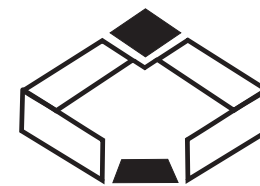


19th
ANNUAL
REPORT
2009-10



Mid India Industries Limited

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

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Annual Report for the year ended 31-03-2010

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 Thursday, 30th September, 2010
 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.

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of MID INDIA INDUSTRIES LIMITED will be held on Thursday the 30th day of September, 2010 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:

- To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2010 and the Balance Sheet as on that date and Reports of the Directors and Auditors thereon.
- To appoint a Director in place of **Shri Aneet Jain**, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of **Shri Ajay Kumar Dubey**, who retires by rotation and being eligible, offers himself for re-appointment.
- 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 : 23/08/2010

(PRADEEP GANEDIWAL)
 Chairman

NOTES :

- 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.
- 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.
- The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, The 28th day of September, 2010 to Wednesday, the 29th day of September, 2010 (both days inclusive).
- 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, 2010

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.B.A.	B. Tech
Expertise in Specific Functional Area	Finance	Textile Technology
List of Companies in which outside Directorship held*	-	-
Chairman/Member of the Committee of Board of Directors of the Companies	Mid India Industries Limited a. Audit Committee b. Shareholder's Grievances Committee	Mid India Industries Limited a. Audit Committee b. Shareholder's Grievances Committee

* Excluding Private Limited Companies.



DIRECTORS' REPORT

Your Directors have pleasure in presenting Nineteenth Annual Report on the business and operations with Audited Statement of Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	01/04/2009 to 31/03/2010	01/04/2008 to 31/03/2009
Turnover and Other Income	2582.57	2338.32
Profit/(Loss) before Interest and Depreciation	105.72	43.72
Interest	0.61	0.44
Profit/(Loss) after Interest but before Depreciation	105.11	43.28
Depreciation	30.24	21.84
Net Profit/(Loss) from Operation	74.87	21.43

OPERATIONS

During the year under review the company has achieved turnover of Rs. 2558.93 lacs as compared to Rs. 2231.83 lacs in the previous year. The profit after tax stood at Rs. 74.87 lacs as compared to Rs. 21.43 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:

- That in the preparation of Annual Accounts, the applicable accounting standards have been followed and there has been no material departure;
- 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;
- 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;
- 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.

**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	01/04/2009 to 31/03/2010	01/04/2008 to 31/03/2009
1. Conservation of Energy		
Power & Fuel consumption:		
(a) Electricity Purchased:		
Unit (Kwh)	6578365	6161384
Amount (Rs.)	28698173	25484910
Rate per Unit (Rs./Kwh)	4.36	4.14
(b) Consumption per Unit of Production:		
Production (Kgs.)	2114854	1969077*
Electricity (Kwh/Kg.)	3.11	3.13
2. Technology absorption		
The plant do not require any specific technology		
3. Foreign Exchange earnings/outgo (Rs. in lacs)		
(a) Foreign Exchange earned		
i.) Sales	285.15	118.03
ii) Other Activities	114.75	104.75
(b) Foreign Exchange Used		
i) Purchase of Raw Material	0	7.63
ii) Stores & Spares	0	1.93

* Including production of 64890 Kgs of Carded Cotton Sliver.

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: 23/08/2010

(PRADEEP GANEDIWAL)
Managing Director

**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.