

TWENTY FIFTH ANNUAL REPORT

2012-13

MINAL INDUSTRIES LIMITED

603, A- WING, MINAL COMPLEX, OPP. SAKI VIHAR ROAD, ANDHERI (EAST), MUMBAI

MINAL INDUSTRIES LIMITED

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Board of Directors

Mr. J. B. Parikh	Chairman
Mr. Shrikant J. Parikh	Managing Director
Mr. Shankar Bhagat	Director
Mr. Vikram J. Parikh	Director
Mr. Amulbhai Jethabhai Patel	Director

Registered Office:

603, A- Wing, Minal Complex, Opp. Saki Vihar Road, Andheri (east) Mumbai

Auditors:

R.H. Modi & Company,
Chartered Accountants,
23 Ambalal Doshi Marg,
2nd Floor, Fountain,
Mumbai - 400023

Bankers:

Corporation Bank, Alkapuri, Vadodara

The Twenty Fifth Annual General Meeting of the company will be held on Monday the 30th day of September, 2013 at 11.30 a.m. at the Registered Office of the Company at 603, A- Wing, Minal Complex, Opp. Saki Vihar Road, Andheri (east) Mumbai

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Company will be held on Monday, the 30th Day of September, 2013 at 11.30 a.m. at the Registered Office of the Company at 603, A- Wing, Minal Complex, Opp. Saki Vihar Road, Andheri (east) Mumbai to transact the following businesses:

ORDINARY BUSINESS:

- 1) To consider, approve and adopt the Balance sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date together with the Directors' and Auditors' Report there on.
- 2) To appoint a director in place of Mr. Amul Patel, who retires by rotation at the ensuing Annual General Meeting of the company and being eligible, offers himself for reappointment.
- 3) To consider and if thought fit pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED that M/s R.H. Modi & Company, Chartered Accountants, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by mutual consent of board of directors and the Auditors."

**Place: Vadodara
Date: 28/05/2013**

**By Order of Board
For Minal Industries Limited**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.(FORM ATTACHED HEREWITH)
2. Members are requested to notify immediately their change of address, transfer, transmission deeds and such other correspondence to the Registrar and Transfer Agent MCS Limited, at Neelam Apartment, 88, Sampatrao Colony, Vadodara 390 005.
3. The Register of Members and Share Transfer books of the Company will be closed from 23rd Sep, 2013 to 29th Sep, 2013. (Both days inclusive).
4. Members/Proxies should bring the Attendance Slips duly filled in for attending the meeting.
5. Members are requested to bring their copy of Annual Report to the Annual General Meeting.
6. **Members desirous of seeking any information/clarification on the accounts or operations of the company is requested to forward his/ her query to the Registered Office so as to reach at least seven working prior days to the meeting, so the required information can be made available at the meeting.**
7. Members, who hold shares in dematerialized form, are requested to bring their depository account number (Client ID No.) for easy identification and recording of attendance at the meeting.

8. Members who wish to make nomination for the shares held in the Company may kindly send the details in the form 2B as prescribed under the Companies Act, 1956.

Place: Vadodara
Date: 28/05/2013

By order of the Board
For Minal Industries Limited

Sd/-
J. B. Parikh
Chairman

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **25th Annual Report** together with the Audited Financial Statement along with the Report of the Auditors **for the year ended on 31st March 2013.**

➤ **Financial Results and Profitability:**

	<i>Rs. In Lacs</i>	
FINANCIAL RESULTS	2012-13	2011-12
Total Income	1642.00	10148.65
Total Expenditure	1619.20	10167.69
Profit/(Loss) before Depreciation & Tax	22.79	(19.05)
Less: Depreciation	6.76	6.83
Profit/(Loss) before tax	16.04	-(25.87)
Provision for tax	5.11	8.75
Profit/(Loss) after Tax	10.93	-(34.62)
Profit bought forward	0.00	0.00
Profit available for appropriation	0.00	0.00
Appropriations:		
Balance Carried forward	10.93	(34.62)
Paid up Equity Share Capital	3838.01	1438.01
Reserves and Surplus	4.80	4.80

➤ **Operation**

Your directors report that the company has achieved a sales turnover of Rs.1631.88 Lacs as against Rs. 10038.20 Lacs in the previous year. The company's Profit increased to Rs. 22.79 Lacs before depreciation and interest as against Profit of Rs. (19.05) in the previous year. After providing a sum of Rs. 6.76 Lacs towards depreciation, Income Tax provision of Rs 5.11 Lacs, the operation resulted in Net profit of Rs. 10.93 Lacs as against loss of Rs. (34.62) Lacs in the previous year.

➤ **Amount proposed to be carried to reserves:**

The Net Profit of the company has increased to Rs. 10.93 Lacs during the year thus no sum is appropriated to the reserves.

➤ **Conservation of energy, technology adsorptions and foreign exchange earnings and outgo:**

In accordance with the provisions of Section 217(1) (e) of The Companies Act, 1956, read with Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 are as per annexure to the report.

➤ **Deposits:**

The company has neither accepted nor renewed any Public Deposits pursuant to the Section 58A of the Companies Act, 1956.

➤ **Directors :**

Mr. Amul Patel Director of the company will retire by rotation in the Annual General Meeting, and being eligible offer themselves for reappointment.

➤ **Auditors:**

The Statutory Auditors of the Company M/s R.H. Modi & Company, Chartered Accountants are retiring at conclusion of this Annual General Meeting, being eligible they offers themselves for reappointment. The Auditors have confirmed that, if appointed, their appointment will be within the limits as laid down under section 224(1B) of the Companies Act, 1956.

Notes forming part of the accounts, which are specifically referred to by the Auditors in their Report are self explanatory and therefore do not call for any further comments.

➤ **Subsidiaries:**

The company had Minal International FZE as 100% subsidiary as on 31st March 2013. The consolidated financial statements presented by the company include financial information of its subsidiaries prepared in compliance with the applicable accounting standards. A statement under section 212 of the companies Act 1956 in respect of the subsidiary company is enclosed herewith for information of members.

➤ **Employee Particulars:**

There are no employees covered under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and hence no information is required to be furnished.

➤ **Director's Responsibility Statement:**

Pursuant to Section 217(2AA) of The Companies Act, 1956, the directors confirm that, to the best to their knowledge and belief:

- (i) that in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimated that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the period.
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing the detecting fraud and other irregularities;
- (iv) that the directors had prepared the annual accounts on a going concern basis.

➤ **Report on Corporate Governance and Auditor's Certificate:**

A separate section on Corporate Governance and a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges form part of Annual Report.

Directors would like to thank the shareholders, customers, dealers, suppliers, bankers and all other business associates for the continued support given by them to the Company and their confidence in its management.

**For and on behalf of the Board of Directors
of Minal Industries Limited**

Place: Vadodara

Date : 28/05/2013

**Sd /-
J. B. Parikh
Chairman**

ANNEXURE TO DIRECTOR'S REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

1. CONSERVATION OF ENERGY

- a) Energy Conservation measures taken:
The Company is taking various steps to conserve the energy.
- b) Impact of the above steps:
The impact of above step is positive.
- c) Total energy consumption and energy consumption per unit of production:
Refer enclosed Form-A

2. TECHNOLOGY ABSORPTION

- d) Efforts made in technology absorption
Not Applicable

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings :Rs. Nil
Foreign Exchange Outgo :Nil

Form A (See Rule 2)

Form for disclosure of particulars with respect to conservation of energy

A. Power and fuel Consumption Current year

1. Electricity

a) Purchase Unit 3871.30
Total Amount 77054
Rate/ Unit 19.90

b) Own generation
(i) Through diesel generator Unit
Unit per-ltr of diesel oil Cost/unit
(ii) Through steam turbine/
generator Units
Unit per-ltr of fuel oil/gas Cost/unit

2. Coal (specify quantity and where used)
Quantity (tones)
Total Cost
Average Rate

3. Furnace Oil
Quantity (tones)
Total Cost
Average Rate

4. Others
Quantity (tones)
Total Cost Rate/unit

B. Consumption per unit of production
Standards Current Previous
If any Year Year

Products (with details) unit
Electricity
Furnace Oil not ascertained
Coal (specify quantity)
Others (specify)

Not Applicable

FORM B (See Rule 2)

Form for disclosure of particulars with respect to absorption.

Research and Development (R&D)

- 1. Specific areas in which R & D carried out by the Company.
- 2. Benefits derived as a result of the above R & D
- 3. Future plan of action
Not Applicable
- 4. Expenditure on R& D
a) Capital
b) Recurring
c) Total
d) Total R&D expenditure as a percentage of total turnover

Technology absorption, adoption and innovation

- 1. Efforts, in brief, made towards technology absorption, adoption and innovation
- 2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction product development, import substitution etc.
- 3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year). Following information may be furnished:
(a) Technology Imported
(b) Year of Import
(c) Has technology been fully absorbed?
(d) Of not fully absorbed, areas where this has not take place, reasons therefore and future plans of action.

Not Applicable

Not Applicable

REPORT ON CORPORATE GOVERNANCE

In compliance with the Clause 49 of the Listing Agreement entered with Stock Exchanges, the company herewith submits the report on the matters as mentioned in the said clause and practices followed by the company.

The company's philosophy on good corporate governance envisages a combination of business practices that result in enhancement of the value of the company to the shareholders and to fulfill its obligation to its other stakeholders.

MANDATORY REQUIREMENTS:

I. Board of Directors:

(A) Composition of Board:

The board of the company comprise of 5 directors out of it 1 director Mr. Shrikant Parikh, Managing Director is executive director and all the other directors are non- executive directors of the company out of the non executive directors two directors are independent directors. The Directors bring in wide range of expertise and experience to the Board, facilitating proficient and unbiased direction and control to the Company.

The composition of board is as under:

Directors	No of Board Meetings held	Board Meetings attended	No. of directorships held in other Public Ltd. companies	Attendance in the last AGM
<u>Executive Director:</u>				
Mr. Shrikant Parikh, Managing Director	6	5	Nil	Yes
<u>Non- Executive Directors:</u>				
Mr. J. B. Parikh, Chairman	6	6	Nil	Yes
Mr. Vikram J. Parikh, Director	6	6	Nil	Yes
Mr. Amul J. Patel, Director	6	6	Nil	No
Mr. Shankar Bhagat	6	6	Nil	No

(B) Board and Committees:

During the year 2012-13, the Board of Directors met on **6** occasions on the following dates 02/04/2012, 15/05/2012, 29/05/2012, 14/08/2012, 10/11/2012 & 15/02/2013

The board complies with Code of Conduct as provided for all Board members and Senior Management of the company. Compliance of the code is affirmed on annual basis every year.

The Board has constituted three committees as under:-

Audit Committee:

Composition:

The company has a qualified and independent audit committee comprising of:

- Shankar Bhagat, Independent Director
- Mr. Amul J. Patel, Independent Director
- Mr. J.B. Parikh, Chairman

Meetings

All the members of the committee are financially literate and the independent directors are having expertise in accounting and financial management. The constitution of the committee also meets with the requirement under Section 292A of The Companies Act, 1956. The Audit Committee has met four times during the financial year to review the accounting practices including review internal control/ audit system and financial statements of the company. The attendance of the directors was a follows:

Members of Audit Committee	Designation	No. of meetings attended
Mr. Amul J. Patel	Chairman	4
Mr. J. B. Parikh	Member	4
Mr. Shankar Bhagat	Member	4

Minutes of the Audit Committee Meetings are noted by Board of Directors at the subsequent Board Meetings. The chairman of the meeting will be present at Annual General Meeting to answer the queries of shareholders, alternatively; he would decide who should answer the queries.

Shareholders/ Investors Grievance Committee:

The company has constituted a Shareholders' Grievance Committee consisting of two directors' viz. Mr. Amul J. Patel and Mr. J. B. Parikh. One Investor's complaint is pending at the end of the year due to non submission of requisite information by the investor.

The functions of the committee are to specifically look into the redressal of shareholder and investor complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividends etc.

Members of the Committee	Designation	No. of meetings attended
Mr. Amul J. Patel	Chairman	4
Mr. J. B. Parikh	Member	4

Remuneration Committee:

The board has set up a Remuneration Committee comprising of:

- (i) Mr. J. B. Parikh, Chairman
- (ii) Mr. Amul patel

The committee is set up to determine on behalf of Board of Directors and on behalf of the shareholders with agreed terms of reference, the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment. The quorum of the meeting is all the members present. No meeting of Remuneration Committee was held during the year under review.

None of the Directors of the company are members of more than ten committees or acting as chairman of more than five committees.

The board periodically reviews compliance report of all laws applicable to the company.

(C) Remuneration to directors:

The company has remuneration committee consisting of two directors' viz. Mr. J. B. Parikh and Mr. Amul Patel. The details of remuneration paid to directors for the financial year 2012-13 are as under:

Name of Director	Sitting Fee	Salary & Other perquisites	Commission	Total
Mr. J. B. Parikh	-	-	-	-
Mr. Shrikant J. Parikh	-	Rs.1,20,000	-	-
Mr. Vikram J. Patel	-	-	-	-
Mr. Amul J. Patel	-	-	-	-
Ms.Arпита Parikh	-	-	-	-

II. Disclosures

1. Disclosure on materially significant related party transaction that may have potential conflict with the interest of company at large:-
None of the transactions with any of the related parties were in conflict with the interest of the company.
2. There were no instances of penalties imposed on the Company, by the Stock Exchange(s). SEBI, or any statutory on any matter related to capital markets, during last three years.
3. Senior Management discloses all material financial and commercial transactions, where they have material interest that may have potential conflict with the interest of the company at large to the board from time to time.

Management Discussion and Analysis Report:

The company has earned other incomes of **Rs 10.12Lacs**. Net Profit of the company stood at Rs 10.93 Lacs.

There was no material development in Human Resources/ Industrial Relations front, the relations with the employees remained cordial throughout the year.

Shareholders:

- o The company entered into agreement with M/s M.C.S. Ltd. as the Registrar & Transfer Agent to expedite the register and transfers of shares and to look into the redressal of shareholder and investors complaints, Shareholders/ Investors Grievance Committee consisting of Mr. Amul J. Patel and Mr. J. B. Parikh is formed.
- o Material financial and commercial transactions of the management (defined as 'Board of Directors'), where they have personal interest, that may have a potential conflict with the interest of the company at large have been reported to the Board from time to time.

Means of Communication

- o Quarterly financial results are submitted to the Stock Exchanges where the shares of the Bank are listed, within the stipulated time frame. Further, the quarterly financial results are also published in Business Standard, Loksatta, Asian Age and News Lines as per the statutory requirement.

o **General Shareholder's Information:**

(i) **Annual General Meeting:**

The Twenty Fifth Annual General Meeting of the Company will be held on Monday 30th September, 2013 at 11.30 a.m. at the registered office of the company.

(ii) **Financial year**

The financial year of the company is from 1st April to 31st March.

(iii) **Date of Book Closure**

The Register of members and Share Transfer Books of the company will remain closed from 23rd Sep., 2013 to 29th Sep., 2013 to ascertain the members of the company for the purpose of Annual General Meeting of the Company.

(iv) **Listing on Stock Exchanges**

The Names along with addresses of the Stock Exchanges where the securities of the company are listed are as under:-

- The Stock Exchange, Mumbai (BSE)
25th Floor, P.J. Towers, Dalal Street, Mumbai- 400 001
- Ahmedabad Stock Exchange (ASE)
Kamdhenu Complex, Nr. Polytechnic College, Panjra Pole, Ahmedabad
- Vadodara Stock Exchange (VSE)
Fortune Tower, Sayajigunj, Vadodara

Listing fee has been paid to all the stock exchanges till date.

(v) **Stock Code**

The Stock Codes of the company at The Sock Exchange, Mumbai is 522235.

(vi) **Market Price Data**

Market price on BSE from the month of April, 2012 to March, 2013 is as under.

Months	High (Rs.)	Low (Rs.)	Months	High (Rs.)	Low (Rs.)
April, 12	5.60	3.63	October 12	5.35	4.06
May, 12	4.74	3.65	November, 12	5.05	3.83
June, 12	6.20	3.71	December, 12	4.90	3.65
July, 12	5.27	3.83	January, 13	4.97	3.71
August, 12	4.94	3.71	February, 13	4.45	3.00
September, 12	5.15	3.75	March, 13	3.35	2.08

(vii) **Registrar & Share Transfer Agent**

MCS Limited
Neelam Apartment, 88 Sampatrao Colony, Vadodara

(viii) **Share Transfer System and Dematerialization:**

All the shares of the company are traded compulsory in the dematerialized form. The company has entered into an agreement with both NSDL and CDSL whereby the shareholders have an option to dematerialize their shares with depositories. Demat ISIN Number in NSDL and CDSL, for equity shares is INE097E01028.

As on 31st March, 2013, 51708067 shares were in Dematerialized form representing 26.95% of the total shares.

(ix) Distribution of Shareholding

Nominal value of Shareholding (Rs.)	Shareholders		Amount held	
	Numbers	% to total	In Rs.	% to total
1-500	664	31.9384	151672	.0790
501-1000	355	17.0755	296695	.1546
1001-2000	299	14.3819	469422	.2446
2001-3000	155	7.4555	384832	.2005
3001-4000	79	3.7999	282656	.1473
4001-5000	107	5.1467	474409	.2472
5001-10000	168	8.0808	1276622	.6653
10001-50000	188	9.0428	3687897	1.9218
50001-100000	27	1.2987	1800910	.9385
And above	37	1.7797	183075535	95.4012
Total	2079	100.00	191900650	100.00

(x) Shareholding Pattern

	Category	No. of shares held	percentage of shareholding
1	Promoter Holding	114485205	59.66
2	Mutual Funds and UTI	Nil	Nil
3	Banks, FI, Insurance Companies	Nil	Nil
4	Private Corporate Bodies	22032920	11.48
5	NRI's/ OCBs	94292	0.05
6	Indian Public	55284903	28.81
7	Trusts	3330	0.00
8	Clearing Members in Transit	Nil	Nil
	GRAND TOTAL	191900650	100.00

(xi) Site Location:

351, GIDC, Makarpura, Vadodara – 390 010. Tel. 0265- 2638506, 2642570, Fax: 2782254

(xii) Address for Investors' Correspondance:

603, A- Wing, Minal Complex, Opp. Saki Vihar Road, Andheri (east) Mumbai

o Particulars of past three Annual General Meetings:

	2010	2011	2012
Date of the AGM	30 th December, 2010	30 th September, 2011	29 th September, 2012
Venue	Company's Registered Office at Mumbai	Company's Registered Office at Mumbai	Company's Registered Office at Mumbai

Note: All the resolutions set out in the respective Notices for the above Meetings, including the Special Resolutions were duly passed by the Shareholders with the requisite majority in each case. No resolution requiring Postal Ballot was passed at the above meetings.

2. Chief Executive Officer and Chief Finance Officer:

Mr. Shrikant Parikh, Managing Director and Mr. Vikram Parikh, Chief Finance Officer of the company review the financial statements and cash flow statements and also certify to the board regarding non omission of

material fact and statements and compliance of existing accounting standards, applicable laws and regulations.

They also accept the responsibility for establishing and maintaining internal control systems and evaluating the effectiveness of the system and disclosing the same to Audit committee and auditors.

3. Corporate Governance Report:

The Statutory Auditors have certified that the company has complied with all the applicable mandatory requirements as provided in Clause 49 of the Listing Agreement entered into with the Stock Exchanges and the same is annexed to the Director's Report.

NON MANDATORY REQUIREMENTS:

The extent of implementation of non-mandatory requirements is furnished hereunder

(1) Remuneration Committee:

The board has set up a Remuneration Committee comprising of:

- (i) Mr. J. B. Parikh, *Chairman*
- (ii) Mr. Amul Patel

The committee is set up to determine on behalf of Board of Directors and on behalf of the shareholders with agreed terms of reference, the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.

The quorum of the meeting is all the members present. The chairman of the meeting will be present at Annual General Meeting to answer the queries of shareholders, alternatively; he would decide who should answer the queries

Minal Industries Limited as a responsible corporate citizen believes that Corporate Governance is not just compliance with statutory requirements but doing what is best in the interest of all the stakeholders and the society at large in a transparent and ethical way.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Minal Industries Limited,

We have examined the compliance conditions of Corporate Governance by the Minal Industries Limited for the year ended 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the Minal Industries Limited with The Stock Exchange, Mumbai (BSE) and Vadodara Stock Exchange (VSE) and Ahmedabad Stock Exchange (ASE).

The compliance of conditions is the responsibility of management. Our examination is limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investors' grievances are pending for a period exceeding one month against the bank as per the records maintained by the shareholders'/ Investors' Grievance Committee and certificate given by Registrar & Transfer Agent.

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

Place: Baroda

**For R. H. Modi & Co.
Chartered Accountants**

Date:28/05/2013

**(R.H. Modi)
Proprietor**

Addendum to the Director's Report us 217(3)

Reply of Board of Directors to Audit Report for the year ended 31st March 2013

- **Auditor's qualification(s), reservation(s) or adverse remark(s) in the auditor's report**
 1. **Non Provision of Diminution in value of Investment as required by Accounting Standard AS-13.**
 2. **Non Provision for leave encashment and Gratuity Liabilities Payable upon retirement as required by Accounting Stand As-15 Employees Benefit**

- **Director's Comments on qualification(s),reservation(s) or adverse remark(s) of the auditors as per board Report**
 1. **There has been a diminution of Rs.3, 53,000/- in the value of long term investments held by the Company as at 31st March, 2013. No provision against the same has been considered necessary since in the opinion of management such diminution is of temporary in nature.**
 2. **Total present liability for future payment of gratuity as on 31st March, 2013 is neither provided nor actuarially determined. This liability will be dealt with on cash basis which is not in accordance with Accounting Standard (AS) 15- 'Employee Benefit' issued by the Institute of Chartered Accountants of India.**

Leave encashment liability, if any, has not been determined, presently, and would be charged when paid. This liability will be dealt with on cash basis which is not in accordance with Accounting Standard (AS) 15- 'Employee Benefit' issued by the Institute of Chartered Accountants of India.

For Minal Industries Limited

SD/-

Director

COMPLIANCE CERTIFICATE

[As per rule 3 of the Companies (Compliance Certificate) Rules, 2001]

Registration No.: 04-16905

Nominal Capital: 63,00,00,000/-

To,
The Members,
Minal Industries Limited,
603, A- Wing, Minal Complex,
Opp. Saki Vihar Road, Andheri (east) Mumbai

I/~~We~~ have examined the registers, records, books and papers of **Minal Industries Limited** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In my/our opinion and to the best of my/our information and according to the examinations carried out by me/us and explanations furnished to me/us by the company, its officers and agents, I/we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure B to this certificate with the Registrar of Companies Regional Director, Central Government. Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company being a public limited company, this clause is not applicable.
4. The Board of Directors Duly met (6) times on 02/04/2012,15/05/2012, 29/05/2012,14/08/2012,10/11/2012, 15/02/2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company had closed its Register of Members from 22nd Sep, 2012 to 28th Sep 2012(both date inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March, 2012 was held on 29/09/2012 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting of the members of the company was held in the year under review.
8. The company has advanced loans to firms in which directors are interested as per section 295 of the Act.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. There were no transactions during the year under review requiring the company to obtain approvals from the Board of Directors, members and previous approval of the Central Government pursuant to section 314 of the Act.
12. No duplicate shares certificates were issued during the year under review.
13. The Company has :
 - (i) allotted 120000000 equity shares during the year under review.
 - (ii) The company has not declared dividends during the year under review.
 - (iii) The company has not violated the provisions of Section 205A, 205B, 205C of the Companies Act, 1956.
 - (iv) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and there has been appointment, additional director w.e.f 02.04.2012 in the year under review. Form 32 for Change in designation of Director has been filed w.e.f 29.09.2012
15. The company has not appointed any Managing Director in the year under review.
16. The company has not appointed Sole Selling Agent during the year under review.

17. The company has obtained all necessary approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has allotted **120000000** shares w.e.f 29.05.2012 **Crores** in accordance with the scheme of Amalgamation between the Company and C Mahendra Jewels Private Limited. All the due compliances for the same have been complied with during the financial year under review.
20. The company has not bought back any shares during the financial year ending 31st March, 2013.
21. The company has not redeemed preference shares/debentures during the year.
22. The company wherever necessary has kept in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The company has not invited/accepted any deposits including unsecured loans falling within the purview sections 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended 31st March, 2013.
25. The company has not made any additional loans and investments, (or not given guarantees or provided securities) to other bodies corporate as per Section 372 A and consequently no entries has been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny and has duly complied with the provisions of Companies Act, 1956.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association to the extent of change in name of the company.
31. No prosecution initiated against and no show-cause notices received by the company for alleged offences under the Act and also there were no fines and penalties or any other punishment imposed on the company during the year ending 31st March, 2013.
32. The company has not received any amount as security from its employees during the year under certification.
33. The company has not constituted for its employees, Provident Fund scheme of its own, as per the meaning of section 418 of the Act.

Place: Vadodara

Date: 28/05/2013

Sd/-
Minal Shah
MAS & Associates.
(Practicing Company Secretary)
C.P. No. 5503

ANNEXURE 'A'

Registers as maintained by the company:

1. Register of Members u/s 150
2. Register of Transfer
3. Register of Directors, Managing Director, Manager and Secretary u/s 303
4. Register of Director's Shareholding u/s 307
5. Register of Contracts, companies and firms in which directors are interested u/s 301(3).
6. Minutes of Meeting of Board of Directors.
7. Minutes of Meeting of General Meetings.
8. Register of Loans and Investment u/s 372A.

ANNEXURE 'B'

Forms and returns as filed by the company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2013

Sr. No	Form No.	Filed under Section	Date of filing Document	For
1	Form 21		B39708714 23/05/2012	Filing of CLB order with ROC
2	Form 32	260	B39724349 24/05/2012	Appointment of Mr. Shankar Bhagat
3	Form 21	394(1)	B39848171 25/05/2012	Filing of CLB order with ROC
4	Form 66	383 A	P92998285 30/10/2012	Compliance Certificate
5	Form 2	75	S08767980 07/06/2012	Return on Allotment
6	Form 23AC - ACA	210	Q07125289 28/02/2013	Balance Sheet & Profit/Loss

Place: Vadodara

Date: 25/08/2013

SD/
Minal Shah
MAS & Associates
(Practicing Company Secretary)
C.P. No. 5503

Independent Auditor's Report

TO THE MEMBERS OF MINAL INDUSTRIES LIMITED.

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' 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 qualified audit opinion.

Basis for Qualified Opinion:

- (a) *Gratuity and leave encashment is accounted on cash basis, which is not as per AS-15 Employee Benefits. The amount is not ascertained in absence of actuarial valuation.*

The impact on profit for the year, reserves and surplus as at 31 March 2013, if any, due to the above deviations is not ascertainable.

- (b) *No Provision for diminution in value of investment made in non trade investments as required as per AS-13- Accounting for Investments, amount Rs.3,53,000/- resulting into overstatement of the profit of Rs.3,53,000/- for the current year and reserves and surplus by Rs.3,53,000/-.*



Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid 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:

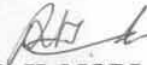
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss Account, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt herewith comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



**FOR R. H. MODI & CO.,
CHARTERED ACCOUNTANTS
(Registration No : 106486W)**


**R. H. MODI
PROPRIETOR
Membership No. 37643**

**Place : MUMBAI
Dated : 28/05/2013**

**Annexure to Independent Auditor's Report
Referred to in Paragraph 1 under the heading of "Report on Other Legal and
Regulatory Requirements" of our report of even date.**

1. (a) The Company has maintained memorandum of records showing details of fixed assets (except furniture and fittings and electrical installation). However, comprehensive fixed assets register is being complied.
- (b) The fixed assets of the Company have been physically verified by the management during the year; no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, no Fixed Assets has been disposed of by Company during the year.
2. (a) According to the information and explanations given to us, inventories have been physically verified by the management at reasonable intervals during the year.
- (b) 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) According to the information and explanations given to us, the Company is maintaining proper records of its inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
3. (a) According to the information and explanations given to us, the Company has granted unsecured loan to two Companies covered in the register maintained under Section 301 of the Companies Act, 1956. The details of loan are as under:

Name of the Company	Relationship	Maximum Amount involved	Year end Balance
Minal International FZE	Subsidiary Company	1,89,10,467/-	1,89,10,467/-
C Mahendra Infojewels Limited	Associate Company	18,61,41,166/-	18,42,61,568/-

Contd....2



- (b) The Company has granted interest bearing loan of Rs.20,31,72,034/- (net of exchange difference) to its subsidiary company which the company has made provision of interest income and the loan given to associate company is interest free. In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been granted to the above Companies listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie* prejudicial to the interest of the Company.
- (c) The receipt of the principal amount is regular.
- (d) There are no overdue amount and hence the provision of sub-clause (d) of clause 4(iii) of the Order are not applicable to the Company.
- (e) The Company has taken loan from Director covered in the register maintained under Section 301 of the Act. The details of loan are as under:

No of Directors	Maximum Amount outstanding during the year	Amount outstanding at the year end
1	Rs.35,00,000/-	Rs.35,00,000/-

- (f) No interest is paid and other terms and conditions on which loan has been taken from Directors listed in register maintained under section 301 are *prima facie* not prejudicial for the interest of the Company.
 - (g) The Company is regular in repaying the principal amount where stipulated.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, carried out accordance with the auditing standards generally accepted in India 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 systems.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered in the register maintained under section 301 have been properly entered.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of Rs. 5 lakhs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

Contd....3



6. The Company has not accepted any deposit from public within the meaning of section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
7. As per the information and explanation given to us by the management, the Company's internal control procedures together with the internal checks conducted by the management staff during the year can be considered as an internal audit system commensurate with the size and nature of its business.
8. 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 Act, in respect of activities carried on by the company. Hence the provisions of clause 4(viii) of the Order is not applicable to the Company.
9. (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess, and other statutory dues applicable with the appropriate authorities during the year, and there were no such outstanding dues as at March 31, 2013 for a period exceeding six months from the date they became payable.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess, which have not been deposited on account of dispute.
10. The Company has no accumulated losses as at March 31, 2013 after considering the balance in Reserve and Surplus account as at that date and has also not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, banks. There are no debenture holders.
12. According to the information and explanations give to us, the Company has not granted any loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
14. In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in securities during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name.




-: 4:-

15. According to the records of the company and the information and explanations provided by the management, the company has given guarantee for loans taken by its associated company from banks, the terms and conditions whereof in our opinion are not prima facie prejudicial to the interest to the Company.
16. According to the records of the company, the company has not obtained any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment by the company.
18. According to the records of the company and the information and explanations provided by the management, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. During the course of our explanations of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.



**FOR R. H. MODI & CO.,
CHARTERED ACCOUNTANTS
(Registration No : 106486W)**


**R. H. MODI
PROPRIETOR
Membership No. 37643**

**Place : MUMBAI
Dated : 28/05/2013**

MINAL INDUSTRIES LIMITED
BALANCE SHEET as at March 31, 2013

	Note	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
EQUITY AD LIABILITIES			
Shareholders' Funds			
Share Capital	2	383,801,300	143,801,300
Reserves and Surplus	3	345,343,438	344,250,734
		729,144,738	488,052,034
Share Capital Suspense Account	4	-	240,000,000
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	5	1,446,276	1,343,831
		1,446,276	1,343,831
Current Liabilities			
Short-Term Borrowings	6	4,055,153	690,000
Trade Payables	7	4,635,771,239	4,359,579,553
Other Current Liabilities	8	1,067,981	1,517,640
		4,640,894,373	4,361,787,193
Total		5,371,485,387	5,091,183,058
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	13,655,113	14,330,793
Non-Current Investments	10	258,972,709	259,018,583
Long-Term Loans and Advances	11	1,890,425	1,854,970
		274,518,247	275,204,345
Current Assets			
Inventories	12	224,344,925	370,818,835
Trade Receivables	13	4,652,224,345	4,222,455,042
Cash and Cash Equivalents	14	4,450,514	5,126,856
Short-Term Loans and Advances	15	215,947,356	217,577,979
		5,096,967,140	4,815,978,712
Total		5,371,485,387	5,091,183,058

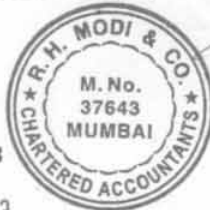
Significant Accounting Policies /
Notes on Financial Statements

1 to 38

**AS PER OUR REPORT ATTACHED
FOR R H MODI & CO.,
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO : 106486W)**

FOR MINAL INDUSTRIES LIMITED

R H Modi
**R H MODI
PROPRIETOR
MEMBERSHIP NO: 37643
PLACE : MUMBAI
DATE : 28 MAY 2013**



[Signature]
DIRECTOR

[Signature]
DIRECTOR

**PLACE : MUMBAI
DATE : 28 MAY 2013**


MINAL INDUSTRIES LIMITED
STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2013

	Note	Year Ended March 31, 2013 Rupees	Year Ended March 31, 2012 Rupees
INCOME			
Revenue from Operations	16	163,188,075	1,003,819,977
Other Income	17	1,012,336	11,044,588
Total Revenue		164,200,411	1,014,864,565
Expenses			
Purchases of Traded Goods	18	-	1,317,642,609
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	19	146,473,910	(340,312,253)
Employee Benefits Expense	20	916,560	604,703
Depreciation and Amortisation Expense	9	675,681	682,960
Other Expenses	21	14,530,112	38,834,036
Total Expenses		162,596,263	1,017,452,055
Profit / (Loss) Before Tax		1,604,149	(2,587,490)
Tax Expense			
Income Tax:			
Current Year		409,000	-
Earlier Years		-	3,400
Deferred Tax Credit		102,445	871,131
Profit / (Loss) for the Year		1,092,704	(3,462,021)
Basic & Diluted Earning Per Share of Rs.2 each (In Rupees) (Previous Year of Rs.2 each)	22	0.01	(0.05)

Significant Accounting Policies
Notes on Financial Statements

I to 38

**AS PER OUR REPORT ATTACHED
FOR R H MODI & CO.,
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO : 106486W)**


**R H MODI
PROPRIETOR
MEMBERSHIP NO: 37643
PLACE : MUMBAI
DATE : 28 MAY 2013**



FOR MINAL INDUSTRIES LIMITED



DIRECTOR DIRECTOR

**PLACE : MUMBAI
DATE : 28 MAY 2013**

MINAL INDUSTRIES LIMITED

1) SIGNIFICANT ACCOUNTING POLICIES.

I) BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on accrual basis. The financial statements of the company has been prepared to comply with the Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

II) REVENUE RECOGNITION:

Revenue from sale of goods is recognized, when all the significant risks and rewards of ownership are transferred to the buyer, as per the terms of contract and no significant uncertainty exists regarding the amount of consideration that will be derived from sale of the goods. It also includes price variation and excludes value added tax.

III) FIXED ASSETS

Fixed Assets are stated at cost of acquisition as reduced by accumulated depreciation.

The costs of assets include direct/indirect and incidental costs incurred to bring them in to their present location and working condition for the intended use.

IV) DEPRECIATION

Depreciation is provided on straight line basis as per the rates and method prescribed under Schedule XIV to the Companies Act, 1956.

V) INVESTMENTS

Long Term Investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

VI) INVENTORIES

Engineering Division

Inventories are stated at the lower of cost or net realizable value. Cost is determined at the FIFO Method. The cost of work in progress and finished goods comprises direct material, direct labour, other direct cost and related production overhead.

Stores are written off in the year of purchase.

Jewellery Division

Inventories are stated at the lower of cost or net realizable value.



VII) RETIREMENT BENEFITS

- a) Gratuity Liability is accounted as and when paid.
- b) Leave Encashment Liability is accounted as and when paid.

VIII) FOREIGN CURRENCY TRANSACTIONS

In respect of export of goods and services, the transactions in foreign currency are recorded in rupees by applying to the foreign currency amount, the exchange rate prevailing on the date of the transaction. Any excess or shortfall at the time of actual realization is charged to the profit and loss account.

In respect of import of goods and services, the transactions in foreign currency are recorded in rupees by applying to the foreign currency amount, the exchange rate prevailing on the date of the transaction. Any excess or shortfall at the time of actual payment is charged to the profit and loss account.

In respect of import of capital goods, the transaction in foreign currency is recorded in rupees by applying to the foreign currency amount the exchange rate prevailing on the date of transaction. Exchange differences in respect of liabilities incurred and settled within the financial year to acquire fixed assets are charged to the profit and loss account.

Assets and liabilities related to foreign currency transactions other than fixed assets remaining unsettled at the year end are translated at the contract rate, when covered by a foreign exchange contract and at year end rates in other cases. The gains and losses arising on foreign exchange transactions other than those relating to fixed assets are recognized in profit and loss account. Gains and losses arising on foreign exchange transactions relating to fixed assets are charged to the profit and loss account.

IX) BORROWING COSTS

Borrowing Costs directly attributed to the acquisition of Fixed Assets are capitalised as a part of the cost of asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

All other borrowing costs are charged to the Profit and Loss Account in the year in which they are incurred.

X) EARNING PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expenses or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.



XI) TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognized on timing differences between taxable and accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset is recognized for unabsorbed depreciation and carry forward losses to the extent there is virtual / reasonable certainty that the sufficient future taxable income will be available against which deferred tax assets can be realized.

XII) IMPAIRMENT OF FIXED ASSETS:

Management assess at each balance sheet whether there is any indication that an asset may be impaired. If any such indication exists, it estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction, if any, is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

In the opinion of the management, there are no indications, internal or external which could have the effect of impairment of the assets of the Company to any material extent as at the Balance Sheet date, which requires recognition in terms of Accounting Standard (AS – 28) on 'Impairment of Assets'

XIII) PROVISIONS CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if :

- a) The Company has a present obligation as a result of past events;
- b) a probable outflow of resources is expected to settle the obligation; and
- c) the amount of obligation can be reliably estimated.

Reimbursement by another party, expected in respect of expenditure required to settle a provision, is recognized when it is virtually certain that reimbursement will be received if the obligation is settled.

Contingent liability is disclosed in the case of :

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- b) a present obligation arising from past events, when no reliable estimate is possible;
- c) a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed in the financial statements.



	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
2 Share Capital		
Authorised 31,50,00,000 (Previous Year: 31,50,00,000 of Rs. 2 each) Equity Shares of Rs. 2 each	630,000,000	630,000,000
Issued 19,19,00,650 (Previous Year: 7,19,00,650 of Rs.2 each) Equity Shares of Rs. 2 each	383,801,300	143,801,300
Subscribed and Paid up 19,19,00,650 (Previous Year: 7,19,00,650 of Rs.2 each) Equity Shares of Rs. 2 each	383,801,300	143,801,300
	383,801,300	143,801,300

(a) Reconciliation of number of shares

	As at March 31, 2013 No. of Shares	As at March 31, 2012 No. of Shares
Equity Shares:		
Balance as at the beginning of the year	71,900,650	14,380,130
Add: Shares issued during the year in consideration of sub division of shares from F.V. of Rs.10 to F.V. of Rs. 2 each	-	57,520,520
Add: Issued in the scheme of amalgamation during year	120,000,000	-
	191,900,650	71,900,650

(b) Of the above, 12 crores shares were issued on 29/05/2012 in the scheme of amalgamation to the shareholders of C Mahendra Jewels Pvt Ltd w.e.f. from 01/04/2010 as the appointed date.

(c) Out of the above, 57,52,050 shares were issued as bonus shares in the Financial year 2010-11

(d) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2013	
	No. of Shares	% holding
Equity Shares		
Jesinghbai Parikh	38,992,000	20.32
Nirvani Trust	69,126,055	36.02
Aanishka Construction Pvt Ltd	9,829,085	5.12
Mahendra Chandulal Shah	21,000,000	10.94
Champak Kirtilal Mehta	21,000,000	10.94

	As at March 31, 2012	
	No. of Shares	% holding
Equity Shares		
Jesinghbai Parikh	30,126,055	41.90
Anila Shrikant Parikh	5,742,600	7.99
Aanishka Construction Pvt Ltd	9,829,085	13.67
Aanyora Construction Pvt Ltd	8,987,585	12.50

3 Reserves and Surplus

CAPITAL RESERVE

Balance as per Last year Balance sheet		
State Subsidy	261,231	261,231
Central Subsidy	219,000	219,000
Balance as at the end of the year	480,231	480,231



MINAL INDUSTRIES LIMITED
Notes to Financial Statements for the year ended March 31, 2013

	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
INVESTMENT ALLOWANCE RESERVE		
Balance as per Last year Balance Sheet	277,810	277,810
Balance as at the end of the year	<u>277,810</u>	<u>277,810</u>
Capital Reserve		
Balance as per Last year Balance sheet	7,553,000	7,553,000
Add: During the Year	-	-
Balance as at the end of the year	<u>7,553,000</u>	<u>7,553,000</u>
SHARE PREMIUM		
Balance as per Last year Balance sheet	116,729,360	116,729,360
Add: During the Year	-	-
Balance as at the end of the year	<u>116,729,360</u>	<u>116,729,360</u>
REVALUATION RESERVE		
Balance as per Last year Balance sheet	161,883	161,883
Balance as at the end of the year	<u>161,883</u>	<u>161,883</u>
GENERAL RESERVE		
Balance as per Last year Balance sheet	83,392,370	18,392,370
Add: Addition due to Amalgamation during the Year	-	65,000,000
Balance as at the end of the year	<u>83,392,370</u>	<u>83,392,370</u>
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	135,656,080	188,825,853
Profit / (Loss) for the year	1,092,704	(3,462,020)
Adjustment due to Amalgamation	-	(49,707,753)
Balance as at the end of the year	<u>136,748,784</u>	<u>135,656,080</u>
Total	<u>345,343,438</u>	<u>344,250,734</u>
5 Deferred Tax Liability		
Deferred Tax Liabilities: on account of Depreciation	1,446,276	1,343,831
Deferred Tax Liability	<u>1,446,276</u>	<u>1,343,831</u>
6 Short-Term Borrowings		
Secured		
Loan from Banks	555,153	-
	<u>555,153</u>	<u>-</u>
Note :		
6.1 Loan taken is Secured against Fixed Deposits of the Company rate of interest is 11.50% per annum		
Unsecured		
Loans:		
From Related party - Directors (Above interest free loan is repayable on demand)	3,500,000	690,000
	<u>4,055,153</u>	<u>690,000</u>
7 Trade Payables		
Sundry Creditors	4,635,771,239	4,359,579,553
	<u>4,635,771,239</u>	<u>4,359,579,553</u>
8 Other Current Liabilities		
Unpaid Dividends	189,101	189,101
Advances from Customers	80,150	373,150
Statutory Dues (including Tax Deducted at Source)	132,906	82,558
Other Current Liability	665,824	872,831
	<u>1,067,981</u>	<u>1,517,640</u>



MINAL INDUSTRIES LIMITED
Notes to Financial Statements for the year ended March 31, 2013

9 Tangible Assets

Particulars	Gross Block			Depreciation			Net Block		Rupees
	As at April 1, 2012	Additions	As at March 31, 2013	As at April 1, 2012	For the Year	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012	
	Factory Premises -Leasehold Land	543,235	-	543,235	-	-	-	543,235	543,235
Factory Building	921,244	-	921,244	483,783	15,016	498,799	422,445	437,461	
Office Premises	10,812,700	-	10,812,700	1,005,345	176,247	1,181,592	9,631,108	9,807,355	
Plant	5,246,152	-	5,246,152	5,246,152	-	5,246,152	-	-	
Computers & Printers	453,700	-	453,700	429,742	4,050	433,792	19,908	23,958	
Office Equipment	133,828	-	133,828	67,574	6,357	73,931	59,897	66,254	
Furniture and Fixtures	3,540,579	-	3,540,579	1,024,353	224,119	1,248,472	2,292,107	2,516,226	
Electrical Fitting	928,672	-	928,672	198,149	44,112	242,261	686,411	730,523	
Vehicles	2,275,544	-	2,275,544	2,069,763	205,780	2,265,148	10,396,41	205,781	
Total	24,855,654	-	24,855,654	10,524,861	675,681	11,190,146	13,665,508	14,330,793	
Previous Year	24,833,919	21,735	24,855,654	9,841,901	682,960	10,524,861	14,330,793		



MINAL INDUSTRIES LIMITED
Notes to Financial Statements for the year ended March 31, 2013

	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
10 Non-Current Investments		
Trade Investments in Equity Instruments - Unquoted, at Cost		
a) QUOTED		
i) Non Trade Investments		
11,000 (Previous year 11,000) Equity Shares in Eastern Mining Ltd of Rs.10/- each.	352,000	352,000
100 (Previous year 100) Equity Shares in Vardhman Wires & Polymers Ltd. Of Rs.10/-each	1,000	1,000
	<u>353,000</u>	<u>353,000</u>
b) UNQUOTED		
i) Trade Investment		
i) Subsidiary Companies		
1 Share in Minal International FZE (Sharjah)		
1 Share of 1,50,000 AED each.	1,837,500	1,837,500
	<u>1,837,500</u>	<u>1,837,500</u>
ii) Associate Companies		
1,23,50,000 (Previous Year 1,23,50,000) Equity Shares in C Mahendra Infojewels Limited of Rs. 10/- each.	123,500,000	123,500,000
	<u>123,500,000</u>	<u>123,500,000</u>
ii) INVESTMENT IN PARTNERSHIP FIRM		
Capital in M/s RSBL Jewels	133,281,709	133,327,583
	<u>133,281,709</u>	<u>133,327,583</u>
iii) Non Trade Investment		
1 Share in Sterling Centre Premises Owners Co-op Society Ltd. of Rs.500/- each.	500	500
	<u>500</u>	<u>500</u>
	<u>258,972,709</u>	<u>259,018,583</u>

Details of Investment in Partnership Firm

MINAL INDUSTRIES LTD. [Capital Balance of Rs.13,32,81,709 (P.Y.13,33,27,583) with Share of Profit - 99%]
 SHRI MEHUL DINESHKUMAR KOTHARI [Capital Balance of Rs.20,39,605 (P.Y.20,45,044) with Share of Profit-1%]

11 Long-Term Loans and Advances		
Security Deposits	1,890,425	1,854,970
	<u>1,890,425</u>	<u>1,854,970</u>
12 Inventories		
Work-in-Progress	480,027	1,149,635
Traded Goods	223,864,898	369,669,200
	<u>224,344,925</u>	<u>370,818,835</u>

In respect of stock of polished diamonds, cost is based on technical estimate by the management to avoid distortion in valuation. In view of the nature of variation in the value of individual diamonds, the differentials in their costs, it is not practicable to compute the cost of polished diamonds using either FIFO or weighted average cost. In view of multiple grades, it is not practicable to use specific cost. The basis of computing cost used on consistent basis though in line with generally accepted industry practice, is a deviation from the method prescribed by Accounting Standard (AS) - 2 'Valuation of Inventories'. The impact of profit for the year, reserves and surplus and inventories as at 31st March, 2013, if any due to the above deviations is not ascertainable.

13 Trade Receivables		
Unsecured, considered good:		
-Outstanding for a period exceeding six months from the date they are due for payment	4,651,955,911	4,221,837,562
-Others	268,434	617,480
	<u>4,652,224,345</u>	<u>4,222,455,042</u>

Trade Receivable includes dues from partnership firm amounting to Rs.3,77,703 (Previous Year : 3,71,743) in which director are partners



MINAL INDUSTRIES LIMITED**Notes to Financial Statements for the year ended March 31, 2013**

	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
14 Cash and Cash Equivalents		
Cash on Hand	3,240,814	3,788,123
Cheques on Hand		
Bank Balances:		
In Current Accounts	280,692	377,553
In Fixed Deposits	929,008	961,180
	<u>4,450,514</u>	<u>5,126,856</u>
	<u>4,450,514</u>	<u>5,126,856</u>
15 Short-Term Loans and Advances		
[Unsecured, Considered Good (unless otherwise stated)]		
Advance to Related Parties	-	-
Other Loans and Advances:		
Balances with Government Authorities	37,739	44,729
Advance Income Tax [Net of Provision Rs. 18,47,940 (Previous Year: Rs. 14,47,940)]	196,819	597,927
Prepaid Expenses	165,820	132,188
Other Advances	215,546,978	216,803,135
	<u>215,947,356</u>	<u>217,577,979</u>

Note :

15.1 Other Advances includes amount of Rs. 20,38,95,255 (P.Y.20,33,46,848) recoverable from concern in which Director is member

MINAL INDUSTRIES LIMITED
Notes to Financial Statements for the year ended March 31, 2013

	Year Ended March 31, 2013 Rupees	Year Ended March 31, 2012 Rupees
16 Revenue from Operations		
Sale of Products:		
Finished Goods	1,300,500	1,808,450
Traded Goods	161,887,575	1,002,011,527
Total	163,188,075	1,003,819,977
<u>Sales of Finished Goods</u>		
Braille Tyewriters	1,300,500	1,808,450
<u>Sales of Traded Goods</u>		
Diamonds	160,097,850	1,001,323,298
Silver & Costume Jewellery & Fancy Watches	1,789,725	688,229
17 Other Income		
Interest Income on		
Fixed Deposits with Banks	78,271	23,368
Loan to Subsidiary	880,966	692,756
Job Work Sales	-	65,465
Share in Profit in Partnership Firm	-	10,189,577
Miscellaneous Income	5,000	25,345
Rent	48,000	48,000
Discount	99	77
	1,012,336	11,044,588
18 Purchase		
-of Traded Goods	-	1,317,642,609
	-	1,317,642,609
Details of Purchase (Traded Goods)		
Bullion	-	18,852
Diamond	-	1,317,623,757
	-	1,317,642,609
19 Changes in Inventories of Finished Goods and Work-in-Progress		
(Increase)/ Decrease in Stocks		
Stock at the end of the year:		
Work-in-progress	480,027	1,149,635
Traded Goods	223,864,898	369,669,200
	224,344,925	370,818,835
Stock at the beginning of the year:		
Finished Goods	-	-
Work-in-progress	1,149,635	1,220,005
Traded Goods	369,669,200	29,286,577
	370,818,835	30,506,582
(Increase)/ Decrease in Stocks	146,473,910	(340,312,253)



MINAL INDUSTRIES LIMITED

Notes to Financial Statements for the year ended March 31, 2013

	Year Ended March 31, 2013 Rupees	Year Ended March 31, 2012 Rupees
20 Employee Benefits Expense		
Salaries, Wages and Bonus	735,004	353,543
Gratuity	20,000	98,750
Director Remuneration	120,000	120,000
Staff Welfare Expenses	41,556	32,410
	916,560	604,703
21 Other Expenses		
<u>Manufacturing Expenses</u>		
Power & Fuel	80,625	98,205
Labour Charges	526,450	623,537
Freight, Octroi Charges	120	13,910
Clearing & Forwarding Charges	56,813	372,827
Repairs to Plant & Machinery	800	7,521
Packing Material	6,904	22,122
Consumable & General Stores	42,725	36,957
<u>Administrative Expenses</u>		
Bank Charges	61,725	463,169
Repairs:		
Others	36,540	15,128
Rent, Rates and Taxes	1,425,477	1,503,356
Insurance	769,825	1,015,331
Communication Charges	68,396	85,823
Printing and Stationery	9,058	99,191
Office Expenses	120,092	131,472
Security and Safety Expenses	55,672	19,919
Testing & Certification Charges	-	423,383
Travelling, Conveyance and Car Expenses	155,421	322,976
Listing Fee	113,160	114,586
Legal and Professional Fees	1,954,586	750,189
Auditors Remuneration	168,540	178,334
Sales Promotion	64,093	73,395
Loss on Foreign Exchange (Net)	5,306,721	23,603,611
Loss in Gold Futures	2,710,100	8,853,515
Share in Loss in Partnership Firm	538,445	-
Commission on Sales	257,824	5,578
	14,530,112	38,834,036
22 Earning per Share (EPS)		
Net profit / (Loss) as per Profit and Loss Account available for Equity Shareholders	1,092,704	(3,462,021)
Weighted average number of equity shares for Earning per Share computation	172,832,157	71,900,650
For Basic Earning Per Share of Rs.2 each (P.Y.of 2 each)	0.01	(0.05)
For Diluted Earning Per Share of Rs.2 each (P.Y.of 2 each)	0.01	(0.05)



Note. 23)

Contingent Liabilities and Commitments

Corporate Guarantee given to bank in respect of credit facilities sanctioned to a Associate company Rs.12,00,00,000/- (P.Y. Rs.12,00,00,000/-)

Note. 24)

- a) There has been a diminution of Rs. 3,53,000/- in the value of long term investments held by the Company as at 31st March, 2013. No provision against the same has been considered necessary since in the opinion of management such diminution is of temporary in nature.

Note 25)

- a) Total present liability for future payment of gratuity as on 31st March, 2013 is neither provided nor actuarially determined. This liability will be dealt with on cash basis which is not in accordance with Accounting Standard (AS) 15- 'Employee Benefit' issued by the Institute of Chartered Accountants of India.
- b) Leave encashment liability, if any, has not been determined, presently, and would be charged when paid. This liability will be dealt with on cash basis which is not in accordance with Accounting Standard (AS) 15- 'Employee Benefit' issued by the Institute of Chartered Accountants of India.

Note 26)

During the year the Company has entered into the derivatives transaction in gold commodities and incurred a net derivative loss of Rs.27,10,100/-(Previous Year Rs.88,53,515/-) which is shown under the head Other Expenses.

Note 27)

During the year the Company has accounted for deferred tax in accordance with the Accounting Standard 22 -"Accounting for Taxes on Income" issued by the Institute of Chartered Accountings of India.

The break up of deferred tax balance is as under:

Particulars	31 st March, 2013	31 st March, 2012
Opening Deferred Tax Liability on a/c of Depreciation	13,43,831	4,72,700
Less : Deferred Tax (Assets) / Liability on a/c of Depreciation	1,02,445	8,71,131
Net Deferred Tax Liability	14,46,276	13,43,831

Note 28)

SEGMENTAL REPORTING

Sr. No.	Particulars	Geographical Segments		
		India	Rest of World	Total
1.	Segment Revenue			
	Sales and Other Income from operations	30,90,225 (24,96,679)	16,00,97,850 (100,13,23,298)	16,31,88,075 (100,38,19,977)
2.	Carrying amount of assets by geographical location of assets			
	Segment Assets	69,65,29,568 (84,80,91,020)	467,49,55,819 (424,30,92,038)	537,14,85,387 (509,11,83,058)
3.	Additions to fixed assets and intangible assets			
	Addition to fixed assets	--- (21,735)	(---) (---)	--- (21,735)

Notes:

- i. Secondary segments identified are as per the requirements of Accounting Standard (AS) -17 'Segment Reporting', taking into account the organisation structure as well as the differing risks and returns.



- ii. The segment revenue and total assets includes the revenue and assets respectively, which are identifiable with each segment and amounts allocated to the segments on a reasonable basis.

Note. 29)

Disclosures as required by Accounting Standard (AS) 18 Related party Disclosure

a) Name of the related parties and description of relationship :

Subsidiaries	:	Minal International FZE
Associates	:	C Mahendra Infojewels Limited Minal Electrical & Engineering Minal Plastic Product Minal Jewels (USA) Selection INC
Key Management Personnel	:	Shri Shrikant Parikh Shri Jesignbhai Parikh Shri Amul Patel

b) Transaction with related parties :

Related Party	Description of Nature of Transactions	Transactions during the year 2012/2013	Outstanding Balance as on 31/03/2013	Transactions during the year 2011/2012	Outstanding Balance as on 31/03/2012
A) With Directors					
Shri Shrikant Parikh	i) Remuneration	1,20,000	Cr .56,400	1,20,000	Cr .58,200
	ii) Loan recd	28,10,000	Cr. 35,00,000	4,50,000	Cr. 6,90,000
	iv) Sale of Investment	---		40,00,000	
B) With Subsidiary					
1) Minal International FZE	i) Loan Given	10,04,666	Dr.	15,29,336	Dr.
	ii) Interest on loan	8,80,966	1,68,62,932	6,92,756	1,58,58,266
2) Minal International FZE (Interest A/c.)	i) Loan Given	8,80,966	Dr. 20,47,535	11,66,569	Dr. 11,66,569
C) With Associates					
3) C Mahendra Infojewels Ltd	i) Loan Given	19,29,598	Dr. 18,43,21,568	35,06,965	Dr. 18,61,41,165
	ii) Loan Repaid	50,000		5,36,01,000	
4) Minal Electrical & Engineering	i) Rent Received	48,000	--	48,000	--
	ii) Job work / Sales	--	Dr. 9,46,303	--	Dr. 3,92,678
	iii) Loan Received	--	---	--	---
	iv) Loan Repaid	---	---	---	---
5) Minal Plastic Product	i) Rent Paid	1,20,000	Dr. 1,53,443	1,20,000	Dr. 1,59,913
	ii) Sales	----		2,15,700	
6) Minal Jewels	i) Sales	16,00,97,850	Dr. 16,24,21,218	----	NIL



7) Selection Inc	i) Purchase	---	Cr. 9,41,73,422	1,58,51,849	Cr. 8,85,62,724
<u>C) With Key Management Personnel</u>					
Shri Amul Patel	Professional Fees	13,25,000	---	75,000	---

- c) The transactions with related parties have been entered at an amount which is not materially different from those on normal commercial terms.
- d) No amount has been written back / written off during the year in respect of due to / from related parties.
- e) The amount due to / from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required.

Note. 30)

LEASE:

The Company has entered into a lease agreement for use of sales counter space along with all the other amenities, which is in the nature of operating lease. As per the terms of the agreement, the period of lease ranges from 11 months to 3 years and the same is further renewable for such period as may be mutually agreed by the lessor and the lessee. The leases can be terminated by either party by giving one month notice as per terms of agreement.

The future minimum lease payment as per above lease agreement is as follows: -

Future minimum lease payments	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
i. Not later than one year;	13,21,413	12,78,840
ii. Later than one year and not later than five years	NIL	NIL
iii. Later than five years	NIL	NIL

The amount of minimum lease payments with respect to the above lease recognized in the profit and loss account for the period is Rs 13,21,413 (Previous Year Rs.12,78,840)

Note. 31)

REMUNERATION TO AUDITORS

	2012-13	2011-12
a) Audit Fees	1,01,124	1,17,669
b) Taxation Matters	---	---
c) Others	67,416	60,665
Total	1,68,540	1,78,334

Note. 32)

The management based on their review of assets and operation of the Company has determined that there is no indication of potential impairment and that the recoverable amount of any of its fixed assets is not lower than its carrying amount. Accordingly no provision for impairment is required as at 31 March 2013.

Note 33)

The company secretary appointed as per the provision of Section 383A of the Companies Act, 1956 has been resigned on 30/04/2012. Hence in the absence of the Company Secretary, these financial statements have not been authenticated by a whole time Company Secretary under Section 215 of Companies Act, 1956.



Note 34)

As required by the Notification No. GSR 129(F) dated 22nd February, 1999 issued by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs there are no small scale undertakings to which the Company owes sum which is outstanding for more than 30 days. This information has been determined on the basis of information available with the Company. This has been relied upon by the auditors.

Suppliers/Service providers covered under Micro, Small Medium Enterprises Development Act 2006, have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s 22 of the said Act is not given.

Note 35)

Disclosure as per Clause 32 of the Listing Agreement in respect of loans and advances, the amount in the nature of loans outstanding at year end:

	Maximum outstanding		During the year ended	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
Minal International FZE (Subsidiary)	1,89,10,467	1,70,24,835	1,89,10,467	1,70,24,835
C Mahendra Infojewels Ltd (Associates)	18,62,01,166	18,61,41,165	18,42,61,568	23,62,35,200

- a) Loan to subsidiary ad associate company is repayable on demand.
- b) Loan to subsidiary is interest bearing.
- c) No investment has been made by the loanee company in the share of the Company.

Note 36)

In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business and provisions for all the known liabilities and depreciation are adequate and not in excess of the amount reasonably necessary.

Note 37)

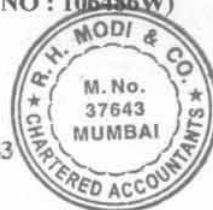
A) CIF Value of Imported Goods	NIL	1,31,76,42,609
B) Expenditure in Foreign Currency	NIL	NIL
C) Earning in Foreign Currency (FOB Value of Exports)	Rs. 16,00,76,530	1,00,11,78,867

Note 38)

The previous year's figures have been reworked, regrouped, rearranged and re-classified wherever necessary.

AS PER OUR REPORT ATTACHED
FOR R.H.MODI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO : 106486W)

R.H.MODI
PROPRIETOR
MEMBERSHIP NO: 37643
PLACE: MUMBAI
DATE: 28 MAY 2013



FOR MINAL INDUSTRIES LTD

DIRECTOR

DIRECTOR

PLACE: MUMBAI

DATE: 28 MAY 2013

BALANCE SHEET ABSTRACTS & COMPANY'S GENERAL BUSINESS PROFILE

(Pursuant to Part IV of Schedule VI of The Companies Act, 1956)

I	Registration Details	Registration No.	16905
		State Code	04
		Balance Sheet Date	31.03.2013
II	Capital raised during the year (Amount in Rs. Thousand)	Public Issue	NIL
		Right Issue	NIL
		Bonus Issue	NIL
		Private Placements	NIL
		Others	NIL
III	Position of Mobilization & Deployment of funds	Total Liabilities	5371485387
		Total Assets	5371485387
	Sources	Paid up Capital	383801300
		Reserves & Surplus	345343438
		Share Application Money	--
		Secured Loans	555153
		Unsecured Loans	3500000
		Deferred Tax Liability	1446276
	Applications	Net Fixed Assets	13655113
		Investments	258972709
		Net Current Assets	5096967140
		Misc. Expenditure	--
		Accumulated Losses	--
IV	Performance of the Company	Turnover	164200411
		Total Expenditure	162596263
		Profit/Loss before Extra ordinary Items	1604149
		Profit/Loss before Tax	1604149
		Profit/Loss after Tax	1092704
		Earning per Share (Rs.)	0.01
		Dividend Rate (%)	--
V	Generic Names of the Principle Products of the company	Item Code	8469200120
		Product Description	BRAILLE TYPEWRITER JEWELLERY

MINAL INDUSTRIES LIMITED
CASH FLOW STATEMENT for the year ended March 31, 2013

	Year ended March 31, 2013		Year ended March 31, 2012	
	Rupees	Rupees	Rupees	Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit / (Loss) before tax		1,604,149		(2,587,490)
Adjustments for:				
Depreciation	675,681		682,960	
Loss In Gold Futures	2,710,100		8,853,515	
Interest income	(959,237)	2,426,543	(716,124)	8,820,351
Operating profit / (Loss) before working capital changes		4,030,692		6,232,861
Changes in working capital:				
Increase / (Decrease) in trade payables	276,191,686		1,843,412,992	
Increase / (Decrease) in other current liabilities	(449,659)		1,370,120	
(Increase) / Decrease in trade receivables	(429,769,302)		(1,535,992,908)	
(Increase) / Decrease in inventories	146,473,910		(340,312,253)	
(Increase) / Decrease in short-term loans and advances	1,630,623		(129,133,187)	
(Increase) / Decrease in long-term loans and advances	(35,455)	(5,958,198)	(438,181)	(161,093,418)
Operating profit / (Loss) after working capital changes		(1,927,506)		(154,860,556)
Direct taxes paid (net of refund)		(409,000)		(3,400)
Net cash from operating activities (A)		(2,336,506)		(154,863,956)
B. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of tangible/ intangible assets (including capital work-in-progress)		-		(21,735)
Investment in MCX Futures		(1,950,000)		(14,800,000)
Proceeds From MCX Futures		(760,100)		5,946,485
Investment in Partnership Firm		-		-
Investment in Associates		-		-
Purchase of current Trade Investments		45,874		(87,754,527)
Interest received		959,237		716,124
Net cash used in investing activities (B)		(1,704,989)		(95,913,653)
C. CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in Share Capital & Reserves		240,000,000		15,292,247
Increase in Share Capital Suspense on amalgamation		(240,000,000)		240,000,000
Proceeds from short-term borrowings		3,365,153		(3,550,000)
Net cash from financing activities (C)		3,365,153		251,742,247
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		(676,342)		964,638
Cash and cash equivalents at the beginning of the year		5,126,856		4,162,218
Cash and cash equivalents at the end of the year		4,450,514		5,126,856
Net increase/ (decrease) in cash and cash equivalents		(676,342)		964,638
Cash and cash equivalents comprise of:				
Cash on Hand		3,240,814		3,788,123
Cheques on Hand		-		-
Bank Balances:				
In Current Accounts		280,692		377,553
In Fixed Deposits		929,008		961,180
Cash and cash equivalents at the end of the year		4,450,514		5,126,856

AS PER OUR REPORT ATTACHED
FOR R H MODI & CO.,
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO : 106486W)

R H MODI
PROPRIETOR
MEMBERSHIP NO: 37643
PLACE : MUMBAI
DATE : 28 MAY 2013



FOR MINAL INDUSTRIES LIMITED

DIRECTOR DIRECTOR

PLACE : MUMBAI
DATE : 28 MAY 2013

AUDITORS' REPORT

**ON CONSOLIDATED FINANCIAL STATEMENTS OF
MINAL INDUSTRIES LIMITED AND ITS SUBSIDIARY**

To,
The Board of Directors
MINAL INDUSTRIES LIMITED

1. We have audited the attached consolidated balance sheet of Minal Industries Limited ('the Company') and its subsidiary (collectively referred as 'the Group'), as at 31 March 2013, the consolidated Statement of profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of Minal International FZE the subsidiary company, whose financial statements reflects total assets of Rs.31,29,82,684/- as at 31 March 2013, total revenue (net turnover) of Rs. NIL and net cash outflows amounting to Rs.(14,67,677/-) for the year ended on that date as considered in the Consolidated Financial Statement. The financial statements and other financial information have been audited by other auditor whose report have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the said subsidiary, is based solely on the report of other auditor.
4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS)-21, "Consolidated Financial Statements as notified under the Companies (Accounting Standards) Rules, 2006.
5. Further attention is drawn to the following, financial statements do not comply with
 - (i) Accounting Standard (AS)-13 for not providing for diminution in value as required by 'Accounting for investments' issued by the Institute of Chartered Accountants of India for reasons mentioned in note no. 24
 - (ii) Accounting Standard (AS)-15 Revised "Accounting for Retirement benefits in the Financial Statements of the Employers" issued by the Institute of Chartered Accountants of India for reasons mentioned in note no. 25



6. Based on out audit and on the consideration of reports of other auditors on separate financial statements and on other financial information of the components, and to the best of information and according to the explanations given to us, we are of the opinion that the attached Consolidated financial statements read together with the accounting principles generally accepted in India:
- i. in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2013;
 - ii. in the case of the consolidated Statement of profit and loss account, of the PROFIT for the year ended on that date; and
 - iii. in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

**FOR R H MODI & CO.
CHARTERED ACCOUNTANTS
(Registration no. 106486W)**



**(R H MODI)
PROPRIETOR
Membership No. 37643**



Place : MUMBAI
Date: 28 MAY 2013

MINAL INDUSTRIES LIMITED
Consolidated Balance Sheet as at March 31, 2013

	Note	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
Equity and Liabilities			
Shareholders' Funds			
Share Capital	2	383,801,300	143,801,300
Reserves and Surplus	3	614,208,788	597,346,628
		998,010,088	741,147,928
Share Capital Suspend Account	4	-	240,000,000
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	5	1,446,276	1,343,831
		1,446,276	1,343,831
Current Liabilities			
Short-Term Borrowings	6	4,055,153	690,000
Trade Payables	7	4,658,726,766	4,387,996,540
Other Current Liabilities	8	1,481,821	2,051,600
		4,664,263,741	4,390,738,140
Total		5,663,720,105	5,373,229,899
Assets			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	13,655,113	14,330,793
Non-Current Investments	10	257,135,209	257,181,083
Long-Term Loans and Advances	11	1,890,425	1,854,970
		272,680,747	273,366,845
Current Assets			
Inventories	12	224,344,925	370,818,835
Trade Receivables	13	4,962,817,753	4,521,170,203
Cash and Cash Equivalents	14	6,839,790	7,320,870
Short-Term Loans and Advances	15	197,036,889	200,553,144
		5,391,039,358	5,099,863,053
Total		5,663,720,105	5,373,229,899

Significant Accounting Policies
Notes on Financial Statements

1 to 37

AS PER OUR REPORT ATTACHED

FOR R H MODI & CO.,
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO : 106486W)

RH
R H MODI
PROPRIETOR
MEMBERSHIP NO: 37643
PLACE : MUMBAI
DATE : 28 MAY 2013



FOR MINAL INDUSTRIES LIMITED

Srinivas
DIRECTOR

Deven
DIRECTOR

PLACE : MUMBAI
DATE : 28 MAY 2013

MINAL INDUSTRIES LIMITED

Statement of Consolidated Profit and Loss for the year ended March 31, 2013

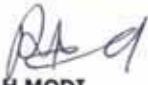
	Note	Year Ended March 31, 2013 Rupees	Year Ended March 31, 2012 Rupees
Revenue from Operations	16	163,188,075	1,115,562,753
Other Income	17	131,370	10,351,832
Total Revenue		163,319,445	1,125,914,585
Expenses			
Purchases of Traded Goods	18	-	1,423,785,976
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	19	146,473,910	(340,312,253)
Employee Benefits Expense	20	916,560	604,703
Depreciation and Amortisation Expense	9	675,681	682,960
Other Expenses	21	15,116,822	39,547,386
Total Expenses		163,182,973	1,124,308,772
Profit / (Loss) Before Tax		136,473	1,605,813
Tax Expense			
Income Tax:			
Current Year		409,000	-
Earlier Years		-	3,400
Deferred Tax Credit		102,445	871,131
Profit / (Loss) for the Year		(374,972)	731,282
Basic & Diluted Earning Per Share of Rs.2 each (In Rupees) (Previous Year of Rs.2 each)	22	(0.00)	0.01

Significant Accounting Policies
Notes on Financial Statements

1 to 37

AS PER OUR REPORT ATTACHED
FOR R H MODI & CO.,
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO : 106486W)

FOR MINAL INDUSTRIES LIMITED


R H MODI
PROPRIETOR
MEMBERSHIP NO: 37643
PLACE : MUMBAI
DATE : 28 MAY 2013



 
DIRECTOR DIRECTOR

PLACE : MUMBAI
DATE : 28 MAY 2013

Minal Industries Limited
Consolidated Cash Flow Statement for the year ended March 31, 2013

	Year ended March 31, 2013		Year ended March 31, 2012	
	Rupees	Rupees	Rupees	Rupees
A. Cash flow from operating activities				
Net profit / (Loss) before tax		136,473		1,605,813
Adjustments for:				
Depreciation	675,681		682,960	
Loss In MCX Futures	2,710,100		8,853,515	
Interest income	(78,271)	3,307,509	(23,368)	9,513,107
Operating profit / (Loss) before working capital changes		3,443,982		11,118,921
Changes in working capital:				
Increase / (Decrease) in trade payables	270,730,227		1,777,852,521	
Increase / (Decrease) in other current liabilities	(569,779)		1,843,630	
(Increase) / Decrease in trade receivables	(441,647,550)		(1,581,374,704)	
(Increase) / Decrease in inventories	146,473,910		(340,312,253)	
(Increase) / Decrease in short-term loans and advances	3,516,255		(55,045,832)	
(Increase) / Decrease in long-term loans and advances	(35,455)	(21,532,392)	(438,181)	(197,474,819)
Operating profit / (Loss) after working capital changes		(18,088,410)		(186,355,898)
Direct taxes paid (net of refund)		(409,000)		(3,400)
Net cash from operating activities (A)		(18,497,410)		(186,359,298)
B. Cash flow from investing activities				
Purchase of tangible/ intangible assets (including capital work-in-progress)		-		(21,735)
Investment in MCX Futures	(1,950,000)			(14,800,000)
Proceeds From MCX Futures	(760,100)			5,946,485
Investment in Partnership Firm	-			-
Investment in Associates	-			-
Purchase of current Trade investments	45,874			(87,754,527)
Interest received	78,271			23,368
Net cash used in investing activities (B)		(2,585,955)		(96,606,409)
C. Cash flow from financing activities				
Increase in Share Capital & Reserves	17,237,132			47,517,215
Increase in Share Capital Suspense on amalgamation	-			240,000,000
Proceeds from short-term borrowings	3,365,153			(3,550,000)
Net cash from financing activities (C)	20,602,286			283,967,215
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		(481,081)		1,001,507
Cash and cash equivalents at the beginning of the year		7,320,870		6,319,363
Cash and cash equivalents at the end of the year		6,839,790		7,320,870
Net increase/ (decrease) in cash and cash equivalents		(481,081)		1,001,507
Cash and cash equivalents comprise of:				
Cash on Hand		5,630,090		5,982,137
Cheques on Hand		-		-
Bank Balances:				
In Current Accounts		280,692		377,553
In Fixed Deposits		929,008		961,180
Cash and cash equivalents at the end of the year		6,839,790		7,320,870

AS PER OUR REPORT ATTACHED
 FOR R H MODI & CO.,
 CHARTERED ACCOUNTANTS
 (FIRM REGISTRATION NO : 106486W)

R H MODI
 PROPRIETOR
 MEMBERSHIP NO: 37643
 PLACE : MUMBAI
 DATE :

28 MAY 2013



FOR MINAL INDUSTRIES LIMITED

DIRECTOR DIRECTOR

PLACE : MUMBAI
 DATE : 28 MAY 2013

MINAL INDUSTRIES LIMITED

NOTES ON ACCOUNTS FORMING PART OF THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013

I STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES.

I) Basis of Consolidation

- a. The Consolidated financial statements relate to Minal Industries Limited ('the company'), and its subsidiary company. The Consolidated financial statement has been prepared on the following basis:
- The financial statements of the Company and its subsidiary company have been combined on line-by-line basis by adding together the value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit and loss.
 - The Consolidated financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards (AS)-21 'Consolidated Financial Statements'. The consolidated financial statements are presented in Indian rupees.
 - The excess of the cost to the parent of its investment in the subsidiary entities over its share of the equity in the subsidiary entities at the dates on which the investments are made is recognised in the financial statements as 'Goodwill'. The excess of parent's share of equity in consolidated subsidiary entities as on the date of investments in excess of the cost of investment is recognised in the consolidated financial statements as 'Capital Reserve' and shown under the head 'Reserves and Surplus'.
- b. Financial Statements of Foreign Subsidiary – Minal International FZE have been converted in Indian Rupees at the year end rates.
- c. The subsidiaries considered in the consolidated financial statements are:

Name of the subsidiaries	Country of incorporation/ constitution	Extent of holding % as at year end*	Reporting currency	Effective date of becoming subsidiary
Minal International FZE	Sharjah	100.00	AED	Since Incorporation (11/02/2010)

II) REVENUE RECOGNITION:

Revenue from sale of goods is recognized, when all the significant risks and rewards of ownership are transferred to the buyer, as per the terms of contract and no significant uncertainty exists regarding the amount of consideration that will be derived from sale of the goods. It also includes price variation and excludes value added tax.



III) FIXED ASSETS

Fixed Assets are stated at cost of acquisition as reduced by accumulated depreciation.

The costs of assets include direct/indirect and incidental costs incurred to bring them in to their present location and working condition for the intended use.

IV) DEPRECIATION

Depreciation is provided on straight line basis as per the rates and method prescribed under Schedule XIV to the Companies Act, 1956.

V) INVESTMENTS

Long Term Investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

VI) INVENTORIES

Engineering Division

Inventories are stated at the lower of cost or net realizable value. Cost is determined at the FIFO Method. The cost of work in progress and finished goods comprises direct material, direct labour, other direct cost and related production overhead.

Stores are written off in the year of purchase.

Jewellery Division

Inventories are stated at the lower of cost or net realizable value.

VII) RETIREMENT BENEFITS

- a) Gratuity Liability is accounted as and when paid.
- b) Leave Encashment Liability is accounted as and when paid.

VIII) FOREIGN CURRENCY TRANSACTIONS

In respect of export of goods and services, the transactions in foreign currency are recorded in rupees by applying to the foreign currency amount, the exchange rate prevailing on the date of the transaction. Any excess or shortfall at the time of actual realization is charged to the profit and loss account.

In respect of import of goods and services, the transactions in foreign currency are recorded in rupees by applying to the foreign currency amount, the exchange rate prevailing on the date of the transaction. Any excess or shortfall at the time of actual payment is charged to the profit and loss account.

In respect of import of capital goods, the transaction in foreign currency is recorded in rupees by applying to the foreign currency amount the exchange rate prevailing on the date of transaction. Exchange differences in respect of liabilities incurred and settled within the financial year to acquire fixed assets are charged to the profit and loss account.

Assets and liabilities related to foreign currency transactions other than fixed assets remaining unsettled at the year end are translated at the contract rate, when covered by a foreign exchange contract and at year end rates in other cases. The gains and losses arising on foreign exchange transactions other than those relating to fixed assets are recognized in profit and loss account. Gains and losses arising on foreign exchange transactions relating to fixed assets are charged to the profit and loss account.



Indian Rupee is the reporting currency of the Company. However, the functional currency of foreign subsidiary is their local currency as disclosed above. The translation of functional currency of foreign subsidiary into Indian Rupees is performed for assets and liabilities (except for capital, opening reserves and surplus), using the exchange rate as at the balance sheet date and for revenues, cost and expenses using yearly average exchange rates. Resultant currency translation exchange gain / loss is disclosed as "Foreign Currency Translation Reserve" in reserves and surplus. Contingent liabilities are translated at the closing rate.

IX) BORROWING COSTS

Borrowing Costs directly attributed to the acquisition of Fixed Assets are capitalised as a part of the cost of asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

All other borrowing costs are charged to the Profit and Loss Account in the year in which they are incurred.

X) EARNING PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expenses or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

XI) TAXATION

Tax expenses for the year comprises of current income tax and deferred tax.

a) Indian Companies

Provision for income tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

Deferred tax is recognized on timing differences between taxable and accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset is recognized for unabsorbed depreciation and carry forward losses to the extent there is virtual / reasonable certainty that the sufficient future taxable income will be available against which deferred tax assets can be realized.

b) Foreign Companies

Foreign Companies recognize tax liabilities and assets in accordance with the applicable local laws.



XII) IMPAIRMENT OF FIXED ASSETS:

Management assess at each balance sheet whether there is any indication that an asset may be impaired. If any such indication exists, it estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction, if any, is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

In the opinion of the management, there are no indications, internal or external which could have the effect of impairment of the assets of the Company to any material extent as at the Balance Sheet date, which requires recognition in terms of Accounting Standard (AS - 28) on ' Impairment of Assets'

XIII) PROVISIONS CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if :

- a) The Company has a present obligation as a result of past events;
- b) a probable outflow of resources is expected to settle the obligation; and
- c) the amount of obligation can be reliably estimated.

Reimbursement by another party, expected in respect of expenditure required to settle a provision, is recognized when it is virtually certain that reimbursement will be received if the obligation is settled.

Contingent liability is disclosed in the case of :

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- b) a present obligation arising from past events, when no reliable estimate is possible;
- c) a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed in the financial statements.



MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2013

2 Share Capital

	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
Authorised 31,50,00,000 (Previous Year: 31,50,00,000 of Rs. 2 each) Equity Shares of Rs. 2 each	630,000,000	630,000,000
Issued 19,19,00,650 (Previous Year: 7,19,00,650 of Rs.2 each) Equity Shares of Rs. 2 each	383,801,300	143,801,300
Subscribed and Paid up 19,19,00,650 (Previous Year: 7,19,00,650 of Rs.2 each) Equity Shares of Rs. 2 each	383,801,300	143,801,300
	383,801,300	143,801,300

(a) Reconciliation of number of shares

	As at March 31, 2013 No. of Shares	As at March 31, 2012 No. of Shares
Equity Shares:		
Balance as at the beginning of the year	71,900,650	14,380,130
Add: Shares issued during the year in consideration of sub division of shares from F.V. of Rs.10 to F.V. of Rs. 2 each	-	57,520,520
Add: Issued in the scheme of amalgamation during year	120,000,000	-
	191,900,650	71,900,650

(b) Of the above, 12 crores shares were issued on 29/05/2012 in the scheme of amalgamation to the shareholders of C Mahendra Jewels Pvt Ltd w.e.f. from 01/04/2010 as the appointed date.

(b) Out of the above, 57,52,050 shares were issued as bonus shares in the Financial year 2010-11

(c) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2013	
	No. of Shares	% holding
Equity Shares		
Jesinghbai Parikh	38,992,000	20.32
Nirvani Trust	69,126,055	36.02
Aanishka Construction Pvt Ltd	9,829,085	5.12
Mahendra Chandulal Shah	21,000,000	10.94
Champak Kirtilal Mehta	21,000,000	10.94

	As at March 31, 2012	
	No. of Shares	% holding
Equity Shares		
Jesinghbai Parikh	30,126,055	41.90
Anila Shrikant Parikh	5,742,600	7.99
Aanishka Construction Pvt Ltd	9,829,085	13.67
Aanyora Construction Pvt Ltd	8,987,585	12.50

3 Reserves and Surplus

	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
CAPITAL RESERVE		
Balance as per Last year Balance sheet		
State Subsidy	261,231	261,231
Central Subsidy	219,000	219,000
Balance as at the end of the year	480,231	480,231
INVESTMENT ALLOWANCE RESERVE		
Balance as per Last year Balance Sheet	277,810	277,810
Balance as at the end of the year	277,810	277,810



MINAL INDUSTRIES LIMITED
Notes to Consolidated Financial Statements for the year ended March 31, 2013

Capital Reserve		
Balance as per Last year Balance sheet	7,553,000	7,553,000
Add: During the Year	-	-
Balance as at the end of the year	<u>7,553,000</u>	<u>7,553,000</u>
SHARE PREMIUM		
Balance as per Last year Balance sheet	116,729,360	116,729,360
Add: During the Year	-	-
Balance as at the end of the year	<u>116,729,360</u>	<u>116,729,360</u>
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance as per Last year Balance sheet	29,710,779	(2,040,376)
Add: During the Year	17,237,132	31,751,155
Balance as at the end of the year	<u>46,947,911</u>	<u>29,710,779</u>
REVALUATION RESERVE		
Balance as per Last year Balance sheet	161,883	161,883
Balance as at the end of the year	<u>161,883</u>	<u>161,883</u>
GENERAL RESERVE		
Balance as per Last year Balance sheet	83,392,370	18,392,370
Add: Addition due to Amalgamation during the Year	-	65,000,000
Balance as at the end of the year	<u>83,392,370</u>	<u>83,392,370</u>
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	359,041,195	408,017,666
Profit for the year	(374,972)	731,282
Adjustment due to Amalgamation	-	(49,707,753)
Balance as at the end of the year	<u>358,666,222</u>	<u>359,041,195</u>
Total	<u>614,208,787</u>	<u>597,346,628</u>
5 Deferred Tax Liability		
Deferred Tax Liabilities:		
on account of Depreciation	1,446,276	1,343,831
Deferred Tax Liability	<u>1,446,276</u>	<u>1,343,831</u>
6 Short-Term Borrowings		
Secured		
Loan from Banks	555,153	-
	<u>555,153</u>	<u>-</u>
Note :		
6.1 Loan taken is Secured against Fixed Deposits of the Company rate of interest is 11.50% per annum		
Unsecured		
Loans:		
From Related party - Directors	3,500,000	690,000
(Above interest free loan is repayable on demand)	<u>4,055,153</u>	<u>690,000</u>
7 Trade Payables		
Sundry Creditors	4,658,726,766	4,387,996,540
	<u>4,658,726,766</u>	<u>4,387,996,540</u>
8 Other Current Liabilities		
Unpaid Dividends	189,101	189,101
Advances from Customers	80,150	373,150
Statutory Dues (including Tax Deducted at Source)	132,906	82,558
Other Current Liabilities	1,079,664	1,406,791
	<u>1,481,821</u>	<u>2,051,600</u>
10 Non-Current Investments		
Trade Investments in Equity Instruments - Unquoted, at Cost		
Unquoted		
i) Non Trade Investments		
11,000 (Previous year 11,000) Equity Shares in Eastern Mining Ltd of Rs.10/- each.	352,000	352,000
100 (Previous year 100) Equity Shares in Vardhman Wires & Polymers Ltd. Of Rs.10/-each	1,000	1,000



MINAL INDUSTRIES LIMITED
Notes to Consolidated Financial Statements for the year ended March 31, 2013

9 Tangible Assets

Particulars	Gross Block			Depreciation			Net Block	
	As at April 1, 2012	As at March 31, 2013	As at April 1, 2012	For the Year	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012	
	As at April 1, 2012	Additions	As at April 1, 2012	Year	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012	
Factory Premises -Leasehold Land	543,235	-	-	-	-	543,235	543,235	
Factory Building	921,244	-	483,783	15,016	498,799	422,445	437,461	
Office Premises	10,812,700	-	1,005,345	176,247	1,181,592	9,631,108	9,807,355	
Plant	5,246,152	-	5,246,152	-	5,246,152	-	-	
Computers & Printers	453,700	-	429,742	4,050	433,792	19,908	23,958	
Office Equipment	133,828	-	67,574	6,357	73,931	59,897	66,254	
Furniture and Fixtures	3,540,579	-	1,024,353	224,119	1,248,472	2,292,107	2,516,226	
Electrical Fitting	928,672	-	198,149	44,112	242,261	686,411	730,523	
Vehicles	2,275,544	-	2,069,763	216,177	2,275,544	-	205,781	
Total	24,855,654	-	10,524,861	686,077	11,200,543	13,655,111	14,330,793	
Previous Year	24,833,919	21,735	9,841,901	682,960	10,524,861	14,330,793		



MINAL INDUSTRIES LIMITED
Notes to Consolidated Financial Statements for the year ended March 31, 2013

	353,000	353,000
b) UNQUOTED		
i) Trade Investment		
l) Associate Companies		
1,23,50,000 (Previous Year 1,23,50,000) Equity Shares in C Mahendra Infojewels Limited of Rs. 10/- each.	123,500,000	123,500,000
	<u>123,500,000</u>	<u>123,500,000</u>
ii) INVESTMENT IN PARTNERSHIP FIRM		
Capital in M/s RSBL Jewels	133,281,709	133,327,583
	<u>133,281,709</u>	<u>133,327,583</u>
iii) Non Trade Investment		
1 Share in Sterling Centre Premises Owners Co-op Society Ltd. of Rs.500/- each.	500	500
	<u>500</u>	<u>500</u>
	<u>257,135,209</u>	<u>257,181,083</u>

Details of Investment in Partnership Firm

MINAL INDUSTRIES LTD. [Capital Balance of Rs.13,32,81,709 (P.Y.13,33,27,583) with Share of Profit - 99%]
 SHRI MEHUL DINESHKUMAR KOTHARI [Capital Balance of Rs.20,39,605 (P.Y.20,45,044) with Share of Profit-1%]

11 Long-Term Loans and Advances

Security Deposits	1,890,425	1,854,970
	<u>1,890,425</u>	<u>1,854,970</u>

12 Inventories

Work-in-Progress	480,027	1,149,635
Traded Goods	223,864,898	369,669,200
	<u>224,344,925</u>	<u>370,818,835</u>

In respect of stock of polished diamonds, cost is based on technical estimate by the management to avoid distortion in valuation. In view of the nature of variation in the value of individual diamonds, the differentials in their costs, it is not practicable to compute the cost of polished diamonds using either FIFO or weighted average cost. In view of multiple grades, it is not practicable to use specific cost. The basis of computing cost used on consistent basis though in line with generally accepted industry practice, is a deviation from the method prescribed by Accounting Standard (AS) - 2 'Valuation of Inventories'. The impact of profit for the year, reserves and surplus and inventories as at 31st March, 2013, if any due to the above deviations is not ascertainable.

13 Trade Receivables

Unsecured, considered good:		
-Outstanding for a period exceeding six months from the date they are due for payment	4,962,549,319	4,520,552,723
-Others	268,434	617,480
	<u>4,962,817,753</u>	<u>4,521,170,203</u>

Trade Receivable includes dues from partnership firm amounting to Rs.3,77,703 (Previous Year : 3,71,743) in which director are partners

14 Cash and Cash Equivalents

Cash on Hand	5,630,090	5,982,137
Cheques on Hand		
Bank Balances:		
In Current Accounts	280,692	377,553
In Fixed Deposits	929,008	961,180
	<u>6,839,790</u>	<u>7,320,870</u>
	<u>6,839,790</u>	<u>7,320,870</u>

15 Short-Term Loans and Advances

[Unsecured, Considered Good (unless otherwise stated)]		
Advance to Related Parties	-	-
Other Loans and Advances:		
Balances with Government Authorities	37,739	44,729
Advance Income Tax [Net of Provision Rs. 18,47,940 (Previous Year: Rs. 14,47,940)]	196,819	597,927
Prepaid Expenses	165,820	132,188
Other Advances	196,636,511	199,778,300
	<u>197,036,889</u>	<u>200,553,144</u>

Note :

15.1 Other Advances includes amount of Rs. 20,38,95,255 (P.Y.20,33,46,848) recoverable from concern in which Director is memb



MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2013

	Year Ended March 31, 2013 Rupees	Year Ended March 31, 2012 Rupees
16 Revenue from Operations		
Sale of Products:		
Finished Goods	1,300,500	1,808,450
Traded Goods	161,887,575	1,113,754,303
Total	163,188,075	1,115,562,753
<u>Sales of Finished Goods</u>		
Braille Tyewriters	1,300,500	1,808,450
<u>Sales of Traded Goods</u>		
Diamonds	160,097,850	1,113,066,074
Silver & Costume Jewellery & Fancy Watches	1,789,725	688,229
17 Other Income		
Interest Income on		
Fixed Deposits with Banks	78,271	23,368
Job Work Sales	-	65,465
Share in Profit in Partnership Firm	-	10,189,577
Miscellaneous Income	5,000	25,345
Rent	48,000	48,000
Discount	99	77
	131,370	10,351,832
18 Purchase		
-of Traded Goods	-	1,423,785,976
	-	1,423,785,976
Details of Purchase (Traded Goods)		
Bullion	-	18,852
Diamond	-	1,423,767,124
	-	1,423,785,976
19 Changes in Inventories of Finished Goods and Work-in-Progress (Increase)/ Decrease in Stocks		
Stock at the end of the year:		
Work-in-progress	480,027	1,149,635
Traded Goods	223,864,898	369,669,200
	224,344,925	370,818,835
Stock at the beginning of the year:		
Finished Goods	-	-
Work-in-progress	1,149,635	1,220,005
Traded Goods	369,669,200	29,286,577
	370,818,835	30,506,582
(Increase)/ Decrease in Stocks	146,473,910	(340,312,253)



MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2013

	Year Ended March 31, 2013 Rupees	Year Ended March 31, 2012 Rupees
20 Employee Benefits Expense		
Salaries, Wages and Bonus	735,004	353,543
Gratuity	20,000	98,750
Director Remuneration	120,000	120,000
Staff Welfare Expenses	41,556	32,410
	916,560	604,703
21 Other Expenses		
<u>Manufacturing Expenses</u>		
Power & Fuel	80,625	98,205
Labour Charges	526,450	623,537
Freight, Octroi Charges	120	13,910
Clearing & Forwarding Charges	56,813	372,827
Repairs to Plant & Machinery	800	7,521
Packing Material	6,904	22,122
Consumable & General Stores	42,725	36,957
<u>Administrative Expenses</u>		
Bank Charges	61,725	463,169
Repairs:		
Others	36,540	15,128
Rent, Rates and Taxes	1,425,477	1,503,356
Insurance	769,825	1,015,331
Communication Charges	68,396	85,823
Printing and Stationery	9,058	99,191
Office Expenses	306,122	844,822
Security and Safety Expenses	55,672	19,919
Testing & Certification Charges	-	423,383
Travelling, Conveyance and Car Expenses	155,421	322,976
Listing Fee	113,160	114,586
Legal and Professional Fees	2,355,266	750,189
Auditors Remuneration	168,540	178,334
Sales Promotion	64,093	73,395
Loss on Foreign Exchange (Net)	5,306,721	23,603,611
Loss in Gold Futures	2,710,100	8,853,515
Share in Loss in Partnership Firm	538,445	-
Commission on Sales	257,824	5,578
	15,116,822	39,547,386
22 Earning per Share (EPS)		
Net profit / (Loss) as per Profit and Loss Account available for Equity Shareholders	(374,972)	731,282
Weighted average number of equity shares for Earning per Share computation	172,832,157	71,900,650
For Basic Earning Per Share of Rs.2 each (P.Y.of 2 each)	(0.00)	0.01
For Diluted Earning Per Share of Rs.2 each (P.Y.of 2 each)	(0.00)	0.01



Note No.23)

Contingent Liabilities and Commitments

Corporate Guarantee given to bank in respect of credit facilities sanctioned to a Associate company Rs.12,00,00,000/- (P.Y. Rs.12,00,00,000/-)

Note No.24)

There has been a diminution of Rs. 3,53,000 in the value of long term investments held by the Company as at 31st March, 2013. No provision against the same has been considered necessary since in the opinion of management such diminution is of temporary in nature.

Note No.25)

- a) Total present liability for future payment of gratuity as on 31st March, 2013 is neither provided nor actuarially determined. This liability will be dealt with on cash basis which is not in accordance with Accounting Standard (AS) 15- 'Employee Benefit' issued by the Institute of Chartered Accountants of India.
- b) Leave encashment liability, if any, has not been determined, presently, and would be charged when paid. This liability will be dealt with on cash basis which is not in accordance with Accounting Standard (AS) 15- 'Employee Benefit' issued by the Institute of Chartered Accountants of India.

Note No 26)

During the year the Company has entered into the derivatives transaction and incurred a net derivative loss of Rs. 27,10,100/- (Previous Year Rs.88,53,515/-) which is shown under the head Other Expenses.

Note No 27)

During the year the Company has accounted for deferred tax in accordance with the Accounting Standard 22 -"Accounting for Taxes on Income" issued by the Institute of Chartered Accountings of India.

The break up of deferred tax balance is as under:

Particulars	31 st March, 2013	31 st March, 2012
Opening Deferred Tax Liability on a/c of Depreciation	13,43,831	4,72,700
Less : Deferred Tax (Assets) / Liability on a/c of Depreciation	1,02,445	8,71,131
Net Deferred Tax Liability	14,46,276	13,43,831



Note No 28)

SEGMENT REPORTING

Sr No.	Particulars	Geographical Segments		
		India	Rest of World	Total
1.	Segment Revenue			
	Sales and Other Income from operations	3,090,225 (2,496,679)	160,097,850 (111,30,66,074)	163,188,075 (111,55,62,753)
2.	Carrying amount of assets by geographical location of assets			
	Segment Assets	69,91,93,235 (85,05,39,570)	496,45,26,870 (452,26,90,329)	566,37,20,105 (537,32,29,899)
3.	Additions to fixed assets and intangible assets			
	Addition to fixed assets	(----) (21,735)	--- (---)	(----) (21,735)

Notes:

- i. Secondary segments identified are as per the requirements of Accounting Standard (AS) -17 'Segment Reporting', taking into account the organisation structure as well as the differing risks and returns.
- ii. The segment revenue and total assets includes the revenue and assets respectively, which are identifiable with each segment and amounts allocated to the segments on a reasonable basis.

Note No 29)

Disclosures as required by Accounting Standard (AS) 18 Related party Disclosure

a) Name of the related parties and description of relationship :

Associates	:	C Mahendra Infojewels Limited Minal Electrical & Engineering Minal Plastic Product Minal Jewels (USA) Selection INC
Key Management Personnel	:	Shri Shrikant Parikh Shri Jesignbhai Parikh Shri Amul Patel

b) Transaction with related parties :

Related Party	Description of Nature of Transactions	Transactions during the year 2012/2013	Outstanding Balance as on 31/03/2013	Transactions during the year 2011/2012	Outstanding Balance as on 31/03/2012
A) With Directors					
Shri Shrikant J..Parikh	i) Remuneration	1,20,000	Cr .56,400	1,20,000	Cr .58,200
	ii) Loan recd	28,10,000	Cr. 35,00,000	4,50,000	Cr. 6,90,000
	iii) Loan Repaid	----		----	
	iv) Sale of Investment	----		40,00,000	
B) With Associates					
1) C Mahendra Infojewels Ltd	i) Loan Given	19,29,598	Dr. 18,43,21,568	35,06,965	Dr. 18,61,41,165
	ii) Loan Repaid	50,000		5,36,01,000	



2) Minal Electrical & Engineering	i) Rent Received ii) Job work / Sales	48,000 --	-- Dr. 9,46,303	48,000 --	-- Dr. 3,92,678
3) Minal Plastic Product	i) Rent Paid ii) Sales	1,20,000 ----	Dr. 1,53,443	1,20,000 2,15,700	Dr. 1,59,913
4) Minal Jewels	i) Sales	16,00,97,850	Dr. 16,24,21,218	----	NIL
5) Selection Inc	i) Purchase	----	Cr. 9,41,73,422	1,58,51,849	Cr. 8,85,62,724
<u>C) With Key Management Personnel</u> <u>Amul J Patel</u>	Professional Fees	13,25,000	----	75,000	----

- c) The transactions with related parties have been entered at an amount which is not materially different from those on normal commercial terms.
- d) No amount has been written back / written off during the year in respect of due to / from related parties.
- e) The amount due to / from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required.

Note No. 30)

LEASE:

The Company has entered into a lease agreement for use of sales counter space along with all the other amenities, which is in the nature of operating lease. As per the terms of the agreement, the period of lease ranges from 11 months to 3 years and the same is further renewable for such period as may be mutually agreed by the lessor and the lessee. The leases can be terminated by either party by giving one month notice as per terms of agreement.

The future minimum lease payment as per above lease agreement is as follows: -

Future minimum lease payments	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
i. Not later than one year;	13,21,413	12,78,840
ii. Later than one year and not later than five years	NIL	NIL
iii. Later than five years	NIL	NIL

The amount of minimum lease payments with respect to the above lease recognized in the profit and loss account for the period is Rs 13,21,413 (Previous Year Rs.12,78,840)

Note No.31)

REMUNERATION TO AUDITORS

	2012-13	2011-12
a) Audit Fees	1,01,124	1,17,669
b) Taxation Matters	---	---
c) Others	67,416	60,665
Total	1,68,540	1,78,334



Note No.32)

The management based on their review of assets and operation of the Company has determined that there is no indication of potential impairment and that the recoverable amount of any of its fixed assets is not lower than its carrying amount. Accordingly no provision for impairment is required as at 31 March 2013.

Note No. 33)

The company secretary appointed as per the provision of Section 383A of the Companies Act, 1956 has been resigned on 30/04/2012. Hence in the absence of the Company Secretary, these financial statements have not been authenticated by a whole time Company Secretary under Section 215 of Companies Act, 1956.

Note No 34)

As required by the Notification No. GSR 129(F) dated 22nd February, 1999 issued by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs there are no small scale undertakings to which the Company owes sum which is outstanding for more than 30 days. This information has been determined on the basis of information available with the Company. This has been relied upon by the auditors.

Suppliers/Service providers covered under Micro, Small Medium Enterprises Development Act 2006, have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s 22 of the said Act is not given.

Note No 35)

Disclosure as per Clause 32 of the Listing Agreement in respect of loans and advances, the amount in the nature of loans outstanding at year end:

	Maximum outstanding		During the year ended	
	Outstanding as at 31/03/2013	Outstanding as at 31/03/2012	31/03/2013	31/03/2012
C Mahendra Infojewels Ltd (Associates)	18,62,01,166	18,61,41,165	18,42,61,568	23,62,35,200

a) No investment has been made by the loanee company in the share of the Company.


Note No 36)

In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business and provisions for all the known liabilities and depreciation are adequate and not in excess of the amount reasonably necessary.

Note No 37)

The previous year's figures have been reworked, regrouped, rearranged and re-classified wherever necessary.

AS PER OUR REPORT ATTACHED
FOR R.H.MODI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO : 106486W)


R.H.MODI
PROPRIETOR
MEMBERSHIP NO: 37643
PLACE: MUMBAI
DATE: 28 MAY 2013



FOR & ON BEHALF OF THE BOARD


DIRECTOR


DIRECTOR

PLACE: MUMBAI
DATE: 28 MAY 2013

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

1.	Name of the Subsidiary Company	Minal International FZE (Sharjah)
2.	Financial year ended on	31.03.2013
3.	Holding Company's Interest No. of Equity Shares Extent of Holding	1 Equity Shares of 1,50,000 AED each 100%
4.	The net aggregate amount of the subsidiary company's profit/loss so far as it concerns members of the Holding Company's accounts	
	(i)Not dealt with in the Holding Company's Accounts.	
	(a) for the financial year of the subsidiary	+
	(b) for the previous financial years of the subsidiary since it became the holding company's subsidiary	NA
	(ii)Dealt with in the Holding Company's Accounts	NIL
	(a) for the financial year of the subsidiary	
	(b) for the previous financial years of the subsidiary since it became the holding company's subsidiary	NA
5.	Material changes, if any, between the end of the financial year of the subsidiary and that of the holding company	NA

FORM OF PROXY

Minal Industries Limited

603, A- Wing, Minal Complex, Opp. Saki Vihar Road, Andheri (East) Mumbai

I/We of in the district of being a member/members of the above-named company hereby appoint.....of..... in the district of or failing himof in the district of..... as my/our proxy to vote for me/us on my/our behalf at Twenty Fifth annual general meeting of the company to be held on the 30th day of September, 2013 and at any adjournment thereof.

Signed this..... day of 20.....

**FORM FOR AFFORDING MEMBERS AN OPPORTUNITY OF VOTING
FOR OR AGAINST A RESOLUTION [*]**

Minal Industries Limited

603, A- Wing, Minal Complex, Opp. Saki Vihar Road, Andheri (East) Mumbai

I/We of in the district of, being a member/members of the above-named Company, hereby appoint, in the district of, or failing him, of in the district of, as my/our proxy to vote for me/us on my/our behalf at the Twenty Fifth annual general meeting of the company to be held on the 30th day of September, 2013 and at any adjournment thereof.

Signed thisday of..... 20"

[This form is to be used †in favour of/†against the resolution. Unless otherwise instructed the proxy will act as he thinks fit.]

†Strike out whichever is not desired.