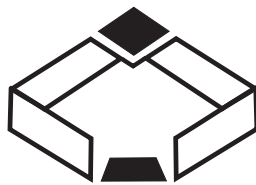


21st
ANNUAL
REPORT
2011-12



Mid India Industries Limited

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

Board of Directors

Shri Pradeep Ganediwal, **Managing Director**

Shri Shreeram Singh, **Director**

Shri Aneet Jain, **Director**

Shri Ajay Kumar Dubey, **Director**

Shri Rakesh Kumar Jain, **Director**

Shri Dharmprakash Shrivastav, **Director**

Audit Committee of the Board

Shri Shreeram Singh, **Chairman**

Shri Aneet Jain

Shri Ajay Kumar Dubey

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

Shri Aneet Jain, **Chairman**

Shri Shreeram Singh

Shri Ajay Kumar Dubey

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Registered Office & Works

Textile Mill Area

Mandsaur - 458 001 (M.P.)

Corporate Office

2/3, New Palasia

Pt. Ramnarayan Shastri Marg

Indore - 452 001 (M.P.)

Auditors

M/s.Kamal Nayan Singhal & Company

Chartered Accountants

55, Murai Mohalla

Indore - 452 001

Cost Auditor

M/s. M. Goyal & Co.

Cost Accountants

8, Chitragupta Nagar I,

Jyoti Nagar Railway Crossing,

Jaipur 302 005

Registrar & Transfer Agent

M/s. Ankit Consultancy Pvt. Ltd.,

(Unit : Mid India Industries Ltd.)

Plot No. 60, Electronic Complex

Pardeshipura,

Indore - 452 010 (M.P.)

ANNUAL GENERAL MEETING

On Saturday, 29th September, 2012

at 11.00 a.m. at Textile Mill Area,

Mandsaur (M.P.)

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



NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of MID INDIA INDUSTRIES LIMITED will be held on Saturday the 29th day of September, 2012 at Registered Office of the Company at Textile Mill Area, Near Railway Station, Mandsaur (M.P.) at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2012 and the Balance Sheet as on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of **Shri Aneet Jain**, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the company to hold the office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
“RESOLVED THAT **Shri Dharmprakash Shrivastav**, who was co-opted by the Board as an Additional Director with effect 30th June, 2012 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received the notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a director of the Company, liable to retire by rotation.”

For and on behalf of the Board

Place : Indore
Dated : 01/09/2012

(PRADEEP GANEDIWAL)
Chairman

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, The 27th day of September, 2012 to Friday, the 28th day of September, 2012 (both days inclusive).
4. Members are requested to bring their copy of the Annual Report with them for meeting.

EXPLANATORY STATEMENT:

The following explanatory statement relating to the Special Business No. 4 of the accompanying notice sets out all material facts as required under section 173 of the Companies Act, 1956.

Item No. 4

The Board of Directors in its meeting held on 30th June, 2012 had appointed Shri Dharmprakash Shrivastav as an Additional Non-Executive Independent Director of the Company in terms of Section 260 of the Companies Act' 1956 to hold the office only up to the date of ensuring Annual General Meeting.



Notice under Section 257 of the Companies Act, 1956 has been received from a member of the Company proposing candidature of Shri Dharmprakash Shrivastav for the office of Director of the Company, liable to retire by rotation.

The Board of Directors recommends for your approval for the appointment of Shri Dharmprakash Shrivastav as Director of the Company.

None of the Directors except Shri Dharmprakash Shrivastav is concerned or interested in the resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED FOR 29TH SEPTEMBER, 2012,.

Name of Director	ANEET JAIN	DHARAMPRAKASH SHRIVASTAV
Date of Birth	25th July, 1973	1st September, 1955
Date of Appointment	30th April, 2002	30th June, 2012
Qualification	M.B.A.	M. Tech
Expertise in Specific Functional Area	Finance	Textile
List of Companies in which outside Directorship held*	-	-
Chairman/Member of the Committee of Board of Directors of the Companies	Mid India Industries Limited a. Audit Committee b. Shareholder's Grievances Committee	-

* Excluding Private Limited Companies.

DIRECTORS' REPORT

Your Directors have pleasure in presenting Twenty First Annual Report on the business and operations with Audited Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

(₹ in Lacs)

Particulars	01/04/2011 to 31/03/2012	01/04/2010 to 31/03/2011
Turnover and Other Income	2746.20	3348.87
Profit/(Loss) before Interest and Depreciation	55.40	41.98
Interest	13.78	0.93
Profit/(Loss) after Interest but before Depreciation	41.62	41.04
Depreciation	28.66	29.83
Net Profit/(Loss) from Operation	12.96	11.21

OPERATIONS

During the year under review the company has achieved turnover of ₹ 2746.20 lacs as compared to ₹ 3348.87 lacs in the previous year. The profit after tax stood at ₹ 12.96 lacs as compared to ₹ 11.21 lacs in the previous year.



DIVIDEND

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

DIRECTORS

In accordance with provisions of Companies Act, 1956 and Company's Articles of Association Shri Anit Jain retire by rotation and is eligible for reappointment.

Your Directors are please to report that during the year under review, Shri Dharmprakash Shrivastav was co-opted as an Additional Director. Shri Dharmprakash Shrivastav, hold office U/s 260 of the Companies Act' 1956, only upto conclusion of this Annual General Meeting and as such, his candidature for directorship is being proposed at this Annual General Meeting.

Shri Ajay Kumar Dubey resigned from the Board with effect from 30th June, 2012. The Board placed on record its deep sense of appreciation for the valuable contribution made by Shri Ajay Kumar Dubey.

CORPORATE GOVERNANCE

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

DIRECTORS RESPONSIBILITY STATEMENT

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

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

AUDITORS

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



AUDITORS OBSERVATIONS

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

PARTICULARS OF EMPLOYEES

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

INDUSTRIAL RELATIONS

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

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

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

Particulars	01/04/2011 to 31/03/2012	01/04/2010 to 31/03/2011
1. Conservation of Energy		
Power & Fuel consumption:		
(a) Electricity Purchased:		
Unit (Kwh)	6039340	7294408
Amount (₹)	32960066	34148526
Rate per Unit (₹/Kwh)	5.45	4.68
(b) Consumption per Unit of Production:		
Production (Kgs.)	1507806	1941985
Electricity (Kwh/Kg.)	4.01	3.76
2. Technology absorption		
The plant do not require any specific technology		
3. Foreign Exchange earnings/outgo (₹ in lacs)		
(a) Foreign Exchange earned		
i) Sales	359.99	348.06
ii) Other Activities	118.50	110.50
(b) Foreign Exchange Used		
i) Purchase of Raw Material	0	0
ii) Stores & Spares	0	0



APPRECIATION

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

for and on behalf of the Board

Place: Indore
Dated: 01/09/2012

(PRADEEP GANEDIWAL)
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

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

HIGHLIGHTS OF PERFORMANCE

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

OPPORTUNITIES AND THREATS/ RISK AND CONCERNS

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

INTERNAL CONTROL SYSTEM

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

HUMAN RESOURCES

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

CAUTIONARY STATEMENT

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



REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance as required under Clause 49 of the Listing Agreement for the year ended 31st March, 2012 is set out below:

1. Company's Philosophy on Corporate Governance:

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

2. Board of Directors:

During the year eight Board meetings were held, against the minimum requirement of four meetings. The Company has held at least one Board meeting in every three months. The details of the Board meetings are as under:

Sr.No.	Date	Board Strength	No. of Directors Present
1.	30th April, 2011	5	4
2.	1st June, 2011	5	3
3.	1st August, 2011	5	4
4.	22nd August, 2011	5	5
5.	3rd October, 2011	5	4
6.	5th November, 2011	5	4
7.	23rd December, 2011	5	5
8.	30th January, 2012	5	5

Attendance of Directors at Board meetings, last Annual General Meetings and number of other Directorship and Chairmanships/ Memberships of Committees of each Director in various companies:

Name of Director	Attendance of meetings during 2011-12		No. of other Directorship(s)	Committee Membership
	Board Meetings	Last AGM		
Shri Pradeep Ganediwal, Managing Director	4	Yes	2	Nil
Shri Shree Ram Singh	8	Yes	1	2
Shri Aneet Jain	8	Yes	1	2
Shri Ajay Kumar Dubey	6	Yes	Nil	2
Shri Rakesh Kumar Jain	6	Yes	2	Nil

3. Audit Committee:

The Audit Committee of the Board comprises three independent directors namely Shri Shriram Singh – Chairman, Shri Aneet Jain and Shri Ajay Kumar Dubey. All the members are independent and possess sound knowledge of finance, accounting and company law. The functions of Audit Committee are as per Company Law and Listing Agreement with Stock



Exchanges. These include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies. The attendance record of the members of Committee is as under:

Name of the Committee Member	No. of meetings held	No. of meetings attended
Shri Shree Ram Singh	4	4
Shri Aneet Jain	4	4
Shri Ajay Kumar Dubey	4	4

4. Remuneration of Directors:

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

5. Shareholders'/Investors' Grievances Committee:

The Company has constituted a Shareholders/Investors' Grievance Committee. The said Committee of the Board comprises three independent directors namely Shri Aneet Jain–Chairman, Shri Shreeram Singh and Shri Ajay Kumar Dubey.

The committee is to oversee the effective redressal of the complaints of the Shareholders/Investors. The committee may recommend steps to be taken for further improvement in the quality of service to the investors. The Registrar & Transfer Agent has sent replies to shareholders in respect of all complaints received during the period. There was no valid request pending for transfer of shares ending as on 31-03-2012.

6. General Body Meetings:

The Annual General Meetings of the Company during the preceding three years were held at its Registered Office at Textile Mill Area, Mandsaur – 458 001.

Year Ending	Date of A.G.M.	Time
31-03-2009	30-09-2009	11.00 A.M.
31-03-2010	30-09-2010	11.00 A.M.
31-03-2011	30-09-2011	11.00 A.M.

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

7. Disclosures:

(a) **Related party transactions:** Details of transactions with related parties as specified in Accounting Standard have been reported in notes to the account under para (11). There is no materially significant transactions with the related party , which may have potentials conflict with the interest of the company at large.

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

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



8. Means of Communication:

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

9. General Shareholders' Information:

(a) Annual General Meeting:

Date & Time : 29-09-2012 at 11.00 a.m.

Day : Saturday

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

(b) Financial Calendar:

Results for the First Quarter ending 30-06-2012: July, 2012.

Results for the Second Quarter ending 30-09-2012: October, 2012.

Results for the Third Quarter ending 31-12-2012: January, 2013.

Results for the Forth Quarter ending 31-03-2013: April, 2013.

(c) Date of Book Closure: From 27-09-2012 to 28-09-2012 (Both days are inclusive)

(d) Listing on Stock Exchanges:

1. Bombay Stock Exchange Ltd., Mumbai

2. Delhi Stock Exchange Limited, New Delhi

3. Ahmedabad Stock Exchange Ltd., Ahmedabad

4. Madhya Pradesh Stock Exchange Limited, Indore*

* The Company already completed all the formalities for delisting of its Equity from Madhya Pradesh Stock Exchange Limited, Indore and applied accordingly. The letter for delisting from Madhya Pradesh Stock Exchange Limited is still awaited.

(e) Stock Code: BSE 500277

(f) Connectivity No.: ISIN INE401C01018

(g) Stock Market Data: The Monthly Highest and Lowest closing quotations of the Equity Shares of the Company during each month in the Financial Year 2011-2012 on the Bombay Stock Exchange Limited, Mumbai:

Month	Month's High Price	Date	Month's Low Price	Date
April'2011	2.20	01/04/2011	1.86	29/04/2011
May'2011	2.67	17/05/2011	1.95	02/05/2011
June'2011	4.79	30/06/2011	2.56	01/06/2011
July'2011	5.85	21/07/2011	4.88	01/07/2011
August'2011	5.24	01/08/2011	4.77	25/08/2011
September'2011	4.68	02/09/2011	2.91	30/09/2011
October'2011	2.77	05/10/2011	2.06	24/10/2011
November'2011	2.39	02/11/2011	1.45	24/11/2011
December'2011	1.94	21/12/2011	1.65	07/12/2011
January'2012	1.78	13/01/2012	1.54	30/01/2012
February'2012	1.47	02/02/2012	1.10	29/02/2012
March'2012	1.16	05/03/2012	1.08	13/03/2012



(h) Registrar and Share Transfer Agent:

Ankit Consultancy Pvt. Ltd. (Unit: MID INDIA INDUSTRIES LIMITED)
Plot No. 60, Electronic Complex, Pardeshipura, INDORE (M.P.) - 452 010

(i) Share Transfer System:

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

(j) Dematerialisation of shares:

As on 31-03-2012 total 9912730 (60.81% of shares were in the dematerialised form.)

(k) Distribution of Shareholding: (As on 31-03-2012)

Range of Shares	No. of Shareholders	% to Holders	No. of Shares Held	% to Shares
Upto 100	7572	45.95	751895	4.61
101-200	4143	25.14	827806	5.08
201-300	983	5.97	294257	1.81
301-400	571	3.47	227990	1.40
401-500	1071	6.50	535078	3.28
501-1000	1008	6.12	852094	5.23
1001-2000	696	4.22	1136224	6.97
2001-3000	140	0.85	361568	2.22
3001-4000	82	0.50	290603	1.78
4001-5000	64	0.39	299398	1.84
5001-10000	62	0.38	452691	2.78
Above 10000	86	0.52	10270396	63.01
TOTAL	16478	100.00	16300000	100.00

(l) Shareholding Pattern: (As on 31-03-2012)

Category	No. of Shareholders	Total Shares	%	Demat Shares	%
Resident Individuals					
(i) Promoter and Promoter Group	13	6265750	38.44	6265750	38.44
(ii) Public	15335	6742533	41.37	1945863	11.94
NRI/OCB's	1004	638900	3.92	38000	0.23
Bodies Corporate					
(i) Promoter and Promoter Group	2	1446500	8.87	1446500	8.87
(ii) Others	119	665417	4.08	216317	1.33
Mutual Funds	2	40600	0.25	0	0
Financial Institutions	1	500000	3.07	0	0
Bankers	2	300	0	300	0
Any Other (Clearing Members)	0	0	0	0	0
TOTAL	16478	16300000	100.00	9912730	60.81



(m) Address of correspondence:-

Investors correspondence should be address to :
M/s Ankit Consultancy Pvt. Ltd.
(Unit : MID INDIA INDUSTRIES LIMITED)
Plot No. 60, Electronic Complex, INDORE (M.P.) - 452 010

DECLARATION

As provided under clause 49 of the Listing Agreement with Stock Exchanges, the Board Members and Senior Management personnel have confirmed compliance with the Code of Conduct for the Financial Year ended 31st March, 2012.

for and on behalf of the Board

Place: Indore
Dated: 01/09/2012

(PRADEEP GANEDIWAL)
Managing Director

AUDITOR'S CERTIFICATE

To the Members of
MID INDIA INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by the Mid India Industries Limited, for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges.

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

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

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

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

for KAMAL NAYAN SINGHAL & COMPANY
Chartered Accountants
(Registration No. 002628C)
(KAMAL NAYAN SINGHAL)
Partner
(Membership No. 071749)

Place: Indore (M.P.)
Date: 01/09/2012



AUDITORS REPORT

To,
The Member of
MID INDIA INDUSTRIES LIMITED,

1. We have audited the attached Balance Sheet of MID INDIA INDUSTRIES LIMITED, as at 31st March, 2012, Profit and Loss Account and also the Cash Flow Statement of the company for the ended on that date annexed thereto which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our Responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principals used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure referred to in paragraph (1) above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit.
 - b. In our opinion, proper books of accounts, as required by law, have been kept by the company so far as appears from our examinations of those books.
 - c. The Balance Sheet, Profit & Loss Account and the Cash Flow Statement, dealt with by this report, are in agreement with the books of account.
 - d. In our opinion, the Profit & Loss Account, the Balance Sheet and Cash Flow Statement comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 to the extent they are applicable to the company.
 - e. On the basis of the information and explanations given to us none of the directors of the company are prima facie disqualified from being appointed as Director of the Company under 274 (1)(g) of the Companies Act 1956.
 - f. In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with and subject to the notes give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012,
 - (ii) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that day and
 - (iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that day.

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

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

Place: Indore (M.P.)
Date: 01/09/2012



Annexure to the Auditor's Report

Refer to in paragraph (3) of our report of even date to the members of Mid India Industries Limited on the Financial Statements for the years ended 31st March, 2012.)

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



- (b) In respect of undisputed income-tax, wealth tax, sales tax, custom duty and excise duty, there were no amounts outstanding as on 31st March, 2012 which have remained unpaid for more than six months from the date on which they became payable.
- (x) The company has accumulated losses but has not incurred any cash losses during the financial year covered by our report.
- (xi) In our opinion and explanations given to us, the company has not defaulted in repayment of dues to the bank.
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund society. Therefore the provisions of clause 4(xiii) of Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in share, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In our opinion, the Company has not given guarantees for loan taken by others from banks or financial institutions.
- (xvi) The company has not taken a term loan.
- (xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of share during the year, therefore, the provisions of clause (xviii) of paragraph 4 of the aforesaid order are not applicable to the company.
- (xix) The Company has not issued any debenture during the year. Accordingly the provisions of clause (xix) of paragraph 4 of the aforesaid order are not applicable to the company.
- (xx) The Company has not raised any money by the way of Public Issue during the year, therefore, the provision of clause (xx) of paragraph 4 of the aforesaid order are not applicable to the company.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

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

Place: Indore (M.P.)
Date: 01/09/2012

**BALANCE SHEET AS AT 31st MARCH, 2012**

(₹ in Thousands)

PARTICULARS	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	163,000.00	163,000.00
(b) Reserves and Surplus	3	(117703.40)	(118544.37)
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	4	-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings	5	23729.40	36750.03
(b) Trade payables	6	41785.23	39343.67
(c) Other current liabilities	7	4945.28	1557.96
(d) Short-term provisions	8	498.03	2423.27
Total		116254.54	124530.56
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	27849.58	30681.33
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development	10	10.00	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	11	12500.00	12500.00
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	12	41331.43	45274.20
(c) Trade receivables	13	18887.95	24329.88
(d) Cash and cash equivalents	14	2898.48	3263.65
(e) Short-term loans and advances	15	8384.28	4029.24
(f) Other current assets	16	4392.82	4452.26
Total		116254.54	124530.57

Significant Accounting Policies

1

Accompanying Notes are an integral part of the Financial Statements

for KAMAL NAYAN SINGHAL & CO.

for and on behalf of the Board

Chartered Accountants
(Registration No. 002628C)(KAMAL NAYAN SINGHAL)
Partner
(Membership No.071749)(PRADEEP GANEDIWAL)
Managing Director(SHREERAM SINGH)
Director

Place: Indore

Date: 01/09/2012



PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

(₹ in Thousands)

PARTICULARS	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. Revenue from operations	17	274363.68	334564.79
II. Other Income	18	256.21	322.05
III. Total Revenue (I +II)		274619.89	334886.84
IV. <u>Expenses:</u>			
Cost of materials consumed	19	170995.17	217435.85
Purchase of Stock-in-Trade	20	20913.89	55223.44
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	3440.83	(21863.80)
Employee benefit expense	22	20037.00	18902.87
Financial costs	23	1377.84	93.76
Depreciation and amortization expense	24	2866.75	2982.58
Other expenses	25	53692.74	60990.66
Total Expenses		273324.22	333765.36
V. Profit before exceptional and extraordinary items and tax	(III - IV)	1295.67	1121.48
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax	(V - VI)	1295.67	1121.48
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		1295.67	1121.48
X. Tax expense:			
(1) Current tax		240.00	-
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from continuing operations	(IX-X)	1055.67	1121.48
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations	(XII - XIII)	-	-
XV. Profit/(Loss) for the period (XI + XIV)		1055.67	1121.48
XVI. Earning per equity share:			
(1) Basic		0.08	0.07
(2) Diluted			

Significant Accounting Policies

1

Accompanying Notes are an integral part of the Financial Statements

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

for and on behalf of the Board

Place: Indore
Date: 01/09/2012

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

(PRADEEP GANEDIWAL)
Managing Director

(SHREERAM SINGH)
Director



NOTES ON ACCOUNTS FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2012 AND PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON THAT DATE

NOTE-1

ACCOUNTING POLICIES:

(a) Basis of preparation of Financial Statements:

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

(b) Use of Estimates:

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

(c) Fixed Assets:

All fixed assets are stated at cost less accumulated depreciation.

(d) Depreciation:

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

(e) Inventories:

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

(f) Sales:

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

(g) Foreign Exchange Transactions:

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

(h) Employee Retirement Benefits:

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

(i) Claims:

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

(j) Segment Reporting:

A. PRIMARY SEGMENTS: As the company's business activity falls within a single primary business i.e. "Manufacturing of Cotton/Polyester Cotton blended yarn." The disclosure requirement of Accounting Standard (AS) -17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.



B. SECONDARY SEGMENTS: The Company earned net income of ₹ 34.57 Lacs from overseas trading activities during the year against ₹ 11.31 Lacs against previous year ended 31/03/2011.

(k) Related Party Disclosures:

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

(₹ in Thousands)

Transactions	Associates	Key Management Personal/Relatives	Grand Total
Sales of Goods (Trading)			
1. Druahtee Investments Ltd.	33248.66	0.00	33248.66
2. Parrogate Zimbabwe Ltd.	306.20	0.00	306.20
3. Continental Ginnery Ltd.	166.79	0.00	166.79
4. Corbel Finance Ltd.	2264.50	0.00	2264.50
TOTAL	35,986.15	0.00	35986.15
Net Income from Sales of Services			
1. Drushtee Investments Ltd	6421.65	0.00	6421.65
TOTAL	6421.65	0.00	6421.65
Remuneration Paid			
1. Smt. Priti Ganediwal	0.00	240.00	240.00
TOTAL	0.00	240.00	240.00
Unsecured Loan Received			
1. Pradyumn Ganediwal	0.00	16876.28	16876.28
TOTAL	0.00	16876.28	16876.28

(l) Deferred Tax Liability:

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

(m) Revised Schedule – VI:

Current year accounts have been prepared in accordance with the Revised Schedule – VI and previous year's figures have been re-grouped/re-classified accordingly.

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

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

for and on behalf of the Board

(PRADEEP GANEDIWAL)
Managing Director

(SHREERAM SINGH)
Director

Place: Indore
Date: 01/09/2012



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

(A) CAPACITY:	LICENCED	INSTALLED
COTTON/BLENDED YARN SPINDLES	24968	16992
	(24968)	(16992)
ROTORS	432	432
	(432)	(432)
	QTY IN KGS	₹ (LAKHS)
(B) PRODUCTION:		
YARN	1507806	
	(1941985)	
(C) OPENING STOCKS:		
RAW MATERIALS	111843	116.81
	(188237)	(145.88)
GOODS IN PROCESS	31802	45.15
	(38854)	(34.97)
FINISHED GOODS	97184	177.90
	(31690)	(35.39)
(D) PURCHASES:		
RAW MATERIALS	1711721	1696.30
	(2257553)	(2145.28)
(E) SALES:		
YARN	1519164	2229.55
	(1876490)	(2784.99)
RAW MATERIAL	48257	55.66
	(78856)	(111.08)
(F) CLOSING STOCKS:		
RAW MATERIALS	93776	103.15
	(111843)	(116.81)
GOODS IN PROCESS	69443	88.76
	(31802)	(45.15)
FINISHED GOODS	85826	139.15
	(97185)	(177.90)
(G) CONSUMPTION:		
RAW MATERIAL CONSUMED	2262141	1709.95
	(2262141)	(2174.36)

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

for and on behalf of the Board

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

(PRADEEP GANEDIWAL)
Managing Director

(SHREERAM SINGH)
Director

Place: Indore
Date: 01/09/2012



Mid India Industries Limited

(₹ in Thousands)

Note No.	Amount as on 31.03.2012	Amount as on 31.03.2011
2 SHARE CAPITAL		
(a) Authorised		
3,00,00,000 Equity Shares of Rs. 10/- each	300,000.00	300,000.00
	<u>300,000.00</u>	<u>300,000.00</u>
(b) Issued, Subscribed & Paid Up		
1,63,00,000 Equity Shares of Rs. 10/- each	163,000.00	163,000.00
	<u>163,000.00</u>	<u>163,000.00</u>

(c) List of Shareholders holding more than 5% shares in the Equity Share Capital of the Company:

Name of Holder	Number of Shares	
	As on 31.03.2012	As on 31.03.2011
Ranchhod Prasad Laxminarayan Ganediwal	3,757,300	3,757,300
Ganediwal Finance and Leasing Pvt. Ltd.	1,173,000	1,173,000

(₹ in Thousands)

	Amount as on 31.03.2012	Amount as on 31.03.2011
3 RESERVE AND SURPLUS		
(a) Surplus as per Statement of Profit and Loss		
Balance at the beginning of the year	(119,044.37)	(120,165.85)
Add: Transfer from Statement of Profit and Loss for the year	1,055.67	1,121.48
	<u>(117,988.71)</u>	<u>(119,044.37)</u>
Less: Income Tax Paid		
(i) For Assessment Year 2010-11	6.78	-
(ii) For Assessment Year 2011-12	207.92	-
	<u>214.70</u>	<u>-</u>
	<u>(118,203.40)</u>	<u>-</u>
(b) Capital Subsidy	500.00	500.00
	<u>500.00</u>	<u>500.00</u>
(a) + (b)	<u><u>(117,703.40)</u></u>	<u><u>(118,544.37)</u></u>



4 DEFERRED TAX LIABILITIES

Deferred tax liability as required under Accounting Standards (AS) -22, the company has not provided any Deferred Tax Liability due to carry forward of huge amount of Un-observed Depreciation.	-	-
	<u>-</u>	<u>-</u>

5 SHORT TERM BORROWINGS

Unsecured Loans

(i) Corporate Loans*	6,701.78	1,016.27
(ii) Other Loans**	17,027.62	35,733.76
(i) + (ii)	<u>23,729.40</u>	<u>36,750.03</u>

* Company taken a Loan of ₹ 100.00 lacs for Working Capital at Interest Rate of 15% p.a. and the Company made partial repayment of ₹ 35.00 lacs. The Closing Balance of Loan is ₹ 67.02 Lacs including interest amount of Rs. 2.02 Lacs.

** Company has a loan of ₹ 170.28 Lacs (after repayment of ₹ 188.53 Lacs during the year) from promoters on without any Interest. These Loans were taken by the Company on Repayments of Long Term Borrowing to Bank during F. Y. 2006-07 as personal Guarantees of promoters.

6 TRADE PAYABLES

(a) Raw Material Suppliers	34,658.72	34,238.56
(b) Stores Suppliers	6,143.44	4,035.08
(c) Service Providers	983.06	1,070.04
(a) + (b) + (c)	<u>41,785.23</u>	<u>39,343.67</u>

7 OTHER CURRENT LIABILITIES

(a) Interest accrued and due on borrowings	32.55	-
(b) Other payables (including Statutory Dues etc)	2909.15	1,557.96
(a) + (b)	<u>2941.70</u>	<u>1,557.96</u>

8 SHORT-TERM PROVISIONS

(a) Employee Benefits	2261.62	2,423.27
(b) Income Tax	240.00	-
(a) + (b)	<u>2501.62</u>	<u>2,423.27</u>

9 TANGIBLE ASSETS

(a) Free Hold Land		
Gross Block		
Balance at the beginning of the year	600.00	600.00
Add: Additions	<u>-</u>	<u>-</u>
	600.00	600.00
Less: Deductions	<u>-</u>	<u>-</u>
Balance at the end of the year	<u>600.00</u>	<u>600.00</u>
Depreciation		
Balance at the beginning of the year	-	-
Add: For the year	<u>-</u>	<u>-</u>
	-	-
Less: Deductions	<u>-</u>	<u>-</u>
Balance at the end of the year	<u>-</u>	<u>-</u>
Net Block	<u>600.00</u>	<u>600.00</u>

**(b) Buildings****Gross Block**

Balance at the beginning of the year	42,342.45	42,342.45
Add: Additions	-	-
	<u>42,342.45</u>	<u>42,342.45</u>
Less: Deductions	-	-
Balance at the end of the year	<u>42,342.45</u>	<u>42,342.45</u>

Depreciation

Balance at the beginning of the year	22,602.35	21,188.11
Add: For the year	1,414.24	1,414.24
	<u>24,016.59</u>	<u>22,602.35</u>
Less: Deductions	-	-
Balance at the end of the year	<u>24,016.59</u>	<u>22,602.35</u>

Net Block

<u>18,325.87</u>	<u>19,740.10</u>
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(c) Plant & Machinery**Gross Block**

Balance at the beginning of the year	169,731.72	169,731.72
Add: Additions	-	-
	<u>169,731.72</u>	<u>169,731.72</u>
Less: Deductions	-	-
Balance at the end of the year	<u>169,731.72</u>	<u>169,731.72</u>

Depreciation

Balance at the beginning of the year	159,947.50	158,593.62
Add: For the year	1,353.88	1,353.88
	<u>161,301.38</u>	<u>159,947.50</u>
Less: Deductions	-	-
Balance at the end of the year	<u>161,301.38</u>	<u>159,947.50</u>

Net Block

<u>8,430.34</u>	<u>9,784.22</u>
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(d) Furniture & Fittings**Gross Block**

Balance at the beginning of the year	2,255.93	2,255.93
Add: Additions	-	-
	<u>2,255.93</u>	<u>2,255.93</u>
Less: Deductions	-	-
Balance at the end of the year	<u>2,255.93</u>	<u>2,255.93</u>

Depreciation

Balance at the beginning of the year	2,255.93	2,152.12
Add: For the year	-	103.81
	<u>2,255.93</u>	<u>2,255.93</u>
Less: Deductions	-	-
Balance at the end of the year	<u>2,255.93</u>	<u>2,255.93</u>

Net Block

<u>-</u>	<u>-</u>
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(e) Vehicle		
Gross Block		
Balance at the beginning of the year	1,486.33	1,486.33
Add: Additions	35.00	-
	<u>1,521.33</u>	<u>1,486.33</u>
Less: Deductions	-	-
Balance at the end of the year	<u>1,521.33</u>	<u>1,486.33</u>
Depreciation		
Balance at the beginning of the year	932.37	836.78
Add: For the year	95.59	95.59
	<u>1,027.96</u>	<u>932.37</u>
Less: Deductions	-	-
Balance at the end of the year	<u>1,027.96</u>	<u>932.37</u>
Net Block	<u>493.37</u>	<u>553.96</u>
(f) Office Equipments		
Gross Block		
Balance at the beginning of the year	1,948.43	1,948.42
Add: Additions	-	-
	<u>1,948.43</u>	<u>1,948.42</u>
Less: Deductions	-	-
Balance at the end of the year	<u>1,948.43</u>	<u>1,948.42</u>
Depreciation		
Balance at the beginning of the year	1,945.38	1,930.32
Add: For the year	3.05	15.06
	<u>1,948.43</u>	<u>1,945.38</u>
Less: Deductions	-	-
Balance at the end of the year	<u>1,948.43</u>	<u>1,945.38</u>
Net Block	<u>-</u>	<u>3.05</u>
(a) + (b) + (c) + (d) + (e) + (f)	<u>27,849.58</u>	<u>30,681.33</u>
10 INTANGIBLE ASSETS UNDER DEVELOPMENT		
Website Developments Expenses	10.00	-
Balance at the end of the year	<u>10.00</u>	<u>-</u>
11 LONG TERM LOANS AND ADVANCES		
Advance for Capital Expenditure	12,500.00	12,500.00
	<u>12,500.00</u>	<u>12,500.00</u>

* Advance given to Machinery Suppliers and Machinery yet not Supplied. Work is in progress.

**12 INVENTORIES**

(a) Raw Material	10,315.36	11,680.69
(b) Work-in-progress	8,875.90	4,515.88
(c) Finished Goods	13,914.87	17,790.46
(d) Stock-in-trade of goods acquired for trading	4,527.77	8,855.71
(e) Stores and Spares	2,675.27	1,680.45
(f) Packing Material	502.02	633.45
(g) Waste	520.24	117.55
	41,331.43	45,274.20

13 TRADE RECEIVABLES**(a) Outstanding for a period more than six months**

(i) Considered Goods	1,701.33	1,127.33
(ii) Doubtful	-	-
	<u>1,701.33</u>	<u>1,127.33</u>
Less: Provisions for Doubtful Debts	-	-
	1,701.33	1,127.33

(b) Outstanding for a period less than six months

(i) Considered Goods	17,186.62	23,202.55
(ii) Doubtful	-	-
	<u>17,186.62</u>	<u>23,202.55</u>
Less: Provisions for Doubtful Debts	-	-
	<u>17,186.62</u>	<u>23,202.55</u>

(a) + (b)**18,887.95** **24,329.88****14 CASH AND CASH EQUIVALENTS**

(a) Bank Balances	1,993.21	2,432.14
(b) Cash Balances	805.27	831.51
(c) Fixed deposit*	100.00	-
	2,898.48	3,263.65

* Fixed deposits with IndusInd Bank Limited, Indore Branch
maturity date is 15/02/2013

15 SHORT-TERM LOANS AND ADVANCES**(a) Advances to Raw Material Suppliers**

(i) Secured, considered good	-	-
(ii) Others, considered good	3,170.80	1,262.77
(iii) Doubtful	-	-
	<u>3,170.80</u>	<u>1,262.77</u>

(b) Advances to Stores Suppliers

(i) Secured, considered good	-	-
(ii) Others, considered good	2,047.49	949.59
(iii) Doubtful	-	-
	<u>2,047.49</u>	<u>949.59</u>

(c) Advances to Service Providers

(i) Secured, considered good	-	-
(ii) Others, considered good	282.28	101.75
(iii) Doubtful	-	-
	<u>282.28</u>	<u>101.75</u>



(d) Loans and Advances to Employees		
(i) Secured, considered good	-	-
(ii) Others, considered good	2,883.70	1,715.13
(iii) Doubtful	-	-
	2,883.70	1,715.13
(a) + (b) + (c) + (d)	8,384.28	4,029.24
16 OTHER NON-CURRENT ASSETS		
(a) Security Deposits		
(i) With Madhya Pradesh Electric Supply Co. Ltd.	1,994.06	2,502.67
(ii) With other departments	76.47	73.22
	2,070.54	2,575.89
(b) Receivables from Government Departments		
(i) Income Tax Refund for Previous Years	130.41	130.41
(ii) TDS in Hand	22.43	15.64
(iii) VAT	2,086.00	1,409.28
	2,238.85	1,555.33
(c) Other Debits	83.44	321.04
	83.44	321.04
(a) + (b) + (c)	4,392.82	4,452.26
17 REVENUE FROM OPERATIONS		
Sales		
Manufacturing Sales	222,955.19	278,498.94
Semi Finished, Waste & Scarp Sales	6,387.88	8,562.76
Trading Sales	41,563.70	46,371.72
Other Operating Income	3,456.92	1,131.37
	274,363.68	334,564.79
18 OTHER INCOME		
Interest Income	248.54	137.20
Misc Income	7.67	184.84
	256.21	322.05
19 COST OF MATERIAL CONSUMED		
Raw Material Consumption		
Raw Material Stock at the beginning of the year	11,680.69	14,588.37
Add: Purchase and Incidental Expenses	169,629.84	214,528.17
	181,310.53	229,116.54
Less: Raw Material Stock at the end of the year	10,315.36	11,680.69
	170,995.17	217,435.85
20 PURCHASE OF STOCK-IN-TRADE		
Trading Purchase	20,913.89	55,223.44
	20,913.89	55,223.44

**21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE****Inventories at the beginning of the year**

Finished Goods	17,790.46	3,538.54
Work-in-progress	4,515.88	3,496.86
Waste & Scarp	117.55	712.05
Stock-in-trade of goods acquired for trading	8,855.71	1,668.36
	31,279.61	9,415.81

Inventories at the end of the year

Finished Goods	13,914.87	17,790.46
Work-in-progress	8,875.90	4,515.88
Waste	520.24	117.55
Stock-in-trade of goods acquired for trading	4,527.77	8,855.71
	27,838.79	31,279.61

(Increase)/Decrease in Stocks**3,440.83 (21,863.80)****22 EMPLOYEE BENEFIT EXPENSE**

Salaries and Wages (Including Bonus)	17,777.78	17,167.17
Contribution to Provident and Other Funds	1,825.10	1,387.73
Staff Welfare Expenses	434.11	347.98
	20,037.00	18,902.87

23 FINANCIAL COSTS

Interest paid on Unsecured Loan	1,356.60	55.34
Interest paid for delay payment of Taxes	21.24	38.42
	1,377.84	93.76

24 DEPRECIATION AND AMORTIZATION EXPENSES**Depreciation**

(a) Freehold Land	-	-
(b) Building	1,414.24	1,414.24
(c) Plant and Equipment	1,353.88	1,353.88
(d) Furniture and Fixtures	-	103.81
(e) Vehicles	95.59	95.59
(f) Office Equipments	3.05	15.06
	2,866.75	2,982.58

(Refer to Note No. 9)

Depreciation on Fixed assets provided on straight line method

25 OTHER EXPENSES**(a) Administrative**

Advertisement Exp.	79.23	106.90
Bank Charges	104.73	271.61
Commercial Tax Recovery	123.30	56.20
Consultancy Charges	-	400.00
Coolie & Cartage	205.07	224.88
Deepawali Expenses	84.99	110.51
Electricity Charges(Colony)	87.05	119.87
Fee & Subscription	165.78	232.27
Foreign Currency Fluctuation	203.20	-
Garden Exp.	219.92	134.75



Insurance Premium	227.09	312.04
Listing Fees	394.12	33.09
Misc Exp.	266.99	263.33
Professional Fees	119.15	120.00
Rent	-	120.00
Repair & Maintenance (Others)	95.80	187.29
Repairing & Maint. (Building)	573.93	390.32
Secretarial Expenses	181.82	153.12
Telephone & Fax Exp.	446.56	495.54
Traveling Exp. (Staff)	354.12	399.31
Traveling Expenses (Director)	20.60	156.73
Vehicle Running & Maintenance	241.26	296.20
Other Expenses**	332.00	348.54
	4,526.72	4,932.49
** Includes		
(i) Payment to Statutory Auditors		
Audit Fee	30.00	30.00
(ii) Payment to Cost Auditors		
Audit Fee	30.00	30.00
Out of Pocket Expenses	-	5.00
(iii) Expenses relating to Previous Years		
Listing Fee to Madhya Pradesh Stock Exchange Ltd.	323.08	-
(b) Manufacturing Expenses		
Stores Consumed	5,241.14	7,844.99
Packing Material Consumed	2,601.60	4,138.66
Excise Duty of Purchase	94.99	107.84
Hank Yarn Obligation	31.53	112.71
Job Work Charges	-	157.01
Lease Rent	-	1,080.00
Power & Fuel	32,960.07	34,143.07
Quality Claim	-	67.95
Repair & Maint. of Plant & Machinery	790.15	724.76
	41,719.48	48,376.99
(c) Selling & Distribution Expenses	7,446.55	7,681.18
	7,446.55	7,681.18
(a) + (b) + (c)	53,692.74	60,990.66
26 EARNING PER EQUITY SHARE		
Profit after tax available for Equity Shareholders	1,295.67	1,121.48
Weighted average number of equity shares	16,300.00	16,300.00
Earning per share (Face value ₹ 10/- each)		
(a) Cash		
(b) Basic	0.08	0.07
	for KAMAL NAYAN SINGHAL & CO.	for and on behalf of the Board
	Chartered Accountants (Registration No. 002628C)	
	(KAMAL NAYAN SINGHAL) Partner (Membership No.071749)	(PRADEEP GANEDIWAL) Managing Director
		(SHREERAM SINGH) Director
Place: Indore		
Date: 01/09/2012		

**Cash Flow Statement annexed to the Balance Sheet
for the year ended 31.03.2012**

(₹ in Thousands)

PARTICULARS	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
1	2	3
CASH INFLOW		
(1) From Operating activities		
(a) Profit from operating activities	2,177.30	893.20
Adjustments:		
Depreciation and amortization	2,866.75	2,982.58
Amortization of stock	-	-
Compensation	-	-
(Gain)/Loss on sale of fixed assets	-	-
Assets written off	-	-
Provision/(R reversal) for doubtful debts and advances	-	-
(b) Working Capital Changes:		
Decrease in inventories	3,942.77	-
Decrease in trade receivables	5,441.93	6,862.75
Decrease in short-term loans and advances	-	-
Decrease in other current assets	-	-
Increase in trade payables	2,441.55	29,881.00
Increase in other current liabilities	1,383.73	1,372.39
Increase in provisions	78.35	-
Total of (1)	18332.39	41,991.91
(2) From Investing activities		
(a) Proceeds from sale of fixed assets	-	-
(b) Proceeds from sale of investments	-	-
(c) Realisation of long-term loans and advances from subsidiaries/associates/business ventures	-	-
(d) Decrease in long-term loans and advances	-	8,054.50
(e) Decrease in other non-current assets	59.43	-
(f) Dividend received	-	-
(g) Interest received	248.54	137.20
(h) Other income	7.67	184.84
Total of (2)	315.64	8,376.54
(3) From Financing activities		
(a) Proceeds from issue of Share capital	-	-
(b) Share application money pending allotment	-	-
(c) Proceeds from long-term borrowings	-	-
(d) Proceeds from short-term borrowings	-	-
Total of (3)	-	-
Total cash inflows (1+2+3)	18648.03	50,368.45



II CASH OUTFLOW

(1) From Operating activities

(a) Loss from operating activities		
Adjustments:		
Depreciation and amortization	-	-
Amortization of stock	-	-
Compensation	-	-
(Loss)/Gain on sale of fixed assets	-	-
Assets written off	-	-
(Provision)/Rerversal for doubtful debts and advances	-	-
(b) Working Capital Changes:		
Increase in inventories	-	19,009.25
Increase in trade receivables	-	-
Increase in short-term loans and advances	4,355.03	-
Increase in other current assets	-	2,038.51
Decrease in trade payables	-	-
Decrease in other current liabilities	-	2,245.64
Decrease in provisions	-	-
(c) Direct taxes paid (net of refunds)	214.70	-
Total of (1)	4569.73	23,293.41

(2) From Investing activities

(a) Purchase of tangible assets/capital work-in-progress	35.00	-
(b) Purchase of intangible assets/assets under development	10.00	-
(c) Purchase of investments	-	-
(d) Investment in subsidiaries/associates/business ventures	-	-
(e) Payment of long-terms loans and advances to subsidiaries/associates/business ventures	-	-
(f) Increase in other long-term loans and advances	-	-
(g) Increase in other non-current assets	-	-
Total of (2)	45.00	-

(3) From Financing activities

(a) Repayment of long-term borrowings	-	-
(b) Repayment of short-term borrowings	13,020.63	24,974.33
(c) Dividend paid (including distribution tax)	-	-
(d) Interest and other finance costs	1,377.84	93.76
(e) Share issue expenses	-	-
Total of (3)	14,398.47	25,068.09

Total cash outflows (1+2+3)	19,013.21	48,361.50
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III Net (decrease)/increase in cash and cash equivalents (I-II)	(365.17)	2,006.95
Add: Cash and cash equivalents at the beginning of the period	3,263.65	1,256.70
IV Cash and cash equivalents at the end of the period	2,898.48	3,263.65

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

for and on behalf of the Board

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

(PRADEEP GANEDIWAL)
Managing Director

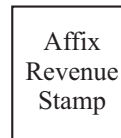
(SHREERAM SINGH)
Director

Place: Indore
Date: 01/09/2012

PROXY FORM

I/We, _____
(L.F.No. _____ or DP ID No. _____ Client ID No. _____)
(Address) _____ being a member/s
of MID INDUSTRIES LIMITED, TEXTILE MILL AREA, MANDSAUR, do hereby
appoint _____ or/failing him
_____ of _____ as my/our behalf a
the 21st Annual General Meeting to be held at Registered Office of the Company, Textile Mill Area,
Mandsaur - 458 001, on Saturday 29th day of September, 2012 at 11.00 a.m. and at any adjournment
thereof.

In witness whereof I/we have set my/our hand/s this _____ day of _____ 2012.



(Signature of the Shareholder across the stamp)

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

ATTENDANCE SLIP

Members Ledger Folio No. _____ or DP ID No. _____ Client
ID No. _____ No. of Shares held _____
Name of attending Member (In Block Letters) _____ Name of Proxy
(In Block Letters) _____ (to be filled in, if Proxy
attends instead of the member).

I hereby record my presence at Twentieth First Annual General Meeting of the Company held at
Textile Mill Area, Mandsaur on 29th Day of September, 2012.

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

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