

ANNUAL REPORT
2012-13



Madhusudan
Industries Limited

Board of Directors

Shri Shree Narayan Mohata
Shri Rajesh B. Shah
Shri Sanwarmal Agarwal
Shri P. K. Shashidharan

Auditors

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

Registered Office

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

Ahmedabad Office

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

Registrar & Share Transfer Agent

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

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**Annual General Meeting at 11.30 a.m. on Saturday,
the 21st day of September, 2013 at the Registered Office.**

N o t i c e

NOTICE is hereby given that the Annual General Meeting of the Members of **MADHUSUDAN INDUSTRIES LIMITED** will be held at 11.30 a.m. on Saturday, the 21st day of September, 2013 at the Registered Office of the Company at Rakhial Station, Taluka Dehgam, District Gandhinagar – 382 315, to transact the following business :

ORDINARY BUSINESS

- To consider and adopt Statement of Audited Profit and Loss Account for the year ended 31st March, 2013 and Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
- To appoint a director in place of Shri Sanwar Mal Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a director in place of Shri Rajesh B. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

- To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:
RESOLVED THAT Shri P. K. Shashidharan appointed as an Additional Director of the Company by Board of Directors and who ceased to hold the office at this meeting u/s. 260 of the Companies Act, 1956 and in respect of whom the Company has received notice in writing u/s. 257 of the Companies Act, 1956 proposing his candidature for the office of the Director be and is hereby appointed as Director of the Company.
- To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:
RESOLVED THAT Shri Prem Chand Surana appointed as an Additional Director of the Company by Board of Directors and who ceases to hold the office at this meeting u/s. 260 of the Companies Act, 1956 and in respect of whom the Company has received notice in writing u/s. 257 of the Companies Act, 1956 proposing his candidature for the office of the Director be and is hereby appointed as Director of the Company.

Regd. Office :
Rakhial Station – 382 315
Taluka - Dehgam, Dist. Gandhinagar.
31st July, 2013

By Order of the Board of Directors

B. K. Patodia
Company Secretary

NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- Members are requested to notify immediately the change of address, if any, to the Company OR M/s. MCS Limited, Registrar and Share Transfer Agent.
- The Register of Members and Share transfer book of the Company will remain closed from 14th September, 2013 to 21st September, 2013 (both days inclusive)
- Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
- Members are requested to send their queries atleast ten days before the date of the meeting so that the information can be made available at the meeting
- Unpaid / Unclaimed Dividend, Share application money received and due for refund and matured deposits unclaimed and unpaid for a period of seven years up to the financial year 2004-05 have been transferred to the Investor Education and Protection Fund pursuant to the provisions of Section 205C of the Companies Act, 1956.
- Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 is annexed hereto.
- Brief resume of directors, who are proposed to be appointed / re-appointed at this meeting are given below:

Name of Director	Shri Sanwar Mal Agarwal	Shri Rajesh B. Shah	Shri P. K. Shashidharan	Shri Prem Chand Surana
Date of Birth	11.07.1953	11.11.1958	07.08.1958	12.09.1960
Date of appointment	07.08.2006	07.08.2006	26.02.2013	30.07.2013
Expertise in specific functional areas	Commercial	Finance	Marketing & Marketing Services	Accounts & Commercial
List of other directorships held	Gujarat Soaps Pvt. Ltd.	Madhusudan Fiscal Ltd. Madhusudan Cybernetic Pvt.Ltd Goodluck Ceramics Pvt. Ltd.	—	Gujarat Soaps Pvt. Ltd.
Chairman / Member of the Committees of the Board of other Companies	—	—	—	—
Shareholding in the Company	200	—	—	—

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956.

ITEM NO. 5

The Board of Directors appointed Shri P. K. Shashidharan as an additional director on 26-02-2013 u/s. 260 of the Companies Act, 1956. As per the provisions of the said section he will hold office till this Annual General Meeting. However, being eligible for re-appointment he offers himself for the same. The Company has also received notice along with deposit of Rs. 500/- from a member of the Company signifying his intention to propose Shri P. K. Shashidharan being appointed as director of the Company under the provisions of section 257 of the companies Act, 1956. It is in the interest of the Company to have the benefit of his services as director of the Company.

Your directors commend the resolution as per item no. 5 of the notice for passing by the members.

None of the Directors, except Shri P. K. Shashidharan may be deemed to be interested or concerned in the said resolution.

ITEM NO. 6

The Board of Directors appointed Shri Prem Chand Surana as an additional director on 30-07-2013 u/s. 260 of the Companies Act, 1956. As per the provisions of the said section he will hold office till this Annual General Meeting. However, being eligible for re-appointment he offers himself for the same. The Company has also received notice along with deposit of Rs. 500/- from a member of the Company signifying his intention to propose Shri Prem Chand Surana being appointed as director of the Company under the provisions of section 257 of the companies Act, 1956. It is in the interest of the Company to have the benefit of his services as director of the Company.

Your directors commend the resolution as per item no. 6 of the notice for passing by the members.

None of the Directors, except Shri Prem Chand Suran may be deemed to be interested or concerned in the said resolution.

Regd. Office :
Rakhial Station – 382 315
Taluka - Dehgam, Dist. Gandhinagar.
31st July, 2013

By Order of the Board of Directors

B. K. Patodia
Company Secretary

Directors' Report

To
The Members,

The Directors have pleasure in submitting the Annual Report together with the Statement of Accounts of your Company for the year ended 31st March, 2013.

Performance

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

	Year ended March 31, 2013 (Rs. in lacs)	Year ended March 31, 2012 (Rs. in lacs)
Profit before Depreciation and Taxes	86.92	86.35
Deducting therefrom Depreciation	15.33	18.59
Profit / Loss before tax	71.59	67.76
Deducting therefrom taxes of:		
- Current Tax	—	—
- Deferred Tax	—	—
Profit after tax	71.59	67.76
Add: Balance brought forward from previous year	(-) 821.67	(-) 889.43
Amount available for Appropriations	<u>(-) 750.08</u>	<u>(-) 821.67</u>
The proposed appropriations are :		
1. Proposed Dividend	—	—
2. Tax on proposed Dividend	—	—
3. Debenture Redemption Reserve	—	—
4. Balance Carried forward	(-)750.08	(-)821.67
Total	<u>(-)750.08</u>	<u>(-)821.67</u>

Review of Company's Performance

During the year, Company continued with the horticulture operations. All the three green houses were utilized for production of colour capsicum and quantity produced was 31.97 MT. Other varieties of seasonal vegetables have been produced in open area. We have also utilized the open space available in the factory premises, to increase cultivation of vegetables and golden rods. The rental income of godowns was Rs.77.34 lac during the year. The rental income will continue to be a recurring source of revenue in the coming years.

Management Discussion and Analysis**a) Industry structure and development**

The Company has existing infrastructure readily available for undertaking suitable manufacturing activity in future.

b) Opportunities and threats

Even though the future of horticulture industries remains bright, the extreme weather conditions and poor quality of water available in our factory premises continue to be a threat.

c) Segment-wise/Product-wise performance

During the year, the income from horticulture was Rs.6.89 lacs. The total production of Capsicum was 31.97 MT. While turnover from horticulture division decreased from Rs.19.08 lac to Rs.6.89 lac, the overall profit increased from Rs.67.76 lac to Rs.71.59 lac. This was mainly due to increased rental income and reduced expenditure.

d) Outlook

The Company has decided to continue growing Colour Capsicum in all the three green houses and vegetables in open areas. The Company is also on the look out to diversify into newer areas.

e) Risks and concerns

The marketing of horticulture products is a challenging task as this commodity is a perishable item and the market is volatile. We have addressed this concern by tie ups with a few reputed Vendors and our produce is being supplied to them directly.

f) Internal control system and their adequacy

The Company has computerized its accounting system since many years. The system of internal control of the Company is commensurate with the size and complexity of the Company's business. The operations are subject to periodic internal audit by independent Auditors.

g) Financial performance with respect to Operational Performance is discussed in the main part of the report.**h) Material development in Human Resources /Industrial Relations**

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

Corporate Governance

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

Directors' Responsibility Statement

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

- that the applicable accounting standards have been followed in the preparation of final accounts and that there are no material departures;

- that such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis.

Dividend

Your Directors have not recommended any dividend, as consolidation and restructuring process is underway.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

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

Exchequer

The Company has contributed Rs.9.87 lacs to the exchequer by way of Income tax, VAT and other fiscal levies.

Fixed Deposits

Fixed Deposits from the Public, outstanding as on 31st March 2013 was Rs.1.80 lacs. There are eleven Fixed Deposit holders with Rs.1.80 lacs of unclaimed / unrenewed deposits as on 31st March, 2013. The Company on the basis of the working results during the year under review, can accept deposits from the Public as well as from the shareholders to the extent of Rs.4.56 crores.

Subsidiary Company

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

The Ministry of Corporate affairs has, vide General Circular No.2/2011 dated 8th February, 2011, granted general exemption for not attaching the annual accounts of the subsidiary company with the annual accounts of holding company.

Pursuant to the said Circular, the Board of Directors of your Company in their meeting held on 27th May, 2013 has given their consent, for not attaching the Annual Accounts of the Subsidiary Company with that of the Holding Company. Accordingly, Balance Sheet, Profit & Loss Account, Directors' Report and Auditors' Report of the Subsidiary Company and other documents required to be attached under section 212(1) of the Act to the Balance Sheet of the Company, shall not be attached. However, these documents shall be made available upon request by any member of the Company interested in obtaining the same and shall also be kept for inspection at the Registered Office of your Company and that of Subsidiary Company concerned. Further, the financial data of the Subsidiary Company has been furnished along with the statement pursuant to Section 212 of the Companies Act, 1956 forming part of this Annual Report.

Interest in subsidiary Company:

Your directors propose to disinvest holding in the wholly owned subsidiary company viz. Madhusudan Fiscal Limited, which will be decided after necessary approvals.

Finance

The Company has obtained credit facilities from Bank of Baroda.

Employees

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

Directors

Shri B. D. Sharma has resigned as director of the company w.e.f. 09.08.2012. Shri Nilesh Gandhi was appointed as Director w.e.f. 9-08-2012 and resigned w.e.f. 26-02-2013. Board of directors places on records their appreciation for the contributions made by them to the company. Shri P. K. Shashidharan has been appointed as an additional director of the company w.e.f. 26.02.2013.

Shri Shree Narayan Mohata and Shri Sanwarmal Agarwal, directors are due to retire at the end of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Brief resumes of Shri Shree Narayan Mohata, Shri Sanwarmal Agarwal and Shri P.K. Shashidharan, directors as required under clause 49 of the Listing Agreement executed with the Stock Exchange are provided in the notice convening the Annual General Meeting.

Auditors

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

Insurance

The Company has adequately insured all its assets.

Industrial Relations

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

The Company has taken adequate steps for the health and safety of its employees.

Appreciation

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

Ahmedabad
27th May, 2013

For and on behalf of the Board of Directors,

Rajesh B. Shah
Sanwarmal D. Agarwal
Directors

Annexure to the Directors' Report

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Report of the Board of Directors for the year ended 31st March, 2013.

A. Conservation of Energy

Form - A : Nil

B. Technology Absorption

Form B : Nil

C. Total Foreign Exchange used and earned

Total foreign exchange used : Rs. Nil

Total foreign exchange earned : Rs. Nil

Annexure to the Directors' Report

Statement of Holding Company's Interest in Subsidiary Company

Statement pursuant to Section 212 of the Companies Act, 1956 and General Circular No.2/2011 dated 08.02.2011 of Ministry of Corporate affairs, Govt. of India.

1. Name of the Subsidiary	: Madhusudan Fiscal Limited
2. Financial year of the Subsidiary Company ended on	: 31st March, 2013
Number of Shares in Subsidiary held by Madhusudan Industries Limited on the above date	: 12,90,000 (Previous year 12,90,000) Equity Shares of Rs.10/- each
3. Holding Company's interest	: 100 % (Previous year 100 %)
4. The Profit of Madhusudan Fiscal Limited for the year ended 31st March, 2013. (Net of Deferred Tax Asset / Liability) and transfer to Statutory Reserve under RBI Act.	: Rs.1,59,172/-
5. The loss for previous Financial Years since it became the Company's subsidiary.	: Rs.49,61,625/-
6. No adjustment has been made in the books of Madhusudan Industries Ltd. in respect of the said loss of Madhusudan Fiscal Limited.	
7. Paid-up Share Capital	: Rs. 1,29,00,000
8. Reserves	: Rs.7,66,630
9. Total Assets	: Rs.89,62,829
10. Total Liabilities	: Rs.89,62,829
11. Investments (other than in Subsidiaries)	: Rs.60,358
12. Turnover	: Rs.3,83,067
13. Profit (Loss) before taxation	: Rs.3,05,026
14. Provision for taxation (Net)	: Rs.1,06,061
15. Profit (Loss) after taxation	: Rs.1,98,965
16. Proposed Dividend	: Rs. ---

B. K. Patodia
Company Secretary

Ahmedabad
27th May 2013

Rajesh B. Shah
Sanwamal D. Agarwal

Ahmedabad
27th May 2013

Director
Director

Annexure to the Directors' Report

CORPORATE GOVERNANCE REPORT

(As required by Clause 49 of the Listing Agreement of BSE Ltd.,)

1) Company's Philosophy

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

2) Board of Directors

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

During the year, 5 Board Meetings were held – on 30.05.2012, 09.08.2012, 30.10.2012, 30.01.2013 and 26.02.2013.

None of the directors on the Board are members in more than ten committees and they do not act as Chairmen of more than five committees across all companies in which they are directors. The composition of Board of directors and their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of other directorships and Committee Memberships are given below:

Sr. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance At last AGM	No. of Other directorships	No. of Other Committee Memberships
1.	Shri Rajesh B. Shah	Non-Executive Director	5	YES	3	-
2.	Shri Bhagwan Das Sharma*	Non-Executive Director	-	NO	-	-
3.	Shri Shree Narayan Mohata	Non-Executive Director	-	NO	2	-
4.	Shri Sanwaram Agarwal	Non-Executive Director	5	YES	1	-
5.	Shri Nilesh Gandhi **	Non-Executive Director	2	YES	1	-
6.	Shri P. K. Shashidharan***	Non-Executive Director	-	NO	-	-

* Resigned w.e.f. 09.08.2012.

** Appointed w.e.f. 09.08.2012 and Resigned w.e.f. 26.02.2013.

*** Appointed w.e.f. 26.02.2013.

Code of Conduct

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

Whistle Blower Policy

The Company has not implemented a whistle-blower policy.

CEO / CFO Certification

Board of Directors of the Company comprises only non-executive directors. No CEO / CFO is appointed by the Company.

3) Audit Committee

The Audit Committee consists of 3 (Three) independent directors, Shri Rajesh B. Shah – Chairman, Shri Shree Narayan Mohata and Shri S. M. Agarwal. During the year under review, four Committee Meetings were held on – 30.05.2012, 09.08.2012, 30.10.2012 and 30.01.2013.

Terms of reference:

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

4) Remuneration Committee

The Remuneration Committee consists of Shri Rajesh B. Shah – Chairman, Shri Shree Narayan Mohata and Shri S. M. Agarwal. The Committee fixes the Remuneration of Executive / Whole-time Directors, which include all elements of remuneration package i.e. salary, benefits, bonus, pension, retirement scheme, share options and such other benefits.

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

5) Remuneration Policy

Remuneration of employees largely consists of basic remuneration and perquisites.

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

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

6) Details of remuneration for the year ended 31.03.2013

(i) Whole-time Directors

The Company has no Whole-time Director

(ii) Non-Executive Directors

Remuneration by way of sitting fees for attending Board Meetings are paid to the non-executive directors. Due to inadequate profit for the year ended 31.03.2013 no commission was paid to the Non-Executive Directors. The details of remuneration paid to them during the year are as under:

Name	Sitting Fees (Rs.)
Shri Rajesh B. Shah	10,000
Shri Bhagwan Das Sharma*	-
Shri Shree Narayan Mohata	-
Shri Nilesh Gandhi**	4,000
Shri Sanwar Mal Agarwal	10,000
Shri P.K. Shashidharan***	-
Total	24,000

* Resigned w.e.f. 09.08.2012.

** Appointed w.e.f. 09.08.2012 and Resigned w.e.f. 26.02.2013.

*** Appointed w.e.f. 26.02.2013.

(iii) Shareholding of Non-Executive Directors

Name	No. of Shares held	% of total shareholding
Shri Rajesh B. Shah	NIL	NIL
Shri Bhagwan Das Sharma*	NIL	NIL
Shri Shree Narayan Mohata	250	0.00
Shri Sanwar Mal Agarwal	200	0.00
Shri Nilesh Gandhi**	NIL	NIL
Shri P.K. Shashidharan***	NIL	NIL

* Resigned w.e.f. 09.08.2012.

** Appointed w.e.f. 09.08.2012 and Resigned w.e.f. 26.02.2013.

*** Appointed w.e.f. 26.02.2013.

Annual Report 2012-2013

7) Share Transfer Committee

In accordance with the Listing Agreement with the Stock Exchange, the Board had delegated the powers of share transfers to the Share Transfer Committee. In order to expedite the process of share transfers/ transmissions / splits / consolidation, the Committee meets at least once in 10 days. The share transfer committee, consists of three directors, Shri Rajesh B. Shah – Chairman, Shri Shree Narayan Mohata and Shri S. M. Agarwal.

Share Transfer Agent

The Company has appointed MCS Limited, Ahmedabad, a SEBI registered Share Transfer Agent as Registrar and Share Transfer Agent w.e.f. 1.03.2003.

8) Shareholders' / Investors' Grievance Committee

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

Shri Rajesh B. Shah - Chairman
Shri Shree Narayan Mohata - Member
Shri S. M. Agarwal - Member

All investor complaints, which cannot be settled at the level of Company Secretary and Compliance Officer, will be forwarded to the Shareholders' Grievance Committee for final settlement. During the year, 2012-13, the Company had received 8 complaints / queries from the Shareholders.

All the complaints received from the Shareholders were resolved. There is no complaint pending as of 31.03.2013, which is not attended / replied by the Company.

The Company confirms that there were no share transfers lying pending as on date, which were received upto 31.03.2013 and all requests for dematerialisation and rematerialisation of shares as on that date were confirmed / rejected into the NSDL / CDSL system. During the year, one Committee Meeting was held on 30.05.2012.

9) General Body Meetings

The last three Annual General Meetings were held as under:

Financial Year ended	Date	Time	Venue
31.03.2012	24.09.2012	11.30 a.m.	Rakhial Station, Tal : Dehgam, Dist. Gandhinagar, PIN:382315
31.03.2011	17.09.2011	11.30 a.m.	Rakhial Station, Tal : Dehgam, Dist. Gandhinagar, PIN:382315
31.03.2010	27.09.2010	11.30 a.m.	Rakhial Station, Tal : Dehgam, Dist. Gandhinagar, PIN:382315

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

10) Disclosures

- There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year, which could have potential conflict with the interests of the Company at large.
- There were no instances of non-compliance of any matter related to the capital market, during the last three years.
- As per clause 5A of the Listing Agreement, the Company has no unclaimed shares as the Company has not offered / issued any shares to the public since 1993.

11) Means of Communication

- Quarterly results are published in leading daily newspapers viz. Financial Express / Indian Express and a local language newspaper viz. Financial Express /Jai Hind / Jansatta / Divya Bhaskar. The annual results (Annual Reports) are posted to all the members of the Company.
- Management's Discussion & Analysis forms part of this Annual Report, which is also being posted to all the members of the Company.
- The official news releases, if any, are given directly to the press.
- The Company submits its financial results, shareholding pattern and other information to the BSE Limited. These information are also uploaded by the BSE Ltd., on its website <http://www.bseindia.com>.

12) General Shareholders' Information

1. Annual General Meeting :

Date and Time : 21st September, 2013:11.30 a.m.
Venue : Rakhial Station,
Taluka – Dehgam,
Dist. Gandhinagar, Pin – 382315.

2. Financial Calendar 2013-14 (tentative) :

Annual General Meeting 3rd / 4th week of
September, 2014

Results for quarter ending By 15th day of

June 30, 2013 August, 2013
September 30, 2013 November, 2013
December 31, 2013 February, 2014
Results for year ending By 30th May, 2014
March 31, 2014 (Audited)

3. Book Closure date 14th September, 2013 to 21st September, 2013

4. Dividend payment

In view of insufficient profit and accumulated losses of previous years, no dividend is recommended by the Board of Directors for the year ended 31.03.2013.

5. Listing on Stock Exchange

The Company's shares are listed at BSE Limited and company has paid listing fees for the year 2012-13 and 2013-14

Stock Code: 515059

Scrip ID - MADHUDIN

6. Share price on BSE Ltd.

Month	High (Rs.)	Low (Rs.)
April 2012	11.00	8.56
May 2012	10.71	8.56
June 2012	10.00	7.75
July 2012	9.70	8.30
August 2012	10.05	9.51
September 2012	10.05	9.55
October 2012	11.86	8.74
November 2012	15.33	12.42
December 2012	15.92	13.69
January 2013	14.83	12.30
February 2013	15.43	12.82
March 2013	14.56	12.55

7. Share Transfer

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

13) Share Transfer System

The share transfer/s is normally effected within a period of 10-12 days from the date of receipt, provided the documents being complete in all respects. The Company has formed Share Transfer Committee of directors, which meets atleast once in 10 days for effecting transfer of shares and other related matters.

14) Distribution of Shareholding as on 31.03.2013

Shares	No. of Shareholders	Total No. of Shares
1-500	5142	660880
501 – 1000	131	106155
1001 – 2000	64	97812
2001 – 3000	18	45271
3001 – 4000	11	38008
4001 – 5000	7	33272
5001 – 10,000	17	123821
10,001 – 50,000	16	425034
50001-1,00,000	3	236448
1,00,001 And Above	11	3608299
Total	5420	5375000

15) Pattern of Shareholding as on 31.03.2013.

Sr. No.	Category	No. of Shares	(%)
1.	NRI	3970	0.07
2.	Financial Institutions/ Banks	271117	5.04
3.	Mutual Funds	275	0.01
4.	Promoters	3137980	58.38
5.	Bodies Corporate	157091	2.92
6.	Others	1804567	33.58
	Total	5375000	100.00

16) Dematerialisation of Shares as on 31.03.2013

As on 31st March 2013, 90.75% of the Company's total shares representing 48,77,567 Shares were held in dematerialized form and the balance 9.25% representing 4,97,433 shares were in paper form.

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

17) Locations

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

18) Address for Correspondence

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

AUDITORS' CERTIFICATE

To,
The Members of
Madhusudan Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by **Madhusudan Industries Limited**, for the year ended 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

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

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

For and on Behalf of
H. V. Vasa & Co.
Chartered Accountants
Firm Registration No. 131054W

Ahmedabad
27th May, 2013

Tushar H. Vasa
Proprietor
Membership No. 16831

Auditors' Report

To,
The Members of **Madhusudan Industries Limited**

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

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

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

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

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

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
 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 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.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For and on behalf of
H. V. Vasa & Co.**

Chartered Accountants
Firm Registration No. 131054W

(Tushar H. Vasa)

Proprietor

Place : Ahmedabad

Date : 27th May, 2013

Membership No. 16831

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

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

1. In respect of its fixed assets :
 - (a) The company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets on the basis of available information, other than furniture and fixtures.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
 - (c) In our opinion, there was no substantial disposal of fixed assets during the year, which would affect the going concern of the company.
2. In respect of its inventories :
 - (a) As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :



- (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
- (b) The Company had taken unsecured loan of Rs. 45 lacs from a company covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was Rs. 45 lacs and at the year end balance of loan taken from such a company was Rs. 45 lacs.
- (c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which the loans have been taken from 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.
- (d) The payment of principal amounts and interest have been regular as per stipulations.
- (e) There were no overdue amounts remaining outstanding as at the year end.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with its size of the company and the nature of business for the purchase of inventories, fixed assets and also for sale of goods and services. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come across nor have we have been informed of any instance of major weakness in the aforesaid internal control systems.
5. In respect of transactions covered under section 301 of the Companies Act, 1956 :
- a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered into the register maintained under that section.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act 1956 and exceeding the value of Rs. five lacs in respect of each party have been made at prices which appear reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, in this regard, no order under the aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company.
7. In our opinion, the internal audit system of the Company is commensurate with its size and the nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for the company under section 209(1)(d) of the Companies Act, in respect of business activities of the company in previous year.
9. In respect of statutory dues :
- (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable

- in respect of the aforesaid dues were outstanding as at 31st of March, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, following disputed statutory dues have not been deposited on account of disputed matter pending before appropriate authorities are as under :

Sr. No.	Name of the Statute	Nature of the Dues	Forum where dispute is pending	Amount (Rs.) In Lacs
1	Gujarat Sales Tax Act	Sales-tax	Gujarat Sales Tax Tribunal	139.34
2	Central Excise Act	Central Excise Duty	CESTAT	97.76

10. The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. As per the Books and records maintained by the company and according to the information and explanations given to us, we are of the opinion that, the Company has not defaulted in repayment of dues to bank.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund / society. Therefore, clause 4(xii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company has not dealt in or is trading in Shares, securities, debentures and other investments. The company has invested surplus funds in marketable securities and mutual funds. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The Investments in the marketable securities and mutual funds have been held by the company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from bank or financial institutions.
16. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
17. According to the cash flow statement and other records examined by us and the information and explanations given to us, on the 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 (fixed assets, etc.)
18. During the year, 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. As the Company has not issued any debentures, clause (xix) of the order is not applicable to the company.
20. The Company has not raised any money by public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

**For and on behalf of
H. V. Vasa & Co.**
Chartered Accountants
Firm Registration No. 131054W

(Tushar H. Vasa)
Proprietor
Membership No. 16831

Place : Ahmedabad
Date : 27th May, 2013

Balance Sheet as at 31st March, 2013

Particulars	Note	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	2,68,75,000	2,68,75,000
(b) Reserves and Surplus	2	10,35,50,707	9,63,91,027
2 Non-current liabilities			
(a) Long-term borrowings	3	-	12,50,588
(b) Other Long Term Liabilities	4	17,04,000	17,04,000
(c) Long Term Provisions	5	53,02,982	53,50,125
3 Current liabilities			
(a) Short-term borrowings	6	51,26,047	1,02,40,319
(b) Other current liabilities	7	46,84,145	70,13,667
(c) Short-term provisions	8	4,09,246	11,46,015
TOTAL		14,76,52,127	14,99,70,741
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	1,51,34,562	1,66,65,305
(ii) Capital work-in-progress		-	6,604
(b) Non-current investments	10	1,93,14,129	2,00,28,501
(c) Long-term loans and advances	11	3,34,39,858	3,32,21,927
2 Current assets			
(a) Current Investments	12	35875841	4,27,10,361
(b) Inventories	13	45,075	72,017
(c) Trade receivables	14	1,70,15,911	1,71,22,863
(d) Cash and cash equivalents	15	1,33,18,360	68,86,901
(e) Short-term loans and advances	16	1,23,98,309	1,24,78,179
(f) Other current assets	17	11,10,082	7,78,083
TOTAL		14,76,52,127	14,99,70,741

Significant Accounting Policies

Notes to Accounts on Financial Statements

24 to 35

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

Ahmedabad

27th May, 2013

B. K. Patodia
Company Secretary

Ahmedabad

27th May, 2013

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

Particulars	Note	2012-13 Rs.	2011-12 Rs.
I Revenue from operations	18	84,23,347	98,84,965
II Other income	19	65,11,943	74,52,806
III Total Revenue (I + II)		<u>1,49,35,290</u>	<u>1,73,37,771</u>
IV Expenses :			
Purchases of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	7,595	2,15,686
Employee benefits expenses	21	32,82,611	36,92,044
Finance costs	22	6,57,434	20,33,376
Depreciation and amortisation expense		15,32,868	18,58,722
Other expenses	23	22,95,102	27,62,219
Total expenses		<u>77,75,610</u>	<u>1,05,62,047</u>
V Profit / (Loss) before tax		71,59,680	67,75,724
VI Tax expense:			
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit (where applicable)		-	-
(c) Deferred tax		-	-
VII Profit / (Loss) for the year		<u>71,59,680</u>	<u>67,75,724</u>
VIII Earning per Equity Share of Rs. 5/- each			
Basic and Diluted		1.33	1.26
Weighted average number of shares outstanding		53,75,000	53,75,000

Significant Accounting Policies

Notes to Accounts on Financial Statements 24 to 35

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

 Ahmedabad
27th May, 2013

B. K. Patodia
Company Secretary

 Ahmedabad
27th May, 2013

Cash Flow Statement for the year ended 31st March, 2013

	Year ended March 31, 2013		Year ended March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net profit before tax & Extra-ordinary items		71,59,680		67,75,724
Adjusted for				
- Depreciation	15,32,868		18,58,722	
- Provision for Diminution in Value of Investment	—		—	
- Profit on Sale of Fixed Assets	-70,521		-1,76,872	
- Investment Income	-11,83,124		-6,35,456	
- Dividend Received	-18,08,602		-12,92,623	
- Interest Received	-23,05,537		-43,94,194	
- Interest Charged	6,57,434		20,33,376	
		<u>-31,77,482</u>		<u>-26,07,047</u>
Operating profit before working capital changes		39,82,198		41,68,677
Adjusted for				
- Trade and other receivable	-3,86,767		1,52,25,024	
- Inventories	26,942		2,60,043	
- Trade Payable	-15,66,291		-7,59,617	
- Other Current Assets	-3,31,999		9,39,234	
		<u>-22,58,115</u>		<u>1,56,64,684</u>
Cash generated from operation		17,24,083		1,98,33,361
Interest paid		-6,57,434		-20,33,376
Direct taxes paid		3,08,515		26,32,843
Cash flow before extra-ordinary items		13,75,164		2,04,32,828
Extra-ordinary items		—		—
Net Cash From Operating Activities Total (A)		<u>13,75,164</u>		<u>2,04,32,828</u>
B. Cash flow from Investing activities				
Purchase of fixed assets		—		-81,155
Sale of fixed assets		75,000		6,05,556
Subsidy Received		—		—
Purchase of Investments		-1,75,54,493		-3,01,71,821
Sale of Investments		2,62,86,509		1,58,00,081
Interest received		23,05,537		43,94,194
Dividend received		18,08,602		12,92,623
Net Cash Used in Investing Activities Total (B)		<u>1,29,21,155</u>		<u>-81,60,522</u>
C. Cash flow from financing activities				
Proceeds from issue of share capital		—		—
Right issue expenses		—		—
Proceeds from borrowings		-78,64,860		-1,46,31,515
Dividend paid		—		—
Net Cash Used in Financing Activities Total (C)		<u>-78,64,860</u>		<u>-1,46,31,515</u>
Net Changes in Cash & Cash Equivalentents (A+B+C)		64,31,459		-23,59,209
Cash & Cash Equivalentents - Opening Balance		68,86,901		92,46,110
Cash & Cash Equivalentents - Closing Balance		1,33,18,360		68,86,901

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Ahmedabad

27th May, 2013

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

B. K. Patodia
Company Secretary

Ahmedabad
27th May, 2013

Notes 1 to 35 annexed to and forming part of the Accounts as at 31st March, 2013

		As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
1	Share Capital		
A	Authorised, Issued, Subscribed & Paid up Share Capital		
	Authorised		
	2,60,00,000 (2,60,00,000) Equity Shares of Rs. 5/- each	<u>13,00,00,000</u>	<u>13,00,00,000</u>
	Issued, Subscribed and Paid Up		
	53,75,000 (53,75,000) Equity Shares of Rs. 5/- each fully paid	<u>2,68,75,000</u>	<u>2,68,75,000</u>
	Total	<u>2,68,75,000</u>	<u>2,68,75,000</u>
B	The company has only one class of equity shares having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. 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 of their shareholding.		
C	The company has neither issued any shares nor bought back during the year.		
D	The company has not issued any Bonus shares for the period of five years immediately preceding 31-3-2013.		
E	Details of shares, more than 5% of the aggregate shares held by shareholders in the Company		
	Name of the Shareholder	As at 31st March 2013	As at 31st March 2012
		No. of Shares	% of Holding
		No. of Shares	% of Holding
1	Vikram Investment Company Limited	9,36,640	17.43
2	Madhusudan Holdings Ltd.	4,40,600	8.20
3	Shri Vidush Somany	-	-
4	Smt Smiti Somany	6,13,120	11.41
5	Shri Vikram Somany	4,58,264	8.53
		As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
2	Reserves and Surplus		
a.	Capital Reserve		
	As per last Balance Sheet	14,63,400	14,63,400
	Less : Transfer to General Reserve	<u>14,63,400</u>	<u>-</u>
		-	14,63,400
b.	General Reserve		
	As per last Balance Sheet	17,70,94,811	17,70,94,811
	Add: Transfer from Capital Reserve	<u>14,63,400</u>	<u>-</u>
		<u>17,85,58,211</u>	<u>17,70,94,811</u>
c.	Profit and Loss Account		
	As per last Balance Sheet	-8,21,67,184	-8,89,42,908
	Add: Profit for the Year	<u>71,59,680</u>	<u>67,75,724</u>
		<u>-7,50,07,504</u>	<u>-8,21,67,184</u>
	Total	<u>10,35,50,707</u>	<u>9,63,91,027</u>
3	Long Term Borrowings		
	Secured		
	Term Loan from Bank	-	12,50,588
	(Net of state Subsidy deposited and earmarked to Bank) (Ref. Note No. 2)	-	-
	Total	<u>-</u>	<u>12,50,588</u>
	Nature of Security and terms of repayment for Long Term Secured borrowings.		
	Nature of Security	Terms of Repayment	
	Term Loan amounting to Rs. 27,50,588 was secured by mortgage of fixed assets of the company situated at Village Rakhial, Tal. Dehgam, Dist. Gandhinagar, Gujarat and guarantee of two directors	Repayable in 60 monthly installments commencing from March, 2009 to February, 2013.	
4	Other Long Term Liabilities		
	Deposits from Dealers, Agents, Tenants etc	17,04,000	17,04,000
	Total	<u>17,04,000</u>	<u>17,04,000</u>

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	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
5 Long Term Provisions		
Provision for Taxation	53,02,982	53,50,125
Total	<u>53,02,982</u>	<u>53,50,125</u>
6 Short Term Borrowings		
Secured		
Working Capital Loans from Bank		
Cash Credit / WC DL	6,26,010	16,67,848
Unsecured		
Fixed Deposits	-	39,76,000
Interest Accrued and Due	-	96,434
	-	40,72,434
Inter Corporate Loan from Subsidiary Company	45,00,037	45,00,037
Total	<u>51,26,047</u>	<u>1,02,40,319</u>
<p>Working Capital loans are secured by hypothecation of Stocks, Book Debts, all movable assets and by mortgage of fixed assets of the company situated at Village Rakhial, Dehgam, Gujarat and guarantee of two directors.</p>		
7 Other Current Liabilities		
Current maturities of Long Term Debt (Refer Note No. 6)	-	15,00,000
Interest accrued but not due on Borrowings	1,31,776	4,88,884
Unclaimed Dividends	-	-
Matured Unclaimed Fixed Deposits	1,80,000	9,58,000
Unpaid Preference Shares	29,000	29,000
Deposits from Dealers, Agents etc	1,00,500	1,06,000
Statutory Dues	16,674	55,143
Advance against Sales	2,99,332	3,28,501
Other Payables	39,26,863	35,48,139
Total	<u>46,84,145</u>	<u>70,13,667</u>
8 Short Term Provisions		
Provision for Employees' benefits	1,95,279	9,32,048
Other Provisions	2,13,967	2,13,967
Total	<u>4,09,246</u>	<u>11,46,015</u>



9. Fixed Assets

Particulars	Gross Block				Depreciation				Net Block	
	As at 1/4/2012 (Rs.)	Additions (Rs.)	Deductions/ Adjustments (Rs.)	As at 31/3/2013 (Rs.)	As at 1/4/2012 (Rs.)	Additions (Rs.)	Deductions/ Adjustments (Rs.)	Upto 31/3/2013 (Rs.)	As at 31/3/2013 (Rs.)	As at 31/3/2012 (Rs.)
TANGIBLE ASSETS										
Freehold Land	8,44,888	-	-	8,44,888	-	-	-	-	8,44,888	8,44,888
Buildings	2,27,62,507	-	-	2,27,62,507	1,12,06,688	4,84,081	-	1,16,90,769	1,10,71,738	1,15,55,819
Plant & Machinery	44,49,170	6,604	-	44,55,774	10,77,504	8,65,698	-	19,43,202	25,12,572	33,71,666
Electric Installation	1,13,188	-	-	1,13,188	1,08,141	-	-	1,08,141	5,047	5,047
Laboratory Equipments	5,38,827	-	-	5,38,827	5,22,716	4,482	-	5,27,198	11,629	16,111
Weighing Machinery	3,87,654	-	-	3,87,654	2,80,734	14,873	-	2,95,607	92,047	1,06,920
Furniture, Fixtures & Equipments	44,54,073	-	-	44,54,073	39,54,839	90,717	-	40,45,556	4,08,517	4,99,234
Vehicles	12,00,065	-	4,06,904	7,93,161	9,34,445	73,017	4,02,425	6,05,037	1,88,124	2,65,620
Total	3,47,50,372	6,604	4,06,904	3,43,50,072	1,80,85,067	15,32,868	4,02,425	1,92,15,510	1,51,34,562	1,66,65,305
Previous Year	3,63,00,397	75,403	16,25,428	3,47,50,372	1,74,23,089	18,58,722	11,96,744	1,80,85,067	1,66,65,305	

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		As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
10	Non Current Investments (Long Term Investments)		
	Investment in Subsidiary Company		
	12,90,000 (12,90,000) Fully paid Equity shares of Madhusudan Fiscal Ltd of Rs. 10/- each (Unquoted)	1,29,00,000	1,29,00,000
	Investments in Government Securities - Unquoted (Deposited with Government Departments)		
	National Savings Certificates	37,000	37,000
	Non-Trade Other Investments (Quoted)		
	In fully paid Equity Shares of Rs. 10/- each		
	37 (37) Aditya Birla Nuvo Ltd	3,172	3,172
	1,000 (1,000) Clutch Auto Ltd	69,013	69,013
	300 (300) Dynamatic Forgings India Ltd	5,736	5,736
	100 (100) Eicher Motors Ltd	4,465	4,465
	322 (322) Essar Steels Ltd	28,207	28,207
	69 (69) Eurotex Ltd	4,140	4,140
	10 (10) Euro Ceramics Ltd	639	639
	200 (200) Gujarat Refractories Ltd	3,370	3,370
	50 (50) Hanuman Tea Co Ltd	2,224	2,224
	1,300 (1,300) I G Petro Ltd	1,13,874	1,13,874
	200 (200) Lan Esseda Software Systems Ltd	27,104	27,104
	10 (10) Nitco Ltd	953	953
	300 (300) Orkey Silk Mills Ltd	11,841	11,841
	100 (100) Orient Bell Ltd	5,210	5,210
	670 (670) Premier Ind. (India) Ltd	29,762	29,762
	1,072 (1,072) Reliance Industries Ltd	5,98,979	5,98,979
	1,700 (1,700) SREI Infrastructure Finance Ltd	1,01,213	1,01,213
	36 (36) Ultra Tech Cement Ltd	11,365	11,365
	1,000 (1,000) Unicorn Organics Ltd	35,509	35,509
	200 (200) Western India Sugar & Chem Ltd	8,000	8,000
	200 (200) XLO Machine Ltd	4,180	4,180
	- (500) Rama News Print Ltd	-	30,000
		10,68,956	10,98,956
	In fully paid Equity Shares of Rs. 2/- each		
	180 (180) Larsen & Toubro Ltd	2,273	2,273
	415 (415) HSIL Ltd.	13,315	13,315
	10 (10) Kajaria Ceramics Ltd	339	339
	500 (500) Somani Ceramics Ltd	2,624	2,624
	1,000 (1,000) West Coast Paper Mills Ltd	1,03,949	1,03,949
		1,22,500	1,22,500
	In fully paid Equity Shares of Re. 1/- each		
	2,000 (2,000) Electro Steel & Casting Ltd	1,25,902	1,25,902
	- (200) Colgate Ltd	-	1,69,167
	- (1,500) ITC Ltd	-	2,42,841
		1,25,902	5,37,910
	Indian Depository Receipt		
	2,500 (2,500) Standard Chartered PLC	3,02,564	3,02,564
	In Units of Mutual Funds of Rs. 10/- each		
	700 (700) UTI Equity Fund	8,826	8,826
	1,200 (1,200) UTI Master Plus Fund	23,353	23,353
	1,427 (1,427) UTI Master Share Fund	30,233	30,233
		62,412	62,412
	In Fully paid Non - Convertible Debentures		
	40 (40) Western India Sugar & Chem Ltd of Rs. 50/- each	2,000	2,000
	70491(96,000) Milestone Bullion Scheme	7,04,910	9,60,000
		7,06,910	9,62,000
	In Bonds		
	2 (2) 10.90% Tata Motors Finance - 2020	20,70,096	20,80,396
	4 (4) 11.69% Tata Teleservices - 2025	20,86,297	20,93,271
		41,56,393	41,73,667
		1,94,82,637	2,01,97,009
	Less: Provision in Diminution in value of Investments	1,68,508	1,68,508
	Total	1,93,14,129	2,00,28,501
	Aggregate amount of quoted investments	15,13,826	19,55,834
	Market Value of quoted investments	21,93,961	25,59,608
	Aggregate amount of unquoted investments	1,78,00,303	1,80,72,667



	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
11 Long Term Loans and Advances		
(Unsecured and Considered Good)		
Capital Advances	1,68,79,024	1,63,62,135
Security Deposits	5,36,234	4,79,534
Loans and Advances	31,92,647	31,92,647
Advance Income Tax (including for earlier years)	1,28,31,953	1,31,87,611
Total	<u>3,34,39,858</u>	<u>3,32,21,927</u>
12 Current Investments		
Mutual Funds (Units of Rs. 10/- each, unless otherwise specified)		
85,665.334 (1,78,630.937) DSP Black Rock Mutual Fund - Equity Fund - Reg - G	15,00,000	30,00,000
- (43,392.733) Fidelity Equity Fund - Growth	-	15,00,000
2,39,499.543 - Kotak Bond (Deposit) Quarterly Dividend	30,00,000	-
1,49,564.767 - BNP Paribas Income Gold Fund	15,00,000	-
4,944.107 (4,944.107) HDFC Top 200 Fund - Growth	10,00,000	10,00,000
1.594 (1.516) LIC Mutual Fund Floater MIP Fund - Quarterly Plan	16	16
1,43,341.775 - Birla Sun Life Gold Fund Growth-Regular Plan	15,00,000	-
- (3,23,677.671) IDFC - Moderate Assets Allocation - Fund of Funds - Dividend	-	35,00,000
- (36,511.941) UTI Bond Fund - Growth	-	10,00,000
17,354.146 (16,775.440) HDFC Equity Fund - Dividend	9,09,367	8,87,731
9,312.553 (8,360.057) HDFC Growth Fund - Dividend	3,18,166	2,93,085
- (79,603.469) DSP Black Rock Mutual Fund - World Gold Fund-Reg-G	-	15,00,000
80,032.440 - IDFC - SSIF - Medium Term - Plan A - Growth	15,00,000	-
6,11,381.809 (3,31,007.104) HDFC Cash Management Fund - TAP - Retail - Daily Dividend	61,33,077	33,20,498
- (95,642.530) Canara Robeco Indigo Quarterly Dividend Fund	-	10,00,000
- (68,761.696) DSP Blackrock Liquid Fund-Regular Plan-Growth	-	16,64,232
3,12,431.226 (2,95,388.978) Axis Triple Advantage Fund-Dividend Reinvestment	31,78,422	30,00,000
2,85,952.455 (2,66,947.342) Canara Robeco Mutual Fund Collection	32,76,445	30,59,670
- (9,17,354.286) HDFC High Interest Fund - STP-Dividend	-	97,36,856
- (1,518.275) UTI Treasury Advantage Fund - Daily Dividend	-	15,87,925
- (1,32,075.470) Kotak Multi Assets Allocated Fund	-	14,00,000
3,66,064.000 (3,66,064.000) LIC Nomura MF FMP Series 52-377 days - Growth Plan	36,60,640	36,60,640
1,183.339 (1,183.339) SBI SHF Ultra Short Term Fund-Retail Plan-Growth (Units of Rs. 1000/- each)	15,99,708	15,99,708
83,346.530 - UTI Bond Fund - Growth	10,00,000	-
1,28,416.804 - DSP BR Short Term Fund-Regular Plan-Monthly Dividend	14,00,000	-
1,21,249.913 - Birla Sun Life Dynamic Bond Fund-Quarterly Dividend	14,00,000	-
3,00,000.000 - HDFC FMP 400D March 2013(1) series 23-Regular-G	30,00,000	-
Total	<u>3,58,75,841</u>	<u>4,27,10,361</u>
Aggregate amount of quoted investments	3,58,75,841	4,27,10,361
Market Value of quoted investments	3,61,31,677	4,32,62,267
Aggregate amount of unquoted investments	-	-

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	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
13 Inventories		
Stores, Chemicals and Packing Materials	45,075	64,422
Stock-in-Trade	-	7,595
Total	<u>45,075</u>	<u>72,017</u>
14 Trade Receivables (Unsecured and Considered Good)		
Over Six months	1,69,34,805	1,69,24,292
Others	81,106	1,98,571
Total	<u>1,70,15,911</u>	<u>1,71,22,863</u>
15 Cash and Cash Equivalents		
Cash on Hand	74,165	55,318
Balance with Banks in Current Accounts	46,39,973	16,21,583
Unclaimed Dividend Bank Accounts	-	-
Fixed Deposits with Banks	86,04,222	52,10,000
Total	<u>1,33,18,360</u>	<u>68,86,901</u>
Fixed Deposit maturing within - 3 months	57,00,000	30,00,000
Fixed Deposit maturing within - 12 months	29,04,222	22,10,000
16 Short Term Loans and Advances (Unsecured and Considered Good)		
Balances with Excise Authorities	1,62,210	1,62,210
Inter Corporate Deposits	1,00,00,000	1,02,00,000
Others	22,36,099	21,15,969
Total	<u>1,23,98,309</u>	<u>1,24,78,179</u>
17 Other Current Assets		
Interest Accrued on Fixed Deposits & Advances	11,10,082	7,78,083
Total	<u>11,10,082</u>	<u>7,78,083</u>
	2012-13	2011-12
	Rs.	Rs.
18 Revenue From Operations		
Sale of Products	6,89,296	19,07,712
Other Operating Revenues		
Rent	77,34,051	79,77,253
Total	<u>84,23,347</u>	<u>98,84,965</u>
Particulars of Sale of Products		
Horticulture	6,89,296	19,07,712
19 Other Income		
Interest Income	23,05,537	43,94,194
Dividend Income :		
Current Investment (Mutual Fund)	17,58,014	12,38,785
Long Term Investment	50,588	53,838
	<u>18,08,602</u>	<u>12,92,623</u>
Net Gain on :		
Sale of Investments	11,83,124	6,35,456
Sale of Fixed Assets	70,521	1,76,872
	<u>12,53,645</u>	<u>8,12,328</u>
Other Incomes	11,44,159	9,53,661
Total	<u>65,11,943</u>	<u>74,52,806</u>

	2012-13 Rs.	2011-12 Rs.
20 Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade		
Opening Stock		
Work In Progress	-	-
Stock In Trade	7,595	2,23,281
	<u>7,595</u>	<u>2,23,281</u>
Closing Stock		
Work In Progress	-	-
Stock In Trade	-	7,595
	<u>-</u>	<u>7,595</u>
Total	<u>7,595</u>	<u>2,15,686</u>
21 Employees Benefit Expenses		
Salaries, Wages and Bonus	22,82,781	28,58,934
Contribution to Provident and Other funds	5,19,388	3,12,873
Staff and Labour Welfare Expenses	4,80,442	5,20,237
Total	<u>32,82,611</u>	<u>36,92,044</u>
22 Finance Costs		
Interest Expenses	6,57,434	20,33,376
Other borrowing costs	-	-
Total	<u>6,57,434</u>	<u>20,33,376</u>
23 Other Expenses		
Stores, Spare Parts and Packing Materials	3,37,104	3,79,432
Power, Fuel and Electricity Expenses	3,18,551	2,86,057
Repairs - Building	915	8,560
Repairs - Plant & Machinery	14,060	25,575
Repairs - Others	10,941	18,324
Rent	41,097	36,808
Insurance	41,344	47,428
Rates and Taxes	1,57,256	1,49,258
Legal & professional Expenses	3,47,132	7,67,808
Telephone Expenses	1,05,735	1,54,227
Vehicle Expenses	96,899	98,967
Miscellaneous Expenses	8,00,068	7,73,775
Directors Sitting Fees	24,000	16,000
Horticulture Impairment Loss	-	-
Total	<u>22,95,102</u>	<u>27,62,219</u>

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

25 Import of Chemicals
The Company had sold Chemicals on highsea sale arrangement. This material purchased from M/s. Tianjin Kaiyong Chemicals Co. Ltd. Jin Nam, China, did not meet the specification of the order given hence are rejected. The recovery of purchase amount Rs. 1676549/- is initiated which is included in "Loans and Advances".

26 Value of Stores, Chemicals and Packing Material Consumed

Particulars	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
	Amount Rs.	%	Amount Rs.	%
Imported	-	-	-	-
Indegenous	3,37,104	100	3,79,432	100
	<u>3,37,104</u>	<u>100</u>	<u>3,79,432</u>	<u>100</u>

27 There is no expenditure in foreign currency for import of Raw Materials, Components and Spare Parts, Capital Goods, Royalty, Know-how, Professional and consultation fees, interest during the year.

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	2012-13 Rs.	2011-12 Rs.
28 Payment to the Auditors		
a. Audit Fees	33,708	33,708
b. Certification and Consultation Fees	5,618	5,515
c. Other Services	39,326	72,419
Total	78,652	1,11,642

29 There are no earnings in foreign exchange in respect of Export of Goods, Royalty, Kno-how, Professional and Consultation Fees, Interest, Dividend or and other income during the year.

30 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below.

1 Relationships :

(a) Subsidiary Company	Madhusudan Fiscal Ltd.
(b) Associates	Cera Sanitaryware Ltd. Gujarat Soaps Pvt. Ltd.
(c) Key Management Personnel	-
(d) Relatives of Key Management Personnel	-

Note : Related party relationship is as identified by the Company and relied upon by the Auditors

2 Transactions during the year with related parties

Nature of Transactions (Excluding Reimbursement)	Subsidiary Company	Associates	Key Management Personnel	Total
	Rs.	Rs.	Rs.	Rs.
Sales - Flowers	-	-	-	-
	(-)	(1,80,655)	(-)	(1,80,655)
Purchase - Material	-	-	-	-
	(-)	(-)	(-)	(-)
Income				
Interest	-	-	-	-
	(-)	(-)	(-)	(-)
Rent	-	76,55,796	-	76,55,796
	(-)	(74,64,375)	(-)	(74,64,375)
Service Charges	-	5,88,258	-	5,88,258
	(-)	(5,60,250)	(-)	(5,60,250)
Other Services	-	5,88,267	-	5,88,267
	(-)	(5,60,250)	(-)	(5,60,250)
Expenses				
Interest Paid	-	-	-	-
	(-)	(5,366)	(-)	(5,366)
Director Sitting Fees	-	-	24,000	24,000
	(-)	(-)	(16,000)	(16,000)
Finance				
Loans / Advance Given	-	33,984	-	33,984
	(-)	(33,508)	(-)	(33,508)
Fixed Deposit/ Loan Received	-	-	-	-
	(-)	(-)	(-)	(-)
Rent Deposit Received	-	-	-	-
	(-)	(-)	(-)	(-)
Balance at the end of the year				
Receivables	-	3,40,344	-	3,40,344
	(-)	(3,06,360)	(-)	(3,06,360)
Payables	45,00,037	-	-	45,00,037
	(45,00,037)	(-)	(-)	(45,00,037)

3 Disclosure in Respect of Material Related Party Transactions during the year

Particulars	2012-13 Rs.	2011-12 Rs.
Sales :		
Cera Sanitaryware Limited	—	1,80,655
Purchase :		
Cera Sanitaryware Limited	—	—
Income :		
Interest :		
Rent :		
Cera Sanitaryware Limited	76,55,796	74,64,375
Service Charges :		
Cera Sanitaryware Limited	5,88,258	5,60,250
Other Services :		
Cera Sanitaryware Limited	5,88,267	5,60,250
Expenses :		
Interest Paid :		
Cera Sanitaryware Limited	—	5,366
Finance :		
Loans / Advance Given :		
Gujarat Soaps Pvt. Ltd.	33,984	33,508
Cera Sanitaryware Limited	—	5,50,000
Fixed Deposit / Loan Received :		
Cera Sanitaryware Limited	—	5,50,000
Rent Deposit Received :		
Cera Sanitaryware Limited	—	—

31 Employee Benefits

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

a Brief description of the plans :

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

The company defined contribution plans are Provident Fund (exempted employees) recognised by the Income Tax Authorities and administered through trustees. Since the company has no further obligation beyond making contributions and interest shortfall.

Further the pattern of investment for investible funds is as prescribed by the Government. Accordingly other related disclosures in respect of provident fund have not been made.

The company's other defined contribution plans are Provident Fund (non exempted employees), Employees' Pension Scheme (under the Provisions of the employees' Provident Funds and Miscellaneous Provisions Act, 1952), state plans namely Employees' State Insurance Fund, Since company has no further obligation beyond making contributions.

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

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

b Charge to the Profit and Loss Account based on contributions

	2012-13 Rs.	2011-12 Rs.
Provident Fund	1,04,333	1,74,692
Employees Pension Scheme	88,040	98,770
ESIC	-	-
	1,92,373	2,73,462

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c Disclosures for defined benefit plans based on actuarial reports as on 31st March 2013.

Particulars	2012-13		2011-12	
	Gratuity Funded Plan Rs.	Leave Encashment Non-funded Plan Rs.	Gratuity Funded Plan Rs.	Leave Encashment Non-funded Plan Rs.
Change in Defined Benefits Obligation				
Opening defined benefits obligation	16,77,848	9,32,048	13,55,811	9,43,029
Current service cost	80,827	22,139	1,27,952	4,20,897
Interest cost	1,38,043	76,683	1,15,244	80,157
Actuarial losses / (gain)	91,154	1,04,559	1,63,246	-5,06,662
benefits paid	-6,59,156	-9,40,150	-84,405	-5,373
Closing defined benefits obligation	13,28,716	1,95,279	16,77,848	9,32,048
Change in Fair Value of Assets				
Opening fair value of Plan Assets	16,77,848	-	13,55,811	-
Expected return on plan assets	1,35,191	-	1,40,307	-
Actuarial gain / (losses)	-58,034	-	1,81,730	-
Contributions by employer	2,30,538	-	84,405	-
Benefits paid	-6,59,156	-	-84,405	-
Closing fair value of plan assets	13,26,387	-	16,77,848	-
Movement in net liability recognised in Balance Sheet				
Net opening liability	-	9,32,048	-	9,43,029
P & L Charge	2,32,866	2,03,381	84,405	-5,608
Contribution / Benefit Paid	-6,59,156	-9,40,150	-84,405	-5,373
Closing Net (asset) / liability	-	1,95,279	-	9,32,048
Expenses recognised in the Profit and Loss Account				
Current Service Cost	80,827	22,139	1,27,952	4,20,897
Interest on defined benefit obligation	1,38,043	76,683	1,15,244	80,157
Expended return on plan assets	-1,35,191	-	-1,40,307	-
Net actuarial loss / (gain) recognised in the current year	1,49,187	1,04,559	-18,484	-5,06,662
Total Expenses	2,32,866	2,03,381	84,405	-5,608
Assets Information				
Government of India Securities	-	-	-	-
High Quality Corporate Bonds	-	-	-	-
Equity Shares of listed Companies	-	-	-	-
Property	-	-	-	-
Insurance Company	100%	-	100%	-
Principal actuarial assumption				
Discount Rate (p.a.)	8.25%	8.25%	8.50%	8.50%
Expected rate of return on plan assets (p.a)	9%	-	9.25%	-
Proportion of employees opting for early retirement				
Annual Increase in Salary Cost & interest cost	6%	6%	6%	6%
Effect on the aggregate Service Cost & interest cost	-	-	-	-
Effect on defined benefit obligation	-	-	-	-

d The Company has provided upto 31-03-2013 Rs. 1.95 Lacs (Rs. 9.32 Lacs) being incremental discounted value of liability for unavailed leave of the employees determined as per Actuarial Valuation.

32 Contingent Liabilities and Commitments

	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
Contingent Liabilities		
A Claims against the company / disputed liabilities not acknowledged as debts	2,42,57,476	2,43,02,279
Commitments		
A Estimated amount of contracts remaining to be executed on capital account and not provided for	67,01,094	67,01,094

33 Segment Information

The company is organised into following reportable segments referred to in Statement of Accounting Standard AS - 17 for segmental reporting :

Particulars	Trading/Outsourcing Rs.	Horticulture Rs.	Total Rs.
Revenue			
External	-	6,89,296	6,89,296
	(-)	(19,07,712)	(19,07,712)
Inter-Segment	-	-	-
	(-)	(-)	(-)
Total	-	6,89,296	6,89,296
Result			
Segment Result	1,07,33,970	-13,83,988	93,49,982
	(1,07,96,123)	(-1,28,301)	(1,06,67,822)
Less : Depreciation	3,29,237	12,03,631	15,32,868
	(4,07,490)	(14,51,232)	(18,58,722)
Less : Interest	3,73,843	2,83,591	6,57,434
	(15,13,651)	(5,19,725)	(20,33,376)
Profit before Tax	1,00,30,890	-28,71,210	71,59,680
	(88,74,982)	(-20,99,258)	(67,75,724)
Less : Provision for Tax	-	-	-
	(-)	(-)	(-)
Net Profit for the year	1,00,30,890	-28,71,210	71,59,680
	(88,74,982)	(-20,99,258)	(67,75,724)
Other Information			
Segment Assets	13,71,22,020	1,05,30,107	14,76,52,127
	(13,82,09,791)	(1,17,60,950)	(14,99,70,741)
Segment Liabilities	1,70,95,465	1,30,955	1,72,26,420
	(2,38,96,589)	(28,08,125)	(2,67,04,714)
Capital Expenditure	-	6,604	6,604
	(28,900)	(46,503)	(75,403)
Depreciation	3,29,237	12,03,631	15,32,868
	(4,07,490)	(14,51,232)	(18,58,722)
Non-cash expenses other than depreciation	-	-	-
	(-)	(-)	(-)

34 The Company has reclassified previous year figures to conform to this year's classification.

35 Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statement as Annexure I.

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Ahmedabad

27th May, 2013

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

B. K. Patodia
Company Secretary

Ahmedabad
27th May, 2013

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Annexure - I

Significant accounting policies and practices :

(annexed to and forming part of the financial statement for the year ended 31st March, 2013)

* **Basis of Accounting**

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

* **Sales**

Sales is net of discounts and Value Added Tax

* **Retirement Benefits**

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

* **Fixed Assets & Depreciation**

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

* **Inventories**

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

* **Investments**

Investments are stated at cost.

* **Foreign Currency Transactions**

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction.

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

* **Borrowing Costs**

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

* **Taxation**

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

* **Contingent Liability**

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

Auditors' Report to the Board of Directors of Madhusudan Industries Limited on the Consolidated Financial Statements of Madhusudan Industries Limited and its Subsidiary.

To,
The Board of Directors,
MADHUSUDAN INDUSTRIES LIMITED

Report on the Consolidated financial Statements

1. We have audited the accompanying consolidated financial statements of **MADHUSUDAN INDUSTRIES LIMITED** ("the Company"), and its subsidiary Madhusudan Fiscal Ltd. (the Subsidiary) (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that gives a true and fair view 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 consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditor on the financial statements of the subsidiary as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Companies as at March 31, 2013;
 - b) in the case of the Consolidated Profit and Loss Account, of the profit of the companies for the year ended on that date; and
 - c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the companies for the year ended on that date.

Other Matters

6. We did not audit the financial statements of subsidiary, whose financial statements reflect total assets (net) of Rs. 88.65 Lacs as at March 31, 2013, total revenues (net) of Rs. 1.99 Lacs and net cash flows amounting to Rs. 2.68 lacs for the year ended on that date. These financial statements have been audited by other auditor whose reports have been furnished to us and our opinion, is based solely on the reports of the other auditor.

Our opinion is not qualified in respect of other matters.

Ahmedabad
27th May, 2013

For and on Behalf of
H. V. VASA & CO.
Chartered Accountants
Firm Registration No. 131054W
TUSHAR H. VASA
Proprietor
Membership No. 16831

Consolidated Balance Sheet as at 31st March, 2013

Particulars	Note	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	2,68,75,000	2,68,75,000
(b) Reserves and Surplus	2	9,95,15,484	9,21,56,839
2 Non-current liabilities			
(a) Long-term borrowings	3	-	12,50,588
(b) Other Long Term Liabilities	4	17,04,000	17,04,000
(c) Long Term Provisions	5	53,45,913	53,50,125
3 Current liabilities			
(a) Short-term borrowings	6	6,26,010	57,40,282
(b) Trade Payables		-	-
(c) Other current liabilities	7	47,21,178	70,37,806
(d) Short-term provisions	8	4,27,334	11,64,103
TOTAL		13,92,14,919	14,12,78,743
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	1,52,91,410	1,68,22,153
(ii) Capital work-in-progress		-	6,604
Less : Provisioning on Leased Assets		(1,56,848)	(1,56,848)
(b) Non-current investments	10	64,14,129	71,28,501
(c) Long-term loans and advances	11	3,35,13,682	3,32,91,870
2 Current assets			
(a) Current Investments	12	3,59,36,199	4,27,70,617
(b) Inventories	13	45,075	72,017
(c) Trade receivables	14	1,70,15,911	1,71,22,863
(d) Cash and cash equivalents	15	1,48,87,193	81,87,264
(e) Short-term loans and advances	16	1,51,58,086	1,52,55,619
(f) Other current assets	17	11,10,082	7,78,083
TOTAL		13,92,14,919	14,12,78,743

Significant Accounting Policies 24 to 35

Notes to Accounts on Financial Statements

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

Ahmedabad
27th May, 2013**B. K. Patodia**
Company SecretaryAhmedabad
27th May, 2013

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

Particulars	Note	2012-13 Rs.	2011-12 Rs.
I Revenue from operations	18	84,23,347	98,84,965
II Other income	19	68,95,010	77,25,047
III Total Revenue (I + II)		<u>1,53,18,357</u>	<u>1,76,10,012</u>
IV Expenses :			
Purchases of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	7,595	2,15,686
Employee benefits expense	21	32,82,611	36,92,044
Finance costs	22	6,57,434	20,33,376
Depreciation and amortisation expense		15,32,868	18,58,722
Other expenses	23	23,73,143	30,28,175
Total expenses		<u>78,53,651</u>	<u>1,08,28,003</u>
Extra ordinary Items		-	21,00,000
V Profit / (Loss) before tax		74,64,706	88,82,009
VI Tax expense:			
(a) Current tax expense for current year		88,398	1,95,365
(b) (Less): MAT credit (where applicable)		17,663	(42,440)
(c) Deferred tax		-	-
VII Profit / (Loss) for the year		<u>73,58,645</u>	<u>87,29,084</u>
Earning per Equity Share of Rs. 5/- each			
Basic and Diluted		1.37	1.62
Weighted average number of shares outstanding		53,75,000	53,75,000

Significant Accounting Policies

Notes to Accounts on Financial Statements

24 to 35

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

Ahmedabad
27th May, 2013

B. K. Patodia
Company Secretary

Ahmedabad
27th May, 2013

Annual Report 2012-2013**Consolidated Cashflow Statement for the year ended 31st March, 2013**

	Year ended March 31, 2013		Year ended March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net profit before tax & Extra-ordinary items		74,64,706		88,82,009
Adjusted for				
Extra-ordinary items		-		21,00,000
Adjusted for				
Depreciation	15,32,868		18,58,722	
Contingency Provision against Standard Assets	-		18,088	
Provision of Diminution in Value of Investment	-102		11,825	
Profit on Sale of Fixed Assets	-70,521		-1,76,872	
Investment Income	-11,83,124		-6,35,456	
Dividend Received	-18,23,871		-13,05,684	
Interest Received	-26,63,233		-46,53,372	
Interest Charged	6,57,434		20,33,376	
		-35,50,549		-28,49,373
Operating profit before working capital changes		39,14,157		39,32,636
Adjusted for				
Trade and other receivable	-3,69,104		1,33,90,023	
Inventories	26,942		2,60,043	
Trade Payable	-15,53,397		-7,58,623	
Other Current Assets	-3,31,999		9,39,234	
		-22,27,558		1,38,30,677
Cash generated from operation		16,86,599		1,77,63,313
Interest paid		-6,57,434		-20,33,376
Direct taxes paid		2,41,504		24,51,248
Cash flow before extra-ordinary items		12,70,669		1,81,81,185
Extra-ordinary items		-		21,00,000
Net Cash from Operating Activities Total (A)		12,70,669		2,02,81,185
B. Cash flow from investing activities				
Purchase of fixed assets		-		-81,155
Sale of fixed assets		75,000		6,05,556
Purchase of Investments		-1,75,54,493		-3,01,71,821
Sale of investments		2,62,86,509		1,58,00,081
Interest received		26,63,233		46,53,372
Dividend received		18,23,871		13,05,684
Net Cash used in Investing Activities Total (B)		1,32,94,120		-78,88,283
C. Cash flow from financing activities				
proceeds from issue of share capital		—		—
Right issue expenses		—		—
proceeds from borrowings		-78,64,860		-1,46,31,515
Dividend Paid		—		—
Net Cash used in Financing Activities Total (C)		-78,64,860		-1,46,31,515
Net changes in Cash & Cash Equivalents (A+B+C)		66,99,929		-22,38,613
Cash & Cash Equivalent-Opening Balance		81,87,264		1,04,25,877
Cash & Cash Equivalent-Closing Balance		1,48,87,193		81,87,264

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

Ahmedabad

27th May, 2013

B. K. Patodia
Company Secretary

Ahmedabad

27th May, 2013

Notes 1 to 35 annexed to and forming part of the Accounts as at 31st March, 2013

		As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
1	Share Capital		
	A Authorised, Issued, Subscribed & Paid up Share Capital		
	Authorised		
	2,60,00,000 (2,60,00,000) Equity Shares of Rs. 5/- each	<u>13,00,00,000</u>	<u>13,00,00,000</u>
	Issued, Subscribed and Paid Up		
	53,75,000 (53,75,000) Equity Shares of Rs. 5/- each fully paid	<u>2,68,75,000</u>	<u>2,68,75,000</u>
	Total	<u>2,68,75,000</u>	<u>2,68,75,000</u>
	B The company has only one class of equity shares, having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. 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 of their shareholding.		
	C The company has neither issued any shares nor bought back during the year.		
	D The company has not issued any Bonus shares for the period of five years immediately preceeding 31.03.2013.		
	E Details of shares, more than 5% of the aggregate shares held by shareholders in the Company		
	Name of the Shareholder	As at 31st March, 2013	As at 31st March, 2012
		No. of Shares	No. of Shares
		% of Holding	% of Holding
1	Vikram Investment Company Limited	9,36,640	9,36,640
2	Madhusudan Holdings Ltd.	4,40,600	4,40,600
3	Shri Vidush Somany	-	4,37,260
4	Smt. Smiti Somany	6,13,120	1,75,860
5	Shri Vikram Somany	4,58,264	4,58,264
			17.43
			8.20
			8.14
			3.27
			8.53
			As at 31st March, 2013 Rs.
			As at 31st March, 2012 Rs.
2	Reserves and Surplus		
	Capital Reserve		
	As per last Balance Sheet	14,63,400	14,63,400
	Less : Transfer to General Reserve	14,63,400	-
	Capital Redemption Reserve	600	600
		600	14,64,000
	General Reserve		
	As per last Balance Sheet	17,70,94,811	17,70,94,811
	Add : Subsidy from State Government	14,63,400	-
		17,85,58,211	17,70,94,811
	Statutory Reserve (U/s 451c of the RBI Act, 1934)	7,26,837	3,36,165
	Add : Transfer from P & L A/c.	39,793	3,90,672
		7,66,630	7,26,837
	Profit and Loss Account		
	As per last Balance Sheet	-8,71,28,809	-9,54,67,221
	Add: Net Profit for the Year	73,58,645	87,29,084
	Less: Transfer to Statutory Reserves (U/S 451c of the RBI Act, 1934)	39,793	3,90,672
		-7,98,09,957	-8,71,28,809
	Total	<u>9,95,15,484</u>	<u>9,21,56,839</u>
3	Long Term Borrowings		
	Secured		
	Term Loan from Bank (Net of state Subsidy deposited and earmarked to Bank) (Ref. Note No. 2)	-	12,50,588
	Total	-	<u>12,50,588</u>
	Nature of Security and terms of repayment for Long Term Secured borrowings.		
	Nature of Security	Terms of Repayment	
	Term Loan amounting to Rs. 27,50,588 is secured by mortgage of fixed assets of the company situated at Village Rakhial, Tal. Dehgam, Dist. Gandhinagar, Gujarat and guarantee of two directors	Repayable in 60 monthly installments commencing from March, 2009 to February, 2013.	

Annual Report 2012-2013

	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
4 Other Long Term Liabilities		
Deposits from Dealers, Agents, Tenants etc	17,04,000	17,04,000
Total	17,04,000	17,04,000
5 Long Term Provisions		
Provision for Taxation	53,45,913	53,50,125
Total	53,45,913	53,50,125
6 Short Term Borrowings		
Secured		
Working Capital Loans from Bank		
Cash Credit / WCDL	6,26,010	16,67,848
Unsecured		
Fixed Deposits	-	39,76,000
Interest Accrued and Due	-	96,434
Total	-	40,72,434
Total	6,26,010	57,40,282
<p>Working Capital loans are secured by hypothecation of Stocks, Book Debts, all movable assets and by mortgage of fixed assets of the company situated at Village Rakhial, Tal. Dehgam, Dist. Gandhinagar, Gujarat and guarantee of two directors.</p>		
7 Other Current Liabilities		
Current maturities of Long Term Debt (Refer Note No. 3)	-	15,00,000
Interest accrued but not due on Borrowings	1,31,776	4,88,884
Unclaimed Dividends	-	-
Matured Unclaimed Fixed Deposits	1,80,000	9,58,000
Unpaid Preference Shares	29,000	29,000
Deposits from Dealers, Agents etc	1,00,500	1,06,000
Statutory Dues	16,674	55,143
Advance against Sales	2,99,332	3,28,501
Other Payables	39,63,896	35,72,278
Total	47,21,178	70,37,806
8 Short Term Provisions		
Provision for Employees' benefits	1,95,279	9,32,048
Contingent Provisions Against Standard Assets	18,088	18,088
Other Provisions	2,13,967	2,13,967
Total	4,27,334	11,64,103



9. Fixed Assets

Particulars	Gross Block			Depreciation			Net Block		
	As at 1/4/2012 (Rs.)	Additions (Rs.)	Deductions/ Adjustments (Rs.)	As at 31/3/2013 (Rs.)	As at 1/4/2012 (Rs.)	Additions (Rs.)	Deductions/ Adjustments (Rs.)	As at 31/3/2013 (Rs.)	As at 31/3/2012 (Rs.)
Tangible Assets									
Freehold Land	8,44,888	-	-	8,44,888	-	-	-	8,44,888	8,44,888
Buildings	2,27,62,507	-	-	2,27,62,507	1,12,06,688	4,84,081	-	1,16,90,769	1,15,55,819
Plant & Machinery	44,49,170	6,604	-	44,55,774	10,77,504	8,65,698	-	19,43,202	33,71,666
Leased Plant & Machinery	32,65,000	-	-	32,65,000	31,08,152	-	-	31,08,152	1,56,848
Electric Installation	1,13,188	-	-	1,13,188	1,08,141	-	-	1,08,141	5,047
Laboratory Equipments	5,38,827	-	-	5,38,827	5,22,716	4,482	-	5,27,198	16,111
Weighting Machinery	3,87,654	-	-	3,87,654	2,80,734	14,873	-	2,95,607	1,06,920
Furniture, Fixtures & Equipments	44,54,073	-	-	44,54,073	39,54,839	90,717	-	40,45,556	4,99,234
Vehicles	12,00,065	-	4,06,904	7,93,161	9,34,445	73,017	4,02,425	1,88,124	2,65,620
Total	3,80,15,372	6,604	4,06,904	3,76,15,072	2,11,93,219	15,32,868	4,02,425	2,23,23,662	1,68,22,153
Previous Year	3,95,65,397	75,403	16,25,428	3,80,15,372	2,05,31,241	18,58,722	11,96,744	2,11,93,219	1,68,22,153

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		As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
10 Non Current Investments (Long Term Investments)			
Investments in Government Securities - Unquoted			
(Deposited with Government Departments)			
National Savings Certificates		37,000	37,000
Non-Trade Other Investments (Quoted)			
In fully paid Equity Shares of Rs. 10/- each			
37 (37) Aditya Birla Nuvo Ltd		3,172	3,172
1,000 (1,000) Clutch Auto Ltd		69,013	69,013
300 (300) Dynamatic Forgings India Ltd		5,736	5,736
100 (100) Eicher Motors Ltd		4,465	4,465
322 (322) Essar Steels Ltd		28,207	28,207
69 (69) Eurotex Ltd		4,140	4,140
10 (10) Euro Ceramics Ltd		639	639
200 (200) Gujarat Refractories Ltd		3,370	3,370
50 (50) Hanuman Tea Co Ltd		2,224	2,224
1,300 (1,300) I G Petro Ltd		1,13,874	1,13,874
200 (200) Lan Esseda Software Systems Ltd		27,104	27,104
10 (10) Nitco Ltd		953	953
300 (300) Orkey Silk Mills Ltd		11,841	11,841
100 (100) Orient Bell Ltd		5,210	5,210
670 (670) Premier Ind. (India) Ltd		29,762	29,762
1,072 (1,072) Reliance Industries Ltd		5,98,979	5,98,979
1,700 (1,700) SREI Infrastructure Finance Ltd		1,01,213	1,01,213
36 (36) Ultra Tech Cement Ltd		11,365	11,365
1,000 (1,000) Unicorn Organics Ltd		35,509	35,509
200 (200) Western India Sugar & Chem Ltd		8,000	8,000
200 (200) XLO Machine Ltd		4,180	4,180
- (500) Rama News Print Ltd		-	30,000
		10,68,956	10,98,956
In fully paid Equity Shares of Rs. 2/- each			
180 (180) Larsen & Toubro Ltd		2,273	2,273
415 (415) Hindustan Sanitaryware Ltd		13,315	13,315
10 (10) Kajaria Ceramics Ltd		339	339
500 (500) Somany Ceramics Ltd		2,624	2,624
1,000 (1,000) West Coast Paper Mills Ltd		1,03,949	1,03,949
		1,22,500	1,22,500
In fully paid Equity Shares of Re. 1/- each			
2,000 (2,000) Electro Steel & Casting Ltd		1,25,902	1,25,902
- (200) Colgate Ltd		-	1,69,167
- (1,500) ITC Ltd		-	2,42,841
		1,25,902	5,37,910
Indian Depository Receipt			
2,500 (2,500) Standard Chartered PLC		3,02,564	3,02,564
In Units of Mutual Funds of Rs. 10/- each			
700 (700) UTI Equity Fund		8,826	8,826
1,200 (1,200) UTI Master Plus Fund		23,353	23,353
1,427 (1,427) UTI Master Share Fund		30,233	30,233
		62,412	62,412
In Fully paid Non - Convertible Debentures			
40 (40) Western India Sugar & Chem Ltd of Rs. 50/- each		2,000	2,000
70,491 (96,000) Milestone Bullion Scheme		7,04,910	9,60,000
		7,06,910	9,62,000
In Bonds			
2 (2) 10.90% Tata Motors Finance - 2020		20,70,096	20,80,396
4 (4) 11.69% Tata Teleservices - 2025		20,86,297	20,93,271
		41,56,393	41,73,667
		65,82,637	72,97,009
Less: Provision in Diminution in value of Investments		1,68,508	1,68,508
Total		64,14,129	71,28,501
Aggregate amount of quoted investments		15,13,826	19,55,834
Market Value of quoted investments		21,93,961	25,59,608
Aggregate amount of unquoted investments		1,78,00,303	1,80,72,667



			As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
11 Long Term Loans and Advances				
(Unsecured and Considered Good)				
Capital Advances			1,68,79,024	1,63,62,135
Security Deposits			5,36,234	4,79,534
Loans and Advances			31,92,647	31,92,647
Advance Income Tax (including for earlier years)			1,29,05,777	1,32,57,554
Total			3,35,13,682	3,32,91,870
12 Current Investments				
Mutual Funds (Units of Rs. 10/- each, unless otherwise specified)				
85,665.334 (1,78,630.937) DSP Black Rock Mutual Fund - Equity Fund - Reg - G			15,00,000	30,00,000
- (43,392.733) Fidelity Equity Fund - Growth			-	15,00,000
2,39,499.543 - Kotak Bond (Deposit) Quarterly Dividend			30,00,000	-
1,49,564.767 - BNP Paribas Income Gold Fund			15,00,000	-
4,944.107 (4,944.107) HDFC Top 200 Fund - Growth			10,00,000	10,00,000
1,560 (1.516) LIC Mutual Fund Floater MIP Fund - Quarterly Plan			16	16
1,43,341.775 - Birla Sun Life Gold Fund Growth-Regular Plan			15,00,000	-
- (3,23,677.671) IDFC - Moderate Assets Allocation - Fund of Funds - Dividend			-	35,00,000
- (36,511.941) UTI Bond Fund - Growth			-	10,00,000
17,354.146 (16,775.440) HDFC Equity Fund - Dividend			9,09,367	8,87,731
9,312.550 (8,360.057) HDFC Growth Fund - Dividend			3,18,166	2,93,085
- (79,603.469) DSP Black Rock Mutual Fund - World Gold Fund-Reg-G			-	15,00,000
80,032.440 - IDFC - SSIF - Medium Term - Plan A - Growth			15,00,000	-
6,11,381.809 (3,31,007.104) HDFC Cash Management Fund - TAP - Retail - Daily Dividend			61,33,077	33,20,498
- (95,642.530) Canara Robeco Indigo Quarterly Dividend Fund			-	10,00,000
- (68,761.696) DSP Blackrock Liquid Fund-Regular Plan-Growth			-	16,64,232
3,12,431.226 (2,95,388.978) Axis Triple Advantage Fund-Dividend Reinvestment			31,78,422	30,00,000
2,85,952.455 (2,66,947.342) Canara Robeco Mutual Fund Collection			32,76,445	30,59,670
- (9,17,354.286) HDFC High Interest Fund - STP-Dividend			-	97,36,856
- (1,518.275) UTI Treasury Advantage Fund - Daily Dividend			-	15,87,925
- (1,32,075.470) Kotak Multi Assets Allocated Fund			-	14,00,000
3,66,064.000 (3,66,064.000) LIC Nomura MF FMP Series 52-377 days - Growth Plan			36,60,640	36,60,640
1,183.339 (1,183.339) SBI SHF Ultra Short Term Fund-Retail Plan-Growth			15,99,708	15,99,708
(Units of Rs. 1000/- each)				
83,346.530 - UTI Bond Fund - Growth			10,00,000	-
1,28,416.804 - DSP BR Short Term Fund-Regular Plan-Monthly Dividend			14,00,000	-
1,21,249.913 - Birla Sun Life Dynamic Bond Fund-Quarterly Dividend			14,00,000	-
3,00,000.000 - HDFC FMP 400D March 2013(1) series 23-Regular-G			30,00,000	-
			3,58,75,841	4,27,10,361
Non - Trade Other Investments (Quoted)				
In fully paid Equity Shares of Rs. 10/- each				
145 (145) Tata Communications Ltd. (Formerly VSNL)			36,250	36,250
400 (400) Melstar Information Tech. Ltd.			28,800	28,800
1,112 (850) Entegra Ltd. (Formerly Induj Enerotech Ltd.)			42,755	42,755
150 (150) MW Unitex Ltd. (Formerly S. Kumars Unitex Ltd.)			7,545	7,545
			1,15,350	1,15,350
In fully paid Equity Shares of Rs. 5/- each				
300 (300) Shree Rama Multi-tech Ltd.			36,000	36,000
In fully paid Equity Shares of Rs. 2/- each				
2,500 (2,500) Dairy Den Ltd.			55,000	55,000
In fully paid Equity Shares of Re. 1/- each				
86 (86) Zee Entertainment enterprises Ltd. (Formerly Zee Telefilms Ltd.)			53,987	53,987
20 (20) Wire & Wirless India Ltd. (Bonus Zee)			-	-
18 (18) Zee News Ltd. (Bonus Zee)			-	-
23 (23) Dish TV India Limited (Bonus Zee)			-	-
11 (11) Zee Learn Ltd. (Bonus Zee)			-	-
			53,987	53,987
Total			3,61,36,178	4,29,70,698
Less : Provision for Diminution in the value of Investments			1,99,979	2,00,081
Total			3,59,36,199	4,27,70,617
Aggregate amount of quoted investments			3,59,36,199	4,27,70,617
Market Value of quoted investments			3,61,94,523	4,33,22,625
Aggregate amount of unquoted investments			-	-

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	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
13 Inventories		
Stores, Chemicals and Packing Materials	45,075	64,422
Stock-in-Trade	-	7,595
Total	<u>45,075</u>	<u>72,017</u>
14 Trade Receivables (Unsecured and Considered Good)		
Over Six months	1,69,34,805	1,69,24,292
Others	81,106	1,98,571
Total	<u>1,70,15,911</u>	<u>1,71,22,863</u>
15 Cash and Cash Equivalents		
Cash on Hand	74,626	56,402
Balance with Banks in Current Accounts	51,08,345	18,20,862
Unclaimed Dividend Bank Accounts	-	-
Fixed Deposits with Banks	97,04,222	63,10,000
Total	<u>1,48,87,193</u>	<u>81,87,264</u>
Fixed Deposit maturing within 3 months	68,00,000	41,00,000
Fixed Deposit maturing within 12 months	29,04,222	22,10,000
16 Short Term Loans and Advances (Unsecured and Considered Good)		
Balances with Excise Authorities	1,62,210	1,62,210
Inter Corporate Deposits	1,27,35,000	1,29,35,000
Others	22,60,876	21,58,409
Total	<u>1,51,58,086</u>	<u>1,52,55,619</u>
17 Other Current Assets		
Interest Accrued on Fixed Deposits & Advances	11,10,082	7,78,083
Total	<u>11,10,082</u>	<u>7,78,083</u>
	2012-13	2011-12
	Rs.	Rs.
18 Revenue From Operations		
Sale of Products	6,89,296	19,07,712
Other Operating Revenues		
Rent	77,34,051	79,77,253
Total	<u>84,23,347</u>	<u>98,84,965</u>
Particulars of Sale of Products		
Horticulture	6,89,296	19,07,712
	<u>6,89,296</u>	<u>19,07,712</u>
19 Other Income		
Interest Income	26,63,233	46,53,373
Dividend Income :		
Current Investment - Mutual Fund	17,73,283	12,51,847
Long Term Investment	50,588	53,838
	<u>18,23,871</u>	<u>13,05,685</u>
Net Gain on :		
Sale of Investments	11,83,124	6,35,456
Sale of Fixed Assets	70,521	1,76,872
	<u>12,53,645</u>	<u>8,12,328</u>
Other Incomes	11,54,261	9,53,661
Total	<u>68,95,010</u>	<u>77,25,047</u>

	2012-13 Rs.	2011-12 Rs.
20 Changes in Inventories of Finished Goods, Work in Progress and Stock In trade		
Opening Stock		
Work In Progress	-	-
Stock In Trade	7,595	2,23,281
	<u>7,595</u>	<u>2,23,281</u>
Closing Stock		
Work In Progress	-	-
Stock In Trade	-	7,595
	<u>-</u>	<u>7,595</u>
Total	<u>7,595</u>	<u>2,15,686</u>
21 Employees Benefit Expenses		
Salaries, Wages and Bonus	22,82,781	28,58,934
Contribution to Provident and Other funds	5,19,388	3,12,873
Staff and Labour Welfare Expenses	4,80,442	5,20,237
Total	<u>32,82,611</u>	<u>36,92,044</u>
22 Finance Costs		
Interest Expenses	6,57,434	20,33,376
Other borrowing costs	-	-
Total	<u>6,57,434</u>	<u>20,33,376</u>
23 Other Expenses		
Stores, Spare Parts and Packing Materials	3,37,104	3,79,432
Power, Fuel and Electricity Expenses	3,18,551	2,86,057
Repairs to		
Repairs - Building	915	8,560
Repairs - Plant & Machinery	14,060	25,575
Repairs - Others	10,941	18,324
Rent	41,097	36,808
Insurance	41,344	47,428
Rates and Taxes	1,63,606	1,55,608
Legal & professional Expenses	3,94,076	9,56,030
Telephone Expenses	1,05,735	1,54,227
Vehicle Expenses	96,899	98,967
Miscellaneous Expenses	8,22,415	8,42,159
Directors Sitting Fees	26,400	19,000
Total	<u>23,73,143</u>	<u>30,28,175</u>

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

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

25 Import of Chemicals

The Company had sold Chemicals on highsea sale arrangement. This material purchased from M/s. Tianjin Kaiyong Chemicals Co. Ltd. Jin Nam, China, did not meet the specification of the order given hence are rejected. The recovery of purchase amount Rs. 1676549/- is initiated which is included in "Loans and Advances".

26 Value of Stores, Chemicals and Packing Material Consumed

Particulars	2012-13		2011-12	
	Amount Rs.	%	Amount Rs.	%
Imported	-	-	-	-
Indigenous	3,37,104	100	3,79,432	100
	<u>3,37,104</u>	<u>100</u>	<u>3,79,432</u>	<u>100</u>

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27 There is no expenditure in foreign currency for import of Raw Materials, Components and Spare Parts, Capital Goods, Royalty, Know-how, Professional and consultation fees, interest during the year.

	2012-13 Rs.	2011-12 Rs.
28 Payment to the Auditors		
Audit Fees	44,944	37,039
Certification and Consultation Fees	5,618	5,515
Other Services	39,326	72,419
Total	89,888	1,14,973

29 There are no earnings in foreign exchange in respect of Export of Goods, Royalty, Know-how, Professional and Consultation Fees, Interest, Dividend or other income during the year.

30 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below.

1 Relationships :

(a) Associates Cera Sanitaryware Ltd
Gujarat Soaps Pvt Ltd

(b) Key Management Personnel -

(c) Relatives of Key Management Personnel -

Note : Related party relationship is as identified by the Company and relied upon by the Auditors

2 Transactions during the year with related parties

Nature of Transactions (Excluding Reimbursement)	Associates	Key Management Personnel	Total
	Rs.	Rs.	Rs.
Sales - Flowers	-	-	-
	(1,80,655)	(-)	(1,80,655)
Purchase - Material	-	-	-
	(-)	(-)	(-)
Income			
Interest	2,52,988	-	2,52,988
	(1,74,886)	(-)	(1,74,886)
Rent	76,55,796	-	76,55,796
	(74,64,375)	(-)	(74,64,375)
Service Charges	5,88,258	-	5,88,258
	(5,60,250)	(-)	(5,60,250)
Other Services	5,88,267	-	5,88,267
	(5,60,250)	(-)	(5,60,250)
Expenses			
Interest Paid	-	-	-
	(5,366)	(-)	(5,366)
Director Sitting Fees	-	24,000	24,000
	(5,366)	(16,000)	(16,000)
Finance			
Loans / Advance Given	33,984	-	33,984
	(1,86,508)	(-)	(1,86,508)
Fixed Deposit/ Loan Received	-	-	-
	(-)	(-)	(-)
Rent Deposit Received	-	-	-
	(-)	(-)	(-)
Balance at the end of the year			
Receivables	30,75,344	-	30,75,344
	(30,41,360)	(-)	(30,41,360)
Payables	-	-	-
	(-)	(-)	(-)

3 Disclosure in Respect of Material Related Party Transactions during the year	2012-13	2011-12
Particulars	Rs.	Rs.
Sales :		
Cera Sanitaryware Limited	—	1,80,655
Purchase :		
Cera Sanitaryware Limited	—	—
Income :		
Interest :		
Cera Sanitaryware Limited	2,52,988	1,74,886
Rent :		
Cera Sanitaryware Limited	76,55,796	74,64,375
Service Charges :		
Cera Sanitaryware Limited	5,88,258	5,60,250
Other Services :		
Cera Sanitaryware Limited	5,88,267	5,60,250
Expenses :		
Interest Paid :		
Cera Sanitaryware Limited	—	5,366
Finance :		
Loans / Advance Given :		
Gujarat Sopas Pvt. Ltd.	33,984	33,508
Cera Sanitaryware Limited	—	25,00,000
Fixed Deposit / Loan Received :		
Cera Sanitaryware Limited	—	6,65,000
Rent Deposit Received :		
Cera Sanitaryware Limited	—	—

31 Employee Benefits

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

a Brief description of the plans :

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

The company defined contribution plans are Provident Fund (exempted employees) recognised by the Income Tax Authorities and administered through trustees. Since the company has no further obligation beyond making contributions and interest shortfall.

Further the pattern of investment for investible funds is as prescribed by the Government. Accordingly other related disclosures in respect of provident fund have not been made.

The company's other defined contribution plans are Provident Fund (non exempted employees), Employees' Pension Scheme (under the Provisions of the employees' Provident Funds and Miscellaneous Provisions Act, 1952), state plans namely Employees' State Insurance Fund, Since company has no further obligation beyond making contributions.

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

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

b Charge to the Profit and Loss Account based on contributions

	2012-13	2011-12
	Rs.	Rs.
Provident Fund	1,04,333	1,74,692
Employees Pension Scheme	88,040	98,770
ESIC	-	-
Total	1,92,373	2,73,462

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c Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2013.

Particulars	2012-13		2011-12	
	Gratuity Funded Plan	Leave Encashment Non-funded Plan	Gratuity Funded Plan	Leave Encashment Non-funded Plan
	Rs.	Rs.	Rs.	Rs.
Change in Defined Benefits Obligation				
Opening defined benefits obligation	16,77,848	9,32,048	13,55,811	9,43,029
Current service cost	80,827	22,139	1,27,952	4,20,897
Interest cost	1,38,043	76,683	1,15,244	80,157
Actuarial losses / (gain)	91,154	1,04,559	1,63,246	-5,06,662
benefits paid	-6,59,156	-9,40,150	-84,405	-5,373
Closing defined benefits obligation	13,28,716	1,95,279	16,77,848	9,32,048
Change in Fair Value of Assets				
Opening fair value of Plan Assets	16,77,848	-	13,55,811	-
Expected return on plan assets	1,35,191	-	1,40,307	-
Actuarial gain / (losses)	-58,034	-	1,81,730	-
Contributions by employer	2,30,538	-	84,405	-
Benefits paid	-6,59,156	-	-84,405	-
Closing fair value of plan assets	13,26,387	-	16,77,848	-
Movement in net liability recognised in Balance Sheet				
Net opening liability	-	9,32,048	-	9,43,029
P & L Charge	2,32,866	2,03,381	84,405	-5,608
Contribution / Benefit Paid	-6,59,156	-9,40,150	-84,405	-5,373
Closing Net (asset) / liability	-	1,95,279	-	9,32,048
Expenses recognised in the Profit and Loss Account				
Current Service Cost	80,827	22,139	1,27,952	4,20,897
Interest on defined benefit obligation	1,38,043	76,683	1,15,244	80,157
Expended return on plan assets	-1,35,191	-	-1,40,307	-
Net actuarial loss / (gain) recognised in the current year	1,49,187	1,04,559	-18,484	-5,06,662
Total Expenses	2,32,866	2,03,381	84,405	-5,608
Assets Information				
Government of India Securities	-	-	-	-
High Quality Corporate Bonds	-	-	-	-
Equity Shares of listed Companies	-	-	-	-
Property	-	-	-	-
Insurance Company	100.00%	-	100.00%	-
Principal actuarial assumption				
Discount Rate (p.a.)	8.25%	8.25%	8.50%	8.50%
Expected rate of return on plan assets (p.a)	9.00%	-	9.25%	-
Proportion of employees opting for early retirement	-	-	-	-
Annual Increase in Salary Cost & interest cost	6.00%	6.00%	6.00%	6.00%
Effect on the aggregate Service Cost & interest cost	-	-	-	-
Effect on defined benefit obligation	-	-	-	-

d The Company has provided upto 31-03-2013 Rs. 1.95 Lakh (Rs. 9.32 Lakh) being incremental discounted value of liability for unavailed leave of the employees determined as per Actuarial Valuation.

32 Contingent Liabilities and Commitments

	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
Contingent Liabilities		
A Claims against the company / disputed liabilities not acknowledged as debts	2,43,89,476	2,44,34,279
Commitments		
A Estimated amount of contracts remaining to be executed on capital account and not provided for	67,01,094	67,01,094

33 Segment Information

The company is organised into following reportable segments referred to in Statement of Accounting Standard AS - 17 for segmental reporting :

Particulars	Trading / Outsourcing Rs.	Horticulture Rs.	Lease & Finance Rs.	Inter - segment Adjustments Rs.	Total Rs.
Revenue					
External	—	6,89,296	—	—	6,89,296
	(—)	(19,07,712)	(—)	(—)	(19,07,712)
Inter-Segment	—	—	—	—	—
	(—)	(—)	(—)	(—)	(—)
Total	—	6,89,296	—	—	6,89,296
Result					
Segment Result	1,07,33,970	-13,83,988	3,05,026	—	96,55,008
	(1,07,96,123)	(-1,28,301)	(21,06,285)	(—)	(1,27,74,106)
Less : Depreciation	3,29,237	12,03,631	—	—	15,32,868
	(4,07,490)	(14,51,232)	(—)	(—)	(18,58,722)
Less : Interest	3,73,843	2,83,591	—	—	6,57,434
	(15,13,651)	(5,19,725)	(—)	(—)	(20,33,376)
Profit before Tax	1,00,30,890	-28,71,210	3,05,026	—	74,64,706
	(88,74,982)	(-20,99,258)	(21,06,285)	(—)	(88,82,008)
Less : Provision for Tax	—	—	1,06,061	—	1,06,061
	(—)	(—)	(1,52,925)	(—)	(1,52,925)
Net Profit for the year	1,00,30,890	-28,71,210	1,98,965	—	73,58,645
	(88,74,982)	(-20,99,258)	(19,53,360)	(—)	(87,29,083)
Other Information					
Segment Assets	13,71,22,020	1,05,30,107	89,62,829	-1,74,00,037	13,92,14,919
	(13,82,09,791)	(1,17,60,949)	(87,08,039)	(-1,74,00,037)	(14,12,78,742)
Segment Liabilities	1,70,95,465	1,30,955	98,052	-45,00,037	1,28,24,435
	(2,38,96,589)	(28,08,125)	(42,227)	(-45,00,037)	(2,22,46,904)
Capital Expenditure	—	6,604	—	—	6,604
	(28,900)	(46,503)	(—)	(—)	(75,403)
Depreciation	3,29,237	12,03,631	—	—	15,32,868
	(4,07,490)	(14,51,232)	(—)	(—)	(18,58,722)
Non-cash expenses other than depreciation	—	—	—	—	—
	(—)	(—)	(—)	(—)	(—)

34 The Company has reclassified previous year figures to conform to this year's classification.

35 Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statement as Annexure I.

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Ahmedabad

27th May, 2013

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

B. K. Patodia
Company Secretary

Ahmedabad
27th May, 2013

ANNEXURE-I

Significant accounting policies and practices :

(annexed to and forming part of the financial statement for the year ended 31st March, 2013)

* **Principles of Consolidations**

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

* **Basis of Accounting**

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

* **Sales**

Sales is net of discounts and Value Added Tax.

* **Retirement Benefits**

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

* **Fixed Assets & Depreciation**

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

* **Inventories**

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

* **Investments**

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

* **Foreign Currency Transactions**

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

* **Taxation**

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

* **Contingent Liability**

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



Madhusudan
Industries Limited

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

DP ID	Client ID	Folio No.	No. of shares held

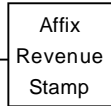
PROXY

I/We _____
of _____
being a member(s) of Madhusudan Industries Ltd. hereby appoint _____
_____ of _____
or failing him/her _____
of _____

as my/our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Saturday, the 21st September, 2013 at 11.30 a.m. or at any adjournment thereof.

Signed this _____ day of _____ 2013.

Signature(s) _____ L.F. No. _____



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

----- CUT HERE -----

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

DP ID	Client ID	Folio No.	No. of shares held

ATTENDANCE SLIP

Annual General Meeting - 2013

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

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

I hereby record my presence at the Annual General Meeting held at 11.30 a.m. on Saturday the 21st September, 2013.

Member's / Proxy's Signature

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

CUT HERE

Book-Post

To,



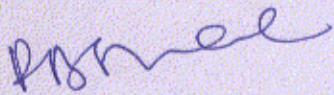
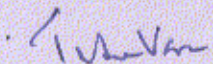
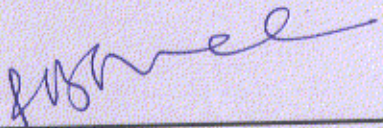
If undelivered, please return to :

Madhusudan Industries Limited

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

FORM 'A'

Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1	Name of the Company	Madhusudan Industries Limited
2	Annual financial statements for the year ended.	31 st March, 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable
5	To be signed by- <ul style="list-style-type: none"> • Chairman & Managing Director / Director • CFO • Auditor of the company • Audit Committee Chairman 	<p>For Madhusudan Industries Limited</p> <p align="center"></p> <hr/> <p>The Company has no CFO</p> <p align="center">—</p> <hr/> <p>For H V Vasa & Co.</p> <p align="center"></p> <p align="center">(Tushar H Vasa)</p> <hr/> <p align="center"></p> <hr/>