

KOFFEE BREAK PICTURES LTD

(Formerly Known as My Fellow Fashion (Exports) Ltd.)

ANNUAL REPORT

FOR THE YEAR

2004 - 2005

MY FELLOW FASHION (EXPORT) LTD.

704-705, Silver Oak,
Nr. Mahalaxmi Char Rasta,
Paldi, Ahmedabad - 380 006.

N O T I C E

NOTICE is hereby given 13th Annual General Meeting of the shareholders of My Fellow Fashion (Exports) Ltd will be held at registered office of the Company situated at 704-705, Silver Oak, Nr. Mahalaxmi Char Rasta, Paldi, Ahmedabad - 380 006 on 3rd day of June, 2005 at 11.00 a.m. for the purpose of transacting the following business:-

1. To receive, consider and adopt audited Profit & Loss Account for the year ended on 31st March, 2005 and Balance Sheet for the year ended on that date and Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Manish Ruparel who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

4. To appoint Mr. Aatur Mehta, Who was appointed as an additional director by the Board of Directors, pursuant to the Articles of Association of the company and who holds office under the Articles and Section 260 of the Companies Act, 1956 only up to the date of this meeting, as a director of the company and to consider and if thought fit, to pass the following resolution as an ordinary resolution.

"RESOLVED THAT pursuant to the provisions of the companies Act, 1956 Mr. Aatur Mehta be and is hereby elected and appointed as a director of the company and liable to retire by rotation".

5. To appoint Mr. Deepak Mehta, Who was appointed as an additional director by the Board of Directors, pursuant to the Articles of Association of the company and who holds office under the Articles and Section 260 of the Companies Act, 1956 only up to the date of this meeting, as a director of the company and to consider and if thought fit, to pass the following resolution as an ordinary resolution.

RESOLVED THAT pursuant to the provisions of the companies Act, 1956 Mr. Deepak Mehta be and is hereby elected and appointed as a director of the company and liable to retire by rotation".

- 6. To appoint Mr. Shanti Varshi Haria, Who was appointed as an additional director by the Board of Directors, pursuant to the Articles of Association of the company and who holds office under the Articles and Section 260 of the Companies Act, 1956 only up to the date of this meeting, as a directors of the company and to consider and if thought fit, to pass the following resolution as an ordinary resolution.

"RESOLVED THAT pursuant to the provisions of the companies Act, 1956 Mr. Shanti Varshi Haria be and is hereby elected and appointed as a director of the company and liable to retire by rotation".

- 7. To change the name of the company to "KOFFEE BREAK PICTURES LTD." to pass the following resolution with or without modification:

RESOLVED THATH pursuant to section 21 and other applicable provisions of the Companies Act, 1956 and subject to the approval of the Central Government the Name of the company be changed from "MY FELLOW FASHION (EXPORTS) LTD" to "KOFFEE BREAK PICTURES LTD."

RESOLVED FURTHER THAT pursuant to section 31 and other applicable provisions of the Companies Act, 1956 and the company "MY FELLOW FASHION (EXPORTS) LTD." wherever appeared in the Articles of Association of the company be changed to "KOFFEE BREAK PICTURES LTD."

RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorized to do all the things for giving effect to the aforesaid resolution".

By Order of the Board of Directors
For, My Fellow Fashion (Exports) Ltd.

[Signature]

CHAIRMAN

Place : Ahmedabad
Date : 29/04/2005

NOTES :

- 1. A Member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself, and that the proxy need not be a member of the Company.
- 2. The Register of members and share transfer book shall remain closed from 23rd May, 2005 to 3rd June, 2005 (both days inclusive).
- 3. The members are requested to notify immediately the change of address if any, to the company.

ITEM NO. 7

The company has changed its business activity in the field of entertainment and the name of the company is not suitable to the business activity of the company hence, the company is desiring to change the name from "My Fellow Fashion (Exports) Ltd." to "Koffee Break Pictures Ltd". The new name of the company is approved by Registrar of Companies, Gujarat.

None of the Directors of the Company is interested in the aforesaid business.

FOR MY FELLOW FASHION (EXPORTS) LTD.

mx 

CHAIRMAN

MY FELLOW FASHION (EXPORT) LTD.

704-705, Silver Oak,
Nr. Mahalaxmi Char Rasta,
Paldi, Ahmedabad - 380 006.

=====

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

=====

ITEM NO. 4

Mr. Aatur Mehta, Who was appointed as an additional director by the Board of Directors, pursuant to the Articles of Association of the company and who holds office under the Articles and Section 260 of the Companies Act, 1956 only up to the date of this meeting and some members of the company has requested to appoint him as a director of the company as he is financial sound and help in progress of the company in the field of entertainment.

None of the Directors of the Company is interested in the aforesaid business.

ITEM NO. 5

Mr. Deepak Mehta, Who was appointed as an additional director by the Board of Directors, pursuant to the Articles of Association of the company and who holds office under the Articles and Section 260 of the Companies Act, 1956 only up to the date of this meeting and some members of the company has requested to appoint him as a director of the company as he has good experience of finance management and also good relation with bank and financial institution which help in progress of the company.

None of the Directors of the Company is interested in the aforesaid business.

ITEM NO. 6

Mr. Shanti Vershi Haria, Who was appointed as an additional director by the Board of Directors, pursuant to the Articles of Association of the company and who holds office under the Articles and Section 260 of the Companies Act, 1956 only up to the date of this meeting and some members of the company has requested to appoint him as a director of the company as he is a qualified Chartered Accountants and associated with Film Industry since last somany years. His experience and relation with the film industry are beneficial to the company.

None of the Directors of the Company is interested in the aforesaid business.

MY FELLOW FASHION (EXPORT) LTD.
704-705, Silver Oak,
Nr. Mahalaxmi Char Rasta,
Paldi, Ahmedabad - 380 006.

D I R E C T O R ' S R E P O R T

To:
The Members,
MY FELLOW FASHIONS (EXPORTS) LIMITED
Ahmedabad

Your Directors have pleasure in presenting 13th Annual Report of the Company together with Audited Statements Accounts for the financial year ended on 31st March, 2005.

Financial Results

	(Rs. in Lacs)	
	2004-2005	2003-2004
	-----	-----
Turnover	37.00	25.00
Profit Before tax	1.17	0.76
Income Tax provision	0.09	0.06
Deferred Tax	0.69	-3.56
NET PROFIT for the year	0.39	4.26
Balance brought forward from last year	(36.40)	(40.67)
Balance carried forward	(36.01)	(36.40)

DIVIDEND

As the company has accumulated losses, Directors are not able to recommend any dividend during the year under review.

OPERATIONS

During the year under review, the company has increased Turnover from Rs. 25.00 lacs to Rs. 37.00 lacs and increased profitability from Rs. 0.76 lacs to Rs. 1.17 lacs before provision for taxation and deferred tax. The company has introduced new directors in the board of directors who are well experienced and good relations with film industries. The company is desiring to produce films in the coming years under the new banner of " Coffee Break Pictures ". Your directors hope for better results in the coming year.

CHANGE OF NAME :

During the year under review the company has been in the process of change of its name from My Fellow Fashion (Export) Ltd. to Koffee Break Pictures Ltd. so as to depict the main business of the company as it has commenced entertainment activities and also expected to release cinema in the next year. In that process the new name Koffee Break Pictures Ltd. has already been availed from the office of the Registrar of Companies, Gujarat.

DIRECTORS:

During the year under review Mr. Deepak Mehta, Mr. Aatur Mehta and Mr. Shanti Vershi Haria were appointed as additional directors of the company and your consent is require for their proposed appointment as Directors of the company. Pursuant to provisions of section 256 of the Companies Act, 1956 Mr. Manish Ruparel retire by rotation and being eligible offer himself for re-appointment.

During the year under review, Mr. Sanjay Patel and Mrs. Varsha Raja directors of the company have resigned as a director of the company and the board of directors appreciates their services given to the company during the tenure of their directorship.

STRETEGIST

During the year under review, the board of directors have appointed Mr. Sudhir Mehta, a well experience person in the field of finance and capital market for advising the board of directors of the company in their new major policy decision of the business activity.

AUDITORS

The retiring Auditors Deepak C. Gandhi & Co., Chartered Accountants, Kalol are eligible for re-appointment and offer themselves for re-appointment. The auditors have furnished a Certificate to the effect that if reappointed, their appointment shall be within the limits prescribed under section 224 (1-B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES :

Information as per section 217(2A) of the Companies Act, 1956 read with the companies (Particulars of the Employees) Rules 1975 and forming part of Directors Report for the year ended 31st March ,2005 are not provided as no employee of the company has received remuneration exceeding limits specified in the above sections.

FOREIGN EXCHANGE EARNING /OUTGO

There is no foreign exchange earning of outgo during the period under review.

PUBLIC DEPOSIT

During the year under review, your company has not accepted any deposit from the public.

CORPORATE GOVERNANCE :

As per clause 49 of the listing agreement, the provisions relating to the Corporate Governance becomes applicable to the company from the year 2003-2004. The corporate governance report and Auditors certificate in respect thereof form part to this report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the companies Act, 1956 your directors state that :-

1. The company has followed the applicable accounting standards in the preparation of annual accounts along with proper explanation relating to material departures.
2. The Director had selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give true and fair view of the state of affairs of the company at the end of financial year and of profit of the company for that period.
3. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The directors had prepared the annual accounts on a going concern basis.

Particulars pursuant to section 217(1) (e) of the companies act,1956

Information relating to Conservation of Energy , Research and Development, Technology absorption and Adopting as required under section 217(1) (e) of the companies Act, 1956 read with the companies (Disclosures of particulars in the report of Board of Directors) Rules,1988 is not applicable to the company during the year under review as the company has not done such activity.

ACKNOWLEDGEMENTS :

Your Directors wish to place on record their appreciation for the valuable co-operation extended at all times by Shareholders, Auditors of the Company and others and look forward to the same cordial relationship in the coming years.

Place : Ahmedabad

By order of the Board of Directors
For MY FELLOW FASHIONS 9EXPORT) LTD

Date : 29.04.2005

		
DIRECTOR	DIRECTOR	DIRECTOR

DEEPAK C. GANDHI & CO.*Chartered Accountants*

7. Shakti Shopping Centre, Vepari Jeen, Kalol (N.G.) 382 721 Dist. Gandhinagar - Gujarat -India
Ph + 91-2764-223474, Fax : +91-79-6565130, E-mail : deepakcgandhi@rediffmail.com

AUDITOR'S REPORT

To
The Member
MY FELLOW FASHION (EXPORT) LTD.

We have audited the attached Balance Sheet of MY FELLOW FASHION (EXPORT) LTD., Situated at 704-705, Silver Oak, Nr.Mahalaxmi Char Rasta, Paldi, Ahmedabad – 380 006 as at 31st March ,2005 and also the Profit and Loss Account 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 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 a reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures made 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 required 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 comments in the 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 purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- iii. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.

DEEPAK C. GANDHI & CO.

Chartered Accountants


7. Shakti Shopping Centre, Vepari Jeen, Kalol (N.G.) 382 721 Dist. Gandhinagar - Gujarat -India
Ph + 91-2764-223474. Fax : +91-79-6565130. E-mail : deepakcgandhi@rediffmail.com

- iv. In our opinion, the Balance sheet and Profit and Loss Account dealt with by 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 31st March 2005, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2005 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give 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:
- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005;
- b) In the case of Profit and Loss Account, of the Profit for the year ended on that date; and
- c) In the case of the Cash Flow statement, of the Cash Flow for the year ended on that date.

Place : Kalol (NG)

Date : 29.04.2005

For, Deepak C. Gandhi & Co.,
Chartered Accountants


Proprietor

Mem No. 35182

DEEPAK C. GANDHI & CO.*Chartered Accountants*

7. Shakti Shopping Centre, Vepari Jeen, Kalol (N.G.) 382 721 Dist. Gandhinagar - Gujarat -India
Ph : + 91-2764-223474, Fax : +91-79-6565130, E-mail : deepakcgandhi@rediffmail.com

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of the Auditor's Report to even date on the accounts of My Fellow Fashion (Export) Ltd. for the year ended 31st March, 2005.

- I) The company has no fixed assets during the year under review hence this clause does not applicable to the company
- II) The company has no inventory during the year under review hence this clause does not applicable to the company
- III) A) The company has not taken unsecured loans from any parties covered in the register maintained under section 301 of the Companies Act, 1956. The company has not granted loans to any Parties covered in the register maintained under section 301 of the Companies Act, 1956.
- B) As per information and explanation given to us, and in view of transactions of the company during the year under review, the company has not taken or granted any loan to any parties hence other clauses are not applicable.
- IV) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- V)

DEEPAK C. GANDHI & CO.*Chartered Accountants*

7. Shakti Shopping Centre, Vepari Jeen, Kalol (N.G.) 382 721 Dist. Gandhinagar - Gujarat -India
Ph + 91-2764-223474, Fax : +91-79-6565130. E-mail : deepakcgandhi@rediffmail.com

- A) According to the information and explanation given to us, we are of the opinion that no transactions that need to be entered in to the register maintained under section 301 of companies Act, 1956.
- (b) In our opinion and according to the information and explanation given to us, no transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees Five lacs which is reasonable having regard to the prevailing market prices at the relevant time.
- VI) The company has not accepted deposit from the public.
- VII) The company has appointed a firm of Chartered Accountants for Internal Audit and scope and coverage of the same is commensurate with the size and the nature of the business of the company.
- VIII) According to the information and explanation given to us, the maintenance of Cost records has not been prescribed by the central Government under clause (d) of sub section (1) of Section 209 of the Act in view of transaction incurred during the year under review.
- IX) According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and Cess were in arrears, as at 31st March, 2005 for a period of more than six months from the date they became payable
- X) The company has no accumulated losses at the end of the financial year more than 50% of its net worth. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year of the company.
- X) In our opinion and according to the information and explanations given to us, the company has not taken any Loan from financial institution or bank.
- XII) The company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities during the year under review.

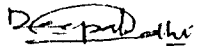
DEEPAK C. GANDHI & CO.

Chartered Accountants

7. Shakti Shopping Centre, Vepari Jeen, Kalol (N.G.) 382 721 Dist. Gandhinagar - Gujarat -India
Ph. + 91-2764-223474, Fax : +91-79-6565130, E-mail : deepakcgandhi@rediffmail.com

- XIII) In our opinion, the company is not a chit fund or a nidhi /mutual benefit fund/ society, therefore the provisions of clause 4(xiv) of the companies, (Auditor's Report) Order, 2003 are not applicable to the company
- XIV) In our opinion, the company has not deal in or trading in shares, securities, debentures and other investments during the year under review.
- XV) The company has not given guarantee for other parties to the bank and financial institution.
- XVI) In our opinion, the Company has not obtained term loan during the year under review.
- XVII) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment by the company.
- XVIII) The company has not made any allotment of shares during the year covered by our audit. Therefore the provisions of clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XIX) The company has not issued debentures during the year under review and therefore the provisions of clause 4(xix) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XX) The company has not raised any money by public issues during the year under review. Therefore, clause 4(xx) of the Companies, (Auditor's Report) Order, 2003 are not applicable to the company.
- XXI) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : Kalol (NG)
Date : 29.04.2005

For, Deepak C. Gandhi & Co.
Chartered Accountants

Proprietor
(Deepak Gandhi)

MY FELLOW FASHION (EXPORT) LTD.

BALANCE SHEET AS AT 31-03-2005

PARTICULARS	SCH.	AS AT	
		31-03-05 Amount Rs.	31-03-04 Amount Rs.
SOURCES OF FUNDS			
Share Capital	A	48,916,000	48,916,000
		<u>48,916,000</u>	<u>48,916,000</u>
APPLICATION OF FUNDS			
Investment	B	2,050,000	2,050,000
Current Assets, Loans & Advances			
Sundry Debtors	C	1,538,472	1,547,146
Cash & Bank Balance	D	115,123	13,532
Loans & Advances	E	41,154,750	41,154,750
Deffered Tax Assets	F	287,129	350,551
		<u>43,095,474</u>	<u>43,065,979</u>
Less : Current Liabilities and Provisions	G	241,575	252,330
		42,853,899	42,813,649
Miscellaneous Expenditure	H	410,382	412,106
Profit & Loss Account		3,601,719	3,640,245
		<u>48,916,000</u>	<u>48,916,000</u>

0

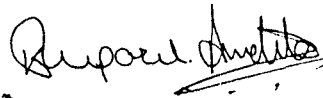
Accounting Policies & Notes forming parts of accounts "K"
As per our attached report of even date.

For Deepak C. Gandhi & co.
Chartered Accountants



Proprietor


For, My Fellow Fashion (Export) Ltd.



Director



Director



Director

Date : 29.04.2005
Place : Kalol(NG)

Date : 29.04.2005
Place : Ahmedabad

MY FELLOW FASHION (EXPORT) LTD.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2005

PARTICULARS	SCH.	AS AT 31-03-05 Amount Rs.	AS AT 31-03-04 Amount Rs.
INCOME			
Sales		3,700,000	2,500,000
		3,700,000	2,500,000
EXPENDITURE			
Purchase		3,221,000	2,200,000
Administration and Other Expenses	I	362,052	224,173
Total Expenditure		3,583,052	2,424,173
Profit Before Taxation		116,948	75,827
Provision for Taxation		9,000	6,000
Profit after tax		107,948	69,827
Deffered Tax	J	69,422	(356,551)
Profit for the year		38,526	426,378
Previous Year Balance Brought Forward		(3,640,245)	(4,066,623)
Net Profit Carried To Balance Sheet		(3,601,719)	(3,640,245)
Basic and Diluted EPS		0.01	0.09

Accounting Policies & Notes forming parts of accounts 'K'
As per our attached report of even date.

For Deepak C. Gandhi & co.
Chartered Accountants



Proprietor

For, My Fellow Fashion (Export) Ltd.



Director

Director

Director

Date : 29.04.2005
Place : Kalol(NG)

Date : 29.04.2005
Place : Ahmedabad

My Fellow Fashion (Export) Ltd.

Particulars	31/03/2005	31/03/2004
SCHEDULE - 'A' - SHARE CAPITAL		
Particulars		
Authorised Capital :		
6000000 Equity Shares of Rs.10/- each	60,000,000.00	60,000,000.00
Issued, Subscribed & Paid-up :		
4782100(P.Y.4782100) Equity Shares of Rs.10/- each	47,821,000.00	47,821,000.00
Fully Paid up.		
Add : Share Forfeiture A/c.	1,095,000.00	1,095,000.00
	48,916,000.00	48,916,000.00
SCHEDULE -B- INVESTMENT (UNQUOTED)		
125000 (P.Y. 125000)Equity Share of Rs. 10/- Each	1,250,000.00	1,250,000.00
fully paid up of Jinex Enterprise Ltd.		
80,000 (P.Y. 80000)Equity Share of Rs. 10/- Each	800,000.00	800,000.00
fully paid up of Kanvel Finance Ltd.		
	2,050,000.00	2,050,000.00
SCHEDULE:- C SUNDRY DEBTORS		
(Unsecured but considered good)		
More than six months	1,017,472.00	1,147,146.00
Less than six months	521,000.00	400,000.00
	1,538,472.00	1,547,146.00
SCHEDULE:- D CASH & BANK BALANCE		
Cash on hand	110,084.00	12,528.00
Balance With Banks	5,039.00	1,004.00
	115,123.00	13,532.00
Schedule : E Loans and Advances		
Advance to Others	41,154,750.00	41,154,750.00
	41,154,750.00	41,154,750.00
Schedule : F Deffered Tax		
Deffered Tax Assets	287,129.00	356,551.00
	287,129.00	356,551.00
Schedule : G Current Liabilities		
Creditors for Expenses	232,575.00	252,330.00
	232,575.00	252,330.00
Provision for taxation	9,000.00	6,000.00
	241,575.00	258,330.00
SCHEDULE 'H' Miscellaneous Expenditure		
Pre-Operative Expneses	-	1,724.00
Preliminary Expenses	410,382.00	410,382.00
	410,382.00	412,106.00

SCHEDULE:-I' ADMINISTRATIVE EXPENSES		
Salary Expenses	60,000.00	78,000.00
Office Expenses	14,499.00	9,869.00
Remuneration to Auditors	11,020.00	11,020.00
Professional Charges	87,225.00	21,060.00
Preliminary & Pre-operative exp. W/off.	1,724.00	1,724.00
Income Tax Exp.	762.00	-
Rent Expenses	36,000.00	12,000.00
Listing Fees	25,000.00	24,500.00
Director Remuneration	90,000.00	30,000.00
Accounting Charges	6,000.00	6,000.00
Bank Charges	8,265.00	-
Postage & Courier Exp.	470.00	-
Travelling & Conveyance Exp.	15,587.00	-
ROC Expenses	5,500.00	30,000.00
	362,052.00	224,173.00
Schedule : J Tax Expenses		
Deffered Tax	69422	-356651
	69422	-356651

MY FELLOW FASHION (EXPORT) LTD.
 704-705, Silver Oak,
 Nr. Mahalaxmi Char Rasta,
 Paldi, Ahmedabad - 380 006.

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2005

	FOR THE YEAR ENDED 31/03/2005	FOR THE YEAR ENDED 31/03/2004
A CASH FLOW POERATING ACTIVITIES		
1 Net profit before tax and extraordinary items	117	76
2.adjustments for Depreciation	0	0
Depreciation		
Misc. Expns. (Amortised)	2	2
	-----	-----
3. Operation profit before working capital charges	119	78
4. Adjustments for		
Trade and other receivable	9	227
Inventories	0	0
Trade & Other payable	-10	142
	-----	-----
5. Cash generated from Operations	118	447
6. Interest paid	0	0
Direct Taxes paid	16	0
7. Cash Flow before extra ordinary items	102	447
8. Extraordinary items	0	0
	-----	-----
9. Net Cash Outflow from operating Activities	102	447
B CASH FLOW FROM INVESTING ACTIVITIES		
10.Investment	0	-500
11. Purchase of fixed Assets	0	0
12. Sale of Fixed Assets	0	0
	-----	-----
14. Net cash used in investing Activities	102	-53
	-----	-----
c. CASH FLOW FROM FINANCING ACTIVITIES		
15. Proceeds from issue of share Capital	0	0
16. Proceeds from long term borrowings	0	0
	-----	-----

17. Net cash used in Financial Activities	0	0
	-----	-----
18. Repayment of Term Loan	0	0
-Term Liabilities	0	0
-Short Term Liabilities	0	0
	-----	-----
19. Repayment of Share Appl. Money	0	0
	-----	-----
20. Net cash from financing Activities	0	0
21. Net increase in cash and Cash equipments (A+B+C=)	102	-53
22. Opening Bal. Of Cash & Cash equivalents	13	66
23. Closing bal of cash & cash equivalents	115	13

Place : Ahmedabad
DATE : 29-04-2005

BY ORDER OF THE BOARD OF DIRECTORS
FOR MY FELLOW FASHION (EXPORT) LTD


 DIRECTOR


 DIRECTOR


 DIRECTOR

We have verified attached cash flow statement of MY FELLOW FASHIONS (EXPORT) LTD derived from audited financial statement and the books and records maintained by the company for the year end on 31st March ,2005 and found the same in agreement therewith.

For, Deepak C. Gandhi & Co.,
Chartered Accountants,

Date : 29-04-2005
Place : Kariol (NG)


 Proprietor

SCHEDULE - "K" - ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS
2004-2005

(A) Significant Accounting policies :

1) BASIS OF ACCOUNTING :

The Accounting of the Company have been prepared under the historical cost convention using the accrual method of accounting with the applicable accounting standards and other generally accepted accounting principles in conformity with the statutory requirements.

2) FIXED ASSETS.

Tangible Fixed assets are stated at original cost of acquisition including taxes, duties, freight and the incidental expenses related to acquisition of the concerned asset. Fixed assets are stated at cost of acquisition/Construction or cost.

3) DEPRECIATION :

Depreciation on fixed assets has been provided written down method at the rates specified in Schedule- XIV to the Companies Act, 1956.

4) INVESTMENTS :

Long Term: Long Term Investments shown in the balance sheet are valued at cost unless there is a permanent diminution in the value, in which case are valued at the diminished value and the resulting difference is resulting in the profit and loss account.

Disposal of Investment : On disposal of an investment, the difference between the carrying amount and net disposal proceeds is being charged to Profit and Loss account determined on the basis of Average Method.

5) REVENUE RECOGNITION :

Revenue is recognized only when measurability and certain. In case of uncertainties, revenue recognition is postponed to the year in which it is properly measured and realisability assured.

The company recognize sale at the point of dispatch of goods to customers, Sales are net of trade discounts and exclusive of excise and sales tax.

In respect of services, the company accounts for revenue on the basis of completed contract method.

6) INVENTORIES

Inventories are valued at the lower of cost or net realizable value, after providing for cost of obsolescence, if any. Costs arrived at as mention below;

- Raw and Packing Material at direct cost of purchases including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the acquisition, Trade discounts, rebates, duty drawbacks and other similar items are deducted in determining the costs of purchase.
- Work-in-progress also includes a fair proportion of manufacturing overheads applicable to the percentage of completion.
- In case of finished goods, other than the costs mentioned above, also includes excise duty attributable to the finished goods.

7) CONTINGENT LIABILITIES

Contingent liabilities are disclosed after careful evaluation of facts and legal aspects of the matter involved.

8) RETIREMENT BENEFITS

Gratuity : Liability in respect of Gratuity is provided in the books of accounts on the basis of actuarial valuation.

Leave Encashment : Leave Encashment expenses are being accounted for as and when the employce encash.

Provident Fund : Contribution to Provident Fund maintained under approved scheme is made on monthly basis and charged to revenue.

9) BORROWING COSTS :

Borrowing cost s that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of that assets.

The amount of borrowing costs eligible for capitalization on the assets is determined as the actual borrowing costs incurred on funds that are specifically borrowed less any income on the temporary investment of those borrowings and by applying a weighted average capitalization rate of the borrowing costs applicable to the enterprise that are outstanding during the period other than those that are made specifically for the purpose of obtaining a qualifying asset. Such capitalization continues till substantially all the activities necessary to prepare the qualifying assets for its intended use or sale are

complete. Other borrowing costs are recognized as and expenses in the period in which they are incurred. None of the borrowing costs have been capitalize during the period.

10) TAXES ON INCOME :

The company provides for taxes on income on Tax Effect Accounting Method which takes into account the effect of all timing difference between the financial statements and income Tax assessments.

11) EARNINGS PER SHARE;

The company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20 "Earnings per share" issued by the Institute of Chartered Accountants of India. Basic Earning per share and Diluted earning per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during years as adjusted for the effect of all dilutive potential equity share except, where the results are anti-dilutive.

(B) NOTES FORMING PARTS OF ACCOUNTS 2004-2005

1. As informed to us, the company has given advances for various activities to the parties in which Directors are interested but the activities for which advances are given not completed. As informed by the management, no interest to be charged on such Advances.

2. As inform by the management there is no tax liabilities as due to carried forward losses as per Income Tax Act, However the company has made Provisions for Income tax as MAT of the Income Tax Act.

3. Payment made to auditors:

	31/03/05	31/03/04
For Audit Fees	11020	11020
	11020	11020

5. Balance confirmation of Debtors, Creditors and Loans and Advance are not received by the company which are subject to adjustment if any.

6. Additional information pursuant to the provisions of the paragraph 3, 4c and 4d of the Part ii of the Schedule VI of the Companies Act, 1956 are not required looking to transaction of the company during the year under review.

7. The following components give rise to timing difference, the tax effect of which have been recognized as Deferred Tax Assets and Liability.

Particulars	Deffered Tax Liability		Deffered Tax Assets	
	04-05	03-04	04-05	03-04
Carried Forward loss as Per income tax up to accounting year 04-05.	0	0	800360	993871
Difference between the written down value of fixed assets as per books and as per income tax	0	0	0	0
Substantively Enacted tax rate	36.59%	35.875%	36.59%	35.875%
Tax effect of timing differences	0	0	287129	356551

10. Profit after tax Rs. 38526/- has been used as numerator and 4782100 weighted average number or shares has been used as denominator for the purpose of calculation of basic and Diluted Earnings per Share.

11. Related Party Disclosure :

As required by accounting standard : AS 18 "Related Parties Disclosure" issued by the Institute of Chartered Accountants of India are as under;

- (a) List of related parties with whom transaction have taken place during the year and relationship:

Sr No	Name of Related party	Relationship
1.	Manish K. Ruparel	Key Management personnel
2.	Hillcreast Informatic Ltd	Associate Concern
3.	Sanjay Patel	Director

- (b) Transaction with Related parties during the year

Sr	Nature of Transaction	2004-05	2003-04
1.	Managerial Remuneration	Rs. 90000	Rs. 30000

- (c) Outstanding balance as on 31/03/2005.

(amount in Rs.)					
Sr	Name of the director/ concern	04-05 Outstanding	03-04 Outstanding.	04-05 Maxi. Bal.	03-04 Max Bal.
1.	Hillcreast Informatic Ltd.	7126000	7126000	7126000	7126000
2.	Sanjay Patel HUF	415350	415350	415350	415350

12. Previous year's figures have been regrouped wherever necessary to make them comparable with those of current years.

SIGNED SCHEDULE "A" TO "K"

As per our Report of even date attached herewith.

For, Deepak C. Gandhi & Co.
Chartered Accountants



Proprietor

For, My Fellow Fashion (Export) Ltd.

  
Director Director Director

Date : 29/04/2005
Place : Kalol (NG)

Date : 29/04/2005
Place : Ahmedabad

Additional information as required under Part-IV of Schedule -VI to the companies Act, 19056.

		Balance sheet abstract
1.	REGISTRATION DETAILS	
	Registration No.	21800
	State code no.	04
	Balance Sheet Date	31-03-05
2.	CAPITAL RAISED DURING THE YEAR (RS, N '000)	
	Public Issue	nil
	Right Issue	nil
	Bonus Issue	nil
	Private Placement	nil
3.	POSITIONS OF MOBILISATION DEPLOYMENT FUNDS (RS. IN '000)	
	Total Liabilities	489.16
	Total Assets	489.16
	Sources of Funds:	
	Paid up capital	489.16
	Reserve & Surplus	0.00
	Secured Loan	0.00
	Unsecured Loan	0.00
	Application Fund :	
	Net Fixed Assets	0.00
	Investments	20.50
	Net current Assets	428.54
	Miscellaneous Expenditure	4.10
	Accumulated Losses	36.02
4.	PERFORMANCE OF THE COMPANY (RS. IN '000)	
	Turnover	37.00
	Other Income	0.00
	Total Expenditure	35.83
	Profit before tax	1.17
	Profit after tax	0.39
	Earning per share	0.01
	Dividend Rate	0.00

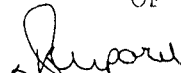
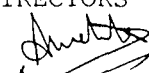

5. GENERAL NAMES OF PRICIPAL PRODUCTS, SERVICES OF THE COMPANY

Item Code No.	-----
Product Description	Entertainment & Pharamceutical

For, Deepak. C. Gandhi & Co..
Chartered Accountants


Proprietor

FOR AND ON BEHALF OF THE BOARD
OF DIRECTORS

 Director	 Director	 Director
---	---	---

Place : Kalol
Date : 29-04-2005

Place ; Ahmedabad
Date : 29-04-2005

My Fellow Fashion Export Ltd.

Sundry Debtors (More Than Six Months)

Morden Fashion Junction	33190
Mystique Media Ltd.	379000
Suncity Financial Services Ltd.	400000
Nandanvan Collection	85090
P.H.Fashion	169216
Rajeshwari Fashion	56950
Ramsevak Jeans Ware	66930
Ratna Selection	65746
Shreenath Textile Mill	178890
Sudarshan Traders	103460
	<u>1538472</u>

Bank Balance

ICICI Bank Ltd.	4035
The Navnirman Co.Op. Bank Ltd	1004
	<u>5039</u>

Loans & Advances

Hillcrest Info. Ltd. -Technology	7126000
P. Ravikumar Varma	29777800
Sanjay Patel HUF	415350
Shanti Priya	3835600
	<u>41154750</u>

Sundry Creditors For Expenses

Ahmedabad Stock Exchange	75000
Bombay Stock Exchange	20000
Deepak C. Gandhi & Co.	50200
Gayatri Consultancy	15000
MCS Ltd.	9000
Rajesh Parekh & Co.	18920
Shreeji Management Services	15000
Unpaid Accounting Charges	24000
Vipul Kothari & Co.	5455
	<u>232575</u>

RAJESH PAREKH & CO.
Company Secretary

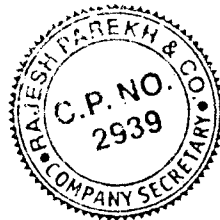
104, Ashwamegh Avenue, Nr. Mithakhali Underbridge, Navrangpura, Ahmedabad-380 009.
Phone : 26440731, 55611944

CERTIFICATE

I have examined all relevant Books, Registers, Forms, Documents and papers of M/s. **MY FELLOW FASHION (EXPORTS) LIMITED**, having its registered office at 704-705, Silver Oak, Near Mahalaxmi Char Rasta, Paldi, Ahmedabad- 380 007 processed and maintained by **MCS Ltd.**, Registrar and Transfer Agent for the purpose of issuing certificate under sub-clause [c] of Clause 47 of the Listing Agreement with the Stock Exchange and based on my examination as well as information furnished to me which to the best of my knowledge and belief were necessary for the purpose of my certification, I hereby certify that in my opinion and according to the best of information and belief, the Company has not delivered and dispatched, during the half year ended on 31st day of March, 2005 any certificate of shares within one month of the date of lodgment.

PLACE : AHMEDABAD
DATE : 30/04/2005

FOR RAJESH PAREKH & CO.,
Company Secretary



Rajesh Parekh
RAJESH PAREKH
C.P. NO. 2939