



## **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 Wednesday, 30<sup>th</sup> September, 2009  
 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 31-03-2009****NOTICE**

NOTICE is hereby given that the Eighteenth Annual General Meeting of MID INDIA INDUSTRIES LIMITED will be held on Wednesday the 30th day of September, 2009 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, 2009 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 Pradyumn Ganediwal**, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Shri Shriram Singh**, 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  
Dated : 14.08.09

(SHRIRAM SINGH)  
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 Friday, the 25th day of September, 2009 to Tuesday, the 29th day of September, 2009 (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, 2009**

Name of Director	PRADYUMN GANEDIWAL	SHREERAM SINGH
Date of Birth	20.07.1965	05.10.1944
Date of Appointment	19.03.1991	30.04.2002
Qualification	B.Com.	B.A., L.L.B.
Expertise in Specific Functional Area	18 Years Experience in Textile Industries	Worked in MPSTC as a Cotton Selector & Purchase Officer
List of Companies in which outside Directorship held*	Mid India International Limited	NIL
Chairman/Member of the Committee of Board of Directors of the Companies	NIL	Mid India Industries Ltd. a.Audit Committee b.Shareholder Grievances Committee

\* Excluding Private Limited Companies.



## DIRECTORS' REPORT

Your Directors have pleasure in presenting Eighteenth Annual Report on the business and operations with Audited Statement of Accounts for the year ended 31st March, 2009.

### FINANCIAL RESULTS

Particulars	(Rs. in Lacs)	
	01/04/2008 to 31/03/2009	01/04/2007 to 31/03/2008
Turnover and Other Income*	2338.32	2065.44*
Profit/(Loss) before Interest and Depreciation	43.72	124.89
Interest	0.44	3.72
Profit/(Loss) after Interest but before Depreciation	43.28	121.17*
Depreciation	21.84	44.98
Net Profit/(Loss) from Operation	21.43	76.19*

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

### OPERATIONS

During the year under review the company has achieved turnover of Rs. 2231.83 lacs as compared to Rs. 2000.73 lacs in the previous year. The profit after tax stood at Rs. 21.43 lacs as compared to Rs. 76.19 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 Pradyumn Ganediwal & Shri Shriram Singh 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.

Annual Report for the year ended 31-03-2009



## **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 judgment 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 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.



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	01/04/2008 to 31/03/2009	01/04/2007 to 31/03/2008
<b>1. Conservation of Energy</b>		
Power & Fuel consumption:		
(a) Electricity Purchased:		
Unit (Kwh)	6161384	5777262
Amount (Rs.)	25484910	23945767
Rate per Unit (Rs./Kwh)	4.14	4.14
(b) Consumption per Unit of Production:		
Production (Kgs.)	1969077*	1980919
Electricity (Kwh/Kg.)	3.13	2.91
* Including production of 64890 Kgs. carded cotton sliver.		
<b>2. Technology absorption</b>		
The plant do not require any specific technology		
<b>3. Foreign Exchange earnings/outgo (Rs. in lacs)</b>		
(a) Foreign Exchange earned		
i.) Sale	118.03	206.41
ii) Other Activities	104.75	90.25
(b) Foreign Exchange Used		
i) Purchase of Raw Material	7.63	0.00
ii) Stores & Spares	1.93	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 : 14.08.09

(SHRIRAM SINGH)  
Director

Annual Report for the year ended 31-03-2009



## **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.



## REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance as required under Clause 49 of the Listing Agreement for the year ended 31st March, 2009 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 nine meetings of the Board were held on 18/04/2008, 28/04/2008, 28/07/2008, 21/08/2008, 30/09/2008, 25/10/2008, 09/01/2009, 28/01/2009 and 13/03/2009.

The Particulars of Directors are as follows:-

Name of Director	Category of Directorship and Promoter	No. of Meetings attended	No. of other Directorship	Committee Membership
Shri Pradeep Ganediwal	Promoter & M.D.	7	2	-
Shri Pradyumn Ganediwal	Promoter & Director	2	2	-
Shri Shreeram Singh	Director	9	1	2
Shri Aneet Jain	Director	9	1	2
Shri Ajay Kumar Dubey	Director	9	-	2

### 3. Audit Committee:

The Audit Committee consists of following Directors:-

1. Shri Shriram 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 Shriram 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 31-03-2009****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 31-03-2009.

**6. General Body Meetings:**

Year Ending	Date of A.G.M.	Location	Time
31-03-2006	22-09-2006	Mandsaur	11.00 A.M.
31-03-2007	29-09-2007	Mandsaur	11.00 A.M.
31-03-2008	30-09-2008	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 : 30-09-2009 at 11.00 a.m.  
 Day : Wednesday  
 Venue : Textile Mill Area, Near Railway Station, Mandsaur (M.P.)

**(b) Financial Calendar:**

Results for the quarter ending 30-06-2009: July, 2009.  
 Results for the quarter ending 30-09-2009: October, 2009.  
 Results for the quarter ending 31-12-2009: January, 2010.  
 Results for the quarter ending 31-03-2010: April, 2010.