

**BOARD OF DIRECTORS**

Shri. Kanubhai S. Patel

Shri. Bharatbhai P. Patel

Shri. Dineshbhai P. Patel

Shri. Kirittkumar S. Patel

Shri. Jashwantkumar K. Patel

Shri. Vasudevbbhai L. Patel

Shri. Ghanshyam C. Patel

Shri. Dharmendra N. Patel

Chairman

Managing Director

Whole Time Director

Whole Time Director

Director

Director

Director

Additional Director

**AUDIT COMMITTEE**

Shri. Jashwantkumar K. Patel

Shri. Vasudevbbhai L. Patel

Shri. Ghanshyam C. Patel

Shri. Dharmendra N. Patel

**BANKER****BANK OF INDIA**

Ahmedabad Main Branch,

Bhadra, Ahmedabad

**AUDITORS**

R.R.S &amp; Associates

Chartered Accountants

Opp : State Bank of Saurashtra,

Nr. Stadium Circle, Navrangpura,

Ahmedabad-380009

**COMPANY LAW CONSULTANTS**

Ashok P. Pathak &amp; Co.

Company Secretaries

U/4, Trupti Complex,

Opp : Shreeji Petrol Pump,

Nr. Jivrajpark Bus Stand

Jivraj Park, Ahmedabad - 380051

Tel / Fax No. : 079-26631534

e-Mail : [ashokopathak@yahoo.com](mailto:ashokopathak@yahoo.com)**REGISTRARS AND SHARES****TRANSFER AGENTS**

Sharepro Services (India) Pvt. Ltd.

13AB, Samhita Ware-housing Complex,

2nd Floor, Sakinaka Telephone Exchange Lane

Off. Andheri-Kurla Road,

Sakinaka, Andheri East,

Mumbai - 400 072

**REGISTERED OFFICE & WORKS :**

Plot No. 3311, Unit No.2,

GIDC Industrial Estate, Phase-IV,

Village Chhatral, Taluka-Katol,

Dist. Gandhinagar (N.G)

Gujarat

Tel. No. : 91-02764-234008

e-Mail : [minaxitx@yahoo.com](mailto:minaxitx@yahoo.com)

**NOTICE**

**NOTICE** is hereby given that the Fifteenth Annual General Meeting of the Members of the Company M/s. Minaxi Textiles Limited will be held on Thursday, 30th day of September, 2010 at 10:00 a.m. at Registered office of the Company Plot No.3311, Unit No.2, GIDC Industrial Estate, Phase-IV, Village Chhatral, Taluka Kalol, Dist - Gandhinagar (N.G) to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Accounts for the Financial Year ended on 31st March 2010, and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in Place of Shri. Dharmendra N. Patel, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in Place of Shri. Dineshbhai P. Patel, who retires by rotation and eligible, offers himself for appointment.
4. To appoint a director in Place of Shri. Kiritkumar S. Patel, who retires by rotation and eligible, offers himself for appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting of the Company until the conclusion of next Annual General Meeting and fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT M/s. R.R.S & Associates., Chartered Accountants be and are hereby appointed Auditors of the Company from the conclusion of this Annual General Meeting of the Company until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors, exclusive of travelling and other out of pocket expenses."

**SPECIAL BUSINESS :**

6. **TO CONSIDER AND IF THOUGHT FIT TO PASS, WITH OR WITHOUT MODIFICATION THE FOLLOWING AS AN ORDINARY RESOLUTION**

"RESOLVED THAT pursuant to section 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, if any, the approval of the members of the Company be and is hereby accorded to the increase in the Monthly remuneration from ₹50,000 [Rupees Fifty Thousand] per month to ₹80,000 [Rupees Eighty Thousand] per month be paid to Shri. Bharatbhai P. Patel, Managing Director of the Company, w.e.f. 1st August, 2010."

"FURTHER RESOLVED THAT where in a financial year during the currency of his tenure, the Company has no profits or its profits are inadequate the remuneration payable to him shall not exceed the ceiling limit prescribed in Section II of the part II of Schedule XIII to the Companies Act for the year, which will be payable to him as minimum remuneration for that year."

**7. TO CONSIDER AND IF THOUGHT FIT TO PASS, WITH OR WITHOUT MODIFICATION THE FOLLOWING AS AN ORDINARY RESOLUTION**

**"RESOLVED THAT** pursuant to section 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, if any, the approval of the members of the Company be and is hereby accorded to the increase in the Monthly remuneration from `25,000 [Rupees Twenty Five Thousand only] per month to `40,000 [Rupees Forty Thousand only] per month be paid to Shri. Kritkumar S. Patel, Whole Time Director of the Company, w.e.f. 1st August, 2010."

**"FURTHER RESOLVED THAT** where in a financial year during the currency of his tenure, the Company has no profits or its profits are inadequate the remuneration payable to him shall not exceed the ceiling limit prescribed in Section II of the part II of Schedule XIII to the Companies Act for the year, which will be payable to him as minimum remuneration for that year."

**8. TO CONSIDER AND IF THOUGHT FIT TO PASS, WITH OR WITHOUT MODIFICATION THE FOLLOWING AS AN ORDINARY RESOLUTION**

**"RESOLVED THAT** pursuant to section 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, if any, the approval of the members of the Company be and is hereby accorded to the increase in the Monthly remuneration from `25,000 [Rupees Twenty Five Thousand only] per month to `40,000 [Rupees Forty Thousand only] per month be paid to Shri. Dinesh P. Patel, Whole Time Director of the Company, w.e.f. 1st August, 2010."

**"FURTHER RESOLVED THAT** where in a financial year during the currency of his tenure, the Company has no profits or its profits are inadequate the remuneration payable to him shall not exceed the ceiling limit prescribed in Section II of the part II of Schedule XIII to the Companies Act for the year, which will be payable to him as minimum remuneration for that year."

**9. TO CONSIDER AND IF THOUGHT FIT TO PASS, WITH OR WITHOUT MODIFICATION THE FOLLOWING AS AN ORDINARY RESOLUTION**

**"RESOLVED THAT** the Company in General Meeting hereby re-appointed M/s. Ashok P. Pathak & Co., Company Secretaries for obtaining from them the Compliance Certificate pursuant to the Provisions under Section 383 A (1) of the Companies Act, 1956 (the Act) and those under the Companies (Compliance Certificate) Rules, 2001, on such remuneration as shall be fixed by the Chairman, exclusive of traveling and other out of pocket expenses."

**"RESOLVED FURTHER THAT** the appointee shall examine the Compliance of the provisions under the Act in respect of the Financial Year ending on 31st March, 2011."

**Regd. Office :**

Plot No. 3311, Unit No. 2,  
GIDC Industrial Estate,  
Village Chhatral, Phase-IV  
Taluka Kalol,  
Dist. Gandhinagar (N.G.)  
Gujarat

**By Order of the Board**  
For, Minaxi Textiles Ltd.

**Bharatbhai P. Patel**  
Managing Director

**Date : 31/07/2010**

**NOTES :-**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. An explanatory statement pursuant to section 173(2) of the Companies Act, 1956, in respect of special business in the Notice is annexed hereto. The relevant details has stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges(s), in respect of Directors seeking appointments / re-appointments as directors under Item Nos. 2 to 4 and 6 to 8 above, are also annexed hereto.
3. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days, except Sundays, between 11 A.m. and 1 p.m. up to the date of meeting.
4. The register of Members and the Share Transfer Books of the Company will remain closed from Friday, 24th day of September, 2010 to Thursday, 30th day of September, 2010 (both days inclusive)
5. Members are requested to contact M/s. Sharepro Services (India) Pvt. Ltd, 13AB, Samhita Ware-housing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri East, Mumbai-400072 for recording any change of address, bank mandate, ECS or nominations, and for redressal of complaints contact the Compliance Officer Shri. Bharatbhai Mehta at the Registered Office of the Company.
6. The equity shares of the company are available for dematerialization, as the company has entered into an agreement with National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL). Those shareholders who wish to hold the company's share in electronic form may approach their depository participants.
7. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
8. Members are requested to bring their copies of Annual Report at the meeting. Shareholders seeking any information with regard to account are requested to write to the Company early so as to enable the Management to keep the information ready
9. Members / Proxies are requested to bring with them the attendance slip duly filled in and hand it over at the entrance.

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Gujarat

**By Order of the Board  
For, Minaxi Textiles Ltd.**

**Bharatbhai P. Patel  
Managing Director**

Date : 31/07/2010

**ANNEXURE TO THE NOTICE**

Notes on Directors seeking appointment / re-appointment at the annual general meeting as required under the revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

**Profile of Directors being Appointed / Re-appointed :****Item No 2**

Name	Shri. Dharmendra N. Patel
Qualification	Commerce Graduate
Experience	22 years in the business in which company operates
Other directorship	NIL
Chairman / Member of the Committees of the Board of the other companies on which he is a director	None
No. of shares held in the company	NIL
Disclosure of the relationships	Shri. Dharmendra N. Patel is not, in any way, concerned / interested / related with any of the other directors of the company

**Item No 3**

Name	Shri. Dineshbhai P. Patel
Qualification	Diploma In Civil Engineering
Experience	20 years in the business in which company operates
Other directorship	NIL
Chairman / Member of the Committees of the Board of the other companies on which he is a director	None
No. of shares held in the company	4110697
Disclosure of the relationships	Shri. Dineshbhai P. Patel is not, in any way, concerned / interested / related with any of the other directors of the company

**Item No 4**

Name	Shri. Kirittkumar S. Patel
Qualification	Diploma in Civil Engineering
Experience	23 years in the business in which company operates
Other directorship	NIL
Chairman / Member of the Committees of the Board of the other companies on which he is a director	None
No. of shares held in the company	3828116
Disclosure of the relationships	Shri. Kirittkumar S. Patel is brother in law of Shri. Bharatbhai P. Patel, Managing Director of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

The Explanatory statement pursuant to section 173 of the Companies Act, 1956 set out all material facts relating to the Special Business mentioned in the accompanying Notice are as follows :

**ITEM NO 6**

Subject to approval of the members, the Board of Directors at their meeting held on 31st July, 2010 had approved revision in the salary of Shri. Bharatbhai P. Patel, Managing Director from `50,000 p.m. to `80,000 p.m. with effect from 1st August, 2010. The present term of office of Shri. Bharatbhai P. Patel will be expiring on 31st July, 2013. Other terms and conditions will be remained same as per the resolutions passed at the 13th annual general meeting held on 30th September, 2008.

Taking into account financial position of the company, trend in the industry, and qualifications and experience of Shri. Bharatbhai P. Patel, the increased remuneration set out in the resolution is considered to be just, fair and reasonable

The resolution at Item No 6 of the Notice seeks the approval of the members for the increase in remuneration. Your directors recommend the resolution to the shareholders for adoption.

This shall be treated as circular of abstracts to the members as required under section 302 of the Companies Act, 1956.

Shri. Bharatbhai P. Patel may be considered as interested in his appointment. However, none of the Directors may be considered to be concerned or interested in this appointment.

**ITEM NO 7**

Subject to approval of the members, the Board of Directors at their meeting held on 31st July, 2010 had approved revision in the salary of Shri. Kiritkumar S. Patel, Whole Time Director from `25,000 [Rupees Twenty Five Thousand only] per month to `40,000 [Rupees Forty Thousand only] per month with effect from 1st August, 2010. The present term of office of Shri. Kiritkumar S. Patel will be expiring on 31st January, 2014. Other terms and conditions will be remained same as per the resolutions passed at the 14th annual general meeting held on 30th September, 2009.

Taking into account financial position of the company, trend in the industry, and qualifications and experience of Shri. Kiritkumar S. Patel, the increased remuneration set out in the resolution is considered to be just, fair and reasonable.

The resolution at Item No 7 of the Notice seeks the approval of the members for the increase in remuneration. Your directors recommend the resolution to the shareholders for adoption.

This shall be treated as circular of abstracts to the members as required under section 302 of the Companies Act, 1956.

Shri. Kiritkumar S. Patel may be considered as interested in his appointment. However, none of the Directors may be considered to be concerned or interested in this appointment.

**ITEM NO 8**

Subject to approval of the members, the Board of Directors at their meeting held on 31st July, 2010 had approved revision in the salary of Shri. Dinesh P. Patel, Whole Time Director from `25,000 [Rupees Twenty Five Thousand only] per month to `40,000 [Rupees Forty Thousand only] with effect from 1st August, 2010. The present term of office of Shri. Dinesh P. Patel will be expiring on 31st July, 2013. Other terms and conditions will be remained same as per the resolutions passed at the 13th annual general meeting held on 30th September, 2008.

Taking into account financial position of the company, trend in the industry, and qualifications and experience of Shri. Dinesh P. Patel, the increased remuneration set out in the resolution is considered to be just, fair and reasonable

The resolution at Item No 8 of the Notice seeks the approval of the members for the increase in remuneration. Your directors recommend the resolution to the shareholders for adoption.

This shall be treated as circular of abstracts to the members as required under section 302 of the Companies Act, 1956.

Shri. Dinesh P. Patel may be considered as interested in his appointment. However, none of the Directors may be considered to be concerned or interested in this appointment.



**ITEM NO 9**

The proviso to Section 383 A (1) of the Companies Act, 1956 read with Rule 2 of the Companies (Appointment and Qualifications of Secretary) Rules 1988, every Company not required to employ a Whole-Time Secretary and having a paid-up Share Capital of Rs.10.00 Lac or more shall file with the Registrar a Certificate from a Secretary in Whole-Time Practice in such form and within such time and subject to such conditions as may be prescribed, as to whether the Company has complied with the provisions of the Companies Act, 1956 and a copy of such certificate shall be attached with Boards' Report referred to Section 217.

In view of the above amendment to the Companies Act, 1956 vide the Companies (Amendment) Act, 2000, the Company is required to re-appoint the Secretary in Whole-Time Practice for obtaining from him / them the Compliance Certificate pursuant to the provisions under Section 383 A (1) of the Companies Act, 1956 and under the Companies (Compliance Certificate) Rules 2001, as the Paid up Share Capital of the Company is fall within the limits prescribed under Section 383 A (1).

The Board of Directors recommended the passing of the Resolution.

None of the Directors is in any way concerned or interested in this Resolution.

**Regd. Office :**

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Dist. Gandhinagar (N.G.)  
Gujarat

**By Order of the Board**  
For, Minaxi Textiles Ltd.

**Bharatbhai P. Patel**  
Managing Director

Date : 31/07/2010

**DIRECTORS' REPORT**

To,  
**The Members,**  
**Minaxi Textiles Ltd,**  
 Village : Chhatrat

Your directors have pleasure in presenting herewith their Fifteenth Annual Report together with the Audited Statements of Accounts for the period ended on 31<sup>st</sup> March, 2010.

**PERFORMANCE HIGHLIGHTS :**

Particulars	(Rs.)	
	Current year Ended on 31/03/2010	Current year Ended on 31/03/2009
Sales & Job Work Income	124442812	87829878
Other Income	8129908	163024
Profit Before Tax	7107284	3765946
Less : Provision for Current Tax	1100000	400000
Income Tax pertaining to earlier years	50890	-14676
Deferred Tax	1551775	340058
Fringe Benefit Tax	NIL	64000
Mat Credit Entitlement	1100000	NIL
Profit after Tax	5504600	2976564
Add : Balance Brought Forward	1526751	-1449813
Balance carried to Balance Sheet (Surplus)	7031351	1526751

**DIVIDEND :**

OTo Conserve the resources for the expansion projects under pipeline, your directors do not recommend any dividend for the financial year ended on 31<sup>st</sup> March, 2010

**BUSINESS PERFORMANCE & PROSPECTS :**

During the year under report, the company has achieved a gross turnover of `1244.42 Lac as compared to `878.29 Lac during the previous year and the operations for the year under review has resulted into Net Profit of `55.04 Lac. Your company could achieve sustained growth in business due to continued pursuit of our strategy to work with innovation ideas, developing new areas of its activities and reducing cost of products through process innovation. Directors are hoping even better performance during the current year.

There was a fire on 21<sup>st</sup> March, 2010 in factory premises situated at Chhatrat in Cut & Brush Machines Department and grey cloth lying in the department totally burnt in fire. The company has made Insurance claim with the insurance company and it expect to receive 80 Lacs, claim proceeds during the year 2010-11.

A detailed analysis of the financial results is given in the Management Discussion and Analysis Report, which forms part of this report.

**Expansion Project**

During the current year 2009-10, the company has replaced 39 second hand Sulzer Weaving machines and install 25 machines Shuttle less, Automatic, Sulzer Weaving machines – P.U. model cost ₹285 Lac which has improved the quality, productivity and efficiency. As a result turnover of the company increase by 70% during the year Compare to last year.

**FINANCE :**

The Company is at present enjoying financial assistance in the form of working capital facilities and term loan from Bank of India, Main Branch, Bhadra, Ahmedabad. During the year under review, the company regularly paid the principal and Interest to the Bank.

**PUBLIC DEPOSIT :**

The Company has not accepted any public deposits as defined under section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975, as amended during the year under review.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO :**

The information relating to conservation of Energy, Technology, Absorption and Foreign Exchange Earning / Outgo as required under section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given by way of annexure attached hereto which forms part of this report.

**PARTICULARS OF EMPLOYEES :**

Provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company, since none of the employees of the Company was in receipt of total remuneration exceeding of ₹24,00,000 p.a. or ₹2,00,000 p.m. for part of the year during the financial year under review.

**BOARD OF DIRECTORS :**

In accordance with provisions of Section 256 of the Companies Act, 1956, Shri. Dharmendra N. Patel, Shri. Dineshbhai P. Patel, Shri. Kirittkumar S. Patel retires by rotation and being eligible offers themselves for re-appointment.

**CONSTITUTION OF AUDIT COMMITTEE :**

The Board of directors of the company has constituted an Audit Committee comprising four independent Non-Executive Directors viz., Shri. Jashwantkumar K. Patel, Chairman (having financial and accounting knowledge), Shri.. Vasudevabhai L. Patel, Shri. Dharmendra N. Patel and Shri. Ghanshyambhai C. Patel. The constitution of Audit Committee meets with the requirements under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing agreement of the Stock Exchanges as well.

The Committee periodically discussed the Financial Reporting process, reviewed the Financial Statements, and discussed the quality of the applied accounting principles and significant judgment that affected the Company's Financial Statements. Before presenting the audited accounts to the members of the Board, the Audit Committee recommended the appointment of the statutory auditors, subject to the Board's approval. The audit Committee reviewed with adequacy of internal control systems with the management, statutory and internal auditors.

**ACCOUNTING STANDARDS AND FINANCIAL REPORTING :**

The Company incorporates the accounting standards as and when issued by the institute of Chartered Accountants of India. The Company complied with the Stock Exchange and legal requirement concerning the Financial Statements at the time of preparing them for the Annual Report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :**

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement executed with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

**CORPORATE GOVERNANCE :**

Your Company follows the principles of effective Corporate Governance. The Company has complied with the mandatory provisions of Corporate Governance as prescribed in the revised Clause 49 of the Listing Agreement executed with the Stock Exchange(s).

A separate section on Corporate Governance is included in the Annual Report and Certificate from Company's Auditors confirming the compliance with the code of Corporate Governance as enumerated in Clause-49 of the listing agreement with the Stock Exchange is annexed hereto.

**DEMATERIALISATION OF EQUITY SHARES :**

As per direction of the SEBI and the Bombay Stock Exchange Limited, the shares of the Company are under compulsory demat form. The Company has established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) and the demat activation number allotted to the Company is ISIN : INE52C01010. Consequent to sub-division of equity shares of `10 each into the equity shares of `1 each, the new ISIN allotted to the Company is ISIN : INE952C01028. Presently shares are held in electronic and physical mode (95.70% of shares in demat, 4.30% in physical mode.)

**LISTING :**

The equity shares of the company are listed in the Bombay Stock Exchange Limited which has the connectivity in most of the cities across the country.

**AUDITORS :**

M/s. R.R.S & Associates, Chartered Accountants, Ahmedabad retire at the conclusion of this ensuing Annual General Meeting. The Company has received a certificate under Section 224 (1) (B) of the Companies Act, 1956 to the effect that their re-appointment, if made will be in accordance to the limit specified in the said Section. You are requested to consider their re appointment as Auditors of the Company for the Current Year.

**AUDITORS REPORT :**

The comments in the Auditors Report with Notes on Accounts referred to the Auditor's Report are self explanatory and, therefore do not call for any further explanation.

**RE-APPOINTMENT OF COMPANY SECRETARY IN WHOLE-TIME PRACTICE :**

M/s Ashok P. Pathak & Co., Company Secretaries, retire at the conclusion of ensuing Annual General Meeting. You are requested to consider their appointment for the Financial Year 2010-2011.

**SECRETARIAL COMPLIANCE CERTIFICATE :**

The Compliance Certificate pursuant to the provisions of Section 353A(1) of the Companies Act, 1956 as to be filed separately with e-Form No.86 is forming part of the Directors' Report.

**INSURANCE :**

The company has made necessary arrangements for adequately insuring its insurable interests.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibilities Statement, it is hereby confirmed:

- (i) that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Director had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the Financial Year and of the Profit or Loss of the Company for the Company for the year under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of Adequate accounting records in according with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the accounts for the Financial Year ended 31st March, 2010, on a going concern basis.
- (v) that the company has adequate internal systems and controls in place to ensure compliance of laws applicable to the company.

**INDUSTRIAL RELATIONS :**

The directors are happy to note that the industrial relations continued to remain cordial during the year. The directors express their appreciation towards the workers, staffs and executive staffs for their coordination and hope for a continued harmonious relations.

**ACKNOWLEDGMENT :**

Your directors would like to express their grateful appreciation for the assistance and co-operation received from the Government, Banks, Customers, Suppliers and Business associates during the year under review. The Directors also express their gratitude to the shareholders for the confidence reposed towards the Company. Your Directors wish to place on record their deep sense of appreciation to all the employees for their commendable team work and enthusiastic contribution during the year.

**Regd. Office :**

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Gujarat

**By Order of the Board**  
For, Minaxi Textiles Ltd.

**Bharatbhal P. Patel**  
Managing Director

Date : 31/07/2010

**ANNEXURE FORMING PART OF DIRECTOR'S REPORT**

Disclosure of particulars with respect to conservation of energy as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Report of Board of Directors for the ended 31<sup>st</sup> March, 2010.

**A. CONSERVATION OF ENERGY :****(a) Energy Conservation Measures taken :**

All the Possible steps step have taken to ensure reduction in the consumption of electricity and fuel

**(b) Additional investment in proposal if any being implemented for reduction of consumption of energy:**

No additional investment is envisaged.

**(c) Impact of above measures :**

As a result of the measures taken, consumption of electricity and fuel has been kept at possible reasonable level during the year.

**B. TECHNOLOGY ABSORPTION :**

Efforts made in Technology absorption. NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

- a. Activities relating to export initiatives taken to increase exports, development of new export markets for products and services and export plans.

During the coming year we are actively looking to expand export activity to cover a wider geographical market

b. Foreign exchange outgo : Rs. NIL

Foreign exchange earned. : Rs. NIL

**MINAXI TEXTILES LTD.****YEAR 2009-2010****FORM A****(DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY)**

	<b>Particulars</b>	<b>2009-2010</b>	<b>2008-2009</b>
<b>(1)</b>	<b>Power and Fuel Consumption :</b>		
	<b>1. Electricity</b>		
	Purchased Power (units)	1318155	775088
	Total Amount	7188212	4335175
	Rate (unit)	5.45	5.59
	<b>2. Boiler Fuel</b>		
	Quantity (kg)	NIL	NIL
	Total Amount	NIL	NIL
	Average Rate (kg)	NIL	NIL
	<b>3. (a) LNG Gas</b>		
	In SCM	NIL	NIL
	In "	NIL	NIL
	Average Rate	NIL	NIL
	Total Units	NIL	NIL
	Rate per Unit	NIL	NIL
	<b>(b) L.E.O.</b>		
	In Liters	NIL	NIL
	In "	NIL	NIL
	Average Rate	NIL	NIL
	Total Units	NIL	NIL
	Rate per Unit	NIL	NIL
	<b>(c) Furnace Oil (Diesel)</b>		
	In Liters	2100	1969
	In Amount	74824	75514
	Average Rate (Rs/Lt.)	35.63	37.96
<b>(B)</b>	<b>Consumption per unit of production :</b>		
	In view of the multiplicity of products, its is not practical to apportion consumption of utilities per unit of production.		



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A. BUSINESS HIGHLIGHTS :****Turnover :**

Minaxi Textiles Limited has achieved a turnover of ` 1244.42 in 2009-2010 as against ` 878.29 Lac during the previous year recording a growth of over 70.58%.

**Other Income :**

Other income mainly consists of Interest Income. Other income for the year amounted to ` 81.29 Lac as against ` 1.63 Lac during the previous year.

**Material Costs :**

Purchase costs includes raw material consumption for the year was ` 942.24 Lac as against ` 664.12 Lac during the previous year. Inventory of raw materials has gone up during the year by ` 26.24 Lac.

**Manufacturing Expenses :**

Purchase Cost also includes manufacturing expenses mainly comprises Power & Fuel ` 71.92 Lac, repairs & maintenance ` 8.56 Lac, as against ` 43.35 Lac and ` 4.57 Lac respectively during the previous year.

**Employee Emoluments :**

Employees emoluments is ` 57.67 Lac during the year as against ` 51.82 Lac during the previous year.

**Administrative, Selling and Other Expenses :**

Major components of administrative, selling and other expenses include rent, postage, stationary, audit fees, traveling, commission on sales etc. Administrative, selling and other expenses for the year amounted to ` 41.87 Lac as against ` 31.34 Lac during the previous year. This expenses accounted for 3.36% of sales during the year as against 3.57% during the previous year.

**Interest and Finance Charges :**

Interest and finance charges during the year come to ` 54.26 Lac as against ` 18.99 Lac during the previous year.

**Depreciation :**

Depreciation charge for the current year came to ` 38.56 Lac as against ` 23.63 Lac during the previous year.

**Provision for Tax :**

Provision made during the year towards current tax was `11.00 Lac. The Company has also provided `15.51 Lac towards deferred tax during the year as against `3.40 Lac during the previous year.

**Profit / Loss after Tax :**

Profit after tax for the current year is `55.04 Lac as against Profit of `29.76 Lac occurred during the previous year.

**Earnings per Share :**

Basic and diluted earnings per share for the current year works out to `0.10 as against `0.05 during the previous year.

**Financial Condition :****Secured loans :**

Secured loans stood at `752.61 Lac as at 31st March, 2010 as against `445.69 Lac as at 31st March, 2009.

**Inventories :**

Major items of inventories as of 31<sup>st</sup> March, 2010 are as under :

Particulars	(Rs. in Lac)	
	2009-2010	2008-2009
Raw Materials	67.87	90.17
Stores, spares etc.	7.97	5.19
Finished goods	157.30	111.80

**Debtors :**

Debtors as on 31st March, 2010 amounted to `347.01 Lac as against `302.72 Lac during the previous year.

**Fixed Assets :**

Gross block of the fixed assets at the end of the year was `1048.18 Lac compared to previous year's figure of `780.23 Lac.

**B. SEGMENT WISE PERFORMANCE :**

The company is operating in only one segment i.e. Textiles. Your company has adopted various marketing strategies for sustained growth including increase in number of clients / customers to reduce the dependency on any single client / customer.

**C. AN INDUSTRY OVERVIEW :**

The management is confident of improvement in the demand of company's products in the near future. The unit of the company is eco-friendly and have already adopted the concept of its products and recycle of waist.

The scenario of the textile industry and economy in general is buoyant even after the industry is exposed to global competition with globalization policy of the government. The industry is facing problems for availability of raw materials and high cost of power and steam. The process of development, increasing thrust of the government on the textiles industry, the future of industry appears quite bright.

**D. SWOT ANALYSIS OF THE COMPANY :****Strength :**

- Management depth and ability to manage client relationships
- R & D capabilities to develop efficient and cost effective process at short notice having a State of the Art dedicated R & D Center
- Multi-purpose and multi-production facilities having Quality Certifications
- Enhanced presence in the market through clientele basis

**Opportunities and Threats :**

The textiles industry is subject to tough competition amongst various segments of manufactures within and outside the country. The threat of competition is comparatively less in the product which your company is manufacturing. The increase in demand from business sector in terms of job works will provide opportunity to your company to increase its sale and capture more market share. Moreover, Indian textiles industry witnessing changes in business dynamics.

**E. RISKS AND CONCERNS :**

Your company is mainly focusing on R & D and manpower and the intelligence. Apart from the risk on account of interest rate and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions. The company has taken necessary measures to safe guard its assets and interest etc.

**F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

The company has proper and adequate system of Internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and to monitor internal business process, financial reporting an compliance with applicable laws.

The internal control system has been designed so as to ensure that the financial and other records are reliable and reflects a true and fair view of the state of the Company's business.

A qualified and independent committee of the Board of Directors actively reviews the adequacy and effectiveness of Internal control systems and suggests improvements for strengthening them.

**G. INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT :**

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives. The company continues to attract talent both from within and outside India to further its business interests. Industrial relations continue to be cordial.

**Cautionary Statement :**

Statement made in the Management Discussion & Analysis describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.

**CORPORATE GOVERNANCE REPORT**

**Corporate Governance and practices in accordance with the provisions of the Revised Clause 49 of the Listing Agreement :**

**1. Company's philosophy on Code of Governance :**

The Company's Philosophy on investor service and protection envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders including shareholders, employees, the government and lenders. The Company is committed to achieving the highest standards of corporate governance. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time. The Company continues to take necessary steps towards achieving this goal.

**2. Board of Directors :****Composition :**

The present Board of Directors consists of half of non-executive/independent directors. As of date, the Board Comprises of 3 (Three) whole time / executive directors and 1 (One) non-executive and 4 (Four) non-executive / independent directors.

The number of non-executive/independent directors is 50% of the total number of directors. The Company, therefore, meets with the requirements relating to the composition of the Board of Directors.

The composition and category of Directors are as follows :

<b>CATEGORY</b>	<b>NAME OF DIRECTORS</b>	
<b>Promoter &amp; Executive Directors</b>	Shri. Bharatbhai P. Patel	Managing Director
	Shri. Dineshbhai P. Patel	Whole Time Director
	Shri. Kirtikumar S. Patel	Whole Time Director
<b>Promoter &amp; Non-Executive Director</b>	Shri. Kanubhai S. Patel	Chairman
<b>Independent &amp; Non-Executive Directors</b>	Shri. Jashwantkumar K. Patel	
	Shri. Vasudevabhai L. Patel	
	Shri. Ghanshyambhai C. Patel	
	Shri. Dharmendra N. Patel	

**Disclosure of relationships between Directors Inter-se :**

<b>Name of directors</b>	<b>Relationship with other Director</b>
Shri. Kanubhai S. Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Shri. Bharatbhai P. Patel	Shri. Bharatbhai P. Patel is brother in law of Shri. Kiritkumar S. Patel.
Shri. Dineshbhai P. Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Shri. Kiritkumar S. Patel*	Shri. Kiritkumar S. Patel. Is brother in law of Shri. Bharatbhai P. Patel.
Shri. Jashwantkumar K. Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Shri. Vasudevabhai L. Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Shri. Ghanshyambhai C. Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Shri. Dharmendra N. Patel**	Not, in any way, concern / interested / related with any of the other directors of the company

**1.1 Attendance of each Director at the Board meetings, Last Annual General Meeting and Number of Other Directorships and Chairmanships / Memberships of Committees of each Director in various companies, during the year 2009-2010 :**

	<b>Board Meeting</b>	<b>Last AGM</b>	<b>Other Direc.</b>	<b>Committee Member</b>	<b>Committee Chairmen</b>
Kanubhai S Patel	8	Present	None	None	None
Bharatbhai P. Patel	8	Present	None	1	1
Shri. Dineshbhai P. Patel	8	Present	None	1	None
Shri. Kiritkumar S. Patel	8	Present	None	1	None
Shri. Jashwantkumar K. Patel	8	Present	None	1	1
Shri. Vasudevabhai L. Patel	8	Present	None	1	None
Shri. Ghanshyam C. Patel	8	Present	None	1	None
Shri. Dharmendra N. Patel	8	Present	None	1	None

**Note :**

- I) Details of the Committee membership/chairmanship is in accordance with the Revised Clause 49 of Listing Agreement.
- II) None of the Directors of the Company is a member of more than ten committees nor is the Chairman of more than five Committees across all the Companies in which he is a Director.

**1.2 Number of Board Meetings held and the dates on which held**

8 (Eight) Board Meeting were held during the year 2009-2010, as against the minimum requirement of 4 meetings. The dates on which the meetings were held are : 30/04/2009, 18/07/2009, 23/07/2009, 10/10/2009, 31/10/2009, 07/12/2009, 30/01/2010 and 28/03/2010.

The Company has held one meeting every quarter and the maximum time gap between any two meetings was not more than four months.

The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board meeting to enable the Board to take informed decisions. Where it is not practicable to attach supporting/relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the Agenda.

**1.3 CEO / MD Certification :**

The Managing Director of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The Managing Director also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41.

**1.4 Code of Conduct :**

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Clause 49(I)(D) of the Listing Agreement.

**1.5 Risk Management Policy :**

The Company has formulated a Corporate Policy applicable to its operations, and duly approved by the Board of Directors at its meeting held on 31<sup>st</sup> March, 2008 in compliance with the requirement of the revised Clause 49 of the Listing Agreement with the Stock Exchanges. Audit Committee and Board Members are reviewing and updating the said policy periodically.

**3. Audit Committee**

The Board of Directors of the Company has constituted an Audit Committee and has been reconstituted from time to time. The said Committee has been reconstituted by inducting qualified and independent members on the Committee, by the Board of directors of the company at its meeting held on 26<sup>th</sup> March, 2009. Presently, the Audit Committee comprises of 4 (Four) Independent Non-Executive Directors namely Shri. Jashwantkumar K. Patel, chairman, Shri. Vasudevbbhai L. Patel, Shri. Ghanshyambhai C. Patel and Shri. Dharmendra N. Patel, members of the committee. The constitution, composition and functioning of the Audit Committee also meets the requirements of Section 292A of the Companies Act, 1956 and revised Clause – 49 of the Listing Agreement entered into with the Stock Exchanges.

**Terms of Reference :**

The terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the revised Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956

**Powers of the Audit Committee :**

The Audit Committee has powers that include the following :

- a) To investigate any activity of the Company within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal and other professional advice
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.



**MINAXI TEXTILES LTD.****YEAR 2009-2010****Attendance of each Member of Audit Committee meetings held during the year ended on 31<sup>st</sup> March, 2010**

<b>Name of Directors</b>	<b>Category</b>	<b>Status/ Designation</b>	<b>No. of Meeting attended</b>
<b>Shri. Jaswantkumar K. Patel</b>	<b>Non-executive/ Independent</b>	<b>Chairman</b>	<b>4</b>
<b>Shri. Vasudevbal L. Patel</b>	<b>Non-executive/ Independent</b>	<b>Member</b>	<b>4</b>
<b>Shri. Ghanshyam C. Patel</b>	<b>Non-executive/ Independent</b>	<b>Member</b>	<b>4</b>
<b>Shri. Dharamendra N. Patel</b>	<b>Non-executive/ Independent</b>	<b>Chairman</b>	<b>4</b>

The Committee met 4 (four) times during the year 2009-2010. The dates on which the Audit Committee meetings were held are 30/04/2009, 23/07/2009, 31/10/2009 and 30/01/2010. The maximum time gap between any two meetings was not more than four months. Members of the Audit Committee have requisite financial and management expertise. Shri. Jaswantkumar K. Patel has, being a chairman of the Audit Committee, attended the last Annual General Meeting held on 30th September, 2009.

**4. Remuneration Committee (non-mandatory)**

The Company has not constituted the Remuneration Committee. But the Audit Committee is entrusted with the responsibility of finalizing the remuneration of Executive / Whole Time Directors.

**5. Shareholders' and Investors' Grievance Committee**

The Board of Directors of the Company has constituted a Shareholders' and Investors' Grievance Committee which was constituted from time to time. Presently, the Shareholders and Investors Grievance Committee comprises of three directors namely Shri. Bharatbhai P. Patel, Chairman of the Committee, Shri. Kirtikumar S. Patel and Shri. Dineshbhai P. Patel. The Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipts of balance sheet, non-receipt of declared dividends etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.

The Board has designated Shri. Bharatbhai Mehta, Manager as the Compliance Officer. As required by the provisions of Clause 47(f) of the Listing Agreement, the Company has designated the below cited email ID of the grievance redressal division / compliance officer exclusively for the purpose of registering complaints by investors. E-Mail ID : [minaxitb@yahoo.com](mailto:minaxitb@yahoo.com)

The total number of complaints received and replied to the satisfaction of shareholders during the year under review was NIL and outstanding complaints as on 31<sup>st</sup> March, 2010 was NIL.

None of the request for transfers, dematerialization and re-materialization was pending for approval as on 31<sup>st</sup> March, 2010.

**6. Annual General Body Meetings.**

Location, date and time for last three Annual General Meetings were as follows

Year	Location	Date	Time
2006-07	Plot No. 3311, Unit No. 2; GIDC Industrial Estate, Phase-IV, Village: Chhatral, Taluka : Kalol, Dist. : Gandhinagar	29/09/2007	10:00 a.m.
2007-08	Plot No. 3311; Unit No. 2, GIDC Industrial Estate, Phase-IV, Village: Chhatral, Taluka : Kalol, Dist. : Gandhinagar	30/09/2008	10:00 a.m.
2008-09	Plot No. 3311, Unit No. 2, GIDC Industrial Estate, Phase-IV, Village: Chhatral, Taluka : Kalol, Dist. : Gandhinagar	30/09/2009	11:00 a.m.

Pursuant to the provisions of Section 192A of the Companies Act, 1956 there was no matter required to be dealt by the company to be passed through Postal Ballot.

Whether any Special Resolutions :

- (a) Were put in the previous AGM : No  
(b) Were put through Postal Ballot last year : No  
Details of voting pattern : N.A.  
Persons who conducted postal ballot exercise : N.A.  
(c) Are proposed to be conducted through postal ballot : No  
(d) Procedure for postal ballot : N.A.

**7. Disclosures :**

- 7.1** There are no materially significant related party transactions i.e. transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflicts with the interests of the company at large in the financial year 2009-2010.
- 7.2** There has been no instance of non-compliance by the company on any matter related to capital markets, during the last three years and hence no penalties or strictures have been imposed on the company by Stock Exchange(s) or SEBI or any other statutory authority.
- 7.3** The Company has complied with all the mandatory requirements of the Revised Clause 49 of the Listing Agreement.

**8. Means of Communication**

The Company regularly intimates quarterly un-audited as well as yearly audited financial results to the Stock Exchanges, immediately after the same are taken on record by the Board. This results are normally published in an English daily newspaper and in a Gujarati Daily Newspaper. These are not sent individually to the Shareholders.

All price sensitive information and announcements are communicated immediately after the Board decisions to the Stock Exchanges, where the company's share are listed, for dissemination to the Shareholders.

**9. General Shareholder Information**

**9.1 Fourteenth Annual General Meeting**

- Date : 30<sup>th</sup> day of September, 2010  
Time : 10:00 a.m.  
Venue : Plot No. 3311, Unit No. 2, Phase-IV, GIDC Industrial Estate, Village : Chhatral, Taluka : Kalol, Dist. Gandhinagar (N.G.)

As required under Clause 49(IV)(G)(i), particulars of Directors seeking appointment/re-appointment are given in Annexure to the Notice of the Annual General Meeting to be held on 30<sup>th</sup> September, 2010.

**9.2 Financial Year / Calendar (tentative)**

The Company follows April to March as its Financial Year. The results for every quarter beginning from April are being declared in the month following the quarter as per the Listing Agreement.

**9.3 Date of Book Closure**

From Friday, 24<sup>th</sup> day of September, 2010 To Thursday, 30<sup>th</sup> day of September, 2010 (both days Inclusive), for holding the Annual General Meeting for the financial year 2009-2010.

**9.4 Listing of Equity Shares on Stock Exchanges at : Bombay Stock Exchange Limited.**

Annual listing fees for the year 2010-2011, as applicable, has been paid.

**Stock Code**

Bombay Stock Exchange Limited : 531456

Demate ISIN Number in NSDL & CDSL for Equity Shares : INE952CO1010

New ISIN in NSDL & CDSL for Equity Shares : INE952CO1028

**9.5 Market Price Information and Other Information concerning the shares**

The table below sets forth, for the periods indicated, the Closing high and low and volume of trading activity on the BSE for the shares

Month	Bombay Stock Exchange (BSE)		
	High (Rs.)	Low (Rs.)	Volume Traded
April, 2009	0.61	0.50	195975
May, 2009	0.82	0.57	380348
June, 2009	1.02	0.82	1095598
July, 2009	0.87	0.65	459282
August, 2009	1.08	0.82	852402
September, 2009	0.91	0.79	490312
October, 2009	0.83	0.65	482323
November, 2009	0.82	0.72	335257
December, 2009	1.79	0.73	2424867
January, 2010	1.85	1.40	2140122
February, 2010	1.48	1.19	669329
March, 2010	1.20	1.01	1330604
		<b>TOTAL</b>	<b>10865419</b>

**9.6 Registrar and Transfer Agents**

Sharepro Services (India) Private Limited  
 13AB, Samhita Ware-housing Complex,  
 2nd Floor, Sakinaka Telephone Exchange Lane  
 Off. Andheri-Kurla Road, Sakinaka, Andheri East,  
 Mumbai - 400072

**9.7 Share Transfer / Demat System**

All the shares related work is now onwards being undertaken by our R & T Agent, Sharepro Services (India) Private Limited, Mumbai-400072. To expedite the process of share transfer, transmission, split, consolidation, re-materialization and dematerialization etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's R & T Agent under the supervision and control of the Compliance Officer Shri. Bharatbhai Mehta, who is placing a summary statement of transfer / transmission etc. of securities of the Company at the meeting of the Shareholders' and Investors' Grievance Committee.

Share lodged for transfer at the R & T Agents address in physical form are normally processed and approved within 15 days from the date of received, subject to the documents been valid and complete in all respect. Normally, all the request for dematerialization of shares are processed and the confirmation is give to the Depository within 15 days. The investors / shareholders grievances are also taken-up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary In Practice for due compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement

**9.8 Distribution Schedule and Shareholding Pattern as on 31<sup>st</sup> March, 2010**

Distribution of shareholding as on March 31, 2010					
No. of equity shares held	No. of holders	%	No. of shares	% of Total	
1 - 500	4165	81.20	7304885	14.78	
501 - 1000	518	10.10	4451885	9.00	
1001 - 2000	211	4.11	3235388	6.55	
2001 - 3000	84	1.64	2100058	4.25	
3001 - 4000	38	0.76	1302328	2.64	
4001 - 5000	20	0.39	830762	1.68	
5001 - 10000	52	1.01	3625167	7.34	
10001 and above	43	0.84	2849858	5.84	
<b>Total</b>	<b>100.00</b>		<b>49618888</b>	<b>100.00</b>	

**Shareholding Pattern as on March 31, 2010**

Sr. No.	Category	As on March 31, 2010		As on March 31, 2009	
		No. of Shares held	Voting Strength %	No. of Shares held	Voting Strength %
1	Promoters	16437126	33.26	15653426	31.68
2	Mutual Fund & UTI	24000	0.05	24000	0.05
3	Bank, Financial Institutions (FI's), Insurance Companies	NIL	NIL	NIL	NIL
4	Foreign Institutional Investors (FI's)	NIL	NIL	NIL	NIL
5	Private Bodies Corporate	4499731	9.11	3973204	8.04
6	Indian Public	28260522	57.19	29625420	59.95
7	Any other (i) Non Resident Indian	99525	0.20	99550	0.20
	(ii) Clearing Member	95095	0.19	40400	0.08
	<b>Total</b>	<b>49416000</b>	<b>100</b>	<b>49416000</b>	<b>100.00</b>

**9.9 Dematerialization of Shares and Liquidity**

The Company's Shares are in compulsory De-mate segment and Presently shares are held in electronic and physical mode (95.70% of shares in demat, 4.30% in physical mode). Company's shares are easily traded on Bombay Stock Exchange Limited.

**9.10 Out standing GDRs / DRs / Warrants or any Convertible Instruments**

- Not applicable.

**9.11 Plant Location**

Plot No. 3311, GIDC Industrial Estate,  
Phase-IV, Village- Chhatral, Taluka- Kalol,  
Dist. : Gandhinagar (N.G)

**9.12 Address for correspondence :**

a)	Investor correspondence for transfer / dematerialization of shares, payment of dividend on shares and any other query relating to the shares of the company.	Sharepro Services (India) Private Limited 13AB, Samhita Ware-housing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off. Andheri-Kurla Road, Sakinaka, Andheri East, Mumbai - 400072
b)	Any query on Payment of Dividend on shares and Annual Report	Plot No. 3311, Unit No.2, GIDC Industrial Estate, Phase-IV, Village Chhetrai, Taluka-Kalol, Dist. Gandhinagar (N.G), Gujarat Tel. No. : 91-02764-234008 e-Mail : <a href="mailto:minaxitx@yahoo.com">minaxitx@yahoo.com</a>

**9.13 Secretarial Audit Report**

The Secretarial Audit Report of the Company prepared in terms of SEBI Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002 reconciling the total shares held in both the depositories, viz NSDL and CDSL and in physical form with the total issued / paid-up capital of the Company were placed before the Board of Directors every quarter and also submitted to the Stock Exchange(s) every quarter.

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of Minaxi Textiles Limited.

We have examined the compliance of condition of corporate governance by M/s. Minaxi Textiles Limited ('the Company') for the year ended 31<sup>st</sup> March, 2010 as stipulated in Clause 49 of Listings Agreement of the company with Stock Exchanges. We have conducted our review on the basis of relevant records and documents maintained by the Company for the year ended 31<sup>st</sup> March, 2010 and furnished to us for the purpose of the review and the information and explanation given us by the Company during the review.

The compliance of condition of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation there of, 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 of 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 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 grievance is pending for period exceeding one month against the Company as per the records maintained by the Company.

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 management has conducted the affairs of the Company.

Place : Ahmedabad

Date : 31/07/2010

**R.R.S & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**RAJESH R SHAH**

**PARTNER**

**MEMBER SHIP NO.34549**



**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of Minaxi Textiles Limited.

We have examined the compliance of condition of corporate governance by M/s. Minaxi Textiles Limited ('the Company') for the year ended 31<sup>st</sup> March, 2010 as stipulated in Clause 49 of Listings Agreement of the company with Stock Exchanges. We have conducted our review on the basis of relevant records and documents maintained by the Company for the year ended 31<sup>st</sup> March, 2010 and furnished to us for the purpose of the review and the information and explanation given us by the Company during the review.

The compliance of condition of corporate governance is the responsibility of the management. Our examination was limited to procedure 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 of 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 Company has complied with the conditions of corporate governance as stipulated in the above – mentioned Listing Agreement.

In our opinion and to the best of our information and according to the explanations given to us, we certified that no investor grievance is pending for period exceeding one month against the Company as per the records maintained by the Company.

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 management has conducted the affairs of the Company.

Place : Ahmedabad  
Date : 31/07/2010

For, Ashok P. Pathak & Co.  
Company Secretaries

Ashok P. Pathak  
Company Secretary

ACS - 9939  
CP - 2662

**CEO / MD CERTIFICATION PURSUANT TO CLAUSE 49 (V)  
OF THE LISTING AGREEMENT**

To  
The Board of Directors  
Minaxi Textiles Limited,  
Plot No. 3311, GIDC  
Chhatral, Dist. Gandhinagar.

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR**

I, Bharatbhai P. Patel, Managing Director of the Company M/s. Minaxi Textiles Limited, hereby certify that for the financial year ending 31st March, 2010 on the basis of the review of the financial statements and the cash flow statement and to the best of my knowledge and belief that :

- 1 These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- 2 These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 3 There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2009-2010 which are fraudulent, illegal or in violation of the Company's code of conduct.
- 4 I accept responsibility for establishing and maintaining internal controls. I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies.
- 5 I further certify that :
  - a) there have been no significant changes in internal control during this year.
  - b) there have been no significant changes in accounting policies during this year.
  - c) there have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Place :

Chhatral

Date : 31/07/2010

Sd/-  
Bharatbhai P. Patel  
Managing Director

**SECRETARIAL COMPLIANCE CERTIFICATE**

CIN - L17119GJ1995PLC025007

Nominal Capital: ₹7,00,00,000/-

To,

The Members

**MINAXI TEXTILES LIMITED**

Plot No. 3311, Unit 2,

GIDC Industrial Estate, Phase-IV

Village Chhatral, Taluka Kalol

Dist. Gandhinagar (NG)-382729

We have examined the registers, records, books and papers of M/s. MINAXI TEXTILES LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31ST MARCH, 2010 (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year :

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the Rules made there under and generally all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act, and the Rules made there under.
3. The company, being a public limited company, comments are not required.
4. The Board of Directors duly met 8 (Eight) times respectively on 30/04/2009, 18/07/2009, 23/07/2009, 10/10/2009, 31/10/2009, 07/12/2009, 30/01/2010 and 26/03/2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed, in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members From Friday, 25th day of September, 2009 To Wednesday, 30th day of September, 2009 (both days inclusive).

6. The annual general meeting for the financial year ended on 31st March 2009 was held on 30/09/2009 after giving duly notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. As per the information and explanation provided to us, the company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13. **The Company has :**
  - (i) not made any allotment of securities during the financial year. The company has delivered all the certificates on lodgment thereof for transfer / transmission of securities during the year.
  - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - (iii) not required to post warrants to any members of the company as no dividend was declared during the financial year.
  - (iv) not declared any dividend, issued any debentures and has not accepted deposits, the question of transfer of dividend in the unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund does not arise.
  - (v) duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancies during the financial year.
15. The company has not appointed any managing director / whole time director / manager during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares/debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. The company has no redemption of preference shares/debentures during the financial year under review.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has unsecured loan from M/s. Ritesh Traders and yet to file Statement in lieu of Advertisement pursuant to the provisions of Section 58A of the Act.
24. The amount borrowed by the company during the financial year are within the borrowing limits of the Company.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.

28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The Company has deducted contribution towards Provident Fund during the financial year.

**ANNEXURE A - SECRETARIAL COMPLIANCE CERTIFICATE****Registers as maintained by the Company**

<b>Sr. No.</b>	<b>Section Number</b>	<b>Name of the Register</b>
1.	108	Register of Transfer
2.	143	Register of Charges
3.	150	Register of the Members
4.	183	Minutes of all meetings of Board of Directors
5.	183(1)	Minutes of General Meetings
6.	301	Register of Contracts
7.	303	Register of Directors
8.	307	Register of Directors' Shareholding

**ANNEXURE A - SECRETARIAL COMPLIANCE CERTIFICATE**

Forms / Documents / Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March, 2010.

**FOR THE YEAR 2009-2010 (01/04/2009 To 31/03/2010)**  
**REGISTRAR OF COMPANIES**

Sr. No.	e-Form No.	Relevant Section	Description	Date of Document
1.	e-Form 32	303(2)	Resignation of Shri. Rajnikant I. Patel from the post of his directorship by way of Board resolution dtd 26/03/2009.	01/04/2009
2.	e-Form 32	303(2)	Appointment of Shri. Dharmendra N. Patel as Additional Director of the Company w.e.f.26/03/2009	14/04/2009
3.	e-Form 32	135	Modification of Charge ID-10135006 by way of Supplemental Deed of Hypo. dated 16/07/2009 executed by the company to secure, modified, revised & increased fund based & non fund based aggregate limits of `426.00 Lac in favour of Bank of India, Main Branch, Ahmedabad.	27/07/2009
4.	e-Form 23	192	Increase in remuneration of Shri. Bharatbhai P. Patel as Managing Director w.e.f.01/08/2009 vide Board meeting held on 23/07/2009.	08/08/2009
5.	e-Form 17	138	Satisfaction of Charge ID-80040394 created on 31/03/1997 to secure credit limit of `43.00 Lac in favour of Bank of India, Main Branch, Ahmedabad. Date of Satisfaction 04/08/2009	18/08/2009
6.	e-Form 17	138	Satisfaction of Charge ID-80040395 created on 31/03/1997 and lastly modified on 07/12/2007 to secure credit limit of `173.00-Lac in favour of Bank of India, Main Branch, Ahmedabad. Date of Satisfaction 04/08/2009.	18/08/2009
7.	e-Form 17	138	Satisfaction of Charge ID-90098585 created on 31/03/1997 and lastly modified on 17/11/2008 to secure credit limit of `212.00 Lac in favour of Bank of India, Main Branch, Ahmedabad. Date of Satisfaction 04/08/2009.	18/08/2009
8	e-Form 32	303(2)	To confirm additional director Shri. Kiritkumar S. Patel as director at 14th Annual General Meeting held on 30/09/2009.	02/10/2009

**MINAXI TEXTILES LTD.****YEAR 2009-2010**

<b>Sr. No.</b>	<b>e-Form No.</b>	<b>Relevant Section</b>	<b>Description</b>	<b>Date of Document</b>
9.	e-Form 68	383A	Compliance Certificate for the Financial Year ended on 31/03/2009.	25/10/2009
10.	e-Form 23AC & e-Form 23ACA	220	Balance Sheet, Profit Loss Account, Auditors Report, Directors Report etc. for the Financial Year 2008-2009.	02/11/2009
11.	e-Form 8	135	Modification of Charge ID-10135006 by way of Supplemental Deed of Hypo. dated 10/10/2009 executed by the company to secure, modified, revised & increased fund based & non fund based aggregate limits of ₹441.00 Lac in favour of Bank of India, Main Branch, Ahmedabad.	14/11/2009
12.	e-Form 20B	159	Annual Return made up to the date of Annual General Meeting dated 30/09/2009.	28/11/2009
13.	e-Form 8	135	Modification of Charge ID-10135006 by way of Supplemental Deed of Hypo. dated 10/12/2009 executed by the company to secure, modified, revised & increased fund based & non fund based aggregate limits of ₹1109.11 Lac in favour of Bank of India, Main Branch, Ahmedabad.	01/01/2010

**REGIONAL DIRECTOR****NIL****CENTRAL GOVERNMENT & OTHER AUTHORITIES****NIL**

Place: Ahmedabad

Date : 31/07/2010

For, Ashok P. Pathak & Co.,  
Company Secretaries,

Sd/-

Ashok P. Pathak  
Proprietor  
C.P.No. 2882



**AUDITORS' REPORT**

To,  
The Shareholders,  
Minaxi Textiles Ltd.,  
Ahmedabad.

We have audited the attached Balance Sheet of Minaxi Textiles Ltd. as at 31<sup>st</sup> March, 2010 the Profit & Loss A/c and also 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.

We have conducted our audit in accordance with the 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 examination, 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.

As require by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comment in Annexure referred to above, we report that:

- (i) 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;
- (ii) In our opinion, proper books of accounts as required by the law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet, and Profit & Loss and cash flow statement dealt with by this report are in agreement with the books of Account;
- (iv) In our opinion Balance Sheet, Profit & Loss A/c and cash flow statement dealt with this report comply with the accounting standards referred to in sub-section (3C) of section 211 of Companies Act, 1956.
- (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2010 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31/03/2010 from being appointed as Directors in terms of clauses (g) of sub sections (1) of section 274 of the Companies Act, 1956.

**AUDITORS' REPORT**

(vi) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with the notes thereon and appearing in Schedule of Accounting Policies and Notes on Accounts gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the State of affairs of the company as at 31st March, 2010 and
- (ii) In the case of profit and loss account, of the profit for the period ended on that date.
- (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

**FOR R. R. S. & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**PLACE: AHMEDABAD  
DATE : 31<sup>st</sup> JULY, 2010.**

**( RAJESH R. SHAH )  
PARTNER  
MEMBERSHIP NO. 34549**

**ANNEXURE TO THE AUDITORS' REPORT 2009-10****[Referred to in paragraph 1 of our report of even date]**

1. a. As informed to us, the Company is in the process of updation of proper records showing full particulars including quantitative details and situation of its fixed assets.
- b. All the Fixed Assets of the Company have been physically verified by the management at reasonable period during the year and no material discrepancies have been noticed on such verification.
- c. In our opinion and according to the information and explanation given to us, a substantial part of fixed assets has not been disposed off by the company during the year.
2. a. As explained to us, Stock of Finished goods, stores, spare parts and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b. As per information given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
3. a. The Company has neither granted nor taken any loans to or from the firms, companies or the parties covered in the register maintained under Section 301 of the Companies Act, 1956, hence provision of clause (a) and (b) is not applicable to the Company.
- b. The Company has taken loan from one party covered in the register maintained under section 301 to the companies Act, 1956, in respect of said loan, the maximum amount outstanding at any time during the year is Rs. 10.00 lacs and the ended balance is 10.00 lacs.
4. In our opinion, there is adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials, including components, plant and machinery, equipment, other assets, and with regard to sale of goods. During the course of our audit, we have not observed any major weakness in internal control.
5. a. According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Company Act, 1956 have been so entered.
- b. In our opinion and according to the information and explanations given to us the above transactions, wherever they exceed the threshold limit specified, are made at prices which are not prejudicial to the interest of the Company.

**ANNEXURE TO THE AUDITORS' REPORT 2009-10****[Referred to in paragraph 1 of our report of even date]**

6. As per the explanations given to us, the company has not accepted deposits from the public.
7. The company does not have any Internal Auditor or any special department/cell for Internal Audit, but looking towards the quantum & value of transactions and the Internal Control Procedures, we are of the opinion that the Company has enough control over the transactions of the business.
8. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Company Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9.
  - a. According to the information and explanations given to us, undisputed statutory dues including Provident Fund, ESI, income-tax, Wealth-tax, Custom duty, Excise duty, cess and any other material statutory dues have been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at the last day of the financial year for a period of more than six months from the date they become payable.
  - b. According to the records of the company and on the basis of the information and explanation given to us, there were no dues of sales tax, custom duty, excise duty, wealth tax, and cess, which have not been deposited on account of any dispute.
10. In our opinion and according to the records of the company, the company has not incurred cash losses during the financial year covered by our audit and immediate preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of any dues to a financial institution, banks or debenture holders.
12. In our opinion and according to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nkdhl / mutual benefit fund / society. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

**ANNEXURE TO THE AUDITORS' REPORT  
2009-10****[Referred to in paragraph 1 of our report of even date]**

14. In respect of dealing / trading in units of mutual funds in our opinion and according to the information and explanation given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein.
15. In our opinion and according to the information and explanation given to us, the Company has not given any Guarantee for loans taken by others from banks or financial institutions.
16. In our opinion, on the basis of information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment and no long-term funds have been used to finance short-term assets except permanent working capital.
18. As the Company has not made any preferential allotment of share, hence the provision of clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
19. The Company has not issued any debenture during the year.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, nor such type of the case been reported or informed to us by the management.

**FOR R. R. S. & ASSOCIATES,  
CHARTERED ACCOUNTANTS****( RAJESH B. SHAH )  
PARTNER****MEMBERSHIP NO. 34549****PLACE: AHMEDABAD  
DATE : 31<sup>st</sup> JULY, 2010.**

**MINAXI TEXTILES LTD.****YEAR 2009-2010****BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2010**

PARTICULARS	SCHEDULE	31-03-10 AMOUNT (Rs.)	31-03-09 AMOUNT (Rs.)
<b>SOURCE OF FUNDS</b>	3		
(1) Shareholders Funds			
Share Capital	1	55803160	55803160
Reserves And Surplus./Profit	2	7031351	1526752
		62634511	57129912
(2) Deferred Tax Liability	3	2913555	1361781
(3) Loan Funds :			
Secured Loans	4	75281604	44569930
UNSECURED LOAN	5	1000000	0
<b>TOTAL</b>		<b>141829889</b>	<b>103081623</b>
<b>APPLICATION OF FUNDS</b>			
(1) Fixed Assets			
Gross Block	6	104818877	78023824
Less: Depreciation		39503228	36485333
Capital Work in Progress		1647092	0
Net Block		68982741	41538492
(2) Investments		0	0
(3) Current Assets, Loans & Advances	7		
Inventories		23407801	20782199
Sundry Debtors		34701542	30272338
Cash And Bank Balances		17366452	15704457
Loans And Advances		23399012	8125629
		98874807	74884623
Less: Current Liabilities & Provisions	8	24007879	13361492
Net Current Assets		74866928	61523131
<b>TOTAL</b>		<b>141829889</b>	<b>103081623</b>

As per our Report of even date attached.

R R & ASSOCIATES  
CHARTERED ACCOUNTANTS

FOR, MINAXI TEXTILES LIMITED

RAJESH R SHAN  
PARTNER  
MEM NO. 34549PLACE : AHMEDABAD.  
DATE : 31st July, 2010B. P. PATEL  
MG DIRECTORD. P. PATEL  
DIRECTOR

# MINAXI TEXTILES LTD.

# YEAR 2009-2010

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010

PARTICULARS	SCHEDULE	31-03-10 AMOUNT (Rs.)	31-03-09 AMOUNT (Rs.)
<b>INCOME</b>			
Sales		116695221	82591442
Job Work Income		7747591	5238430
Other Income	9	8126906	103024
Increase in Stock	10	4550105	5075898
<b>TOTAL</b>		<b>137422825</b>	<b>83905768</b>
<b>EXPENDITURE</b>			
Raw Material Consumed	11	94224558	68412725
Stores Consumption & Manufacturing Exp	12	15694380	9684993
Personal Expenses	13	5767549	5182952
Administrative & Selling Expenses	14	4187028	3134899
Interest and Finance Charges	15	5425900	1899134
Director Remuneration		980000	425000
Depreciation		3850099	2363239
<b>TOTAL</b>		<b>130915581</b>	<b>68362822</b>
<b>PROFIT BEFORE TAX</b>		<b>7167264</b>	<b>3765848</b>
Less :- Provision for Current Tax		1100000	400000
Less :- Income Tax pertaining to earlier years		50990	-14576
Deferred Tax		1551775	340056
Fringe Benefit Tax		0	64000
Mat Credit Entitlement		1100000	0
<b>PROFIT AFTER TAX</b>		<b>5504969</b>	<b>2876694</b>
Add: Balance Brought Forward.		1526751	-1449813
Available for Appropriations.		7031351	1526751
<u>Appropriations</u>			
Balance Carried to Balance Sheet (Surplus)		7031351	1526751
<b>TOTAL</b>		<b>7031351</b>	<b>1526751</b>
Earning Per Share (Basic & Diluted)		0.10	0.85

As per our Report of even date attached.

R R S & ASSOCIATES  
CHARTERED ACCOUNTANTS

FOR, MINAXI TEXTILES LIMITED

RAJESH R SHAN  
PARTNER  
MEM. NO. 34549

PLACE : AHMEDABAD.  
DATE : 31st July, 2010

B. P. PATEL  
MG DIRECTOR

D. P. PATEL  
DIRECTOR

**MINAXI TEXTILES LTD.****YEAR 2009-2010****SCHEDULES FORMING PART OF THE STATEMENT OF ACCOUNTS.****SHARE CAPITAL****SCHEDULE-1**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
<b>AUTHORISED</b> 7 00,00,000 Equity Shares of Rs. 1/- each	70000000	70000000
<b>TOTAL</b>	<b>70000000</b>	<b>70000000</b>
<b>Issued :</b> 6,18,00,000 Equity shares of Rs.1/- each	61800000	61800000
<b>TOTAL</b>	<b>61800000</b>	<b>61800000</b>
<b>Subscribed &amp; paid up</b> 5,56,03,180 Equity Shares of Rs. 1/- each Fully paid up (P.Y. 49418000 paid up and 12384000 shares forfeited)	55603180	55603180
<b>Forfeited Shares</b> (Amount Paid up on 12384000 Shares of Rs. 1/- each in the P.Y. 2008-07)	0	0
<b>TOTAL</b>	<b>55603180</b>	<b>55603180</b>

**RESERVES AND SURPLUS :****SCHEDULE-2**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
<b>Profit &amp; Loss A/C:</b>		
Opening Balance	1528751	-1449813
Add: Profit/(loss) during the year	5504800	2976564
<b>TOTAL</b>	<b>7031351</b>	<b>1526751</b>

**DEFERRED TAX LIABILITY****SCHEDULE-3**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
Balance as per last year	1361780	1021722
Add :- Provided during the year	1551775	340058
<b>TOTAL</b>	<b>2913555</b>	<b>1361780</b>



**MINAXI TEXTILES LTD.****YEAR 2009-2010****SECURED LOANS****SCHEDULE-4**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
A: (1) Cash Credit facilities from Bank of India, against hypothecation of Raw Material, Stock in Process, Finished Goods, Stores and entire Present and future book debts and further secured by first charge on immovable/Movable Properties of Unit-II of the Company. (2) The above facilities are further secured by the personal guarantee of all the Directors.		
B.O.I CCA/c. 1413	43552709	28058455
B.O.I O/D A/C. Against Fdr	16214881	13392821
B.O.I Kalol	618970	754470
B.O.I Term Loan A/c 01	570208	1976206
B.O.I Term Loan A/c 18	1459090	1943572
B.O.I Term Loan A/c 23	13014753	0
<b>TOTAL</b>	<b>74428591</b>	<b>44125524</b>
B: Loan for Motor Car		
1. Hdfc Bank Ltd Maruti Car Loan A/C	0	57648
2. Hdfc Bank Ltd Honda Crv Loan A/C	137013	388758
3. BOIXYLO CAR LOAN A/C	716000	0
<b>TOTAL</b>	<b>853013</b>	<b>444408</b>
<b>TOTAL (A+B)</b>	<b>75281604</b>	<b>44569930</b>

**UNSECURED LOANS****SCHEDULE-5**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
RITESH TRADERS	1000000	0
	<b>1000000</b>	<b>0</b>

# MINAXI TEXTILES LTD.

# YEAR 2009-2010

## MINAXI TEXTILES LIMITED FIXED ASSETS

## YEAR 2009-2010 SCHEDULE-6

Sr. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			DEPRECIATION			
		As at 01.04.09	Addition	Deduction	As at 31.03.10	UP to 31.03.09	For the Year	Deduction	Up to 31.03.10	As at 31.03.09	As at 31.03.10
1	LAND	0	2473352	0	0	0	2473352	0	2473352	2473352	2473352
2	FACTORY BLDG UNIT-2	3.34%	14062937	0	0	3729215	488702	4198017	10333622	8863820	8863820
3	VEHICLES	9.50%	2576353	949175	622906	3152621	704039	531232	2122314	2621369	2621369
4	FURNITURE & FIXTURES	6.33%	2439141	0	0	1362880	154397	1517277	1076281	921864	921864
5	D.G.SET UNIT-2	7.42%	544949	0	544949	0	366210	0	188639	0	0
6	D.G.SET UNIT-2	7.42%	810475	0	0	670478	432762	475079	180694	135397	135397
7	AVERY WEIGHING SCALE	7.42%	43000	0	0	40650	0	40650	2150	2150	2150
8	AIR CONDITIONER	4.75%	117210	0	0	117210	59941	65508	57269	51702	51702
9	MACHINERY UNIT - 2	7.42%	53002594	2700761	0	8003925	28942945	2753181	31598126	24445946	46688628
10	COMPUTER	16.21%	219348	8600	0	225948	208381	208374	10967	16974	16974
11	HUMIDIFICATION PLANT UNIT - 27.42%	280000	0	0	280000	187781	19292	206553	72739	53447	53447
12	HUMIDIFICATION PLANT UNIT - 27.42%	1169153	0	0	1169153	471859	86751	559709	418996	324245	324245
13	LABORATOR EQUIPMENT	4.75%	255414	0	0	255414	91771	103602	163943	151512	151512
	TOTAL		78029827	27962987	1187787	36498353	36498353	359194	41639494	68319449	68319449
			63974977	14048850	0	78023624	34122094	0	36485333	29852763	41638491

### NOTES:

1. Depreciation has been provided as per the rates specified by schedule XIV of the Companies Act, 1956 Using straight line method

**MINAXI TEXTILES LTD.****YEAR 2009-2010****CURRENT ASSETS****SCHEDULE-7**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
<b>A: INVENTORIES</b> (As verified, valued and certified by the management)		
Raw Material	8788828	9017131
Stores and Spares	796714	519358
Fuel	5550	15182
Finished Goods & WIP	15730173	11180088
Packing Material	88736	50480
<b>TOTAL</b>	<b>23407801</b>	<b>20782199</b>
<b>B: Sundry Debtors</b> (Unsecured-considered Goods)		
Outstanding for a Period Less than Six Months	27084988	25715458
Outstanding for a-Period More than Six Months	7818554	4558880
<b>TOTAL</b>	<b>34701542</b>	<b>30272338</b>
Cash on Hand	827891	518898
Fixed Deposits with Bank under lien with Bank of India	15847802	14404597
Bank of India Dividend A/c	890959	88882
<b>TOTAL</b>	<b>17386452</b>	<b>15704457</b>
<b>D: Loans and Advances:</b>		
Advances Recoverable in cash or in kind of for value to be received		
Unsecured Considered Good	15543878	5292855
Sundry Deposits	2868819	2832774
Advance to Suppliers	4985515	0
<b>TOTAL</b>	<b>23398012</b>	<b>8125629</b>

**MINAXI TEXTILES LTD.****YEAR 2009-2010****CURRENT LIABILITIES AND PROVISIONS****SCHEDULE-8**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
<b>A: Current Liabilities</b>		
Sundry Creditors for Goods & Stores	15893175	9548819
Sundry Creditors for Expenses	2741400	2120785
Advance From Customers	2182785	0
Advance From Capital Goods	1750000	0
TDS Payable	42827	53458
Unclaimed Dividend	691029	689872
<b>TOTAL</b>	<b>23281196</b>	<b>12412835</b>
<b>B: Provisions for Expenses</b>		
Provision for Fringe Benefit Tax	4000	4000
Provision for Income Tax (net of advance tax)	-713025	-501709
Provision for Expenses	1435708	1448268
<b>TOTAL</b>	<b>726683</b>	<b>948557</b>
<b>TOTAL A+B</b>	<b>24007879</b>	<b>13361492</b>

**OTHER INCOME****SCHEDULE-9**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
Other Interest	76140	163024
Sundry Creditors Written off	53768	0
Insurance Claim	8000000	0
<b>TOTAL</b>	<b>8129908</b>	<b>163024</b>

**INCREASE / DECREASE IN STOCK****SCHEDULE-10**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
Closing Stock of WIP & Finished Goods	15730173	11180068
	15730173	11180068
Less : Opening Stock of WIP & Finished Stock	11180068	6104202
	11180068	6104202
<b>TOTAL</b>	<b>4550105</b>	<b>5075866</b>

**MINAXI TEXTILES LTD.****YEAR 2009-2010****RAW MATERIAL CONSUMED****SCHEDULE-11**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
Stock at Opening	9017131	5440414
Add: Purchase	90995091	99377500
Add :Transportation Exp ( Inward)	999961	611942
Less : Closing	8786628	9017131
<b>TOTAL</b>	<b>94224555</b>	<b>99412725</b>

**MANUFACTURING & STORES EXPENSES****SCHEDULE-12**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
<b>A: Stores Consumed</b>		
Stock at Commencement	519358	391541
Add:- Purchase	3329032	2324597
Less: Stock at the End of year	796714	519358
<b>TOTAL</b>	<b>3051676</b>	<b>2196780</b>
<b>B: Manufacturing Expenses</b>		
Electric Power	7191877	4935175
Factory Expenses	261626	225373
Fuel Consumption	74824	75514
Job and Process Charges	4074124	2406285
Packing Material Expenses	11724	90635
Repairs and Maintenance	856515	457510
Water Charges	71994	95721
<b>TOTAL</b>	<b>12542664</b>	<b>7688213</b>
<b>TOTAL A+B</b>	<b>15594340</b>	<b>9884993</b>

**MINAXI TEXTILES LTD.****YEAR 2009-2010****PERSONNEL EXPENSES****SCHEDULE-13**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
Salary, Wages & Allowance	4920715	4511296
Contribution to P.F & ESIC	142234	140387
Bonus Exp	500000	350000
Staff Welfare Exp	204600	181179
<b>TOTAL</b>	<b>5767549</b>	<b>5182862</b>

**ADMINISTRATIVE AND SELLING EXPENSES****SCHEDULE-14**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
Advertisement Exp	28453	48185
Audit Fees	121330	110300
Bad Debts	1907827	782896
Brokerage & Commission	524210	806831
Rent	0	15000
Donation	5000	5551
Insurance Premium	175230	198736
Legal, Professional & Consultancy Charges	181635	392385
Loss on Sale of Assets	134325	—
Rates and Taxes	147591	126843
Miscellaneous Expense	740039	277379
Vehicle Expense	144710	230497
Postage & Telephone Expense	76678	140267
<b>TOTAL</b>	<b>4187028</b>	<b>3134869</b>

**INTEREST AND FINANCE CHARGES****SCHEDULE-15**

<b>PARTICULARS</b>	<b>31-03-2010 AMOUNT (Rs.)</b>	<b>31-03-2009 AMOUNT (Rs.)</b>
Bank Interest Account (net)	4948430	1537492
Bank Charges Account	425277	283328
Car Loan Interest	36698	76314
Other Interest	15575	0
<b>TOTAL</b>	<b>5425980</b>	<b>1899134</b>

**SCHEDULE: 16****NOTES TO ACCOUNTS****A. SIGNIFICANT ACCOUNTING POLICIES****(a) ACCOUNTING CONCEPT**

The financial statements have been prepared under the historical cost convention and on the accounting principle of a going concern.

Accounting policies not specifically referred to otherwise are consistent and in consonance with accepted accounting principle.

**(b) RECOGNISATION OF INCOME & EXPENDITURE**

1. Sales are recognized, net of returns, on dispatch of goods to customers and are Reflected in the accounts at net realizable value.
2. Incomes from interest on deposits are accounted on accrual basis.
3. Miscellaneous Expenditure has been amortized over a period of 10 years. Except otherwise stated Company accounts Incomes and Expenses on accrual basis in accordance with the generally accepted accounting principle.

**(c) USE OF ESTIMATES**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

**(d) FIXED ASSETS & DEPRECIATION**

1. Fixed assets are shown at their historical cost less depreciation and impairment loss. The cost of fixed assets includes the cost of acquisition including freight, taxes, duties and other identifiable direct expenses and interest on borrowing attributable to acquisition of assets up to the date the asset put to use less the accumulated depreciation on it.
2. Depreciation is provided on straight-line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

**SCHEDULE: 16****A. SIGNIFICANT ACCOUNTING POLICIES****(a) INVESTMENT**

Long-term investments are carried at cost, less provision for diminution, other than temporary, in value of such investments. Current investments are carried at lower of Cost and fair market value.

**(b) INVENTORIES**

Inventories are valued at lower of cost (on FIFO basis) and net realizable value after providing for obsolescence and other losses, where considered necessary. Work in progress and finished goods includes appropriate proportion of overheads.

**(c) CONTINGENT LIABILITIES**

Contingent liabilities are not provided (unless otherwise stated) and are disclosed by way of notes on account.

**(d) TAXATION**

Current income tax and fringe benefit tax liability is estimated considering the provision of the I.T. Act, 1981. The deferred tax Liability for timing difference between the book and tax profit for the year is accounted using the rates and Tax Laws that have been enacted or substantially enacted at the balance sheet date. Deferred Tax assets arising from the timing difference are recognized to the extent that there is reasonable certainty that sufficient future taxable income will be available.

**(e) RETIREMENT BENEFITS**

1. **Short Term Employee Benefits:** The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by employee is recognized during the period when the employee render the service.
2. **Post Employee Benefits:** Contribution to defined contribution scheme such as provident fund etc. is charged to P&L Account as incurred.

**SCHEDULE: 16****B. NOTES ON ACCOUNTS**

1. The previous year figures have been regrouped / reclassified, wherever necessary to confirm with the figures of current year.
2. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the current Assets, Loans and Advances in the ordinary course of the business will not be less than the amount stated in the Balance Sheet.
3. the basis of information provided by the management of the company, small scale Industrial undertaking to whom an amount Rs. 1 Lac. Or more was payable and outstanding for more than 30 days are: NIL.
4. **Micro and Small Scale Business Entities:**

As informed to us by the management, the Company is in the process of identifying enterprises which have been providing goods and services to the Company and which qualify under the definition of micro and small enterprises, as define under Micro, Small and Medium Enterprise Development Act, 2006. Accordingly, the disclosure requirement is not given hereunder.



**5. DEFERRED TAX LIABILITY:**

Deferred tax liability, being the timing difference of depreciation as per books and I.T. Act, of Rs. 15,51,775/- for the current year has been adjusted from the current year profits.

**6. EARNING PER SHARE:**

The numerators and denominators used to calculate Basis and Diluted Earnings per share:

	Year Ended March 31, 2010	Year Ended March 31, 2009
Profit attributable to the Equity Shareholder (Rs.)	55,04,600	29,76,584
Basic/Weighted average number of equity shares outstanding during the year	5,56,03,160	5,56,03,160
Nominal Value of Equity Share (Rs.)	1	1
Basic / Diluted EPS (Rs.)	0.10	0.05

**SCHEDULE: 16****B. NOTES ON ACCOUNTS****7. SEGMENT REPORTING**

The Company is engaged in Textiles Business only and therefore there is no other reportable segment in accordance with the accounting standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountant of India.

**8. TRANSACTIONS WITH RELATED PARTIES**

There are no transactions with the related parties. No remuneration has been paid to the directors.

**9. CONTINGENT LIABILITIES :**

	Year Ended March 31, 2010	Year Ended March 31, 2009
(i) Disputed Liabilities against claims Against purchase of Yarn from Tai Chonbang Textile Industries Ltd.	3,13,500	3,13,500

**10. INFORMATION PURSUANT TO THE PROVISION OF PART II OF THE SCHEDULE VI TO THE COMPANIES ACT, 1956.**

	31-3-2010 Rs.	31-3-2009 Rs.
A. Licensed Capacity : (Mtrs.)	-	-
B. Installed Capacity : (Mtrs.) (As certified by the Management.)	25,25,000	20,25,000

**MINAXI TEXTILES LTD.****YEAR 2009-2010****SCHEDULE: 16****B. NOTES ON ACCOUNTS****10. INFORMATION PURSUANT TO THE PROVISION OF PART II OF THE SCHEDULE VI TO THE COMPANIES ACT, 1956.**

<b>C. Production :</b>		<b>2009-2010</b>	<b>2008-2009</b>
Grey Cloth (Suiting)	(mtrs.)	1449349*	1033086
Cloth (Shirting)	(mtrs.)	-	-
<b>D. Sales:</b>			
Grey Cloth (Suiting)			
	Value (Rs.)	116695221	82591442
	Quantity (Manuf.) (mtrs.)	1391899	1416673
	Quantity (Manuf.)	335830	466892
<b>E. Opening Stock:</b>			
Yarn (Raw material)			
	Value (Rs.)	9017131	5440414
	Quantity (mtrs.)	100977	52430
	Quantity (WIP) (kgs.)	1308406	-
		11701	-
Gray Cloth (trading)			
	Value (Rs.)	725949	725949
	Quantity (mtrs.)	13389	13389
Finished Goods (Suiting)			
	Value (Rs.)	8489185	4136001
	Quantity (mtrs.)	153632	70325
Finished Goods (Shirting)			
	Value (Rs.)	65628	1242252
	Quantity (mtrs)	10005	18931
<b>F. Closing Stock :</b>			
Yarn (Raw material)			
	Value (Rs.)	5587167	10325537
	Quantity (Kgs.)	46215	100977
	Quantity (WIP) (Rs.)	1199461	11701
		8241	
Finished Goods (Suiting)			
	Value (Rs.)	14347961	8489185
	Quantity (mtrs)	211082	153632

## SCHEDULE: 16

**B. NOTES ON ACCOUNTS****10. INFORMATION PURSUANT TO THE PROVISION OF PART II OF THE SCHEDULE VI TO THE COMPANIES ACT, 1956.****Finished Goods (Shirting)**

Value	(Rs.)	656528	656528
Quantity	(mtrs)	10005	10005

**Grey Cloth (Trading)**

Value	(Rs.)	725684	725949
Quantity	(mtrs)	13389	13389

**G. Raw material consumed**

Yarn Value	(Rs.)	94224555	66412725
Quantity	(Kgs)	749927	847794

**H. Stores & Spares Consumed**

Value	(Rs.)	3051876	2196780
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**I. Job Charges recovered:**

Value	(Rs.)	7741341	5238436
Quantity	(mtrs)	718354	370951

**J. Value of Imports on CIF basis**

(Rs.)	NIL	NIL
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**K. Earning in Foreign Exchange**

(Rs.)	NIL	NIL
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**SCHEDULE: 16**

**B. NOTES ON ACCOUNTS**

**10. INFORMATION PURSUANT TO THE PROVISION OF PART II OF THE SCHEDULE VI TO THE COMPANIES ACT, 1956**

**L. Expenditure in Foreign Currency**

Purchase of Machinery	(Rs)	NIL	NIL
Traveling Expense	(Rs.)	NIL	NIL

**11. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART-IV OF THE SCHEDULE VI OF Companies Act, 1956**

Balance Sheet Abstract and Company's General Business Profile;

**A. Registration Details:**

Registration No.	04-25007	State Code	04
Balance Sheet Date	31-3-2008		

**B. Capital Raised during the year: (Rs In Lacs)**

Public Issue	Right Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

**C. Position of mobilization and deployment of Funds :**

	<b>Total Liabilities</b>	<b>Total Assets</b>
	14,18,29,629	14,18,29,629
<b>i) Sources of Funds:</b>		
	<b>Paid – up Capital</b>	<b>Reserves and Surplus</b>
	6,56,03,160*	70,31,351
	<b>Secured Loans</b>	<b>Unsecured Loans</b>
	7,52,81,604	10,00,000
	<b>Deferred Tax</b>	
	29,13,555	

\* Include forfeited balance of Rs. 6187160

## SCHEDULE: 16

11. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART-IV OF THE SCHEDULE VI OF Companies Act, 1956

## ii) Application of Funds :

Net Fixed Assets	Investment
8,89,62,741	NIL
Net Current Assets	Miscellaneous Expenditure
7,48,68,930	NIL
	Deferred Tax Assets
	NIL

## A. Performance of the Company

Total Income	Total Expenditure
13,71,22,825	13,00,15,561
Profit / Loss Before Tax	Profit / Loss after Tax
71,07,284	55,04,600
EPS (Rs.)	Dividend
0.10	NIL

## B. Generic Names of Principal Products / Services of the Company:

Item code no. (ITC Code)	54075403
Product description	Polyester Shirting
Item Code No. (ITC Code)	54075202
Product description	Polyester Suiting

FOR R R S & ASSOCIATES  
CHARTERED ACCOUNTANTS

FOR, MINAXI TEXTILES LIMITED

RAJESH R. SHAH  
Partner  
Membership No. 34549

B. P. PATEL  
Managing Director

D. P. PATEL  
Director

Place : Ahmedabad  
Dated : 31<sup>st</sup> July, 2010

**AUDITORS' CERTIFICATE**

We have examined the above Cash Flow statement of **MINAXI TEXTILES LIMITED** for the year ended 31<sup>st</sup> March, 2010. The Statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with Ahmedabad and Mumbai Stock Exchanges, and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report.

Place : Ahmedabad

**FOR, R. R. S & ASSOCIATES**  
Chartered Accountants

Dated : 31<sup>st</sup> July, 2010

**RAJESH R. SHAH**  
Partner  
MEMBERSHIP NO.34549

# MINAXI TEXTILES LTD.

# YEAR 2009-2010

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2010

PARTICULAR		For the Year 2009-10		For the Year 2008-09	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Net Profit before Taxes & Extra-Ordinary Items		71.07		37.86
	Adjustments for:				
	Depreciation	38.56		23.63	
	Interest & Other Financial Charges	54.28		18.99	
	(Profit)/Loss on Sale of Asset	0.00		0.00	
	(Profit)/Loss on Sale of Mutual Funds	0.00		0.00	
	Interest / Dividend Received	(0.76)		(1.63)	
	Balances written off		82.06		40.89
	Operating Profit before Working Capital Changes		163.13		78.65
	(Increase) / Decrease in Inventory	-26.26		-86.77	
	(Increase) / Decrease in Trade & Others Receivables	(203.10)		(118.48)	
	Increase / (Decrease) in Trade Payables	94.32	(135.05)	55.39	(149.87)
	Cash Generated from Operation		28.09		(71.22)
	Direct Taxes Paid		(7.13)		(4.48)
	Net Cash from Operating Activities		20.96		(75.71)
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Purchase of Fixed Assets	(279.63)		(140.49)	
	Sale of Fixed Assets	11.88		0.00	
	(Purchase) / Sale of Investments	0.00		0.00	
	Interest / Dividend Received	0.76		1.63	
	Net Cash (used in) / from Investing Activities		(267.19)		(138.86)
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Increase in Share Capital				
	Increase in Long Term Loans & Other Borrowings	317.12		227.62	
	Dividend Paid (with Tax)	0.00		0.00	
	Interest Paid	(54.26)		(18.99)	
	Net Cash (used in) / from Financing Activities		262.86		208.63
<b>D</b>	<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		16.62		(5.94)
	Cash & Cash Equivalents as at 01-04-2009		157.04		162.98
	Cash & Cash Equivalents as at 31-03-2010		173.66		157.04
			16.62		-5.94

As per our Report of even date attached.

**R R S & ASSOCIATES**  
CHARTERED ACCOUNTANTS

FOR, MINAXI TEXTILES LIMITED

**RAJESH R SHAH** PLACE : AHMEDABAD.  
PARTNER DATE : 31st July, 2010  
MEM. NO. 34549

**B. P. PATEL**  
MG DIRECTOR

**D. P. PATEL**  
DIRECTOR

**MINAXI TEXTILES LTD.****YEAR 2009-2010****MINAXI TEXTILES LTD.****Registered Office:**

Plot No.3311, Unit No.2, GIDC Industrial Estate, Village Chhatral, Dist. Gandhinagar (N.G)

**FORM OF PROXY**I/We \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ in the district of \_\_\_\_\_Being a member / members of the above named company hereby appoint \_\_\_\_\_  
Of the District of \_\_\_\_\_, or failing him, her \_\_\_\_\_  
of \_\_\_\_\_ in thedistrict of \_\_\_\_\_ as my / our proxy to vote for / me / us on  
my / our behalf at the FIFTEENTH ANNUAL GENERAL MEETING of the members of  
the company to be held on Wednesday, 30<sup>th</sup> September, 2010 at 10-00 a.m. and at any  
adjournment thereof.

Signed this \_\_\_\_\_ days of \_\_\_\_\_ 2010

Signed \_\_\_\_\_

L.F.No.: \_\_\_\_\_ No. of Shares (s) held \_\_\_\_\_

DP ID\* \_\_\_\_\_ No. of Shares (s) held \_\_\_\_\_

1 Rupees  
Revenue  
Stamp

- Note :- 1. A Member entitled to attend and vote is entitled to appoint a proxy to attend vote instead of himself
2. A Proxy need not be a member.
3. The proxy form duly completed must be deposited at the registered Office of the Company not less than 48 hours before the time for holding the Meeting. The proxy need not be a Member of the Company .

\* Applicable for investors holding shares in electronic form.

**MINAXI TEXTILES LIMITED****Registered Office :**

Plot No.3311, Unit No.2, GIDC Industrial Estate, Village Chhatral, Dist. Gandhinagar (N.G)

**ATTENDANCE SLIP**

Reg. Folio No. \_\_\_\_\_ DP ID\* \_\_\_\_\_

Client ID\* \_\_\_\_\_

I certify that I am a registered shareholder / proxy for the registered shareholder of the company.

I hereby record my presence at the Eleventh Annual General Meeting of the company, at Plot No.3311, Unit No.2, G.I.D.C, Industrial Estate Village : Chhatral, Dist -Gandhinagar (N.G) at 10-00 a.m. On 30<sup>th</sup> day of September, 2010.Member's / Proxy's name  
In Block Letters

Member's / Proxy's Signature

Note : Please fill in this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL.

\* Applicable for investors holding shares in electronic form.