE-18

1. Significant accounting Policies

(a) Basis of Accounting:

The financial statements are prepared under historical cost convention and to comply in all material respect with the notified accounting standards by the Companies Accounting standard Rules - 2006 and the relevant provision of Companies Act, 1956.

(b) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principle require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liability on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from this estimate and differences between actual results and estimates are recognized in the period in which the results are known / materialize.

(c) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. The cost of fixed asset comprise of its purchase price and any directly attributable cost of bringing the assets in an operational condition for its intended use.

(d) Depreciation:

Depreciation has been provided at the rates and in the manner prescribed in Schedule XIV of the Companies act, 1956 on SLM Method. Depreciation on addition or on sale/ disposal of assets is calculated pro-rata from the date of such addition or sale/ disposal as the case may be. Expenses for Advertisement film are amortized from and over the maximum period of 5 years,

(e) Valuation of Inventories:

Inventory of goods are valued at Cost.

(f) Investment:

Long term investments are stated at cost. Provision of diminution in the value of Long term investments is made only if such decline is other than temporary in nature in the opinion of the Management.

(g) Revenue Recognition:

All the items of Income and expenses are recognized on accrual basis, except dividend and interest on overdue installments/defaults and Municipal Tax is accounted on cash basis.

(h) Retirement/ Post retirement Benefits:

No Provision for has been made for liabilities for retirement benefits including gratuity and leave encashment in respect of employees as required by the Accounting Standards -15 on Retirement Benefits.

(i) Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualification assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of such assets up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

(j) Taxation:

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between the taxable incomes and accounting

income that originate in, one period and are capable of reversal in one or more subsequent period.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

(k) Provisions, Contingent Assets and Contingent Liabilities:

Contingent Liabilities as defined in Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets" are disclosed by way of notes to the account. Provision is made if it is probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.

(j) Miscellaneous Expenditure:

Miscellaneous Expenditure is written off to the Profit and Loss Account over a period of up to ten years depending upon the nature and expected future benefit of such expenditure. The management reviews the amortization period on a regular basis and if expected future benefits from such expenditure are significantly lower from previous estimates, the amortization period is accordingly changed.

2. NOTES FORMING PART OF ACCOUNTS

- (a) As per the information and explanation given to us the Company does not have the policy of encashment of leave and hence no provision is made for liabilities for retirement benefits. The effect of the same can not be quantified, to that extent loss for the year and balance of Profit & Loss account is understated and balance of current liabilities is understated.
- (b) The Company has invested an amount of Rs. 63,90,965 in the Shares of associates and no provision is made for diminution in the value of investment.

(c) No provision has been made in respect of doubtful debtors amounting to Rs.96,58,988 as the Company is in the process of initiating available recourse against the said debtors and the Company is hopeful of the recovery of the same.

(d) In view of non-availability of bank statements for bank account balance with banks are subject to confirmation and reconciliation will be made on receipt of the same.

(e) Related Party Disclosure :

1. Key Managerial Personnel

- i) Vinit R. Parikh
- ii) Shalin V. Parikh

2. Relative of Key Management personnel

Pushpaben Parikh

3. Transactions with related parties

Remuneration to:

Vinit parikh: Rs. 9,00,000

Shalin parikh Rs. 3,60,000

Rent to:

Pushpaben Rs. 54,000

Vinit parikh Rs. 18,000

a. Additional information pursuant to the provision of para 4C & 4D of part II of Schedule-VI of the Companies Act, 1956.

	2010-11	2009-10
i. Licensed Capacity	N. A.	N. A.
ii. Installed Capacity	N. A.	N. A.

iii. The details regarding the stock are not made available by the company.

iv. The amount remitted during the year in foreign currencies on account of dividend Rs. NIL

v. C.I.F. Value of Imports is Rs. NIL.

vi. Expenditure in foreign currency is Rs. Nil.

b. Earnings in Foreign Exchange is (FOB) Rs. 1,98,52,435

c. Particulars of payment made to Auditors :

Particulars	2010-11 Amount (Rs.)	2009-10 Amount
(Rs.) Audit Fees	58000/-	58000/-

d. Particulars of payment made to Branch Auditors:

Particulars	2010-11 Amount (Rs.)
Audit Fees	20405/-

a. Particulars of payment made to Directors :

Particulars (Rs.)	2010-11 Amount (Rs.)	2009-10 Amount
Remuneration		
(1) Vinit R. Parikh	900000/-	750000/-
(2) Shalin V. Parikh	360000 /-	300000/-

- b. The balances shown in the Balance sheet under the head of unsecured loans, Creditors, Debtors and Loans and Advances are each subject to confirmation from respective parties and are subject to adjustment if any, on receipt of confirmation.
- c. The Company has not received any intimation from Suppliers regarding their status under Micro and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act have not been given.
- d. The Figures for the previous year have been rearranged and regrouped wherever considered necessary so as to confirm to the current year classification.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, PURUSHOTTAM KHANDELWAL & CO.
CHARTERED ACCOUNTANTS

P.H. Khandelwal
(P.H.KHANDELWAL)
PROPRIETOR
MEM.NO. 100601
FIRM Reg. No.123825W

PLACE: AHMEDABAD
DATE: 18/08/2011

FOR, MADHUR INDUSTRIES LTD

Vinit R. Parikh *Shalin V. Parikh*
DIRECTOR DIRECTOR

PLACE: AHMEDABAD
DATE: 18/08/2011

**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE
COMPANIES ACT, 1956**

1. Registration Details

Registration no. 002252 State Code 04

Balance Sheet date 31-3-2010

2. Capital raised during the year (Amount in rupees)

Public issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

3. Position of mobilization and deployment of funds (Amount in Thousand)

Total Liabilities	94995	Total Assets	94995
<u>Sources of Fund:</u>		<u>Application Of Funds:</u>	
Share Capital	40900	Net Fixed Assets	19851
Reserves Surplus	53467	Investments	10376
Secured Loans	00013	Deferred Tax	NIL
Unsecured Loans	00615	Net Current Assets	31736
Deferred Tax	NIL	Misc. Expenditure	34285

4. Performance of Company (Amount in Thousand)

Turnover & other Income	47526
Total Expenditure	46680
Profit /(loss) Before tax	00862
Profit /(loss) after tax	00862
Earnings per share in Rs.	NIL
Dividend rate	NIL

5. Generic Name of Principal Products/Services of the company (as per monetary Terms)

Item Code. (ITC Code)

Production Description

PLACE: AHMEDABAD
DATE: 18/08/2011

DIRECTOR'S SIGNATURE

P. H. Kharelwal
Proprietor

Shalin V. Parikh
DIRECTORS

MAHARAJA INDUSTRIES LIMITED

Complex,
 Crossing Road,
 Ahmedabad
CASH FLOW STATEMENT FOR THE YEAR 2010-11

Particulars	(Rs. In Lacs)	(Rs. In Lacs)
	2010-11	2009-10
A. Cash Flow From Operating Activities		
Net Profit (Loss) before tax as per profit and loss account	8.62	(141.58)
Adjusted For -		
Depreciation Net	20.69	22.71
Amortisation of Expenses	3.92	3.92
Bad Debt Written off:	0.63	0
Interest Income	(0.52)	(1.63)
Dividend Income	(1.23)	(3.32)
Interest in respect of Gov Grant	0	0
Interest Expense	0.45	0.45
Sundry Credit & Other Balance Written Back	(1.29)	0.00
TOTAL	22.65	22.13
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE		
Movement in Working Capital		
Decrease/(increase) in sundry debtors	(62.82)	0.07
Decrease/(increase) in inventories	(5.39)	161.32
Decrease/(increase) in loans and advances	(6.09)	1.12
Increase/(Decrease) in current liabilities	4.67	(3.07)
Increase/(Decrease) in provisions	(0.07)	3.41
Cash generated from operation	(69.70)	162.85
Direct Taxes paid (Net of refunds)	0	0
NET CASH FROM OPERATING ACTIVITIES	(38.43)	43.40
B. Cash Flows From Investment Activities		
Purchase of Fixed Assets	(5.96)	(6.93)
Purchase of Intangible Assets	0	0
Purchases/sales of Investment	52.97	(39.98)
Sales of Fixed Assets	0	1.11
Interest Received	0.52	1.63
Dividend Received	1.23	3.32
NET CASH FROM FINANCING ACTIVITIES	48.76	(40.85)
C. Cash Flow From Financing Activity		
Proceeds from long-term borrowings	(0.32)	(3.87)
Government grant Recived	0	0
Interest Paid	(0.45)	(0.45)
NET CASH FROM FINANCING ACTIVITIES	(0.77)	(4.32)
NET INCREASE IN CASH AND CASH EQUIVALENTS	9.56	(1.77)
Cash and Cash equivalents at the beginning of the year	39.64	41.41
Cash and Cash equivalents at the end of the year	49.2	39.64