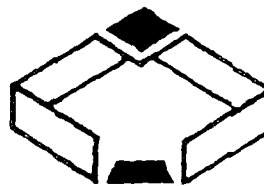
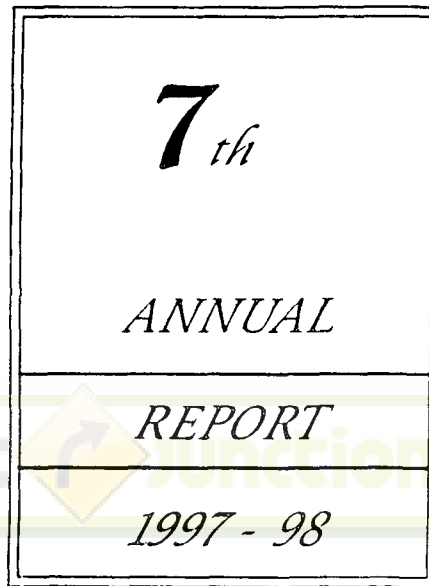


MD	✓		BKC	✓
CS	NA		DPY	NA
RO	✓		DIV	NA
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		



Mid India Industries Limited

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

Board of Directors

(As on 28th July 1998)

Shri Pradeep Ganediwal, **Managing Director**
 Shri Pradyumn Ganediwal
 Shri Shankar Prasad Mansinghka
 Shri Ram Ratan Agrawal
 Shri Dilip N. Shah

Registered Office & Works

Textile Mill Area,
 Mandsaur - 458 001 (M.P.)

Corporate Office

2/3, New Palasia,
 Pt. Ramnarayan Shastri Marg,
 Indore - 452 001 (M.P.)

Auditors

M/s. Kamal Nayan Singhal & Company
 Chartered Accountants
 55, Murai Mohalla,
 Indore - 452 001 (M.P.)

Cost Auditors

M/s. K. G. Goyal & Company
 Cost Accountants
 8, Chitragupta Nagar
 Jaipur - 302 605 (Raj.)

Registrar & Transfer Agent

M/s. Ankit Consultancy Pvt. Ltd.,
 2nd Floor, Alankar Point,
 Geeta Bhawan Square,
 Indore - 452 001 (M.P.)

Bankers

Dena Bank

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ANNUAL GENERAL MEETING

On Tuesday the 29th September, 1998
 at 3.00 p. m. at Textile Mill Area,
 Mandsaur (M.P.)

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

Annual Report 97-98



NOTICE

NOTICE is hereby given that the Seventh Annual General Meeting of MID INDIA INDUSTRIES LIMITED will be held on Tuesday the 29th day of September 1998 at Registered Office of the Company at Textile Mill Area, Near Railway Station, Mandsaur (M.P.) at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the audited Profit & Loss Account of the Company for the year ended 31st March, 1998 and the Balance Sheet as at 31st March, 1998 together with the Directors and Auditors Report thereon.
2. To appoint a Director in place of Shri Shankar Prasad Mansinghka retiring by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and authorise the Board to fix their remuneration.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxy form in order to be effective, should be duly completed stamped and signed must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
3. The register of members and share transfer books of the company will remain closed from 22nd September 1998 to 28th September 1998 (both days inclusive).
4. Members desirous of obtaining any information as regards accounts and operation of the company are requested to write to the company at its registered office at least one week before the date of Annual General Meeting so as to enable the management to keep the information ready.
5. Members are requested to notify the change in their address to the Company immediately and always quote their folio number in all correspondence with the company.
6. As a measure of economy, copy of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.
7. Members/Proxies attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.

Registered Office :
Textile Mill Area
Mandsaur - 458 001 (M.P.)
Dated : 28th July 1998

By Order of the Board

(PRADEEP GANEDIWAL)
MANAGING DIRECTOR



Mid India Industries Limited

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Seventh Annual Report on the business and operations with Audited Statement of Accounts for the year ended 31st March, 1998.

FINANCIAL RESULTS :

The company had achieved total turn over of Rs. 2122.80 lacs (Previous year Rs. 2273.99 lacs) out of which exports including deemed export contributes Rs. 1558.55 lacs (Previous year Rs. 2047.74 lacs) and suffered cash loss of Rs. 9.75 lacs. The overall performance of the company is effected by adverse economic conditions, sharp increase in raw material prices and extremely bearish trend in the South East Asian countries like Korea, Thailand, Malaysia and Indonesia. The company has also encountered a huge fire in the godown area engulfing almost all raw material godowns. However sufficient insurance cover was taken by the management.

OPERATIONS

The company has produced 22.51 lacs Kg of yarn as against 17.95 lacs Kg of last year. The company has decided to implement a Power Generation, Value addition and Expansion cum Modernisation programme in which it propose to install a D.G.set of 2100 KVA based on Furnace Oil for in house power generation, addition of nine TFO machines for doubling of yarn, new 2008 spindles and other required balacing equipments to enhance the capacity and better saleability of the product.

EXPORTS

The company has developed its network for marketing of cotton yarn in the global market. It has established its brand name in various countries as well. However due to recession in the international market including South East Asia has adversely effected the exports of the company. It was forced to sale part of the production to the extent permitted in the domestic market as well.

DIVIDEND

The Company has incurred loss during the year, hence not proposed any dividend and carried forward the balance of reserves to next years.

DIRECTORS

During the period of report Shri Jagdish Swaroop Bhatnagar, Shri Lalit Purshottam Das Mehta and Shri Kuber Appana Shetty has resigned from directorship on personal grounds. The company has been immensely benefitted from the counsel and guidance given by these professional directors from time to time. The Board has placed on record its profound appreciation for the valuable contribution made by these directors to the growth of the company.

In accordance with provisions of Companies Act, 1956 and Company's Articles of Association Mr. Shanker Prasad Mansinghka retire by rotation and is eligible for re-appointment.

AUDITORS

Auditors M/s Kamal Nayan Singhal & Co., Chartered Accountants hold office until the ensuing Annual General Meeting. It is proposed to reappoint M/s Kamal Nayan Singhal & Co., Chartered Accountants as auditors till the conclusion of the next Annual General Meeting. A certificate as required under Section 224(1) of the Companies Act, 1956 regarding their eligibility for reappointment has been received from them. The Directors recommend such re-appointment.

Annual Report 97-98

**PARTICULARS OF EMPLOYEES**

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

INDUSTRIAL RELATIONS

The directors are happy to report that the company had harmonious industrial relations at all levels of organisation. The un-interrupted working bears the testimony to the cordial relations between management and its work force. It will be the endeavour of the company to continue to maintain good industrial climate.

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

In term of Section 217(1)(e) of the Companies Act, 1956 and the Companies (Disclosure of particulars in the report of Board Directors) Rule 1988, your director furnish hereunder additional information :

1. Conservation of energy :		(c) Consumption per Unit of production :	
Power & Fuel consumption :		Cotton yarn (Kgs.)	22,50,993
(a) Electricity :		Electricity (Kwh/Kg.)	3.48
Purchased :		2. Technology absorption :	
Unit (Kwh)	38,94,597	The plant do not require any specific technology	
Total Amount (Rs.)	1,52,84,372	3. Foreign Exchange earnings/outgo (Rs. in lakhs.)	
Rate per Unit (Rs./Kwh)	3.92		
(b) Own Generation :		(a) Foreign Exchange earned	1997-98 1996-97
Through Diesel Generator		(b) Foreign Exchange used	
Unit (Kwh)	39,38,607	i) Foreign Travel Expenses	7.55 2.02
Units/Ltrs. of Diesel Oil	2.44	ii) Commission on Sales	14.05 11.06
Rate per Unit (Rs./Kwh)	3.36	iii) Stores & Spares	13.20 1.38
		iv) Others	0.71 0.00

STATEMENT PURSUANT TO CLAUSE 43 OF THE LISTING AGREEMENT :

(a)	The funds raised have been used for the purpose after making suitable revision as stated in the Prospectus dated 02/02/93.		
(b)	Profitability for 1997-98 (Rs. in lakhs) :	Turnover	Profit/(Loss) before Tax
	Actual	2122.80	(239.54)
	Projected	1470.36	419.95

APPRECIATION

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

MANDSAUR.
28.07.1998

(PRADEEP GANEDIWAL)
MANAGING DIRECTOR