

22nd ANNUAL REPORT

MAVI INDUSTRIES LIMITED

REGISTERED OFFICE

Betegaon Village, Boisar (east), Taluka Palghar, Dist. Thane - 401 501.

MAVI INDUSTRIES LIMITED
(Formerly Known as Krishna Filaments Limited)

TWENTY SECOND ANNUAL REPORT 2009-2010

BOARD OF DIRECTORS

Mr. Krishnakumar Agarwal	Director
Ms. Julie Jani	Director
Mrs. Amita Agarwal	Director

AUDITORS

M/s. B.N.Kedia & Co.,
Chartered Accountants
Mumbai.

BANKERS

Karnataka Bank
Central Bank of India

SOLICITORS AND ADVOCATES

Little & Co., Mumbai

REGISTERED OFFICE & FACTORY

Betegaon Village,
Boisar (E), Tal. Palghar,
Dist. Thane - 401 501.
Maharashtra, India.

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai – 400 078.

MAVI INDUSTRIES LIMITED
(Formerly Known as Krishna Filaments Limited)

NOTICE

NOTICE is hereby given that the **Twenty Second Annual General Meeting** of the Members of **MAVI INDUSTRIES LIMITED** will be held on Thursday, 30th September, 2010 at Registered Office of the Company situated at Betegaon Village, Boisar (East), Taluka Palghar, Dist. Thane – 401 501 at 10.30 a.m. to transact the following business –

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31st March, 2010 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
- 2) To appoint Director in place of Ms. Julie Jani, who retires by rotation, and being eligible offers herself for re-appointment.
- 3) To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**.

“RESOLVED that M/s B.N.Kedia & Co. Chartered Accountants, be and are hereby re-appointed as Auditors of the Company to hold office as such from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors.”

SPECIAL BUSINESS

- 4) To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**.

“**Resolved that** subject to the consents , approvals and permissions being obtained from appropriate authorities to the extent applicable or necessary , the consent of the Company be and is hereby accorded in terms of Section 293(1) (a) and other applicable provisions , if any , of the Companies Act , 1956 to the Board of Directors of the Company (Board) .to sell ,transfer or otherwise dispose of at such consideration and with effect from such date as the Board may think fit , Company’s undertaking comprising of Factory Land situated at Shahpur to M/s Vima Infrastructure Private Limited (a wholly owned subsidiary of the company)

Resolved Further that the Board be and is hereby authorized to do or cause to be done all such acts, deeds and things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid Resolution and to settle any question that may arise in this regard.”

- 5) To consider and if thought fit , to pass the following Resolution as an **Ordinary Resolution**:

“**Resolved that** subject to the consents , approvals and permissions being obtained from appropriate authorities to the extent applicable or necessary , the consent of the Company be and is hereby accorded in terms of Section 293(1) (a) and other applicable provisions ,

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if any, of the Companies Act, 1956 to the Board of Directors of the Company (Board) to sell, transfer or otherwise dispose of at such consideration and with effect from such date as the Board may think fit, Company's undertaking comprising of Factory Land & Factory Shed of the Company situated at Sinnar, Nasik to M/s Vima Projects Private Limited (a wholly owned subsidiary of the company).

Resolved Further that the Board be and is hereby authorized to do or cause to be done all such acts, deeds and things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid Resolution and to settle any question that may arise in this regard."

**By Order of the Board of Directors
For MAVI INDUSTRIES LIMITED**

**Place : Betegaon
Date : 03/09/2010**

DIRECTOR

Registered Office :
Betegaon Village, Boisar (E),
Tal. Palghar,
Dist. Thane - 401 501.

NOTES

1. A SHAREHOLDER ENTITLED TO ATTEND THE MEETING AND VOTE THEREAT MAY APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF ONLY ON A POLL. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
3. The instrument appointing a proxy should, however be deposited at the registered office of the company not later than 48 hours before the time for holding the meeting the proxy need not be a member of the company.
4. The Register of Members and the Share Transfer Register of the Company shall remain close from 27th September, 2010 to 30th September 2010 (both days inclusive).
5. Members are also requested to notify changes in address, details of bank account number, name of the bank, bank's branch name and address, if any, immediately to the Company's Registrar & Share Transfer Agents – Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078.
6. Members holding shares in the same name or same order of names under different ledger folios are requested to apply for consolidation of such folios, to the Company's Registrar's and Transfer Agents, at the address as stated in note.5 above.

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7. Members may please address all their documents/ correspondences relating to the equity shares directly to the Company's Registrars and Transfer Agents, at the address as stated above.
8. Nomination facility for shares is available for members. The prescribed format in this regard can be obtained from the Company's Registrars and Transfer Agents at the address as stated above.
9. The Company's equity shares are under compulsory dematerialisation. Accordingly, trading of these shares through the Stock Exchange would be facilitated if share certificates are dematerialized. Members having the physical shares certificate are advised to consider opening of a Demat Account with an authorized Depository Participant and arrange for dematerializing their shareholdings in the Company.
 - a) All unclaimed dividend for the financial year 1997-98 (Interim Dividend) and 1997-98 (Final Dividend) of the company has been transferred to the Investors Education and Protection Fund in terms of Section 205C of the COMPANIES ACT, 1956
10. Members attending the Annual General Meeting are requested to bring with them the following:
 - a) Members holding shares in dematerialized form, their DP & Client ID Numbers.
 - b) Members holding shares in physical form, their folio Numbers.
 - c) Copy of the Annual Report and Notice, as no copies thereof would be distributed at the Meeting.
 - d) The Attendance Slip duly completed and signed in terms of specimen signature lodged with the Company.

The company would accept only the Attendance Slip from a member actually attending the Meeting or from the person attending as a proxy under a valid proxy form registered with the Company not less than 48 hours prior to the Meeting. Attendance Slip of Members/ valid proxies not personally present at the Meeting, or relating to proxies which are invalid, will not be accepted from any other member/person.

**By Order of the Board of Directors
For MAVI INDUSTRIES LIMITED**

**Place : Betegaon
Date : 03/09/2010**

DIRECTOR

Registered Office :
Betegaon Village, Boisar (E),
Tal. Palghar,
Dist. Thane - 401 501.

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ANNEXURE TO THE NOTICE

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

ITEM No: 5

The Company has to settle the dues of its Secured Creditors and for that it has been considered advisable to sell or transfer or otherwise dispose of one of the undertakings of the Company situated at Shahpur comprising of Factory Land.

Hence the Board recommends the sale or transfer or otherwise dispose of the undertaking of the Company situated at Shahpur comprising of Factory Land..

Section 293(1)(a) of the Companies Act 1956, provides interalia that the Board of Directors of the Company shall not except with the consent of the Company in General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking or undertakings of the Company or where the Company owns more than one undertaking the whole or substantially the whole of any such undertakings.

Hence approval from the members is sought by passing as Ordinary Resolution.

None of the Directors of the Company is in any way concerned or interested in the resolution.

The Board of Directors recommends the Resolution for approval of members

Item No: 6

The Company has to settle the dues of its Secured Creditors and for that it has been considered advisable to sell or transfer or otherwise dispose of one of the undertakings of the Company situated at Sinnar, Nasik comprising of Factory Land & Factory Shed.

Hence the Board recommends the sale or transfer or otherwise dispose of the undertaking of the Company situated at Sinnar, Nasik comprising of Factory Land & Factory Shed.

Section 293(1)(a) of the Companies Act 1956, provides interalia that the Board of Directors of the Company shall not except with the consent of the Company in General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking or undertakings of the Company or where the Company owns more than one undertaking the whole or substantially the whole of any such undertakings.

Hence approval from the members is sought by passing as Ordinary Resolution

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None of the Directors of the Company is in any way concerned or interested in the resolution.

The Board of Directors recommends the Resolution for approval of members

**By Order of the Board of Directors
For MAVI INDUSTRIES LIMITED**

**Place : Betegaon
Date : 03/09/2010**

DIRECTOR

Registered Office :
Betegaon Village, Boisar (E),
Tal. Palghar,
Dist. Thane - 401 501.

MAVI INDUSTRIES LIMITED
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DIRECTORS' REPORT

To
The Members,

Your Directors present the Twenty-Second Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2010.

Financial Results

(Rupee in Lakhs)

Description	Year Ended 31-03-2010	Year Ended 31-03-2009
Other Income	70.23	20.52
Profit before Interest, Depreciation & Tax	52.44719	(34.65)
Interest	0.00719	82.59
Profit/(Loss) before Depreciation and Tax	52.44	(117.24)
Depreciation	27.33	54.37
Profit/(Loss) before Tax & Provisions	25.11	(171.61)
Provision for Diminution in Value of Investment	Nil	Nil
Provision for Doubtful Debts	Nil	Nil
Provision for Tax	Nil	Nil
Profit/(Loss) after Tax	25.11	(171.61)
Add : Non-operating loss	Nil	Nil
Add : Prior period and extra ordinary items	865.91	2227.97
Add : Surplus b/f from the previous year	(33353.09)	(55409.45)
Surplus / Deficit	891.02	(22056.36)
Balance carried forward to Balance Sheet	(32462.07)	(33353.09)

Dividend

In view of the losses incurred by the Company during the year under review, your directors regret their inability to declare any dividend on equity shares of the Company.

Operations and Outlook

During the year there was no manufacturing operation at plant of the company due to unavoidable circumstances beyond control of the company.

Directors

In accordance with the Companies Act ,1956 and the Articles of Association of the Company, Ms. Julie Jani, retires by rotation at the conclusion of ensuing Annual General Meeting and being eligible, offers herself for reappointment.

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Directors' Responsibility Statement

As required by section 217(2AA) of the companies Act, 1956, your directors state:

- ◆ that in the preparation of annual accounts, for the year ended 31st March 2010, the applicable accounting standards have been followed along with proper explanations relating to material departures except AS 5 with respect to secured loan liability w/back on settlement of secured loans, amounting to Rs. 10.80 crores, which should have routed through profit & Loss Account instead of directly crediting to General Reserve
- ◆ that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the loss of the company for that year;
- ◆ that 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 irregularity;
- ◆ that the directors had prepared the annual accounts for the year ended 31st March 2010, on a going concern basis.

Corporate governance

Pursuant to Clause 49 of the Listing Agreement a separate report on Corporate Governance and a certificate from the Mr.Pradip C. Shah, FCS, Practicing Company Secretary regarding compliance of the conditions of Corporate Governance are annexed to the Directors Report.

Auditors

M/s. B.N.Kedia & Co., Chartered Accountants, Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment. The Company has received a certificate from the Auditors to the effect that their reappointment, if made, would be in accordance with the limits specified under Section 224(1 B) of the Companies Act, 1956.

The Board recommends their re-appointment.

The Notes to the Accounts referred to in the annual report are self explanatory and therefore do not call for any further explanation.

Auditors' Report -

The observations and qualifications made by auditors in the Auditors' Report are explained as under:

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- ◆ With reference to point no. 2 (d) in the Auditor' Report, the company has not complied with AS 5 with respect to secured loan liability w/back on settlement of secured loans , amounting to Rs.10.80 crores, which should have routed through profit & loss Account instead of directly crediting to General Reserve.
- ◆ With reference to point no. 2 (g) in the Auditors' Report, the net worth of the company is fully eroded due to heavy losses and financial institutions and Bankers of the Company have already recalled the credit facilities extended to the company
- ◆ With reference to point No. 2 (h) in the Auditors' Report, No provision has been made for Interest on working capital loans, the liability for which remains to be ascertained.

Particulars of Employees

There were no employees drawing a salary in excess of the limit prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Conservation of Energy, Technological Absorption, Foreign Exchange Earnings and Outgo

In accordance with the provisions of Section 217(1) (e) of the Companies Act, 1956, the required information relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed to this report.

Acknowledgements

The Board of Directors wishes to thank the Company's members and esteemed business associates for their valued contributions and support.

**By Order of the Board of Directors
For MAVI INDUSTRIES LIMITED**

**Place : Betegaon
Date : 03/09/2010**

DIRECTOR

DIRECTOR

Registered Office :
Betegaon Village, Boisar (E),
Tal. Palghar,
Dist. Thane - 401 501.

MAVI INDUSTRIES LIMITED
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ANNEXURE TO DIRECTORS' REPORT

- a. **Conservation of Energy** : The above details are not required to be given by the Company in Form A as our activities do not fall under list of industries specified in the Schedule attached to Rule 2. Ours is not a major power consuming industry.
- b. **Technology absorption** : The Company has not undertaken any R & D work.
- c. **Foreign Exchange Earnings and Outgo**: Nil

**By Order of the Board of Directors
For MAVI INDUSTRIES LIMITED**

**Place : Betegaon
Date : 03/09/2010**

DIRECTOR

DIRECTOR

Registered Office :
Betegaon Village, Boisar (E),
Tal. Palghar,
Dist. Thane - 401 501.

MAVI INDUSTRIES LIMITED
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CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

The Company's philosophy on corporate governance is aimed at assisting the top management of the company in efficient conduct of its business, transparency in management and in meeting its obligations towards shareholders.

I. BOARD OF DIRECTORS

A) Composition :

As at March 31, 2010 the board consisted of 3 members. The Board comprises of 1 (One) Executive Director and 2 (Two) Non-Executive Directors. The Board's role, functions, responsibility and accountability are clearly defined. The company has appointed Mr. Krishnakumar Agarwal, Director as Chairman of the Board of Directors of the company.

B) Board meeting held during the year:

The Meeting of the Board of Directors was chaired by Mr. Krishnakumar Agarwal or in his absence, Ms. Julie Jani. The Board held Six Meetings during the financial year 2009-10 on 30/04/2009, 29/06/2009, 30/07/2009, 01/09/2009, 30/10/2009, 29/01/2010

C) Attendance of Directors at Board Meetings and last AGM:

The attendance of each Director at the Board Meetings and the last AGM is given below –

Name of the Director	Category of Directorship	Attendance particulars		No. of Directorships of public Ltd. Cos.
		Board Meeting	Last AGM	
Mr.Krishnakumar Agarwal	Executive Director	6	Yes	2
Ms.Julie Jani	Independent Non-Executive Director	6	Yes	1
Mrs.Amita Agarwal	Non-Executive Director	6	YES	2

D) Directors with materially peculiarly or business relationship with Co.

There has been no material relevant peculiarly transaction or relationships between the Company and its non-executive director.

II. AUDIT COMMITTEE

The following Directors have been appointed as Members of the Audit Committee;

Ms. Julie Jani	-	Chairperson
Mr. Krishnakumar Agarwal	-	Member
Mrs. Amita Agarwal	-	Member

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The Audit Committee met periodically during the year 2009-2010 and gave its reports and recommendations to the Board of Directors for Corporate Governance and overall improvement in the functioning of the Company.

There were 5 meetings of the Audit Committee during the year 2009-2010. The attendance of each member of the Committee is given below;

<u>Name of the Director</u>	<u>No. of Meetings Attended</u>
Ms. Julie Jani	5
Mr. Krishnakumar Agarwal	5
Ms. Amita Agarwal	3

As per the terms of reference prescribed by the Board as stipulated in Clause 49(II)(d) of the Listing Agreement, the committee performs such duties and tasks as is assigned to it by the Board. The Committee has access to all records of the Company. The committee reviews the report of the internal and statutory auditors, internal audit systems and procedures, internal control systems, etc. and also addresses the requirements of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges.

III. REMUNERATION COMMITTEE

The company does not have a remuneration committee, however the Board determines and recommend the remuneration package/ commission on profits payable to the Managing/Wholetime Directors subject to approval by members in the General Meeting.

Remuneration of Directors

During the year review the details of remuneration paid to directors are as follow :

Mr. K.K. Agarwal	Rs. Nil
Ms. Julie Jani	Rs. Nil
Ms. Amita Agarwal	Rs. Nil

Disclosures by Management to the Board

During the year there were no transactions relating to financial and commercial transactions where Directors have a potential interest, the disclosure requirements by the Directors do not arise.

None of the Director is either a Chairman in more than five committees or member in ten committees.

IV. Shareholders

Disclosure regarding appointment and reappointment of Directors

As per the statute two thirds of the directors should be retiring directors. One third of the directors are required to retire every year and if eligible, these directors qualify for re-appointment.

Ms. Julie Jani retires by rotation at the ensuing Annual General Meeting. She is eligible for reappointment.

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Means of Communication

The Board takes on record the unaudited financial results in the prescribed proforma of the stock exchanges within a month of closure of the quarter and announces forthwith the results to all the stock exchanges where the company is listed. Further, information is also provided to concerned registrar & depository participant.

Details of Non Compliance

There have been no instances of Non compliance on any matter relating to the capital market during the last three years.

General Shareholder information

Investors/Shareholders Grievance cum Share Transfer Committee

The Board has constituted an investors/shareholders Grievance cum Share Transfer Committee. Compliance Officer is Mr. S. H. Kabra. The Committee was headed by Ms.Amita Agarwal. The Committee looks into investors/shareholders complaints. Four meetings of the Shareholders/Investors Grievance Committee were held during the year on 30th April 2009 , 30th July 2009 , 30nd October 2009 and 30th January 2010.

All share transfer work of the company is carried out by the Company's Share Transfer Agents M/s. Link Intime India Private Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078.

The status of investor queries/complaints is as under:

No. of investor queries / complaints received during the year 2009-10	Pending at the end of the year	No. of pending share transfer
3	Nil	Nil

General Body Meetings

a) Details of General Meetings held in last three years:

Financial Year	Date	Time	Venue
2008-09	30.09.2009	04.00 p.m.	Boisar
2007-08	30.09.2008	04.00 p.m.	Boisar
2006-07	29.09.2007	04.00 p.m.	Boisar

b) No special resolutions were passed in the previous 3 Annual General Meetings.

c) No resolutions are proposed to be passed at the ensuing Annual General Meeting which require approval of members through postal ballot.

Annual General Meeting

AGM will be held on Thursday, 30th September, 2010 at Boisar at the Registered Office of the Company at 10.30 a.m.

MAVI INDUSTRIES LIMITED
(Formerly known as Krishna Filaments Limited)

Financial Year

01st April to 31st March.

Book Closure

27th September, 2010 to 30th September, 2010 (Both days inclusive)

Dividend

No dividend was declared for last financial year.

Dividend declared in earlier years

31 st March, 2009	–	Nil
31 st March, 2008	–	Nil
31 st March, 2007	–	Nil

Listing of Shares

The Company's shares are listed at Bombay Stock Exchange and National Stock Exchange. Listing fees for the BSE has been paid.

Stock code

Stock Exchange, Mumbai

Physical Script Code No. 248

Demat Script Code No. 500248

National Stock Exchange, MUMBAI.

NSC SYMBOL: KRISHNAFILA

Registrar & Transfer Agents

Share Transfers in physical and demat forms is handled by the Company's Share Transfer Agents M/s. Link Intime India Private Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400078.

Share Transfer System

All the transfers are received, processed and approved by the Share Transfer Agents and sent back to transferee.

Shareholding Pattern

The following tables give the pattern of shareholding as on 31st March, 2010.

MAVI INDUSTRIES LIMITED
(Formerly known as Krishna Filaments Limited)

Pattern of shareholding by ownership as on 31st March, 2010.

Category	No. of Shares held	Shareholding %
Promoters	4875656	62.62
Financial Institutions/Insurance Companies/ Nationalized Banks	100	0.00
Mutual Funds – UTI	100	0.00
Foreign Institutional Investors	500	0.00
Bodies Corporate	1411283	18.13
Non Resident Indians	55612	0.71
Others	1430945	18.38
Clearing Members	12104	0.16
Total	77,86,300	100.00

Pattern of shareholding by share class as on 31st March 2010

Shareholding Class	No. of Shareholders	No. of Shares held	Shareholding %
1-5000	3547	454950	5.84
5001-10000	136	113143	1.45
10001-20000	73	114625	1.47
20001-30000	23	57119	0.73
30001-40000	16	55058	0.71
40001-50000	6	28925	0.37
50001-100000	21	167625	2.16
100001 and above	44	6794855	87.27
Total	3866	7786300	100.00

Market Price Data:

The market price and volume of the company's shares traded in stock exchange during the year was as follow:

Year 2009-10	High	Low	Volume
Month	(Rs.)	(Rs.)	(Nos)
April 2009	10.05	8.40	11201
May 2009	11.85	10.00	10693
June 2009	29.87	12.40	37380
July 2009	24.25	16.20	21151
August 2009	20.00	16.80	13511
September 2009	29.95	18.15	81560

MAVI INDUSTRIES LIMITED
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Year 2009-10	High	Low	Volume
October 2009	36.50	26.80	99071
November 2009	30.90	25.00	12310
December 2009	33.60	25.25	27486
January 2010	44.50	25.95	76970
February 2010	42.00	28.00	38881
March 2010	27.50	34.05	140157

Dematerialization of shares and liquidity

74.89 % of shareholding has been dematerialized.

Registered Office & Plant Location.

Betegaon Village,
 Boisar (East),
 Tal. Palghar...,
 Dist. Thane 401501

Ph.No. : 952525 - 284961
 Fax No. : 952525 - 284978

For and on behalf of the Board

K. K. Agarwal
 Director

MAVI INDUSTRIES LIMITED

Certificate

To,
The Board of Directors,
MAVI INDUSTRIES LIMITED
Betegaon Village ,
Boisar (E), Tal. Palghar,
Dist. Thane-401501

We have reviewed the implementation of Corporate Governance procedures by the Company during the year ended March, 31, 2010 with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange, except non compliance of sub-clauses I (D) (i) and (IV) (G) (ii) (non posting of code of conduct and quarterly results on the website of the Company).

We further state that our examination of such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.P. SHAH & Co.
Practicing Company Secretary

P.C. SHAH
Proprietor
Mumbai,03/09/2010
FCS -1483
COP- 436

MAVI INDUSTRIES LIMITED
(Formerly known as Krishna Filaments Limited)

AUDITORS REPORT

TO THE MEMBERS
MAVI INDUSTRIES LTD
(Formerly known as KRISHNA FILAMENTS LTD)

We have audited the attached Balance Sheet of **MAVI INDUSTRIES LIMITED** (Formerly Known as KRISHNA FILAMENTS LIMITED) as at 31st March, 2010 and the Profit & Loss account and also Cash Flow statement of the Company of 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 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts 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.

We report as under:

- 1) as required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) order 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the act), and on the basis of such checks of the books and records we considered appropriate and according to the information and explanations given to us by the management, we annex hereto a statement on the matters specified in paragraph in paragraphs 4 and 5 of the said Order.
- 2) Further to our comments in the Annexure referred to in paragraph 1 above:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
 - c) The balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the balance sheet, the Profit and loss account and the Cash Flow Statement comply with the Accounting Standards (AS) as referred to in section 211(3C) of the Companies Act, 1956, to the extent ,applicable to the Company, except the following:-

The company has not complied with AS 5 with respect to secured loan liability w/back on settlement of secured loans, amounting to

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(Formerly known as Krishna Filaments Limited)

Rs. 10.80 crores, which should have routed through profit & Loss Account instead of directly crediting to General Reserve.

e) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report, read together with the Notes thereon, give the information required by the Companies Act, 1956 in the manner so required.

f) In our opinion and according to the information and explanations given to us, none of the Directors of the Company as on 31st March 2010 are disqualified from being appointed as Directors as per the provisions of Section 274(1)(g) of the Companies Act, 1956.

g) The net worth of the Company is fully eroded due to heavy losses and Financial institutions and Bankers of the Company had already recalled the credit facilities extended to the Company. Further, the value of its assets would not be adequate to meet its liabilities. In view of all these, the Company does not appear to be a 'Going Concern'.

h) We further report that

(i) No provision has been made for Interest on working capital loans, the liability for which remains to be ascertained.

i) We are unable to comment on the resulting effect of our observation in paragraph (d), (h) and (i) above on relevant assets, liabilities and on loss for the year. Subject to this, the said accounts read together with the notes thereon, gives a true and fair view in conformity with the accounting principles generally accepted in India:

i) in case of the Balance Sheet. Of the state of affairs of the Company as at 31st march, 2010.

ii) in case of the Profit & Loss Account, of the loss of the Company for the year ended on that date and

iii) in case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For B N KEDIA & CO
Chartered Accountants

K K kedia
(Partner)
ICAI M No: 052461

Date: 03-09-2010

MAVI INDUSTRIES LIMITED

(Formerly known as Krishna Filaments Limited)

**ANNEXURE REFERERED TO IN PARAGRAPH I OF OUR REPORT
OF EVEN DATE TO THE MEMBERS OF
MAVI INDUSTRIES LTD FOR THE YEAR ENDED 31ST MARCH, 2010
(Formerly Known as KRISHNA FILAMENTS LTD)**

Fixed Assets:

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
2. We are informed that fixed assets have not been physically verified by the management as the same have been taken over by the Hon'ble Court Receiver. We are unable to comment on discrepancies and consequential adjustments, if any, in absence of such verification.
3. We are informed that during the year, the Company has not disposed off major part of fixed assets.

Inventories:

4. We are informed that the physical verification of inventory has not been carried out by the management at regular intervals.
5. We are unable to comment on the procedures for the physical verification in absence of such verification.
6. On the basis of our examination of the records of the company, we are of the opinion that the company has maintained proper records of inventory. We are unable to comment on the discrepancies in absence of such physical verification.

Related party transactions:

7. The company has granted any loans or advances in the nature of loans to companies. Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
8. The Company has taken interest free loan amounting to Rs. 17.60 lacs from the Company listed in the register maintained under section 301 of the Companies Act, 1956 and outstanding balance at year end is Rs. 79.43 lacs. The terms and conditions are prime facie, not prejudicial to the interest of the company and there is no stipulation with respect to its repayment.
9. In our opinion and according to the information and explanations given to us, the transactions for services made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.

MAVI INDUSTRIES LIMITED
(Formerly known as Krishna Filaments Limited)

10. We are informed that the company has not given guarantee for loan, if any, taken by others from bank.

Internal Controls:

11. Based on the information and explanation and verification of records, we are of the opinion that there is adequate internal control system considering the size of the Company and nature of its business.
12. The Company does not have an internal audit system but its financial and other internal checks ensures proper recording of financial transactions.

Deposits:

13. The Company has not accepted any deposit from 'public' to which the provisions of section 58A and section 58AA of the Companies Act, 1956, and the rules framed there under apply. No orders have been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any other tribunal against the company.

Taxation:

14. The Company has been generally regular in depositing the undisputed statutory dues including Provident Fund, ESIC dues, Income Tax, Investor Education and Protection Fund, Sales tax, Wealth tax, Excise Duty and other material statutory dues applicable to its except sale tax payable amounting to Rs. 3.21 Lacs which has been outstanding for more than 6 months.
15. According to the information and explanations given to us and based on the management's representation, there were no disputed dues of income tax, wealth tax, custom duty, excise duty and sales tax except the following:

Name of the statute	Nature of the dues	Amount (Rs)	Forum where dispute is pending
Income tax Block Asst.	Income Tax	1,06,50,61,820	Settlement commission
Income Tax A Y 1999-00	Income Tax	57,37,80,044	Settlement commission
Income Tax A Y 2002-2003	Income Tax	30,50,844	CIT (Appeals)
Income Tax A y 2003-2004	Income Tax	26,02,006	CIT (Appeals)

MAVI INDUSTRIES LIMITED
(Formerly known as Krishna Filaments Limited)

Miscellaneous:

16. We are informed that the Central Government has not prescribed maintenance of cost records by the Company under section 209(1)(d) of the Companies Act, 1956.
17. The Company has accumulated losses exceeding net worth as at 31st March, 2010 and it has incurred cash losses in the year under audit as well as in the immediately preceding year.
18. Based on our audit procedures and on the information and explanation given to us by the management, we are of the opinion that the company has defaulted in repayment of dues to various financial institutions and banks amounting to Rs. 4.40 crores (PY 11.76 crores). Details are not made available to us as to the period since when the default continues and the said amounts are subject to conformations by the respective institutions/banks.
19. Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
20. The Company has not dealt or traded in shares, debentures, or other investments during the year.
21. Based on our examination of the balance sheet of the company on an overall basis and as per the information given to us, we find that no funds raised on short term basis were utilized for long term purpose.
22. During the year, the Company has not taken any term loans.
23. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.
24. Clauses 4(iii) © (d) (g) (v)(b), 4(xviii), 4(xix), 4(xx) are not applicable to the Company and hence, not reported upon.

For B N KEDIA & CO
Chartered Accountants
Firm Registration No: 001652N

K K Kedia
(Partner)
ICAI M No: 052461

Date: 03-09-2010

MAVI INDUSTRIES LIMITED

(Formerly known as Krishna Filaments Limited)

BALANCE SHEET AS AT 31ST MARCH , 2010

PARTICULARS	Sch.	Rupees	As at 31-Mar-10 Rupees	As at 31-Mar-09 Rupees
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	A	77,863,000		77,863,000
Reserves & Surplus	B	2,785,457,927		2,677,440,129
			2,863,320,927	2,755,303,129
Loan Funds				
Secured Loans	C	44,049,665		117,642,486
Unsecured Loans	D	7,943,170		149,614,937
			51,992,835	267,257,423
Total (Rs.)			2,915,313,762	3,022,560,552
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	E	1,104,879,604		1,104,879,604
Less : Depreciation		1,101,157,725		1,098,424,294
Net Block			3,721,878	6,455,310
Investments	F		38,000	38,000
Current Assets, Loans & Advances				
Cash & Bank Balances	G	2,190,675		3,844,084
Sundry Debtors	H	-		-
Loans & Advances	I	31,681,984		31,501,984
				35,346,068
		33,872,659		
Less:Current Liabilities & Provisions	J			
Current Liabilities		362,029,491		348,092,283
Provisions		6,495,180		6,495,180
				354,587,463
		368,524,671		
Net Current Assets			(334,652,011)	(319,241,395)
Profit & Loss Account			3,246,205,895	3,335,308,637
Total (Rs.)			2,915,313,762	3,022,560,552
Notes on accounts	N			
As per our attached Report of even date annexed				
For B.N.KEDIA & CO.		For and on behalf of the Board		
Chartered Accountants				
K.K.KEDIA				
Partner		Director		Director
Mem. No.052461				
Place : Mumbai		Place : Mumbai		
Date: 3rd September, 2010		Date: 3rd September, 2010		

MAVI INDUSTRIES LIMITED

(Formerly known as Krishna Filaments Limited)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	Sch.	Year Ended	Year Ended
		31-Mar-10	31-Mar-09
		Rupees	Rupees
INCOME			
Other Income	K	7,023,171	2,052,231
		7,023,171	2,052,231
EXPENSES			
Administrative Expenses	L	1,777,375	5,517,462
Financial Expenses	M	719	8,259,300
Depreciation		2,733,432	5,436,626
		4,511,525	19,213,388
Profit/(Loss) for the year		2,511,646	(17,161,157)
Add: Interest on Secured Loans provided in earlier Years now written Back		86,591,096	2,222,797,450
Less: Provision for Taxation		-	-
Profit after Tax		89,102,742	2,205,636,292
Add :Profit/(Loss) Brought Forward From Previous Year		(3,335,308,637)	(5,540,944,929)
Amount Available for Appropriation		(3,246,205,895)	(3,335,308,637)
Balance Carried to Balance Sheet		(3,246,205,895)	(3,335,308,637)
Earning per share : (Refer note 10 of Schedule N)			
Basic (Before Extra-ordinary items)		0.32	(2.20)
Basic (After Extra-ordinary items)		11.44	283.27
Diluted		11.44	283.27
Notes on accounts	N		

As per our attached Report of even date annexed

For B.N.Kedia & Co.

Chartered Accountants

For and on behalf of the Board**K.K.Kedia****Partner**

Mem. No.052461

Place: Mumbai

Date: 3rd September, 2010

Director**Director**

Place: Mumbai

Date: 3rd September, 2010

MAVI INDUSTRIES LIMITED

(Formerly known as Krishna Filaments Limited)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31 ST MARCH, 2010

PARTICULARS	Rupees	As at 31-Mar-10 Rupees	As at 31-Mar-09 Rupees
SCHEDULE - A			
SHARE CAPITAL			
Authorised			
80,00,000 (P.Y.80,00,000) Equity Shares of Rs.10/- each		80,000,000	80,000,000
2,20,00,000 (P.Y.2,20,00,000) Unclassified Shares of Rs 10/- each		220,000,000	220,000,000
		300,000,000	300,000,000
Issued , Subscribed & Paid - up			
77,86,300 (P.Y.77,86,300) Equity Shares of Rs. 10/-each fully paid		77,863,000	77,863,000
		77,863,000	77,863,000
SCHEDULE - B			
RESERVE & SURPLUS			
Capital Reserve		4,336,000	4,336,000
Share Premium		629,347,600	629,347,600
General Reserve			
Opening Balance	2,043,756,529		956,910,618
Add:Secured Loan / Unsecured Loan Liability Written Back	108,017,798		1,086,845,911
		2,151,774,327	2,043,756,529
		2,785,457,927	2,677,440,129
SCHEDULE - C			
SECURED LOANS			
Working Capital Loan from Banks		44,049,665	117,642,486
		44,049,665	117,642,486
Notes :			
Working Capital Loans from Banks referred above are Secured by hypothecation of present & future Stocks, Book Debts & Bills drawn against confirmed orders.			
SCHEDULE - D			
UNSECURED LOANS			
a) From Banks & Institutions	-		136,591,096
b) From Others	7,943,170		13,023,841
		7,943,170	149,614,937
		7,943,170	149,614,937

MAVI INDUSTRIES LIMITED

(Formerly known as Krishna Filaments Limited)

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 ST MARCH, 2010

SCHEDULE - E FIXED ASSETS

FIXED ASSETS

(Amount in Rs.)

Sr. No.	Assets	G R O S S B L O C K			D E P R E C I A T I O N			N E T B L O C K	
		As At 1-Apr-09	Additions/ (Deductions)	As At 31-Mar-10	As At 1-Apr-09	Provided/ (W/Back)	As At 31-Mar-10	As At 31-Mar-10	As At 31-Mar-09
1	Land	3,425,377	-	3,425,377	-	-	-	3,425,377	3,425,377
2	Factory Building	79,922,083	-	79,922,083	76,987,072	2,669,398	79,656,470	265,613	2,935,011
3	Plant & Machinery	953,316,541	-	953,316,541	953,316,541	-	953,316,541	-	-
4	Electrical Installations	52,157,712	-	52,157,712	52,157,712	-	52,157,712	-	-
5	Furnitures & Fixtures	6,163,163	-	6,163,163	6,116,590	46,573	6,163,163	-	46,573
6	Office Equipments	1,570,904	-	1,570,904	1,570,904	-	1,570,904	-	-
7	Vehicles	319,970	-	319,970	319,970	-	319,970	-	-
8	Weighing Scale	367,600	-	367,600	319,249	17,461	336,710	30,890	48,351
9	Generator	752,220	-	752,220	752,220	-	752,220	-	-
10	Fork Lift Truck	821,160	-	821,160	821,160	-	821,160	-	-
11	Gas Cylinders	1,227,200	-	1,227,200	1,227,200	-	1,227,200	-	-
12	Computers	4,835,675	-	4,835,675	4,835,675	-	4,835,675	-	-
	Total (Rs.)	1,104,879,604	-	1,104,879,604	1,098,424,294	2,733,432	1,101,157,725	3,721,880	6,455,311
	Previous Year	1,104,879,604	-	1,104,879,604	1,092,987,668	5,436,626	1,098,424,294	6,455,311	

MAVI INDUSTRIES LIMITED

(Formerly known as Krishna Filaments Limited)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31 ST MARCH, 2010

PARTICULARS	Rupees	As at 31-Mar-10 Rupees	As at 31-Mar-09 Rupees
SCHEDULE - F			
INVESTMENTS			
Long Term Investments - At Cost			
In Equity shares			
Unquoted :			
9,10,200 (P.Y.9,10,200) of Rs. 10/- each of Krishna Vinyls Limited	63,714,000		63,714,000
Less : Provision for Diminution	63,714,000	-	63,714,000
			-
2,00,000 (P.Y.2,00,000) of Rs. 10/- each of Krishna Capital Service Limited	2,000,000		2,000,000
Less : Provision for Diminution	2,000,000	-	2,000,000
			-
Others :			
Kisan Vikas Patra (Deposited with Sales Tax Authorities)		38,000	38,000
		38,000	38,000
SCHEDULE - G			
CASH & BANK BALANCES			
Cash on Hand		537,896	590,897
Balances with Scheduled Banks :			
In Current Accounts	297,780		328,188
In Fixed Deposit Accounts	5,000		5,000
In Margin Money Accounts	1,350,000		2,920,000
		1,652,780	3,253,188
		2,190,675	3,844,084
SCHEDULE - H			
SUNDRY DEBTORS			
(Unsecured, considered good unless otherwise stated)			
Debts outstanding for more than six months			
- Considered Good	-		-
- Considered Doubtful	326,070,450		326,070,450
Less : Provision for doubtful debts	326,070,450		326,070,450
		-	-
		-	-

MAVI INDUSTRIES LIMITED

(Formerly known as Krishna Filaments Limited)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31 ST MARCH, 2010

PARTICULARS	Rupees	As at 31-Mar-10 Rupees	As at 31-Mar-09 Rupees
SCHEDULE - I			
LOANS & ADVANCES			
(Unsecured, considered good unless otherwise stated)			
(i) Loans			
- Considered Doubtful	16,341,058		16,341,058
Less : Provision for doubtful loans	8,841,058	7,500,000	8,841,058
			7,500,000
(ii) Deposits		4,261,330	4,261,330
(iii) Advances receivable in cash or kind or for value to be received			
- Considered Good		404,300	224,300
- Considered Doubtful	2,372,478		2,372,478
Less : Provision for doubtful advances	2,372,478	-	2,372,478
			-
(iv) Advance Tax & Tax Deducted at Source		19,516,354	19,516,354
		31,681,984	31,501,984
SCHEDULE - J			
CURRENT LIABILITIES & PROVISIONS			
<u>Current Liabilities</u>			
Other Current Liabilities		362,029,491	348,092,283
		362,029,491	348,092,283
<u>Provisions</u>			
Provision for Taxation		6,495,180	6,495,180
		6,495,180	6,495,180
		368,524,671	354,587,463

MAVI INDUSTRIES LIMITED
(Formerly known as Krishna Filaments Limited)
SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31 ST MARCH 2010

PARTICULARS	Rupees	Year ended 31-Mar-10 Rupees	Year ended 31-Mar-09 Rupees
SCHEDULE - K			
OTHER INCOME			
Rent -Income		180,000	180,000
Sundry Balances Written Back		6,840,671	-
Miscellaneous receipts		-	1,866,481
Dividend		2,500	5,750
		7,023,171	2,052,231
SCHEDULE - L			
ADMINISTRATIVE EXPENSES			
Rent , Rates & Taxes		226,982	208,481
Legal & Professional Fees		1,327,633	4,391,974
Auditors' Remuneration		44,120	44,120
Insurance Charges		33,669	-
Loss on discard of stores & spares		-	459,632
Listing Fees		16,545	16,854
Printing & Stationary		12,998	16,859
Postage & Telegram		22,824	-
Sundry Balances Written Off		-	316,553
Filing Fees		23,090	12,422
Advertisement & Publicity		1,284	19,602
Miscellaneous Expenses		68,230	30,966
		1,777,375	5,517,462
SCHEDULE - M			
FINANCIAL EXPENSES			
Interest (On others)		-	8,258,238
Bank Charges & Commission		719	1,062
		719	8,259,300

MAVI INDUSTRIES LIMITED
(Formerly known as Krishna Filaments limited)

Schedule Forming Part of the Accounts For the Year Ended 31st March, 2010

SCHEDULE - N

A. SIGNIFICANT ACCOUNTING POLICIES:

1. GENERAL :

The Company maintains its accounts on accrual basis under historical cost convention on a going concern basis. The financial statements are prepared in accordance with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956, to the extent applicable and as per the requirements of the Companies Act, 1956.

2. FIXED ASSETS :

Fixed Assets are stated at cost of acquisition or as revalued and reduced by accumulated depreciation. The cost of an asset includes direct/indirect and incidental costs incurred to bring such asset into its present location and working condition for its intended use.

All costs, including financial costs till the commencement of commercial production, and adjustments arising out of exchange rate fluctuations relating to borrowings in foreign currency attributable to the fixed assets are capitalized.

3. DEPRECIATION :

Depreciation is provided on Straight Line Method on pro-rata basis at the rates & in the manner prescribed in Schedule XIV to the Companies Act, 1956.

4. INVESTMENTS :

Investments that are readily realizable and intended to be held generally for not more than a year are classified as Current Investments. Long term investments are stated at cost. Provision for diminution in value of Investments is made only if such a decline is other than temporary in the opinion of the management.

5. INVENTORIES :

Raw materials, Stores, Spares and Packing materials are valued at cost or net realizable value whichever is lower.

6. PRELIMINARY AND SHARE ISSUE EXPENSES:

Preliminary and Share issue expenses are amortized over a period of ten years from the year in which such expenses are incurred.

7. CONTINGENT LIABILITIES & EVENTS OCCURRING AFTER THE BALANCE SHEET DATE :

- Contingencies that can be reasonably ascertained are provided for if, in the opinion of the Company, there is a probability that the future outcome may be materially detrimental to the Company.
- Where material, events after the date of Balance Sheet up to the date of finalization of the accounts are considered.

8. FOREIGN EXCHANGE TRANSACTIONS :

Transactions in foreign currency are recorded as follows:

- A transaction in foreign currency is booked by applying the exchange rate at the date of the transaction.
- Exchange differences arising on foreign currency transactions are recognized as income or expense in the period in which they arise.
- Assets and Liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated either at forward contracted rates when covered by forward contracts or at the rates prevailing at the year end of such currency, as the case may be.
- In the case of Liabilities in respect of the foreign currency loans obtained for acquisition of fixed assets, the variation in the liability arising out of the exchange rates on repayment or at the year end is adjusted to the cost of acquisition of such fixed assets.

B. NOTES ON ACCOUNTS:

1. The Schedules referred to in the Balance Sheet & Profit and Loss Account form an integral part of the accounts.
2. Contingent Liabilities not provided for :
 - Disputed Income Tax demand of Rs. 1,641,443,870 /- (P.Y. Rs. 1,641,443,870/-)
3. No interest has been provided on unpaid installments of loans from the respective due date of installment No provision has been made for interest on working capital loans and its effect on loss for the year is unascertained.
4. Balances of Sundry Debtors, Sundry Creditors, Deposits, Loans & Advances from parties / Banks / Financial Institution and Bank Balances are subject to confirmation however as informed to us the company has initiated legal proceeding against its debtors amounting to Rs. 11,72,26,941/- for recovery.
5. The future liability on account of lease rent on Land to be paid over remaining period of 82 years and 3 months is Rs. 98,70,000/-.
6. As against Secured Loans of Rs.4,40,49,665,- the book value of relevant assets aggregate Rs.59,12,554/-.

7. Earning per share:-

Earnings per Share is calculated by dividing the (Loss)/Profit attributable to the Equity Shareholders by the weighted average no. of equity shares outstanding during the period. The numbers used in calculating basic and diluted earnings per Equity Share are stated below:

(Amount in Rs.)		
Particulars	31 st March, 2010	31 st March, 2009
(Loss) / Profit after taxation	8,91,02,742	2,20,56,40,405
Weighted average No. of shares outstanding during the period	77,86,300	77,86,300
Basic / Diluted Earnings per Shares	11.44	283.27
Nominal value per Shares	10.00	10.00

8. Related Party Disclosure:

(A) List of Related Parties:

(I) Associates :

- (i) Krishna Vinyls Ltd.
- (ii) Clever Capital Services Ltd.

(II) Directors :

- (i) Shri Krishna Kumar Agarwal
- (ii) Ms. Julie Jani
- (iii) Mrs. Amita Agarwal

(B) Transaction during the year with related parties:

- (i) Advance received during the year from Krishna Vinyls Ltd. Rs.17,60,000/-, balance outstanding at the year end Rs.79,43,170/-

There is no write off/ write back of any amount from related parties

9. In terms of prudence accounting policy and in view of the fact that the reference is made to BIFR, no provision is required to be made for deferred tax in accordance with Accounting Standard 22.

10. Auditors' Remuneration :

PARTICULARS	Year Ended 31 st March, 2010 (Rs.)	Year Ended 31 st March, 2009 (Rs.)
For Audit fees	44,120	44,120
For other services	9,989	-
Total	54,109	44,120

11. Additional information pursuant to the provisions of paragraphs 3, 4C & 4D of part II of Schedule VI to the Companies Act, 1956.

A. Details of Products, installed capacity and actual production :

Products	Units	Installed Capacity	Actual Production
Synthetic Ropes	Metric Tons	21000.00 (21000.00)	Nil (Nil)

B. Expenditure in Foreign Currency: Nil

C. Earnings in Foreign Exchange: Nil

12. Figures given in brackets relate to previous year. Previous year's figures have been re-grouped, re-arranged and re-cast wherever necessary to correspond with the figures of the current year.

SIGNATURE TO SCHEDULE A TO N

For B. N. KEDIA & CO.
Chartered Accountants

For & on behalf of the Board

(K.K.Kedia)
Partner
M. No. 52461
Place : Mumbai
Date : 3rd September, 2010

Director Director
Place : Mumbai
Date : 3rd September, 2010

MAVI INDUSTRIES LIMITED
(Formerly known as Krishna Filaments Limited)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars		2009-2010 Rs.	2008-2009 Rs.
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	Net Profit/(Loss) Before Tax and Extraordinary Items	2,511,646	(17,161,157)
	Adjustments For :		
	Depreciation	2,733,432	5,436,626
	Preliminary expenses written off	-	-
	Interest Written back	86,591,096	2,222,797,450
	Interest	-	8,258,238
	Dividend Income	(2,500)	(5,750)
	Operating Profit Before Working Capital Changes	91,833,673	2,219,325,406
	Adjustment For :		
	Trade & Other Receivables	(180,000)	(6,888,108)
	Trade Payables	13,937,208	231,228,393
	Cash Generated From Operation	105,590,881	2,443,665,691
	Net Cash From Operating Activities	105,590,881	2,443,665,691
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Dividend received	2,500	5,750
	Net Cash Used in Investing Activities	2,500	5,750
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest	-	(8,258,238)
	Proceeds from Borrowing	(107,246,790)	(2,435,215,924)
	Net Cash Used in Financing Activities	(107,246,790)	(2,443,474,162)
	Net Increase/(Decrease) in Cash and Cash Equivalents	(1,653,409)	197,279
	Cash & Cash Equivalents As At 31.03.2009	3,844,084	3,646,805
	Cash & Cash Equivalents As At 31.03.2010	2,190,675	3,844,084

Cash and Cash Equivalents at the year end consist of Cash in Hand and Balances with Banks as follows:

Particulars	As at 31.03.2010	As at 31.03.2009
Cash in hand	537,896	590,897
Balances with Banks	1,652,780	3,253,188
	2,190,675	3,844,084

As per our attached Report of even date annexed

For B.N.KEDIA & CO.

Chartered Accountants

For and on behalf of the Boar

K.K.KEDIA

Partner

Mem. No.052461

Place : Mumbai

Date: 3rd September, 2010

Director

Director

Place : Mumbai

Date: 3rd September, 2010

MAVI INDUSTRIES LIMITED

(Formerly known as Krishna Filaments Limited)

Additional Information as required under Part IV of Schedule VI to the Companies Act '1956

BALANCE SHEET ABSTRACT AND COMPANY'S BUSINESS PROFILE			
I	Registration Details	48178	State Code 11
	Balance Sheet Date	31.03.2010	
II	Capital raised during the year (Amount in Rupees Thousands)		
	Public Issue	Nil	Right Issue Nil
	Bonus Issue	Nil	Private Plcement Nil
III	Position of Mobilisation and Development of funds:(Amount in Rupees Thousands)		
	Total Liabilities	2,915,314	Total Assets 2,915,314
	Sources of Funds		
	Paid up Capital	77,863	Reserves & Surplus 2,785,458
	Secured Loans	44,050	Unsecured Loans 7,943
			Deferred Tax Liabilities -
	Application of Funds		
	Net Fixed Assets	3,722	Investments 38
	Net Current Assets	(334,652)	Profit & Loss A/c (3,246,206)
IV	Performance of Company		
	Turnover (including other income)	7,023	Total Expenditure 4,512
	Profit/(Loss) before Tax	89,103	Profit/(Loss) After Tax 89,103
	Earning per Share In Rs.	11.44	Dividend Rate (%) Nil
V	Generic Names of One Principal Product/Services of the Company (As per Monetary terms)		
	Item Code No.	390210	Product Description Synthetic Ropes

For B.N.KEDIA & CO.
Chartered Accountants

For and on behalf of the Board

K.K.KEDIA
Partner
Place : Mumbai
Date: 3rd September, 2010

Director **Director**
Place : Mumbai
Date: 3rd September, 2010

ATTENDANCE SLIP

MAVI INDUSTRIES LIMITED

Registered Office: Betegaon Village, Boisar (East), Taluka Palghar, Dist. Thane 401 501.

DP Id*	
Client Id*	
Regd.Folio No.	
No of Shares held	

NAME AND ADDRESS OF THE REGISTERED SHAREHOLDER

*Applicable if shares are held in electronic form

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

I hereby record my presence at the **TWENTY-SECOND ANNUAL GENERAL MEETING** of the Company at Betegaon Village, Mahagaon Rd, Boisar (E), Taluka Palghar, Dist: Thane Office of the Company on Thursday, 30th September, 2010 at 10.30 a.m.

Member's/ Proxy's Signature.

PROXY FORM

MAVI INDUSTRIES LIMITED

Registered Office: Betegaon Village, Boisar (East), Taluka Palghar, Dist. Thane 401 501.

I/We ofin the district of Being a Member/ Members of MAVI INDUSTRIES LIMITED hereby appointofin the district of (or failing him) of in the district of as my/our Proxy to vote for me/us on my/our behalf at **TWENTY-SECOND ANNUAL GENERAL MEETING** of the Company to be held on Thursday, 30th September, 2010 at 10.30 a.m. and at any adjournment thereof.

Signed this day of 2010.

DP Id*	
Client Id*	
Regd. Folio No.	

Affix Re.1 Revenue Stamp

*Applicable if shares are held in electronic form

Signature of the Member(s)

NOTE: This Form is to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the company less than 48 hours before the Meeting.

If Undelivered please return to:
Mavi Industries Limited
Betegaon Village, Boisar (east), Taluka Palghar, Dist. Thane - 401 501.