

MADHUR INDUSTRIES LIMITED

Registered Office

Madhur Complex, Stadium Cross Road,
Navrangpura,
Ahmedabad

ANNUAL REPORT

2011-2012

FOR, MADHUR INDUSTRIES LTD.

Chalin V. Parikh
DIRECTOR

MADHUR INDUSTRIES LIMITED

- Regd. Office** : Madhur Complex, Stadium Cross Road
Navrangpura, Ahmedabad
- Board of Directors** : Shri. Shalin Vinitbhai Parikh - Director
Shri. Vinit R. Parikh - Managing Director
Shri. Hitesh Gandhi - Director
Shri. Vittalla D. Shetty - Director
- Auditors** : M/s Purushottam Khandelwal & Co.,
Chartered Accountants
216, Madhupura VyaparBhavan,
Nr. Gunj Bazar, Madhupura,
Ahmedabad-380004
- Registrar** : Link Intime India Pvt. Ltd.
& Share Transfer Agent C-13, Pannalal Silk Mills Compound,,
L.B.S. Marg, Bhandup (W),
Mumbai- 400 078.
- Stock Exchanges wherein the** : (1) The Bombay Stock Exchange
Shares of the Company 25th Floor, P.J. Towers,
are listed Dalal Street, Fort,
Mumbai - 400001.
(2) The Ahmedabad Stock Exchange
Kamdhenu Complex, Opp. Sahjanand College,
Panjarapole, Ambawadi,
Ahmedabad- 380 015

MADHUR INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of Madhur Industries Limited will be held at Regd. Office at Madhur Complex, Stadium Cross Road, Navrangpura, Ahmedabad on 28th September, 2012 at 9.45 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Accounts of the company for the year ended 31st March 2012 and the Report of the Directors and auditors thereon.
2. To appoint Director in place of Mr. Vittala Shetty, who retires by rotation and eligible for re-appointment.
3. To appoint Auditors, and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modifications, following resolution as ordinary resolution.

"RESOLVED THAT pursuant to Section 269, 309, 310, schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and provisions of Article of Association of the Company, Mr. Vinit R. Parikh, be and is hereby appointed as Managing Director of the Company for a period of 5 (Five) years w.e.f 01/04/2012 at a remuneration of Rs. 200000/- per month with a power to board of directors to vary the terms in consultation with Shri. Vinit R. Parikh."

5. To consider and if thought fit, to pass with or without modifications, following resolution as ordinary resolution.

"RESOLVED THAT pursuant to Section 269, 309, 310 schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and provisions of Article of Association of the Company, Mr. Shalin V. Parikh, be and is hereby appointed as Joint Managing Director of the Company for a period of 5 (Five) years w.e.f 01/04/2012 at a remuneration of Rs. 75000/- per month with a power to board of directors to vary the terms in consultation with Shri. Shalin V. Parikh."

6. To consider and if thought fit, to pass with or without modification following resolution as ordinary resolution.

"RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Shri Narendra Chavda, who was appointed as an Additional Director in the meeting of the Board of Directors held on 19/06/2012 whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation."

Place: Ahmedabad

Date: 28/05/2012

By order of the Board of Directors,

FOR MADHUR INDUSTRIES LTD.

Sd/-

MG. DIRECTOR

FOR, MADHUR INDUSTRIES LTD.

Shalin V. Parikh
DIRECTOR

NOTES: -

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 21st Sept. 2012 to 28th Sept. 2012 (both days inclusive).
3. As a measure of economy, Annual Report will not be distributed at the Meeting. So, members are requested to bring their copy of Annual Report with them to the Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No-4

Mr. Vinit R. Parikh was appointed as Director on the Board of the Company in the year of 1999. He was appointed as Managing Director of the Company for a term of 5 years over a period of time. Board decided to continue him as Managing Director and hence wants to re-appoint him as Managing Director for a term of 5 years w.e.f. 01/04/2012 subject to approval by share holders of the Company in General Meeting.

None of the directors, except Mr. Vinit R. Parikh are interested or concerned in the resolution.

Item No.-5

Mr. Shalin V. Parikh was appointed as Director on the Board of the Company in the year of 2000. Board Proposed to appoint him as Joint Managing Director for a term of 5 years w.e.f. 01/04/2012 subject to approval by share holders of the Company in General Meeting.

None of the directors, except Mr. Shalin V. Parikh are interested or concerned in the resolution.

Item No.-6

Shri. Narendra Chavda was appointed as additional director of the Company in the Board Meeting held on 19/06/2012 and his term expires at the ensuing General Meeting. For his appointment as Director, Company has received notice in writing proposing his candidature for the office of Director.

None of the Directors except Shri Narendra Chavda are concerned or interested in the resolution

**Place: Ahmedabad
Date: 28/05/2012**

**By order of the Board of Directors,
FOR MADHUR INDUSTRIES LTD.**

Sd/-

MG. DIRECTOR

FOR, MADHUR INDUSTRIES LTD.

**Shalin V. Parikh
DIRECTOR**

MADHUR INDUSTRIES LIMITED

DIRECTORS' REPORT

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

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Accounts for the financial year ended on 31st March 2012.

1. Financial Results

(Rs. in lacs)

Particulars	2011-12	2010-11
Sales	626.96	458.33
Other income	12.14	16.93
Depreciation	21.66	20.70
Other Expenditure	607.84	446.10
Exceptional Items	0.79	0
Profit/ Loss before Tax	8.81	8.63
Profit/Loss after Tax	3.99	8.63

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

2. Directors

Mr.Vittala Shetty, Director of the company retires at the ensuing Annual General meeting and eligible for re-appointment.

Mr. Narendra Chavda was appointed as Additional Director in the Board Meeting held on 19th June, 2012. Company has received notice in writing proposing his candidature for the office of Director.

3. Personnel

Your directors' wish to place on record their appreciation for the contribution to growth of the business made by employees at all levels. Information as required pursuant to section 217(2A) of the companies Act, 1956 has not been given, as it is not applicable.

4. Auditors

M/s Purushottam Khandelwal & Co., Chartered Accountants, Ahmedabad, Auditor of the Company retire at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for Re-appointment.

5. Deposits

During the year, Company has not accepted inter corporate Deposits, which falls under Section 58A of Companies Act, 1956.

6. Energy, Technology And Foreign Exchange

The additional information required to be disclosed in terms of notification No.1029 dated 31st December, 1998 issued by the Department of Company Affairs, Ministry of Finance is not applicable.

7. Directors' Responsibility Statement

Pursuant to Section 217(2A) of Companies Act, 1956, the Directors confirm that:

- i. In the preparation of Annual Accounts, appropriate accounting standard have been followed.
- ii. Appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give true and fair view of state of affairs of the company at the end of financial year ended 31st March, 2012.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Annual Accounts have been prepared on going concern basis.

8. Auditor's Qualification

Auditors have qualified their report to the members of the Company. In this connection directors of the Company have discussed the same at arm's length on the recommendation of audit committee and have initiated to take necessary action so as to show fair view of state of affairs of the company in the coming financial year.

9. Report on Corporate Governance

Compliance Report on Corporate Governance is a part of Annual Report is annexed herewith.

10. Acknowledgements

Your Directors wish to please on record their appreciation of the whole hearted co-operation extended to company from various departments of the central and state governments, company' bankers and financial institutions and employees of the company and look forward for the same cordial relationship in coming years.

**PLACE: AHMEDABAD
DATE :28/05/2012**

FOR AND ON BEHALF OF THE BOARD

Sd/-

CHAIRMAN

FOR, MADHUR INDUSTRIES LTD.

Shalin V. Parikh
DIRECTOR

Madhur Industries Limited 2011-12

ANNUAL REPORT 2011-12

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) constituted the Committee on Corporate Governance to promote and raise the standard of Corporate Governance of listed companies. The Committee has made recommendation on the composition of the board of directors, audit committee, board procedure etc.

The company has taken necessary steps to comply with the clause of 49 of the revised Listing Agreement given below is the report of the Directors on the Corporate Governance.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company believes in functioning in a transparent manner with the basic philosophy being to enhance the Shareholder value, keeping in mind the needs and interest of other stakeholders, in compliance thereof. The following information is placed before the shareholders.

BOARD OF DIRECTORS

Name of Director	Category	No. of Board Meeting	Attended	Last AGM Attendance
Shri Vinit R. Parikh	Chairman & Managing Director	7	7	Yes
Shri Shalin V. Parikh	Jt. Managing Director	7	7	Yes
Shri Hitesh Gandhi	Independent Director	7	7	Yes
Shri Vittala Shetty	Independent Director	7	7	Yes

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

Name of Director	Other Directorship (No. of Company)
Shri Vinit Parikh	1
Shri Shalin Parikh	-
Shri Hitesh Gandhi	3
Shri Vittala Shetty	-

In line with the requirements of the code of the corporate governance, the board of directors comprises of four members. However, Your Company is trying its level best to accomplish the revised clause-49 of listing agreement.

A declaration signed by Shri Vinit Parikh, Managing Director of the company according compliance of sub-Clause (1D) of Clause 49 of the listing Agreement is attached herewith forming part of his Annual Report.

Madhur Industries Limited 2011-12

2. AUDIT COMMITTEE

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

- | | |
|--------------------------|------------|
| (i) Mr. Shalin Parikh | - Chairman |
| (ii) Mr. Hitesh Gandhi | - Member |
| (iii) Mr. Vittala Shetty | - Member |

The scope of committee includes.

- Review of company's financial reporting process and the financial statement.
- Review internal control systems and functioning of internal audit process.
- Post audit review with statutory auditors.

During the year under review, Audit committee met four times where all the members attended meetings.

3. REMUNERATION COMMITTEE

Remuneration committee consisting of following:

- | | |
|-----------------------|------------|
| (i) Mr. Shalin Parikh | - Chairman |
| (ii) Mr. Vinit Parikh | - Member |

Remuneration paid to directors of the company is as follow.

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

4. SHAREHOLDERS' COMMITTEE

The company has complied the requirement of the sub clause VI (A), (B) of the clause 49 of the Listing agreement.

The composition of shareholders cum investors' grievance committee was as follows:

- | | |
|------------------------|------------|
| (i) Mr. Shalin Parikh | - Chairman |
| (ii) Mr. Hitesh Gandhi | - Member |

During the year, the company and their Registrar and Share Transfer Agents M/s Link Intime India Pvt. Ltd. have resolved all investors' complaints. It is policy of the company to give reply of shareholders complaint within the time frame prescribed by the SEBI/Stock Exchanges.

The Share received for transfer is approved on 15th and 30th of the each month and are given effect by the Registrar and Share Transfer Agent.

Madhur Industries Limited 2011-12

M/s. Link Intime India Pvt. Ltd continued to provide its services as common Agent for electronic as well as physical share transfer work.

5. GENERAL BODY MEETING:

Date	Type	Time	Location
30/09/2009	AGM	11.00 AM	Madhur Complex, Stadium Cross Road, Navarangpura, Ahmedabad
30/09/2010	AGM	09.30 A.M.	
30/09/2011	AGM	09.30 A.M.	

There are no special resolutions passed by the company through postal ballot at any of the above annual general meeting.

6. DISCLOSURES:

- (A) During the year under review, the quarterly unaudited results were taken on record by the Board of Directors at the end of month of respective quarter. However in terms of clause 41 of Listing Agreement, the same were furnished to the concerned stock exchanges were also circulated in the newspaper within the stipulated time.
- (B) Company has followed accounting standards diligently.
- (C) Further, company is in the process of lying down risk assessment system.
- (D) Further, company has not received any funds through capital market during the year.
- (E) Transaction with related parties have been properly disclosed in notes to accounts and discussed at length by audit committee.
- (F) Management discussion and analysis report is attached to and forms part of this report.
- (G) Further, Shri Vinit Parikh, Managing Director of the company as certified to board of directors of the company regarding compliance of sub-clause (v) of clause 49 of listing agreement.

7. MEANS OF COMMUNICATION:

The means of communication between the Shareholders and company are transparent and investor friendly. Steps are being taken to display the corporate results on the EDIFAR & Corporate website, which is being developed.

Madhur Industries Limited 2011-12

8. GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting: (Date, Time & Venue)	Date: 28/09/2012 Time: 9:45 a.m. Venue: Madhur Complex, Stadium Cross Road, Navrangpura, Ahmedabad- 380009.
Financial Calendar	1 st April 2011 to 31 st March 2012
Date of Book Closure	From 24 th Sept.2012 to 28 th Sept. 2012 (Both days inclusive)
Dividend Payment Date	No Dividend declared

9. LISTING OF STOCK EXCHANGE:

Bombay Stock Exchange Limited
Ahmedabad Stock Exchange Limited

10. MARKET PRICE DATA AT BOMBAY STOCK EXCHANGE LIMITED:

MONTH	HIGH (RS.)	LOW (RS.)
April, 2011	41.20	32.30
May, 2011	56.70	31.15
June, 2011	56.40	35.45
July, 2011	68.80	54.10
August, 2011	68.20	56.80
September, 2011	72.60	54.20
October, 2011	83.00	57.95
November, 2011	67.80	28.20
December, 2011	52.70	33.30
January, 2012	42.30	27.75
February, 2012	28.40	17.00
March, 2012	22.45	14.10

11. DISTRIBUTION PATTERN AS ON THE 31ST MARCH, 2012:

Category	No. of shares held	% of shareholding
Promoters & relatives	1407500	34.41
Mutual Fund	4800	0.12
Public	2096085	51.25
Body Corporate	431427	10.55
NRI	17700	0.43
Clearing Members	132488	3.24

Madhur Industries Limited 2011-12

12. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2012:

No. of Equity shares held	No. of shareholders	% of total s.holders	No. of shares held	% of shareholding
1 to 500	2984	84.19	448700	10.97
501 to 1000	179	5.06	149619	3.66
1001 to 2000	98	2.77	149672	3.66
2001 to 3000	79	2.22	201483	4.93
3001 to 4000	36	1.02	129642	3.17
4001 to 5000	47	1.33	227522	5.56
5001 to 10000	64	1.80	454195	11.10
10001 to above	57	1.61	2329164	56.95
TOTAL	3544	100.00	4090000	100.00

13. REGISTRAR AND SHARE TRANSFER AGENT:

M/s. Link Intime India Pvt. Ltd.
211, Sudarshan Complex,
Nr. Mithakhali underbridge,
Navrangpura,
Ahmedabad-380009

14. SHARE TRANSFER SYSTEM:

The share transfer work is handled by registrar and transfer agent for the company.

Share Transfers are registered and dispatched within a period of thirty days from the date of the lodgements if the transfer documents are correct and valid in all respects.

15. DEMATIRIALISATION OF SHARES:

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

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

Madhur Industries Limited 2011-12

3301300 shares out of 4090000 Equity shares of the company have been dematerialized as at 31st March, 2012 representing 80.72% of total paid-up capital of the company.

For and On behalf of the Board of

Directors

Date : 28/05/2012

Place : Ahmedabad

Sd/-

VINIT PARIKH
Managing Director

FOR, MADHUR INDUSTRIES LTD.

Shalin V. Parikh
DIRECTOR

Madhur Industries Limited 2011-12

MANAGEMENT DISCUSSION AND ANALYSIS

1. Overall Review :

The overall performance during the financial year 2011-12 has been satisfactory.

2. Financial Review :

Total turnover for the year ended 31st March, 2012 was Rs. 626.96 lacs. This increase was mainly on account of improvement in manufacturing process and sales promotion drive. Better working capital management was also one of the emphasis on which proper weightage was laid upon.

3. Internal Control System and their adequacy :

Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or deposition.

4. Business Environment :

The Performance of the company for the year under review was satisfactory.

5. Risk and Concern :

The building, plant and machinery, vehicle and stocks of the company are adequately insured.

6. Cautionary Statement :

Statements in this report on management Discussion and analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Important factors that could make a different to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibilities in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information of event

BY ORDER OF THE BOARD OF DIRECTORS

Place: Ahmedabad

For **Madhur Industries Limited**

Date: 28/05/2012

Sd/-

FOR, MADHUR INDUSTRIES LTD. Mr. Vinit Parikh

Shalin V. Parikh
DIRECTOR

Chairman

Madhur Industries Limited 2011-12

CERTIFICATION BY MANAGING DIRECTOR TO THE BOARD

I, Mr. Vinit Parikh, Managing Director of the MADHUR INDUSTRIES LTD certify that :

1. I have reviewed the financial statements for the year and that to the best of my knowledge and belief :
 - a. These statements **do not contain** any materially untrue statement or omit any material fact or **contain statements** that might be misleading.
 - b. These statements **give a true** and fair view of the state of affairs of the company and of the **results of operations** and cash flows. The financial statements have been prepared **in conformity**, in all material respects, with the existing generally accepted **accounting principles** including Accounting Standards, applicable laws and regulations.
2. These are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. I **accept overall responsibility** for the company's internal control system and financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all the levels of management and statutory auditors and reports significant issues to the Audit Committee of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies and material weakness.
4. I indicate to the auditors and to the audit committee :
 - a. Significant changes in internal control over financial reporting during the year.
 - b. Significant changes in accounting policies during the year;
 - c. Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

However, during the year there were no such changes or instances.

Date : 28/05/2012

Sd/-

Place : Ahmedabad

Chairman & Managing Director

FOR, MADHUR INDUSTRIES LTD.

Shalin V. Parikh
DIRECTOR

Madhur Industries Limited 2011-12

DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR ABOUT CORPORATE GOVERNANCE

I, Mr. Vinit Parikh, Chairman & Managing Director of Madhur Industries Limited hereby confirm pursuant to clause 49(1)(d) of the listing agreement that:

The board of directors of Madhur Industries Limited has laid down a code of conduct has been placed on the company's website.

All the members of the board as well as senior management personal have complied with the said code of conduct for the year ended 31st March 2012.

Place: Ahmedabad

Sd/-

Date: 28/05/2012

Mr. Vinit Parikh

Chairman & Managing Director

FOR, MADHUR INDUSTRIES LTD.

Shalin V. Parikh

DIRECTOR

Madhur Industries Limited 2011-12

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Madhur Industries Limited

We have examined the compliance of the conditions of corporate Governance by Madhur Industries Limited for the year ended on March 31, 2012, as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of the opinion on the financial statement of the Company.

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

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

Place : Ahmedabad

Date : 28/05/2012

For, Purushottam Khandelwal & Co.
Chartered Accountants

Sd/-

Purushottam Khandelwal
Proprietor

AUDITORS' REPORT

TO
THE MEMBERS OF
MADHUR INDUSTRIES LTD.

1. We have audited the attached Balance Sheet of **MADHUR INDUSTRIES LTD.**, as at 31 March 2012, and the statement of Profit and Loss Account and also the cash flow statement for the year ended on the date annexed thereto, in which are incorporated accounts of the Branch audited by the Branch Auditor whose reports have been considered in preparing this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report)(Amendment) Order, 2004 issued by 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 paragraphs 4 & 5 of said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch not visited by us;
- c. The Reports on the accounts of Mumbai Branch audited by the branch auditor has been forwarded to us & have been appropriately dealt with while preparing our Report;
- d. The Balance Sheet , the Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account.
- e. In our opinion, the Balance Sheet ,Profit & Loss Account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section 3C of Section 211 of the Companies Act, 1956;

Except Accounting Standard -15 on Retirement benefits as no provision has been made for retirement benefits , The effect of the same can not be quantified, to that extent loss for the year and balance of Profit & Loss account and balance of current liabilities is understated.

- f. On the basis of written representations received from the directors as at 31 March, 2012 and taken on record by the Board of Directors and in accordance with the information and explanations as made available, the directors of the company do not have prima - facie have any disqualification as at 31March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- g. The Bank accounts of the Company was frizzed by the CBI BS & FC, Mumbai in the financial year 2001-02, therefore no provision has been made for bank balance of Rs. 32,56,783, DD in Transit of Rs.32,372 , doubtful sundry debtors of Rs. 34.07 lacs & doubtful advance of Rs. 82.21 lacs exceeding six months . The Consequential effect of this is not ascertainable.

h. Note in Schedule relating to non provision of interest on fixed deposit (accepted in previous year u/s 58A) for the year ending on 31st March, 2012 and matured/encashed Fixed Deposits for which the cheques are issued from separate bank account (which is freezed CBI BS & FC, Mumbai) but not cleared due to suspension of banking operation of Madhavpura Mercantile Co. Op. Bank Ltd. Consequently the loss and liability are understated to the extent.

i. Subject to the above, In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read in conjunction with the significant Accounting policies (Note-25), Notes to Financial Statements(Notes 1-24) give the information required by the Companies Act,1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2012.
- ii In the case of the Profit and Loss Account, of the profit of the Company for the period ended on that date.
- iii In the case of Cash Flow Statement, of the Cash Flow of the Company for the year ended on that date.

Date: - 28/05/2012
Place: - Ahmedabad

For Purushottam Khandelwal & Co.
Chartered Accountants

Sd/-

(P.H. Khandelwal)
Proprietor

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

1. (a) As per the information and explanation given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As per the information and explanation given to us, the assets have been physically verified by the management during the regular interval. However the details regarding the same are not available for our verification.
 - (c) The Company has not disposed of any substantial part of its fixed assets during the year as would affect its going concern status.
2. (a) As per the information and explanations given to us, the inventories has been physically verified during the year by the management.
 - (b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management is 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 that have been noticed on physical verification of inventories as compared to books records.
3. (a) As per the information and explanations given to us, the Company has granted unsecured loans to six parties covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum balance outstanding during the year was Rs. 23,52,971.34
 - (b) In our opinion, the rate of interest and other terms and conditions of such loan are not, prime facie, prejudicial to the interest of the Company.
 - (c) The company is neither regular in making recovery of the principal amount nor its interest.
 - (d) There is overdue amount of loans granted exceeding one lacs in case of three parties and company is in process of recovery of the amount to the. Parties covered in the register maintained under section 301 of the Companies Act, 1956.

(e) As per the information and explanations given to us, the Company has taken unsecured loans from three parties covered in the Register maintained u/s. 301 of the Companies Act, 1956. The maximum balance outstanding during the year was Rs. 33,43,494

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

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

4. In our opinion and according to information and explanation given to us; there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets, and for the sale of goods and services. Further on the basis of our examination of books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

5. In our opinion and according to the information and explanations given to us, there is no transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies act 1956 exceeding the value of Rupees five lakhs in respect of any party during the Year.

6. In our opinion and according to the information and explanations given to us, the company has not accepted/renewed the deposits falling within preview of Section 58A / 58AA of the Companies Act, 1956 during the financial year. However the honorable Company Law Board (CLB) western region bench Mumbai, by its order dated 29th April,2002 in company petition no 58AA/58A(9)/CLB/WR/2002/494 has order that there is a default on the part of the company to repay the small depositors their deposits as per terms and condition of acceptance of deposits. However considering the submission made by the company that the company is already having a separate Bank account for accepting and repaying fixed deposits with Madhavpura Mercantile Co. Op. Bank Ltd. , the banker of the company and has transferred funds to the tune of Rs. 175 Lacs to the said amount (which is frizzed by CBI BS & FC Mumbai) for repayment of depositors and since the clearing of the Madhavpura Mercantile Co. Op. Bank Ltd., the banker of the company has been suspended w.e.f. 13th March,2001 the company is unable to repay to depositors whose FD's stand matured & for repayment of the premature FD's Hon'ble Company Law Board has given directions to the company as contained in order. One of prime direction of the order is that:

The Company shall make repayment of deposits along with interest at the contracted rate till the date of payment to depositors whose deposits become matured and also to depositors who have requested the company for repayment of their premature fixed deposits within 30 days of start of clearing of Madhavpura Mercantile Co. Op. Bank Ltd. However clearance of Bank already has been started but the above bank account has been freezed by CBI BS & FC Mumbai hence company could not paid deposits.

7. In our opinion and according to the information and explanation given to us, the Company has no internal audit system commensurate with size and nature of its business.
8. In our opinion and according to the information and explanations given to us, the central government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
9. (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, excise duty, cess and other material statutory dues applicable to it. And the Company had no arrears of such outstanding statutory dues as at 31st March, 2012 for a period more than six months from the date they became payable .

(b) According to the information and explanation given to us, and details produced for verification, there are dues of Income tax of Rs. 6,74,762 which have not been deposited as the said dispute is pending before CIT (Appeal).
10. In our opinion and according to the information and explanations given to us, the company has not incurred any cash losses during the financial year under review. Moreover, the company has accumulated losses of Rs. 3,18,41,232 at the end of the financial year.
11. According to the records of the company examined by us and on the basis of information and explanations given to us, the company has issued cheques of Rs. 2,10,07,851/- from its current account for repayment of Term Loan to Madhavpura Mercantile Co. Op. Bank Ltd by way of transfer of funds. We are unable to express our opinion because necessary documents are not available by bank to us whether same have been credited or not.
12. The company has not granted any loans and advances on the basis of securities by way 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, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

14. According to the information and explanation given to us, the company is not dealing or trading in shares, securities, Debentures and other Securities.
15. In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions during the year.
16. As per the Information made available to us, there are no Term Loans taken by the Company.
17. In our opinion and according to the information and explanations given to us, the Company has not used any funds raised on short term basis for long term investment.
18. The Company has not made any preferential allotment during the Year.
19. During the period covered by our audit report, the company has not issued any debentures.
20. As the company has not raised money by making Public issue during the Financial year.
21. As represented to us by the Management and based on our examination of the books and records of the Company in accordance with the generally accepted auditing practices in India, we have neither come across any material fraud on or by the company noticed or reported during the year nor we have been informed of any such case by the management that causes the financial statements to be materially misstated.

For, Purushottam Khandelwal & Co.
Chartered Accountants

Sd/-

Purushottam Khandelwal
Proprietor

Place: Ahmedabad.

Date : 28/05/2012

MADHUR INDUSTRIES LTD

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

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Notes	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
		₹	₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	40,900,000	40,900,000
(b) Reserves and Surplus	2	21,620,236	21,221,021
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	1,998,910	615,430
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short-Term Borrowings	4	12,858	12,858
(b) Trade Payables	5	6,016,136	851,323
(c) Other Current Liabilities	6	3,963,627	2,500,036
(d) Short-Term Provisions	7	551,177	739,943
Total		75,062,944	66,840,611
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	17,900,941	19,851,758
(ii) Intangible Assets		-	-
(ii) Capital Work in Progress		-	-
(ii) Intangible Assets under Development		-	-
(b) Non-current investments	9	7,298,545	10,376,752
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	10	8,575,725	6,414,186
(e) Other non-current assets	11	-	784,048
(2) Current Assets			
(a) Current investments		-	-
(b) Inventories	12	10,725,678	9,611,222
(c) Trade receivables	13	20,639,603	10,863,953
(d) Cash and cash equivalents	14	3,906,081	4,920,758
(e) Short-term loans and advances	15	2,810,917	4,017,934
(f) Other current assets	16	3,205,453	-
Total		75,062,944	66,840,611

NOTES TO ACCOUNTS

25

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

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

FOR PURUSHOTTAM KHANDELWAL & CO
CHARTERED ACCOUNTANTS

FOR MADHUR INDUSTRIES LTD.

Sd/-

Sd/-

Sd/-

(CA. P.H. KHANDELWAL)

(DIRECTOR)

(DIRECTOR)

M. No. : 100601

PLACE: AHMEDABAD

F.R.N.: 123825W

DATED: 28/05/2012

FOR, MADHUR INDUSTRIES LTD.

Shalini V. Parikh
DIRECTOR

MADHUR INDUSTRIES LTD

MADHUR COMPLEX, STADIUM CROSS ROAD, NAVRANGPURA, AHMEDABAD-09
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2012

Sr. No	Particulars	Notes	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	Revenue from operations	17	₹ 62,695,974	₹ 45,832,949
II	Other Income	18	1,214,298	1,693,158
III	III. Total Revenue (I +II)		63,910,272	47,526,107
IV	Expenses:			
	Cost of materials consumed	19	48,189,814	32,901,395
	Purchase of Stock in Trade		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(1,034,420)	(17,040)
	Employee Benefit Expense	21	4,806,677	4,661,199
	Financial Costs	22	290,174	125,039
	Depreciation and Amortization Expense	23	2,166,368	2,461,922
	Other Expenses	24	8,531,598	6,530,744
	Total Expenses (IV)		62,950,211	46,663,259
	Profit before exceptional and extraordinary items and tax	(III - IV)	960,060	862,848
	Exceptional Items (Prior Period)		78,978	-
	Profit before extraordinary items and tax (V - VI)		881,083	862,848
	Extraordinary Items		-	-
	Profit before tax (VII - VIII)		881,083	862,848
	Tax expense:			
	(1) Current tax		481,868	-
	(2) Deferred tax		-	-
	Profit(Loss) from the period from continuing operations	(IX-X)	399,215	862,848
	Profit/(Loss) from discontinuing operations		-	-
	Tax expense of discounting operations		-	-
	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
	Profit/(Loss) for the period (XI + XIV)		399,215	862,848
	Earning per equity share of face value of 10 ₹			
	Basic & Diluted		0.098	0.211

Notes to Accounts

25

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

The Profit & Loss Statement referred to in our Report of even date.

PURUSHOTTAM KHANDELWAL & CO

REGISTERED ACCOUNTANTS

FOR MADHUR INDUSTRIES LTD.

Sd/-

Sd/-

(DIRECTOR)

(DIRECTOR)

P. KHANDELWAL

100601

123825W

PLACE: AHMEDABAD

DATED: 28/05/2012

FOR, MADHUR INDUSTRIES LTD.

Shatin to Panics
DIRECTOR

MADHUR INDUSTRIES LTD

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 1 Share Capital

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

More Than 5% shareholdings

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

Note : 2 Reserve & Surplus

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	Capital Reserve		
	a. Capital subsidy from spices board (As per last Balancesheet)	100,000	100,000
2	Capital Redemption Reserve	-	-
3	Securities Premium reserve	-	-
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve (As per last Balancesheet)	673,864	673,864
6	Shares Option Outstanding Account	-	-
7	Other Reserve		
	a. Amalgamation Reserve (As per last Balancesheet)	306,145	306,145
	b. General Reserve (As per last Balancesheet)	52,312,558	52,312,558
	c. Investment Allowance Reserve (As per last Balancesheet)	74,875	74,875
8	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	(32,246,421)	(33,109,269)
	Less: Tax on Regular Assessment Paid		
	Add: Profit for the period	399,215	862,848
	Closing Balance	(31,847,206)	(32,246,421)
	Total	21,620,736	21,221,000

MADHUR INDUSTRIES LTD

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 3 Long Term Borrowings

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
	Unsecured		
1	Bonds / Debentures	-	-
2	Term Loan		
	- From Bank	185,043	185,043
	- From Other Parties	-	-
3	Deferred Payment Liabilities	-	-
4	Deposit	170,093	170,093
5	Loans & Advances From Related Parties	1,589,774	206,294
6	Long Term Maturities of Finance lease obligation	-	-
7	Loans From Directors	0	-
8	Other Loans & Advances	-	-
	a. Term Deposit	54,000	54,000
	Total	1,998,910	517,430

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

Note : 4 Short Term Borrowings

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

*Secured by hypothecation of stock in trade comprising of raw material, stock in process & finished goods & book debts and floating charge over all existing & future fixed assets, also guaranteed by directors of the company.

Note : 5 Trades Payable

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Sundry Creditors for Material	4,786,531	617,714
2	Sundry Creditors for Expense	1,229,605	233,609
	Total	6,016,136	851,323

MADHUR INDUSTRIES LTD

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 6 Other Current Liabilities

Sr. No	Particulars	₹	
		Current Year	Previous Year
1	Current maturities of long-term debt	-	-
2	Current maturities of finance lease obligations	-	-
3	Interest accrued but not due on borrowings	-	-
4	Interest accrued and due on borrowings	-	-
5	Income received in advance	-	-
6	Application money due for refund*	-	-
7	Unpaid Dividend	-	-
8	Unpaid matured deposits and interest accrued thereon	-	-
9	Unpaid matured debentures and interest accrued thereon	-	-
10	Other Liabilities		
	a. Unpaid Expense	747,741	658,298
	b. Statutory Liabilities	42,963	26,923
	c. Advance From Customers	2,563,073	1,204,965
	d. Others	609,850	609,850
	Total	3,963,627	2,500,036

Note : 7 Short Term Provisions

Sr. No	Particulars	₹	
		Current Year	Previous Year
1	<u>Provision For Employees Benefit</u>		
2	<u>Others</u>		
	Taxation	-	318,132
	Others	551,177	421,811
	Total	551,177	739,943

Note 1 - Fixed Asset (Owned Assets)
I. Fixed Assets at Ahmedabad Unit

Sl. No.	Particulars	Rate	Gross Block		Depreciation		Value at the end of the year	Value at the beginning	Addition during the year	Disposal during the year	Number	₹
			Value at the beginning	Value at the end of the year	Value at the beginning	Value at the end of the year						
I	Tangible Assets											
1	Land	0%	1858302	-	-	1,858,302	1,858,302	-	-	-	1,858,302	1,858,302
2	Building	3.34%	14,631,954	-	8,436,534	14,631,954	8,436,534	488,707	8,925,241	5,706,713	5,706,713	6,195,420
3	Plant and Equipment	4.75%	18,364,555	109,281	10,681,470	18,473,836	10,681,470	870,636	11,551,375	6,922,461	6,922,461	7,683,085
4	Furniture & Fixtures	6.33%	7,545,635	7,500	6,285,594	7,554,135	6,285,594	450,016	6,735,610	818,525	818,525	1,261,041
5	Vehicles (Cars)	9.50%	1,878,043	326,914	1,480,041	1,551,129	1,480,041	41,612	1,194,739	356,390	356,390	398,002
6	Office Equipment	6.33%	1,289,600	8,740	694,677	1,298,340	694,677	58,079	752,756	545,584	545,584	594,923
7	Computer	16.21%	2,084,547	11,800	1,978,885	2,096,347	1,978,885	113,359	2,092,244	4,103	4,103	105,662
	SUB TOTAL (A)		47,653,636	137,321	29,557,201	47,790,957	29,557,201	2,102,409	31,251,965	327,645	3,621,207	3,609,755
II	Intangible Assets											
III	Capital Work-in-progress											
IV	Intangible Assets Under Development											
	SUB TOTAL (B)											
	SUB TOTAL (C)											
	SUB TOTAL (D)											
	Total (A + B + C + D) (Current Year)		47,653,636	137,321	29,557,201	47,790,957	29,557,201	2,102,409	31,251,965	327,645	3,621,207	3,609,755

MADHUR INDUSTRIES LTD

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 9 Non Current Investment

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
	Other Investments		
	Quoted		
1	9,27,500 Equity Shares of Madhur Capital & Finance Ltd. (P.Y. 9,27,500)*	6,390,965	6,390,965
	Unquoted		
1	9000 Shares of Madhavpura Mercantile Co. Op. Bank Ltd. Of Rs. 100 each fully paid up (P.Y. 9000)	900,000	900,000
2	498 Equity Shares of Bombay Merc. Co. Op. Bank Ltd (P.Y.498)	4,980	4,980
3	Investment in Fortis Money Plus Fund	-	2,708,606
4	Investment in ICI Prudential Flexible	-	369,601
5	National Defence Bond with Central Govt.(Food Corp. of India)	1,500	1,500
6	National Saving Certificate with Central Govt.(Export Div.)	1,100	1,100
	Total	7,298,545	10,376,652

* Market Value as on reporting date- 91,82,250 ₹

Note : 10 Long Term Loans and Advances

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
	Unsecured (Considered Good)		
1	Capital Advances		
2	Security Deposit		
	a) Secured, Considered Good :		
	Earnest Money Deposit		
	Other Deposit	523,991	4,014,497
	b) Unsecured, Considered Good :		
	c) Doubtful	-	-
3	Loans & Advances to related parties *	2,427,401	1,216,176
4	Other Loans & Advances		
	Advance Tax/Refund Due	862,835	430,006
	Other Loans & Advances	4,761,498	753,507
	Total	7,715,725	6,414,186

Particulars	Current Year	Previous Year
Directors	135,000	-
Firms in which director is partner	-	-
Private Companies in which director is a member	1,615,754	564,281
Total	1,750,754	564,281

Note : 11 Other Non Current Assets

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Long Term Trade Receivables	-	-
2	Miscellaneous Expenditure	-	784,048
	Total	-	784,048

Note : 12 Inventories

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Raw Material (Valued at cost)	1,167,768	1,020,962
2	Work-in-Progress (Valued at cost)	2,432,280	-
3	Finished Goods (Valued at cost or N.R.V. w.e. less)	1,409,177	374,757
4	Stock-in-Trade	-	-
5	Stores & Spares	-	-
6	Loose Tools	-	-
7	Packing Material (Valued at cost)	5,716,453	8,215,503
	Total	10,725,678	9,611,222

MADHUR INDUSTRIES LTD

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 13 Trade Receivables

S. No.	Particulars	₹ Current Year	₹ Previous Year
1	Outstanding for more than six months		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	6,292,998	-
	c) Doubtful	-	-
2	Others		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	14,346,606	7,601,104
	c) Doubtful	-	3,262,849
	Total	20,639,604	10,863,953

Note : 14 Cash & Cash Equivalent

S. No.	Particulars	₹ Current Year	₹ Previous Year
1	Cash-in-Hand		
	Cash Balance	296,487	185,482
	Sub Total (A)	296,487	185,482
2	Bank Balance		
	Balance with Scheduled Bank	3,120,900	4,462,010
	Fixed Deposit	488,694	240,894
	Sub Total (B)	3,609,594	4,702,904
3	Cheques on Hand	(C)	32,372
	Total [A + B + C]	3,906,081	4,920,758

Note :15 Short Terms Loans and Advances

S. No.	Particulars	₹ Current Year	₹ Previous Year
1	Loans & Advances to related parties		
2	Others		
	<i>Unsecured, Considered Good</i>		
	Advance to Suppliers	2,620,500	4,017,934
	Advance Income Tax/Refund Due	-	-
	Balance With Revenue Authorities (Indirect Taxes)	129,339	-
	Prepaid Expenses (Insurance)	61,078	-
	Total	2,810,917	4,017,934

Note :16 Other Current Assets

S. No.	Particulars	₹ Current Year	₹ Previous Year
1	D.E.P.B. License	2,713,410	-
2	Draw Back Receivable	120,631	-
3	Export Inspection Agency, Mumbai	1,000	-
4	Piramyd Retail Ltd	351,000	-
5	Security Transaction Tax	19,412	-
	Total	3,205,453	-

MADHUR INDUSTRIES LTD

Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2012

Note : 17 Revenue from Operations

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
	Sale of Products	62,695,974	45,832,949
	Sale of Services	-	-
	Other Operating Revenues	-	-
	Total	62,695,974	45,832,949
	Less: Excise Duty	-	-
	Total	62,695,974	45,832,949

Note : 18 Other Income

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Interest Income	145,917	142,684
2	Dividend Income	-	123,953
3	Net gain/loss on sale of investments	-	-
4	Other Non Operating Income	-	-
	a. Discount	145,842	157,635
	b. Remission of Creditors	58,842	690,894
	c. Sale of DEPB License	691,670	512,165
	d. Miscellaneous Income	-	65,827
	e. Profit on sale of Asset	14,500	-
	f. Duty Drawback	157,527	-
	Total	1,214,298	1,693,158

Note : 19 Cost of Material Consumed

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Indigenous	48,189,814	32,901,395
	Total	48,189,814	32,901,395

Note : 20 Change in Inventories

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Closing Stock	1,409,177	374,757
2	Opening Stock	374,757	357,717
	Total	1,034,420	17,040

Note : 21 Employment Benefit Expenses

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Salary & Wages	4,716,928	4,563,153
2	Contribution to P.F. & Others	85,099	87,829
3	Staff Welfare Exp. (Directors Share - 12,60,000 ₹ P.Y. 12,78,720 ₹)	4,650	10,217
	Total	4,806,677	4,661,199

Note : 22 Financial Cost

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Interest	-	45,267
2	Bank Charges	35,865	79,772
3	Other Borrowing Costs	2,000	-
4	Net loss on foreign currency translation	252309.00	-
	Total In	290,174	125,039

Note : 23 Depreciation & Amortised Cost

Sr. No.	Particulars	₹ Current Year	₹ Previous Year
1	Depreciation	2,166,368	2,069,898
2	Preliminary Expenses W/O	-	392,024
	Total	2,166,368	2,461,922

MADHUR INDUSTRIES LTD

Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2012

Note : 24 Other Expenses

No.	Particulars	₹	₹
No.	Particulars	₹	₹
	Manufacturing Expense		
1	Discount	44,264	(2,547)
2	Factory Expenses	3,108	12,952
3	Forward Contract Charges	-	28,073
4	Freight Inward	21,119	22,414
5	Instant Process Exp./Fumigation Expense	50,757	28,270
6	Job Work & Labour Charges	4,672	2,959
7	Laboratory Expenses	59,800	141,444
8	Machinery Repairs	22,030	29,295
9	Octroi Exp.	-	4,998
10	Other Expenses	2,594	15,000
11	Other Repairs/Factory Elec. Maintenance	14,096	222,103
12	Power Consumption	524,454	432,581
13	Terminal Handling Charges/Ocean & Air freight	2,371,673	117,054
14	Water Charges	93,663	52,767
	Subtotal	3,212,230	1,107,363
	Establishment & Selling Expense		
1	Advertisement Exp.	178,613	96,078
2	Agency Charges	143,391	151,750
3	Analysis Charges	21,731	-
4	Annual Custody Fees	29,781	24,266
5	Annual Subscription Fees	18,649	17,965
6	Auditor's Remuneration	87,000	70,000
7	Bad Debts	19,044	63,000
8	Business Promotion Expenses	43,843	254,861
9	Club Fees	7,940	-
10	Cold Storage Charges	-	6,801
11	Commission & Brokerage	650,501	81,523
12	Computer Expenses	48,245	40,135
13	Consultancy Charges	40,000	2,280
14	Conveyance Expenses	271,136	140,413
15	Demonstration Exps.	-	4,932
16	Dept. Licence app fees & ser. Charges	13,200	5,600
17	Donation	1,001	151
18	Documentation Charges	241,986	-
19	ECGC Premium	70,614	44,290
20	Electricity Exp.	57,195	56,920
21	Epebx Maintenance	500	-
23	Freight Outward	73,498	1,273,691
24	Insurance Expense	108,546	11,648
25	Internet Expenses	57,274	68,412
26	Legal and Professional Expense	75,710	288,159
27	Licence renewal/Membership Fees	-	1,015
28	Lorry Hire Charges	300	200
29	Medical Expense	50,081	-
30	Membership Expenses	12,685	55,148
31	Misc. Assets Written Off	784,048	-
32	Miscellaneous Expenses	155,747	283,083
33	Municipal Tax	205,260	-
34	Office Exp.	164,686	295,150
35	Office Maintenance Exp.	-	67,894
36	Packing Expenses	79,826	45,654
37	Postage & telegram Exp.	48,872	170,880
38	Rent, Rate & Taxes	84,297	249,910
39	Repairs & Maintenance	74,074	-
40	Renewal Charges	21,944	-
41	Sales Promotion Exp.	149,200	114,821
42	Security Exp.	307,060	294,505
43	Service Tax	2,287	-
44	Stationery & Printing Exp.	119,895	74,796
45	Subscription Expense	1,103	-
46	Telephone Exp.	267,642	248,722
47	Trademark Expense	7,000	-
48	Transportation Charges	191,400	79,242
49	Travelling & Conveyance Exp.	53,628	372,929
50	Vehical Exp.	31,802	34,917
51	Warehouse Charges	-	114,520
52	Weight and Quality Charges	247,133	217,121
	Subtotal	5,319,368	5,423,381
	Total In	8,531,598	6,530,744

MADHUR INDUSTRIES LIMITED

NOTE-25

1. Significant accounting Policies

(a) Basis of Accounting:

The financial statements are prepared under historical cost convention and to comply in all material respect with the notified accounting standards by the Companies Accounting standard Rules - 2006 and the relevant provision of Companies Act, 1956.

(b) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principle require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liability on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from this estimate and differences between actual results and estimates are recognized in the period in which the results are known / materialize.

(c) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. The cost of fixed asset comprise of its purchase price and any directly attributable cost of bringing the assets in an operational condition for its intended use.

(d) Depreciation:

Depreciation has been provided at the rates and in the manner prescribed in Schedule XIV of the Companies act, 1956 on SLM Method. Depreciation on addition or on sale/ disposal of assets is calculated pro-rata from the date of such addition or sale/ disposal as the case may be. Expenses for

Advertisement film are amortized from and over the maximum period of 5 years,

(e) Valuation of Inventories:

Inventory of goods are valued at Cost.

(f) Investment:

Long term investments are stated at cost. Provision of diminution in the value of Long term investments is made only if such decline is other than temporary in nature in the opinion of the Management.

(g) Revenue Recognition:

All the items of Income and expenses are recognized on accrual basis, except dividend and interest on overdue installments/defaults and Municipal Tax is accounted on cash basis.

(h) Retirement/ Post retirement Benefits:

No Provision for has been made for liabilities for retirement benefits including gratuity and leave encashment in respect of employees as required by the Accounting Standards -15 on Retirement Benefits.

(i) Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualification assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of such assets up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

(j) Taxation:

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the

difference between the taxable incomes and accounting income that originate in, one period and are capable of reversal in one or more subsequent period.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

(k) Provisions, Contingent Assets and Contingent Liabilities:

Contingent Liabilities as defined in Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets" are disclosed by way of notes to the account. Provision is made if it is probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.

2. NOTES FORMING PART OF ACCOUNTS

(a) As per the information and explanation given to us the Company does not have the policy of encashment of leave and hence no provision is made for liabilities for retirement benefits. The effect of the same can not be quantified, to that extent loss for the year and balance of Profit & Loss account is understated and balance of current liabilities is understated.

(b) No provision has been made in respect of doubtful debtors amounting to Rs.62,92,998 as the Company is in the process of initiating available recourse against the said debtors and the Company is hopeful of the recovery of the same.

(c) In view of non-availability of bank statements for bank account balance with banks are subject to confirmation and reconciliation will be made on receipt of the same.

(d) Related Party Disclosure :

1. Key Managerial Personnel

- i) Vinit R. Parikh
- ii) Shalin V. Parikh

2. Relative of Key Management personnel

Pushpaben Parikh

3. Transactions with related parties

Remuneration to:

Vinit parikh: Rs. 9, 00,000

Shalin Parikh Rs. 3, 60,000

Rent to:

Pushpaben Rs. 54,000

Vinit parikh Rs. 18,000

iii. The amount remitted during the year in foreign currencies on account of dividend Rs. NIL

iv. C.I.F. Value of Imports is Rs. NIL.

v. Expenditure in foreign currency is Rs. Nil.

a. Earnings in Foreign Exchange is (FOB) Rs. 4,22,34,365

b. Particulars of payment made to Auditors :

Particulars (Rs.)	2011-12 Amount (Rs.)	2010-11 Amount
Audit Fees	58000/-	58000/-

d. Particulars of payment made to Branch Auditors:

Particulars	2011-12 Amount (Rs.)
Audit Fees	20787/-

a. Particulars of payment made to Directors :

Particulars (Rs.)	2011-12 Amount (Rs.)	2010-11 Amount
Remuneration		
(1) Vinit R. Parikh	900000/-	900000/-
(2) Shalin V. Parikh	360000 /-	360000/-

- b. The balances shown in the Balance sheet under the head of unsecured loans, Creditors, Debtors and Loans and Advances are each subject to confirmation from respective parties and are subject to adjustment if any, on receipt of confirmation.
- c. The Company has not received any intimation from Suppliers regarding their status under Micro and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act have not been given.
- d. The Figures for the previous year have been rearranged and regrouped wherever considered necessary so as to confirm to the current year classification.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, PURUSHOTTAM KHANDELWAL & CO.
CHARTERED ACCOUNTANTS

FOR, MADHUR INDUSTRIES LTD

Sd/-

Sd/-

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

DIRECTOR DIRECTOR

PLACE: AHMEDABAD
DATE: 28/05/2012

PLACE: AHMEDABAD
DATE:

FOR, MADHUR INDUSTRIES LTD.
Shalin V. Parikh
DIRECTOR

MADHUR INDUSTRIES LIMITED

Madhur Complex,
Stadium Crossing Road,
Navarangpura, Ahmedabad

CASH FLOW STATEMENT FOR THE YEAR 2011-2012

Particulars	(Rs. In Lacs)	(Rs. In Lacs)
	2011-12	2010-11
A. Cash Flow From Operating Activities		
Net Loss before tax as per profit and loss account	8.81	8.62
Adjusted For :-		
Depreciation Net	21.66	20.69
Amortisation of Expenses	7.84	3.92
Bad Debt Written off	0.19	0.63
Interest Income	(1.45)	(0.52)
Dividend Income	0.00	(1.23)
Interest in respect of Gov Grant	0	0
Interest Expense	0	0.45
Sundry Credit & Other Balance Written Back	(2.22)	(1.29)
TOTAL	26.02	22.65
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE		
Movement in Working Capital		
Decrease/(increase) in sundry debtors	(97.76)	(62.82)
Decrease/(increase) in inventories	(11.14)	(5.39)
Decrease/(increase) in loans and advances	(19.98)	(6.09)
Decrease/(increase) in long term loans and advances	(21.61)	
Increase/(Decrease) in current liabilities	66.28	4.67
Increase/(Decrease) in provisions	0.00	(0.07)
Cash generated from operation	(84.21)	(69.70)
Direct Taxes paid (Net of refunds)	(4.81)	0
NET CASH FROM OPERATING ACTIVITIES	(54.19)	(38.43)
B. Cash Flows From Investment Activities		
Purchase of Fixed Assets	(2.15)	(5.96)
Purchase of Intangible Assets	0	0
Purchase/sales of Investment	30.78	52.97
Sales of Fixed Assets	0.14	0
Interest Received	1.45	0.52
Dividend Received	0	1.23
NET CASH FROM FINANCING ACTIVITIES	30.22	48.76
C. Cash Flow From Financing Activity		
Proceeds from long-term borrowings	13.83	(0.32)
Government grant Received	0	0
Interest Paid	0.00	(0.45)
NET CASH FROM FINANCING ACTIVITIES	13.83	(0.77)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(10.14)	9.56
Cash and Cash equivalents at the beginning of the year	49.2	39.64
Cash and Cash equivalents at the end of the year	39.06	49.2

FOR PURUSHOTTAM KHANDELWAL & CO
CHARTERED ACCOUNTANTS

FOR MADHUR INDUSTRIES LTD.

Sd/-

Sd/-

Sd/-

(CA. P.H. KHANDELWAL)

(DIRECTOR)

(DIRECTOR)

M. No. : 100601

PLACE: AHMEDABAD

F.R.N.: 123825W

DATED: 28/05/2012

FOR MADHUR INDUSTRIES LTD.

Shalin V. Parikh
DIRECTOR