

# Mid India Industries Limited

Corporate Office : 405, Princess Centre, 6/3, New Palasia, Indore-452 001 (India)  
Phone : +91-731-2543402, 2433231 Fax : +91-731-2530916 • Email : csmidindia@gmail.com  
CIN : L17124MP1991PLC006324

Date: 31<sup>st</sup> August, 2020

To,  
The Secretary,  
Corporate Relationship Department,  
**Bombay Stock Exchange Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400001

**Sub: Submission of 29<sup>th</sup> Annual Report as per Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015**

**Ref: MID INDIA INDUSTRIES LIMITED (BSE Scrip Code 500277; ISIN No. INE401C01018)**

Dear Sir/Madam,

In compliance with the requirement of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we hereby submit copy of 29<sup>th</sup> Annual Report of the Company for the Financial Year 2019-20 containing Notice of AGM, Board Report & its Annexures, Audit Report, Financial Statement and other required attachments.

You are requested to please take on record the above 29<sup>th</sup> Annual Report for your reference and further needful.

Thanking you,

Yours Faithfully

FOR MID INDIA INDUSTRIES LIMITED

*Shailendra*  
Shailendra Agrawal  
Company Secretary & Compliance Officer  
ACS:25819

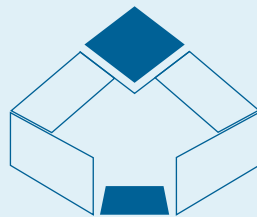




# 29th

## ANNUAL REPORT

### (2019-2020)



**Mid India Industries Limited**

Regd. Office: Textile Mill Area, Station Road, Mandsaur - 458001 (M.P.) India

## BOARD OF DIRECTORS

Shri Sanjay Singh Shri Bhawani Shankar Soni Smt Deepika Gandhi Shri Aneet Jain Shri Rakesh Kumar Jain	Managing Director Whole Time Director Independent Director Independent Director Independent Director	<b>COMPANY SECRETARY</b> CS Shailendra Agrawal
<b>REGISTERED OFFICE</b> MID INDIA INDUSTRIES LIMITED L17124MP1991PLC006324 Textile Mill Area, Station Road, Mandsaur (M.P.) - 458001 IN, Tel.: 07422 234999, 405139 E-mail Id: csmidindia@gmail.com Website: www.midindiaindustries.com	<b>CORPORATE OFFICE</b> 405, Princess Centre 6/3, New Palasia, Indore (M.P.) - 452003 Tel.: 0731 2433231, 2543402 E-mail Id: csmidindia@gmail.com Website: www.midindiaindustries.com	<b>CHIEF FINANCIAL OFFICER</b> Shri Om Prakash Dhanotiya
<b>STATUTORY AUDITORS</b> M/S. C LASOD & ASSOCIATES Chartered Accountants 118-A, Bansi Trade Centre, 581/5, MG Road, Indore (M.P.)	<b>INTERNAL AUDITOR</b> M/S. KAUSHAL & AGRAWAL Chartered Accountants 218, D.M. Tower, 21/1 Race Course Road, Indore (M.P.)	<b>SECRETARIAL AUDITOR</b> M/S. L. N. JOSHI & COMPANY Company Secretaries 122, Krishna Business Centre, 11, P U 4, Next to Medanta Hospital, Rasoma Square, Indore - 452010 Tel.: 0731-4266708, 4959087
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b> ANKIT CONSULTANCY PVT. LTD. Plot No. 60, Electronic Complex, Pardesipura, Indore (M.P.) - 452010 Tel.: 0731 4065797, 4065799 Fax: 0731 4065798 E-mail Id: ankit_4321@yahoo.com		

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# MID INDIA INDUSTRIES LIMITED

Corporate Office: 405, Princess Centre, 6/3, New Palasia, Indore - 452003 (M.P.)  
Regd. Office: Textile Mill Area, Station Road, Mandasaur - 458001 (M.P.) India Ph.: +91 7422 234999, 405139  
E-mail: csmidindia@gmail.com Website: www.midindiaindustries.com CIN: L17124MP1991PLC006324



## NOTICE OF 29th ANNUAL GENERAL MEETING

**NOTICE** is hereby given that 29th Annual General Meeting of the Members of **MID INDIA INDUSTRIES LIMITED** will be held on Tuesday 29th September, 2020 at 2.00 P.M.(IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") for which purposes the Registered office of the company shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall be deemed to be made thereat, to transact the following businesses:

### ORDINARY BUSINESSSES

1. To receive, consider, approve and adopt the audited financial statement of the Company for the financial year ended 31st March, 2020, together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bhawani Shankar Soni (DIN: 01591062), who retires by rotation and being eligible offers himself for re-appointment.

Date: 11th August 2020  
Place: Indore

By order of the Board of Directors  
**FOR MID INDIA INDUSTRIES LIMITED**

**MID INDIA INDUSTRIES LIMITED**  
(CIN: L17124MP1991PLC006324)  
Regd. Office: Textile Mill Area, Station Road, Mandasaur (M.P.) - 458001 IN  
Website-www.midindiaindustries.com  
Email id- csmidindia@gmail.com  
Tel. 07422-234999, 405139

**Shailendra Agrawal**  
Company Secretary  
ACS - 25819

### NOTES

1. In view of the COVID-19 Pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular no. 20/2020 dated May 5, 2020 has allowed the companies to conduct their Annual General Meeting (AGM), during the calendar year 2020, through Video Conferencing (VC) or any Other Audio Visual Means (OAVM) in a manner provided in General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 issued by MCA. Accordingly, in compliance with the requirements of the aforesaid MCA General Circulars, the Company is convening its 29th AGM through VC/OAVM, without the physical presence of the Members at a common venue. The Company has availed the facility of Central Depository Services (India) Limited (CDSL) for convening the 29th AGM through VC/OAVM, a detailed process in which the members can attend the AGM through VC/OAVM has been enumerated in Note number 26 of this Notice.

2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013 (the Act).

3. The aforesaid MCA General Circular dated May 5, 2020 read with MCA General Circular dated April 13, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 have granted relaxations to the companies, with respect to printing and dispatching physical copies of the Annual Reports and Notices to members. Accordingly, the Company will only be sending soft copy of the Annual Report 2019-20 and Notice convening 29th AGM via e-mail, to the members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent or Depository Participant/ Depository as on the cut-off date Friday, 21st August, 2020.

4. For Members who have not registered their e-mail address and those members who have become the members of the Company after Friday, 21st August 2020 being the cut-off date for sending soft copy of the Notice of 29th AGM and Annual Report for the financial year 2019-20, in Portable Document Format (PDF), will also be available on the Company's website www.midindiaindustries.com and website of CDSL i.e. www.evotingindia.com and on website of stock exchanges viz. www.bseindia.com. The relevant documents, if any, referred to in the Notice of 29th AGM and the Annual Report will also be available for inspection electronically on request by a member of the Company up to the date of the 29th AGM of the Company.

5. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

However, since the 29th AGM of the Company will be convened through VC/ OAVM, where there will be no physical attendance of members, the requirement of appointment of proxies pursuant to the provisions of Section 105 of the Act has been dispensed with. Accordingly, attendance slip and proxy form will not be annexed to this Notice.

6. Pursuant to the provisions of Sections 112 and 113 of the Companies Act, body corporate member can authorize their representatives to attend the AGM through VC/OAVM and cast their votes through e-voting. Provided a scan copy (PDF) of the Board Resolution authorizing such representative to attend the AGM of the Company through VC/ OAVM on its behalf and to vote through remote e-voting shall be sent to the Scrutinizer through the registered email address of the member(s) at lnjoshics@gmail.com with a copy marked to the Company at csmidindia@gmail.com.

7. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is omitted vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 25th Annual General Meeting, held on 27th September, 2016.

8. Pursuant to Provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Book of the Company will remain closed during the period from Tuesday, 22nd Day of September, 2020 to Tuesday 29th Day of September, 2020 (both days inclusive) for the purpose of 29th Annual General Meeting.

9. In terms of Section 152 of the Companies Act, 2013, Mr. Bhawani Shankar Soni (DIN: 01591062) Whole Time Director of the Company retires by rotation at the AGM and being eligible, offers himself for re-appointment. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standards on General Meetings (SS-2) in respect of the Director seeking re-appointment at the AGM, forms integral part of the Notice.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Further, as per SEBI Circular dated April 20, 2018 all securities holders holding securities in physical form should submit their PAN and Bank account details to the RTA.

The Members may kindly note that as per the amended Regulation 40 of the Listing Regulations w.e.f. April 1, 2019, transfer of the securities would be carried out in dematerialized form only. Accordingly, members holding shares in physical mode are advised to demat their physical shareholdings at the earliest.

11. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, may fill Form SH-13 and send the same to the office of the Company and/ or its RTA. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their respective DPs.

12. Members, who hold shares in multiple Demat accounts and those who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are advised to consolidate their holdings in single Demat account / Folio.

13. Members desirous of obtaining any information concerning to the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days before the date of the meeting so that the required information can be made available at the meeting.

14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.

15. Members are requested to contact the Registrar and Share Transfer Agent for all matter connected with Company's shares at Ankit Consultancy Private Limited, 60 Pardeshipura, Electronic Complex, Indore (M.P.).

16. **Investor Grievance Redressal:** The Company has designated an exclusive e-mail ID i.e. [csmidindia@gmail.com](mailto:csmidindia@gmail.com) to enable the investors to register their complaints / send correspondence, if any.

17. **Webcast:** Members who are entitled to participate in the AGM can view the proceedings of AGM by logging in the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) using the login credentials.

18. All the documents referred in the Notice are available for inspection electronically from the date of dispatch of Notice till Tuesday, September 29, 2020. Members seeking to inspect such documents are requested to write to the Company at [csmidindia@gmail.com](mailto:csmidindia@gmail.com).

19. The Company has appointed Mr. L.N. Joshi, Practicing Company Secretary (Membership No. FCS-5201; CP No.4216) to act as the scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

20. The voting rights of Shareholders shall be in proportion of shares held by them to the total paid up equity shares of the company as on Tuesday 22nd September, 2020, being the cut-off date.

21. A person who is not a Member as on Tuesday 22nd September, 2020 should treat this Notice for information purposes only.

22. A person who has acquired the shares and has become a member of the Company after dispatch of notice of AGM and prior to the Cut-off date i.e. Tuesday 22nd September, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of AGM by following the procedure mentioned in this Notice.

23. The procedure for joining the AGM through VC/OAVM is mentioned in this Notice. Since the AGM will be held through VC/OAVM, the route map is not annexed in this Notice.

24. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings ("SS-2"), Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the facility for remote e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through Central Depository Services (India) Limited ("CDSL"). Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting and e-voting during the AGM.

**25. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

(i) The voting period begins on Saturday 26th September, 2020 from 9.00 A.M. and ends on Monday, 28th September, 2020 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday 22nd September, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(iv) Click on "Shareholders" module.

(v) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,  
 b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,  
 c. Shareholder holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login-Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <MID INDIA INDUSTRIES LTD> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If a Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while remote voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

– Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.

– A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

– After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

– The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.



– A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

– Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; csmidindia@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **26. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at csmidindia@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at csmidindia@gmail.com. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

7. Members are permitted to join the AGM through VC/OAVM, 15 minutes before the scheduled time of commencement of AGM and during the AGM, by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to at-least 1,000 Members on a first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without any restrictions pertaining to joining the AGM on a first come first served basis. Institutional Investors who are Members of the Company, are encouraged to attend and vote at the AGM.

#### **27. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

ii. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

#### **28. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:**

(a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

(b) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

(c) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

(d) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### **29. DECLARATION OF RESULTS:**

A. The scrutinizer shall, immediately after the conclusion of voting during the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or the person authorized by him, who shall countersign the same.

B. Based on the scrutinizer's report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI Listing Regulations.

C. The results declared along with the scrutinizer's report, will be hosted on the website of the Company at [www.midindiaindustries.com](http://www.midindiaindustries.com) and on the website of CDSL, immediately after the declaration of the result by the Chairperson or a person authorized by him in writing and communicated to the Stock Exchanges.

D. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 29th September, 2020 subject to receipt of the requisite number of votes in favour of the Resolutions.

30. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

31. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

Date: 11th August 2020  
Place: Indore

By order of the Board of Directors  
**FOR MID INDIA INDUSTRIES LIMITED**

**MID INDIA INDUSTRIES LIMITED**  
(CIN: L17124MP1991PLC006324)  
Regd. Office: Textile Mill Area, Station Road, Mandsaur (M.P.) - 458001 IN  
Website-[www.midindiaindustries.com](http://www.midindiaindustries.com)  
Email id- [csmidindia@gmail.com](mailto:csmidindia@gmail.com)  
Tel. 07422-234999, 405139

**Shailendra Agrawal**  
Company Secretary  
ACS - 25819

**Additional Information of Directors seeking re-appointment/appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and Secretarial Standard of General Meeting:**

Name of Directors	Mr. Bhawani Shankar Soni (DIN: 01591062)
Date of Birth	14.01.1960
Date of Appointment	24.05.2019
Expertise / Experience in specific functional areas	Legal & Manufacturing 40 Years
Qualification	B.A.
No. & % of Equity Shares held in the Company	27000 (0.17%)
List of outside Company's directorship held	Rock And Roll Resort And Club Pvt. Ltd.
Chairman / Member of the Committees of the Board of Directors of the Company	Nil
Salary or Sitting fees paid	26,000/- P.M. (salary)
Chairman / Member of the Committees of the Board of Directors of other Companies in which he/she is director	Nil
Relationship between directors inter-se	Nil



## BOARD'S REPORT

### Dear Shareholders

Your Directors present their Report together with the Audited Financial Statements of your company for the year ended March 31, 2020.

### 1. STATE OF AFFAIRS AND FINANCIAL PERFORMANCE:

#### 1.1 FINANCIAL HIGHLIGHTS AND SUMMARY

The performance highlights and summarized financial results of the Company are given below:

Particulars	Year ended	Year ended
	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
	(Amount in Thousands except EPS)	
Total Income	85091.86	212826.04
Total Expenditure	85486.69	238731.68
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>	<b>(394.83)</b>	<b>(25905.64)</b>
Exceptional Items	35.15	61.70
<b>Profit/(Loss) before tax</b>	<b>(359.68)</b>	<b>(25843.94)</b>
Provision for Tax		
Current Tax	0.00	0.00
Deferred Tax	0.00	0.00
<b>Profit/(Loss) after tax</b>	<b>(359.68)</b>	<b>(25843.94)</b>
Other comprehensive Income ( Net of Tax)	0.00	0.00
Total Comprehensive Income	<b>(359.68)</b>	<b>(25843.94)</b>
Paid up Equity Share Capital	163000.00	163000.00
Earning per share (Rs.10/- each) Basic & Diluted (in Rs.)	(0.02)	(1.59)

#### 1.2 OPERATIONS AND STATE OF COMPANY'S AFFAIRS

During the Financial year Company has achieved total income of Rs. 850.91 lacs in comparison to previous year's total income of Rs. 2128.26 lacs and incurred net loss of Rs. 3.59 lacs in comparison to previous year net loss of Rs. 258.43 lacs. Further Company's operating margins were not up to mark as operating cost of the product is higher.

Due to continued heavy losses and outdated machineries, your company has stopped manufacturing process and leased out Factory, Plant & Machinery of the Company for the purpose of generation of Revenue owing to market situation and uncertain cash flows from the business.

#### 1.3 IMPACT ON BUSINESS OPERATIONS OF YOUR COMPANY ON ACCOUNT OF COVID-19 PANDEMIC

The Sudden spread of Covid-19 pandemic and consequent to lockdown announced by the Government from 25th March, 2020, operations of the Company were not much adversely affected. While office of the Company were maintained operationally functioning by providing "Work from Home" facility to its employees during the period of lockdown. Further Factory premises given on lease basis therefore no major impact on the operation of the company due to Covid pandemic.

#### 1.4 CHANGE IN NATURE OF BUSINESS

Members are note that Company was engaged in the business of manufacturer textile, yarn, fabric etc. In spite of continues efforts made by management, company kept incurring losses since past few years. In view of the above Board of Directors of the Company decided to diversify its business activities and looking in to the current market scenario and possession of huge amount of land, Board has proposed to start real estate business activities/development of land for which members have given their approval in Annual General Meeting held on 25th September, 2019; for which company received approval from Registrar of Companies on 8th November, 2019.

#### 1.5 SHARE CAPITAL

The Paid-Up Equity Share Capital as at 31st March 2020 stood at Rs. 16.30 Crores. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock option or sweat equity shares. As on 31st March 2020, none of the Directors of

the company hold instruments convertible into equity shares of the Company.

## 2. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is annexed as **Annexure - A** and forms an integral part of this Report and is available on the website of the company [www.midindiaindustries.com](http://www.midindiaindustries.com).

## 3. NUMBER OF MEETINGS OF THE BOARD, ITS COMMITTEES & AGM

The details of the number of meetings of the Board and its committee held during the Financial Year 2019-20 forms part of the Corporate Governance Report. Further, Annual General Meeting of the Company for financial year 2018-19 was held on 25th September, 2019.

## 4. DIVIDEND

Due to loss in financial year 2020 and accumulated losses of earlier years, your directors regret their inability to recommend any dividend for the year under review.

## 5. AMOUNTS TRANSFERRED TO RESERVES

During the financial year under review no amount was transferred to reserve.

## 6. DEPOSITS

The Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

## DISCLOSURE OF UNSECURED LOAN RECEIVED FROM DIRECTORS

Pursuant to Section 2(31) Read with Rule 2(1)(viii) of Companies (Acceptance of Deposits) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), the Company had not received any unsecured loan from directors during the financial year.

## 7. SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

## 8. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

During the financial year ended on 31st March, 2020, the Company did not have any subsidiary, joint venture or associate company.

## 9. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Bhawani Shankar Soni (DIN: 01591062) retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

During the financial year, Board of Directors accepted resignation of Shri Pradeep Kumar Ganediwal (DIN:00020385) from the post of Directorship w.e.f. 31st May, 2019.

Further during the financial year under review, members of the Company in their Annual General Meeting held on 25th September, 2019 confirmed re-appointment of Smt. Deepika Gandhi (DIN:07017162) as an Independent Director of the Company for the second term of five years.

Further, Board of Directors in their meeting held on 24th May, 2019 appointed Shri Bhawani Shankar Soni (DIN: 01591062) as Additional Director of the Company, who was further appointed as Whole Time Director of the Company for the period of three years w.e.f. 06th June, 2019 in Board Meeting held on 06th June, 2019 which was further confirmed by members in their Annual General Meeting held on 25th September, 2019.

Further, Board of Directors in their Meeting held on 12th August, 2019, considered re-appointment of Shri Sanjay Singh (DIN: 01548011) as Managing Director of the Company for term of three years w.e.f. 1st October, 2019 till 30th September, 2022 which was further confirmed by members in their Annual General Meeting held on 25th September, 2019.

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Shri Sanjay Singh (DIN: 01548011), Managing Director
2. Shri Bhawani Shankar Soni (DIN: 01591062), Whole time Director
3. Shri Shailendra Agrawal, Company Secretary and Compliance officer
4. Shri Om Prakash Dhanotiya, Chief Financial Officer

**DISQUALIFICATIONS OF DIRECTORS:**

During the year declarations received from the Directors of the Company pursuant to Section 164 of the Companies Act, 2013. Board appraised the same and found that none of the director is disqualified for holding office as director.

**10. DECLARATION BY INDEPENDENT DIRECTOR**

The Independent Directors have submitted the declaration of independence, as required under Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

**11. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures in adoption of these standards;
- b. The Directors have selected such accounting policies 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 loss of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a going concern basis;
- e. The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**12. FAMILIARIZATION OF INDEPENDENT DIRECTORS**

The details of familiarization programme for Independent Directors have been referred in Corporate Governance Report and is also available on website of the Company at the following link:-

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_0df8666d04d445c8acc4b01fd794c36c.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_0df8666d04d445c8acc4b01fd794c36c.pdf)

**13. MEETING OF INDEPENDENT DIRECTORS**

The Independent Directors met once during the year as on 17th March, 2020. The Meeting was conducted in an informal manner without the presence of the Chairman, the Managing Director, the Non-Executive Non-Independent Directors and Key Managerial Personnel of the Company.

**14. COMMITTEES OF THE BOARD OF DIRECTORS**

The Company has various committees which have been constituted as a part of the good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes. Your Company has an adequately qualified and experienced Audit Committee with Shri Rakesh Kumar Jain (Chairman), Shri Aneet Jain and Smt. Deepika Gandhi, as Members. The recommendations of the Audit Committee were duly approved and accepted by the Board during the year under review.

The other Committees of the Board are:

- (i) Nomination and Remuneration Committee
- (ii) Stakeholders Relationship Committee

The details with respect to the composition, powers, roles, terms of reference, Meetings held and attendance of the Members at such Meetings of the relevant Committees are given in detail in the Report on Corporate Governance of the Company which forms part of this Report.

**15. STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES**

The Board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the Director was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria

such as the composition of committees, effectiveness of committee meetings, etc. The board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

**Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgments.

**16. PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS U/S 186**

The Company has not provided any loans and guarantees or made investments pursuant to Section 186 of the Companies Act, 2013.

**17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at web link:

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_592c81ea43d24434a503e56bd8172474.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_592c81ea43d24434a503e56bd8172474.pdf) The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by an Audit Committee to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013, and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and at Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable.

**18. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Rule (8)(3) of the Companies (Accounts) Rules, 2014 are given as under:

(A) Conservation of Energy:

(i) The steps taken or impact on conservation of energy: N.A.

(ii) The steps taken by the company for utilizing alternate sources of energy: N.A.

(iii) The capital investment on energy conservation equipment's: Nil

(B) Technology Absorption :

(i) The efforts made towards technology absorption: Not Applicable.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): The Company has neither purchased within India nor imported any technology.

(iv) Company has not incurred any expenditure on Research and Development during the year under review: The Company has not incurred any expenditure on Research and Development during the year under review.

(C) Foreign Exchange earning/outgo:

(Amount in Thousands)		
	Year ended 31/03/2020	Year ended 31/03/2019
(a) Foreign Exchange earned		
(i) Sales	0.00	0.00
(ii) Other Activities	0.00	0.00
(b) Foreign Exchanged used		
(i) Purchase of Raw Material	0.00	0.00
(ii) Other Activities	0.00	0.00

**19. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The company's internal control system is commensurate with its size, scale and complexities of its operations; the internal and operational audit is entrusted to M/s. Kaushal & Agrawal, Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The audit committee of the board of directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The company has a robust management information system, which is an integral part of the control mechanism.

The audit committee of the board of directors, statutory auditors and the business heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of director. Significant audit observations and corrective actions taken by the management are presented to the audit committee of the board. To maintain its objectivity and independence, the internal audit function reports to the chairman of the audit committee. Report of statutory auditors for internal financial control system is part of Audit Report.

**20. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Provisions of Section 135 of the Companies Act, 2013 does not apply to the Company, therefore Company has not constituted Corporate Social Responsibility (CSR) committee as required under the Act.

**21. REMUNERATION POLICY / DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES**

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. The Nomination and Remuneration Policy of the company is available on the web link:

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_e8349c14316f4b7c9737b0f3fa5690f9.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_e8349c14316f4b7c9737b0f3fa5690f9.pdf)

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended up to date, is annexed as **ANNEXURE-B** and forms an integral part of this Report.

None of the employee of the company is drawing more than Rs. 1,02,00,000/- per annum or Rs. 8,50,000/- per month for the part of the year, during the year under review. Therefore, Particulars of the employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (2) & Rule 5 (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are not applicable, during the year under review.

Further, Company did not have any holding or subsidiary company therefore receipt of the commission or remuneration from holding or subsidiary company of the company as provided under Section 197(14) of Companies Act, 2013 is not applicable.

**22. REPORT ON CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION ANALYSIS**

As per Regulation 34(3) read with Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Practicing Company Secretary confirming compliance forms an integral part of this Report.

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

**23. DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has a whistle blower policy to report genuine concerns or grievances. The details of establishment of the reporting mechanism are disclosed on the web link of the Company:-

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_8f332701ed52439e86945295a45651e3.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_8f332701ed52439e86945295a45651e3.pdf)

No Person has been denied access to the Audit Committee.

**24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY**

There are no significant and material orders passed by the Regulators/Courts/ Tribunals that would impact the going concern status of the Company and its future operations.

**25. AUDITORS****25.1 SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s. L.N. Joshi & Company, Practicing Company Secretary, to undertake as the Secretarial Audit of the company. The Secretarial Audit report is annexed as **ANNEXURE-C** and forms an integral part of this Report. The Secretarial audit report does not contain any material qualification, reservation or adverse remark.

**25.2 STATUTORY AUDITOR**

M/s C Lasod & Associates, Chartered Accountants (Firm Registration No. 006842C) were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 27th September, 2016, for a term of five consecutive years. Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018, amending Section 139 of the Companies Act, 2013, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence your Company has not proposed ratification of appointment of M/s C Lasod & Associates, Chartered Accountants at the forthcoming AGM.

**EXPLANATION TO AUDITOR'S REMARKS:**

The Auditors in their report have referred to the notes forming part of the Accounts which are self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer.

Further, there was no fraud in the Company, which was required to be reported by Statutory Auditors of the Company under sub-section (12) of section 143 of Companies Act, 2013.

**25.3 COST AUDITOR**

The Company does not fall within the provisions of Section 148 of Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014 as amended from time to time, therefore no such records are required to be maintained and company was not required to appoint cost Auditor for the Financial year 2019-20.

**25.4 INTERNAL AUDITOR**

The Board has appointed M/s. Kaushal & Agrawal, Chartered Accountants, Indore, as Internal Auditor of the company and takes his suggestions and recommendations to improve and strengthen the internal control systems. His scope of work includes review of operational efficiency, effectiveness of systems & processes, compliances and assessing the internal control strengths in all areas.

The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to strengthening of the Company's risk management policies and systems.

**26. SECRETARIAL COMPLIANCE REPORT**

Pursuant to SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, listed entities to obtain Annual Secretarial Compliance Report from a Practicing Company Secretary for compliance of all applicable SEBI Regulations and circulars/guidelines issued there under.

The Company has obtained the certificate from M/s. L. N. Joshi and Company (CP No. 4216), Practicing Company Secretary for providing required Compliance Report for the year ended 31st March, 2020 and same has been filed with the BSE Ltd. in prescribed time.

**27. CODE OF CONDUCT**

The Board of Directors has laid down a Code of Conduct ("the Code") for all Board members and senior management personnel of your Company. The Code is posted on Company's website at the web link:

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_2e1972bd19b142f3b0eb6c820f63f3dc.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_2e1972bd19b142f3b0eb6c820f63f3dc.pdf)

All Board members and senior management personnel have confirmed compliance with the Code. Declaration on adherence to the code of conduct is forming part of the Corporate Governance Report.

**28. MD/CFO CERTIFICATION**

As required under Regulation 17(8) of the Listing Regulations, the Managing Director and Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended 31st March, 2020 and same was reviewed by the Board of Directors and is annexed to the Corporate Governance Report.

**29. CODE FOR PROHIBITION OF INSIDER TRADING PRACTICES**

On December 31, 2018, Securities and Exchange Board of India amended the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, the Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives & Connected Persons under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.



**30. STATEMENT INDICATING DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY**

The Board of Directors has adopted risk management policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

**31. MATERIAL CHANGES & COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Due to lockdown announced by the Government from 25th March, 2020, operations of the Company were not much adversely affected. While office of the Company were maintained operationally functioning by providing "Work from Home" facility to its employees during the period of lockdown. Further Factory premises given on lease basis therefore no major impact on the operation and commitments of the company.

**32. ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

**33. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has in place of an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress the Complaint received regarding sexual harassment. There was no case of sexual harassment reported during the year under review.

**34. LISTING OF SHARES**

Company shares are listed on BSE Limited only. The company has paid annual listing fee for financial year 2020-21.

**35. BUSINESS RESPONSIBILITY REPORT**

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your Company for the financial year ending March 31, 2020.

**36. DEPOSITORY SYSTEM**

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid. The Company has paid the annual custodian fee to respective depositories.

**37. INDUSTRIAL RELATIONS**

Company's Industrial relations continued to be healthy, cordial and harmonious during the period under review. Your Directors record their appreciation for all the efforts, support and co-operation of all employees extended from time to time.

**38. ACKNOWLEDGMENT**

The Board of Directors wish to place on record its appreciation for the extended co-operation and assistance rendered to the Company and acknowledge with gratitude the continued support and cooperation extended by the employees, investors, stakeholders, Banks and other regulatory authorities.

Place: Indore  
Date: 11th August, 2020

**For and on behalf of the Board of Directors**  
MID INDIA INDUSTRIES LIMITED

Sanjay Singh  
Managing Director  
DIN: 01548011

Rakesh Kumar Jain  
Director  
DIN: 01548417

**Annexure-A  
Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN  
As on the financial year ended on 31st March, 2020**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

(i) CIN	L17124MP1991PLC006324
(ii) Registration Date	19/03/1991
(iii) Name of the Company	MID INDIA INDUSTRIES LIMITED
(iv) Category / Sub-Category of the Company	Listed Public Company limited by shares/Indian Non-government Company
(v) Address of the Registered office and contact details	Textile Mill Area, Station Road, Mandsaur (M.P.)-458001 Tel.: 07422 234999, 405139 Email id: csmidindia@gmail.com website: www.midindiaindustries.com
(vi) Whether listed company Yes / No	Yes (BSE Limited)
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>Ankit Consultancy Pvt. Ltd.</b> (SEBI Reg. No. INR000000767) Plot No. 60, Electronic Complex, Pardeshipura, Indore-452010 (M.P.) Tel.: 0731-4065799/97, Fax: 0731-4065798 E-mail: ankit_4321@yahoo.com, Web.: www.ankitonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of Main Products/Services	NIC Code of The Product/Services	% total turnover of the company
1.	Trading of Textile Products	5190	97.13%
2.	Real Estate activities	7010	2.87%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
-	-	-	-	-	-

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

## i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01st April 2019)				No. of Shares held at the end of the year (As on 31st March, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
(a) Individual/ HUF	7125454	0	7125454	43.71%	7125454	0	7125454	43.71%	0.00%
(b) Central Govt									
(c) State Govt(s)									
(d) Bodies Corp.	1173000	0	1173000	7.20%	1173000	0	1173000	7.20%	0.00%
(e) Banks / FI									
(f) Any Other									
<b>Sub-total (A) (1):-</b>	<b>8298454</b>	<b>0</b>	<b>8298454</b>	<b>50.91%</b>	<b>8298454</b>	<b>0</b>	<b>8298454</b>	<b>50.91%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
(a) NRIs-Individuals									
(b) Other-Individuals									
(c) Bodies Corp.									
(d) Banks / FI									
(e) Any Other									
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>8298454</b>	<b>0</b>	<b>8298454</b>	<b>50.91%</b>	<b>8298454</b>	<b>0</b>	<b>8298454</b>	<b>50.91%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds									
(b) Banks / FI	200	40600	40800	0.25%	200	40600	40800	0.25%	0.00%
(c) Central Govt									
(d) State Govt(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIIs									
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
<b>Sub-total (B)(1):-</b>	<b>200</b>	<b>40600</b>	<b>40800</b>	<b>0.25%</b>	<b>200</b>	<b>40600</b>	<b>40800</b>	<b>0.25%</b>	<b>0.00%</b>

<b>2. Non-Institutions</b>									
<b>(a) Bodies Corp.</b>									
<b>(i) Indian</b>									
(ii) Overseas	180980	428600	609580	3.74%	219451	428600	648051	3.98%	0.24%
<b>(b) Individuals</b>									
<b>(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh</b>									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1411790	3933270	5345060	32.79%	1411505	3903770	5315275	32.61%	(0.18%)
<b>(c) Others i) NRI &amp; OCB</b>									
(ii) Clearing Member	33389	584700	618089	3.79%	33489	584300	617789	3.79%	0.00%
	20	0	20	0.0%	2330	0	2330	0.01%	0.01%
<b>Sub-total (B)(2):-</b>	<b>2453976</b>	<b>5506770</b>	<b>7960746</b>	<b>48.84%</b>	<b>2483876</b>	<b>5476870</b>	<b>7960746</b>	<b>48.84%</b>	<b>0.00%</b>
Total Public Shareholding (B)= (B)(1)+ (B)(2)	<b>2454176</b>	<b>5547370</b>	<b>8001546</b>	<b>49.09%</b>	<b>2484076</b>	<b>5517470</b>	<b>8001546</b>	<b>49.09%</b>	<b>0.00%</b>
C. Shares held by Custodian for GDRs & ADRs	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Grand Total (A+B+C)	<b>10752630</b>	<b>5547370</b>	<b>16300000</b>	<b>100%</b>	<b>10782530</b>	<b>5517470</b>	<b>16300000</b>	<b>100%</b>	<b>0</b>
<b>(ii) Shareholding of Promoters</b>									
S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year	
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		
1	Ranchhod Prasad Laxmi narayan Ganediwal HUF	3757300	23.05%	0	3757300	23.05%	0	0	
2	Ganediwal Finance & Leasing Pvt. Ltd.	1173000	7.20%	0	1173000	7.20%	0	0	
3	Ranchhod Prasad Ganediwal	906126	5.56%	0	906126	5.56%	0	0	
4	Pradeep Ganediwal	1195000	7.33%	0	1195000	7.33%	0	0	
5	Pradyumn Ganediwal	789130	4.84%	0	789130	4.84%	0	0	
6	Indira Ganediwal	300000	1.84%	0	300000	1.84%	0	0	
7	Mid India International Limited	0.00	0.00%	0	0.00	0.00%	0	0	
8	Priti Ganediwal	95000	0.58%	0	95000	0.58%	0	0	

9	Sushila Devi Ganediwal	50000	0.31%	0	50000	0.31%	0	0
10	Krishna Das Agrawal	7898	0.05%	0	7898	0.05%	0	0
11	Nirmal Agrawal	10600	0.06%	0	10600	0.06%	0	0
12	Kanta Bai Agrawal	10000	0.06%	0	10000	0.06%	0	0
13	Ritu Agrawal	4400	0.03%	0	4400	0.03%	0	0
14	Shankar Prasad Mansinghka	0	0.00%	0	0	0.00%	0	0
	<b>Total</b>	<b>8298454</b>	<b>50.91%</b>	<b>0</b>	<b>8298454</b>	<b>50.91%</b>	<b>0</b>	<b>0%</b>

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	<b>8298454</b>	<b>50.91%</b>	<b>8298454</b>	<b>50.91%</b>
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	8298454	50.91%
	At the End of the year	<b>8298454</b>	<b>50.91%</b>	<b>8298454</b>	<b>50.91%</b>

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.		Shareholding at the beginning of the year (as on 01/04/2019)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>GIRDHARI SAGARMAL BIYANI</b> At the beginning of the year	239300	1.47%	239300	1.47%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	239300	1.47%
	At the End of the year ( or on the date of separation, if separated during the year)	239300	1.47%	239300	1.47%

2	<b>Florence Securities Private Limited</b> At the beginning of the year	118963	0.73%	118963	0.73%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	118963	0.73%
	At the End of the year ( or on the date of separation, if separated during the year)	118963	0.73%	118963	0.73%
3	<b>Sara Resinous Chemicals Pvt. Ltd.</b> At the beginning of the year	108500	0.67%	108500	0.67%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	108500	0.67%
	At the End of the year ( or on the date of separation, if separated during the year)	108500	0.67%	108500	0.67%
4	<b>Shri Omprakash Khandelwal</b> At the beginning of the year	104200	0.64%	104200	0.64%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	104200	0.64%
	At the End of the year ( or on the date of separation, if separated during the year)	104200	0.64%	104200	0.64%
5	<b>Ameera Vinod Shah</b> At the beginning of the year	90000	0.55%	90000	0.55%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	90000	0.55%
	At the End of the year ( or on the date of separation, if separated during the year)	90000	0.55%	90000	0.55%



6	<b>Roopshri Finvest Pvt. Ltd.</b> At the beginning of the year	88000	0.54%	88000	0.54%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	88000	0.54%
	At the End of the year ( or on the date of separation, if separated during the year)	88000	0.54%	88000	0.54%
7	<b>Ajay Gupta</b> At the beginning of the year	85243	0.52%	85243	0.52%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	85243	0.52%
	At the End of the year ( or on the date of separation, if separated during the year)	85243	0.52%	85243	0.52%
8	<b>Sourabh Hemraj Bora</b> At the beginning of the year	67900	0.41%	67900	0.41%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	67900	0.41%
	At the End of the year ( or on the date of separation, if separated during the year)	67900	0.41%	67900	0.41%
9	<b>Kosha Investment Ltd</b> At the beginning of the year	64900	0.40%	64900	0.40%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	64900	0.40%
	At the End of the year ( or on the date of separation, if separated during the year)	64900	0.40%	64900	0.40%

10	<b>NGL Fine-Chem Ltd.</b> At the beginning of the year	62800	0.39%	62800	0.39%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	62800	0.39%
	At the End of the year ( or on the date of separation, if separated during the year)	62800	0.39%	62800	0.39%
<b>(v) Shareholding of Directors and Key Managerial Personnel:</b>					
S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
<b>1</b>	<b>Sanjay Singh (Managing Director)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2900	0.02%	2900	0.02%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	2900	0.02%
	At the End of the year	2900	0.02%	2900	0.02%
<b>2</b>	<b>Bhawani Shankar Soni (Whole Time Director)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	27000	0.17%	27000	0.17%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0	27000	0.17%
	At the End of the year	27000	0.17%	27000	0.17%
<b>3</b>	<b>Aneet Jain (Independent Director)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	200	0.001%	200	0.001%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	200	0.001%
	At the End of the year	200	0.001%	200	0.001%

<b>4</b>	<b>Rakesh Kumar Jain (Independent Director)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	27600	0.17%	27600	0.17%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	27600	0.17%
	At the End of the year	27600	0.17%	27600	0.17%
<b>5</b>	<b>Deepika Gandhi (Independent Director)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
<b>6</b>	<b>Om Prakash Dhanotiya (Chief Financial officer)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	25000	0.15%	25000	0.15%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	25000	0.15%
	At the End of the year	25000	0.15%	25000	0.15%
<b>7</b>	<b>Mr. Shailendra Agrawal (Company Secretary)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0

<b>V. INDEBTEDNESS</b>				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	Nil	Nil	Nil	Nil
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Change in Indebtedness during the financial year</b>				
· Addition	Nil	Nil	Nil	Nil
· Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	Nil	Nil	Nil	Nil
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>				
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:				
S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sanjay Singh (Managing Director)	Bhawani Shankar Soni (Whole Time Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	2,80,812.00	2,80,812.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	0	0
2.	Stock Option	Nil	0	0
3.	Sweat Equity	Nil	0	0
4.	Commission - as % of profit - others, specify...	Nil	0	0
5.	Others, please specify (Provident Fund)	Nil	21,600	21,600
	<b>Total (A)</b>	Nil	3,02,412.00	3,02,412.00
	Ceiling as per the Act	Remuneration paid within the ceiling limit as prescribed in Companies Act, 2013		

B. Remuneration to other directors:				
Particulars of Remuneration	Name of Directors			Total Amount
	Rakesh Kumar Jain	Aneet Jain	Deepika Gandhi	
1. Independent Directors				
· Fee for attending board committee meetings	Nil	Nil	Nil	Nil
· Commission				
· Others, please specify				
Total (1)	Nil	Nil	Nil	Nil
2. Other Non-Executive Directors <b>(Pradeep Kumar Ganeediwal)</b>				
· Fee for attending board committee meetings	Nil	Nil	Nil	Nil
· Commission				
· Others, please specify				
Total (2)	Nil	Nil	Nil	Nil
Total (B)=(1+2)	Nil	Nil	Nil	Nil
Total Managerial Remuneration (A+B)	Nil	Nil	Nil	3,02,412.00
Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Amount in Rs.)					
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Shailendra Agrawal (CS)	Om Praksh Dhanotiya (CFO)	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	6,00,000/-	2,70,720/-	8,70,720/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify (Provident Fund)	Nil	Nil	21,600	21,600
	Total	Nil	6,00,000/-	2,92,320/-	8,92,320/-

#### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: Nil

Place: Indore  
Date: 11th August, 2020

For and on behalf of the Board of Directors  
MID INDIA INDUSTRIES LIMITED

Sanjay Singh  
Managing Director  
DIN: 01548011

Rakesh Kumar Jain  
Director  
DIN: 01548417

## Annexure B

**Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**(I). The Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year:**

S.No	Name of Director	Ratio to Median Remuneration
1.	Bhawani Shankar Soni*	1:1

*\*Shri Bhawani Shankar Soni was appointed as Additional Director of the Company in Board meeting held on 24th May 2019 and Appointed as Whole Time Director of the Company in Board Meeting held on 6th June 2019 which was further confirmed by members in AGM held on 25th September 2019.*

**(II). The percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year 2019-20 is as follows:**

S.No	Name of Person	Designation	% Increase in Remuneration
1.	Sanjay Singh	Managing Director	Nil
2.	Bhawani Shankar Soni*	Whole Time Director	N.A.
3.	Aneet Jain	Independent Director	Nil
4.	Rakesh Kumar Jain	Independent Director	Nil
5.	Deepika Gandhi	Independent Director	Nil
6.	Omprakash Dhanotiya	CFO	Nil
7.	Shailendra Agrawal	Company Secretary	Nil

This is the first year of payment of remuneration to Mr. Bhawani Shankar Soni; hence percentage (%) increase in remuneration is not applicable.

**(III). The Percentage increase in the median remuneration of all employees in the financial year:**

During the year there was increase of 3.45% in the median remuneration of all employees in comparison to previous year.

**(IV). The Number of permanent employees on the rolls of the Company:** 3 (Three)

**(V). Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

There was average percentile decrease in salaries of employees other than the managerial personnel in the last financial year, since the number of employees had reduced as compared to previous financial year. Further, no increase in remuneration was made to managerial personnel's hence comparison of increase in remuneration of employees with increase in remuneration of managerial personnel's were not applicable.

**(VI). Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per remuneration policy of the Company.



(VII). Statement showing name of top ten employees in terms of remuneration drawn as per sub rule 3 of Rule 5 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time:-

Name	Shailendra Agrawal	Bhawani Shankar Soni	Omprakash Dhanotiya
Designation of the employee	Company Secretary	Whole Time Director	CFO
Remuneration received	6,00,000	3,02,412	2,92,320
Nature of Employment, Whether Contractual Or Otherwise	Otherwise	Otherwise	Otherwise
Qualifications and experience of the employee	CS – 10 Years	B.A. & 40 years	M.Com & 28 years
Date of Commencement of Employment	30.05.2014	17.05.1993	12.08.2014
The age of such employee	40	61	52
The last employment held by such employee before joining the company	Flexituff International Limited	B.K. Costing Pvt. Ltd.	Mid India International Limited
The percentage of equity shares held by the employee in the company with in the meaning of clause (iii) of sub rule (2) of Rule 5	0	0.17%	0.15%
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	N.A.	N.A.	N.A.

Annexure - C  
Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**For the financial year ended on 31st March, 2020**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**MID INDIA INDUSTRIES LIMITED**  
CIN: L17124MP1991PLC006324

**Registered Office:**

Textile Mill Area, Station Road, Mandsaur (M.P.)-458001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MID INDIA INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering **1st April, 2019 to 31st March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **MID INDIA INDUSTRIES LIMITED** for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.; **(not applicable to the company during the audit period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(not applicable to the company during the audit period);**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(not applicable to the company during the audit period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the company during the audit period);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable to the company during the audit period);**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from the time to time.

(vi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, laws and Regulations to the Company on test check basis. The management of the Company confirmed that at present company does not have any manufacturing activities and factory premises given on Lease therefore there is no Industry specific law which is applicable to the Company.

I have also examined compliance with the applicable clauses of Secretarial Standards on Meeting of Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

I further report that I have not reviewed the applicable financial laws (direct and indirect tax laws), Accounting Standard, since the same have been subject to review and audit by the Statutory Auditors of the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above:

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the year under review, the company has not undertaken event/action having a major bearing in the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except passing of special resolution for alteration in object clause of memorandum of Association of the company in last Annual General Meeting.

Place: Indore  
Date: 11th August 2020

For L. N. Joshi & Company  
Company Secretaries

L. N. Joshi  
Proprietor  
FCS: 5201; C P No. 4216  
UDIN: F005201B000568533

**Note:** This report is to be read with our letter of even date which is annexed as Annexure herewith and forms an integral part of this report.

## ANNEXURE to Secretarial Audit Report

To,  
The Members,  
**MID INDIA INDUSTRIES LIMITED**  
CIN: L17124MP1991PLC006324

**Registered Office:**

Textile Mill Area, Station Road, Mandsaur (M.P.)-458001

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Indore  
Date: 11th August 2020

For L. N. Joshi & Company  
Company Secretaries

L. N. Joshi  
Proprietor  
FCS: 5201; C P No. 4216  
UDIN: F005201B000568533

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

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### INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian real estate sector has been trying to get back on its feet and come to terms with multiple reforms. Prior to Covid19, the real estate sector was expected to grow and contribute around 13% on India's GDP by 2025. The current situation is expected to open up a lot of Business development opportunities for well capitalized developers. According to the property research firm Knight Frank, the Total sales volume in the top eight cities increased by a modest 1% to 245861 units as the sector continued to be impacted by the prolonged crisis in the NBFC sector

The textile industry has voiced alarm over the consistent fall in cotton yarn exports in the last year due to sharp decline in demand in importing countries. Considering the large-scale investment in the spinning sector and sluggish demand in the domestic markets, this may lead to closure of several spinning units in the near future. Further company has closed manufacturing activities and turnover derived from trading of cotton yarn activities.

### OPPORTUNITIES AND THREATS

Due to certain measures such as the consecutive rate cuts by the RBI, the reduction of GST rates to 1% for affordable housing and 5% for other and setting up of an Alternative Investment fund have helped home buyer sentiments. The Government's constant push for affordable housing has shifted the focus from high-end and luxury segments to the affordable segment. According to ANAROCK research last 5 years the share of affordable segment across top 7 cities in India has risen from 35% in CY 2013 to 40% in CY 2019 and this share is expected to increase further in near future owing to subsidies provided by government to promote affordable housing. However changes in government policies and the regulatory environment can adversely impact the performance of the sector as well as the lending to real estates developers by NBFCs and HFCs fell by almost half in FY 19, triggered by the IL&FS crisis, hence liquidity problem may create hurdles in business.

Due to huge accumulated losses company has stopped manufacturing process and leased out Factory, Plant & Machinery of the Company for the purpose of generation of Revenue owing to market situation and uncertain cash flows from the business. However, Company is planning diversify its business activity & enter into Real Estate business.

### INDUSTRY OUTLOOK

Indian residential sector has been grappling with subdued demand for the past few years and the recent development have made more difficult for the sector. However reduction in GST rate, repo rate and Government subsidy for affordable housing may increase and boost this sector.

India Ratings has maintained a stable outlook for the textile sector for 2020-21 following strong domestic demand, waning impact of the disruptions due to government policy.

### RISKS AND CONCERNS

The real estate market is inherently a cyclical market and is affected by macroeconomic conditions, changes in applicable governmental schemes, changes in supply and demand for projects, availability of consumer financing and illiquidity.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company's internal control/supervisory system is established to ensure that the board and management are able to achieve their business objectives in a prudent manner, safeguarding the interest of company's shareholders and other stakeholders whilst minimizing the key risk such as fraud, misleading financial statements, breach of legal and contractual obligations, unauthorized business activities.

### HUMAN RESOURCES

Your Company follows a strategy of attracting and retaining the best talent and keep employees engaged, motivated and innovative. The Company continues to have cordial relations with its employees and provide personnel development opportunities for all round exposure to them. As on 31st March, 2020, Company had 3 employees.

### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial and Operational performance forms part of the Annual Report and is presented elsewhere in the report.

### DETAILS OF SIGNIFICANT CHANGES IN THE KEY RATIOS AND RETURN ON NET WORTH

As per the amendment made under Schedule V to the Listing Regulations read with Regulation 34(3) of the Listing Regulations, details key financial ratios and any changes in return on net worth of the Company are given below:

Particulars	2019-20	2018-19	Change
Debtors' turnover	0.62	0.11	463.64%
Inventory turnover	NA	0.05	NA
Interest coverage ratio	0.00	0.00	0.00
Current ratio	0.62	0.28	121.43%
Debt-Equity ratio	0.32	0.15	113.33%
Operating profit margin (%)	-0.004	-0.12	103.33%
Net profit margin (%) or sector-specific equivalent ratio as applicable	-0.004	-0.12	103.33%

**Reason for change of 25% or more in Financial Ratios:**

**Debtors Turnover:** The Company has given plant for operating lease.

**Inventory turnover:** Company had sold out whole inventory; thus inventory was Nil on 31.03.2020.

**Current Ratio:** Due to Nil Inventory, Change of 121.43% has been reflected.

**Debt-Equity Ratio:** Currents years new buyers and old debtors total debtors increased , Change of 113.33% has been reflected.

**Operating Profit Margin (%):** Due to deduction of Fixed Expenses Operating profit raised by 103.33%

**Net Profit Margin (%):** Due to deduction of Fixed Expenses Operating profit raised by 103.33%

**DETAILS OF CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR**

There is Change of -0.17% in Return of Net Worth as compared to previous Financial Year Due to Accumulated Losses as a result of which Net worth of the Company has become Negative

**CAUTIONARY STATEMENT**

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

## REPORT ON CORPORATE GOVERNANCE

The Directors present the Report on compliance with the Corporate Governance provisions as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation”) for the year ended March 31, 2020 is given below:

### I. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good corporate governance leads to long term shareholders value and enhances interest of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board of align and direct the actions of the organization towards creating wealth and shareholder value.

The company’s essential character is shaped by the value of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavors to improve on these aspects. The Board views corporate governance in its widest sense. The main objective is to create and adhere to corporate culture of integrity and consciousness, transparency and openness. Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company’s philosophy on corporate governance is guided by the company’s philosophy of knowledge, action and care. The Company has complied with all the requirements of listing regulation and listed below is the status with regard to same.

### II. BOARD OF DIRECTORS

The Company is fully compliant with the Corporate Governance norms in the terms of constitution of the Board of Directors (“the Board”). As on March 31, 2020, the Company had five directors. The Composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013 (“the Act”).

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

The Board of your Company comprises of Five Directors as on 31st March, 2020. The names and categories of Directors, the number of Directorships and Committee positions held by them in the companies are given below. None of the Director is a Director in more than 10 public limited companies (as specified in Section 165 of the Act) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she serves as a Whole-time Director in any listed company (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited companies in which he/she is a Director.

#### A. COMPOSITION AND CATEGORIES OF BOARD

Name of Director	Category	No. of Directorship including Mid India Industries Limited		No. of Committee Chairmanship /Membership including Mid India Industries Limited	
		Chairman	Member	Chairman	Member
Shri Sanjay Singh (DIN: 01548011)	Managing Director	-	1	-	-
Shri Bhawani Shankar Soni* (DIN: 01591062)	Whole Time Director	-	1	-	-
Shri Aneet Jain (DIN: 00380080)	Independent/Non Executive Director	-	1	-	2
Shri Rakesh Kumar Jain (DIN: 01548417)	Independent/Non Executive Director	-	1	2	2
Smt. Deepika Gandhi (DIN: 07017162)	Independent/Non Executive Director	-	1	-	2

\*Shri Bhawani Shankar Soni was appointed as additional directors of the Company in the Board Meeting held on 24th May, 2019 later on Board Meeting held on 6th June, 2019 Mr. Bhawani Shankar Soni appointed as Whole Time Director of the Company w.e.f. 6th June 2019.

– Directorship excludes Private Limited Companies (except subsidiary of holding company), Foreign Companies and Companies Registered under Section 8 of the Companies Act 2013.  
– Committee considered as Audit Committee and Stakeholders Relationship Committee, including that of your Company. Committee membership(s) and Chairmanship(s) are counted separately.



**B. THE NAMES OF OTHER LISTED ENTITIES WHERE THE DIRECTORS HAVE DIRECTORSHIP AND THEIR CATEGORY OF DIRECTORSHIP IN SUCH LISTED ENTITIES:**

Name of Directors	Name of Listed Entities	Category of Directorship
Shri Sanjay Singh (DIN: 01548011)	Nil	N.A.
Shri Bhawani Shankar Soni* (DIN: 01591062)	Nil	N.A.
Shri Aneet Jain (DIN: 00380080)	Nil	N.A.
Shri Rakesh Kumar Jain (DIN: 01548417)	Nil	N.A.
Smt. Deepika Gandhi (DIN: 07017162)	Nil	N.A.

**C. ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS HELD DURING 2019-2020 AND THE LAST ANNUAL GENERAL MEETING HELD ON 25TH SEPTEMBER, 2019:**

During the Financial Year 2019-20 Five Board Meetings were held. The Board met at least once in every calendar quarter and gap between two meetings did not exceed 120 days. The date on which the Board Meetings were held are:

May 24th 2019, June 6th 2019, August 12th 2019, November 11th 2019 & February 10th 2020.

Name of Director	Category	Meeting held during the tenure of the Director	Meeting attended	Attendance at the last AGM held on 25th September 2019
Shri Sanjay Singh (DIN: 01548011)	Managing Director	5	5	Yes
Shri Bhawani Shankar Soni# (DIN: 01591062)	Whole Time Director	4	4	Yes
Shri Pradeep Kumar Ganeediwal* (DIN: 00020385)	Promoter Non Executive Director	1	1	NA
Shri Aneet Jain (DIN: 00380080)	Independent/Non Executive Director	5	5	Yes
Shri Rakesh Kumar Jain (DIN: 01548417)	Independent/Non Executive Director	5	5	Yes
Smt. Deepika Gandhi (DIN: 07017162)	Independent/Non Executive Director	5	5	No

\*Shri Pradeep Kumar Ganeediwal was resigned from the post of Directorship of the Company w.e.f. 31st May, 2019.

#Shri Bhawani Shankar Soni was appointed as additional director of the Company in the Board Meeting held on 24th May, 2019 later on Board Meeting held on 6th June 2019 Mr. Bhawani Shankar Soni appointed as Whole Time Director of the Company w.e.f. 6th June 2019.

**D. BOARD PROCEDURE**

A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed notes is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s).

The Board also, inter alia, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment and exposure limit(s), compliance report(s) of all laws applicable to your Company, as well as steps taken by your Company to rectify instances of non compliances, review of major legal issues, minutes of the Committees of the Board, approval of quarterly/half-yearly/annual results,

transactions pertaining to purchase/disposal of property(ies), major accounting Provisions and write-offs, material default in financial obligations, if any and information on recruitment of Senior Officers just below the Board level etc.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

Apart from Board members and the Company Secretary, the Board and Committee Meetings are generally also attended by the Chief Financial Officer and wherever required the Heads of various corporate functions.

#### E. CONFIRMATION OF INDEPENDENT DIRECTORS:

The Company has received disclosures from all independent directors that they fulfilled Conditioned specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and were independent of the management. After undertaking a due assessment of their disclosures, in the opinion of the Board of Directors, all the independent directors fulfilled the requirements of the Companies Act, 2013 and the Listing Regulations and were independent of the management of the Company.

#### F. DETAILED REASON FOR RESIGNATION OF INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH THE CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASON OTHER THAN THOSE PROVIDED:

During the year under review, there is no resignation of any independent director.

#### III. RELATIONSHIP BETWEEN DIRECTORS

There is no inter-se relationship among the directors.

#### IV. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON- EXECUTIVE DIRECTORS AS ON 31ST MARCH, 2020:

S.No	Name of Director	No. of Equity Shares	Convertible Instruments
1.	Shri Aneet Jain (DIN:00380080)	200	Nil
2.	Shri Rakesh Kumar Jain (DIN:01548417)	27600	Nil
3.	Smt. Deepika Gandhi (DIN:07017162)	Nil	Nil

The Company had not issued any Convertible instrument till date.

#### V. THE DETAILS OF FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS

Your Company has in place Familiarization Programs for Independent Directors of the Company to provide insights into the Company's Business to enable them contribute significantly to its success. The Senior Management makes presentations periodically to familiarize the Independent Directors with the strategy operations and functions of the Company. The details of the familiarization program of the independent directors are available on the website of the Company at the web link:

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_0df8666d04d445c8acc4b01fd794c36c.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_0df8666d04d445c8acc4b01fd794c36c.pdf)

#### VI. MATRIX OF SKILL/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS:

In terms of the requirements of the SEBI Listing Regulations, the Board has identified and approved the list of core skills/expertise/competencies as required in the context of Company's business(es) and sector(s) for it to function effectively. Broadly, the essential skills identified by the Board are categorized as under:

Skill Area	Description
Understanding of Business	Sufficient understanding and knowledge of the Company and the business/sector in which it operates.
Strategy and Planning	Contribution to new ideas/insights on business issues raised by Management.
	Providing thoughtful and constructive feedback to Management.
	Anticipating new issues that Management and the Board should consider.
	Demonstration of highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)
Law	Knowledge of legal/regulatory framework/affairs

Financial Knowledge	Proficiency in review of financial statements.
Technical Knowledge	Technical knowledge of the business of the Company.
Commitment and Integrity	Adequate commitment to the Board and the Company

These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein. In the table below, the specific areas of focus or expertise of individual board members have been highlighted:

Name of Director	Area of Skill/Expertise/Competencies					
	Understanding of Business	Strategy and Planning	Law	Financial Knowledge	Technical Knowledge	Commitment and Integrity
Shri Sanjay Singh (DIN: 01548011)	Yes	Yes	Yes	Yes	Yes	Yes
Shri Bhawani Shankar Soni (DIN: 01591062)	Yes	Yes	Yes	Yes	Yes	Yes
Shri Aneet Jain (DIN: 00380080)	Yes	Yes	No	Yes	No	Yes
Shri Rakesh Kumar Jain (DIN: 01548417)	Yes	Yes	Yes	Yes	Yes	Yes
Smt. Deepika Gandhi (DIN: 07017162)	Yes	Yes	No	Yes	No	Yes

#### VII. INDEPENDENT DIRECTORS MEETING

Pursuant to the Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, the independent directors of the Company shall hold at least one meeting in a year without attendance of non-independent directors and members of the Management. Accordingly, meeting of the Independent Directors of the Company was held on 17th March, 2020 to consider the following business as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013:

- Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors and;
- Assess the quality, quantity and timelines of flow of information between the company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Attendance of Independent Directors in Independent Directors meeting

Directors	Meetings held during the Year	Meetings Attended
Shri Rakesh Kumar Jain (DIN:01548417)	1	1
Shri Aneet Jain (DIN:00380080)	1	1
Smt. Deepika Gandhi (DIN:07017162)	1	1

#### VIII. AUDIT COMMITTEE

Pursuant to the Companies Act, 2013 and Listing Regulations, the Company has an Independent Audit Committee. The Composition, Procedure, Role/Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee reviews all applicable mandatory information given under Regulation 18 of SEBI (LODR) Regulations, 2015 read with Part C of Schedule II. The brief terms of reference of the Audit Committee includes the following:

- (1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the company with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

**The Audit Committee mandatorily reviews the following information:**

- (1) Management Discussion and Analysis of financial condition and results of operations;

- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters/letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) Statement of deviations:
- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

#### Composition and Attendance of Members at the Meetings of the Audit Committee held during 2019-20.

During the year the committee met on four occasions during the year on following dates namely:

May 24th 2019, August 12th 2019, November 11th 2019 & February 10th 2020.

Members	Category	Meetings held during the year	Meetings Attended
Shri Rakesh Kumar Jain (DIN: 01548417)	Independent/Non Executive Director	4	4
Shri Aneet Jain (DIN: 00380080)	Independent/Non Executive Director	4	4
Smt. Deepika Gandhi (DIN: 07017162)	Independent/Non Executive Director	4	4

All the members of the committee, including Chairman are independent director. All the members of the committee are financial literate and possess accounting and related financial management expertise.

The Chairman of the Audit Committee Shri Rakesh Kumar Jain was present at 28th Annual General Meeting held on 25th September, 2019 to address the shareholder's queries pertaining to Annual Accounts of the Company.

#### IX. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the Companies Act, 2013 and SEBI Listing Regulations, the Company has a Nomination and Remuneration Committee. All the members of the committee, including committee Chairman are independent director. The Composition, Procedure, Role/Function of the committee complies with the requirements of the Companies Act, 2013 as well as SEBI Listing Regulations are given below:

##### 1. Brief Terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

**2. Composition and Attendance of Members at the Meetings of the Nomination and Remuneration Committee held during 2019-20:**

During the year the committee met on three occasions as on 24th May, 2019, 6th June 2019 and August, 12th 2019.

Members	Category	Meetings held during the year	Meetings Attended
Shri Rakesh Kumar Jain (DIN: 01548417)	Independent/Non Executive Director	3	3
Shri Aneet Jain (DIN: 00380080)	Independent/Non Executive Director	3	3
Smt. Deepika Gandhi (DIN: 07017162)	Independent/Non Executive Director	3	3

As per Section 178(7) of the Act and Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Shri Rakesh Kumar Jain was present at the 28th Annual General Meeting of the Company held on 25th September, 2019 to answer members' queries.

**3. Performance evaluation criteria of Independent Directors:**

The performance evaluation criterion for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

The evaluation of independent directors is done by the entire board of directors which includes -

- Performance of the directors; and
  - Fulfilment of the independence criteria as specified in these regulations and their independence from the management:
- Provided that in the above evaluation, the directors who are subject to evaluation do not participate.

**4. Nomination and Remuneration Policy:**

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy and the same is available on the website of the company at the web-link:

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_e8349c14316f4b7c9737b0f3fa5690f9.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_e8349c14316f4b7c9737b0f3fa5690f9.pdf)

The details relating to the remuneration of Directors is as under:

**5. Remuneration Paid to Directors during 2019-20**

S.No.	Name of Director	Category	Sitting Fees	Salary & Perquisites	Contribution to PF	Commission	Total (in Rs.)
01	Bhawani Shankar Soni (DIN: 01591062)	Whole Time Director	0.00	2,80,812	21,600	-	3,02,412

- No Sitting Fees was paid to any Director of the Company during the financial year

- The company has not provided any bonuses/stock options/pension etc. to its directors.

- Details of fixed component and performance linked incentives along with the performance criteria- Nil.

- The Company does not have service contract with any of its directors. Notice period of minimum 30 days has been fixed for directors. Further, the Company does not pay any severance fee.

**X. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholder's Relationship Committee looks into grievances of shareholders regarding transfer of Equity Shares/transmission of Equity Shares and other allied connected matters and redresses them expeditiously in accordance with Section 178 of the Companies Act, 2013 and

Regulation 20 of SEBI (LODR) Regulations, 2015.

**1. The role of the committee shall inter-alia include the following:**

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**2. Composition and Attendance of Members at the Meetings of the Stakeholders Relationship Committee held during 2019-20:**

During the year the committee met on Five occasions during the year on following dates namely:-

May 24th 2019, August 12th 2019, October 21st 2019, November 11th 2019 & February 10th 2020.

Members	Category	Meetings held during the year	Meetings Attended
Shri Rakesh Kumar Jain (DIN: 01548417)	Independent/Non Executive Director	5	5
Shri Aneet Jain (DIN: 00380080)	Independent/Non Executive Director	5	5
Smt. Deepika Gandhi (DIN: 07017162)	Independent/Non Executive Director	5	5

All the members of the committee, including Chairman are independent director.

As per section 178(7) of the Act and Secretarial Standards, the Chairman of the Committee or in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Shri Rakesh Kumar Jain Non executive Independent Director of the Company was present at the 28th Annual General Meeting of the Company held on 25th September, 2019.

**3. Name, designation and address of Compliance Officer:**

**Mr. Shailendra Agrawal, Company Secretary and Compliance officer**

Mid India Industries Limited  
405, Princess Centre, 6/3, New Palasia,  
Indore-452003 (M.P.)  
Tel. 0731-2543402, 2433231  
Email id- csmidindia@gmail.com  
Website: www.midindiaindustries.com

4. Status Report of investor queries and complaints for the period from April 1, 2019 to March 31, 2020 is given below:

S.No.	Particulars	No. of Complaints
1.	Investor complaints pending at the beginning of the year	Nil
2.	Investor complaints received during the year	6
3.	Investor complaints disposed of during the year	6
4.	Investor complaints remaining unresolved at the end of the year	Nil

**XI. RISK MANAGEMENT**

The Company is not required to constitute risk management committee. However the company has a well defined risk management framework in place. The risk management framework is at various levels across the Company.



**XII. GENERAL BODY MEETINGS****(i) Location and time of last Three AGM's held:**

Financial Year	Location	Date	Time
2018-19 – 28th Annual General Meeting	At Regd. Office at Textile Mill Area, Station Road, Mandsaur (M.P.)-458001	25th September 2019	2.00 P.M.
2017-18 – 27th Annual General Meeting	At Regd. Office at Textile Mill Area, Station Road, Mandsaur (M.P.)-458001	29th September 2018	2.00 P.M.
2016-17 – 26th Annual General Meeting	At Regd. Office at Textile Mill Area, Station Road, Mandsaur (M.P.)-458001	20th September 2017	2.00 P.M.

**(ii) Special resolutions were passed in last three Annual General Meetings**

Following special resolutions were passed in last three Annual General Meetings

– Appointment of Shri Bhawani Shankar Soni (DIN:01591062) as Director as well as Whole Time Director of the Company in 28th Annual General Meeting held on 25th September 2019.

– Re-appointment of Smt. Deepika Gandhi (DIN:07017162) as an Independent Directors of the Company in 28th Annual General Meeting held on 25th September 2019.

– Alteration in Main Object Clause of the Company 28th Annual General Meeting held on 25th September 2019.

– Alteration of the Liability Clause of the Memorandum of Association of the Company 28th Annual General Meeting held on 25th September 2019.

– Re-appointment of Shri Sanjay Singh (DIN:01548011) as Managing Director of the Company 28th Annual General Meeting held on 25th September 2019.

– Re-appointment of Shri Aneet Jain (DIN: 00380080)) as Independent Director of the Company in 27th Annual General Meeting held on 29th September 2018.

– Re-appointment of Shri Rakesh Kumar Jain (DIN:01548417) as Independent Director of the Company in 27th Annual General Meeting held on 29th September 2018.

Further no special resolution was passed in 26th Annual General Meeting held on 20th September 2017.

**(iii) Special Resolution(s) passed through Postal Ballot:**

No resolutions were passed by postal ballot in last three years.

None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

**(iv) Extra-ordinary General Meeting**

During the Financial Year 2019-20, no Extra-Ordinary General Meeting was held.

**XIII. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES:**

On December 31, 2018, Securities and Exchange Board of India amended the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, the Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives & Connected Persons under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at:

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_421f560e9ac34a63a5adf251f45b87a1.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_421f560e9ac34a63a5adf251f45b87a1.pdf)

**XIV. MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis is a part of the Annual report and annexed separately.

**XV. DISCLOSURE REGARDING APPOINTMENT/RE-APPOINTMENT OF DIRECTORS:**

Brief resume(s) of the Directors proposed to be appointed/re-appointed are given in the Notice convening the Annual General Meeting in separate annexure.

**XVI. MEANS OF COMMUNICATIONS:**

Your Company, from time to time and as may be required, communicates with its security-holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Press Releases, the Annual Reports and uploading relevant information on its website: [www.midindiaindustries.com](http://www.midindiaindustries.com)

The quarterly, half-yearly and annual financial results are published in widely circulated newspapers such as Free Press (English) & Choutha Sansar & Navshakti (Hindi) in compliance with Regulation 47 of the Listing Regulations. These are not sent individually to the shareholders.

However pursuant to Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/48 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by Securities and Exchange Board of India dated March 26, 2020 and May 12, 2020 respectively, SEBI had exempted publication of advertisements in newspapers, as required under regulation 47, for all events scheduled till 30th June, 2020. Therefore the results for the quarter and year ended 31st March, 2020 were not published in the newspaper.

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/operations of the Company and other price sensitive information. All information is filed electronically on BSE's online portal – BSE Corporate Compliance & Listing Centre (Listing Centre).

The Company's website: [www.midindiaindustries.com](http://www.midindiaindustries.com) contains a separate dedicated section "Investor Relations" where information for shareholders is available. The Quarterly/Annual Financial Results, annual reports, analysts presentations, investor forms, stock exchange information, shareholding pattern, corporate benefits, policies etc., are posted on the website in addition to the information stipulated under Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The presentation, if any made to the investor/analyst are placed to the company's website.

**XVII. GENERAL SHAREHOLDER INFORMATION**

AGM: Date, Time and Venue	Tuesday 29th September 2020 at 2.00 P.M. Venue of the meeting: Textile Mill Area, Station Road, Mandsaur (M.P.)-458001 Meeting will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility.
Financial Year	The financial year covers the period from 1st April, to 31st March
Financial year reporting for 2020-21: 1st Quarter ending 30th June, 2020 2nd Quarter ending 30th September, 2020 3rd Quarter ending 31st December 2020 4th Quarter ending 31st March, 2021	Second fortnight of August, 2020 Second fortnight of November, 2020 Second fortnight of February, 2021 Before 30th May, 2021
Dividend Payment Date	No Dividend was recommended by the board of the Directors for financial year 31st March, 2020.
Date of Annual Book Closure (Both days inclusive)	Tuesday, 22nd Day of September, 2020 to Tuesday 29th Day of September, 2020 (both days inclusive)
Registered Office	Textile Mill Area, Station Road, Mandsaur (M.P.)-458001
Listing on Stock Exchanges	<b>BSE Limited</b> 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 (M.H.)
Listing Fees	Annual Listing Fees for the year up to 2020-21 have been paid to Stock Exchange.
Stock Code – ISIN Code- CIN-	BSE Limited (500277) INE401C01018 L17124MP1991PLC006324
Market Price Data: High/Low During each month in the last Financial Year.	As per attached Table-1
Relative Performance of Share Price V/S. BSE Sensex	As per attached Table-2
Suspension of Securities	Nil

Registrar and Transfer Agents (For Physical & Demat Shares)	<b>Ankit Consultancy Pvt. Ltd.</b> SEBI REG. No. INR000000767 60, Electronic Complex, Pardeshipura, Indore- 452010 (M.P.) Tel.:0731-4065799,4065797, Fax: 0731-4065798 Email: ankit_4321@yahoo.com, Web Address:- www.ankitonline.com
Share Transfer System	All the Share transfer received are processed by the Registrar and Share Transfer Agent
Distribution of shareholding as on 31.03.2020	As per attached Table-3
Dematerialisation of Shares & liquidity	1,07,82,530 Shares are Dematerialized (as on 31.03.2020 i.e. 66.15% of total Shares viz.; 1,63,00,000 equity shares
Outstanding GDRs/ADRs/Warrants or any convertible instruments , Conversion date and likely impact on equity	The Company has not issued any GDRs/ADRs/Warrants or any convertible Instruments.
Commodity Price Risk or Foreign Exchange Risk and Hedging activities	Your Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. Further, the Company has no foreign exchange exposure; hence hedging is not required.
Address for correspondence	Shareholders correspondence should be addressed to: <b>Mid India Industries Limited</b> Corporate Office: 405, Princess Centre, 6/3, New Palasia, Indore-452003 (M.P.) Tel. 0731-2543402, 2433231 Email id- csmidindia@gmail.com, website- www.midindiaindustries.com
Plant Location	Textile Mill Area Station Road, Mandsaur (M. P.)
Shareholding Pattern as on 31.03.2020	As per attached Table-4
List of Credit Ratings	During the year under review your Company has not obtained any Credit Rating as the same was not applicable to the company

**XVIII. DISCLOSURES****(i) Materially Significant Related Party Transactions:**

All transactions entered into with related parties under Regulation 23 of the Listing Regulations, during the year under review were on Arm's Length basis and in the ordinary course of Business. There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.

Your Company has formulated a Policy on Materiality of and Dealing with Related Party Transactions which specify the manner of entering into related party transactions. This Policy has also been posted on the website of the Company and can be accessed through web link: [https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_592c81ea43d24434a503e56bd8172474.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_592c81ea43d24434a503e56bd8172474.pdf)

(ii) During the last three years, there were no strictures and penalties imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets.

**(iii) Vigil Mechanism/Whistle Blower Policy**

In accordance with Regulations 22 of SEBI (LODR) Regulations, 2015, Company has formulated a Whistle Blower Policy and has established a Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud and any wrong doing or unethical or improper practice. The Company affirms that no personnel have been denied access to the Audit Committee under Vigil Mechanism. Details of Whistle Blower Policy are provided in the Board's Report section of this Annual Report and also made available on the Company's website.

**(iv) Commodity Price Risk or Foreign Exchange Risk and Hedging activities**

Your Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. Further, the Company has no foreign exchange exposure; hence hedging is not required.

(v) Company had not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

(vi) Mandatory and Non-mandatory requirements:

Your Company has complied with all the applicable requirements of Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and the Company has fulfilled the following non-mandatory requirements as prescribed in Regulation 27(1) read with PART E of Schedule II of (Listing Obligations and Disclosure Requirements) Regulations, 2015:

– Chairman is elected in meeting.

– **Shareholder's Rights:** As the quarterly, half yearly, financial performance are published in the newspapers and are also posted on the Company's website, the same are not mailed to the shareholders

– **Modified opinion(s) in audit report:** During the year under review, the Auditors have provided an unmodified audit opinion on the financial statements of the Company.

– **Reporting of Internal Auditor:** In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

#### **XIX. COMPLIANCE CERTIFICATE BY PRACTICING COMPANY SECRETARY:**

The Company has obtained a certificate from Company Secretary in Practice pursuant to the provisions of Regulation 34(3) read with Schedule V Para C Clause (10)(i) of the SEBI (LODR) Regulations, 2015 which is annexed herewith.

#### **XX. SEXUAL HARASSMENT AT WORKPLACE:**

The Company has formulated a Policy for Prevention of Sexual Harassment at Workplace to ensure prevention, prohibition and protection against sexual harassment. The policy provides the guidelines for reporting of such harassment and the procedure for resolution & redressal of the complaints of such nature.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

S.No.	Particulars	No. of Complaints
a	Number of Complaints filed during the financial year.	Nil
b	Number of Complaints disposed during the financial year.	Nil
c	Number of Complaints pending as on end of financial year.	Nil

#### **XXI. FEES PAID TO STATUTORY AUDITOR:**

The details of total fees paid by Company to Statutory Auditor on a consolidated basis for all services rendered given below:

Type of Services	For Financial Year Ended 31.03.2020
Audit Fees	75,000
Tax Audit Fees	25,000
Others (GST Audit Fees)	25,000
<b>Total</b>	<b>1,25,000</b>

No fees other than Audit fees has been paid to Statutory Auditor as the Company does not have any subsidiary company nor statutory auditor is part of any entity in the network firm/network entity.

#### **XXII. DISCLOSURE ON ACCEPTANCE OF RECOMMENDATIONS MADE BY COMMITTEES TO THE BOARD:**

During the financial year under review various recommendations were made by the Committees to the Board of Directors, which were all accepted by the Board, after necessary deliberations.

**XXIII. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT**

The Company does not have any shares in the demat suspense account/unclaimed suspense account.

**XXIV. CODE OF CONDUCT**

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior management. The Code is also placed on the Company's website at the weblink:

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_2e1972bd19b142f3b0eb6c820f63f3dc.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_2e1972bd19b142f3b0eb6c820f63f3dc.pdf)

A certificate from the Managing Director, affirming compliance of the said Code by all the Board Members and members of the senior management to whom the Code is applicable, is annexed separately to this report. Further, the Directors and the Senior Management of the Company has submitted disclosure to the Board that they do not have any material financial and commercial transactions that may have a potential conflict with the interest of the Company at large.

**XXV. MD & CFO Certification**

The Managing Director and the Chief Financial Officer of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Copy of said certificate is annexed with this report.

The Managing Director and the Chief Financial Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**XXVI. CERTIFICATE ON CORPORATE GOVERNANCE**

The Company Secretary in practice have certified that the Company has complied with the conditions of Corporate Governance as stipulated in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is annexed to this Report.

**XXVII. OTHER INFORMATIONS:**

- Proceeds from public issues, rights issues, preferential issues, etc. - Not Applicable.

- The company has adopted a policy on dissemination of information on the material events to stock exchanges in accordance with the regulation 30 of the SEBI (LODR) Regulations, 2015. The said policy is available on the website of the company at:

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_ccd5393ce93947108b480b59b6d122d7.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_ccd5393ce93947108b480b59b6d122d7.pdf)

- The company has adopted the policy on preservation of documents in accordance with the regulation 9 of the SEBI (LODR) Regulations, 2015. The documents preservation policy is available on the website of the company at:

[https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668\\_9799e203b9014da98073c49b74857ddd.pdf](https://9cad8eb6-da7b-44e7-9f64-591c1469edb1.filesusr.com/ugd/6b2668_9799e203b9014da98073c49b74857ddd.pdf)

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

Compliance with the Code of Business Conduct and Ethics

I, Sanjay Singh, Managing Director of Mid India Industries Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2020.

Place: Indore  
Date: 11th August, 2020

**For MID INDIA INDUSTRIES LIMITED**  
Sanjay Singh  
(DIN: 01548011)  
Managing Director

**TABLE 1- MARKET PRICE DATA**  
**April, 2019 to March, 2020 at BSE**

Month	Apr-19	May-19	June-19	July-19	Aug-19	Sept-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
High	0.34	0.37	0.39	0.45	0.44	0.54	1.11	1.13	1.09	1.07	-	1.05
Low	0.33	0.35	0.38	0.40	0.42	0.46	0.56	1.09	1.05	1.07	-	0.97

*Company's Security was not traded in month February 2020 hence monthly high/low for month February is not available.*

**TABLE 2- RELATIVE PERFORMANCE OF SHARE PRICE V/S. BSE SENSEX**

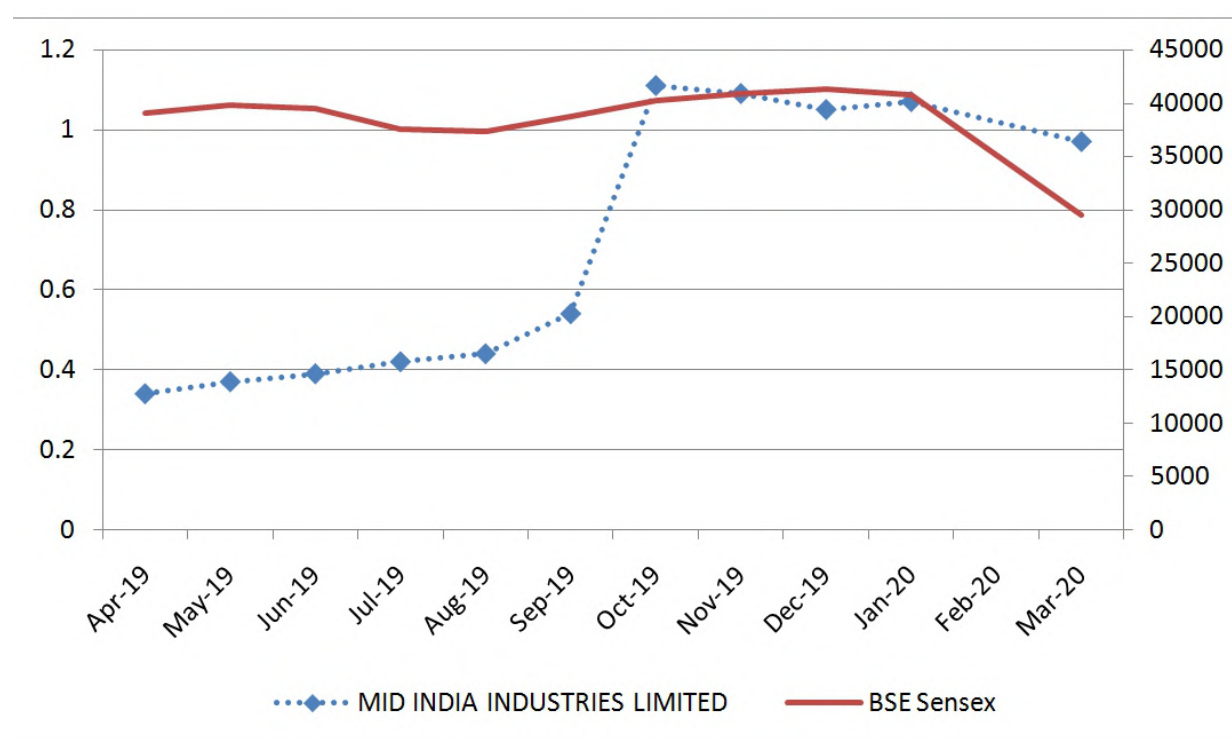


TABLE 3- DISTRIBUTION OF SHAREHOLDING ACCORDING TO SIZE CLASS AS ON 31 MARCH 2020

Category (Shares)	Share holders	% of Total Share holders	Shares	% of Total Shares
Upto-100	7,370	46.45	728817	4.47
101-200	4,005	25.24	800095	4.91
201-300	924	5.82	276498	1.70
301-400	546	3.44	217421	1.33
401-500	1,008	6.35	503623	3.09
501-1000	937	5.91	787125	4.83
1001-2000	670	4.22	1095759	6.72
2001-3000	132	0.83	339385	2.08
3001-4000	72	0.45	255554	1.57
4001-5000	62	0.39	293533	1.80
5001-10000	66	0.42	500607	3.07
10000 ABOVE	74	0.47	10501583	64.43
<b>Total</b>	<b>15866</b>	<b>100</b>	<b>16300000</b>	<b>100</b>



TABLE 4- SHAREHOLDING PATTERN AS AT 31ST MARCH 2020

S. No.	Particulars	No. of Shareholders	No. of Shares	% of holding
(A)	<b>Promoter Holding</b>			
	(a) Individuals	11	7125454	43.71%
	(b) Bodies Corporate	01	1173000	7.20%
	<b>Sub Total (A)</b>	<b>12</b>	<b>8298454</b>	<b>50.91%</b>
(B)	<b>Public shareholding</b>			
1.	Institutions			
	(a) Mutual Funds/UTI			
	(b) Financial Institutions/Banks	3	40800	0.25%
	(c) Foreign Portfolio Investor			
	(d) Insurance Companies			
	(e) Foreign Financial Institution			
	(f) Foreign Mutual Fund			
	<b>Sub Total (B)(1)</b>	<b>3</b>	<b>40800</b>	<b>0.25%</b>
2.	Central Government /State Government(s)/ President Of India			
	<b>Sub Total (B)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>
3.	Non-institutions			
	(a) Bodies Corporate	82	648051	3.98%
	(b) Individuals			
	I. Individual Shareholders holding nominal share capital up to 2 lac	14782	5659122	34.72%
	II. Individual Shareholders holding nominal share capital in excess of 2 lac	23	1033454	6.34%
	(c) Trusts			
	(d) Foreign National			
	(e) Hindu Undivided Family			
	(f) Foreign Companies			
	(g) NRI & OCB &	961	617789	3.79%
	(h) Clearing Member	3	2330	0.01%
	<b>Sub Total (B)(3)</b>	<b>15851</b>	<b>7960746</b>	<b>48.84%</b>
	<b>(B) Total Public Shareholding</b>	<b>15854</b>	<b>8001546</b>	<b>49.09%</b>
(C)	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Grand Total (A)+(B)+(C)</b>	<b>15866</b>	<b>16300000</b>	<b>100%</b>

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To the Members of **MID INDIA INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by **MID INDIA INDUSTRIES LIMITED** ('the Company'), for the year ended 31st March 2020, as stipulated in Regulations 17, 17A, 18, 19, 20, 22, 23, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

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

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

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

Place: Indore  
Date: 11th August, 2020

For L. N. Joshi & Company  
Company Secretaries

L. N. Joshi  
Proprietor  
FCS: 5201. C P No. 4216  
UDIN: F005201B000568544

**MD/CFO CERTIFICATE**

To  
**The Board of Directors**  
**Mid India Industries Limited**

Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify to the Board of Directors of **MID INDIA INDUSTRIES LIMITED** that :

**A.** We have reviewed financial statements prepared based on the Indian Accounting Standards for the financial year ended on 31.03.2020 and that to the best of our knowledge and belief:

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) these statements together present a true and fair view of the Company's affairs and are in compliance with applicable Indian Accounting Standards laws and regulations.
- (3) no transactions entered into by the Company during the year ended 31.03.2020 which are fraudulent, illegal or violative of the Company's code of conduct.

**B.** We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to be taken to rectify these deficiencies.

**C.** We have indicated to the auditors and the Audit committee about:

- (1) significant changes in internal control over financial reporting during the year;
- (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) that there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Indore  
Date: 29th June, 2020

For **MID INDIA INDUSTRIES LIMITED**

O.P. Dhanotiya  
Chief Financial Officer

Sanjay Singh  
Managing Director  
(DIN 01548011)

**Mid India Industries Limited**

## CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

(In terms of Regulation 34(3) read with Schedule V Para C (10)(i) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Members of,  
**MID INDIA INDUSTRIES LIMITED,**  
Textile Mill Area, Station Road,  
Mandsaur (M.P.) 458001 IN

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MID INDIA INDUSTRIES LIMITED having CIN: L17124MP1991PLC006324 and having registered office at Textile Mill Area, Station Road, Mandsaur (M.P.) 458001 IN (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Sanjay Singh	01548011	14.11.2014
2	Mr. Bhawani Shankar Soni	01591062	24.05.2019
3	Mr. Aneet Jain	00380080	30.04.2002
4	Mr. Rakesh Kumar Jain	01548417	01.06.2011
5	Mrs. Deepika Gandhi	07017162	14.11.2014

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Indore  
Date: 11th August, 2020

For L. N. Joshi & Company  
Company Secretaries

L. N. Joshi  
Proprietor  
FCS: 5201. C P No. 4216  
UDIN: **F005201B000568643**

## INDEPENDENT AUDITOR'S REPORT

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To,  
The members,  
MID INDIA INDUSTRIES LIMITED  
CIN: L17124MP1991PLC006324

### Report on the Audit of the Standalone Financial Results

#### Opinion

We have audited the accompanying financial statements of **Mid India Industries Limited** ("the company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone Ind AS financial statement.

#### Emphasis of Matter

The accumulated losses of the company have wiped off the book value of net worth of the company. However in the opinion of management the going concern of the company is still intact and has not got defeated, as the fair market value of land exist in the financial statement of company is more than sufficient to mitigate the liabilities of the company and moreover the company has leased out the manufacturing facility of company's unit with Plant & machinery and civil construction thereon for usually carrying on manufacturing activities during the financial year also. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, as we continue to face the unprecedented challenges arising out of COVID-19 Pandemic, we are unable to check the documentations physically and hence, we have framed our opinion based on the online data provided to us, which we consider accurate and reliable. We communicated with management and obtained data online or through a scanned copy and believe that the documents provided to us contains true and correct balances as on 31st March, 2020.

#### Information Other than the Financial Statements and Auditor's Report Thereupon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report 2019-20, but does not include the Standalone Ind AS financial statements and our auditor's report thereon. Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of standalone Ind AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of management and those charge with governance for the standalone Financial Results

The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued hereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error; and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material statement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain Professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the Order:

2. As required by Section 143(3) of the Act, we report that:

Subject to the limitations of the audit indicated in paragraphs Key Audit matter and also subject to the limitations of disclosure required therein, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the

purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representation received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B" to this report.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**Place: Indore**  
**Date: 29.06.2020**

**For C LASOD & ASSOCIATES**  
Chartered Accountants  
(Firm Registration No. 006842C)

CA Chandan Jain  
Partner  
(Membership No. 075062)  
UDIN: 20075062AAAAAK5838

#### "Annexure A" to the Independent Auditor's Report

**Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of MID INDIA INDUSTRIES LIMITED for the year ended on 31st March 2020.**

- (i)
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
  - (b) As informed and explained to us, the management, during the year, has physically verified the items of the property, plant and equipment of the company at reasonable interval and no significant discrepancies were noticed on such physical verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As informed and explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) The company has not granted any unsecured loans to any person covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). However, out of loan granted in previous year, loan amounting to Rs. 90000/- (Rs. 150000/- Previous Year outstanding) to the company secretary is still outstanding.
  - (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.
  - (b) The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
  - (c) Accordingly, paragraph 3(iii) (c) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) According to the information and explanations given to us, the company has not accepted any deposits under sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.

(vi) As informed to us, the Company is not covered under the requirements for maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 prescribed by Central Government. The company is also not covered under the Companies (cost records and audit) Rules, 2014.

(vii)

(a) According to the information and explanation given to us, the Company has been generally regular in depositing undisputed statutory dues relating to Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Service Tax, Duties of Customs, Value Added Tax and any other statutory dues applicable to it with appropriate authorities.

(b) There are no undisputed statutory dues payable which are outstanding as at year end for a period of more than 6 months from the date they become payable

(c) Details of dues of Income Tax which have not been deposited as at year end on account of dispute are given below:

Nature of the Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount (in Rs.)
The Income Tax Act, 1961	Income tax demand U/s 143(1)(a)	Jurisdictional A.O.	A.Y. 2009-10	8,67,215.00
The Income Tax Act, 1961	Income Tax demand U/s 263	High Court of Madhya Pradesh, Bench at Indore.	A.Y. 1995-96	34,03,832.00

(d) Details of dues of Indirect Taxes which have not been deposited as at year end on account of dispute are given below:

Nature of the Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount (in Rs.)
The Central Sales Tax Act, 1956	Central Sales tax demand U/s 21(1)	Jurisdictional Commissioner (Appeal)	F.Y. 2015-2016	4,05,564.00
Madhya Pradesh VAT Act, 2002	Rule 40 of Madhya Pradesh VAT Act	Jurisdictional Commissioner (Appeal)	F.Y. 2016-2017	2,22,976.00
The Central Sales Tax Act, 1956	Central Sales tax demand U/s 21(1)	Jurisdictional Commissioner (Appeal)	F.Y. 2015-2016	16,12,634.00
The Entry Tax Act, 2002	Entry Tax Demand U/s 21(1)	Jurisdictional Commissioner (Appeal)	F.Y. 2015-2016	1,26,845.00
Madhya Pradesh VAT Act, 2002	Rule 40 of Madhya Pradesh VAT Act	Jurisdictional Commissioner (Appeal)	F.Y. 2017-2018	3,99,326.00

(viii) According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

(ix) Paragraph 3(ix) of the Order is not applicable to the Company in respect of initial public offer or further public offer.

(x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year under audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the company is not a chit fund or a Nidhi mutual benefit fund/ society. Therefore, the provisions of clause (xii) of Para 3 of the said order are not applicable to the company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into noncash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**Place: Indore**  
**Date: 29.06.2020**

**For C. Lasod & ASSOCIATES**  
**Chartered Accountants**  
**(Firm Registration No. 006842C)**

**CA. Chandan Jain**  
**Partner**  
**Membership No. 075062**  
**UDIN: 20075062AAAAAK5838**

#### **“Annexure B” to the Independent Auditor’s Report**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Mid India Industries Limited, (“the Company”), as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in

accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Indore**  
**Date: 29.06.2020**

**For C. Lasod & ASSOCIATES**  
**Chartered Accountants**  
**(Firm Registration No. 006842C)**

**CA. Chandan Jain**  
**Partner**  
**Membership No. 075062**  
**UDIN: 20075062AAAAAK5838**

Balance Sheet as at 31st March, 2020

(Rs. in thousands)

Particulars	Note No	As at 31st March, 2020	As at 31st March, 2019
<b>Assets</b>			
<b>(1) Non-current Assets</b>			
(a) Property, Plant & Equipment	2	18,941.82	21,438.62
(b) Right of use assets		-	-
(c) Capital work-in-progress		-	-
(d) Investment Properties		-	-
(e) Goodwill		-	-
(f) Other Intangible assets	3	2.04	2.19
(g) Intangible assets under development		-	-
(h) Biological Assets other than bearer plants		-	-
(i) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade receivable		-	-
(iii) Loans	4	30.00	90.00
(iv) Other Financial Assets	5	3,826.03	5,120.11
(j) Deferred tax assets (net)		-	-
(k) Other non-current assets		-	-
<b>Sub Total</b>		<b>22,799.88</b>	<b>26,650.92</b>
<b>(2) Current assets</b>			
(a) Inventories		-	-
(b) Financial Assets			
(i) Investments	6	1,313.73	1,128.59
(ii) Trade receivables	7	52,370.44	23,739.27
(iii) Cash and cash equivalents	8	381.44	1,343.55
(iv) Bank balances other than (iii) above		-	-
(v) Loans	9	257.61	2,206.14
(vi) Other Financial Assets		-	-
(c) Current Tax Assets (Net)	10	909.89	1,333.97
(d) Other current assets	11	4.74	78.93
<b>Sub Total</b>		<b>55,237.86</b>	<b>29,830.45</b>
Non-Current Assets Classified as Held for Sale		-	-
<b>Total Assets</b>		<b>78,037.74</b>	<b>56,481.37</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	12	163,000.00	163,000.00
(b) Other Equity	13	(213,398.21)	(213,038.53)
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables		-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provision		-	-
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities	14	396.64	421.30
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables	15	126,802.25	102,282.27
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provisions	16	917.40	1,796.90
(c) Other current liabilities	17	319.70	2,019.46
(d) Current Tax Liabilities (Net)		-	-
<b>Total Equity and Liabilities</b>		<b>78,037.74</b>	<b>56,481.37</b>

**Significant Accounting Policies**

Accompanying Notes are an integral part of the Financial Statements

**For CLASOD & ASSOCIATES**

Chartered Accountants (Firm Registration No. 006842C)

CA Chandan Jain

Partner (Membership No. 075062)

Place: Indore

Date: 29th June 2020

**For and on behalf of the Board****MID INDIA INDUSTRIES LIMITED**

(Sanjay Singh) (Rakesh Kumar Jain)

Managing Director Director

(DIN: 01548011) (DIN: 01548417)

(Omprakash Dhanotia) (Shailendra Agrawal)

Chief Financial Officer Company Secretary

(Pan - AORPD0458G) (Mem. No. ACS 25819)

## Profit and Loss Statement for the year ended 31st March, 2020

(Rs. in thousands)

Particulars	Note No	As at 31st March, 2020	As at 31st March, 2019
<b>Continuing Operations</b>			
I. Revenue from operations	18	84,804.62	212,490.34
II. Other Income	19	287.24	335.70
<b>III. Total Revenue (I + II)</b>		<u>85,091.86</u>	<u>212,826.04</u>
<b>IV. Expenses:</b>			
(a) Cost of materials consumed	20	-	132,725.91
(b) Purchase of Stock-in-Trade	21	79,187.53	14,421.73
(c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	-	17,948.66
(d) Employee benefit expenses	23	1,463.38	25,831.28
(e) Finance cost		-	-
(f) Depreciation and amortization expenses	24	2,496.96	2,736.73
(g) Impairment expenses/losses		-	-
(h) Other expenses	25	2,338.83	45,067.37
<b>Total Expenses (IV)</b>		<u>85,486.69</u>	<u>238,731.68</u>
<b>V. Profit/(loss) before exceptional items and tax (III - IV)</b>		<u>(394.83)</u>	<u>(25,905.64)</u>
VI. Exceptional Items	26	35.15	61.70
<b>VII. Profit/(loss) before tax (V - VI)</b>		<u>(359.68)</u>	<u>(25,843.94)</u>
VIII. Tax expenses:			
(1) Current tax		-	-
(2) Deferred tax		-	-
<b>IX. Profit/(Loss) after tax from continuing operations (VII-VIII)</b>		<u>(359.68)</u>	<u>(25,843.94)</u>
<b>X. Discontinued Operations</b>			
(1) Profit/(loss) from discontinued operations		-	-
(2) Tax expense of discontinued operations		-	-
XI. Profit/(Loss) after tax from discontinued operations		-	-
<b>XII. Profit/(Loss) for the period (IX+XI)</b>		<u>(359.68)</u>	<u>(25,843.94)</u>
<b>XIII. Other Comprehensive Income</b>			
<b>A (i) Items that will not be recycled to profit or loss</b>			
(a) Changes in revaluation surplus		-	-
(b) Remeasurements of the defined benefit liabilities / (assets)		-	-
(c) Equity instruments through other comprehensive income		-	-
(d) Fair value changes relating to own credit risk		-	-
(e) Others (specify nature)		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>B (i) Items that will be reclassified to profit or loss</b>			
(a) Exchange differences in translating the financial statements of foreign operations		-	-
(b) Debt instruments through other comprehensive income		-	-
(c) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge.		-	-
(d) Share of other comprehensive income of equity accounted investees		-	-
(e) Others (specify nature)		-	-
(ii) Income tax on items that may be reclassified to profit or loss		-	-
<b>XIV. Total Comprehensive Income for the period (XIV+XII)</b>		<u>(359.68)</u>	<u>(25,843.94)</u>
<b>XV. Earnings per equity (for continuing operation):</b>	27		
(1) Basic		(0.02)	(1.59)
(2) Diluted		(0.02)	(1.59)
<b>XVI. Earnings per equity (for discontinued operation):</b>			
(1) Basic		-	-
(2) Diluted		-	-
<b>XVII. Earnings per equity (for discontinued &amp; continuing operations):</b>			
(1) Basic		(0.02)	(1.59)
(2) Diluted		(0.02)	(1.59)

**Significant Accounting Policies**

Accompanying Notes 1 to 27 are an integral part of the Standalone Financial Statements

**For CLASOD & ASSOCIATES**

Chartered Accountants (Firm Registration No. 006842C)  
CA Chandan Jain  
Partner (Membership No. 075062)  
Place: Indore  
Date: 29th June 2020

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**For and on behalf of the Board  
MID INDIA INDUSTRIES LIMITED**

(Sanjay Singh) (Rakesh Kumar Jain)  
Managing Director Director  
(DIN: 01548011) (DIN: 01548417)

(Omprakash Dhanotia) (Shailendra Agrawal)  
Chief Financial Officer Company Secretary  
(Pan - AORPD0458G) (Mem. No. ACS 25819)

Cash flow statement for the year ended 31st March, 2020

(Rs. in thousands)

	Particulars	2019-20	2018-19
<b>(A)</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES:</u></b>		
	Net Profit	(359.68)	(25,843.94)
	<b>Adjustment for Non-Cash &amp; Non-Operating Items:</b>		
	<b>Add/(Less):</b>		
	Interest on Income Tax	-	-
	Depreciation	2,496.96	2,736.73
	Balance Written Off	-	-
	Profit on sale of Assets	-	(33.12)
	Foreign Currency	-	-
	Finance Cost	-	-
	Gains from investments	(35.15)	(28.59)
	Provisions	(879.50)	(5,492.20)
	<b>Operating Profit before Working Capital changes</b>	<b>1,222.62</b>	<b>(28,661.12)</b>
	<b>Add/Less:</b>		
	<b>Increase/Decrease in Current Assets:</b>		
	Trade Receivables	(28,631.17)	6,539.14
	Loans	3,302.61	8.34
	Inventory	-	23,131.28
	Other Financial Assets	498.26	(416.74)
	<b>Increase/Decrease in Current Liabilities:</b>		
	Other current liabilities	(1,699.76)	(6,631.91)
	Trade Payables	24,519.98	5,823.92
	<b>Cash Generated form Operations</b>	<b>(787.45)</b>	<b>(207.08)</b>
	Less : Income Tax Paid	-	-
	<b>Net Cash from (or used in) Operating Activities</b>	<b>(787.45)</b>	<b>(207.08)</b>
<b>(B)</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES:</u></b>		
	Increase/Decrease in long term loans & advances	-	-
	Increase/Decrease in Investments	(150.00)	(1,100.00)
	Sale Of Fixed Assets	-	394.04
	Purchase Of Fixed Assets	-	-
	<b>Net Cash from (or used in) Investing Activities</b>	<b>(150.00)</b>	<b>(705.96)</b>
<b>(C)</b>	<b><u>CASH FLOW FROM FINANCING ACTIVITIES:</u></b>		
	Increase/Decrease in borrowings	-	-
	Increase/Decrease in non current liabilities	(24.67)	(297.09)
	Finance Cost	-	-
	<b>Net Cash from (or used in) Financing Activities</b>	<b>(24.67)</b>	<b>(297.09)</b>
	<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(962.11)</b>	<b>(1,210.13)</b>
	<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>1,343.55</b>	<b>2,553.68</b>
	<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>381.44</b>	<b>1,343.55</b>

**For C LASOD & ASSOCIATES**Chartered Accountants  
(Firm Registration No. 006842C)CA Chandan Jain  
Partner  
(Membership No. 075062)  
Place: Indore  
Date: 29th June 2020**For and on behalf of the Board  
MID INDIA INDUSTRIES LIMITED**(Sanjay Singh) (Rakesh Kumar Jain)  
Managing Director Director  
(DIN: 01548011) (DIN: 01548417)(Omprakash Dhanotia) (Shailendra Agrawal)  
Chief Financial Officer Company Secretary  
(Pan - AORPD0458G) (Mem. No. ACS 25819)

## Statement of Changes in the Equity

## A. Equity Share Capital

FY. 2019-20

(In Rs. Thousands)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,63,000.00	-	1,63,000.00

FY. 2018-19

(In Rs. Thousands)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,63,000.00	-	1,63,000.00

## B. Other Equity

(In Rs. Thousands)

F.Y. 2019-20	Reserve and Surplus				
	Statutory Reserves	Capital Reserve*	Securities Premium	Other Reserve (Specify Nature)	Retained Earnings
Balance at the beginning of the reporting period	-	500.00	-	-	(213,538.53)
Loss for the year	-	-	-	-	(359.68)
Balance at the closing of the reporting period	-	500.00	-	-	(213,898.21)
F.Y. 2018-19	Reserve and Surplus				
	Statutory Reserves	Capital Reserve	Securities Premium	Other Reserve (Specify Nature)	Retained Earnings
Balance at the beginning of the reporting period	-	500.00	-	-	(187,694.59)
Loss for the year	-	-	-	-	(25,843.94)
Balance at the closing of the reporting period	-	500.00	-	-	(213,538.53)

\*Granted by Central Government in F.Y. 1993-94.

For C LASOD & ASSOCIATES  
Chartered Accountants  
(Firm Registration No. 006842C)

CA Chandan Jain  
Partner  
(Membership No. 075062)  
Place: Indore  
Date: 29th June 2020

For and on behalf of the Board  
MID INDIA INDUSTRIES LIMITED

(Sanjay Singh) (Rakesh Kumar Jain)  
Managing Director Director  
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(Pan - AORPD0458G) (Mem. No. ACS 25819)

**1 SIGNIFICANT ACCOUNTING POLICIES****1.1. NOTES TO THE FINANCIAL STATEMENTS****COMPANY INFORMATION**

Mid India Industries Limited ('the Company') is a public limited company domiciled in India and is engaged in Trading, manufacturing of cotton & polyester yarn. The registered office and the manufacturing plant of the Company is situated at Mandsaur (M.P.). Further one unit of company is situated in Indore (M.P.) which is engaged in trading business. However from February 2019 onwards company has entered into an lease agreement for its Plant and Machinery as the company has stopped the manufacturing process of cotton and polyester yarn.

**1.2.****(A) General information and statement of compliance with Ind AS:**

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees (₹) which is also the functional currency of the Company.

The financial statements for the year ended 31 March, 2020 were authorized and approved for issue by the Board of Directors on 29 June, 2020.

The revision to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

**(B) Historical cost convention:**

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) Defined benefit plans - plan assets measured at fair value;
- 2) Rounding of amounts - All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**(C) Current and non-current classification:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

**(D) Rounding of amounts:**

The figures were taken in financial data in thousands (000) and accordingly rounding in off upto decimal in two digits.

**(E) Use of accounting estimates and judgements:**

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**1.3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis as explained in relevant accounting policies. Amount in the financial statements are presented in ` thousands, unless otherwise stated.

**1.4. RECENT ACCOUNTING PRONOUNCEMENTS**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. Following are the notifications which have been applicable from April 1, 2019.

On 30 March, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendments Rules, 2019 notifying the new leasing standard Ind AS 116, 'Leases'. This amendment replaces Ind AS 17, 'Leases' and related interpretations. Also notifying an insertion of Appendix C, 'Uncertainty over Income Tax Treatments' to Ind AS 12, 'Income Taxes', amendment to Ind AS 12, 'Income Taxes' and amendment to Ind AS 19, 'Employee Benefits'. The amendments are applicable to the Company from 1 April, 2019.

**• Amendment to Ind AS 116, Leases**

On 30 March, 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after 1 April, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the



lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the standalone financial statements is being evaluated.

• **Amendment to Ind AS 12: Income Tax**

On 30 March, 2019, Ministry of Corporate Affairs (“MCA”) has notified Appendix C to Ind-AS 12 Income taxes – “Uncertainty over Income Tax Treatments”. The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 1 April, 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 “Income Taxes” which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity Summary of significant accounting policies and other explanatory information for the year ended 31 March, 2019.

• **Amendment to Ind AS 19 : Employees Benefits**

On 30 March, 2019, Ministry of Corporate Affairs (“MCA”) has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the standalone financial statements.

## 1.5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**(a) Going Concern:**

The previous year's accumulated losses of the company have wiped off the book value of net worth of the company. However in the opinion of management the going concern of the company is still intact and has not got defeated, as the fair market value of land exist in the financial statement of company is more than sufficient to mitigate the liabilities of the company and moreover the company has leased out the manufacturing facility of company's unit with Plant & machinery and civil construction thereon for usually carrying on manufacturing and trading activities w.e.f. 1.02.2019.

**(b) Property Plant and Equipment:**

**(i)** Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

**(ii)** Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

**(iii)** Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 . Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.

**(iv)** The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(v)** Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**(vi)** Assets under lease are be separately specified under each class of assets.

**(vii)** Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:

Description	Useful lives (in Years)
Factory Building	30
Plant & Machinery	15
Website Development	5
Vehicle	8
Office Equipments	10
Furniture & Fixtures	10

**(c) Intangible assets:**

**(i)** Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the



asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

**(ii)** Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

**(iii)** The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end. Said assets are depreciated on straight line basis based on expected life span of assets which is in accordance with Schedule II of the Act at the rates representing estimated useful life of up to 5 years.

**(d) Lease - Operating Lease**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease except when the lease rentals increase are in line with general inflation index. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

**(e) Inventories**

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods, Stock-in-trade are Nil at the year end.

**(f) Current / non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act.

**(g) Government Grant**

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is netted off with the relevant expense. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset. However there was no grant received during the year.

**(h) Borrowing Cost:**

**(i)** Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. However company has not incurred borrowing cost during the year.

**(ii)** Interest/gain income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

**(iii)** All other borrowing costs are expensed in the period in which they occur.

**(i) Provisions, Contingent Liabilities and Contingent Assets and Commitments**

**(i)** Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

**(ii)** If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**(iii)** Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. We have been reported outstanding demand of Rs.867215/- towards Income tax for A.Y. 2009-10 and a review petition regarding A.Y. 1995-96 tax effect of Rs. 3403832/- has been filed by the Department in the High Court of Madhya Pradesh against the order dated 21.11.2019. Additionally we have been reported that One case for claim of Rs. 95340/- was admitted to labour court against the company by ex-security guard towards claim of minimum wages. However the case was decided in favour of the company by the labour court but the claimant has lodged the appeal in high court.

**(iv)** CST, Interest and Penalty demand amounting to Rs. 405564/- for FY 2015-2016 and Entry tax Interest and Penalty demand amounting to Rs. 222976/- for FY 2016-2017 has been raised against the company. However company has filed an appeal against the said orders. Further CST demand amounting Rs. 1612634/- and entry tax demand amounting to Rs. 126845/- for the FY 2015-16 has been raised against the company during the current reporting period. Further VAT demand amounting to Rs. 399326/- for the FY 2017-18 has been raised against the company during the current reporting period.

**(v)** Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

**(j) Financial Instruments****Financial Assets****A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Balances of sundry debtors and Creditors at the balance sheet are subject to reconciliation.

**B. Subsequent measurement****Financial assets carried at amortised cost**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Company does not have any such financial assets during the financial year.

**Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Company does not have any such financial assets during the financial year.

**Financial assets at fair value through profit or loss (FVTPL)**

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

**Impairment of financial assets**

The company assesses, at each reporting date, whether a financial assets or a group of financial assets is impaired.

Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from the initial recognition of the receivables.

**Financial Liabilities****A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the Normal interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Company does not have any such financial asset/ financial liability during the financial year.

**Derivative Financial Instrument and Hedging activities**

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

(a) hedges of the fair value of recognised assets or liabilities (fair value hedge); or

(b) hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedge);

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

**(a) Fair value hedge**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

**(b) Cash flow hedge**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the

statement of profit and loss. When a hedging instrument expires or swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in statement of changes in equity is recognised in the Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

#### Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because the beneficiary fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their applicable fair values.

#### Fair value measurement

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

**(i) Level 1: The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.**

**(ii) Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.**

**(iii) Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).**

#### (k) Revenue Recognition

##### Revenue from Operations

Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods. Sales are stated exclusive of Goods & Service Tax.

##### Interest Income

Interest income from a financial asset is recognised using Normal rate of return method.

##### Rental Income

Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease term in accordance with Ind AS 116, Leases.

##### Other Income

All other income in Financial statement recorded on actual basis.

New Accounting standards adopted by the Company: Ind AS 115 – Revenue from Contract with Customers On April 1, 2018, the Company adopted Ind AS 115, "Revenue from Contracts with Customers" using the cumulative catch-up transition method applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

#### (l) Employee Benefit Expenses

##### (i) Short Term Employee Benefits:

Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

##### (ii) Post Employment Benefits:

##### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### Defined Benefits Plans

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation.

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid on the basis of the valuation provided by the Actuarial Valuation Report by Ranadey Professional Services.

(Rs. in thousand)

Present value of obligation	2019-20	2018-19
1. Present value of obligation	819.12	677.32
(a) Current Liability	422.48	256.03
(b) Non-current Liability	396.63	421.30
2. Fair value of plan assets	-	-
3. Surplus/(Deficit)	(819.11)	(677.32)
4. Amount not recognised as an assets due to assets ceiling	-	-
5. Net Asset/(Liability) to be recognised in balance sheet	(819.11)	(677.32)
6. Expense recognised at the end of period	77.25	81.97

**(m) Foreign Currency Transactions**

- i) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.
- ii) Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

**(n) Income Taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**(i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date. However no tax provision is required due to losses incurred by the company during the year.

**(ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

However Deferred Tax is not recognized in the preparation of Financial Statements due to uncertainty of Profit in future to set off carry forward unabsorbed losses and depreciation.

**(iii) Minimum Alternate Tax (MAT)**

Since company incurred consistence losses in previous years and MAT is calculated on book profit, therefore MAT is not calculated in financial statement.

**(o) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

There is no dilution of potential equity shares.

**(Amount in thousands)**

	2019-20	2018-19
Profit after tax available for Equity Shareholders	(359.68)	(25,843.94)
Weighted average number of equity shares (In Thousand)	16,300.00	16,300.00
Earning per share (Face value Rs. 10/- each)		
(a) Basic	(0.02)	(1.59)
(b) Diluted	(0.02)	(1.59)

**(p) Dividend Distribution**

Since company incurred losses during the financial year, therefore no dividend distributed.

**(q) Statement of Cash Flows****(i) Cash and Cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the Indian Accounting Standard-7 "Statement of Cash Flows".

**(r) Segment Reporting**

The Company has reported segment wise information as per Accounting Standard (Ind AS 108). The operations of the Company are conducted within India, there is no separate reportable geographical segment and the Company reported the following business segments i.e. yarn division and Textile division.

PRIMARY SEGMENT: "Manufacturing and Trading Activity of cotton /polyster Cotton blended yarn."

SECONDARY SEGMENT: "Trading of Textile Items"

**(Amount in thousands)**

Particulars	for the period ended 31/03/2020	for the period ended 31/03/2019
Segment Revenue		
1. Primary	84,804.62	187,876.58
2. Secondary	-	24,213.76
Total Revenue	84,804.62	212,090.34

Segment Results		
1. Primary	(359.68)	(22,735.02)
2. Secondary	-	(3,108.92)
Total Revenue	(359.68)	(25,843.94)
Segment Assets		
1. Primary	78,037.74	38,781.14
2. Secondary	-	17,708.65
Total Assets	78,037.74	56,489.79
Segment Liabilities		
1. Primary	128,435.98	106,003.57
2. Secondary	-	524.79
Total Liabilities	128,435.98	106,528.36
Segment Depreciation		
1. Primary	2,496.96	2,736.73
2. Secondary	-	-
Total Depreciation	2,496.96	2,736.73

**(s) Related Party Disclosure**

Related Party disclosures as required under Indian Accounting Standard (INDAS) - 24 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India. Following are the related parties and following transactions entered.

Sr No.	Key Managerial Personnel	Nature of Relationship
1	Shri Aneet Jain	Independent Director
2	Shri Sanjay Singh	Managing Director
3	Shri Rakesh Kumar Jain	Independent Director
4	Shri Shailendra Kumar Agrawal	Company Secretary
5	Smt. Deepika Gandhi	Independent Director
6	Shri Bhawani Shankar Soni	Whole Time Director
7	Shri Omprakash Dhanotiya	Chief Financial Officer

(Amount in thousands)

Sr No.	Remuneration Paid	For the year ended 31/03/2020	For the Year ended 31/03/2019
1	Shri Shilendra Kumar Agrawal	Rs. 600.00	Rs. 600.00
2	Shri Omprakash Dhanotiya	Rs. 292.32	Rs. 292.32
3	Shri Bhawani Shankar Soni	Rs. 302.41	-
Sr No.	Loans and Advances	For the year ended 31/03/2020	For the Year ended 31/03/2019
1	Shri Shilendra Kumar Agrawal	Rs. 90.00	Rs. 150.00
Sr No.	Expenses Borne on behalf of Company	During the year ended 31/03/2020	During the year ended 31/03/2019
1	Rakesh Kumar Jain	Rs. 0.100	-
Sr No.	Reimbursement made by the Company	During the year ended 31/03/2020	During the year ended 31/03/2019
1	Rakesh Kumar Jain	Rs. 0.100	-

(t) Previous year's figures have been regrouped, rearranged wherever considered necessary to correspond with the current year's classifications/disclosure.

**(u) Investments and other financial assets**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories: (1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and (2) those measured at amortised cost. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

**(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss

**Debt instruments:** Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories: (1) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. (2) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through statement of Profit and Loss. Interest income from these financial assets is included in other income.

**Equity instruments:** The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

**(v) Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Non-current assets are not depreciated or amortised while they are classified as held for sale. However, there is no non-current assets held for sale at the year end.

**(w) Effect of Covid-19 Pandemic**

(a) As we continue to face the unprecedented challenges arising out of COVID-19 Pandemic, we are unable to check the documentations physically and hence, we have conducted the audit based on the online data provided to us, which we consider accurate and reliable.

(b) Due to lockdown announced by the Government from 25rd March, 2020, operations of the Company were not much adversely affected. While office of the Company were maintained operationally functioning by providing "Work from Home" facility to its employees during the period of lockdown.

(c) Factory premises given on lease, therefore no major impact on the operation of the Company.

(d) Due to covid 19 lease rent may not be received or delay. If lease discontinue it shall effect the revenue of the company.

(e) The company has not able to achieve trading turnover during first quarter of the financial year 2020-21.

**1.6. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**(a). Depreciation / amortisation and useful lives of property plant and equipment / intangible assets**

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

**(b). Recoverability of trade receivable**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**(c). Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability



requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**(d). Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**(e). Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**For C LASOD & ASSOCIATES**

Chartered Accountants  
(Firm Registration No. 006842C)

CA Chandan Jain  
Partner  
(Membership No. 075062)  
Place: Indore  
Date: 29th June 2020

**For and on behalf of the Board  
MID INDIA INDUSTRIES LIMITED**

(Sanjay Singh)	(Rakesh Kumar Jain)
Managing Director	Director
(DIN: 01548011)	(DIN: 01548417)
(Omprakash Dhanotia)	(Shailendra Agrawal)
Chief Financial Officer	Company Secretary
(Pan - AORPD0458G)	(Mem. No. ACS 25819)

Note No. -2 - Property, plant and equipment											
S. No.	Description	Gross Block (At Cost)				Depreciation				Net Block	
		As At 01.04.2019	Addition During the Year	Sale/Transfer /written off During the Year	As At 31.03.2020	Upto 31.03.2019	for the Period	Deductions	Upto 31.03.2020	As At 31.03.2020	As At 31.03.2019
1.	Land	600.00	-	-	600.00	-	-	-	-	600.00	600.00
2.	Vehicle	1,349.50	-	-	1,349.50	1,130.01	106.88	-	1,236.89	112.61	219.49
3.	Office Equipments	98.97	-	-	98.97	9.40	9.40	-	18.80	80.17	89.57
4.	Buildings	42,342.45	-	-	42,342.45	33,403.80	1,291.41	-	34,695.21	7,647.25	8,938.65
5.	Plant & Equipments	176,199.20	-	-	176,199.20	164,638.79	1,085.83	-	165,724.62	10,474.58	11,560.41
6.	Furniture & Fitting	2,290.58	-	-	2,290.58	2,260.07	3.29	-	2,263.36	27.22	30.51
7.	Office Equipments	1,948.43	-	-	1,948.43	1,948.43	-	-	1,948.43	-	-
	<b>Total</b>	<b>224,829.12</b>	<b>-</b>	<b>-</b>	<b>224,829.12</b>	<b>203,390.50</b>	<b>2,496.81</b>	<b>-</b>	<b>205,887.31</b>	<b>18,941.82</b>	<b>21,438.62</b>
Note No. -3 - Other Intangible Assets											
8.	Website Devp. Expenses	37.80	-	-	37.80	35.61	0.15	0.00	35.76	2.04	2.19
	<b>Total</b>	<b>37.80</b>	<b>-</b>	<b>-</b>	<b>37.80</b>	<b>35.61</b>	<b>0.15</b>	<b>0.00</b>	<b>35.76</b>	<b>2.04</b>	<b>2.19</b>
Total of Note No. 2 & 3											
	Current Year:	224,866.92	-	-	224,866.92	203,426.11	2,496.96	-	205,923.07	18,943.86	21,440.81
	Previous Year:	226,067.47	1,604.13	2,804.68	224,866.92	201,529.00	2,736.73	839.63	203,426.09	21,440.80	24,538.40



	(Rs. In Thousands)	
	Amount as at 31.03.2020	Amount as at 31.03.2019
<b>4 Loans (Non-Current Asset)</b>		
<b>Given to Company official</b>		
(i) Secured, considered good	-	-
(ii) Unsecured, considered goods	30.00	90.00
(iii) Doubtful	-	-
<b>TOTAL (i) + (ii) + (iii)</b>	<b>30.00</b>	<b>90.00</b>
<b>5 Other Financial Assets</b>		
<b>Security Deposits</b>		
(i) Secured, considered good	-	-
(ii) Unsecured, considered goods	3,826.03	5,120.11
(iii) Doubtful	-	-
<b>TOTAL (i) + (ii) + (iii)</b>	<b>3,826.03</b>	<b>5,120.11</b>
<b>6 Investments (Current Assets)</b>		
Investments in Mutual Funds (HDFC Liquid Fund Growth - Total Units 346,845, Total Market value as on 31/03/2020 is Rs. 1,347,013.66)	1,313.73	1,128.59
<b>TOTAL</b>	<b>1,313.73</b>	<b>1,128.59</b>
<b>7 Trade Receivable (Current Asset)</b>		
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered goods - Unsecured	52,370.44	23,739.27
(c) Trade Receivables Which significant increase in Credit Risk	-	-
(d) Trade Receivables Credit impaired	-	-
<b>TOTAL (a) + (b) + (c) + (d)</b>	<b>52,370.44</b>	<b>23,739.27</b>
<b>8 Cash &amp; Cash Equivalent</b>		
(a) Balance with Banks (of the nature of cash and cash equivalents)	168.86	235.43
(b) Cash on Hand	212.57	1,108.12
<b>TOTAL (a) + (b)</b>	<b>381.44</b>	<b>1,343.55</b>
<b>9 Loans (Current Asset)</b>		
<b>Other Loan</b>		
Given to employees		
(a) Loan Receivables considered good - Secured	-	-
(b) Loan Receivables considered goods - Unsecured	257.61	2,206.14
(c) Loan Receivables Which significant increase in Credit Risk	-	-
(d) Loan Receivables Credit impaired	-	-
<b>TOTAL (a) + (b) + (c) + (d)</b>	<b>257.61</b>	<b>2,206.14</b>
<b>10 Current Tax Assets</b>		
(a) Income Tax Refund receivable for previous years	522.59	451.28
(b) GST Receivable	-	735.52
(c) TDS Receivable	387.31	147.17
(d) Advance Income Tax	-	-
<b>TOTAL (a) + (b) + (c) + (d)</b>	<b>909.89</b>	<b>1,333.97</b>
<b>11 Other Current Assets</b>		
(a) Advance to Store Suppliers	4.74	8.66
(b) Advance to Service Provider & for Expenses	-	70.27
<b>TOTAL (a) + (b)</b>	<b>4.74</b>	<b>78.93</b>

	(Rs. In Thousands)	
	Amount as at 31.03.2020	Amount as at 31.03.2019
<b>12 Equity Share Capital</b>		
<b>(a) Authorised</b>		
3,00,00,000 Equity Shares of Rs. 10/- each	300,000.00	300,000.00
	<u>300,000.00</u>	<u>300,000.00</u>
<b>(b) Issued, Subscribed &amp; Paid Up</b>		
1,63,00,000 Equity Shares of Rs. 10/- each	163,000.00	163,000.00
	<u><b>163,000.00</b></u>	<u><b>163,000.00</b></u>

**(c) Reconciliation of number of Shares as the beginning and at the end of the Financial Year:**

Particulars	Equity Shares 2019-20	
	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,63,00,000	1,63,000.00
Shares outstanding at the end of the year	1,63,00,000	1,63,000.00
Particulars	Equity Shares 2018-19	
	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,63,00,000	1,63,000.00
Shares outstanding at the end of the year	1,63,00,000	1,63,000.00

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

Name of Holder	No. of Shares (%)	No. of Shares (%)
Ranchhod Prasad Laxminarayan Ganediwal (HUF)	3757300 23.05%	3757300 23.05%
Pradeep Ganediwal	1195000 7.33%	1195000 7.33%
Ganediwal Finance and Leasing Pvt. Ltd.	1173000 7.20%	1173000 7.20%
Ranchhod Prasad Ganediwal	906126 5.56%	906126 5.56%

**13 Other Equity**

(a) Capital Subsidy Reserve	500.00	500.00
(Granted by Central Government in F.Y. 1993-94)		
(b) Surplus as per Statement of Profit and Loss Balance at the beginning of the year	(213,538.53)	(187,694.59)
Add: Additional Provision of Income Tax Written Back	-	-
Add: Transfer from Statement of Profit and Loss for the year ended 31/03/2020	(359.68)	(25,843.94)
	<u>(213,898.21)</u>	<u>(213,538.53)</u>
<b>TOTAL (a) + (b)</b>	<u><b>(213,398.21)</b></u>	<u><b>(213,038.53)</b></u>

**14 Other Non-Current Liabilities**

Gratuity Payable	396.64	421.30
<b>TOTAL</b>	<u><b>396.64</b></u>	<u><b>421.30</b></u>

**15 Trade Payables (Current Liabilities)**

Raw Material Suppliers		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	126,802.25	102,282.27
<b>TOTAL (i) + (ii)</b>	<u><b>126,802.25</b></u>	<u><b>102,282.27</b></u>

**16 Provisions**

(a) Employee Benefits	138.08	174.84
(b) Gratuity Payable	422.48	256.03
(c) TDS Payable	28.30	55.11
(d) GST Payable	134.44	-
(e) Others	194.10	1,310.93
<b>TOTAL (a) + (b) + (c) + (d) + (e)</b>	<u><b>917.40</b></u>	<u><b>1,796.90</b></u>

	(Rs. In Thousands)	
	Amount as at 31.03.2020	Amount as at 31.03.2019
<b>17 Other Current Liabilities</b>		
(a) Stores Suppliers		
(i) Total outstanding dues of micro enterprises and small enterprises	-	2.30
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	92.06	1,710.07
<b>TOTAL (i) + (ii)</b>	<b>92.06</b>	<b>1,712.37</b>
(b) Advances from buyers		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	100.00
<b>TOTAL (i) + (ii)</b>	<b>-</b>	<b>100.00</b>
(c) Creditor for Service Providers		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	227.64	207.09
<b>TOTAL (i) + (ii)</b>	<b>227.64</b>	<b>207.09</b>
<b>TOTAL (a) + (b) + (c)</b>	<b>319.70</b>	<b>2,019.46</b>
<b>18 Revenue from Operations</b>		
<b>(i). Sales</b>		
(a) Sale of Manufactured Goods	-	185,021.10
(b) Sale of Semi Finished, Scarp & waste goods	-	2,855.48
(c) Sale of Traded Goods	82,374.62	24,213.76
<b>TOTAL (a) + (b) + (c)</b>	<b>82,374.62</b>	<b>212,090.34</b>
<b>(ii). Other Operating Income</b>		
Operating Lease Rent	2,430.00	400.00
<b>TOTAL</b>	<b>2,430.00</b>	<b>400.00</b>
<b>TOTAL (i) + (ii)</b>	<b>84,804.62</b>	<b>212,490.34</b>
<b>19 Other Income</b>		
(a) Interest Income	284.41	313.11
(b) Discount Received	-	22.59
(c) Quality Claim	2.84	-
<b>TOTAL (a) + (b) + (c)</b>	<b>287.24</b>	<b>335.70</b>
<b>20 Cost of Raw Material Consumed</b>		
Opening Stock of Raw material	-	1,665.62
Add: Purchases	-	131,060.29
Total	-	132,725.91
Less: Closing Stock of Raw Material	-	-
	-	<b>132,725.91</b>
<b>21 Purchase of Stock-in-trade</b>		
Trading Purchases	79,187.53	14,421.73
	<b>79,187.53</b>	<b>14,421.73</b>
<b>22 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		
<b>Inventories at the beginning of the year</b>		
(a) Finished Goods	-	12,694.25
(b) Work-in-progress	-	3,989.18
(c) Scrap	-	260.96
(d) Stock-in-trade (for trading)	-	1,004.27
<b>TOTAL (a) + (b) + (c) + (d)</b>	<b>-</b>	<b>17,948.66</b>
<b>Inventories at the end of the year</b>		
(a) Finished Goods	-	-
(b) Work-in-progress	-	-
(c) Scrap	-	-
(d) Stock-in-trade (for trading)	-	-
<b>TOTAL (a) + (b) + (c) + (d)</b>	<b>-</b>	<b>-</b>
(Increase)/Decrease in Stock	-	<b>17,948.66</b>

	(Rs. In Thousands)	
	Amount as at 31.03.2020	Amount as at 31.03.2019
<b>23 Employee Benefit Expenses</b>		
(a) Salary Wages, Bonus & Allowances	1,374.42	23,375.89
(b) Contribution to Statutory Funds	88.96	2,188.20
(c) Staff Welfare Expenses	-	267.18
<b>TOTAL (a) + (b) + (c)</b>	<b>1,463.38</b>	<b>25,831.28</b>
<b>24 Depreciation and Amortization Expenses*</b>		
<b>Depreciation</b>		
(a) Freehold Land	-	-
(b) Buildings	1,291.41	1,291.41
(c) Plant and Equipment	1,085.83	1,170.95
(d) Furniture and Fixtures	3.29	3.29
(e) Vehicles	106.88	255.18
(f) Office Equipments	9.40	9.40
	2,496.81	2,730.22
<b>Amortization</b>		
(g) Website Development Expenses	0.15	6.51
<b>TOTAL (a) + (b) + (c) + (d) + (e) + (f) + (g)</b>	<b>2,496.96</b>	<b>2,736.73</b>
*Also Refer to Note No. 2 & 3		
<b>25 Other Expenses</b>		
<b>(a) Administrative Expenses</b>		
Advertisement Exp.	124.98	174.07
Audit Fee	125.00	75.00
Bad Debts Written Off	-	920.61
Coolie & Cartage	-	358.93
Electricity Charges	71.31	279.78
Fee & Subscriptions	438.85	410.23
GST Reverse	3.81	166.43
Insurance Premium	21.24	316.54
Misc Exp.	1.20	177.17
Printing & Stationery	-	46.37
Professional Fees	119.50	129.50
Repairing & Maint. (Building)	-	49.21
Secretarial Expenses	1,039.14	1,916.64
Tax Demand After Sales tax Assessment	218.10	-
Telephone Expenses	3.23	125.22
Traveling Exp. (Staff)	25.83	79.55
Miscellaneous (other) expenses	86.55	270.75
	2,278.75	5,495.99
<b>(b) Manufacturing Expenses</b>		
Stores Consumed	-	7,026.61
Packing Material Consumed	-	4,043.55
Factory Expenses	-	60.08
Job Work Charges	-	1,868.49
Loading and Shifting Expenses	-	129.95
Power & Fuel	-	25,731.02
Repair & Maint. of Plant & Machinery	-	349.26
Miscellaneous other expenses	-	73.67
	-	39,282.62
<b>(c) Selling &amp; Distribution Expenses</b>		
Cash Discount	60.08	148.24
Packing & Forwarding Expenses	-	140.52
	60.08	288.76
<b>TOTAL (a) + (b) + (c)</b>	<b>2,338.83</b>	<b>45,067.37</b>
<b>26 Exceptional Items</b>		
(a) Profit on Sale of Fixed Assets	-	33.12
(b) Gain from Investment	35.15	28.59
<b>TOTAL (a) + (b)</b>	<b>35.15</b>	<b>61.70</b>

	(Rs. In Thousands)	
	Amount as at 31.03.2020	Amount as at 31.03.2019
<b>27 Earning per Equity Share</b>		
Profit after tax available for Equity Shareholders	(359.68)	(25,843.94)
Weighted average number of equity shares (In Thousand)	16,300.00	16,300.00
Earning per share (Face value Rs. 10/- each)		
(a) Basic	(0.02)	(1.59)
(b) Diluted	(0.02)	(1.59)

**For C LASOD & ASSOCIATES**

Chartered Accountants  
(Firm Registration No. 006842C)

CA Chandan Jain  
Partner  
(Membership No. 075062)  
Place: Indore  
Date: 29th June 2020

**For and on behalf of the Board****MID INDIA INDUSTRIES LIMITED**

(Sanjay Singh) Managing Director (DIN: 01548011)	(Rakesh Kumar Jain) Director (DIN: 01548417)
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(Omprakash Dhanotia) Chief Financial Officer (Pan - AORPD0458G)	(Shailendra Agrawal) Company Secretary (Mem. No. ACS 25819)
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