

**29<sup>th</sup>**  
**ANNUAL REPORT**  
**2 0 1 1 – 2 0 1 2**

**MIHIKA INDUSTRIES LIMITED**  
**4A, Indra Kumar Karnani Sarani,**  
**2<sup>nd</sup> floor, Room No. 45, Kolkata – 700 001**

# MIHIKA INDUSTRIES LIMITED

Registered office:

Room No.45, 2<sup>nd</sup> Floor

4A, Indra Kumar Karnani Sarani

Kolkata – 700 001

## NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of Mihika Industries Limited, will be held at the Registered Office of the Company at 4A, Indra Kumar Karnani Sarani, 2<sup>nd</sup> Floor, Room No. 45, Kolkata-700001 at 2.00 p.m. on Friday, the 28<sup>th</sup> September, 2012 to transact the following business:-


### AS ORDINARY BUSINESS:

1. To receive , consider and adopt the Audited Balance Sheet of the Company as on 31<sup>st</sup> March, 2012 and the Statement of Profit and Loss for the year ended on that date together with Auditors' Report thereon & Directors' Report.
2. 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 .The retiring Auditors M/s J. Gupta & Company, Chartered Accountants Offers themselves for re- appointment.

### AS SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution.  
“RESOLVED THAT Sri Kuldeep Kumar Sethia, be and is hereby appointed as a director of the Company.”
4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution.  
“RESOLVED THAT Sri Mali Chand Agarwala, be and is hereby appointed as a director of the Company.”

By order of the Board

  
Kamal Kumar Goyal  
Chairman

Place: Kolkata

Dated: 13<sup>h</sup> August, 2012

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a Proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time of holding the meeting. Blank Proxy form is attached.
3. Register of Members of the Company will remain closed from 24/09/2012 to 28/09/2012 (both days inclusive)
4. The Company's Shares are listed on the following Stock Exchange  
U.P Stock Exchange Ltd.  
Padam Towers,  
14/113, Civil Lines,  
Kanpur – 208001

**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT 1956**

Item No.3

A Requisite notice has been received from a member under Section 257 of the Companies Act 1956 proposing the appointment of Sri Kuldeep Kumar Sethia as a Director.

Sri Kuldeep Kumar Sethia is Promoter of the Company holding 2175 equity Shares. He is 40 years old having more than 15 years experience in business. He is not a director or Committee Member of any other Indian Public Company.

Item No.4

A Requisite notice has been received from a member under Section 257 of the Companies Act 1956 proposing the appointment of Sri Mali Chand Agarwala as a Director.

Sri Mali Chand Agarwala is being proposed to be appointed as Independent Director of the Company to broad base the Board of Directors of the Company. He is 44 years old having more than 19 years experience in business. He is not a director or Committee Member of any other Indian Public Company.

Your Directors recommend the appointments.

None of the directors are concerned or interested in the resolution.

# MIHIKA INDUSTRIES LIMITED

Registered office:  
Room No.45, 2<sup>nd</sup> Floor  
4A, Indra Kumar Karnani Sarani  
Kolkata – 700 001

## DIRECTORS' REPORT

**Dear Shareholders,**

Your Directors have pleasure in presenting the 29<sup>th</sup> Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2012.

### FINANCIAL PERFORMANCE

	(Amount in Lacs)	
	<u>31<sup>st</sup> March 2012</u>	<u>31<sup>st</sup> March 2011</u>
<b>Profit before tax</b>	<b>0.14</b>	<b>0.35</b>
Less: Tax Expense	0.03	0.43
<b>Profit after tax</b>	<b>0.11</b>	<b>(0.08)</b>
Add: Balance brought forward from previous year	1.59	1.67
<b>Surplus carried to Balance Sheet</b>	<b>1.70</b>	<b>1.59</b>

### DIVIDEND

With a view to conserve resources for growth of company, no dividend is recommended by the Board for the year ended 31st March, 2012.

### PUBLIC DEPOSITS

The Company has neither invited nor accepted/renewed any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 during the year under review. There are no unclaimed deposits, unclaimed/unpaid interest, refunds due to the deposit holders or to be deposited in the Investor Education and Protection Fund, as on 31st March, 2012.

### DIRECTORS

Sri Pankaj Kumar Goyal retires by rotation at the forthcoming Annual General Meeting of the Company. He has conveyed his unwillingness for being reappointed at the ensuing Annual General Meeting. The Board places on record his remarkable services to the Company during his tenure on the Board.

Requisite notices has been received from shareholders proposing the name of Sri Kuldeep Kumar Sethia and Sri Mali Chand Agarwala to be appointed as directors on the Board.

None of the Directors of your Company is disqualified as per the provisions of Section 274(1) (g) of the Companies Act, 1956.

### DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217 (2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief, confirm that:-

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there are no material departures there from;
- b) The Directors have selected such accounting policies as mentioned in the Notes to Financial Statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended 31st March, 2012;

- c) 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 Company and for preventing and detecting fraud and other irregularities; and
- d) The annual accounts have been prepared on going concern basis.

#### **COMPLIANCE OF ACCOUNTING STANDARDS**

The Company has duly adopted all the applicable Accounting Standards in pursuance to the provision of Section 211 (3A) of the Companies Act, 1956.

#### **PARTICULARS OF EMPLOYEES**

During the year 2011-12, no employee was in the receipt of remuneration as required to be disclosed under Section 217 (2A) of the Companies Act, 1956.

#### **AUDITORS' REPORT**

The Comments in Auditor's Report read with Notes to the Accounts are self-explanatory.

#### **AUDITORS**

M/s. J. Gupta & Associates, Chartered Accountants retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

#### **FOREIGN EXCHANGE TRANSACTION**

During the year of operation the total Foreign Exchange earnings and expenditure are Nil.

#### **LISTING PARTICULARS**

The Company's Shares are listed with U.P Stock Exchange. The annual listing Fees has been paid.

#### **COMPLIANCE CERTIFICATE**

Compliance Certificate issued by Company Secretary in whole time practice to the provisions of section 383A of the Companies Act ,1956 , read with Companies( Compliance Certificate ) Rules ,2001 is annexed.

#### **ACKNOWLEDGEMENTS**

Your Directors would like to convey their sincere appreciation for assistance and cooperation received from the various stakeholders including financial institutions and banks, regulators, governmental authorities and other business associates, who have extended their valuable support and encouragement during the year under review. Your Directors take the opportunity to place on record their deep appreciation of the committed services rendered by the employees at all levels of the Company who have contributed significantly towards Company's performance. Your Directors also acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board

Kamal Kumar Goyal  
Chairman

Place: Kolkata

Dated: 30<sup>th</sup> Day of May, 2012

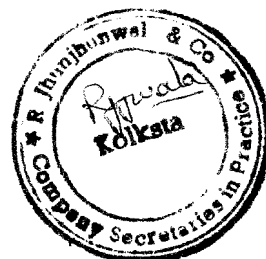
**COMPLIANCE CERTIFICATE**  
**(Under Rule 3 of the Companies (Compliance Certificate) Rules,2001)**

To,  
The Members  
**MIHIKA INDUSTRIES LIMITED**  
4A, Indra Kumar Karnani Sarani  
2<sup>nd</sup> Floor, Room No. 45  
Kolkata – 700 001

**Corporate Identity No: L70101WB1983PLC035638**  
**Nominal Capital: Rs. : 100,00,000**  
**Paid-Up- Capital : 24,00,700**

We have examined the Registers, Records, Books and Papers of **M/s. MIHIKA INDUSTRIES LIMITED** as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum & Articles of Association of the company for the financial year ended on 31<sup>st</sup> March, 2012. In our opinion and to the best of our information and according to the examination carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all Registers as stated in Annexure – ‘A’ to this Certificate, as per the provisions of the Act and Rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure –‘B’ to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other Authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a Public Limited Company, hence comments are not required.
4. The Board of Directors duly met **9 (NINE)** times respectively on **29.04.2011, 30.07.2011, 02.08.2011, 29.08.2011, 10.09.2011, 30.09.2011, 08.10.11, 14.11.2011, 06.02.2012** in respect of which proper Notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from **25.09.2011 to 30.09.2011** (both days inclusive) and necessary compliance of section 154 of the act has been made.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2011 was held on **30.09.2011** after giving due notice to the members of the Company and the resolutions passed there, were duly recorded in Minutes Book maintained for the purpose.



7. The Extra Ordinary General Meeting was held on **08.10.2011** during the financial year ,by way of Postal Ballot ,after giving due notice to the members of the company and the resolution passed thereat were duly recorded in the Minutes Book Maintained for the purpose.
8. The Company has not made any advances or loans to its directors or persons or firms or Companies covered under the provisions of section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13. The Company has :
  - Not made allotment of equity shares during the year. There was transfer of shares during the financial year in compliance with all the applicable provisions.
  - Not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - Not posted warrants to any member of the company as no dividend was declared during the year.
  - No amount in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of 7 years are required to transfer to Investors Education and Protection Fund.
  - Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and no appointment of director has been made during the financial year.
15. The Company has not appointed Managing Director/Whole Time Director/Manager during the financial year.
16. The Company is not required to appoint any sole selling agents during the financial year
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such Authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued equity shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not borrowed any amount from the financial institutions, banks and others during the financial year ended 31<sup>st</sup> March, 2012.



25. The Company has made loans and investments to other body corporate during the year in compliance with the provisions of the Act and has made necessary entries in the register kept for he purposes.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year.
30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecutions initiated against or show cause notices received by the Company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted a provident fund for its employee and as such, section 418 of the Act is not applicable to the Company.

**R. JHUNJHUNWALA & CO.**  
(Practicing Company Secretaries)

*Ritu Jhunjhunwala*

(RITU JHUNJHUNWALA)  
PROPREITOR  
C. P. No. 10559  
Membership No: 25392

**PLACE: KOLKATA**  
**DATED: 30.05.2012**





**ANNEXURE – ‘A’**  
**REGISTERS AS MAINTAINED BY THE COMPANY**

**Statutory Registers**

Register of Members	U/s 150
Index of Member	U/s 151
Directors Minutes Book	U/s 193
Shareholders Minutes Book	U/s 193
Register of Disclosure	U/s 301 read with section 299
Register of Directors	U/s 303
Register of Directors Shareholding	U/s 307
Register of Charges	U/s 143
Copies of instrument creating charge	U/s 136
Register of Transfer	U/s 108
Register of Investment	U/s 49
Register and Returns	U/s 163
Books of Accounts and other cost Records	U/s 209
Register of Loans and Investments	U/s 372A
Attendance Sheet of Board Meeting.	

**ANNEXURE – ‘B’**

**Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending 31<sup>st</sup> March, 2012:**

Sl. No.	Form No./ Return	Filed Under Section	Date of Document	Date of Filing	Whether filed within prescribed time YES/NO	If delay in filing whether requisite additional fees paid YES/NO	SRN
1	Form 23AC/23ACA (Balance Sheet)	220	31.03.2011	15.11.2011	NO	YES	P79198552
2	Form 20B (Annual Return)	159	30.09.2011	09.01.2012	YES	N.A.	P84545433
3	Form 66 (Compliance Certificate)	383A	31.03.2011	31.10.2011	YES	N.A.	P77426385
4.	Form 23 (Registration of Special Resolution)	192	08.10.2011	-	NO	YES	-
5	Form 62 (For Submission of Documents)	192A	10.09.2011	-	NO	NO	-



## AUDITOR'S REPORT

To,  
THE MEMBERS  
MIHIKA INDUSTRIES LTD.

We have audited the attached Balance Sheet of **M/S MIHIKA INDUSTRIES LTD.** as at 31<sup>st</sup> March, 2012, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

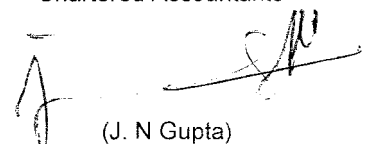
We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Sub Section (4a) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

1. 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.
2. In our opinion proper Books of Accounts as required by law have been kept by the company so far as it appears from our examination of those books.
3. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
4. In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the applicable Accounting Standards referred to in Sub section (3C) of Section 211 of the Companies Act, 1956.
5. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as director in terms of Clause (g) of the Sub section (1) of Section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India:
  - a. In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012;
  - b. In so far as it relates to Statement of Profit and Loss, of the Profit for the year ended on that date.
  - c. In so far as it relates to Cash Flow Statement, the cash flow of the Company for the year ended on that date.

For J. Gupta & Company  
Chartered Accountants

  
(J. N Gupta)  
Partner

Membership No. 51428

Firm Registration No. 314010E

Place : Kolkata  
Dated : 30<sup>th</sup> May, 2012

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of the Auditors' Report of even date to the members of Mihika Industries Ltd. of the Financial Statements for the year ended 31<sup>st</sup> March, 2012)

1. The Company did not have any fixed assets at the close of the year under report. Hence, any observations on fixed assets register and physical verification of fixed assets are not called for.
2. The company has maintained proper records of inventory. As informed to us, the management has carried out physical verification of inventory, wherever applicable, at reasonable intervals and no material discrepancies were noticed on such physical verification of inventory. In our opinion the procedures of physical verification of inventory followed by the management is reasonably adequate in relation to the size of the company and nature of its business.
3. The company has **not** granted any loans, secured or unsecured to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.  
The company has **not** taken any loans, secured or unsecured from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion the company has adequate internal control system commensurate with the size of the company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any major weaknesses in the internal control systems.
5. According to the information and explanations given to us , we are of the opinion that the company did not enter into any transactions during the year under report that needed to be entered into the register maintained under section 301 of the Companies Act, 1956
6. The company has not accepted any deposits from the public under Section 58A and/or 58AA.
7. In our opinion the company has an internal audit system commensurate with the size and the nature of the business.
8. The maintenance of cost records has not been prescribed by the Central Government under Clause (d) of Sub section (1) of Section 209 of the Companies Act, 1956.
9. There are no amounts outstanding and payable in respect of statutory dues i.e Income Tax, Sales Tax, Wealth Tax, Custom Duty and Excise Duty for a period of more than six months.
10. The company has no accumulated losses at the end of the financial year. The company has not incurred any cash losses during the financial year covered by our audit.
11. The company has not obtained any loans from any bank or financial institutions during the financial year.
12. The company has not granted any loans and advances on the basis of the security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to Chit fund/ Nidhi/ Mutual Benefit Fund/ Societies are not applicable to the company.
14. The company has maintained proper records and made timely entries of the transactions and contracts in respect of shares, securities, debentures and other investments dealt in by the company. Further the shares, securities, debentures and other investments are held by the company in its own name.
15. The company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not obtained any term loans during the financial year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that the company has not utilized any short term resources towards repayment of long term borrowings and/or acquisition of fixed assets.
18. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The company has not issued any debentures during the financial year.
20. The company has not raised money by public issue during the financial 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 financial year.

For J Gupta & Co.  
Chartered Accountants



(J.N. Gupta)  
Partner

Membership No. 51428  
Firm Registration No. 314010E

**MIHIKA INDUSTRIES LTD.**

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

(IN RUPEES)

S. N	PARTICULARS	NOTE	FIGURES AS AT 31/03/2012		FIGURES AS AT 31/03/2011	
I	<b><u>EQUITY AND LIABILITIES</u></b>					
1	<b><u>SHAREHOLDERS FUNDS</u></b>					
	(a) Share Capital	A		2,400,700		2,400,700
	(b) Reserves & Surplus	B		655,140		644,293
				3,055,840		3,044,993
2	<b><u>CURRENT LIABILITIES</u></b>					
	(a) Trade Payable	C		576,600		-
	(b) Other Current Liabilities	D		3,002,809		10,274,262
				3,579,409		10,274,262
	<b>TOTAL(1+2)</b>			<b>6,635,249</b>		<b>13,319,255</b>
II	<b><u>ASSETS</u></b>					
1	<b><u>NON-CURRENT ASSETS</u></b>					
	(a) Non Current Investments	E		125,928		1,005,831
	(b) Deferred Tax Asset (Net)	F		134,512		134,512
				260,440		1,140,343
2	<b><u>CURRENT ASSETS</u></b>					
	(a) Cash & Cash Equivalents	G		521,206		109,454
	(b) Short Term Loans & Advances	H		5,674,052		12,069,458
	(c) Other Current Assets	I		179,551		-
				6,374,809		12,178,912
	<b>TOTAL(1+2)</b>			<b>6,635,249</b>		<b>13,319,255</b>

Significant Accounting Policies and Other Notes on Financial Statements

P

In Terms of our report of even date annexed

For and on behalf of Board of Directors:

For J GUPTA & CO  
Chartered Accountants  
Firm Registration Number: 314010E

KAMAL KUMAR GOYAL

JAI NARAYAN GUPTA  
Partner  
Membership Number: 051428

YASHWANT KUMAR GOYAL

Dated the 30th Day of May, 2012  
Place: Kolkata

PANKAJ KUMAR GOYAL

**MIHIKA INDUSTRIES LTD.**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

(IN RUPEES)

S. N	PARTICULARS	NOTE	FIGURES AS AT			
			31/03/2012	31/03/2011		
I	Revenue from Operations	J		1,905,344		410,715
II	Other Income	K		320,662		7,108
III	<b>TOTAL REVENUE (I+II)</b>			<b>2,226,006</b>		<b>417,823</b>
IV	<b>EXPENSES:</b>					
	Purchases of Stock-in-Trade	L		1,734,920		-
	Employee Benefits Expense	M		181,750		130,000
	Other Expenses	N		295,651		252,900
V	<b>TOTAL EXPENSES</b>			<b>2,212,321</b>		<b>382,900</b>
VI	<b>PROFIT BEFORE TAX (III-V)</b>			<b>13,685</b>		<b>34,923</b>
VII	<b>TAX EXPENSE:</b>					
	Current Tax		2,838		8,853	
	Earlier Year's Tax		-		1,869	
	Deferred Tax		-	2,838	31,820	42,542
VIII	<b>PROFIT/ (LOSS) FOR THE PERIOD (VI-VII)</b>			<b>10,847</b>		<b>(7,619)</b>
IX	<b>EARNING PER EQUITY SHARE</b>	O				
	Basic			0.05		(0.03)
	Diluted			0.05		(0.03)

Significant Accounting Policies and Other Notes on Financial Statements

P

In Terms of our report of even date annexed

For and on behalf of Board of Directors:

For J GUPTA & CO  
Chartered Accountants  
Firm Registration Number: 314010E

KAMAL KUMAR GOYAL

JAI NARAYAN GUPTA  
Partner

YASHWANT KUMAR GOYAL

Membership Number: 051428

PANKAJ KUMAR GOYAL

Dated the 30th Day of May, 2012

Place: Kolkata

**MIHIKA INDUSTRIES LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**

PARTICULARS	Year Ended 31/03/2012	Year Ended 31/03/2011
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net Profit/ (Loss) before tax & extra ordinary items	13,685	34,923
<u>Adjustment for:</u>		
Interest on Loan	(199,886)	-
Interest on Partners' capital from RF VG Investment	(115,260)	(6,466)
Share of Profit from RF VG Investments	(137)	(42)
Profit on sale of investments (LTCG)	(5,379)	-
	<u>(306,977)</u>	<u>28,415</u>
<u>Adjustment For:</u>		
Trade Payable	576,600	
Short term loans & advances		
Other Current Assets	(179,551)	-
Other Current Liabilities	(7,271,453)	10,016,049
Cash Generated from Operation	(7,181,381)	10,044,464
Direct Taxes Paid	(2,838)	(106,096)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b><u>(7,184,219)</u></b>	<b><u>9,938,368</u></b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Sale of Investments	5,000	349,421
Receipts from partnership firm	874,903	1,590,294
Interest on Partners' capital from RF VG Investment	115,260	6,466
Share of Profit from RF VG Investments	137	42
Profit on sale of investments (LTCG)	5,379	-
Increase/ (Decrease ) in loans & Advances	6,395,406	(11,912,054)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b><u>7,396,085</u></b>	<b><u>(9,965,831)</u></b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Interest on Loan	199,886	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b><u>199,886</u></b>	<b><u>-</u></b>
Net Change In Cash & Cash Equivalents	411,752	(27,463)
Cash & Cash Equivalents' Opening Balance	109,454	136,917
<b>Cash &amp; Cash Equivalents' Closing Balance</b>	<b><u>521,206</u></b>	<b><u>109,454</u></b>

In Terms of our report of even date annexed

For J GUPTA & CO  
Chartered Accountants  
Firm Registration Number: 314010E

  
**JAI NARAYAN GUPTA**  
Partner  
Membership Number: 051428

Dated the 30th Day of May, 2012  
Place: Kolkata

For and on behalf of Board of Directors:

  
**KAMAL KUMAR GOYAL**

  
**YASHWANT KUMAR GOYAL**

  
**PANKAJ KUMAR GOYAL**

**MIHIKA INDUSTRIES LTD.**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

(IN RUPEES)

NOTE	PARTICULARS	NOTE	FIGURES AS AT 31/03/2012	FIGURES AS AT 31/03/2011
A	<b>SHARE CAPITAL:</b>			
	<b>(1) AUTHORISED:</b>			
	1000000 Equity Shares of Rs.10/- each		10,000,000	10,000,000
			<u>10,000,000</u>	<u>10,000,000</u>
	<b>(2) ISSUED, SUBSCRIBED &amp; PAID UP</b>			
	240070 Equity shares of Rs.10/-each		2,400,700	2,400,700
			<u>2,400,700</u>	<u>2,400,700</u>
1	<b>Reconciliation of number of shares :</b>			
	<b>Equity Shares:</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>
				<b>Amount</b>
	No. of Equity Shares outstanding at the beginning of the year	240070	2,400,700	240070
	Add: Additional Equity Shares issued during the year	-	-	-
	Less: Shares forfeited/bought back during the year	-	-	-
	No. of Equity Shares outstanding at the end of the year	<u>240070</u>	<u>2,400,700</u>	<u>240070</u>
				<u>2,400,700</u>
2	<b>Rights, preferences and restrictions attached to shares:</b>			
	The Company has issued one class of equity shares having a face value of Rs. 10 per share. Each shareholder has right to vote in respect of such share, on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid-up equity capital of the Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors, in proportion to their shareholding.			
3	None of the shareholders held 5% or more as on 31/03/2012 as well as on 31/03/2011.			
4	No shares are reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment.			
5	During the immediately preceding five years to current year as well as previous year. The Company has: not allotted any shares without payment being received in cash ; not allotted any shares as bonus shares; not bought back any shares .			
B	<b>RESERVE &amp; SURPLUS:</b>			
1	<b>GENERAL RESERVES</b>			
	At the Beginning of The Year		485,000	485,000
	Additions during the year		-	-
	At the end of the year		<u>485,000</u>	<u>485,000</u>
2	<b>SURPLUS</b>			
	At the Beginning of The Year		159,293	166,912
	Add : Net Profit for the year		10,847	(7,619)
	At the end of the Accounting Period		<u>170,140</u>	<u>159,293</u>
	<b>TOTAL (1 + 2)</b>		<u><u>655,140</u></u>	<u><u>644,293</u></u>
C	<b>TRADE PAYABLE</b>			
	Creditors for Goods Traded		<u>576,600</u>	-
D	<b>OTHER CURRENT LIABILITIES</b>			
	Sundry advances		3,000,000	10,268,850
	Outstanding Liabilities		2,809	5,412
			<u>3,002,809</u>	<u>10,274,262</u>

a

**MIHIKA INDUSTRIES LTD.**

(In Rupees)

NOTE	PARTICULARS	NOTE	FIGURES AS AT 31/03/2012	FIGURES AS AT 31/03/2011
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**E NON CURRENT INVESTMENT:**

**1 Long Term, At Cost, Non-Trade**

**Units of Mutual Fund (Unquoted)**

	Face value	Quantity	Amount	Quantity	Amount
Tata Service Industries Fund	10/-	-	-	-	5,000
			-		5,000

**2 Investment in Partnership Firm\***

M/s.V.G.Investments

Capital Account

Current Account

200,000

200,000

(74,072)

800,831

125,928

1,000,831

**Total (1 + 2)**

**125,928**

**1,005,831**

**Name of Partners and Profit sharing Ratio of the Partnership Firm in which the Company is partner:**

**a) Name of Partnership Firm : VG INVESTMENTS**

SL	Name of Partners	PROFIT SHARING RATIO ( % )	
1	Bhagwan Lal Goyal HUF	11%	11%
2	Kamal Kumar Goyal HUF	11%	11%
3	Kandoi Capital Pvt. Ltd.	6%	6%
4	Lamcok (India ) Pvt. Ltd.	6%	6%
5	Mihika Industries Ltd.	6%	6%
6	Rasraj Plastics Pvt. Ltd.	6%	6%
7	Shankar Traders & Distributers Pvt. Ltd.	6%	6%
8	Shayam Goyal	10%	10%
9	Vijay Gaurav Rasayan Pvt. Ltd.	6%	6%
10	Vinod Kumar Goayl HUF	11%	11%
11	Y K Goyal HUF	11%	11%
12	Yashwant Kuamr Goyal HUF	10%	10%

\* The Company has withdrawn from the Partnership firm w.e.f. 01.04.2012

**F DEFERRED TAX ASSETS (NET)**

Carried Forward Losses	134,512	134,512
	<u>134,512</u>	<u>134,512</u>

**G CASH & CASH EQUIVALENTS**

(a) Balance with Bank in Current Account	47,406	31,644
(b) Cash on hand	473,800	77,810
	<u>521,206</u>	<u>109,454</u>

**H SHORT TERM LOANS & ADVANCES**

Loans (Unsecured, considered good)				
(a) To related parties		-		25,645
(b) To others		5,600,000		11,995,726
<b>Advances:</b>				
FBT Refundable	7,020		7,020	
TDS Receivable	49,920		49,920	
Income Tax Refundable	19,950		-	
Less: Provision for Taxation	2,838	74,052	8,853	48,087
		<u>5,674,052</u>		<u>12,069,458</u>

**I Other Current Assets**

Interest Accrued and Due		179,551		-
		<u>179,551</u>		<u>-</u>

2



**MIHIKA INDUSTRIES LTD.**

**NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2012**

(IN RUPEES)

NOTE	PARTICULARS	NOTE	FIGURES AS AT 31/03/2012	FIGURES AS AT 31/03/2011
<b>J</b>	<b><u>REVENUE FROM OPERATION</u></b>			
	Sales		1,648,245	-
	Other Operating income:			
	Commission		257,099	410,715
	Net Revenue From Operations		<u>1,905,344</u>	<u>410,715</u>
<b>K</b>	<b><u>OTHER INCOME</u></b>			
	Interest on Loan		199,886	5,677
	Interest on Partners' capital from RF VG Investment		115,260	789
	Share of Profit from RF VG Investments		137	42
	Profit on sale of investments (LTCG)		5,379	-
	Sundry Balances W/back		-	600
			<u>320,662</u>	<u>7,108</u>
<b>L</b>	<b><u>PURCHASES OF STOCK-IN-TRADE</u></b>			
	Purchases		<u>1,734,920</u>	-
			<u>1,734,920</u>	-
<b>M</b>	<b><u>EMPLOYEE BENEFITS EXPENSE</u></b>			
	Salary		<u>181,750</u>	130,000
			<u>181,750</u>	<u>130,000</u>
<b>N</b>	<b><u>OTHER EXPENSES:</u></b>			
	Advertisement Expense		4,800	-
	Auditors' Remuneration			
	For Statutory Audit	2,809		1,000
	For Others	-	2,809	-
	Bank Charges		744	666
	Conveyance		22,290	45,500
	CSR Initiatives		3,750	-
	Fees To Stock Exchanges		57,050	-
	Filing Fees		1,500	3,010
	General Expenses		71,923	64,127
	Legal And Professional Expenses		25,801	-
	Miscellaneous Expenses		800	247
	Office Maintainance Expenses		10,740	-
	Postage & Courier Exp.		10,840	-
	Printing & Stationery		32,281	6,000
	Rates & Taxes		-	1,850
	Telephone Expenses		18,063	5,000
	Travelling Expenses		<u>32,260</u>	125,500
			<u>295,651</u>	<u>252,900</u>
<b>O</b>	<b><u>EARNING PER SHARE (EPS)</u></b>			
	Profit attributable to Equity Shareholders (A)		10,847	(7,619)
	Number of Equity Shares (B)		240,070	240,070
	Basic and Diluted EPS (A/B)		0.05	(0.03)
	Face Value of Equity Shares		10.00	10.00

**1 Nature of operations**

The main business of the Company is that of Trading in Fabrics and Commission Agency.

**2 Basis of Accounting**

The Financial Statements have been prepared to comply in all material respects with applicable accounting standards as notified by the Central Government under Companies (Accounting standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis except claims/refunds which are accounted for on receipt basis due to uncertainties. The accounting policies have been consistently applied by the company and are consistent with those used in previous year.

**3 Uses of Estimates**

The preparation of Financial Statements, in conformity with the Generally Accepted Accounting Principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results materialises.

**4 Revenue Recognition**

i) Sales comprise sale of fabrics. Revenue from sale of fabrics is recognised:

a) when all the significant risks and rewards of ownership are transferred to the buyer which coincides with delivery and are recorded net of expenses incurred in this behalf.

b) no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale.

ii) Income from Investments is taken into account when the same are sold and the certainty of transaction is confirmed.

iii) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**5 Investments**

Long Term Investments are stated at cost. The company provides for diminution, other than temporary, in the value of long term investments. Current Investments, if any are valued at cost or fair market value whichever is lower.

**6 Retirement Benefits**

Contribution of Provident Fund, Gratuity and Leave encashment benefits wherever applicable is being accounted on actual liability basis as and when arises. However, the above referred provisions are not applicable to the company as it does not fall with in the purview of the same in the year under review.

**7 Dues to SMEs**

There are no dues to Micro and Small Enterprises, that are reportable under the Micro, Small and Medium Enterprises Development Act, 2006

**8 Taxation****a. Current Tax**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year under the provisions of the Income Tax Act, 1961 of India

**b. Deferred Tax**

Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

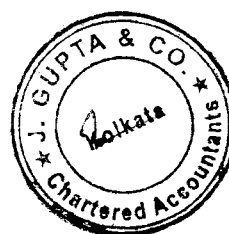
**9 Provisions**

i) Provision is recognised (for liabilities that can be measured by using a substantial degree of estimation) when:

a) The Company has a present obligation as a result of a past event

b) A probable outflow of resources embodying economic benefits is expected to settle the obligation; and

c) The amount of the obligation can be reliably estimated



**10 Related Party Disclosure (As identified by management)**

**Key Management Personnel**

- a) Kamal Kumar Goyal
- b) Yashwant Kumar Goyal
- c) Pankaj Kumar Goyal

Related Concerns	How Related	Nature of Transaction	Outstanding Amount	
			As on 31.03.2012	As on 31.03.2011
V.G Investments	KMP are partners representing as Karta of their respective HUF	Investment in Capital and Current Account	i) Capital Account	
			Rs. 200,000 Dr.	Rs. 200,000 Dr.
			ii) Current Account	
			Rs. 74,072 Cr.	Rs 800,831 Dr.
		<b>Total</b>	<b>125,928 Dr.</b>	<b>1,005,831 Dr.</b>

**11 Segment Reporting**

The main business of the Company is trading in fabrics and commission agency and accordingly there are no separate reportable segment as per Accounting Standard -17

**12 Other Notes**

- a. There has been no events occurring after the Balance Sheet date having any material effect on Financial Statements.
- b. The has been no foreign exchange transaction or operation conducted by the company
- c. There are no contingencies existing at the Balance Sheet date.
- d. The Company has elected to publish quarterly financial results which were subject to limited review by the statutory auditors.
- e. During the year, the Company has not discontinued any of its operations.
- f. At each Balance Sheet date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of account.
- g. The figures have been rounded off to nearest rupee.
- h. The Company has prepared current year's account as per presentation and disclosure requirement of Revised Schedule VI of the Companies Act, 1956 applicable with effect from 1st April, 2011. Previous year's figure has been reclassified/regrouped to conform current year figures.

**In Terms of our report of even date annexed**

For J GUPTA & CO  
Chartered Accountants  
Firm Registration Number: 314010E

**JAI NARAYAN GUPTA**  
Partner  
Membership Number: 051428

Dated the 30th Day of May, 2012  
Place: Kolkata

**For and on behalf of Board of Directors:**

**KAMAL KUMAR GOYAL**

**YASHWANT KUMAR GOYAL**

**PANKAJ KUMAR GOYAL**

