



Mid India Industries Limited

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

Board of Directors

Shri Pradeep Ganediwal, **Managing Director**

Shri Pradyumn Ganediwal, **Director**

Shri Shreeram Singh, **Director**

Shri Aneet Jain, **Director**

Shri Ajay Kumar Dubey, **Director**

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.)

Audit Committee of the Board

Shri Shreeram Singh, **Chairman**

Shri Aneet Jain

Shri Ajay Kumar Dubey

Auditors

M/s.Kamal Nayan Singhal & Company

Chartered Accountants

55, Murai Mohalla

Indore - 452 001

Share Holder's / Investor's Grievance

Committee of the Board

Shri Aneet Jain, **Chairman**

Shri Shreeram Singh

Shri Ajay Kumar Dubey

Cost Auditor

M/s. K.G Goyal & Co.

Cost Accountants

8, Chitragupta Nagar I,

Jyoti Nagar Railway Crossing,

Jaipur 302 005

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Registrar & Transfer Agent

M/s. Ankit Consultancy Pvt. Ltd.,
(Unit : Mid India Industries Ltd.)

4-A, Rajgarh Kothi

2nd Floor, Alankar Point,

Indore - 452 001 (M.P.)

ANNUAL GENERAL MEETING

On Tuesday, 30th September, 2008

at 11.00 a.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 for the year ended 31-03-2008



NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of MID INDIA INDUSTRIES LIMITED will be held on Tuesday the 30th day of September, 2008 at Registered Office of the Company at Textile Mill Area, Near Railway Station, Mandsaur (M.P.) at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2008 and the Balance Sheet as on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Aneet Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Ajay Kumar Dubey, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the company to hold the office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

For and on behalf of the Board

Place : Indore

(Pradeep Ganediwal)

Dated : 21/08/2008

Managing Director

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. The Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, the 29th day of September, 2008 to Tuesday, the 30th day of September, 2008 (both days inclusive).
4. Members are requested to bring their copy of the Annual Report with them for meeting.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED FOR 30TH SEPTEMBER, 2008

Name of Director	ANEET JAIN	AJAY KUMAR DUBEY
Date of Birth	25.07.1973	15.07.1957
Date of Appointment	30.04.2002	25.03.2006
Qualification	M.M.S.	B. Tech.
Expertise in Specific Functional Area	-	-
List of Companies in which outside Directorship held*	-	-
Chairman/Member of the Committee of Board of Directors of the Companies	Mid India Industries Ltd. a. Audit Committee b. Shareholder's Grievances Committee.	Mid India Industries Ltd. a. Audit Committee b. Shareholder's Grievances Committee.

* Excluding Private Limited Companies.



Mid India Industries Limited

DIRECTORS' REPORT

Your Directors have pleasure in presenting Seventeenth Annual Report on the business and operations with Audited Statement of Accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	01/04/2007 to 31/03/2008	01/04/2006 to 31/03/2007
Turnover and Other Income*	2065.44	1662.43
Profit/(Loss) before Interest and Depreciation	124.89	106.05
Interest	3.72	3.44
Profit/(Loss) after Interest but before Depreciation	121.17	102.61
Depreciation	44.98	69.49
Net Profit/(Loss) from Operation	76.19	33.21

(*Including Bank Liabilities written off Rs. 35.64 Lacs)

OPERATIONS

During the year under review the company has achieved turnover of Rs. 2000.73 lacs as compared to Rs. 1624.56 lacs in the previous year. The profit after tax stood at Rs. 76.19 lacs as compared to Rs. 33.21 lacs in the previous year.

DIVIDEND

In view of the carry forward losses of the company, the Directors regret their inability to recommend any dividend.

DIRECTORS

In accordance with provisions of Companies Act, 1956 and Company's Articles of Association Shri Aneet Jain & Shri Ajay Kumar Dubey retire by rotation and are eligible for reappointment.

CORPORATE GOVERNANCE

A separate section on Corporate Governance forming part of the Director's Report and the certificate from the Company's Auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the listing agreement is included in the Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors state as under:

- (i) That in the preparation of Annual Accounts, the applicable accounting standards have been followed and there has been no material departure;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a

Annual Report for the year ended 31-03-2008



- true and fair view of the state of affairs of the Company at the end to the financial year and of the loss of the Company for that period;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for prevention and detecting fraud and other irregularities to the best of their knowledge and ability;
 - (iv) That the Directors have prepared the Annual Accounts on a going concern basis.

AUDITORS

M/s Kamal Nayan Singhal & Co., Statutory auditors of the company hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The Company has received certificate from Auditor to the effect that there appointment, if made, would be within the prescribed limit under Section 224(1-B) of the Companies Act, 1956.

AUDITORS OBSERVATIONS

The observations of the Auditors as referred to in the Auditors' Report are suitably explained in the Notes to the Accounts.

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 preview 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. It will be the endeavor of the company to continue to maintain good industrial climate.

CAPITAL REDUCTION

In the 15th Annual General Meeting held on 22/09/2006, the members of the company passed a special resolution regarding reduction of share capital of the company by reducing Face Value Rs. 10/- to 2/- per share. In this connection the company filed a petition in the Hon'ble High Court of Madhya Pradesh. The High Court in their order dated 10.04.2008 dismissed the petition. Accordingly the company applied to Hon'ble Chief Justice of High Court, Madhya Pradesh against the order. But the Chief Justice in their order dated 14.07.2008 disposed the application with the remark that appellant company is already registered before the B.I.F.R. under the provision of S.I.C.A. The company should first place before B.I.F.R. that it is empowered to reduce its share capital. The company is going to apply in B.I.F.R. for its capital reduction.



Mid India Industries Limited

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 of Directors):

Particulars	01/04/2007 to 31/03/2008	01/04/2006 to 31/03/2007
1. Conservation of Energy		
Power & Fuel consumption:		
(a) Electricity Purchased:		
Unit (Kwh)	5777262	4930064
Amount (Rs.)	23945767	19786198
Rate per Unit (Rs./Kwh)	4.14	4.01
(b) Consumption per Unit of Production:		
Production (Kgs.)	1980919	1753764
Electricity (Kwh/Kg.)	2.91	2.81
2. Technology absorption		
The plant do not require any specific technology		
3. Foreign Exchange earnings/outgo (Rs. in lacs)		
(a) Foreign Exchange earned		
i.) Sale of Farm	0.00	0.00
ii) Other Income	296.67	222.84
(b) Foreign Exchange Used		
i) Foreign Travel Expenses	0.00	2.75
ii) Stores & Spares	0.00	0.00

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

Place : Indore
Dated : 21/08/2008

(Pradeep Ganediwal)
Chairman

Annual Report for the year ended 31-03-2008



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The company is engaged in manufacturing and marketing of different types of Cotton Yarn. There has been growing demand of the products manufactured by your Company.

HIGHLIGHTS OF PERFORMANCE

The same has been given in the Directors Report under the heading of 'FINANCIAL RESULTS.' and 'OPERATIONS'.

OPPORTUNITIES AND THREATS/ RISK AND CONCERNS

With the opening of international market of textiles & yarn there are vast opportunities for the products of the Company. There are some threats from the global competitors.

INTERNAL CONTROL SYSTEM

The Company has proper internal control system which provides adequate safeguard and effective monitoring of the transactions.

HUMAN RESOURCES

Various initiatives have been taken to enhance the skills, knowledge and competency of the employees. The industrial relations remained harmonious throughout the year.

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.



Mid India Industries Limited

REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance as required under Clause 49 of the Listing Agreement for the year ended 31st March, 2008 is set out below:

1. Company's Philosophy on Corporate Governance:

The Company views sound Corporate Governance as an integral part of its efforts to enhance shareholders' value. The Company endeavors to safeguard the interests of investors, customers, suppliers and lenders to build the confidence of the society in general.

2. Board of Directors:

During the year 11 meetings of the Board were held on 28.04.07, 07.05.07, 26.05.07, 27.07.07, 28.07.07, 14.08.07, 29.09.07, 28.10.07, 14.11.07, 19.11.07 and 29.01.08.

The Particulars of Directors are as follows:-

Name of Director	Category of Directorship and Promoter	No. of Meetings attended	No. of other Membership	Committee Membership
Shri Pradeep Ganediwal	Promoter & M.D.	4	2	-
Shri Pradyumn Ganediwal	Promoter & Director	2	2	-
Shri Shreeram Singh	Director	11	1	2
Shri Aneet Jain	Director	11	1	2
Shri Ajay Kumar Dubey	Director	10	-	2

3. Audit Committee:

The Audit Committee consists of following Directors:-

1. Shri Shreeram Singh - Chairman
2. Shri Aneet Jain
3. Shri Ajay Kumar Dubey

All the members are independent and possess sound knowledge of finance, accounting and company law. The functions of Audit Committee are as per Company Law and Listing Agreement with Stock Exchanges. These include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies. The Committee met 4 times during the year. The attendance record of the members of Committee is as under:

- | | |
|-----------------------|-----------------------|
| Shri Shreeram Singh | - Attended 4 meetings |
| Shri Aneet Jain | - Attended 4 meetings |
| Shri Ajay Kumar Dubey | - Attended 4 meeting |

4. Remuneration of Directors:

The Company has not constituted a Remuneration Committee. The Company does not pay any remuneration to the Managing Director or any Directory of Board.

Annual Report for the year ended 31-03-2008

**5. Shareholders'/Investors' Grievances Committee:**

The Company has constituted a Shareholders'/Investors' Grievance Committee. The Members of the committee are as under:

1. Shri Aneet Jain - Chairman
2. Shri Shriram Singh
3. Shri Ajay Kumar Dubey

The committee is to oversee the effective redressal of the complaints of the Shareholders'/Investors. The committee may recommend steps to be taken for further improvement in the quality of service to the investors. The Registrar & Transfer Agent has sent replies to shareholders in respect of all complaints received during the period. There was no valid request pending for transfer of shares ending as on 31-03-2008.

6. General Body Meetings:

Year Ending	Date of A.G.M.	Location	Time
31-03-2005	30-09-2005	Mandsaur	11.00 A.M.
31-03-2006	22-09-2006	Mandsaur	11.00 A.M.
31-03-2007	29-09-2007	Mandsaur	11.00 A.M.

No special resolutions were passed through postal ballot in the last AGM. No special resolutions requiring postal ballot are placed before the shareholders for approval at the forthcoming AGM.

7. Disclosures:

- (a) Related party transactions: During the period, there were no such transactions of material nature with its promoters, the directors or the management, their subsidiaries or relatives etc. which may have potential conflict with the interests of the company at large.
- (b) Details of non-compliance: There were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.
- (c) Auditors Certificate on corporate governance is enclosed herewith.

8. Means of Communication:

The Company communicates with the shareholders through its annual reports, quarterly results and by filing of various returns with statutory bodies like stock exchanges and the Registrar of Companies.

9. General Shareholders' Information:**(a) Annual General Meeting:**

Date & Time : 30-09-2008 at 11.00 a.m.
 Day : Tuesday
 Venue : Textile Mill Area, Near Railway Station, Mandsaur (M.P.)

(b) Financial Calendar:

Results for the quarter ending 30-06-2008: July, 2008.
 Results for the quarter ending 30-09-2008: October, 2008.
 Results for the quarter ending 31-12-2008: January, 2009.
 Results for the quarter ending 31-03-2009: April, 2009.