

ANNUAL REPORT 2012-13



MADHUR INDUSTRIES LIMITED

: REGISTERED OFFICE:
MADHUR COMPLEX, STADIUM CROSS ROAD,
NAVRANGPURA, AHMEDABAD.

MADHUR INDUSTRIES LIMITED

- Board of Directors : Mr. Shalin Vinitbhai Parikh - Director
Mr. Vinit R. Parikh - Managing Director
Mr. Narendra Chavda - Director
Mr. Vittaila D. Shetty - Director
- Auditors : M/s Purushottam Khandelwal & Co.,
Chartered Accountants
216, Madhupura VyaparBhavan,
Nr. Gunj Bazar, Madhupura,
Ahmedabad-380004
- Registrar : M/s. Link Intime India Pvt. Ltd.
Unit No 303, 3rd Floor, Shoppers Plaza,
Opp. Municipal Market,
Behind Shoppers Plazall,
Off C G Road,
Ahmedabad- 380009.
- Stock Exchanges wherein the : (1) The Bombay Stock Exchange Ltd
Shares of the Company 25th Floor, P.J.Towers,
are listed Dalal Street, Fort,
Mumbai - 400001.
(2) The Ahmedabad Stock Exchange
Kamdhenu Complex, Opp. Sahjanand College,
Panjarapole, Ambawadi,
Ahmedabad- 380 015

MADHUR INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of M/s. Madhur Industries Limited will be held at Regd. Office at Madhur Complex, Stadium Cross Road, Navrangpura, Ahmedabad on 30th September, 2013 at 9.30 A.M. 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 2013 and the Report of the Directors and auditors thereon.
2. To appoint Director in place of Mr. Shalin Parikh, who retires by rotation and eligible for re-appointment.
3. To appoint Auditors, and to fix their remuneration.

**PLACE: AHMEDABAD
DATE: 30/05/2013**

**BY ORDER OF THE BOARD OF DIRECTORS,
FOR MADHUR INDUSTRIES LTD.**

SD/-

**(MR. VINIT PARIKH)
MANAGING DIRECTOR**

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 24th Sept. 2013 to 30th Sept. 2013 (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.

DIRECTORS' REPORT

To,
The Members of,
M/s Madhur Industries Limited,

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 2013.

1. <u>Financial Results</u>		(Rs. in lacs)
Particulars	2012-13	2011-12
Sales	835.95	626.96
Other income	50.79	12.14
Depreciation	21.92	21.66
Other Expenditure	857.87	607.84
Exceptional Items	0.00	0.79
Profit/ Loss before Tax	6.94	8.81
Profit/Loss after Tax	6.94	3.99

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

2. Directors

Mr. Shalin Parikh, Director of the company retires at the ensuing 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.

MADHUR INDUSTRIES LIMITED

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, 2013.
- 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. Auditors have qualified in the report about non- provision for retirement benefits income tax dues among others. 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

FOR AND ON BEHALF OF THE BOARD

DATE : 30/05/2013

SD/-

CHAIRMAN

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
Mr. Vinit R. Parikh	Chairman & Managing Director	7	7	Yes
Mr. Shalin V. Parikh	Whole-time Director	7	7	Yes
Mr. Narendra Chavda	Non- Executive Independent Director	7	7	Yes
Mr. Vittala Shetty	Non- Executive Independent Director	7	7	Yes

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

Name of Director	Other Directorship (No. of Company)
Mr. Vinit Parikh	1
Mr. Shalin Parikh	-
Mr. Narendra Chavda	4
Mr. Vittala Shetty	-

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 Mr. 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.

2. AUDIT COMMITTEE

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

- | | |
|--------------------------|------------|
| (i) Mr. Vittala Shetty | - Chairman |
| (ii) Mr. Narendra Chavda | - Member |
| (iii) Mr. Shalin Parikh | - 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 committee consisting of following:

- | | |
|-------------------------|------------|
| (i) Mr. Narendra Chavda | - Chairman |
| (ii) Mr. Vittala Shetty | - Member |

Remuneration paid to directors of the company is as follow.

- Mr. Vinit R. Parikh Rs. 9,00,000/-
- Mr. Shalin Parikh Rs. 3,60,000/-

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. Vittala Shetty | - Chairman |
| (ii) Mr. Shalin Parikh | - Member |

During the year, the company and their Registrar and Share Transfer Agents M/s Link Intime India Pvt. Ltd. have 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.

5. GENERAL BODY MEETING:

Date	Type	Time	Location
30/09/2010	AGM	09.30 A.M.	Madhur Complex, Stadium Cross Road, Navarangpura, Ahmedabad
30/09/2011	AGM	09.30 A.M.	
28/09/2012	AGM	09.45 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 except accounting standard 15.
- (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: 30/09/2013
(Date, Time & Venue) Time : 9:30 a.m.
Venue: Madhur Complex, Stadium Cross Road,
Navrangpura, Ahmedabad- 380009.

Financial Calendar 1st April 2012 to 31st March 2013
Date of Book Closure From 24th Sept.2013 to 30th Sept. 2013
(Both days inclusive)
Dividend Payment Date No Dividend recommended

9. LISTING OF STOCK EXCHANGE:

Bombay Stock Exchange Limited : 519279
Ahmedabad Stock Exchange Limited : --

10. MARKET PRICE DATA AT BOMBAY STOCK EXCHANGE LIMITED:

MONTH	HIGH (RS.)	LOW (RS.)
April, 2012	15.71	13.61
May, 2012	16.10	10.00
June, 2012	13.40	9.70
July, 2012	12.39	8.75
August, 2012	18.75	11.58
September, 2012	16.95	12.45
October, 2012	16.20	11.75
November, 2012	20.05	16.50
December, 2012	18.35	15.65
January, 2013	19.30	13.95
February, 2013	15.69	13.12
March, 2013	13.87	9.15

11. DISTRIBUTION PATTERN AS ON THE 31ST MARCH, 2013:

Category	No. of shares held	% of shareholding
Promoters & relatives	1362200	33.31
Mutual Fund	4800	0.12
Public	2402570	58.74
Body Corporate	221938	5.43
NRI	15700	0.38
Hindu Undivided Family	0	0.00
Clearing Members	82792	2.02
Total	4090000	100.00

12. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2013:

No. of Equity shares held	No. of shareholders	% of total s. holders	No. of shares held	% of shareholding
1 to 500	2937	84.20	433552	10.60
501 to 1000	176	5.04	145440	3.55
1001 to 2000	105	3.01	158625	3.88
2001 to 3000	73	2.09	187878	4.59
3001 to 4000	32	0.92	114066	2.79
4001 to 5000	47	1.35	227450	5.56
5001 to 10000	57	1.63	412250	10.08
10001 to above	61	1.76	2410739	58.95
TOTAL	3492	100.00	4090000	100.00

13. REGISTRAR AND SHARE TRANSFER AGENT:

M/s. Link Intime India Pvt. Ltd.
Unit No 303, 3rd Floor, Shoppers Plaza,
Opp. Municipal Market, Behind Shoppers Plaza II,
Off C G Road,
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 lodgments if the transfer documents are correct and valid in all respects.

15. DEMATERIALISATION OF SHARES:

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

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

3337100 shares out of 4090000 Equity shares of the company have been dematerialized as at 31st March, 2013 representing 81.59% of total paid-up capital of the company.

Date : 30/05/2013
Place: Ahmedabad

For and On behalf of the Board of Directors
SD/-

(Mr. VINIT PARIKH)
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

1. Overall Review :

The overall performance during the financial year 2012-13 has been satisfactory.

2. Financial Review :

Total turnover for the year ended 31st March, 2013 was Rs. 886.74 lakhs. 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 weight age 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 : 30/05/2013

SD/-

Mr. Vinit Parikh

CHAIRMAN

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 : 30/05/2013

SD/-

Place : Ahmedabad

**(Mr. Vinit Parikh)
Managing Director**

**DECLARATION BY THE CHAIRMAN & WHOLE TIME
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 2013.

Place: Ahmedabad

SD/-

Date: 30/05/2013

Mr. Vinit Parikh

Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
M/s. 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, 2013, 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 : 30/05/2013

For, Purushottam Khandelwal & Co.
Chartered Accountants

SD/-

Mr. Purushottam Khandelwal
(Proprietor)
Membership No. 100601

Auditor's Report

To the Members of

MADHUR INDUSTRIES LTD.

Report on the Financial Statements

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

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

Report on Other Legal and Regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Reports on the accounts of Mumbai Branch audited by the branch auditor has been forwarded to us & have been appropriately dealt with while preparing our Report.
 - d) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - e) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

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.

- f) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed 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.

- h) 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, 2013 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, read in conjunction with the significant Accounting policies (Note-25), Notes to Financial Statements(Notes 1-24) give the information required by the Companies Act,1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- j) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Date:-30/05/2013
Place: - Ahmedabad

For, Purushottam Khandelwal & Co.
Chartered Accountants

SD/-

(P.H. Khandelwal)
Proprietor

M.No.100601

FRN: 123825W

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of MADHUR INDUSTRIES LTD. Limited on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its 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) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

(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) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. 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. 25,32,790.32

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.

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

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.

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. 40,87,674

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

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

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
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. As per information & explanations given by the management, the Company has **no Internal audit system** commensurate with its size and the 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 records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.

(b) **According to the information and explanation given to us, and details produced for verification, there are dues of Income tax of Rs. 6,74,762 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. 3,11,52,628 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. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.

14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds, Securities, Debenture & other Investments .
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

Date:- 30/05/2013
Place: - Ahmedabad

For, Purushottam Khandelwal & Co.
Chartered Accountants

SD/-

(P.H. Khandelwal)
Proprietor

M.No.100601

FRN: 123825W

MADHUR INDUSTRIES LTD

MADHUR COMPLEX, STADIUM CROSS ROAD, NAVRANGPURA, AHMEDABAD-09

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Notes	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
		₹	₹
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	1	40,900,000	40,900,000
(b) Reserves and Surplus	2	22,314,814	21,620,236
(c) Money received against share warrants		-	-
<u>(2) Share Application money pending allotment</u>			
		-	-
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings	3	1,112,437	1,998,910
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
<u>(4) Current Liabilities</u>			
(a) Short-Term Borrowings	4	-	12,858
(b) Trade Payables	5	3,117,028	6,016,136
(c) Other Current Liabilities	6	2,826,629	3,963,627
(d) Short-Term Provisions	7	567,903	551,177
Total		70,838,811	75,062,944
II. ASSETS			
<u>(1) Non-Current Assets</u>			
<u>(a) Fixed Assets</u>			
	8		
(i) Tangible Assets		17,687,051	17,900,941
(ii) Intangible Assets		-	-
(ii) Capital Work in Progress		-	-
(ii) Intangible Assets under Development		-	-
(b) Non-current investments	9	9,107,994	7,298,545
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	10	9,031,123	8,575,725
(e) Other non-current assets	11	-	-
<u>(2) Current Assets</u>			
(a) Current investments		-	-
(b) Inventories	12	11,546,544	10,725,678
(c) Trade receivables	13	16,068,896	20,639,604
(d) Cash and cash equivalents	14	4,083,567	3,906,081
(e) Short-term loans and advances	15	164,795	2,810,917
(f) Other current assets	16	3,148,841	3,205,453
Total		70,838,811	75,062,944

NOTES TO ACCOUNTS

25

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

FOR PURUSHOTTAM KHANDELWAL & CO

FOR MADHUR INDUSTRIES LTD.

CHARTERED ACCOUNTANTS

SD/-

SD/-

(CA. P.H. KHANDELWAL)

(DIRECTOR)

(DIRECTOR)

M. No. : 100601

PLACE: AHMEDABAD

F.R.N.: 123825W

DATED: 30/05/2013

MADHUR INDUSTRIES LTD

MADHUR COMPLEX, STADIUM CROSS ROAD, NAVRANGPURA, AHMEDABAD-09

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

Sr. No	Particulars	Notes	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	Revenue from operations	17	83,594,870	62,695,974
II	Other Income	18	5,079,552	1,214,298
III	III. Total Revenue (I + II)		88,674,422	63,910,272
IV	Expenses:			
	Cost of materials consumed	19	62,436,222	48,189,814
	Purchase of Stock in Trade		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	931,984	(1,034,420)
	Employee Benefit Expense	21	4,511,706	4,806,677
	Financial Costs	22	76,980	290,174
	Depreciation and Amortization Expense	23	2,192,937	2,166,368
	Other Expenses	24	17,830,015	8,531,598
	Total Expenses (IV)		87,979,844	62,950,211
V	Profit before exceptional and extraordinary items and tax	(III - IV)	694,578	960,061
VI	Exceptional Items (Prior Period)		-	78,978
VII	Profit before extraordinary Items and tax (V - VI)		694,578	881,083
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		694,578	881,083
X	Tax expense:			
	(1) Current tax		-	481,868
	(2) Deferred tax		-	-
XI	Profit(Loss) from the period from continuing operations	(IX-X)	694,578	399,215
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		694,578	399,215
XVI	Earning per equity share of face value of 10 Basic & Diluted		0.170	0.098

Notes to Accounts

25

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

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

FOR PURUSHOTTAM KHANDELWAL & CO
CHARTERED ACCOUNTANTS

FOR MADHUR INDUSTRIES LTD.

SD/-

SD/-

{CA. P.H. KHANDELWAL}
M. No. : 100601
F.R.N.: 123825W

(DIRECTOR)

(DIRECTOR)

PLACE: AHMEDABAD
DATED: 30/05/2013

MADHUR INDUSTRIES LTD

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

Note : 1 Share Capital

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	AUTHORIZED CAPITAL 50,00,000 Equity Shares of Rs. 10/- each.	50,000,000	50,000,000
		50,000,000	50,000,000
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL <i>To the Subscribers of the Memorandum</i> 40,90,000 Equity Shares of Rs. 10/- each, Fully Paid up Share capital by allotment (As per last balancesheet)	40,900,000	40,900,000
	Total	40,900,000	40,900,000

More Than 5% shareholdings		
Name	No. of Shares	%
Pushpaben Pareek (P.Y. 6,92,400/-, 16.90%)	616,886	15.08
Vinitbhai Bhai Pareek (P.Y. 6,97,760/-, 17.70%)	562,366	13.50

Note : 2 Reserve & Surplus

Sr. No	Particulars	₹ Current Year	₹ Previous Year
1	Capital Reserve		
a.	Capital subsidy from spices board (As per last Balancesheet)	100,000	100,000
2	Capital Redemption Reserve	-	-
3	Securities Premium reserve	-	-
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve (As per last Balancesheet)	673,864	673,864
6	Shares Option Outstanding Account	-	-
7	Other Reserve		
a.	Amalgamation Reserve (As per last Balancesheet)	306,145	306,145
b.	General Reserve (As per last Balancesheet)	52,312,558	52,312,558
c.	Investment Allowance Reserve (As per last Balancesheet)	74,875	74,875
B	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	(31,847,206)	(32,246,421)
	Less: Tax on Regular Assessment Paid	-	-
	Add: Profit for the period	694,578	399,215
	Closing Balance	(31,152,628)	(31,847,206)
	Total	22,314,814	21,620,236

MADHUR INDUSTRIES LTD

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

Note : 3 Long Term Borrowings

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
	Unsecured		
1	Bonds / Debentures	-	-
2	Term Loan		
	- From Bank	547,590	185,043
	- From Other Parties	-	-
3	Deferred Payment Liabilities	-	-
4	Deposit	170,093	170,093
5	Loans & Advances From Related Parties	340,754	1,589,774
6	Long Term Maturities of Finance lease obligation	-	-
8	Other Loans & Advances	-	-
	a. Trade Deposit	54,000	54,000
	Total	1,112,437	1,998,910

Terms of Repayment- Not yet determined (As informed by management)

Note : 4 Short Term Borrowings

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
	Secured		
1	Loan Repayable on Demand		
	- From Banks*	-	12,858
	- From Other Parties	-	-
2	Loans & Advances From Related Parties	-	-
3	Deposits	-	-
4	Others	-	-
	Total	-	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 directors of the company.

Note : 5 Trades Payable

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Sundry Creditors for Material	2,199,877	4,786,531
2	Sundry Creditors for Expense	917,151	1,229,605
	Total	3,117,028	6,016,136

MADHUR INDUSTRIES LTD

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

Note : 6 Other Current Liabilities		↙	↘
Sr. No	Particulars	Current Year	Previous Year
1	Current maturities of long-term debt	-	-
2	Current maturities of finance lease obligations	-	-
3	Interest accrued but not due on borrowings	-	-
4	Interest accrued and due on borrowings	-	-
5	Income received in advance	-	-
6	Application money due for refund*	532,771	532,771
7	Unpaid Dividend	77,079	77,079
8	Unpaid matured deposits and interest accrued thereon	-	-
9	Unpaid matured debentures and interest accrued thereon	-	-
10	Other Liabilities		
	a. Unpaid Expense	786,353	747,741
	b. Statutory Liabilities	23,286	42,963
	c. Advance From Customers	1,342,960	2,563,073
	d. Others	64,180	-
	Total	2,026,629	3,963,627

Note : 7 Short Term Provisions		↙	↘
Sr. No	Particulars	Current Year	Previous Year
1	<u>Provision For Employees Benefit</u>	-	-
2	<u>Others</u>		
	Taxation	-	-
	Others	567,903	551,177
	Total	567,903	551,177

MADHUR INDUSTRIES LTD

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

Note : 8 Fixed Asset (Owned Assets)

i. Fixed Assets at Ahmedabad Unit

Sr. No	Particulars	Rate	Gross Block			Depreciation			Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value of the beginning	Addition during the year	Deduction during the year	WDV as on 31.03.2013
I	<u>Tangible Assets</u>									
1	Land	0%	1858302	-	-	1,858,302	-	-	1,858,302	1,858,302
2	Building	3.34%	14,631,954	-	-	14,631,954	-	-	5,218,006	5,706,713
3	Plant and Equipment	4.75%	18,473,896	839,193	-	19,313,029	839,193	-	6,858,286	6,922,461
4	Furniture & fixtures	6.33%	7,554,135	9,480	-	7,563,615	9,480	-	386,866	818,525
5	Vehicles (Cars)	9.50%	1,551,129	641,726	-	2,192,855	1,194,739	-	903,616	356,390
6	Office Equipment	6.33%	1,298,340	-	-	1,298,340	-	-	487,505	545,584
7	Computer	16.21%	2,096,347	64,500	-	2,160,847	14,558	-	54,045	4,103
	SUB TOTAL (A)		47,464,043	1,554,899	-	49,018,942	2,000,351	-	15,766,626	16,712,078
II	<u>Intangible Assets</u>									
	SUB TOTAL (B)									
III	<u>Capital Work-in-progress</u>									
	SUB TOTAL (C)									
IV	<u>Intangible Assets Under Development</u>									
	SUB TOTAL (D)									
	Total (A + B + C + D) [Current Year]		47,464,043	1,554,899	-	49,018,942	2,000,351	-	15,766,626	16,712,078

MADHUR INDUSTRIES LTD
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2013
1,766,155

Note : B Fixed Asset

I. Fixed Assets at Mumbai Unit

Sr. No	Particulars	Rate	Gross Block			Depreciation			Net Block			
			Value at the beginning	Addition during the year	Reduction during the year	Value at the end	Value at the beginning	Addition during the year	Reduction during the year	Value at the end	MDV as on 31.03.2013	MDV as on 31.03.2012
Tangible Assets												
1	Land	0%	-	-	-	-	-	-	-	-	-	-
2	Office Building	1.63%	1,290,122	-	-	1,290,122	277,335	71,078	298,363	991,755	1,012,787	
3	Plant and Equipment	4.75%	686,061	-	-	686,061	139,907	32,748	152,655	533,406	546,154	
4	Furniture & Fixtures	6.33%	1,379,151	-	-	1,379,151	968,706	87,300	1,056,006	323,145	458,445	
5	Vehicles (Cars)	9.50%	-	-	-	-	-	-	-	-	-	-
6	Office Equipment	6.33%	318,746	12,500	-	331,246	182,621	19,842	207,463	207,463	187,621	
7	Computer	16.21%	-	-	-	-	-	51,668	51,668	279,378	-	
	SUB TOTAL (A)		3,674,080	12,500	-	3,686,580	1,573,569	192,586	1,766,155	1,920,425	1,825,765	
Intangible Assets												
	SUB TOTAL (B)		-	-	-	-	-	-	-	-	-	
Capital Work-in-progress												
	SUB TOTAL (C)		-	-	-	-	-	-	-	-	-	
Intangible Assets Under Development												
	SUB TOTAL (D)		-	-	-	-	-	-	-	-	-	
	Total (A + B + C + D)		3,674,080	12,500	-	3,686,580	1,573,569	192,586	1,766,155	1,920,425	1,825,765	
	Grand Total		51,138,123	1,567,389	-	52,705,512	32,825,534	7,192,937	35,018,471	17,687,051	18,041,843	
	(Previous Year)		51,249,216	215,821	326,918	51,138,123	31,388,458	2,164,368	33,237,181	17,900,941	19,850,758	

MADHUR INDUSTRIES LTD

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

Note : 9 Non Current Investment

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
Other Investments Quoted			
1	9,17,500 Equity Shares of Madhur Capital & Finance Ltd. (P.Y. 9.27.900)*	3,264,092	6,390,963
Unquoted			
1	9000 Shares of Madhavpura Mercantile Co. Op. Bank Ltd. Of Rs. 100 each fully paid up (P.Y. 9000)	900,000	900,000
2	198 Equity Shares of Bombay Merc. Co. Op. Bank Ltd. (P.Y. 498)	-	4,980
3	Investment in Fortus Money Plus Fund	-	-
4	Investment in ICICI Prudential Flexible	4,942,402	-
5	National Debt Sec. Bond with Central Govt. (Food Corp. of India)	1,500	1,500
6	National Saving Certificate with Central Govt. (Export Div.)	-	1,100
	Total	9,107,994	7,298,543

* Market Value as on March 31, 2013 Rs. 76.79,700

Note : 10 Long Term Loans and Advances

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
Unsecured (Considered Good)			
1	Capital Advances	-	-
Security Deposit			
(i) Secured, Considered Good.			
	Earnest Money Deposit	-	-
	Other Deposit	1,078,882	529,991
(ii) Unsecured, Considered Good.			
	(i) Doubtful	-	-
3	Loans & Advances to related parties.*	2,452,029	1,417,401
Other Loans & Advances			
	Advance Tax/Refund Due	490,006	867,835
	Other Loans & Advances	5,070,096	4,761,498
	Total	8,031,123	6,575,225

* Particulars	Current Year	Previous Year
Directors	-	135,000
Firm in which director is partner	-	-
Private Companies in which director is a partner	1,750,280	1,615,754
Total	1,750,280	1,750,754

Note : 11 Other Non Current Assets

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Long Term Trade Receivables	-	-
2	Miscellaneous Expenditure	-	-
	Total	-	-

Note : 12 Inventories

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Raw Material (Valued at cost)	1,920,611	1,167,768
2	Work-in-Progress (Valued at cost)	2,393,738	2,452,280
3	Finished Goods (Valued at cost or N.R.V. w.e. less)	477,192	1,409,177
4	Stock-in-Trade	-	-
5	Stores & Spares	-	-
6	Loose Tools	-	-
7	Packing Material (Valued at cost)	5,755,093	5,716,453
	Total	11,586,544	10,725,678

MADHUR INDUSTRIES LTD

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

Note : 13 Trade Receivables

Sr. No	Particulars	₹	
		Current Year	Previous Year
1	Outstanding for more than six months		
	a) Secured, Considered Good		
	b) Unsecured, Considered Good		6,292,998
	c) Doubtful		
2	Others		
	a) Secured, Considered Good		
	b) Unsecured, Considered Good	16,068,896	14,346,606
	c) Doubtful		
	Total	16,068,896	20,639,604

Note : 14 Cash & Cash Equivalent

Sr. No	Particulars	₹	
		Current Year	Previous Year
1	Cash-in-Hand		
	Cash Balance	73,356	296,487
	Sub Total (A)	73,356	296,487
2	Bank Balance		
	Balance with Scheduled Bank	3,421,537	3,120,900
	Fixed Deposits	588,694	488,694
	Sub Total (B)	4,010,231	3,609,594
3	Stamps on Hand (C)		
	Total (A + B + C)	4,083,587	3,906,081

Note : 15 Short Term Loans and Advances

Sr. No	Particulars	₹	
		Current Year	Previous Year
1	Loans & Advances to related parties		
2	Others		
	Advances Considered Good		
	Advance to Suppliers		7,620,500
	Advance Income Tax/Refund Due		
	Balance With Revenue Authorities (Indirect Taxes)	164,795	129,339
	Prepaid Expenses (Insurance)		61,078
	Total	164,795	7,810,917

Note : 16 Other Current Assets

Sr. No	Particulars	₹	
		Current Year	Previous Year
1	DEP License	2,712,410	2,712,410
2	Draw Back Receivable	64,019	120,631
3	Export Inspection Agency, Mumbai	1,000	1,000
4	Parryd Retail Ltd	351,000	151,000
5	Security Transaction Tax	19,412	19,412
	Total	3,447,841	3,705,453

MADHUR INDUSTRIES LTD

Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2013

Note : 17 Revenue from Operations

Sr. No	Particulars	₹	₹
		Current Year	Previous Year
	Sale of Products	83,594,870	62,695,974
	Sale of Services	-	-
	Other Operating Revenues	83,594,870	62,695,974
	Total	-	-
	Less: Excise Duty	-	-
	Total	83,594,870	62,695,974

Note : 18 Other Income

Sr. No	Particulars	₹	₹
		Current Year	Previous Year
1	Interest Income	321	145,917
2	Discount	245,027	145,842
3	Dividend Income	-	-
4	Net gain/loss on sale of investments	-	-
5	Other Non Operating Income	125,579	-
	a. Liquid Mutual Fund Income	-	58,842
	b. Remission of Creditors	-	691,670
	c. Sale of DEPB License	-	-
	d. Miscellaneous Income	4,290,343	14,500
	e. Long Term Capital Gain	412,982	157,527
	f. Duty Drawback	5,300	-
	g. Other Income	-	-
	Total	5,079,552	1,214,298

Note : 19 Cost of Material Consumed

Sr. No	Particulars	₹	₹
		Current Year	Previous Year
1	Indigeneous	62,436,222	48,189,814
	Total	62,436,222	48,189,814

Note : 20 Change in Inventories

Sr. No	Particulars	₹	₹
		Current Year	Previous Year
1	Closing Stock	477,193	1,409,177
2	Opening Stock	1,409,177	374,757
	Total	931,884	(1,034,420)

MADHUR INDUSTRIES LTD

Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2013

Note : 21 Employment Benefit Expenses

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Salary & Wages	3,190,516	4,716,928
2	Contribution to P.F. & Others	57,906	85,099
3	Staff Welfare Exp. (Directors Share- 12,60,000 ₹P.Y. 12,78,720)₹	1,263,284	4,650
	Total	4,511,706	4,806,677

Note :22 Financial Cost

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Interest	34,997	-
2	Bank Charges	41,983	35,865
3	Other Borrowing Costs	-	2,000
4	Net loss on foreign currency translation	-	252,309
	Total in	76,980	290,174

Note : 23 Depreciation & Amortised Cost

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Depreciation	2,000,351	2,166,368
2	Preliminary Expenses W/O	-	-
	Total	2,000,351	2,166,368

Note : 24 Other Expenses

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
	<u>Manufacturing Expense</u>		
1	Contract Charge	787,423	-
2	Discount	111,489	44,264
3	Electricity Consumption Exp.	435,009	0
4	Factory Maintenance	77,801	0
5	Factory Expenses	48,708	3,108
6	Forward Contract Charges	-	-
7	Freight Inward	48,275	21,119
8	Instant Process Exp./Fumigation Expense	24,500	50,757
9	Job Work & Labour Charges	-	4,672
10	Laboratory Expenses	19,000	59,900
11	Machinery Repairs	33,128	22,030
12	Octroi Exp.	-	-
13	Other Expenses	-	2,594
14	Other Repairs/Factory Elec. Maintenance	-	14,096
15	Power Consumption	-	524,454
16	Terminal Handling Charges/Ocean & Air freight	4,212,279	2,371,673
17	Water Charges	12,828	93,663
	Subtotal	5,810,440	3,212,230
	<u>Establishment & Selling Expense</u>		
1	Advertisement Exp.	694,565	178,613
2	Agency Charges	173,303	143,391
3	Analysis Charges	54,968	21,731
4	Annual Custody Fees	23,797	29,781
5	Annual Subscription Fees	41,492	18,649
6	Auditor's Remuneration	65,169	87,000
7	Bad Debts	-	19,044
8	Bonus	108,000	-
9	Brokerage and Commission	315,925	-
10	Business Promotion Expenses	29,991	43,843
11	Club Fees	2,135	7,940

MADHUR INDUSTRIES LTD

Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2013

12	clearing & forwarding charges	7,619	
13	Cold Storage Charges		-
14	Commission & Brokerage	614,500	650,501
15	Commodity Trading	2,573,425	
16	Computer Expenses	27,200	48,245
17	Consultancy Charges		40,000
18	Conveyance Expenses	36,601	271,136
19	Courier and Postage	114,413	
20	Damage	46,501	
21	Demonstration Exps.	500	-
22	DEPB/VKUY service charges	32,800	
23	Dept Licence app fees & ser. Charges		13,200
24	Donation		1,001
25	Documentation Charges	465,208	241,986
26	ECCG Premium	17,950	70,614
27	Exchange rate difference	1,168,597	
28	Export Agent Commission	30,000	
29	Electricity Exp.	69,680	57,195
30	Equip Maintenance		500
31	Freight Outward	11,306	73,498
32	Fumigation Charges	17,080	
33	Insurance Expense	53,969	108,546
34	Internet Expenses	62,393	57,274
35	Legal and Professional Expense	174,733	75,710
36	Licence renewal/Membership Fees	500	-
37	Lorry Hire Charges	455	300
38	Loading and Unloading Charges	31,500	
39	Medical Expense	46,176	50,081
40	Membership Expenses	8,090	12,685
41	Misc. Assets Written Off		784,048
42	Miscellaneous Expenses	18,481	155,747
43	Motor Car Repair & Maintenance	10,768	
44	Municipal Tax	249,690	205,260
45	Office Exp.	245,953	164,686
46	Office Maintenance Exp.	24,573	
47	Other Charges	257,646	
48	Packing Expenses	48,929	79,826
49	Petrol & Diesel	18,622	
50	Postage & telegram Exp.	60,725	48,872
51	Printer & Fax Repairing	2,200	
52	Professional Exp.	175,581	
53	Property tax	12,298	
54	Quality and health Certification	302,503	
55	Rent, Rate & Taxes	75,370	84,297
56	Repairs & Maintenance	306,220	74,074
57	Renewal Charges	15,250	21,944
58	Salary	1,125,100	
59	Sales Promotion Exp.	18,712	149,200
60	Security Exp.	452,963	307,060
61	Service Tax	3,090	2,287
62	Stationery & Printing Exp.	126,529	319,895
63	Subscription Expense		1,103
64	TDS	890	
65	Telephone Exp.	288,280	267,642
66	Trademark Expense	40,000	7,000
67	Transportation Charges	729,135	191,400
68	Travelling & Conveyance Exp.	256,103	53,628
69	Vat Assessment dues	4,824	
70	Vehical Exp.	8,900	31,802
71	Water Expenses	2,760	
72	Warehouse Charges	16,919	-
73	Weight and Quality Charges		247,133
	Subtotal	12,019,575	5,319,368
	Total in	17,830,015	8,531,598

MADHUR INDUSTRIES LIMITED

SCHEDULE-25

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. 32,64,092 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.

	2012-13	2011-12
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. 6,56,38,895

c. **Particulars of payment made to Auditors :**

Particulars (Rs.)	2012-13 Amount (Rs.)	2011-12 Amount
Audit Fees	58000/-	58000/-

d. **Particulars of payment made to Branch Auditors:**

Particulars	2012-13 Amount (Rs.)
Audit Fees	28090/-

a. Particulars of payment made to Directors :

Particulars (Rs.)	2012-13 Amount (Rs.)	2011-12 Amount
Remuneration		
(1) Vinit R. Parikh	900000/-	900000/-
(2) Shalin V. Parikh	360000 /-	360000/-

- 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
SD/-

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

PLACE: AHMEDABAD
DATE: 30/05/2013

FOR, MADHUR INDUSTRIES LTD
SD/-

DIRECTOR DIRECTOR

PLACE: AHMEDABAD
DATE:

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 31-3-2013

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	70838	Total Assets	70838
<u>Sources of Fund:</u>		<u>Application Of Funds:</u>	
Share Capital	40900	Net Fixed Assets	17687
Reserves Surplus	22315	Investments	09108
Secured Loans	-	Deferred Tax	NIL
Unsecured Loans	01112		
Net Current Liabilities	06511	Net Current Assets	44043
Deferred Tax	NIL		

Performance of Company (Amount in Thousand)

Turnover & other Income	88674
Total Expenditure	87980
Profit / (loss) Before tax	00695
Profit / (loss) after tax	00695
Earnings per share in Rs.	NIL
Dividend rate	NIL

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

Item Code. (ITC Code)

Production Description

SD/-

PLACE: AHMEDABAD

DATE: 30/05/2013

DIRECTORS

MADHUR INDUSTRIES LIMITED

Madhur Complex,
Stadium Crossing Road,
Navarangpura, Ahmedabad

CASH FLOW STATEMENT FOR THE YEAR 2012-2013

Particulars	(Rs. In Lacs)	(Rs. In Lacs)
	2012-13	2011-12
A. Cash Flow From Operating Activities		
Net Profit before tax as per profit and loss account	6.84	8.81
Adjusted For :-		
Depreciation Net	21.92	21.66
Amortisation of Expenses	0.00	7.84
Bad Debt Written off	0.00	0.19
Interest Income	(0.00)	(1.45)
Dividend Income	0.00	0.00
Interest in respect of Gov Grant	0.00	0
Interest Expense	0.35	0
Sundry Credit & Other Balance Written Back	(4.21)	(2.22)
TOTAL	18.06	26.02
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE		
Movement in Working Capital		
Decrease/(increase) in sundry debtors	45.71	(97.76)
Decrease/(increase) in inventories	(8.21)	(11.14)
Decrease/(increase) in loans and advances	26.45	(19.98)
Decrease/(increase) in long term loans and advances	(4.00)	(21.61)
Increase/(Decrease) in current liabilities	(40.36)	66.28
Increase/(Decrease) in provisions	0.16	0.00
Cash generated from operation	19.75	(84.21)
Direct Taxes paid (Net of refunds)	0.00	-4.81
NET CASH FROM OPERATING ACTIVITIES	44.75	(64.19)
B. Cash Flows From Investment Activities		
Purchase of Fixed Assets	(15.67)	(2.15)
Purchase of Intangible Assets	0	0
Purchase/sales of Investment	(18.09)	30.78
Sales of Fixed Assets	0	0.14
Interest Received	0.003	1.45
Dividend Received	0	0
NET CASH FROM FINANCING ACTIVITIES	(33.76)	30.22
C. Cash Flow From Financing Activity		
Proceeds from long-term borrowings	(8.87)	13.83
Government grant Received	0	0
Interest Paid	(0.35)	0.00
NET CASH FROM FINANCING ACTIVITIES	(9.22)	13.83
NET INCREASE IN CASH AND CASH EQUIVALENTS	1.77	(10.14)
Cash and Cash equivalents at the beginning of the year	39.06	49.2
Cash and Cash equivalents at the end of the year	40.83	39.06

FOR PURUSHOTTAM KHANDELWAL & CO
CHARTERED ACCOUNTANTS

FOR MADHUR INDUSTRIES LTD.

(DIRECTOR)

(DIRECTOR)

(CA. P.H. KHANDELWAL)

M. No. : 100601

F.R.N.: 123825W

PLACE: AHMEDABAD

DATED: 30/05/2013



Madhur Industries Ltd.

(A Govt. recognised Export House)

M/s. MADHUR INDUSTRIES LIMITED

FORM A

1	Name of the company	M/s. Madhur Industries Limited
2	Annual Financial statement for the year ended	31 st March 2013
3	Type of observations	Qualified
4	Frequency of observations	Occasionally
5	To be signed by- <ul style="list-style-type: none">• CEO/ MD• CFO• Auditor of the company• Audit committee chairman	<p>FOR, MADHUR INDUSTRIES LTD</p> <p><i>Shalin V. Parikh</i></p> <p>CHAIRMAN/MANAGING DIRECTOR/DIRECTOR</p>



"Madhur Complex", 3rd Floor, Stadium Cross Road, Navrangpura, Ahmedabad - 380 009. (India) • Phone: +91-79 - 32925331
Fax: +91-79 - 26563861 • E-mail: info@madhurindustrieslimited.com • Visit us at: <http://www.madhurindustrieslimited.com>

Export Office: G-49/A.P.M.C. Market No.1, Phase II, Vashi, New Mumbai-400 705. (India)
Phone: +91-22-27655589, 27655591 • Fax: +91-22-27655502 • E-mail: mfpl@bom3.vsnl.net.in