

**ANNUAL REPORT
2011-12**



Madhusudan
Industries Limited

Annual Report 2011-2012

Board of Directors

Shri Shree Narayan Mohata
Shri Bhagwan Das Sharma
Shri Rajesh B. Shah
Shri Sanwarmal Agarwal

Auditors

M/s. H. V. Vasa & Co.,
Chartered Accountants,
B-2, "Usha Kiran", Opp. Khanpur Gate,
Ahmedabad - 380 001.

Registered Office

Rakhial Station - 382 315
Taluka - Dehgam,
Dist. Gandhinagar, Gujarat.

Ahmedabad Office

"Madhusudan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380 006.

Registrar & Share Transfer Agent

MCS Limited,
101, Shatdal Complex, 1st Floor,
Opp. Bata Show Room, Ashram Road,
Ahmedabad - 380 009.

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**Annual General Meeting at 11.30 a.m. on Monday,
the 24th day of September, 2012 at the Registered Office.**

N o t i c e

NOTICE is hereby given that the Annual General Meeting of the Members of **MADHUSUDAN INDUSTRIES LIMITED** will be held at 11.30 a.m. on Monday, the 24th day of September, 2012 at the Registered Office of the Company at Rakhial Station, Taluka Dehgam, District Gandhinagar – 382 315, to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt Audited Statement of Profit and Loss Account for the year ended 31st March, 2012 and Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To appoint a director in place of Shri Sanwar Mal Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Shri Rajesh B. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:
RESOLVED THAT Shri Nilesh Gandhi appointed as an Additional Director of the Company by Board of Directors and who ceased to hold the office at this meeting u/s. 260 of the Companies Act, 1956 and in respect of whom the Company has received notice in writing u/s. 257 of the Companies Act, 1956 proposing his candidature for the office of the director be and is hereby appointed as director of the Company.

Regd. Office :
Rakhial Station – 382 315
Taluka - Dehgam, Dist. Gandhinagar.
11th August, 2012

By Order of the Board of Directors

B. K. Patodia
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Members are requested to notify immediately the change of address, if any, to the Company or M/s. MCS Limited, Registrar and Share Transfer Agent.
3. The Register of Members and Share transfer book of the Company will remain closed from 15th September, 2012 to 24th September, 2012 (both days inclusive)
4. Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
5. Members are requested to send their queries atleast ten days before the date of the meeting so that the information can be made available at the meeting.
6. Unpaid / Unclaimed Dividend, Share application money received and due for refund and matured deposits unclaimed and unpaid for a period of seven years up to the financial year 2003-04 have been transferred to the Investor Education and Protection Fund pursuant to the provisions of Section 205C of the Companies Act, 1956.
7. Explanatory Statement pursuant to Section 173 (2) of the companies Act, 1956 is annexed hereto.
8. Brief resume of directors, who are proposed to be appointed / re-appointed at this meeting are given below:

Name of Director	Shri Sanwar Mal Agarwal	Shri Rajesh B. Shah	Shri Nilesh Gandhi
Date of Birth	11.07.1953	11.11.1958	09.09.1959
Date of appointment	07.08.2006	07.08.2006	09.08.2012
Expertise in specific functional areas	Commercial	Finance	Administration
List of other directorships held	Gujarat Soaps Pvt. Ltd.	Madhusudan Fiscal Ltd. Madhusudan Cybernetic Pvt. Ltd. Goodluck Ceramics Pvt. Ltd.	Gujarat Soaps Pvt. Ltd.
Chairman / Member of the Committees of the Board of other Companies	—	—	—
Shareholding in the Company	200	—	—

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO. 5

The Board of Directors appointed Shri Nilesh Gandhi as an additional director on 09-08-2012 u/s. 260 of the Companies Act, 1956. As per the provisions of the said section he will hold office till this Annual General Meeting. However, being eligible for re-appointment he offers himself for the same. The Company has also received notice alongwith deposit of Rs. 500/- from a member of the Company signifying his intention to propose Shri Nilesh Gandhi being appointed as director of the Company under the provisions of section 257 of the companies Act, 1956. It is in the interest of the Company to have the benefit of his services as director of the Company.

Your directors commend the resolution as per item no. 5 of the notice for passing by the members.

None of the Directors except Shri Nilesh Gandhi may be deemed to be interested or concern in the said resolution.

Regd. Office :
Rakhial Station – 382 315
Taluka - Dehgam, Dist. Gandhinagar.
11th August, 2012

By Order of the Board of Directors

B. K. Patodia
Company Secretary

Directors' Report

To

The Members,

The Directors have pleasure in submitting the Annual Report together with the Statement of Accounts of your Company for the year ended 31st March, 2012.

Performance

The summary of your Company's financial performance is given below:

	Year ended March 31, 2012 (Rs. in lacs)	Year ended March 31, 2011 (Rs. in lacs)
Profit before Depreciation and Taxes	86.35	66.85
Deducting therefrom Depreciation	18.59	23.05
Profit / Loss before tax	67.76	43.80
Deducting therefrom taxes of:		
- Current Tax	—	—
- Deferred Tax	—	—
Profit after tax	67.76	43.80
Add: Balance brought forward from previous year	(-) 889.43	(-) 933.23
Amount available for Appropriations	(-) 821.67	(-) 889.43
The proposed appropriations are :		
1. Proposed Dividend	—	—
2. Tax on proposed Dividend	—	—
3. Debenture Redemption Reserve	—	—
4. Balance Carried forward	(-) 821.67	(-) 889.43
Total	(-) 821.67	(-) 889.43

Review of Company's Performance

During the year, Company continued with the horticulture operations. All the three green houses were utilized for production of colour capsicum and quantity produced was 29.51 MT. We have also moved towards producing other varieties of seasonal vegetables in open area. The Company is now looking forward to utilize the open space available in the factory premises, to increase cultivation of vegetables and golden rods. All the godowns have been given on rent and rental income increased from Rs.73.49 lac to Rs.79.77 lac during the year. The rental income will continue to be a recurring source of revenue in the coming years.

Management Discussion and Analysis Report

a) Industry structure and development

The Company has existing infrastructure readily available for undertaking suitable manufacturing activity in future.

b) Opportunities and threats

The imminent conversion of meter gauge railway line to broad gauge – which will be a shorter rail route between Ahmedabad and Delhi via. Udaipur, will open up new opportunities in the logistic sector.

c) Segment-wise/Product-wise performance

Even though the Company had discontinued cultivation of Gerbera flower, the production of Colour capsicum was the highest during the year. The total production of capsicum was 29.51 MT.

While turnover from horticulture division decreased from Rs.27.17 lac to Rs.19.08 lac the overall profit increased from Rs.43.80 lac to Rs.67.76 lac. This was mainly because of increased rental income and reduced expenditure.

d) Outlook

The Company has decided to grow Colour Capsicum in all the three green houses and vegetables in net houses and open areas to earn higher revenues. The Company is also on the look out to diversify into newer areas.

e) Risks and concerns

The marketing of horticulture products is a challenging task as this commodity is a perishable item and the market is volatile. We have addressed this concern by tie ups with a few reputed Vendors and our produce is being supplied to them directly.

f) Internal control system and their adequacy

The Company has computerized its accounting system since many years. The system of internal control of the Company is commensurate with the size and complexity of the Company's business. The operations are subject to periodic internal audit by independent Auditors.

g) Financial performance with respect to Operational Performance is discussed in the main part of the report.

h) Material development in Human Resources /Industrial Relations

The Company values and nurtures its human resources and Company would continue to adopt and implement the best HRD practices in future.

Corporate Governance

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, Report on Corporate Governance has been included in this Annual Report as a separate section.

Directors' Responsibility Statement

In compliance of Section 217 (2AA) of the Companies Act, 1956, Directors of your Company confirm:

- that the applicable accounting standards have been followed in the preparation of final accounts and that there are no material departures;
- that such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis.

Dividend

Your Directors have not recommended any dividend, as consolidation and restructuring process is underway.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

The details required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are annexed to this report.

Exchequer

The Company has contributed Rs.8.01 lacs to the exchequer by way of Income tax, VAT and other fiscal levies.

Fixed Deposits

Fixed Deposits from the Public, outstanding as on 31st March 2012 was Rs.49.34 lacs. There are Thirty Three Fixed Deposit holders with Rs.10.54 lacs of unclaimed / unrenewed deposits as on 31st March 2012. The Company on the basis of the working results during the year under review, can accept deposits from the Public as well as from the shareholders to the extent of Rs.426.31 lacs.

Subsidiary Company

The particulars required Under Section 212 of the Companies Act, 1956 in respect of the Subsidiary Company viz. Madhusudan Fiscal Limited is appended.

The Ministry of Corporate affairs has, vide General Circular No.2/2011 dated 8th February, 2011, granted general exemption for not attaching the annual accounts of the subsidiary company with the annual accounts of holding company.

Pursuant to the said Circular, the Board of Directors of your Company in their meeting held on 30th May, 2012 has given their consent, for not attaching the Annual Accounts of the Subsidiary Company with that of the Holding Company. Accordingly, Balance Sheet, Profit & Loss Account, Directors' Report and Auditors' Report of the Subsidiary Company and other documents required to be attached under section 212(1) of the Act to the Balance Sheet of the Company, shall not be attached. However, these documents shall be made available upon request by any member of the Company interested in obtaining the same and shall also be kept for inspection at the Registered Office of your Company and that of Subsidiary Company concerned. Further, the financial data of the Subsidiary Company has been furnished along with the statement pursuant to Section 212 of the Companies Act, 1956 forming part of this Annual Report.

Finance

The Company has obtained credit facilities from Bank of Baroda.

Employees

The Company has no employee as specified under Section 217(2A) of the Companies Act, 1956, hence, there is no information required to be provided in this regard.

Directors

Shri Sanwarmal Agarwal and Shri Rajesh B. Shah directors are due to retire at the end of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The brief resumes of Shri Sanwarmal Agarwal and Shri Rajesh B. Shah directors as required by clause 49 of the Listing Agreement with Stock Exchange, are provided in the notice convening the Annual General Meeting of the Company.

Auditors

M/s. H.V. Vasa & Co., Statutory Auditors of the Company retire at the end of forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The Board recommends their re-appointment at the ensuing Annual General Meeting.

Insurance

The Company has adequately insured all its assets.

Industrial Relations

The Company's relations with its employees remained cordial during the year.

The Company has taken adequate steps for the health and safety of its employees.

Appreciation

Your Directors would like to place on record their gratitude for the co-operation and assistance given by Bank of Baroda and various departments of both State and Central Governments.

Ahmedabad
30th May, 2012

For and on behalf of the Board of Directors,

Rajesh B. Shah
Sanwarmal D. Agarwal
Directors

Annexure to the Directors' Report

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Report of the Board of Directors for the year ended 31st March 2012.

A. Conservation of Energy

Form - A : Nil

B. Technology Absorption

Form B : Nil

C. Foreign Exchange used and earned

Total foreign exchange used : Rs. Nil

Total foreign exchange earned : Rs. Nil

Annexure to the Directors' Report

Statement of Holding Company's Interest in Subsidiary Company

Statement pursuant to Section 212 of the Companies Act, 1956 and General Circular No. 2/2011 dated 08.02.2011 of Ministry of Corporate Affairs, Govt. of India. (For the year ended 31-03-2011)

1. Name of the Subsidiary	: Madhusudan Fiscal Limited
2. Financial year of the Subsidiary Company ended on	: 31st March, 2012
Number of Shares in Subsidiary held by Madhusudan Industries Limited on the above date	: 12,90,000 (Previous year 12,90,000) Equity Shares of Rs.10/- each
3. Holding Company's interest	: 100 % (Previous year 100 %)
4. The Profit of Madhusudan Fiscal Limited for the year ended 31st March, 2012. (Net of Deferred Tax Assets / Liability) and transfer to Statutory Reserve under RBI Act.	: Rs.15,62,688/-
5. The loss for previous Financial Years since it became the Company's subsidiary.	: Rs.65,24,313/-
6. No adjustment has been made in the books of Madhusudan Industries Ltd. in respect of the said loss of Madhusudan Fiscal Limited.	
7. Paid-up Share Capital	: Rs. 1,29,00,000
8. Reserves	: Rs.7,26,837
9. Total Assets	: Rs.87,08,039
10. Total Liabilities	: Rs.87,08,039
11. Investments (other than in Subsidiaries)	: Rs.60,256
12. Turnover	: Rs.2,72,241
13. Profit (Loss) before taxation	: Rs.21,06,285
14. Provision for taxation (Net)	: Rs.1,52,925
15. Profit (Loss) after taxation	: Rs.19,53,360
16. Proposed Dividend	: Rs. ---

B. K. Patodia
Company Secretary

Ahmedabad
30th May 2012

Rajesh B. Shah
Sanwarmal D. Agarwal

Ahmedabad
30th May 2012

Director
Director

Annexure to the Directors' Report

CORPORATE GOVERNANCE REPORT

(As required by Clause 49 of the Listing Agreement of the Bombay Stock Exchange Ltd.)

1) Company's Philosophy

The Company believes in the practice of good Corporate Governance and acting as a good corporate citizen.

The spirit of Corporate Governance has been prevailing in the Company for years together. The Company believes in the values of transparency, professionalism and accountability. The Company recognizes the accountability of the Board and importance of its decisions on its customers, dealers, employees, shareholders, and with every individual, who comes in contact with the Company.

2) Board of Directors

The Board comprises of four non-executive directors.

The Company did not have any pecuniary relationship or transactions with the non-executive directors during the period under review.

During the year, 4 Board Meetings were held – on 27.05.2011, 04.08.2011, 01.11.2011, and 03.02.2012.

None of the directors on the Board are members in more than ten committees and they do not act as Chairmen of more than five committees across all companies in which they are directors.

The composition of directors and their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of other directorships and Committee Memberships are given below:

Sr. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance	No. of Other directorships	No. of Other Committee Memberships
1.	Shri Rajesh B. Shah	Non-Executive Director	3	YES	3	-
2.	Shri Bhagwan Das Sharma	Non-Executive Director	1	NO	-	-
3.	Shri Shree Narayan Mohata	Non-Executive Director	1	NO	2	-
4.	Shri Sanwermal Agarwal	Non-Executive Director	3	YES	1	-

Code of Conduct

The Company has finalized model code of conduct for the Board members and senior Officers of the Company.

Whistle Blower Policy

The Company has not implemented a whistle-Blower policy.

3) Audit Committee

The Audit Committee consists of 4 (four) independent directors, Shri Rajesh B. Shah – Chairman, Shri Bhagwan Das Sharma, Shri Shree Narayan Mohata and Shri S. M. Agarwal. The Company Secretary is also Secretary to the Audit Committee. During the year under review, 4 (four) Committee Meetings were held on – 27.05.2011, 04.08.2011, 01.11.2011 and 03.02.2012.

Terms of reference:

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committee under Clause 49 of Listing Agreement.

4) Remuneration Committee

The Remuneration Committee consists of Shri Rajesh B. Shah – Chairman, Shri Bhagwan Das Sharma, Shri Shree Narayan Mohata and Shri S. M. Agarwal.

The Committee fixes the Remuneration of Executive / Whole-time Directors, which include all elements of remuneration package i.e. salary, benefits, bonus, pension, retirement scheme, share options and such other benefits.

The Committee also decides the fixed component and performance linked incentives, performance criteria, service contracts, notice period, severance fees etc. of the remuneration package of working directors, as and when necessary. Presently the Company has no Executive / whole time director.

5) Remuneration Policy

Remuneration of employees largely consists of basic remuneration and perquisites.

The component of the total remuneration varies for different grades and is governed by Industry pattern, qualifications and experience of the employee, responsibilities handled by him and his individual performance, etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and to retain talent in the organization and accord merit.

6) Details of remuneration for the year ended 31.03.2012

(i) Whole-time Directors

The Company has no Whole-time Director

(ii) Non-Executive Directors

Remuneration by way of sitting fees for attending Board Meetings are paid to the non-executive directors. Due to inadequate profit for the year ended 31.03.2012 no commission was paid to the Non-Executive Directors. The details of remuneration paid to them during the year are as under:

Name	Sitting Fees (Rs.)
Shri Rajesh B. Shah	6,000
Shri Bhagwan Das Sharma	2,000
Shri Shree Narayan Mohata	2,000
Shri S. M. Agarwal	6,000
Total	16,000

(iii) Shareholding of Non-Executive Directors

Name	No. of Shares held	% of total shareholding
Shri Rajesh B. Shah	0	0.00
Shri Bhagwan Das Sharma	0	0.00
Shri Shree Narayan Mohata	250	0.00
Shri S. M. Agarwal	200	0.00

Annual Report 2011-2012

7) Share Transfer Committee

In accordance with the Listing Agreement with the Stock Exchange, the Board had delegated the powers of share transfers to the Share Transfer Committee. In order to expedite the process of share transfers/ transmissions / splits / consolidation, the Committee meets at least once in a fortnight. The share transfer committee, consists of four directors, Shri Rajesh B. Shah – Chairman, Shri Bhagwan Das Sharma, Shri Shree Narayan Mohata and Shri S. M. Agarwal. The Company has appointed M/s. MCS Limited, Ahmedabad, a SEBI registered Share Transfer Agent as Registrar and Share Transfer Agent.

8) Shareholders' / Investors' Grievance Committee

The Board has formed a Shareholders' / Investors' Grievance Committee consisting of the following directors:

Shri Rajesh B. Shah	-	Chairman
Shri Bhagwan Das Sharma	-	Member
Shri Shree Narayan Mohata	-	Member
Shri S. M. Agarwal	-	Member

All investor complaints, which cannot be settled at the level of Company Secretary and Compliance Officer, will be forwarded to the Shareholders' Grievance Committee for final settlement. During the year, ended 31.03.2012, the Company had received 12 complaints / queries from the Shareholders.

All the complaints received from the Shareholders were resolved. There is no complaint pending as of 31.03.2012, which is not attended / replied by the Company.

The Company confirms that there were no share transfers lying pending as on date, which were received upto 31.03.2012, and all requests for dematerialisation and rematerialisation of shares as on that date were confirmed / rejected into the NSDL / CDSL system. During the year, one Committee Meeting was held on 27.05.2011.

9) General Body Meetings

The last three Annual General Meetings were held as under:

Financial Year ended	Date	Time	Venue
31.03.2011	17.09.2011	11.30 a.m.	Rakhial Station, Tal : Dehgam, Dist. Gandhinagar, PIN:382315
31.03.2010	27.09.2010	11.30 a.m.	Rakhial Station, Tal : Dehgam, Dist. Gandhinagar, PIN:382315
31.03.2009	24.09.2009	11.30 a.m.	Rakhial Station, Tal : Dehgam, Dist. Gandhinagar, PIN:382315

No resolution is required to be passed during current year and up to the date of Annual General Meeting through postal ballot.

10) Disclosures

- There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year, which could have potential conflict with the interests of the Company at large.
- There were no instances of non-compliance of any matter related to the capital market, during the last three years.
- As per the amended clause 5A of the Listing Agreement executed with Stock Exchange, the Company has no unclaimed shares as the Company has not offered / issued any shares to the public since 1993.

11) Means of Communication

- Quarterly results are published in leading daily newspapers viz. Financial Express / Indian Express and a local language newspaper viz. Financial Express /Jai Hind. The annual results (Annual Reports) are posted to all the members of the Company.
- Management's Discussion & Analysis forms part of this Annual Report, which is also being posted to all the members of the Company.
- The official news releases, if any, are given directly to the press.
- The Company submits its financial results, shareholding pattern and other information to the BSE Limited. These information are also uploaded by the BSE Ltd., on its website <http://www.bseindia.com>.

12) General Shareholders' Information

1. Annual General Meeting :

Date and Time : 24.09.2012: 11.30 a.m.
Venue : Rakhial Station,
Taluka – Dehgam,
Dist. Gandhinagar, Pin – 382315.

2. Financial Calendar 2012-13 (tentative) :

Annual General Meeting	3rd / 4th week of September, 2013
<u>Results for quarter ending</u>	<u>By 15th day of</u>
June 30, 2012	August, 2012
September 30, 2012	November, 2012
December 31, 2012	February, 2013
Results for year ending	By 4 th week of May, 2013
March 31, 2013 (Audited)	

3. Book Closure date

15.09.2012 to 24.09. 2012

4. Dividend payment

In view of insufficient profit and accumulated losses of previous years, no dividend is recommended by the Board of Directors for the year ended 31.03.2012.

5. Listing on Stock Exchanges

The Company's shares are listed at BSE Limited and company has paid listing fees for the year 2011-12 and 2012-13.

Stock Code:

BSE Ltd., : 515059.

6. Share price at BSE

Month	High (Rs.)	Low (Rs.)
April 2011	11.50	9.48
May 2011	13.10	9.94
June 2011	12.81	10.47
July 2011	10.82	7.72
August 2011	14.22	9.03
September 2011	14.70	13.30
October 2011	15.98	12.07
November 2011	15.75	14.35
December 2011	16.30	12.40
January 2012	18.65	15.40
February 2012	16.85	10.85
March 2012	13.10	11.19

7. Share Transfer

Entire Share Transfer work and dematerialisation / rematerialisation work is assigned to R & T Agent, M/s. MCS Limited, Ahmedabad, a SEBI registered Share Transfer Agent. Request for Share transfer, dematerialisation and rematerialisation should be sent directly to M/s. MCS Limited, 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380 009. Shareholders have option to open their accounts with either NSDL or CDSL as the Company has entered into agreements with both of these depositories.

13) Share Transfer System

The share transfer/s is normally effected within a period of 15-20 days from the date of receipt, provided the documents being complete in all respects. The Company has formed Share Transfer Committee of directors, which meets atleast once in a fortnight for effecting transfer of shares and other related matters.

14) Distribution of Shareholding as on 31.03.2012

Shares	No. of Shareholders	Total No. of Shares
1-500	5177	667229
501 – 1000	133	108538
1001 – 2000	64	97532
2001 – 3000	17	43530
3001 – 4000	10	35885
4001 – 5000	7	33273
5001 – 10,000	18	133440
10,001 – 50,000	16	436298
50001-1,00,000	4	320248
1,00,001 And Above	11	3499027
Total	5457	5375000

15) Pattern of Shareholding as on 31.03.2012.

Sr. No.	Category	No. of Shares	(%)
1.	NRI	3725	0.07
2.	Financial Institutions/ Banks	271117	5.04
3.	Mutual Funds	275	0.01
4.	Promoters	3137980	58.38
5.	Bodies Corporate	242274	4.51
6.	Indian Public	1719629	31.99
	Total	5375000	100.00

16) Dematerialisation of Shares as on 31.03.2012

As on 31st March 2012, 90.59% of the Company's total shares representing 48,69,417 Shares were held in dematerialized form and the balance 9.41% representing 5,05,583 shares were in paper form.

The ISIN Number in NSDL and CDSL is "INE 469C01023".

17) Locations

The Company's Regd. Office is located at Rakhaial Station, Taluka Dehgam, Dist. Gandhinagar, Pin – 382315 and Ahmedabad office is located at 'Madhusudan House', Opp. Navrangpura Telephone Exchange, Ahmedabad-380 006.

18) Address for Correspondence

The Company's Registered Office is situated at Rakhaial Station, Taluka Dehgam, Dist. Gandhinagar, Pin-382315. Shareholders' correspondence should be addressed either to the Registered Office of the Company as stated above and / or to the Ahmedabad Office of the Company at "Madhusudan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380 006 or to the Registrar and Share Transfer Agent, MCS Limited, 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380 009.

AUDITORS' CERTIFICATE

To,
The Members of
Madhusudan Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by **Madhusudan Industries Limited**, for the year ended 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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 the 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 Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the Shareholders'/ Investor's Grievance Committee.

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.

For and on Behalf of
H. V. Vasa & Co.
Chartered Accountants
Firm Registration No. 131054W

Ahmedabad
30th May, 2012

Tushar H. Vasa
Proprietor
Membership No. 16831

Auditors' Report

To,
The Members of **Madhusudan Industries Limited**

1. We have audited the attached Balance Sheet of **Madhusudan Industries Limited** as at 31st March 2012, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination with the books.
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) On the basis of the written representation received from the Directors as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in the conformity with the accounting principles generally accepted in India :

- (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
- (ii) in the case of Profit and Loss Account, of the profit of the Company for the year on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For H. V. Vasa & Co.
Chartered Accountants
Firm Registration No. 131054W

(Tushar H. Vasa)

Place : Ahmedabad
Date : 30th May, 2012
Proprietor
Membership No. 16831

Annexure referred to in paragraph 3 of our report of even date

- i.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets on the basis of available information, other than furniture and fixtures.
 - (b) As explained to us, the fixed assets have been physically verified by the management during the year in a phase periodical Manner, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
 - (c) In our opinion, there was no substantial disposal of fixed assets during the year which would affect the going concern of the company.
- ii. In respect of inventories:
 - (a) As explained to us, inventories have been physically verified by the management at reasonable regular intervals during the year.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on such physical verification.
- iii. In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies act. 1956:
 - a. The Company had taken unsecured loan of Rs. 45 lacs from a company covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was Rs. 45 lacs and at the year end balance of loan taken from such a company was Rs. 45 lacs.
 - b. In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - c. The payment of principal amounts and interest have been regular as per stipulations.
 - d. There were no overdue amounts remaining outstanding as at the year end.



- e. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, Sale of goods, fixed assets and scrap of fixed assets. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- v. (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act transactions that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions of purchase and sale exceeding the value of Rupees five lacs entered into during the financial year.
- vi. In respect of the deposits, in our opinion and accordingly to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the companies Act, 1956 and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vii. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- viii. According to the information and explanations given to us, The Central Government has not prescribed the maintenance of cost records for the Company under section 209(1)(d) of the Companies Act, 1956, in respect of business activities of the Company in previous year.
- ix. (a) The company has generally been regular in depositing undisputed dues of Provident Fund, Investors Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities.
- (b) There are no undisputed amounts outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable.
- (c) Dues relating to items as listed below which have not been deposited as on 31st March, 2012 on account of disputes with related authorities :

Sr. No.	Name of the Statute	Nature of the Dues	Forum where dispute is pending	Amount (Rs.) In Lacs
1	Gujarat Sales Tax Act	Sales-tax	Gujarat Sales Tax Tribunal	139.34
2	Central Excise Act	Central Excise Duty	CESTAT	97.76
3	Income Tax Act	Income Tax	Commissioner of Appeal	0.45

- x. The Company has no accumulated losses at the end of the financial year. The Company had not incurred cash loss in the immediately preceding financial year.
- xi. As per the books and records maintained by the company and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to Banks.
- xii. According to the information and explanations given to us and based on the documents and records produced, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- xiv. In our opinion, the Company is not dealing or trading in shares, securities and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- xv. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
- xvi. On the basis of the records examined by us and according to information and explanations given to us, in our opinion, term loan availed by the Company was, prima facie, applied by the company during the year for the purpose for which the loan was obtained.
- xvii. According to the information and explanations given to us and on the basis of an overall examination of the balance sheet of the company, we report that funds raised on short-term basis have, prima facie, not been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The company did not have any outstanding debentures at the end of the year.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. Based upon the audit procedures performed and on the basis of information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For H. V. Vasa & Co.
Chartered Accountants
Firm Registration No. 131054W

(Tushar H. Vasa)
Proprietor

Place : Ahmedabad
Date : 30th May, 2012

Membership No. 16831

Balance Sheet as at 31st March, 2012

Particulars	Note	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	2,68,75,000	2,68,75,000
(b) Reserves and Surplus	2	9,63,91,027	8,96,15,303
2 Non-current liabilities			
(a) Long-term borrowings	3	12,50,588	29,25,292
(b) Other Long Term Liabilities	4	17,04,000	17,04,000
(c) Long Term Provisions	5	53,50,125	53,50,125
3 Current liabilities			
(a) Short-term borrowings	6	1,11,98,319	2,41,55,130
(b) Trade payables	7	56,877	1,44,939
(c) Other current liabilities	8	59,98,790	66,59,364
(d) Short-term provisions	9	11,46,015	11,56,996
TOTAL		14,99,70,741	15,85,86,149
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	1,66,65,305	1,88,77,308
(ii) Capital work-in-progress		6,604	852
(b) Non-current investments	11	2,00,28,501	2,01,23,527
(c) Long-term loans and advances	12	3,32,21,927	1,94,95,615
2 Current assets			
(a) Current Investments	13	4,27,10,361	2,76,08,139
(b) Inventories	14	72,017	3,32,060
(c) Trade receivables	15	1,71,22,863	1,71,09,879
(d) Cash and cash equivalents	16	68,86,901	92,46,110
(e) Short-term loans and advances	17	1,24,78,179	4,40,75,342
(f) Other current assets	18	7,78,083	17,17,317
TOTAL		14,99,70,741	15,85,86,149

Significant Accounting Policies

Notes to Accounts on Financial Statements

26 to 37

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

Ahmedabad
30th May, 2012**B. K. Patodia**
Company SecretaryAhmedabad
30th May, 2012



Statement of Profit and Loss Account for the year ended 31st March, 2012

Particulars	Note	2011-12 Rs.	2010-11 Rs.
I Revenue from operations	19	98,84,965	1,00,73,747
II Other income	20	74,52,806	1,05,25,803
III Total Revenue (I + II)		1,73,37,771	2,05,99,550
IV Expenses :			
Purchases of stock-in-trade	21	-	1,765
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	2,15,686	1,32,737
Employee benefits expenses	23	36,92,044	56,22,893
Finance costs	24	20,33,376	39,82,797
Depreciation and amortisation expense		18,58,722	23,04,671
Other expenses	25	27,62,219	41,74,733
Total expenses		1,05,62,047	1,62,19,596
V Profit / (Loss) before tax		67,75,724	43,79,954
VI Tax expense:			
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit (where applicable)		-	-
(c) Deferred tax		-	-
VII Profit / (Loss) for the year		67,75,724	43,79,954
VIII Earning per Equity Share of Rs. 5/- each			
Basic and Diluted		1.26	0.81
Weighted average number of shares outstanding		53,75,000	53,75,000

Significant Accounting Policies

Notes to Accounts on Financial Statements

26 to 37

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

Ahmedabad
30th May, 2012

B. K. Patodia
Company Secretary

Ahmedabad
30th May, 2012

Cash Flow Statement for the year ended 31st March, 2012

	Year ended March 31, 2012		Year ended March 31, 2011	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net profit before tax & Extra-ordinary items		67,75,724		43,79,954
Adjusted for				
- Depreciation	18,58,722		23,04,671	
- Provision for Diminution in Value of Investment	—		—	
- Profit on Sale of Fixed Assets	-1,76,872		-9,323	
- Investment Income	-6,35,456		-4,98,533	
- Dividend Received	-12,92,623		-3,21,384	
- Interest Received	-43,94,194		-87,09,671	
- Interest Charged	20,33,376		39,70,897	
		<u>-26,07,047</u>		<u>-32,63,343</u>
Operating profit before working capital changes		41,68,677		11,16,611
Adjusted for				
- Trade and other receivable	1,52,25,024		4,65,30,881	
- Inventories	2,60,043		3,44,973	
- Trade Payable	-7,59,617		-28,40,061	
- Other Current Assets	9,39,234		1,13,40,378	
		<u>1,56,64,684</u>		<u>5,53,76,171</u>
Cash generated from operation		1,98,33,361		5,64,92,782
Interest paid		-20,33,376		-39,70,897
Direct taxes paid		26,32,843		93,53,657
Cash flow before extra-ordinary items		<u>2,04,32,828</u>		<u>6,18,75,542</u>
Extra-ordinary items				
Net Cash From Operating Activities Total (A)		<u>2,04,32,828</u>		<u>6,18,75,542</u>
B. Cash flow from Investing activities				
Purchase of fixed assets		-81,155		-74,742
Sale of fixed assets		6,05,556		3,25,459
Subsidy Received		—		—
Purchase of Investments		-3,01,71,821		-3,43,35,860
Sale of Investments		1,58,00,081		8,11,783
Interest received		43,94,194		87,09,671
Dividend received		12,92,623		3,21,384
Net Cash Used in Investing Activities Total (B)		<u>-81,60,522</u>		<u>-2,42,42,305</u>
C. Cash flow from financing activities				
Proceeds from issue of share capital		—		—
Right issue expenses		—		—
Proceeds from borrowings		-1,46,31,515		-3,30,74,904
Dividend paid		—		—
Net Cash Used in Financing Activities Total (C)		<u>-1,46,31,515</u>		<u>-3,30,74,904</u>
Net Changes in Cash & Cash Equivalents (A+B+C)		-23,59,209		45,58,333
Cash & Cash Equivalents - Opening Balance		92,46,110		46,87,777
Cash & Cash Equivalents - Closing Balance		68,86,901		92,46,110

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Ahmedabad

30th May, 2012

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

B. K. Patodia
Company Secretary

Ahmedabad
30th May, 2012



Notes 1 to 37 annexed to and forming part of the Accounts as at 31st March, 2012

		As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
1 Share Capital			
A Authorised, Issued, Subscribed & Paid up Share Capital			
Authorised			
2,60,00,000 (2,60,00,000) Equity Shares of Rs. 5/- each		<u>13,00,00,000</u>	<u>13,00,00,000</u>
Issued, Subscribed and Paid Up			
53,75,000 (53,75,000) Equity Shares of Rs. 5/- each fully paid		<u>2,68,75,000</u>	<u>2,68,75,000</u>
Total		<u>2,68,75,000</u>	<u>2,68,75,000</u>
B	The company has only one class of equity shares, having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.		
C	The company has neither issued any shares nor bought back during the year.		
D	The company has not issued any Bonus shares for the period of five years immediately preceding 31-3-2012.		
E	Details of shares, more than 5% of the aggregate shares held by shareholders in the Company		
	Name of the Shareholder	As at 31st March 2012	As at 31st March 2011
		No. of Shares	No. of Shares
		% of Holding	% of Holding
1	Vikram Investment Company Limited	936640	936640
		17.43	17.43
2	Madhusudan Holdings Ltd.	440600	440600
		8.20	8.20
3	Shri Vidush Somany	437260	437260
		8.14	8.14
4	Shri Vikram Somany	458264	458264
		8.53	8.53
		<u>As at 31st March, 2012 Rs.</u>	<u>As at 31st March, 2011 Rs.</u>
2 Reserves and Surplus			
a. Capital Reserve			
Subsidy from State Government		14,63,400	14,63,400
b. General Reserve			
As per last Balance Sheet		17,70,94,811	17,70,94,811
c. Profit and Loss Account			
As per last Balance Sheet		-8,89,42,908	-9,33,22,862
Add: Net Profit for the Year		67,75,724	43,79,954
Total		<u>9,63,91,027</u>	<u>8,96,15,303</u>
3 Long Term Borrowings			
Secured			
Term Loan from Bank		12,50,588	29,25,292
(Net of state Subsidy deposited and earmarked to Bank) (Ref. Note No. 2)			
Total		<u>12,50,588</u>	<u>29,25,292</u>
Nature of Security and terms of repayment for Long Term Secured borrowings.			
	Nature of Security	Terms of Repayment	
	Term Loan amounting to Rs. 27,50,588 is secured by mortgage of fixed assets of the company situated at Village Rakhial, Tal. Dehgam, Dist. Gandhinagar, Gujarat and guarantee of two directors	Repayable in 60 monthly installments commencing from March, 2009 to February, 2013.	
4 Other Long Term Liabilities			
Deposits from Dealers, Agents etc		17,04,000	17,04,000
Total		<u>17,04,000</u>	<u>17,04,000</u>
5 Long Term Provisions			
Provision for Taxation		53,50,125	53,50,125
Total		<u>53,50,125</u>	<u>53,50,125</u>

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	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
6 Short Term Borrowings		
Secured		
Working Capital Loans from Bank Cash Credit / WCDL	16,67,848	26,66,667
Unsecured		
Fixed Deposits	49,34,000	1,66,90,000
Interest Accrued and Due	<u>96,434</u>	<u>2,98,426</u>
	50,30,434	1,69,88,426
Inter Corporate Loan from Subsidiary Company	<u>45,00,037</u>	45,00,037
Total	<u>1,11,98,319</u>	<u>2,41,55,130</u>
<p>Working Capital loans are secured by hypothecation of Stocks, Book Debts, all movable assets and by mortgage of fixed assets of the company situated at Village Rakhial, Dehgam, Gujarat and guarantee of two directors.</p>		
7 Trade Payables		
Trade Payables		
Micro, Small and Medium Enterprises	-	-
Others	<u>56,877</u>	1,44,939
Total	<u>56,877</u>	<u>1,44,939</u>
<p>The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company as under:</p>		
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
8 Other Current Liabilities		
Current maturities of Long Term Debt (Refer Note No. 6)	15,00,000	15,00,000
Interest accrued but not due on Borrowings	4,88,884	7,86,448
Unclaimed Dividends	-	28,254
Unpaid Preference Shares	29,000	29,000
Deposits from Dealers, Agents etc	1,06,000	1,02,500
Statutory Dues	55,143	1,37,132
Advance against Sales	3,28,501	5,95,731
Other Payables	<u>34,91,262</u>	34,80,299
Total	<u>59,98,790</u>	<u>66,59,364</u>
9 Short Term Provisions		
Provision for Employees' benefits	9,32,048	9,43,029
Other Provisions	<u>2,13,967</u>	2,13,967
Total	<u>11,46,015</u>	<u>11,56,996</u>



10. Fixed Assets

Description	Gross Block			Depreciation			Net Block		
	As at 1/4/2011 (Rs.)	Additions (Rs.)	Deductions/ Adjustments (Rs.)	As at 1/4/2011 (Rs.)	Additions for the year (Rs.)	Deductions/ Adjustments (Rs.)	Upto 31/3/2012 (Rs.)	As at 31/3/2012 (Rs.)	As at 31/3/2011 (Rs.)
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
TANGIBLE ASSETS									
Freehold Land	8,44,888	-	-	-	-	-	-	8,44,888	8,44,888
Buildings	2,31,65,705	-	4,03,198	1,01,47,969	11,25,377	66,658	1,12,06,688	1,15,55,819	1,30,17,736
Plant & Machinery	53,90,997	44,703	9,86,530	16,01,757	4,62,277	9,86,530	10,77,504	33,71,666	37,89,240
Electric Installation	1,13,188	-	-	1,08,141	-	-	1,08,141	5,047	5,047
Laboratory Equipments	5,38,827	-	-	5,16,506	6,210	-	5,22,716	16,111	22,321
Weighing Machinery	3,87,654	-	-	2,63,458	17,276	-	2,80,734	1,06,920	1,24,196
Furniture, Fixtures & Equipments	45,14,573	30,700	91,200	38,53,083	1,40,598	38,842	39,54,839	4,99,234	6,61,490
Vehicles	13,44,565	-	1,44,500	9,32,175	1,06,984	1,04,714	9,34,445	2,65,620	4,12,390
Total	3,63,00,397	75,403	16,25,428	3,47,50,372	18,58,722	11,96,744	1,80,85,067	1,66,65,305	1,88,77,308
Previous Year	3,67,81,535	73,890	5,55,028	3,63,00,397	23,04,671	2,38,892	1,74,23,089	1,88,77,308	

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		As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
11 Non Current Investments (Long Term Investments)			
Investment in Subsidiary Company			
12,90,000 (12,90,000) Fully paid Equity shares of Madhusudan Fiscal Ltd of Rs. 10/- each (Unquoted)		1,29,00,000	1,29,00,000
Investments in Government Securities - Unquoted (Deposited with Government Departments)			
National Savings Certificates		37,000	37,000
Non-Trade Other Investments (Quoted)			
In fully paid Equity Shares of Rs. 10/- each			
37 (37) Aditya Birla Nuvo Ltd		3,172	3,172
1,000 (1,000) Clutch Auto Ltd		69,013	69,013
300 (300) Dynamatic Forgings India Ltd		5,736	5,736
100 (100) Eicher Motors Ltd		4,465	4,465
322 (322) Essar Steels Ltd		28,207	28,207
69 (69) Eurotex Ltd		4,140	4,140
10 (10) Euro Ceramics Ltd		639	639
200 (200) Gujarat Refractories Ltd		3,370	3,370
50 (50) Hanuman Tea Co Ltd		2,224	2,224
1,300 (1,300) I G Petro Ltd		1,13,874	1,13,874
- (1,000) Idea Cellular Ltd		-	77,753
200 (200) Lan Esseda Software Systems Ltd		27,104	27,104
10 (10) Nitco Ltd		953	953
100 (100) Orkey Silk Mills Ltd		11,841	11,841
300 (300) Orient Ceramics Ltd		5,210	5,210
670 (670) Premier Ind. (India) Ltd		29,762	29,762
1,072 (1,072) Reliance Industries Ltd		5,98,979	5,98,979
1,700 (1,700) SREI Infrastructure Finance Ltd		1,01,213	1,01,213
36 (36) Ultra Tech Cement Ltd		11,365	11,365
1,000 (1,000) Unicorn Organics Ltd		35,509	35,509
200 (200) Western India Sugar & Chem Ltd		8,000	8,000
200 (200) XLO Machine Ltd		4,180	4,180
500 (500) Rama News Print Ltd		30,000	30,000
		10,98,956	11,76,709
In fully paid Equity Shares of Rs. 2/- each			
180 (180) Larsen & Toubro Ltd		2,273	2,273
415 (415) Hindustan Sanitaryware Ltd		13,315	13,315
10 (10) Kajaria Ceramics Ltd		339	339
1,000 (1,000) West Coast Paper Mills Ltd		1,03,949	1,03,949
		1,19,876	1,19,876
In fully paid Equity Shares of Re. 1/- each			
2,000 (2,000) Electro Steel & Casting Ltd		1,25,902	1,25,902
200 (200) Colgate Ltd		1,69,167	1,69,167
500 (500) Somany Ceramics Ltd		2,624	2,624
1,500 (1,500) ITC Ltd		2,42,841	2,42,841
		5,40,534	5,40,534
Indian Depository Receipt			
2,500 (2,500) Standard Chartered PLC		3,02,564	3,02,564
In Units of Mutual Funds of Rs. 10/- each			
700 (700) UTI Equity Fund		8,826	8,826
1,200 (1,200) UTI Master Plus Fund		23,353	23,353
1,427 (1,427) UTI Master Share Fund		30,233	30,233
		62,412	62,412
In Fully paid Non - Convertible Debentures			
40 (40) Western India Sugar & Chem Ltd of Rs. 50/- each		2,000	2,000
96,000(96,000) Milestone Bullion Scheme		9,60,000	9,60,000
		9,62,000	9,62,000
In Bonds			
2 (2) Tata Motors Finance - 2020		20,80,396	20,90,696
4 (4) Tata Teleservices - 2025		20,93,271	21,00,244
		41,73,667	41,90,940
		2,01,97,009	2,02,92,035
Less: Provision in Diminution in value of Investments		1,68,508	1,68,508
Total		2,00,28,501	2,01,23,527
Aggregate amount of quoted investments		61,29,501	62,24,527
Market Value of quoted investments		66,29,608	70,33,413
Aggregate amount of unquoted investments		1,38,99,000	1,38,99,000



As at 31st
March, 2012
Rs.

As at 31st
March, 2011
Rs.

12 Long Term Loans and Advances

(Unsecured and Considered Good)

Capital Advances		1,63,62,135	-
Security Deposits		4,79,534	4,82,514
Loans and Advances		31,92,647	31,92,647
Advance Income Tax (including for earlier years)		1,31,87,611	1,58,20,454
Total		<u>3,32,21,927</u>	<u>1,94,95,615</u>

13 Current Investments

Mutual Funds (Units of Rs. 10/- each, unless otherwise specified)

1,78,630.937 (1,78,630.937)	DSP Black Rock Mutual Fund - Equity Fund - Reg - G	30,00,000	30,00,000
43,392.733 (43,392.733)	Fidelity Equity Fund - Growth	15,00,000	15,00,000
- (1,36,301.062)	HDFC Mutual Fund MIP - LTP - Growth	-	30,00,000
- (1,43,430.181)	Reliance MIP - Growth Plan	-	30,00,000
4,944.107 (4,944.107)	HDFC Top 200 Fund - Growth	10,00,000	10,00,000
1,516 (3,46,986.317)	LIC Mutual Fund Floater MIP Fund - Quarterly Plan	16	35,69,614
- (1,57,048.232)	HDFC Mutual Fund MIP - LTP - Growth	-	25,00,000
3,23,677.671 (3,23,677.671)	IDFC - Moderate Assets Allocation - Fund of Funds - Dividend	35,00,000	35,00,000
36,511.941 (36,511.941)	UTI Bond Fund-Growth	10,00,000	10,00,000
16,775.44 (14,012.542)	HDFC Equity Fund - Dividend	8,87,731	7,68,063
8,360.057 (7,541.220)	HDFC Growth Fund-Dividend	2,93,085	2,70,462
79,603.469 (79,603.469)	DSP Black Rock Mutual Fund - World Gold Fund - Reg - G	15,00,000	15,00,000
- (2,30,370.513)	UTI Fixed Income Interval Fund - Quarterly Interval Plan Series-I-Growth	-	30,00,000
3,31,007.104 (-)	HDFC Cash Management Fund - TAP-Retail-Daily Dividend	33,20,498	-
95,642.530 (-)	Canara Robeco Indigo Quarterly Dividend Fund	10,00,000	-
68,761.696 (-)	DSP Blackrock Liquidity Fund- Regular Plan-Growth	16,64,232	-
2,95,388.978 (-)	Axis Triple Advantage Fund- Dividend Reinvestment	30,00,000	-
2,66,947.342 (-)	Canara Robeco Mutual Fund Collection	30,59,670	-
9,17,354.286 (-)	HDFC High Interest Fund-STP-Dividend	97,36,856	-
1518.275 (-)	UTI Treasury Advantage Fund - Daily Dividend	15,87,925	-
1,32,075.470 (-)	Kotak Multi Assets Allocated Fund	14,00,000	-
3,66,064.000 (-)	LIC Nomura MF FMP Series 52-377 days - Growth Plan	36,60,640	-
1,183.339 (-)	SBI SHF Ultra Short Term Fund-Retail Plan-Growth (Units of Rs. 1000/- each)	15,99,708	-

Total

4,27,10,361

2,76,08,139

Aggregate amount of quoted investments

4,27,10,361

2,76,08,139

Market Value of quoted investments

4,32,62,267

2,86,09,001

Aggregate amount of unquoted investments

-

-

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	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
14 Inventories		
Stores, Chemicals and Packing Materials	64,422	1,08,779
Stock-in-Trade	7,595	2,23,281
Total	<u>72,017</u>	<u>3,32,060</u>
15 Trade Receivables (Unsecured and Considered Good)		
Over Six months	1,69,24,292	1,69,94,292
Others	1,98,571	1,15,587
Total	<u>1,71,22,863</u>	<u>1,71,09,879</u>
16 Cash and Cash Equivalents		
Cash on Hand	55,318	60,705
Balance with Banks in Current Accounts	16,21,583	10,97,151
Unclaimed Dividend Bank Accounts	-	28,254
Fixed Deposits with Banks	52,10,000	80,60,000
Total	<u>68,86,901</u>	<u>92,46,110</u>
17 Short Term Loans and Advances (Unsecured and Considered Good)		
Balances with Excise Authorities	1,62,210	1,62,210
Inter Corporate Deposits	1,02,00,000	4,17,05,056
Others	21,15,969	22,08,076
Total	<u>1,24,78,179</u>	<u>4,40,75,342</u>
18 Other Current Assets		
Interest Accrued on Fixed Deposits & Advances	7,78,083	17,17,317
Total	<u>7,78,083</u>	<u>17,17,317</u>
	2011-12	2010-11
	Rs.	Rs.
19 Revene From Operations		
Sale of Products	19,07,712	27,24,560
Other Operating Revenues		
Rent	79,77,253	73,49,187
Total	<u>98,84,965</u>	<u>1,00,73,747</u>
Particulars of Sale of Products		
Horticulture	19,07,712	27,17,707
Presentation Article	-	6,853
	<u>19,07,712</u>	<u>27,24,560</u>
20 Other Income		
Interest Income	43,94,194	87,09,671
Dividend Income :		
Current Investment (Mutual Fund)	12,38,785	2,77,746
Long Term Investment	53,838	43,638
	<u>12,92,623</u>	<u>3,21,384</u>
Net Gain on :		
Sale of Investments	6,35,456	4,98,533
Sale of Fixed Assets	1,76,872	9,323
	<u>8,12,328</u>	<u>5,07,856</u>
Other Incomes	9,53,661	9,86,892
Total	<u>74,52,806</u>	<u>1,05,25,803</u>
21 Purchase of Stock - in - Trade		
Presentation Articles	-	1,765
Total	<u>-</u>	<u>1,765</u>



	2011-12 Rs.	2010-11 Rs.		
22 Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade				
Opening Stock				
Work In Progress	-	-		
Stock In Trade	<u>2,23,281</u>	<u>3,56,018</u>		
	<u>2,23,281</u>	<u>3,56,018</u>		
Closing Stock				
Work In Progress	-	-		
Stock In Trade	<u>7,595</u>	<u>2,23,281</u>		
	<u>7,595</u>	<u>2,23,281</u>		
Total	<u><u>2,15,686</u></u>	<u><u>1,32,737</u></u>		
23 Employees Benefit Expenses				
Salaries, Wages and Bonus	<u>28,58,934</u>	42,71,774		
Contribution to Provident and Other funds	<u>3,12,873</u>	5,75,369		
Staff and Labour Welfare Expenses	<u>5,20,237</u>	7,75,750		
Total	<u><u>36,92,044</u></u>	<u><u>56,22,893</u></u>		
24 Finance Costs				
Interest Expenses	<u>20,33,376</u>	39,70,897		
Other borrowing costs	-	11,900		
Total	<u><u>20,33,376</u></u>	<u><u>39,82,797</u></u>		
25 Other Expenses				
Stores, Spare Parts and Packing Materials	<u>3,79,432</u>	8,80,952		
Power, Fuel and Electricity Expenses	<u>2,86,057</u>	3,38,605		
Repairs - Building	<u>8,560</u>	3,24,402		
Repairs - Plant & Machinery	<u>25,575</u>	30,304		
Repairs - Others	<u>18,324</u>	26,303		
Rent	<u>36,808</u>	35,808		
Insurance	<u>47,428</u>	48,077		
Rates and Taxes	<u>1,49,258</u>	1,98,475		
Legal & professional Expenses	<u>7,67,808</u>	4,02,142		
Telephone Expenses	<u>1,54,227</u>	2,23,281		
Vehicle Expenses	<u>98,967</u>	1,63,754		
Miscellaneous Expenses	<u>7,73,775</u>	12,31,171		
Directors Sitting Fees	<u>16,000</u>	16,000		
Horticulture Impairment Loss	-	2,55,459		
Total	<u><u>27,62,219</u></u>	<u><u>41,74,733</u></u>		
26 Transfer of Ceramic Division to Madhusudan Oils and Fats Limited (MOFL)				
The Honourable High Court of Judicature at Gujarat vide its order dated 30.10.2001 has sanctioned Scheme of Arrangement (the Scheme) as approved by the shareholders in the Court-convened meeting held on 13.10.2001. Under which all the assets (movable and immovable) as per Clause 2 of Scheme, liabilities and debts as described in the Scheme pertaining to the Ceramic business (described as the "Ceramic Division" in the Scheme) have been transferred to Madhusudan Oils and Fats Limited (MOFL) at book value w.e.f. 01.04.2001.				
27 Import of Chemicals				
The Company had sold Chemicals on highsea sale arrangement. This material purchased from M/s. Tianjin Kaiyong Chemicals Co. Ltd. Jin Nam, China, did not meet the specification of the order given hence are rejected. The recovery of purchase amount Rs.1676549/- is initiated which is included in "Loans and Advances".				
28 Value of Stores, Chemicals and Packing Material Consumed				
Particulars	Year Ended 31st March 2012		Year Ended 31st March 2011	
	Amount	% of	Amount	% of
	Rs.	Consumption	Rs.	Consumption
Imported	-	-	-	-
Indegenous	<u>3,79,432</u>	<u>100</u>	<u>8,80,952</u>	<u>100</u>
	<u><u>3,79,432</u></u>	<u><u>100</u></u>	<u><u>8,80,952</u></u>	<u><u>100</u></u>
29	There is no expenditure in foreign currency for import of Raw Materials, Components and Spare Parts, Capital Goods, Royalty, Know-how, professional and consultation fees, interest during the year			

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	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
30 Payment to the Auditors		
a. Audit Fees	33,708	33,090
b. Certification and Consultation Fees	5,515	5,515
c. Other Services	72,419	98,090
Total	1,11,642	1,36,695

31 There are no earnings in foreign exchange in respect of Export of Goods, Royalty, Kno-how, Professional and Consultation Fees, Interest, Dividend or and other income during the year.

32 Related Parly Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below.

1 Relationships :

(a) Subsidiary Company	Madhusudan Fiscal Ltd.
(b) Associates	Cera Sanitaryware Ltd. Gujarat Soaps Pvt. Ltd.
(c) Key Management Personnel	-
(d) Relatives of Key Management Personnel	-

Note : Related party relationship is as identified by the Company and relied upon by the Auditors

2 Transactions during the year with related parties

Nature of Transactions (Excluding Reimbursement)	Subsidiary Company	Associates	Key Management Personnel	Total
	Rs.	Rs.	Rs.	Rs.
Sales - Flowers	-	1,80,655	-	1,80,655
	(-)	(60,185)	(-)	(60,185)
Purchase - Material	-	-	-	-
	(-)	(1,765)	(-)	(1,765)
Income				
Interest	-	-	-	-
	(-)	(-)	(-)	(-)
Rent	-	74,64,375	-	74,64,375
	(-)	(70,49,250)	(-)	(70,49,250)
Service Charges	-	5,60,250	-	5,60,250
	(-)	(4,80,000)	(-)	(4,80,000)
Other Services	-	5,60,250	-	5,60,250
	(-)	(4,35,000)	(-)	(4,35,000)
Expenses				
Interest Paid	-	5,366	-	5,366
	(-)	(5,53,600)	(-)	(5,53,600)
Director Sitting Fees	-	-	16,000	16,000
	(-)	(-)	(16,000)	(16,000)
Finance				
Loans / Advance Given	-	33,508	-	33,508
	(-)	(29,701)	(-)	(29,701)
Fixed Deposit / Loan Received	-	-	-	-
	(-)	(-)	(-)	(-)
Rent Deposit Received	-	-	-	-
	(-)	(2,94,500)	(-)	(2,94,500)
Balance at the end of the year				
Receivables	-	3,06,360	-	3,06,360
	(-)	(2,72,852)	(-)	(2,72,852)
Payables	45,00,037	-	-	45,00,037
	(45,00,037)	(-)	(-)	(45,00,037)

3 Disclosure in Respect of Material Related Party Transactions during the year		
Particulars	2011-2012 Rs.	2010-2011 Rs.
Sales :		
Cera Sanitaryware Limited	1,80,655	60,185
Purchase :		
Cera Sanitaryware Limited	—	1,765
Income :		
Interest :	—	—
Rent :		
Cera Sanitaryware Limited	74,64,375	70,49,250
Service Charges :		
Cera Sanitaryware Limited	5,60,250	4,80,000
Other Services :		
Cera Sanitaryware Limited	5,60,250	4,35,000
Expenses :		
Interest Paid :		
Cera Sanitaryware Limited	5,366	5,53,600
Finance :		
Loans / Advance Given :		
Gujarat Soaps Pvt. Ltd.	33,508	29,701
Cera Sanitaryware Limited	5,50,000	16,70,000
Fixed Deposit / Loan Received :		
Cera Sanitaryware Limited	5,50,000	2,00,000
Rent Deposit Received :		
Cera Sanitaryware Limited	—	2,94,500

33 Employee Benefits

The company has with effect from 1st April 2007, adopted Accounting Standard 15, Employee benefits (revised 2005), issued by the Institute of Chartered Accountants of India (the revised AS 15). Consequently, the disclosure as required as per revised AS 15 are as under :

a Brief description of the plans :

The company has various schemes for long-term benefits such as provident fund, gratuity and leave encashment. In case of funded scheme, the funds are recognised by the income tax authorities and administered through trustees / appropriate authorities.

The company defined contribution plans are Provident Fund (exempted employees) recognised by the Income Tax Authorities and administered through trustees. Since the company has no further obligation beyond making contributions and interest shortfall.

Further the pattern of investment for investible funds is as prescribed by the Government. Accordingly other related disclosures in respect of provident fund have not been made.

The company's other defined contribution plans are Provident Fund (non exempted employees), Employees' Pension Scheme (under the Provisions of the employees' Provident Funds and Miscellaneous Provisions Act, 1952), state plans namely Employees' State Insurance Fund, Since company has no further obligation beyond making contributions.

The Company's defined benefit are Gratuity and leave encashment for all its employees. Gratuity fund is recognised by the Income Tax Authorities and is administered through trustees.

Liabilities for Defined Benefit Plan is provided on the basis of valuations, as Balance Sheet date, carried out by an independent actuary.

b Charge to the Profit and Loss Account based on contributions

	2011-12 Rs.	2010-11 Rs.
Provident Fund	1,74,692	2,69,089
Employees Pension Scheme	98,770	1,11,767
ESIC	-	-
	<u>2,73,462</u>	<u>3,80,856</u>

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c Disclosures for defined benefit plans based on actuarial reports as on 31st March 2012.

Particulars	2011-12		2010-11	
	Gratuity Funded Plan Rs.	Leave Encashment Non-funded Plan Rs.	Gratuity Funded Plan Rs.	Leave Encashment Non-funded Plan Rs.
Change in Defined Benefits Obligation				
Opening defined benefits obligation	13,55,811	9,43,029	13,67,794	7,77,964
Current service cost	1,27,952	4,20,897	1,18,224	1,34,499
Interest cost	1,15,244	80,157	1,12,433	63,949
Acturial losses / (gain)	1,63,246	-5,06,662	58,093	84,354
Benefits paid	-84,405	-5,373	-3,00,733	-1,17,737
Closing defined benefits obligation	16,77,848	9,32,048	13,55,811	9,43,029
Change in Fair Value of Assets				
Opening fair value of Plan Assets	13,55,811	-	13,67,794	-
Expected return on plan assets	1,40,307	-	1,12,349	-
Acturial gain / (losses)	1,81,730	-	18,857	-
Contributions by employer	84,405	-	1,57,544	-
Benefits paid	-84,405	-	-3,00,733	-
Closing fair value of plan assets	16,77,848	-	13,55,811	-
Movement in net liability recognised in Balance Sheet				
Net opening liability	-	9,43,029	-	7,77,964
P & L Charge	84,405	-5,608	1,57,544	2,82,802
Contribution / Benefit Paid	-84,405	-5,373	-1,57,544	-1,17,737
Closing Net (asset) / liability	-	9,32,048	-	9,43,029
Expenses recognised in the Profit and Loss Account				
Current Service Cost	1,27,952	4,20,897	1,18,124	1,34,499
Interest on defined benefit obligation	1,15,244	80,157	1,12,433	63,949
Expended return on plan assets	-1,40,307	-	-1,12,349	0
Net actuarial loss / (gain) recognised in the current year	-18,484	-5,06,662	39,236	84,354
Total Expenses	84,405	-5,608	1,57,444	2,82,802
Assets Information				
Government of India Securities	-	-	41%	-
High Quality Corporate Bonds	-	-	52%	-
Equity Shares of listed Companies	-	-	-	-
Property	-	-	-	-
Insurance Company	100%	-	7%	-
Principal actuarial assumption				
Discount Rate (p.a.)	8.50%	8.50%	8.22%	8.22%
Expected rate of return on plan assets (p.a)	9.25%	-	8.25%	-
Proportion of employees opting for early retirement	-	-	-	-
Annual Increase in Salary Cost & interest cost	6%	6%	6%	6%
Effect on the aggregate Service Cost & interest cost	-	-	-	-
Effect on defined benefit obligation	-	-	-	-

d The Company has provided upto 31-03-2012 Rs. 9.32 Lacs (Rs. 9.43 Lacs) being incremental discounted value of liability for unavailed leave of the employees determined as per Acturial Valuation.

34 Contingent Liabilities and Commitments

	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
Contingent Liabilities		
A Claims against the company / disputed liabilities not acknowledged as debts	2,43,02,279	2,58,17,926
Commitments		
A Estimated amount of contracts remaining to be executed on capital account and not provided for	67,01,094	-

35 Segment Information

The company is organised into following reportable segments referred to in Statement of Accounting Standard AS - 17 for segmental reporting :

Particulars	Trading/Outsourcing Rs.	Horticulture Rs.	Total Rs.
Revenue			
External	-	19,07,712	19,07,712
	(6,853)	(27,17,707)	(27,24,560)
Inter-Segment	-	-	-
	(-)	(-)	(-)
Total	-	19,07,712	19,07,712
	(-)	(-)	(-)
Result			
Segment Result	1,07,96,123	-1,28,301	1,06,67,822
	(1,07,49,643)	(-82,221)	(1,06,67,422)
Less : Depreciation	4,07,490	14,51,232	18,58,722
	(4,68,791)	(18,35,880)	(23,04,671)
Less : Interest	15,13,651	5,19,725	20,33,376
	(33,53,876)	(6,28,921)	(39,82,797)
Profit before Tax	88,74,982	-20,99,258	67,75,724
	(69,26,976)	(-25,47,022)	(43,79,954)
Less : Provision for Tax	-	-	-
	(-)	(-)	(-)
Net Profit for the year	88,74,982	-20,99,258	67,75,724
	(69,26,975)	(-25,47,022)	(43,79,954)
Other Information			
Segment Assets	13,82,09,791	1,17,60,950	14,99,70,741
	(14,46,76,969)	(1,39,09,180)	(15,85,86,149)
Segment Liabilities	2,38,96,589	28,08,125	2,67,04,715
	(3,75,25,616)	(45,70,231)	(4,20,95,847)
Capital Expenditure	28,900	46,503	75,403
	(-)	(73,890)	(73,890)
Depreciation	4,07,490	14,51,232	18,58,722
	(4,68,791)	(18,35,880)	(23,04,671)
Non-cash expenses other than depreciation	-	-	-
	(-)	(2,55,459)	(2,55,459)

36 The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act 1956, the financial statements for the year ended 31st March 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to confirm to this year's classification.

37 Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statement as Annexure I.

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Ahmedabad

30th May, 2012

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

B. K. Patodia
Company Secretary

Ahmedabad
30th May, 2012

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Annexure - I

Significant accounting policies and practices :

(annexed to and forming part of the financial statement for the year ended 31st March, 2012)

* **Basis of Accounting**

The Company prepares its financial statements on accrual basis in accordance with generally accepted accounting principles and comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

* **Sales**

Sales is net of discounts and Value Added Tax

* **Retirement Benefits**

- (i) Contribution to Provident Fund is made at applicable rates.
- (ii) Contribution to approved Gratuity Fund is made of the present liability for future Gratuity as determined on an actuarial valuation. The Company has no further obligation except contribution to the fund
- (iii) Leave encashment benefit is accounted for on the basis of actuarial valuation.

* **Fixed Assets & Depreciation**

- (a) Fixed Assets are stated at cost. The Company capitalises all costs relating to the acquisition and installation of Fixed Assets.
- (b) Assets acquired under hire purchase instalment credit scheme, the cost of asset is capitalised while the annual financial charges at equated instalments are charged to revenue.
- (c) Depreciation for the year is provided at the rates and in the manner specified in Schedule-XIV of the Companies Act, 1956 as under:
 - (1) On Plant & Machinery and Electric Plant & Installation on straight-line method.
 - (2) On other assets on written down value method.
- (d) Leasehold land is amortised over the period of lease. In respect of other assets taken on lease before 01.04.2001, the value thereof is not capitalised, but the contracted lease rentals are charged to revenue on accrual basis.
- (e) The value of discarded Plant and Machinery has been written down to the lower of net book value and net realisable value.

* **Inventories**

- (a) Raw-materials, packing materials, stores, coal and chemicals are taken at lower of cost or net realisable value following (FIFO Method)
- (b) Stock-in-Process is valued at cost.
- (c) Finished goods are valued at lower of cost and net realisable value.
- (d) Excise duty on goods manufactured by the Company and remaining in inventory is included as a part of valuation of finished goods.
- (e) By-products are valued at - net realisable value.

* **Investments**

Investments are stated at cost.

* **Foreign Currency Transactions**

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction.

Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss account. Exchange differences arising in respect of fixed assets acquired from outside India on or before accounting period commencing before December 2006 were capitalised as part of fixed assets.

* **Borrowing Costs**

Borrowing Costs that are attributable to the acquisition or construction of assets are capitalised as part of the cost of such assets.

* **Taxation**

Provision for tax for the year comprises current income-tax determined to be payable in respect of taxable income and deferred tax being the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent period (s).

* **Contingent Liability**

Contingent liabilities determined on the basis of available information; wherever material are provided for and Consignment liabilities not provided for in the accounts are disclosed by way of notes to the accounts.

Auditors' Report to the Board of Directors of Madhusudan Industries Limited on the Consolidated Financial Statements of Madhusudan Industries Limited and its Subsidiary.

To,
The Board of Directors,
MADHUSUDAN INDUSTRIES LIMITED

We have examined the attached Consolidated Balance Sheet of Madhusudan Industries Limited and its Subsidiary ("The Group") as at March 31, 2012 and the Consolidated Profit and Loss Account for the year then ended on that date, annexed thereto and also the Consolidated Cash Flow Statement for the period ended on that date.

Respective Responsibility of the Management and the Auditor

These financial statements are the responsibility of Madhusudan Industries Limited's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of Opinion

We conducted our audit in accordance with generally accepted auditing standards in India. These standards required that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides reasonable basis for our opinion.

We did not audit the financial statements of subsidiary, whose financial statements reflect total assets of Rs. 87.08 lacs as at March 31, 2012 and total revenues of Rs. 23.72 lacs for the year then ended. These financial statements have been audited by other auditor, whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of such subsidiary, is based solely on these certified financial statements.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, on "Consolidated Financial Statements" issued by the Institute of Chartered Accounts of India and on the basis of the separate audited financial statements of Madhusudan Industries Limited and its subsidiary included in the consolidated financial statements.

Opinion

On the basis of the information and explanations given to us and on the consideration of the separate audit report on individual audited financial statements of the Madhusudan Industries Limited and its aforesaid subsidiary, we are of the opinion that the consolidated financial statements read together with the significant accounting policies and notes give a true and fair view in the case of :

- (a) the Consolidated Balance Sheet of the consolidated state of affairs of the group as at March 31, 2012 ;
- (b) the Consolidated Profit and Loss Account of the consolidated results of operations of the group for the year ended; and
- (c) the Consolidated Cash Flow Statement, of the consolidated cash flow of the group for the year ended on that date.

Ahmedabad
30th May, 2012

For and on Behalf of
H. V. VASA & CO.
Chartered Accountants
Firm Registration No. 131054W
TUSHAR H. VASA
Proprietor
Membership No. 16831

Consolidated Balance Sheet as at 31st March, 2012

Particulars	Note	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	2,68,75,000	2,68,75,000
(b) Reserves and Surplus	2	9,21,56,839	8,34,27,755
2 Non-current liabilities			
(a) Long-term borrowings	3	12,50,588	29,25,292
(b) Other Long Term Liabilities	4	17,04,000	17,04,000
(c) Long Term Provisions	5	53,50,125	53,50,125
3 Current liabilities			
(a) Short-term borrowings	6	66,98,282	1,96,55,093
(b) Trade payables	7	56,877	1,44,939
(c) Other current liabilities	8	59,98,790	66,59,364
(d) Short-term provisions	9	11,88,242	11,80,142
TOTAL		14,12,78,743	14,79,21,710
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	1,68,22,153	1,90,34,156
(ii) Capital work-in-progress		6,604	852
Less : Provisioning on Leased Assets		(1,56,848)	(1,56,848)
(b) Non-current investments	11	71,28,501	72,23,527
(c) Long-term loans and advances	12	3,32,56,260	1,95,60,484
2 Current assets			
(a) Current Investments	13	4,27,70,617	2,76,80,220
(b) Inventories	14	72,017	3,32,060
(c) Trade receivables	15	1,71,22,863	1,71,09,879
(d) Cash and cash equivalents	16	81,87,264	1,04,25,877
(e) Short-term loans and advances	17	1,52,91,229	4,49,94,186
(f) Other current assets	18	7,78,083	17,17,317
TOTAL		14,12,78,743	14,79,21,710

Significant Accounting Policies

Notes to Accounts on Financial Statements

26 to 37

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

Ahmedabad
30th May, 2012**B. K. Patodia**
Company SecretaryAhmedabad
30th May, 2012



Consolidated Statement of Profit and Loss Account for the year ended 31st March, 2012

Particulars	Note	2011-12 Rs.	2010-11 Rs.
I Revenue from operations	19	98,84,965	1,00,73,747
II Other income	20	77,25,047	1,06,78,721
III Total Revenue (I + II)		1,76,10,012	2,07,52,468
IV Expenses :			
Purchases of stock-in-trade	21	-	1,765
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	2,15,686	1,32,737
Employee benefits expense	23	36,92,044	56,22,893
Finance costs	24	20,33,376	39,82,797
Depreciation and amortisation expense		18,58,722	23,04,671
Other expenses	25	30,28,175	42,40,206
Total expenses		1,08,28,003	1,62,85,069
Extra ordinary Items		21,00,000	-
V Profit / (Loss) before tax		88,82,009	44,67,399
VI Tax expense:			
(a) Current tax expense for current year		1,95,365	-
(b) (Less): MAT credit (where applicable)		(42,440)	-
(c) Deferred tax		-	-
VII Profit / (Loss) for the year		87,29,084	44,67,399
Earning per Equity Share of Rs. 5/- each			
Basic and Diluted		1.62	0.83
Weighted average number of shares outstanding		53,75,000	53,75,000

Significant Accounting Policies

Notes to Accounts on Financial Statements

26 to 37

As per our report of even date attached

For and on behalf of

H.V.Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H.Vasa

Proprietor

Membership No. 16831

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

Ahmedabad
30th May, 2012

B. K. Patodia
Company Secretary

Ahmedabad
30th May, 2012

Consolidated Cashflow Statement for the year ended March 31, 2012

	Year ended March 31, 2012		Year ended March 31, 2011	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net profit before tax		88,82,009		44,67,399
Adjusted for				
Extra-ordinary items		21,00,000		-
Adjusted for				
Depreciation	18,58,722		23,04,671	
Contingency Provision against Standard Assets	18,088		-	
Provision of Diminution in Value of Investment	11,825		12,592	
Profit on Sale of Fixed Assets	-1,76,872		-9,323	
Investment Income	-6,35,456		-4,98,533	
Dividend Received	-13,05,684		-3,32,593	
Interest Received	-46,53,372		-88,51,350	
Interest Charged	20,33,376		39,70,897	
		<u>-28,49,373</u>		<u>-34,03,639</u>
Operating profit before working capital changes		39,32,636		10,63,760
Adjusted for				
Trade and other receivable	1,33,90,023		4,65,30,881	
Inventories	2,60,043		3,44,973	
Trade Payable	-7,58,623		-28,38,591	
Other Current Assets	9,39,234		1,13,40,378	
		<u>1,38,30,677</u>		<u>5,53,77,641</u>
Cash generated from operation		1,77,63,313		5,64,41,401
Interest paid		-20,33,376		-39,70,897
Direct taxes paid		24,51,248		93,62,340
Cash flow before extra-ordinary items		<u>1,81,81,185</u>		<u>6,18,32,844</u>
Extra-ordinary items		21,00,000		-
Net Cash from Operating Activities Total (A)		<u>2,02,81,185</u>		<u>6,18,32,844</u>
B. Cash flow from Investing activities				
Purchase of fixed assets		-81,155		-74,742
Sale of fixed assets		6,05,556		3,25,459
Purchase of Investments		-3,01,71,821		-3,43,35,860
Sale of investments		1,58,00,081		8,11,783
Interest received		46,53,372		88,51,350
Dividend received		13,05,684		3,32,593
Net Cash used in Investing Activities Total (B)		<u>-78,88,283</u>		<u>-2,40,89,417</u>
C. Cash flow from financing activities				
proceeds from issue of share capital		—		—
Right issue expenses		—		—
proceeds from borrowings		-1,46,31,515		-3,30,74,904
Dividend Paid		—		—
Net Cash used in Financing Activities Total (C)		<u>-1,46,31,515</u>		<u>-3,30,74,904</u>
Net changes in Cash & Cash Equivalents (A+B+C)		<u>-22,38,613</u>		<u>46,68,523</u>
Cash & Cash Equivalent-Opening Balance		1,04,25,877		57,57,354
Cash & Cash Equivalent-Closing Balance		81,87,264		1,04,25,877

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants
Firm Registration No. 131054W

Tushar H. Vasa

Proprietor
Membership No. 16831

Rajesh B. Shah

Director

Sanwarmal D. Agarwal

Director

Ahmedabad
30th May, 2012

B. K. Patodia
Company Secretary

Ahmedabad
30th May, 2012

NOTES 1 TO 37 ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2012

	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
1 Share Capital		
A Authorised, Issued, Subscribed & Paid up Share Capital		
Authorised		
2,60,00,000 (2,60,00,000) Equity Shares of Rs. 5/- each	<u>13,00,00,000</u>	<u>13,00,00,000</u>
Issued, Subscribed and Paid Up		
53,75,000 (53,75,000) Equity Shares of Rs. 5/- each fully paid	<u>2,68,75,000</u>	<u>2,68,75,000</u>
Total	<u>2,68,75,000</u>	<u>2,68,75,000</u>

B The company has only one class of equity shares, having a par value of Rs. 5/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

C The company has neither issued any shares nor bought back during the year.

D The company has not issued any Bonus shares for the period of five years immediately preceding 31-3-2012.

E Details of shares, more than 5% of the aggregate shares held by shareholders in the Company

Name of the Shareholder	As at 31st March 2012		As at 31st March 2011	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1 Vikram Investment Company Limited	9,36,640	17.43	9,36,640	17.43
2 Madhusudan Holdings Ltd.	4,40,600	8.20	4,40,600	8.20
3 Shri Vidush Somany	4,37,260	8.14	4,37,260	8.14
4 Shri Vikram Somany	4,58,264	8.53	4,58,264	8.53

	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
2 Reserves and Surplus		
a. Capital Reserve		
Subsidy from State Government	14,63,400	14,63,400
Capital Redemption Reserve	600	600
b. General Reserve		
As per last Balance Sheet	17,70,94,811	17,70,94,811
c. Statutory Reserve (U/s 451c of the RBI Act, 1934)		
As per last Balance Sheet	3,36,165	3,18,676
Add : Transfer from P & L A/c.	3,90,672	17,489
	<u>7,26,837</u>	<u>3,36,165</u>
d. Profit and Loss Account		
As per last Balance Sheet	-9,54,67,221	-9,99,17,131
Add: Net Profit for the Year	87,29,084	44,67,399
Less: Transfer to Statutory Reserves (U/S 451c of the RBI Act, 1934)	3,90,672	17,489
	<u>-8,71,28,809</u>	<u>-9,54,67,221</u>
Total	<u>9,21,56,839</u>	<u>8,34,27,755</u>

3 Long Term Borrowings
Secured

Term Loan from Bank (Net of state Subsidy deposited and earmarked to Bank) (Ref. Note No. 2)	12,50,588	29,25,292
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Total

<u>12,50,588</u>	<u>29,25,292</u>
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Nature of Security and terms of repayment for Long Term Secured borrowings.

Nature of Security	Terms of Repayment
Term Loan amounting to Rs. 27,50,588 is secured by mortgage of fixed assets of the company situated at Village Rakhial, Tal. Dehgam, Dist. Gandhinagar, Gujarat and guarantee of two directors	Repayable in 60 monthly installments commencing from March, 2009 to February, 2013.

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	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
4 Other Long Term Liabilities		
Deposits from Dealers, Agents etc	17,04,000	17,04,000
Total	17,04,000	17,04,000
5 Long Term Provisions		
Provision for Taxation	53,50,125	53,50,125
Total	53,50,125	53,50,125
6 Short Term Borrowings		
Secured		
Working Capital Loans from Bank Cash Credit / WC DL	16,67,848	26,66,667
Unsecured		
Fixed Deposits	49,34,000	1,66,90,000
Interest Accrued and Due	96,434	2,98,426
Total	50,30,434	1,69,88,426
Total	66,98,282	1,96,55,093
<p>Working Capital loans are secured by hypothecation of Stocks, Book Debts, all movable assets and by mortgage of fixed assets of the company situated at Village Rakhial, Tal. Dehgam, Dist. Gandhinagar, Gujarat and guarantee of two directors.</p>		
7 Trade Payables		
Trade Payables		
Micro, Small and Medium Enterprises	-	-
Others	56,877	1,44,939
Total	56,877	1,44,939
<p>The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company as under:</p>		
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
8 Other Current Liabilities		
Current maturities of Long Term Debt (Refer Note No. 3)	15,00,000	15,00,000
Interest accrued but not due on Borrowings	4,88,884	7,86,448
Unclaimed Dividends	-	28,254
Unpaid Preference Shares	29,000	29,000
Deposits from Dealers, Agents etc	1,06,000	1,02,500
Statutory Dues	55,143	1,37,132
Advance against Sales	3,28,501	5,95,731
Other Payables	34,91,262	34,80,299
Total	59,98,790	66,59,364
9 Short Term Provisions		
Provision for Employees' benefits	9,32,048	9,43,029
Contingent Provisions Against Standard Assets	18,088	-
Other Provisions	2,38,106	2,37,113
Total	11,88,242	11,80,142



10. Fixed Assets

Description	Gross Block			Depreciation			Net Block			
	As at 1/4/2011 (Rs.)	Additions (Rs.)	Deductions/ Adjustments (Rs.)	As at 31/3/2012 (Rs.)	As at 1/4/2011 (Rs.)	For the year (Rs.)	Deductions/ Adjustments (Rs.)	Upto 31/3/2012 (Rs.)	As at 31/3/2012 (Rs.)	As at 31/3/2011 (Rs.)
Tangible Assets										
Freehold Land	8,44,888	-	-	8,44,888	-	-	-	-	8,44,888	8,44,888
Buildings	2,31,65,705	-	4,03,198	2,27,62,507	1,01,47,969	11,25,377	66,658	1,12,06,688	1,15,55,819	1,30,17,736
Plant & Machinery	53,90,997	44,703	9,86,530	44,49,170	16,01,757	4,62,277	9,86,530	10,77,504	33,71,666	37,89,240
Leased Plant & Machinery	32,65,000	-	-	32,65,000	31,08,152	-	-	31,08,152	1,56,848	1,56,848
Electric Installation	1,13,188	-	-	1,13,188	1,08,141	-	-	1,08,141	5,047	5,047
Laboratory Equipments	5,38,827	-	-	5,38,827	5,16,506	6,210	-	5,22,716	16,111	22,321
Weighing Machinery	3,87,654	-	-	3,87,654	2,63,458	17,276	-	2,80,734	1,06,920	1,24,196
Furniture, Fixtures & Equipments	45,14,573	30,700	91,200	44,54,073	38,53,083	1,40,598	38,842	39,54,839	4,99,234	6,61,490
Vehicles	13,44,565	-	1,44,500	12,00,065	9,32,175	1,06,984	1,04,714	9,34,445	2,65,620	4,12,390
Total	3,95,65,397	75,403	16,25,428	3,80,15,372	2,05,31,241	18,58,722	11,96,744	2,11,93,219	1,68,22,153	1,90,34,156
Previous Year	4,00,46,535	73,890	5,55,028	3,95,65,397	1,84,62,462	23,04,671	2,38,892	2,05,31,241	1,90,34,156	
Capital Work in Progress									6,604	852

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	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
11 Non Current Investments (Long Term Investments)		
Investments in Government Securities - Unquoted		
(Deposited with Government Departments)		
National Savings Certificates	37,000	37,000
Non-Trade Other Investments (Quoted)		
In fully paid Equity Shares of Rs. 10/- each		
37 (37) Aditya Birla Nuvo Ltd	3,172	3,172
1,000 (1,000) Clutch Auto Ltd	69,013	69,013
300 (300) Dynamatic Forgings India Ltd	5,736	5,736
100 (100) Eicher Motors Ltd	4,465	4,465
322 (322) Essar Steels Ltd	28,207	28,207
69 (69) Eurotex Ltd	4,140	4,140
10 (10) Euro Ceramics Ltd	639	639
200 (200) Gujarat Refractories Ltd	3,370	3,370
50 (50) Hanuman Tea Co Ltd	2,224	2,224
1,300 (1,300) I G Petro Ltd	1,13,874	1,13,874
- (1,000) Idea Cellular Ltd	-	77,753
200 (200) Lan Esseda Software Systems Ltd	27,104	27,104
10 (10) Nitco Ltd	953	953
100 (100) Orkey Silk Mills Ltd	11,841	11,841
300 (300) Orient Ceramics Ltd	5,210	5,210
670 (670) Premier Ind. (India) Ltd	29,762	29,762
1,072 (1,072) Reliance Industries Ltd	5,98,979	5,98,979
1,700 (1,700) SREI Infrastructure Finance Ltd	1,01,213	1,01,213
36 (36) Ultra Tech Cement Ltd	11,365	11,365
1,000 (1,000) Unicorn Organics Ltd	35,509	35,509
200 (200) Western India Sugar & Chem Ltd	8,000	8,000
200 (200) XLO Machine Ltd	4,180	4,180
500 (500) Rama News Print Ltd	30,000	30,000
	10,98,956	11,76,709
In fully paid Equity Shares of Rs. 2/- each		
180 (180) Larsen & Toubro Ltd	2,273	2,273
415 (415) Hindustan Sanitaryware Ltd	13,315	13,315
10 (10) Kajaria Ceramics Ltd	339	339
1,000 (1,000) West Coast Paper Mills Ltd	1,03,949	1,03,949
	1,19,876	1,19,876
In fully paid Equity Shares of Re. 1/- each		
2,000 (2,000) Electro Steel & Casting Ltd	1,25,902	1,25,902
200 (200) Colgate Ltd	1,69,167	1,69,167
500 (500) Somany Ceramics Ltd	2,624	2,624
1,500 (1,500) ITC Ltd	2,42,841	2,42,841
	5,40,534	5,40,534
Indian Depository Receipt		
2,500 (2,500) Standard Chartered PLC	3,02,564	3,02,564
In Units of Mutual Funds of Rs. 10/- each		
700 (700) UTI Equity Fund	8,826	8,826
1,200 (1,200) UTI Master Plus Fund	23,353	23,353
1,427 (1,427) UTI Master Share Fund	30,233	30,233
	62,412	62,412
In Fully paid Non - Convertible Debentures		
40 (40) Western India Sugar & Chem Ltd of Rs. 50/- each	2,000	2,000
96,000(96,000) Milestone Bullion Scheme	9,60,000	9,60,000
	9,62,000	9,62,000
In Bonds		
2 (2) Tata Motors Finance - 2020	20,80,396	20,90,696
4 (4) Tata Teleservices - 2025	20,93,271	21,00,244
	41,73,667	41,90,940
	72,97,009	73,92,035
Less: Provision in Diminution in value of Investments	1,68,508	1,68,508
Total	71,28,501	72,23,527
Aggregate amount of quoted investments	61,29,501	62,24,527
Market Value of quoted investments	66,29,609	70,33,413
Aggregate amount of unquoted investments	9,99,000	9,99,000



	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
12 Long Term Loans and Advances (Unsecured and Considered Good)		
Capital Advances	1,63,62,135	-
Security Deposits	4,79,534	4,82,514
Loans and Advances	31,92,647	31,92,647
Advance Income Tax (including for earlier years)	1,32,21,944	1,58,85,323
Total	3,32,56,260	1,95,60,484
13 Current Investments		
Mutual Funds (Units of Rs. 10/- each, unless otherwise specified)		
1,78,630.937 (1,78,630.937) DSP Black Rock Mutual Fund - Equity Fund - Reg - G	30,00,000	30,00,000
43,392.733 (43,392.733) Fidelity Equity Fund - Growth	15,00,000	15,00,000
- (1,36,301.062) HDFC Mutual Fund MIP - LTP - Growth	-	30,00,000
- (1,43,430.181) Reliance MIP - Growth Plan	-	30,00,000
4,944.107 (4,944.107) HDFC Top 200 Fund - Growth	10,00,000	10,00,000
1,516 (3,46,986.317) LIC Mutual Fund Floater MIP Fund - Quarterly Plan	16	35,69,614
- (1,57,048.232) HDFC Mutual Fund MIP - LTP - Growth	-	25,00,000
3,23,677.671 (3,23,677.671) IDFC - Moderate Assets Allocation - Fund of Funds - Dividend	35,00,000	35,00,000
36,511.941 (36,511.941) UTI Bond Fund-Growth	10,00,000	10,00,000
16,775.440 (14,012.542) HDFC Equity Fund - Dividend	8,87,731	7,68,063
8,360.057 (7,541.220) HDFC Growth Fund-Dividend	2,93,085	2,70,462
79,603.469 (79,603.469) DSP Black Rock Mutual Fund - World Gold Fund - Reg - G	15,00,000	15,00,000
- (2,30,370.513) UTI Fixed Income Interval Fund -		
- (-) Quarterly Interval Plan Series - I - Growth	-	30,00,000
3,31,007.104 (-) HDFC Cash Management Fund - TAP-Retail-Daily Dividend	33,20,498	-
95,642.530 (-) Canara Robeco Indigo Quarterly Dividend Fund	10,00,000	-
68,761.696 (-) DSP Blackrock Liquidity Fund-Regular Plan-Growth	16,64,232	-
2,95,388.978 (-) Axis Triple Advantage Fund- Dividend Reinvestment	30,00,000	-
2,66,947.342 (-) Canara Robeco Mutual Fund Collection	30,59,670	-
9,17,354.286 (-) HDFC High Interest Fund-STP-Dividend	97,36,856	-
1,518.275 (-) UTI Treasury Advantage Fund - Daily Dividend	15,87,925	-
1,32,075.470 (-) Kotak Multi Assets Allocated Fund	14,00,000	-
3,66,064.000 (-) LIC Nomura MF FMP Series 52-377 days - Growth Plan	36,60,640	-
1,183.339 (-) SBI SHF Ultra Short Term Fund-Retail Plan-Growth	15,99,708	-
(Units of Rs. 1000/- each)		
	4,27,10,361	2,76,08,139
Non - Trade Other Investments (Quoted)		
In fully paid Equity Shares of Rs. 10/- each		
145 (145) Tata Communications Ltd. (Formerly VSNL)	36,250	36,250
400 (400) Melstar Information Tech. Ltd.	28,800	28,800
1,112 (850) Entegra Ltd. (Formerly Induj Enertech Ltd.)	42,755	42,755
150 (150) MW Unitex Ltd. (Formerly S. Kumars Unitex Ltd.)	7,545	7,545
	1,15,350	1,15,350
In fully paid Equity Shares of Rs. 5/- each		
300 (300) Shree Rama Multi-tech Ltd.	36,000	36,000
In fully paid Equity Shares of Rs. 2/- each		
2,500 (2,500) Dairy Den Ltd.	55,000	55,000
In fully paid Equity Shares of Re. 1/- each		
86 (86) Zee Entertainment enterprises Ltd. (Formerly Zee Telefilms Limited)	53,987	53,987
20 (20) Wire & Wirless India Ltd. (Bonus Zee)	-	-
18 (18) Zee News Ltd. (Bonus Zee)	-	-
23 (23) Dish TV India Limited (Bonus Zee)	-	-
11 (11) Zee Learn Ltd. (Bonus Zee)	53,987	53,987
Total	4,29,70,698	2,78,68,476
Less : Provision for Dimunition in the value of Investments	2,00,081	1,88,256
Total	4,27,70,617	2,76,80,220
Aggregate amount of quoted investments	4,27,70,617	2,76,80,220
Market Value of quoted investments	4,33,24,505	2,86,83,289
Aggregate amount of unquoted investments	-	-

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	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
14 Inventories		
Stores, Chemicals and Packing Materials	64,422	1,08,779
Stock-in-Trade	7,595	2,23,281
Total	<u>72,017</u>	<u>3,32,060</u>
15 Trade Receivables (Unsecured and Considered Good)		
Over Six months	1,69,24,292	1,69,94,292
Others	1,98,571	1,15,587
Total	<u>1,71,22,863</u>	<u>1,71,09,879</u>
16 Cash and Cash Equivalents		
Cash on Hand	56,402	61,489
Balance with Banks in Current Accounts	18,20,862	15,26,134
Unclaimed Dividend Bank Accounts	-	28,254
Fixed Deposits with Banks	63,10,000	88,10,000
Total	<u>81,87,264</u>	<u>1,04,25,877</u>
17 Short Term Loans and Advances (Unsecured and Considered Good)		
Balances with Excise Authorities	1,62,210	1,62,210
Inter Corporate Deposits	1,29,35,000	4,26,05,056
Others	21,94,019	22,26,920
Total	<u>1,52,91,229</u>	<u>4,49,94,186</u>
18 Other Current Assets		
Interest Accrued on Fixed Deposits & Advances	7,78,083	17,17,317
Total	<u>7,78,083</u>	<u>17,17,317</u>
	2011-12	2010-11
	Rs.	Rs.
19 Revenue From Operations		
Sale of Products	19,07,712	27,24,560
Other Operating Revenues		
Rent	79,77,253	73,49,187
Total	<u>98,84,965</u>	<u>1,00,73,747</u>
Particulars of Sale of Products		
Horticulture	19,07,712	27,17,707
Presentation Article	-	6,853
	<u>19,07,712</u>	<u>27,24,560</u>
20 Other Income		
Interest Income	46,53,373	88,51,350
Dividend Income :		
Current Investment - Mutual Fund	12,51,847	2,88,955
Long Term Investment	53,838	43,638
	<u>13,05,685</u>	<u>3,32,593</u>
Net Gain on :		
Sale of Investments	6,35,456	4,98,533
Sale of Fixed Assets	1,76,872	9,323
	<u>8,12,328</u>	<u>5,07,856</u>
Other Incomes	9,53,661	9,86,922
Total	<u>77,25,047</u>	<u>1,06,78,721</u>
21 Purchase of Stocke - in - Trade		
Presentation Article	-	1,765
Total	<u>-</u>	<u>1,765</u>



	2011-12 Rs.	2010-11 Rs.		
22 Changes in Inventories of Finished Goods, Work in Progress and Stock Intrade				
Opening Stock				
Work In Progress	-	-		
Stock In Trade	<u>2,23,281</u>	<u>3,56,018</u>		
	<u>2,23,281</u>	<u>3,56,018</u>		
Closing Stock				
Work In Progress	-	-		
Stock In Trade	<u>7,595</u>	<u>2,23,281</u>		
	<u>7,595</u>	<u>2,23,281</u>		
Total	<u><u>2,15,686</u></u>	<u><u>1,32,737</u></u>		
23 Employees Benefit Expenses				
Salaries, Wages and Bonus	<u>28,58,934</u>	42,71,774		
Contribution to Provident and Other funds	<u>3,12,873</u>	5,75,369		
Staff and Labour Welfare Expenses	<u>5,20,237</u>	7,75,750		
Total	<u><u>36,92,044</u></u>	<u><u>56,22,893</u></u>		
24 Finance Costs				
Interest Expenses	<u>20,33,376</u>	39,70,897		
Other borrowing costs	-	11,900		
Total	<u><u>20,33,376</u></u>	<u><u>39,82,797</u></u>		
25 Other Expenses				
Stores, Spare Parts and Packing Materials	<u>3,79,432</u>	8,80,952		
Power, Fuel and Electricity Expenses	<u>2,86,057</u>	3,38,605		
Repairs to Building	<u>8,560</u>	3,24,402		
Repairs to Plant & Machinery	<u>25,575</u>	30,304		
Repairs to Others	<u>18,324</u>	26,303		
Rent	<u>36,808</u>	35,808		
Insurance	<u>47,428</u>	48,077		
Rates and Taxes	<u>1,55,608</u>	2,04,825		
Legal & professional Expenses	<u>9,56,030</u>	4,30,667		
Telephone Expenses	<u>1,54,227</u>	2,23,281		
Vehicle Expenses	<u>98,967</u>	1,63,754		
Miscellaneous Expenses	<u>8,42,159</u>	12,59,169		
Directors Sitting Fees	<u>19,000</u>	18,600		
Horticulture Impairment Loss	-	2,55,459		
Total	<u><u>30,28,175</u></u>	<u><u>42,40,206</u></u>		
26 Transfer of Ceramic Division to Madhusudan Oils and Fats Limited (MOFL)				
The Honourable High Court of Judicature at Gujarat vide its order dated 30.10.2001 has sanctioned Scheme of Arrangement (the Scheme) as approved by the shareholders in the Court-convened meeting held on 13.10.2001 under which all the assets (movable and immovable) as per Clause 2 of Scheme, liabilities and debts as described in the Scheme pertaining to the Ceramic business (described as the "Ceramic Division" in the Scheme) have been transferred to Madhusudan Oils and Fats Limited (MOFL) at book value w.e.f. 01.04.2001.				
27 Import of Chemicals				
The Company had sold Chemicals on highsea sale arrangement. This material purchased from M/s. Tianjin Kaiyong Chemicals Co. Ltd. Jin Nam, China, did not meet the specification of the order given hence are rejected. The recovery of purchase amount Rs.16,76,549/- is initiated which is included in "Loans and Advances".				
28 Value of Stores, Chemicals and Packing Material Consumed				
Particulars	2011-12		2010-11	
	Amount	% of	Amount	% of
	Rs.	Consumption	Rs.	Consumption
Imported	-	-	-	-
Indegenous	<u>3,79,432</u>	<u>100</u>	<u>8,80,952</u>	<u>100</u>
	<u><u>3,79,432</u></u>	<u><u>100</u></u>	<u><u>8,80,952</u></u>	<u><u>100</u></u>
29	There is no expenditure in foreign currency for import of Raw Materials, Components and Spare Parts, Capital Goods, Royalty, Know-how, Professional and consultation fees, interest during the year			

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	2011-12 Rs.	2010-11 Rs.
30 Payment to the Auditors		
Audit Fees	37,039.00	36,399.00
Certification and Consultation Fees	5,515.00	5,515.00
Other Services	72,419.00	98,090.00
Total	1,14,973.00	1,40,004.00

31 There are no earnings in foreign exchange in respect of Export of Goods, Royalty, Kno-how, Professional and Consultation Fees, Interest, Dividend or and other income during the year.

32 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below.

1 Relationships :

(a) Associates	Cera Sanitaryware Ltd Gujarat Soaps Pvt Ltd
(b) Key Management Personnel	-
(c) Relatives of Key Management Personnel	-

Note : Related party relationship is as identified by the Company and relied upon by the Auditors

2 Transactions during the year with related parties

Nature of Transactions (Excluding Reimbursement)		Associates	Key Management Personnel	Total
		Rs.	Rs.	Rs.
Sales	- Flowers	1,80,655	-	1,80,655
		(60,185)	(-)	(60,185)
Purchase	- Material	-	-	-
		(1,765)	(-)	(1,765)
Income	Interest	1,74,886	-	1,74,886
		(90,000)	(-)	(90,000)
	Rent	74,64,375	-	74,64,375
		(70,49,250)	(-)	(70,49,250)
	Service Charges	5,60,250	-	5,60,250
		(4,80,000)	(-)	(4,80,000)
	Other Services	5,60,250	-	5,60,250
		(4,35,000)	(-)	(4,35,000)
Expenses	Interest Paid	5,366	-	5366
		(5,53,600)	(-)	(5,53,600)
Finance	Loans / Advance Given	1,86,508	-	1,86,508
		(29,701)	(-)	(29,701)
	Fixed Deposit/ Loan Received	-	-	-
		(-)	(-)	(-)
	Rent Deposit Received	-	-	-
		(2,94,500)	(-)	(2,94,500)
Balance at the end of the year	Receivables	30,41,360	-	30,41,360
		(11,72,852)	(-)	(11,72,852)
	Payables	-	-	-
		(-)	(-)	(-)



	2011-2012 Rs.	2010-2011 Rs.
3 Disclosure in Respect of Material Related Party Transactions during the year		
Sales :		
Cera Sanitaryware Limited	1,80,655	60,185
Purchase :		
Cera Sanitaryware Limited	—	1,765
Income :		
Interest :		
Cera Sanitaryware Limited	1,74,886	90,000
Rent :		
Cera Sanitaryware Limited	74,64,375	70,49,250
Service Charges :		
Cera Sanitaryware Limited	5,60,250	4,80,000
Other Services :		
Cera Sanitaryware Limited	5,60,250	4,35,000
Expenses :		
Interest Paid :		
Cera Sanitaryware Limited	5,366	5,53,600
Finance :		
Loans / Advance Given :		
Gujarat Sopas Pvt. Ltd.	33,508	29,701
Cera Sanitaryware Limited	25,00,000	16,70,000
Fixed Deposit / Loan Received :		
Cera Sanitaryware Limited	6,65,000	2,00,000
Rent Deposit Received :		
Cera Sanitaryware Limited	—	2,94,500

33 Employee Benefits

The company has with effect from 1st April 2007, adopted Accounting Standard 15, Employee benefits (revised 2005), issued by the Institute of Chartered Accountants of India (the revised AS 15). Consequently, the disclosure as required as per revised AS 15 are as under :

a Brief description of the plans :

The company has various schemes for long-term benefits such as provident fund, gratuity and leave encashment. In case of funded scheme, the funds are recognised by the income tax authorities and administered through trustees / appropriate authorities.

The company defined contribution plans are Provident Fund (exempted employees) recognised by the Income Tax Authorities and administered through trustees. Since the company has no further obligation beyond making contributions and interest shortfall.

Further the pattern of investment for investible funds is as prescribed by the Government. Accordingly other related disclosures in respect of provident fund have not been made.

The company's other defined contribution plans are Provident Fund (non exempted employees), Employees' Pension Scheme (under the Provisions of the employees' Provident Funds and Miscellaneous Provisions Act, 1952), state plans namely Employees' State Insurance Fund, Since company has no further obligation beyond making contributions.

The Company's defined benefit are Gratuity and leave encashment for all its employees. Gratuity fund is recognised by the Income Tax Authorities and is administered through trustees.

Liabilities for Defined Benefit Plan is provided on the basis of valuations, as Balance Sheet date, carried out by an independent actuary.

b Charge to the Profit and Loss Account based on contributions

	2011-12 Rs.	2010-11 Rs.
Provident Fund	1,74,692	2,69,089
Employees Pension Scheme	98,770	1,11,767
ESIC	-	-
	<u>2,73,462</u>	<u>3,80,856</u>

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c Disclosures for defined benefit plans based on actuarial reports as on 31st March 2012.

Particulars	2011-12		2010-11	
	Gratuity Funded Plan Rs.	Leave Encashment Non-funded Plan Rs.	Gratuity Funded Plan Rs.	Leave Encashment Non-funded Plan Rs.
Change in Defined Benefits Obligation				
Opening defined benefits obligation	13,55,811	9,43,029	13,67,794	7,77,964
Current service cost	1,27,952	4,20,897	1,18,224	1,34,499
Interest cost	1,15,244	80,157	1,12,433	63,949
Actuarial losses / (gain)	1,63,246	-5,06,662	58,093	84,354
Benefits paid	-84,405	-5,373	-3,00,733	-1,17,737
Closing defined benefits obligation	16,77,848	9,32,048	13,55,811	9,43,029
Change in Fair Value of Assets				
Opening fair value of Plan Assets	13,55,811	-	13,67,794	-
Expected return on plan assets	1,40,307	-	1,12,349	-
Actuarial gain / (losses)	1,81,730	-	18,857	-
Contributions by employer	84,405	-	1,57,544	-
Benefits paid	-84,405	-	-3,00,733	-
Closing fair value of plan assets	16,77,848	-	13,55,811	-
Movement in net liability recognised in Balance Sheet				
Net opening liability	-	9,43,029	-	7,77,964
P & L Charge	84,405	-5,608	1,57,544	2,82,802
Contribution / Benefit Paid	-84,405	-5,373	-1,57,544	-1,17,737
Closing Net (asset) / liability	-	9,32,048	-	9,43,029
Expenses recognised in the Profit and Loss Account				
Current Service Cost	1,27,952	4,20,897	1,18,124	1,34,499
Interest on defined benefit obligation	1,15,244	80,157	1,12,433	63,949
Expected return on plan assets	-1,40,307	-	-1,12,349	-
Net actuarial loss / (gain) recognised in the current year	-18,484	-5,06,662	39,236	84,354
Total Expenses	84,405	-5,608	1,57,444	2,82,802
Assets Information				
Government of India Securities	-	-	41.00%	-
High Quality Corporate Bonds	-	-	52.00%	-
Equity Shares of listed Companies	-	-	-	-
Property	-	-	-	-
Insurance Company	100.00	-	7.00%	-
Principal actuarial assumption				
Discount Rate (p.a.)	8.50%	8.50%	8.22%	8.22%
Expected rate of return on plan assets (p.a)	9.25%	-	8.25%	-
Proportion of employees opting for early retirement	-	-	-	-
Annual Increase in Salary Cost & interest cost	6.00%	6.00%	6.00%	6.00%
Effect on the aggregate Service Cost & interest cost	-	-	-	-
Effect on defined benefit obligation	-	-	-	-

d The Company has provided upto 31-03-2012 Rs. 9.32 Lacs (Rs. 9.43 Lacs) being incremental discounted value of liability for unavailed leave of the employees determined as per Actuarial Valuation.

34 Contingent Liabilities and Commitments

	2011-12 Rs.	2010-11 Rs.
Contingent Liabilities		
A Claims against the company / disputed liabilities not acknowledged as debts	2,44,34,279	2,59,49,926
Commitments		
A Estimated amount of contracts remaining to be executed on capital account and not provided for	67,01,094	-

35 Segment Information

The company is organised into following reportable segments referred to in Statement of Accounting Standard AS - 17 for segmental reporting :

Particulars	Trading / Outsourcing Rs.	Horticulture Rs.	Lease & Finance Rs.	Inter - segment Adjustments Rs.	Total Rs.
Revenue					
External	— (73,56,040)	19,07,712 (27,17,707)	— (—)	— (—)	19,07,712 (1,00,73,747)
Inter-Segment	— (—)	— (—)	— (—)	— (—)	— (—)
Total	—	19,07,712	—	—	19,07,712
Result					
Segment Result	1,07,96,123 (1,07,49,642)	-1,28,301 (-82,221)	21,06,285 (87,445)	— (—)	1,27,74,107 (—)
Less : Depreciation	4,07,490 (4,68,791)	14,51,232 (18,35,880)	— (—)	— (—)	18,58,722 (23,04,671)
Less : Interest	15,13,651 (33,41,976)	5,19,725 (6,28,921)	— (—)	— (—)	20,33,376 (39,70,897)
Profit before Tax	88,74,982 (69,26,978)	-20,99,258 (-25,47,022)	21,06,285 (87,445)	— (—)	88,82,009 (44,67,399)
Less : Provision for Tax	— (—)	— (—)	1,52,925 (—)	— (—)	1,52,925 (—)
Net Profit for the year	88,74,982 (69,26,976)	-20,99,258 (25,47,022)	19,53,360 (87,445)	— (—)	87,29,084 (44,67,399)
Other Information					
Segment Assets	13,82,09,791 (14,46,76,968)	1,17,60,949 (1,39,09,180)	87,08,039 (67,35,598)	-1,74,00,037 (-1,74,00,037)	14,12,78,742 (14,79,21,709)
Segment Liabilities	2,38,96,589 (3,75,25,615)	28,08,125 (45,70,231)	42,227 (23,146)	-45,00,037 (-45,00,037)	2,22,46,904 (3,76,18,955)
Capital Expenditure	28,900 (—)	46,503 (73,890)	— (—)	— (—)	75,403 (73,890)
Depreciation	4,07,490 (4,68,791)	14,51,232 (18,35,880)	— (—)	— (—)	18,58,722 (23,04,671)
Non-cash expenses other than depreciation	— (—)	— (2,55,459)	— (—)	— (—)	— (2,55,459)

36 The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act 1956, the financial statements for the year ended 31st March 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to confirm to this year's classification.

37 Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statement as Annexure I.

As per our report of even date attached

For and on behalf of

H. V. Vasa & Co.

Chartered Accountants

Firm Registration No. 131054W

Tushar H. Vasa

Proprietor

Membership No. 16831

Ahmedabad

30th May, 2012

Rajesh B. Shah

Director

Sanwamal D. Agarwal

Director

B. K. Patodia
Company Secretary

Ahmedabad
30th May, 2012

ANNEXURE-I

Significant accounting policies and practices :

(annexed to and forming part of the financial statement for the year ended 31st March, 2012)

* **Principles of Consolidations**

The consolidated financial statements comprise the financial statements of the Madhusudan Industries Ltd. and its wholly owned subsidiary Madhusudan Fiscal Limited (Formerly Cera Leasing Finance & Industries Limited.)

* **Basis of Accounting**

The Company prepares its financial statements on accrual basis in accordance with generally accepted accounting principles and comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

* **Sales**

Sales is net of discounts and Value Added Tax.

* **Retirement Benefits**

- (i) Contribution to Provident Fund is made at applicable rates.
- (ii) Contribution to approved Gratuity Funds is made of the present liability for future Gratuity as determined on an actuarial valuation. The Company has no further obligation except contribution to the fund.
- (iii) Leave encashment benefit is accounted for on the basis of actuarial valuation.

* **Fixed Assets & Depreciation**

- (a) Fixed Assets are stated at cost. The Company capitalizes all costs relating to the acquisition and installation of Fixed Assets on net of MODVAT credits on the assets.
- (b) Assets acquired under hire purchase instalment credit scheme, the cost of asset is capitalized while the annual financial charges at equated instalments are charged to revenue.
- (c) Leased Assets are stated at cost less accumulated depreciation and after adjustment of the balance standing in Lease Adjustment Account and provisioning on the leased assets.
- (d) Depreciation for the year has been provided at the rates and in the manner specified in Schedule-XIV of the Companies Act, 1956 as under:
 - (1) On Plant & Machinery and Electric Plant & Installation on straight-line method.
 - (2) On other assets on written down value method other than assets held by Subsidiary Company on the straight-line method.
- (e) Leasehold land is amortized over the period of lease. In respect of other assets taken on lease before 01.04.2001, the value thereof is not capitalized, but the contracted lease rentals are charged to revenue on accrual basis.
- (f) The value of discarded Plant and Machinery has been written down to the lower of net book value and net realizable value.

* **Inventories**

- (a) Raw-materials, packing materials, stores, coal and chemicals are taken at lower of cost or net realisable value following (FIFO Method).
- (b) Stock-in-Process is valued at cost.
- (c) Finished goods are valued at lower of cost and net realizable value.
- (d) Excise duty on goods manufactured by the Company and remaining in inventory is included as a part of valuation of finished goods.
- (e) Hire Purchase Stock is valued at principal value net of receipts/write off.
- (f) By-products are valued at net - realisable value.

* **Investments**

- (a) Long Term Investments are stated at cost.
- (b) Current Investments are stated at cost or fair market value whichever is lower.

* **Foreign Currency Transactions**

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction. Foreign currency assets and liabilities are translated into Rupees at the rate of exchange prevailing on the date Balance Sheet. All exchange differences are dealt with in the statement of Profit and Loss, except those relating to the acquisition of fixed assets which are adjusted in the cost of the assets

* **Taxation**

Provision for tax for the year comprises current income-tax determined to be payable in respect of taxable income and deferred tax being the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent period (s).

* **Contingent Liability**

Contingent liabilities determined on the basis of available information; wherever material are provided for and Contingent liabilities not provided for in the accounts are disclosed by way of notes to the accounts.



Madhusudan
Industries Limited

Madhusudan Industries Limited

**Regd. Office : Rakhial Station, Taluka - Dehgam, Dist. Gandhinagar,
Pin - 382 315. Gujarat.**

DP ID	Client ID	Folio No.	No. of shares held

PROXY

I/We _____
of _____
being a member(s) of Madhusudan Industries Ltd. hereby appoint _____
_____ of _____
or failing him/her _____
of _____

as my/our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Monday, the 24th September, 2012 at 11.30 a.m. or at any adjournment thereof.

Signed this _____ day of _____ 2012.

Signature(s) _____

Affix Revenue Stamp

 _____ L.F. No. _____

Note : The proxy must be returned so as to reach the registered office of the Company, not less than 48 hours before the time for holding the aforesaid meeting.

CUT HERE

CUT HERE

Madhusudan Industries Limited

**Regd. Office : Rakhial Station, Taluka - Dehgam, Dist. Gandhinagar,
Pin - 382 315. Gujarat.**

DP ID	Client ID	Folio No.	No. of shares held

ATTENDANCE SLIP

Annual General Meeting - 2012

at Regd. Office : Rakhial Station, Taluka - Dehgam, Dist. Gandhinagar, Pin - 382 315. Gujarat.

Name of the attending Member/Proxy (In block letters) :

I hereby record my presence at the Annual General Meeting held at 11.30 a.m. on Monday the 24th September, 2012.

Member's / Proxy's Signature

- Notes : 1. Please bring this attendance slip to the meeting and handover at the entrance duly filled in.
2. Members are requested to bring copy of Annual Report with them.

Book-Post

To,



If undelivered, please return to :

Madhusudan Industries Limited

Madhusudan House, Opp. Navrangpura Telephone Exchange, Ahmedabad 380 006

Pratiksha - 098252 62512