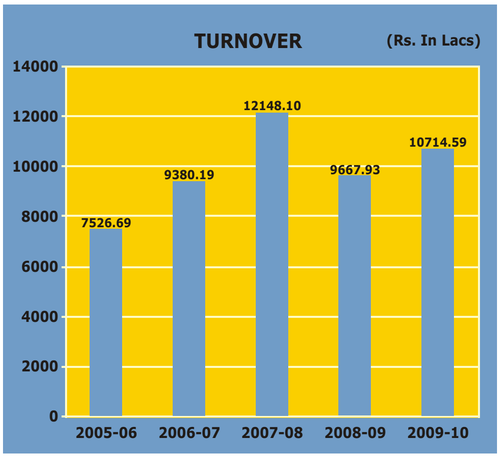
20th Annual Report

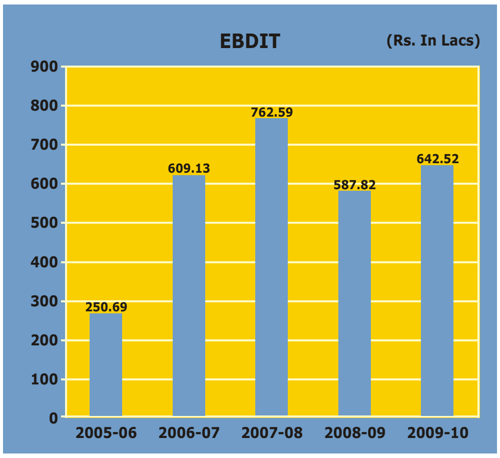
2009 - 2010

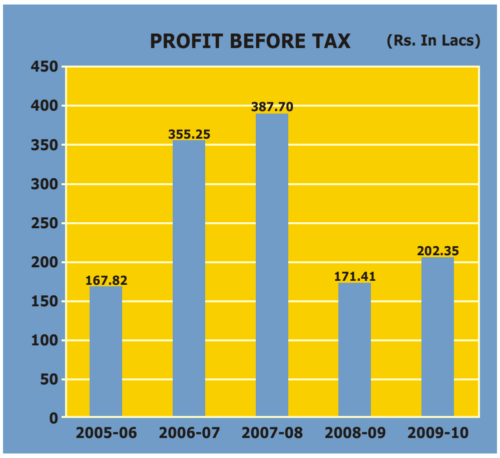
REACHING NEW HORIZONS

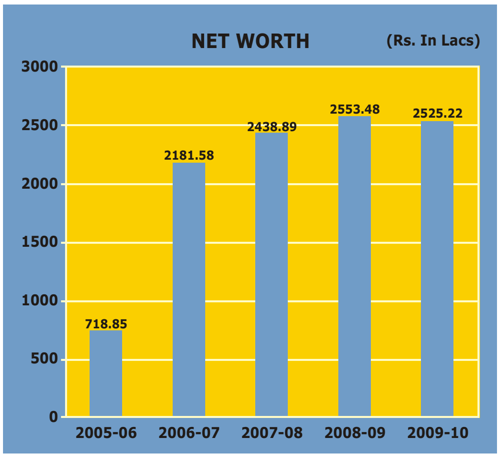
MOHIT™

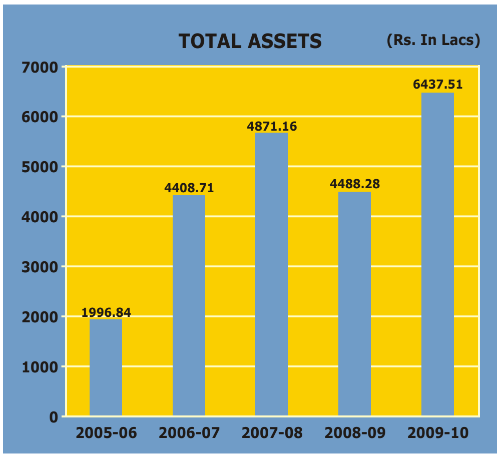
MOHIT
INDUSTRIES LTD.


TURNOVER
(Rs. In Lacs)
14000
12000
10000
8000
6000
4000
2000
0
7526.69
9380.19
12148.10
9667.93
10714.59
2005-06
2006-07
2007-08
2008-09
2009-10


EBDIT
(Rs. In Lacs)
900
800
700
600
500
400
300
200
100
0
250.69
609.13
762.59
587.82
642.52
2005-06
2006-07
2007-08
2008-09
2009-10


PROFIT BEFORE TAX
(Rs. In Lacs)
450
400
350
300
250
200
150
100
50
0
167.82
355.25
387.70
171.41
202.35
2005-06
2006-07
2007-08
2008-09
2009-10


NET WORTH
(Rs. In Lacs)
3000
2500
2000
1500
1000
500
0
718.85
2181.58
2438.89
2553.48
2525.22
2005-06
2006-07
2007-08
2008-09
2009-10


TOTAL ASSETS
(Rs. In Lacs)
7000
6000
5000
4000
3000
2000
1000
0
1996.84
4408.71
4871.16
4488.28
6437.51
2005-06
2006-07
2007-08
2008-09
2009-10

ANNUAL REPORT
2009-2010

BOARD OF DIRECTORS :	**Shri Sitaram N. Saboo**	*Chairman & Managing Director*
	Shri Narayan S. Saboo	*Jt. Managing Director*
	Shri Naresh S. Saboo	
	Shri Jayesh R. Gandhi	
	Miss Ayushi Jain	
	Shri Sachin Kumar Jain	
	Shri Bharat Merchant	
	Shri Dharmesh Patel	

AUDITORS : **RKM & Co.**
Chartered Accountant
401, Trivedh Chambers,
Ring Road, Surat.

BANKERS : State Bank of Travancore

REGISTERED OFFICE : A/601, B, International trade center,
Majura gate, Ring Road,
Surat - 395002, Gujarat, India

BRANCH OFFICE : 341, Ground Floor, Leela Niwas, Chanda Vekar Road,
Near Nappoo Hall, Matunga (CR), Mumbai - 400019,
Maharastra. India

PLANT :

1. Village : Kudsad
   Olpad
   Surat (Gujarat)

2. Village : Masat (Silvasa)
   Union Terriotory of Dadra & Nagar Haveli

3. AAC Blocks Division
   Village : Gowade, Tal. Palghar
   Dist. Thane (Maharashtra)

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NOTICE

NOTICE is hereby given that **TWENTIETH ANNUAL GENERAL MEETING** of the members of ***MOHIT INDUSTRIES LIMITED*** will be held on Monday, 20th day of September, 2010 at 10:00 A.M. at registered office of the company to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010 and the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Director's and Auditor's thereon.
2. To consider declaration of divided for the financial year ended 31st March, 2010.
3. To appoint Mr. Sachinkumar Jain as a Director, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Mr. Sitaram Saboo as a Director, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

   "**RESOLVED THAT** pursuant to Section 252, 255, 257 and other applicable provisions of the Companies Act, 1956, Mr. Bharat Merchant be and is hereby appointed as a director liable to retire by rotation."
7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

   "**RESOLVED THAT** pursuant to Section 252, 255, 257 and other applicable provisions of the Companies Act, 1956, Mr. Dharmesh Patel be and is hereby appointed as a director liable to retire by rotation."
8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution :

   "**RESOLVED THAT** Consent of the members be and is hereby given pursuant to the terms of Articles of Association and sections 269, 309, 198 read with schedule XIII and other applicable provisions of the Companies Act, 1956 **Mr. Narayan Saboo** be and is hereby appointed as Managing Director of the company for a term of five years w.e.f. 01.10.2010 at a monthly remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) without any perks which attracts fringe benefit Tax more particularly stated in the explanatory statement attached herewith."

   "**RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorized to execute an agreement with **Mr. Narayan Saboo,** and take all the necessary steps that may be required under the Act to give effect of this appointment."
9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution :

   "**RESOLVED THAT** Consent of the members be and is hereby given pursuant to the terms of Articles of Association and sections 269, 309, 198 read with schedule XIII and other applicable provisions of the Companies Act, 1956 **Mr. Naresh Saboo** be and is hereby appointed as Joint Managing Director of the company for a term of five years w.e.f. 01.10.2010 at a monthly remuneration of Rs. 40,000/- (Rupees Forty Thousand Only) without any perks which attracts fringe benefit Tax more particularly stated in the explanatory statement attached herewith."

   "**RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorized to execute an agreement with **Mr. Naresh Saboo,** and take all the necessary steps that may be required under the Act to give effect of this appointment."

For and On behalf of the Board of Directors

Place : Surat
Date : 05.08.2010

SITARAM SABOO
CHAIRMAN

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **ANY INSTRUMENT APPOINTING A PROXY OR PROXIES SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business under item 6 To 9 is appended hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday the 15th September, 2010 to Monday, 20th September, 2010 (both days inclusive).
5. Members/Proxy holders are requested to bring their copies of the Annual Report to the meeting as no further copies would be made available.
6. The shareholders are requested to (a) intimate, if shares are held in the same name or in the same order and names, but more than one folio to enable the Company to consolidate the said folios into one folio and (b) notify immediately, any change in their recorded address along with pin code number, to the Registrar & Share Transfer Agent, Adroit Corporate Services Pvt. Ltd. 19, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (East), Mumbai 400 059
7. The Shareholders seeking information on accounts published herein are requested to kindly furnish their queries to the Company at least ten days before the date of the meeting to facilitate satisfactory replies.

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

Item No. 6

Mr. Bharat Merchant was appointed as an additional director of the company during the year. He is having qualification of Post Graduate Diploma in International Trade and has rich experience of 35 years in International Trade, International Finance and International Marketing. His experience and knowledge of International Trade will help the company to expand its horizons beyond the Indian frontier.

Bio-Data of Mr. Bharat Merchant is attached herewith.

Company has received a letter from the member, proposing name of Mr. Bharat Merchant as Director of the Company under section 257 of the Companies Act, 1956.

Board of Director recommends the resolution for adoption.

No director is directly or indirectly interested in the resolution.

The proposed resolution is, therefore, recommended for your approval.

Item No. 7

Mr. Dharmesh Patel was appointed as an additional director of the company during the year. He is practicing Chartered Engineer in Surat and having 10 years of experience in the field of Architecture. His knowledge and experience in Textile project will take the company to newer heights.

Bio-Data of Mr. Dharmesh Patel is attached herewith.

Company has received a letter from the member, proposing name of Mr. Dharmesh Patel as Director of the Company under section 257 of the Companies Act, 1956.

Board of Director recommends the resolution for adoption.

No director is directly or indirectly interested in the resolution.

The proposed resolution is, therefore, recommended for your approval.

Item No. 8

Mr. Narayan Saboo is a promote director of the company and has been associated with the Company since last so many years now. As a token of appreciation of his association he is being appointed as Managing Director of the Company w.e.f. 01.10.2010 on the terms and conditions stated below requires consent of the members as special resolution.

REMUNERATION & PERQUISITES

1. Salary:

   Shri Narayan Saboo shall be paid a monthly salary of Rs. 50,000/- (Rupees Fifty Thousands Only) inclusive of dearness and all other allowances.

2. Perquisites :

   No other perquisites will be given to director.

Notwithstanding anything contained hereinabove, Shri Narayan Saboo shall be entitled to the payment of minimum remuneration which shall be calculated as the salary mentioned in para 1 hereinabove as reduced by 10% thereof and perquisites mentioned hereinabove in the event of any inadequacy or absence of profits for a period of 5 years from 01/10/2010 to 30/09/2015.

On approval of this resolution Board of Directors will enter into an agreement with Shri Narayan Saboo. The terms stated herein above may be treated as an Explanatory Statement, pursuant to section 302 of the Companies Act, 1956.

Shri Narayan Saboo himself and Shri Sitaram Saboo and Shri Naresh Saboo being relatives of Shri Narayan Saboo are interested in the Resolution.

Board recommends the resolution for adoption.

Item No. 9

Mr. Naresh Saboo has been associated with the Company since last so many years now and he has been heading finance and accounts department very effectively. As a token of appreciation of his association he is being appointed as Joint Managing Director of the Company w.e.f. 01.10.2010 on the terms and conditions stated below requires consent of the members as special resolution.

REMUNERATION & PERQUISITES

1. Salary:

   Shri Naresh Saboo shall be paid a monthly salary of Rs. 40,000/- (Rupees Forty Thousands Only) inclusive of dearness and all other allowances.

2. Perquisites :

   No other perquisites will be given to director.

Notwithstanding anything contained hereinabove, Shri Naresh Saboo shall be entitled to the payment of minimum remuneration which shall be calculated as the salary mentioned in para 1 hereinabove as reduced by 10% thereof and perquisites mentioned hereinabove in the event of any inadequacy or absence of profits for a period of 5 years from 01/10/2010 to 30/09/2015.

On approval of this resolution Board of Directors will enter into an agreement with Shri Naresh Saboo. The terms stated herein above may be treated as an Explanatory Statement, pursuant to section 302 of the Companies Act, 1956.

Shri Naresh Saboo himself and Shri Narayan Saboo and Shri Sitaram Saboo being relatives of Shri Naresh Saboo are interested in the Resolution.

Board recommends the resolution for adoption.

For and On behalf of the Board of Directors

Place : Surat
Date : 05.08.2010

SITARAM SABOO
CHAIRMAN

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Annual Report together with the Audited Statements of Account of the Company for the year ended 31st March, 2010 and the Auditors' report thereon

Financial Results:

(Rs. In Lakhs)

Particulars	**31.03.2010**	31.03.2009
Sales & other income	**10788.50**	9729.68
Profits before depreciation, interest and Tax	**642.52**	587.82
Less: Depreciation	**227.88**	195.68
Interest	**212.30**	220.74
Profit before Tax	**202.34**	171.40
Less: Provision for tax	**86.14**	61.46
Profit after tax	**116.19**	109.94

Dividend:

The directors have recommended Final dividend of @ 9% on Equity shares of Rs. 10/- each for the year ended 31st March 2010.

Directors:

Mr. Bharat Merchant and Mr. Dharmesh Patel were appointed as Additional Directors during the year. They hold office upto the date of ensuing Annual General Meeting and are eligible for reappointment. The company has received notices under Section 257 of the Companies Act, 1956 proposing their appointment as director, subject to retirement by rotation.

In accordance with the provisions of the Companies Act, 1956 and pursuant to the provisions of Articles of Association of the Company, Mr. Sachinkumar Jain and Mr. Sitaram Saboo are directors liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his appointment.

Audit Committee:

The Audit Committee of the Board presently comprises of Ms. Ayushi Jain , Mr. Sitaram Saboo, and Mr. Sachin Jain. The Committee met three times during the year.

Director's Responsibility Statement:

Pursuant to the provisions of Section, 217(2AA) of the Companies Act, 1956 your Directors confirm:

(a) that applicable accounting standards have been followed in the preparation of final accounts and that there are no material departures;

(b) that the accounting policies have been selected and applied consistently and such judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profit of the company for the year ended on that date.

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and

(d) that the annual accounts have been prepared on a going concern basis.

Particulars under Section 217(2A) of the Companies Act, 1956:

There were no employees who were in receipt of remuneration exceeding the ceiling limit prescribed under the Companies (Particulars of Employees) Rules, 1975 calling for furnishing their particulars.

Conservation of Energy, Technology, Absorption and Foreign Exchange Earning and outgo:

A. Conservation of Energy, Technology and Absorption

Information in accordance with the provisions of Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding conservation of energy and technology absorption is given in the Annexure forming part of the this report.

B. Foreign Exchange earnings and outgo:

The detail of Foreign exchange earning/outgo is given in annexure forming part of this report.

Auditors' Report

Observations made in the Auditors' Report read with relevant notes in Notes to Accounts, call for comments under Section 217(3) of the Companies Act, 1956 regarding not made provision for Long term Employee Benefits. Board is of the opinion that Company doesn't have high nos. of men power plus turnover is also very nominal compared to the size of the company hence company has practice to not to provide for long term employee benefits.

Auditors:

M/s. RKM & Co. Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting. They being eligible for reappointment, the Board recommends their reappointment.

Corporate Governance:

A report on the Corporate Governance Code along with a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is annexed to this Report. Clause 49 has been revised recently and the same would be implemented as per Schedule in the current year.

Fixed Deposts:

The Company has not accepted any Fixed deposits under section 58-A of the Companies Act, 1956.

Acknowledgement:

The Directors would like to thank all the clients of the Company for the unstinted support received from them during the year.

The Directors would also like to place on record their appreciation for the dedicated efforts and services put in by the employees of the Company.

For and On behalf of the Board of Directors

Place : Surat
Date : 05.08.2010

SITARAM SABOO
CHAIRMAN

Annexure

	2009-10	2008-09
(A) Power and Fuel Consumption:		
1. Electricity		
(a) Purchased		
Units	**95.83 Lacs**	87.36 Lacs
Total Amount	**446.07 Lacs**	398.55 Lacs
Rate/Unit (Rs.)	**4.65**	4.56
(b) Own Generation		
i) Through Diesel Generator		
Units	**0.112 Lacs**	0.6 Lacs
Units per Ltr. of Diesel Oil	**3.5**	3.5
Rate/Unit (Rs.)	**10.34**	10.15
ii) Through Steam/Turbine Generator	**NIL**	NIL
2. Gas	**NIL**	NIL
3. Oil (LDO)/Diesel	**NIL**	NIL
4. Furnace Oil	**NIL**	NIL
5. Other internal generation	**NIL**	NIL

(B) Consumption per unit of Production :

Product	Grey Cloth (mtrs)		
	Electricity	0.40	0.40
Product	Yarn (kg.)		
	Electricity	0.60	0.60

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The project of your company has no foreign collaboration, hence no particulars are offered for the same as the Rule 2 of the said Rules does not apply.

Foreign Exchange Earning/OUTGO

(Rs. in Lacs)

	2009-10	2008-09
Foreign exchange earned	**16.97**	NIL
Foreign Exchange Used:		
Purchase/Advance for capital Good	**442.28**	116.19
Trading Goods	**NIL**	NIL
Foreign Travel	**NIL**	NIL

CORPORATE GOVERNANCE REPORT

(A) Company's Philosophy on Code of Corporate Governance

Mohit Industries Limited has consistently adopted code of good Corporate Governance. The Company always secures rights of its shareholders and shares not only profit but information too on the performance of the Company and act as a trustee of its shareholders. The Company always discloses detailed information on various issues concerning the Company's business and financial performance to its shareholders. The company has achieved philosophy of Corporate Governance by business excellence by transparency, increasing long-term shareholder value and interest of all its stakeholders.

(B) Board of Directors

(i) Board Composition

The Board of Directors of the Company comprises an optimum combination of Executive and Non Executive Directors headed by a Executive Chairman. The Independent Directors do not have any pecuniary relationships or transactions either with the promoters/management that may affect their judgement in any manner. The Directors are experienced in business and corporate management. The Board meets at least once in a quarter to review, amongst other business, the quarterly performance and financial results of the Company. Directors attending the meeting actively participate in the deliberations at these meetings.

The constitution of the Board is as given below:

Sr. No.	Name of the Directors	Category	No. of other Directorships #	Committee Membership ## Member	Committee Membership ## Chairman
1	Mr. Sitaram N. Saboo	Chairman Executive	0	3	0
2	Mr. Narayan S. Saboo	Executive Director	3	0	0
3	Mr. Naresh S. Saboo	Non-Executive	1	0	0
4	Mr. Jayesh R. Gandhi	Non-Executive Independent	0	0	0
5	Mr.Sachin Kumar Jain	Non-Executive Independent	0	3	2
6	Ms. Ayushi Sudhir Jain	Non-Executive Independent	0	3	1
7	Mr. Bharat Merchant	Non-Executive Independent	1	0	0
8	Mr. Dharmesh Patel	Non-Executive Independent	0	0	0

\# Excludes Directorships of Private Limited Companies, Foreign Companies and Alternate Directorships.

\## Committee of Directors include Audit Committee, Shareholders / Investors Grievance Committee and Remuneration Committee of Directors only and excludes Memberships in Private Limited Companies, Foreign Companies and Companies of Section 25 of the Companies Act, 1956.

Note : *The expression Independent Director means director who apart from receiving director's remuneration, does not have any material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries, which in the judgement of the Board, may affect independence of judgement of the director.*

(ii) Board Meetings and Attendance of Directors

During the financial year ended 31st March, 2010, Board of Directors met 11 times on (1) 30.04.2009, (2) 05.06.2009, (3)18.06.2009, (4) 27.07.2009, (5) 31.07.2009, (6) 10.10.2009, (7) 24.10.2009, (8) 31.10.2009, (9) 20.11.2009, (10) 29.01.2010, (11) 23.03.2010. The maximum time gap between any two meetings was not more than four calendar months.

Attendance of Directors at the Board Meetings held during the financial year 2009-2010 and the last Annual General Meeting:

Sr. No.	Name of the Directors	Attendance at Board Meetings		Attendance at last Annual General Meeting
		No. of Meetings held during the year 2009-2010	No. of the Meetings Attended	
1	Mr. Sitaram N. Saboo	11	11	Yes
2	Mr. Narayan N. Saboo	11	11	Yes
3	Mr. Naresh S. Saboo	11	11	Yes
4	Mr. Jayesh R. Gandhi	11	6	Yes
5	Mr. Sachinkumar Jain	11	8	No
6	Ms. Ayushi Sudhir Jain	11	11	Yes
7	Mr. Bharat Merchant	11	3	No
8	Mr. Dharmesh Patel	11	2	No

(iii) Directors seeking appointment/re-appointment:

Mr. Sitaram Saboo and Mr. Sachinkumar Jain retire by rotation and, being eligible offers himself for re-appointment.

(C) Committees of the Board

(i) Audit Committee

The Audit Committee consists of three Directors Ms. Ayushi Jain, Mr. Sitaram Saboo and Mr. Sachin Jain. Ms. Ayushi Jain acts as a Chairman of the Audit Committee Meetings.

Three Audit Committee Meetings were held during the financial year 2009-10 on 27/07/2009, 23/01/2010 and 23/03/2010. The Compositions of the Audit Committee and the attendance of each director at these meetings were as follows:

Sr. No.	Members of Audit Committee	No. of Meetings Attended
1	Mr. Sitaram Saboo	3
2	Mr. Sachinkumar Jain	3
3	Ms. Ayushi Jain	3

The terms of reverence of the Audit Committee are in line with Clause 49 II (C) & (D) of the Stock Exchange Listing Agreement and Section 292A of the Companies Act, 1956. The Committee acts as a link between the Management, Auditors and the Board of Directors of the Company. The Committee has full access to financial information and also verified utilization of funds collected through Rights Issue. The Audit Committee is responsible for overseeing the Company's financial reporting process, reviewing with the management the financial statements and adequacy of internal control systems.

The Committee discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Audit Committee also discussed major issues related to risk management and compliances.

(ii) Remuneration Committee

The Remuneration Committee has been constituted to recommend / review the remuneration package of the Executive Directors, based on performance and defined criteria.

The broad terms of reference of the Remuneration Committee is to ensure that the remuneration practices of the Company in respect of the Executive Directors are competitive keeping in view prevalent compensation packages so as to recruit and retain suitable individual(s) in such capacity.

Mr. Sachin Jain is the Chairman and Mr. Sitaram Saboo & Ms. Ayushi Jain are the members of the Remuneration Committee.

The Remuneration Committee met once on 30/03/2010 during the Financial Year ended March 31, 2010 in which all the members were present.

Details of remuneration paid to the Directors during the year 2009-2010 are as follows:

Sr. No.	Name of the Directors	Sitting Fees(Rs.)	Salary and Perquisites (Rs.)	Commission (Rs.)	Total Remuneration (Rs.)
1	Mr. Sitaram N. Saboo	0	3,24,000.00	0	3,24,000.00
2	Mr. Narayan Saboo	0	2,40,000.00	0	2,40,000.00
3	Mr. Naresh Saboo	0	2,40,000.00	0	2,40,000.00

(iii) Shareholders/Investors Grievance Committee:

The Company has a Shareholders/Investors Grievance Committee of the Board comprising Mr. Sachin Jain, Mr. Sitaram Saboo and Ms. Ayushi Jain as members. The various issues addressed in connection with shareholders' and Investors' services and complains are:

(a) Share Transfers:

I) Approve and register transfer and transmission of shares, in cases where applicable.

ii) Sub-division/ consolidation of Share Certificates.

iii) Issue of duplicate share certificates in lieu of lost share certificates.

iv) Affix common seal on share certificates and maintain safe custody of common seal.

(b) Shareholders'/Investors' complaints pertaining to:

i) Non-receipt of Shares after transfer.

ii) Non-receipt of Annual Report.

iii) Other matters related to or arising out of Sharholders/Investors services.

The minutes of the Committee are placed before the Board. The quorum of the Committee is two members. The Committee meets regularly as prescribed under the Clause 49 of the listing agreement, to effect Share Transfers and for other related matters as referred in Point (a) to (b) above.

During the financial year ended 31st March 2010, all the complaints, received by the Company, were resolved to the satisfaction of the Shareholders/Investors.

There are no pending share transfers as on 31st March, 2010 except for those cases which are constrained by dispute or legal proceedings.

(D) General Body Meeting :

Year	Day and Date	Venue	Time
2007	29.09.2007	A/601 B, International Trade Centre, Majura Gate, Ring Road, Surat 395 002	04.00 P. M.
2008	30.09.2008	---Do---	10.00 A. M.
2009	29.09.2009	---Do---	10.00 A. M.

No Special Resolution is being put through postal ballot in the ensuing AGM as there is no such business, which statutorily requires voting through postal ballot.

(E) Disclosures:

(i) Related Party Transactions:

There are no transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large. However the transactions detailed in Note No. 14 of Schedule `S' to the accounts may be considered as related party transactions.

(ii) Disclosure of Accounting Treatment :

Company has not followed the treatment different from that prescribed in an Accounting Standard in the preparation of financial statements.

(iii) Risk Management :

The company has appointed insurance and other management consultants to assess risk and keep track to minimize the risk.

(iv) Proceeds from Right Issue :

Necessary periodical statements duly certified where ever required were placed before the Audit Committee.

(v) Compliances by the Company:

The Company has generally complied with the requirements of the Listing Agreement with the Stock Exchange as well as the regulations and guidelines prescribed by SEBI.

(F) Means of Communication:

(i) The quarterly results of the Company are published in two newspapers in compliance with the provisions of Clause 41 of the listing agreement. As the results of the Company are published in the newspapers, half-yearly reports are not sent to each household of shareholders. The quarterly results as well as the proceedings of the Annual General Meeting are submitted to the Stock Exchange, Mumbai immediately after the conclusion of the respective meeting.

(ii) The Management Discussion and Analysis Report forms a part of this Annual Report.

(i)	Date, time and venue of Annual General Meeting of Shareholders	20.09.2010 10:00 A.M. A/601 B, International Trade Centre, Majura Gate, Ring Road, Surat-395002, Gujarat.
(ii)	Financial Calendar (tentative and subject to change)	Financial reporting for quarter ended June 30, 2010 : By July 31, 2010 September 30, 2010 : By October 31, 2010 December 31, 2010 : By January 31, 2011 March 31, 2011 : By April 30, 2011 Annual General Meeting for year ended 31st March 2011 By September 30, 2011.
(iii)	Dates of book closures	From 15th September, 2010 to 20th September, 2010 (both days inclusive)
(iv)	Listing on stock exchanges	The Company's shares are listed and traded on The Bombay Stock Exchange, Mumbai.
(v)	Stock Exchange Code	531453

(vii) Stock Market price data

Monthly high and low at the Stock Exchange, Mumbai for financial year ended 31st March, 2010:

Month	**High Rs.**	**Low Rs.**
April-2009	8.90	5.05
May-2009	15.64	8.50
June-2009	18.90	14.75
July-2009	16.80	10.80
August-2009	15.75	11.85
September-2009	15.60	11.34
October-2009	15.75	12.50
November-2009	21.40	12.00
December-2009	25.70	17.75
January-2010	27.65	19.40
February-2010	23.25	17.30
March-2010	24.90	17.30

(viii) Registrar and Share Agents:

Adroit Corporate Services Pvt. Ltd.

19, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (East), Mumbai 400 059 Tel No.: (022) 2859 4060, 2859 6060 Fax No.: (022) 2850 3748 Email ID: adroits@vsnl.net

(ix) Share Transfer System:

All transfers received are processed and approved by the Share Transfer Committee, which considers transfers and other related matters. The Share Transfer committee of the Company meets as often as required.

(x) Distribution of Shareholding as on March 31, 2010

No. of Equity Shares held	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
1 - 500	1860	70.51	406601	3.49
501 - 1000	349	13.23	307657	2.64
1001 - 5000	311	11.79	746353	6.40
5001 - 10000	46	1.74	341703	2.93
10001 & above	72	2.73	9855261	84.54
Total	**2638**	**100.00**	**11657575**	**100.00**

(xi) Categories of Shareholding as on March 31, 2010

Category	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
Promoters	12	0.45	6769465	58.07
Banks, Financial I nstitutions, Insurance Companies	0	0	0	0
Private Corporate Bodies	136	5.16	1094699	9.39
NRI	15	0.57	89330	0.77
Indian Public	2475	93.82	3704081	31.77
Total	**2638**	**100.00**	**11657575**	**100.00**

(xii) Dematerialization of shares and liquidity

About 99.6% of the Equity Shares have already been dematerialized upto 31st March, 2010 Mohit Industies Limited are listed at Mumbai Stock Exchange and being traded occasionally.

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity.

There are no GDR/ADR/Warrant or any Convertible Instruments pernding conversion or any other instrument likely to impact the equity share capital of the Company.

(xiv) Plant Location

Kim Unit : Plot No. 5&6, Village Kudsad, Taluka Olpad, District Surat

Silvassa Unit: Plot No. 2, Moje Masat, Survey No. 301/1, Dadra Nagar Haveli

Palghar Unit Plot No.112/2,Gowade, Palghar,Thane (Maharastra)

(xv) Address for Correspondence:

Mohit Industies Limited

A/601 B, International Trade Cernter, Majura Gate, Ring Road, Surat 395 002, Gujarat, India

Tel No: (0261) 2463261- 62 - 63 Fax: (0261) 2463264

Email : contact@mohitindustries.com

C.S. CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of

Mohit Industries Limited

I have examined the compliance of conditions of Corporate Governance by Mohit Industies Limited (the Company) for the year ended March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

As per the records of the Company, there were no investor grievances remaining unattended for a period exceeding one month against the Company.

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

Dhiren R. Dave
Company Secretary
M. No. FCS 4889
C.P. No. 2496

Place : Surat
Date : 05.08.2010

AUDITORS' REPORT

To,
The Members of
MOHIT INDUSTRIES LTD., SURAT

We have audited the attached Balance Sheet of MOHIT INDUSTRIES LTD., as at 31st March, 2010 and also the Profit and Loss account and the cash flow statement 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 reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the 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 ('the Order') issued by the Central Government in terms of section 227(4A) 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 in paragraph above, we report that:-

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b) In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of those 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 and Profit and Loss Account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ***except for Accounting Standard-15 on Employee Benefits in respect of provision for Long Term Employee Benefit & Defined Benefit plans.***

e) On the basis of the written representations received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

f) Without qualifying our report, we draw attention to Note No. 2(a)(iii) in Schedule "S" on 'Significant Accounting Policies & Notes to Accounts' annexed to and forming part of the financial statements.

g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon give the information required by the Companies Act, 1956 in the manner so required and ***subject to Note No. 1(E) of Schedule 'S' of Significant Accounting Policies and Notes on Accounts in respect of provision of Long Term Employee Benefits & Defined Benefit Plan,*** give a true and fair view in conformity with the accounting principles generally accepted in India :-

   1) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2010,

   2) In case of the Profit & Loss account, of the profit of the company for the year ended on that date.

   3) In case of the cash flow statement, of the cash flows of the company for the year ended on that date.

For RKM & CO.
Chartered Accountants
Firm Registration No.: 108553W

(RAMESH KUMAR MALPANI)
Partner
M. No. 33840

Place : Surat
Date : 05-08-2010

ANNEXURE TO AUDITORS' REPORT REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.

(c) The company has not disposed off substantial part of fixed assets during the year.

ii. (a) Physical verification of inventory has been conducted by the management at reasonable intervals.

(b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory. As explained to us, no material discrepancies were noticed on such physical verification.

iii. (a) The company has granted advances in the nature of loans to companies and other parties covered in the register maintained under section 301 of the Companies Act, 1956. The numbers of parties to whom such advances have been granted are four. The maximum amount involved during the year was Rs. 4.38 Crores and the year end balance was Rs. 1.91 crores.

(b) In our opinion and as explained to us, the rate of interest and other terms and conditions on which the advances in the nature of loans have been granted to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, are, prima facie, not prejudicial to the interest of the company.

(c) As explained to us, the payment of principal and interest, wherever applicable, in respect of advances so given are regular

(d) As explained to us, there are no overdue amounts of principal or interest in respect of advances so given.

(e) The company has not taken loans from companies and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, provisions of clause 4(iii) (e) to (g) of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and nature of its business with regard to purchases of inventories and fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control systems.

v. (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act, that need to be entered into the register maintained under section 301, have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees five lakhs have been entered into during the financial year at prices, which are reasonable having regard to the prevailing market prices at the relevant time.

vi. According to information & explanation given to us, the company has not accepted any deposit from public.

vii. In our opinion, the company has an internal audit system commensurate with the size of the company and nature of its business.

viii. As explained to us, the company is maintaining accounts and records prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956. However, no such accounts/records were verified by us.

ix. (a) As explained to us, laws of Employee State Insurance are not applicable to the company. In respect of other undisputed statutory dues including provident fund, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it, the company has generally been regular in depositing the same with appropriate authorities. According to the information and explanations given to us, no undisputed amounts in respect of income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, there are no dues of custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute. The disputed income tax aggregating Rs. 11,93,890/- sales tax of Rs. 4,86,462/- have not been deposited on account of disputed matters pending before appropriate authorities as under :-

Name of The Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	11,93,890/-	AY 2007-08	Commissioner of Income Tax (Appeals)
Sales Tax Law of Gujarat	Sales Tax	4,86,462/-	FY 2001-02	Commissioner (Appeals)

x. The company does not have any accumulated losses at the end of financial year. The company has not incurred any cash losses in the current year and immediately preceding financial year.

xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution, bank or debenture holders during the year.

xii. In our opinion, and according to the information and explanations given to us and based on information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

xiii. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the company.

xiv. The company has maintained proper records regarding transactions and contracts for trading of shares and has done timely entries in such records. According to the informations and explanations given to us, all the investments are in the company's own name ***except investment in Government Securities (Kisan Vikas Patra) which are held in the name of directors on behalf of the company.***

xv. The company has given guarantee to State Bank of Travancore in respect of loan taken by Mohit Overseas Limited, in which the company is one of the main promoters. According to information and explanations given to us, we are of the opinion that the terms and conditions of guarantee so given are not, prima facie, prejudicial to the interest of the company.

xvi. According to information and explanations given to us, we are of the opinion that the term loans have been applied for the purposes for which they were raised *except for a sum of Rs. 147.86 Lakhs raised during the year in Term Loan VI from State Bank of Travancore.*

xvii. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the company, we report that the no funds raised on short-term basis have been used for long-term investment.

xviii. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies act, 1956.

xix. The company has not issued debentures during the year. Hence, the provisions of Clause 4(xix) of the Order are not applicable to the company.

xx. The company has not made any public issue during the year. Hence, the provisions of Clause 4(xx) of the Order are not applicable to the company.

xxi. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year under consideration.

For RKM & CO.
Chartered Accountants
Firm Registration No.: 108553W

(RAMESH KUMAR MALPANI)
Partner
M. No. 33840

Place : Surat
Date : 05-08-2010

BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	SCHEDULE	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
I. SOURCES OF FUNDS			
1. Share Holders Fund:			
- Share Capital	A	**116,575,750.00**	116,575,750.00
- Reserve & Surplus	B	**138,933,344.17**	139,547,877.11
Sub Total		**255,509,094.17**	256,123,627.11
2. Loan Funds			
- Secured Loans	C	**365,835,437.56**	177,919,617.03
- Unsecured Loans		**5,000,000.00**	-
Sub Total		**370,835,437.56**	177,919,617.03
3. Deferred Tax Liability		**20,394,578.00**	15,560,611.00
Total		**646,739,109.73**	449,603,855.14
II. APPLICATION OF FUNDS			
1. Fixed Assets	D		
- Gross Block		**490,116,463.48**	304,358,938.45
- Less:- Depreciation		**122,068,672.48**	112,701,683.45
		368,047,791.00	191,657,255.00
- Add: Capital Work In Progress		**3,359,138.50**	2,678,434.00
		371,406,929.50	194,335,689.00
2. Investment	E	**33,296,095.13**	39,332,958.14
3. Current Assets, Loans And Advances			
Inventories	F	**83,576,055.00**	39,562,935.00
Sundry Debtors	G	**145,919,790.61**	96,450,461.76
Cash & Bank Balances	H	**8,512,423.24**	15,758,403.92
Loans & Advances	I	**74,879,905.50**	108,912,225.46
Sub Total		**312,888,174.35**	260,684,026.14
Less:- Current Liabilities & Provisions			
Current Liabilities		**58,167,916.11**	39,915,566.14
Provisions		**15,670,927.50**	5,609,650.00
Sub Total		**73,838,843.61**	45,525,216.14
Net Current Assets		**239,049,330.74**	215,158,810.00
4. Misc. Expenditure :	K		
(to The Extent Not Written Off Or Adjusted)		**2,986,754.36**	776,398.00
Total		**646,739,109.73**	449,603,855.14
STATEMENT OF ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	S		

As per our Audit Report of even date

For RKM & CO.
Chartered Accountants

(RAMESH KUMAR MALPANI)
Partner

Place : Surat
Date : 05-08-2010

FOR AND ON BEHALF OF BOARD

SITARAM SABOO *Director*

NARAYAN SABOO *Director*

NARESH SABOO *Director*

Place : Surat
Date : 05-08-2010

PROFIT AND LOSS ACCOUNT FOR THE ENDED 31ST MARCH, 2010

PARTICULARS	SCHEDULE	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
I. INCOME			
- Income From Operations	L	**1,071,459,440.00**	966,792,522.00
- Other Income	M	**7,391,489.73**	6,175,199.75
Total Rs.		**1,078,850,929.73**	972,967,721.75
II. EXPENDITURE			
Operating Expenses	N	**983,729,710.66**	885,418,832.00
Administrative Expenses	O	**20,048,441.44**	18,144,920.36
Selling & Distribution Expense	P	**7,341,098.00**	7,515,677.00
Repairs & Maintenance		**2,320,569.00**	2,410,065.00
Financial Charges	Q	**21,460,185.78**	22,305,455.91
Loss On Trading Of Derivatives		**464,785.26**	-
Depreciation		**22,788,238.03**	19,568,629.00
Misc. Expenditure W/off	R	**463,198.00**	463,198.00
Total Rs.		**1,058,616,226.17**	955,826,777.27
III. PROFIT/LOSS (I-II)		**20,234,703.56**	17,140,944.48
Provision For Tax			
For Current Year		**3,436,550.00**	5,529,150.00
For Deferred Tax		**4,833,967.00**	256,051.00
Income Tax Of Earlier Years		**338,733.00**	280,706.00
Provision For Fringe Benefit Tax		**5,609.00**	80,500.00
Profit After Tax		**11,619,844.56**	10,994,537.48
Balance B/f. From Previous Year		**50,941,277.11**	39,946,739.63
Amount Available For Appropriation		**62,561,121.67**	50,941,277.11
-> Proposed Dividend		**10,491,817.50**	-
-> Tax On Dividend		**1,742,560.00**	-
Balance Carried To Balance Sheet		**50,326,744.17**	50,941,277.11
Average Outstanding Shares During The Year		**11,657,575.00**	11,657,575.00
Face Value Of Shares		**10.00**	10.00
Basic Earnings Per Share		**1.00**	0.94
Diluted Earnings Per Share		**1.00**	0.94
STATEMENT OF ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	S		

As per our Audit Report of even date

For RKM & CO.
Chartered Accountants

(RAMESH KUMAR MALPANI)
Partner

Place : Surat
Date : 05-08-2010

FOR AND ON BEHALF OF BOARD

SITARAM SABOO *Director*

NARAYAN SABOO *Director*

NARESH SABOO *Director*

Place : Surat
Date : 05-08-2010

SCHEDULES 'A' TO 'S' ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31ST MARCH, 2010

PARTICULARS	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
CHEDULE 'A' : SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
1,60,00,000 equity shares of Rs. 10/- each	160,000,000.00	160,000,000.00
(P.Y. 1,60,00,000 equity shares)		
ISSUED		
1,21,82,900 Equity Shares of Rs. 10/- each	121,829,000.00	121,829,000.00
(P.Y. 1,21,82,900 E. Shares)		
TOTAL RS.	**121,829,000.00**	**121,829,000.00**
SUBSCRIBED & PAID UP CAPITAL		
1,16,57,575 E. Share of Rs. 10/- each fully paid up		
(P.Y. 1,16,57,575 E. Share of Rs. 10/- each)	116,575,750.00	116,575,750.00
	116,575,750.00	**116,575,750.00**
SCHEDULE 'B' : RESERVE & SURPLUS		
1) Share premium A/c.	86,284,000.00	86,284,000.00
2) General Reserve	2,322,600.00	2,322,600.00
3) Profit & Loss Account	50,326,744.17	50,941,277.11
	138,933,344.17	**139,547,877.11**
SCHEDULE 'C' : SECURED LOANS		
(A) TERM LOANS		
1) State Bank of Travancore (TL-II)	1,212,609.00	4,027,214.00
2) State Bank of Travancore (TL -III)	27,806,878.00	47,459,069.00
3) State Bank of Travancore (TL -V)	-	1,273,542.00
4) State Bank of Travancore (Corporate Loan)	10,003,219.00	10,003,493.00
5) State Bank of Travancore (TL - VI)	65,594,581.00	8,202,514.00
6) State Bank of Travancore (TL - VII)	67,315,834.00	-
7) State Bank of India (BLC)*	28,579,608.00	-
(B) CAR LOAN		
1) City Bank	32,340.24	158,609.43
2) Axis Bank	768,376.00	-
(C) WORKING CAPITAL LIMITS		
1) State Bank of Travancore (C.C. Limit)	164,521,992.32	106,795,175.60
	365,835,437.56	**177,919,617.03**

NOTES OF SCHEDULE 'C'

1. Cash Credit facilities from State Bank of Travancore are secured by hypothecation of all Stock & Book Debts of the Company
2. Term Loans from State Bank of Travancore are secured by hypothecation of all the Plant & Machineries of the company.
3. State Bank of India (BLC) is secured by undertaking given by State Bank of Travancore.

4. Cash Credit Facilities, Term Loans & Undertaking given by State Bank of Travancore are further secured by equitable mortgage over all the Factory Lands & Buildings of the Company and also by equitable mortgage over Flat No.802 & 902 Sofittel Tower, Parle Point, Surat; Office Premises at 601-B, International Trade Centre, Majura Gate, Ring Road, Surat; Land at Village : Gowade, Taluka : Palghar, Dist.: Thane and personal guarantee and security given by the Directors and Sister Concerns of the Company.

5. Car Loans are secured by hypothecation of Motor Car.

*Note:- Balance Outstanding in State Bank of India (BLC) Account as on 31-03-2010 is subject to confirmation.

SCHEDULE 'D' : FIXED ASSETS

Particulars	Rate of Depn	As on 01/04/09	Gross Block Addition	Deduction	**As on 31/03/10**	As on 01/04/09	Provided during the year	Deduction	**As on 31/03/10**	**As on 31/03/10**	As on 31/03/09
Land & Land Devlp.	--	11442699.00	10683486.00	0.00	**22126185.00**	0.00	0.00	0.00	**0.00**	**22126185.00**	11442699.00
Factory Building	3.34%	51885838.65	74497891.00	0.00	**126383729.65**	8799929.65	2068256.00	0.00	**10868185.65**	**115515544.00**	43085909.00
Office Building	1.63%	3379800.00	0.00	0.00	**3379800.00**	114388.00	55091.00	0.00	**169479.00**	**3210321.00**	3265412.00
Plant & Machinery	10.34%	152219819.00	106466292.00	12943658.00	**245742453.00**	83016546.00	12363705.00	12943658.00	**82436593.00**	**163305860.00**	69203273.00
Water Jet Looms	10.34%	69678915.00	0.00	0.00	**69678915.00**	16026773.00	7204800.00	0.00	**23231573.00**	**46447342.00**	53652142.00
Electric Inst.	4.75%	9138284.80	4729937.00	0.00	**13868221.80**	2459444.80	457485.00	0.00	**2916929.80**	**10951292.00**	6678840.00
Office & Fact. Eqp.	4.75%	1532251.00	453643.00	0.00	**1985894.00**	469143.00	76016.00	0.00	**545159.00**	**1440735.00**	1063108.00
Vehicle	9.50%	1877661.00	2327704.00	851999.00	**3353366.00**	820797.00	215818.00	477591.00	**559024.00**	**2794342.00**	1056864.00
Furniture	6.33%	1785417.00	40572.00	0.00	**1825989.00**	405130.00	109777.00	0.00	**514907.00**	**1311082.00**	1380287.00
Diesel Tank	4.75%	161435.00	0.00	0.00	**161435.00**	79624.00	7668.00	0.00	**87292.00**	**74143.00**	81811.00
Computer	16.21%	1256818.00	353657.03	0.00	**1610475.03**	509908.00	229622.03	0.00	**739530.03**	**870945.00**	746910.00
Total		**304358938.45**	**199553182.03**	**13795657.00**	**490116463.48**	**112701683.45**	**22788238.03**	**13421249.00**	**122068672.48**	**368047791.00**	**191657255.00**
Previous Year		288822225.45	17436713.00	1900000.00	304358938.45	93333054.45	19568629.00	200000.00	112701683.45	191657255.00	195489171.00

SCHEDULE 'E' : INVESTMENTS (AT COST)

LONG TERM INVESTMENT	NUMBER	FACE VALUE	**BOOK VALUE AS AT 31-03-2010**	BOOK VALUE AS AT 31-03-2009
1) GOVERNMENT SECURITIES (UNQUOTED)				
Kisan Vikas Patra			**300,000.00**	300,000.00
2) INVESTMENTS IN EQUITY SHARES				
A) Qouted Shares:				
a) Fairdeal Filament ltd.	11407	10	**197,607.50**	197,607.50
b) Trigyn Technology Ltd.	10750	10	**371,902.64**	371,902.64
c) Sumeet Industries Ltd.	334000	10	**5,010,000.00**	5,010,000.00
d) Birla Power Solutions Ltd.	5000	10	**18,885.99**	-
B) Unqouted and Fully Paid Up:				
a) Mohit Yarns Ltd.	663000	10	**15,723,000.00**	15,723,000.00
b) Mohit Overseas Ltd.	394000	10	**3,799,000.00**	3,799,000.00
c) Sasmi Co-op. Soc.			**7,200.00**	7,200.00
d) Mohit E-Waste Reocvery Pvt. Ltd.	19400	10	**194,000.00**	-
e) ITC Co.Op. Hsg Society	5		**251.00**	-
C) Shares Application Money with:				
a) Mohit Overseas Ltd.			**-**	6,250,000.00
b) Mohit Yarns Ltd.			**1,000.00**	1,000.00

PARTICULARS	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
3) INVESTMENTS IN IMMOVABLE PROPERTY		
Flat at Soffitel Tower	**7,673,248.00**	7,673,248.00
	33,296,095.13	39,332,958.14
Aggregate Book value of Quoted Investments	**5,598,396.13**	5,579,510.14
Aggregate Book value of Un-Quoted Investments	**27,697,699.00**	33,753,448.00
Aggregate market value of Quoted Investments	**8,444,279.75**	2,257,377.77
SCHEDULE 'F' INVENTORIES		
(As taken valued & certified by a Director)		
1) Raw Materials & Work in progress	**52,462,068.00**	27,491,832.00
2) Finished Goods	**27,238,154.00**	8,921,912.00
3) Oil & lubricant	**703,060.00**	972,120.00
4) Packing Material	**2,565,980.00**	1,908,571.00
5) Stores & Spares	**606,793.00**	268,500.00
TOTAL RS.	**83,576,055.00**	39,562,935.00
SCHEDULE 'G' SUNDRY DEBTORS		
(Unsecured but considered good by Directors)		
1) Debts outstanding for a period Exceedings Six Months	**10,535,703.00**	10,784,409.00
2) Others	**135,384,087.61**	85,666,052.76
TOTAL RS.	**145,919,790.61**	96,450,461.76
SCHEDULE 'H' CASH AND BANK BALANCE		
a) Cash on hand	**5,229,684.35**	2,483,947.35
b) HDFC Bank	**149,029.87**	454,367.34
c) ICICI Bank	**-**	6,000.00
d) Balance with Surat People's Co.Op. Bank	**7,772.73**	8,158.73
e) Balance with Bank of Baroda	**27,643.00**	45,478.00
f) F.D. With State Bank of Travancore	**3,062,553.00**	2,724,182.00
g) Development Credit Bank	**16,869.50**	10,030,908.50
h) State Bank of Travancore (CA)	**8,178.00**	5,320.00
i) State Bank of Travancore (SBT CC)	**-**	42.00
j) Axis Bank Ltd.	**10,692.79**	-
	8,512,423.24	15,758,403.92
SCHEDULE 'I' LOANS AND ADVANCES		
(Unsecured but considered good by Directors)		
a) Loans Given	**8,446,954.00**	8,208,006.00
b) Deposits	**4,287,167.00**	3,152,989.00
C) Advance Given for Capital Goods	**878,598.00**	32,473,243.00
d) Advance Recoverable in cash or in kind or for value to be recd.	**61,267,186.50**	65,077,987.46
	74,879,905.50	108,912,225.46

PARTICULARS	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
SCHEDULE 'J' CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES		
1) Advance from customers	**1,317,714.50**	1,296,185.65
2) Sundry Creditors for Goods	**19,946,243.00**	16,944,522.00
3) Sundry Creditors for Expenses & Capital Goods	**36,705,502.61**	17,401,741.49
4) Sundry Creditors for Others	**198,456.00**	4,273,117.00
TOTAL RS.	**58,167,916.11**	39,915,566.14
B) PROVISIONS		
Provision for Tax	**3,436,550.00**	5,529,150.00
Provision for F.B.T.	**-**	80,500.00
Provision for Dividend Distribution Tax	**1,742,560.00**	-
Proposed Dividend	**10,491,817.50**	-
TOTAL RS.	**15,670,927.50**	5,609,650.00
SCHEDULE 'K' MISC. EXPENDITURE		
Preliminery Expenses	**313,200.00**	776,398.00
Pre-Operative Expenses	**2,673,554.36**	-
TOTAL RS.	**2,986,754.36**	776,398.00
SCHEDULE 'L' INCOME FROM OPERATIONS		
Job Charges Received	**9,527,459.00**	784,627.00
Sales	**1,072,505,040.00**	969,802,191.00
Other Sales	**901,485.00**	598,688.00
Interest Received from Debtors	**4,722,078.00**	8,998,572.00
	1,087,656,062.00	980,184,078.00
Less:- Discount Allowed	**8,342,971.00**	7,489,838.00
Cartage	**7,853,651.00**	5,901,718.00
	1,071,459,440.00	966,792,522.00
SCHEDULE 'M' OTHER INCOME		
Dividend Received	**13,786.75**	15,054.75
Misc. Balance W/off	**76.68**	40,932.66
Interest	**4,687,235.30**	4,152,591.32
Service Charges	**82,532.00**	77,625.00
Rent Received	**-**	360,000.00
Profit on trading of Shares/Derivatives	**-**	1,332,686.51
Profit on sale of Assets/Investments	**2,125,592.00**	178,490.51
Foreign Exchange Fluctuation Gain (net)	**175,717.00**	-
DEPB Received	**99,823.00**	-
Excise Rebate Received	**158,523.00**	-
Other Income	**48,204.00**	17,819.00
	7,391,489.73	6,175,199.75

PARTICULARS	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
SCHEDULE 'N' OPERATING EXPENSES		
Raw Material Consumed	879,502,625.16	774,211,174.00
Stores & Spares consumed	8,325,286.00	7,997,960.00
Wages	21,933,116.00	17,141,497.00
Power & Fuel charges	45,059,659.50	40,609,948.00
Job Charges	2,316,204.00	576,084.00
Carriage Inward	2,909,357.00	1,909,896.00
Oil & Lubricant Consumed	21,060,309.00	19,892,692.00
Packing Material Consumed	20,937,095.00	19,517,074.00
Other Factory Cost	2,301.00	107,091.00
	1,002,045,952.66	881,963,416.00
Add: Opening Stock of Finished Goods & Trading Goods	8,921,912.00	12,377,328.00
	1,010,967,864.66	894,340,744.00
Less: Closing Stock of Finished Goods & Trading Goods	27,238,154.00	8,921,912.00
	983,729,710.66	**885,418,832.00**
SCHEDULE 'O' ADMINISTRATIVE EXPENSES		
Salary & Bonus	12,429,708.00	11,223,268.00
Staff Welfare	436,695.00	215,311.00
Travelling & Conveyance Exps.	530,520.00	475,533.00
Postage & Telegram & Telephone	719,946.00	499,287.00
Printing & Stationery	328,058.00	277,017.00
Auditors & Remunaration	187,510.00	214,312.00
Directors Remunarations	804,000.00	774,000.00
Legal & Professional Expenses	640,555.00	858,157.00
Electric Exps.	408,366.00	300,102.00
Insurance Exps.	213,682.00	240,670.00
Vehicle Expenses	512,747.44	473,446.53
Annual Listing Fee	36,641.00	30,300.00
Charity & Donation	1,000.00	26,000.00
Rates & Taxes	49,106.00	109,380.00
Office & General Exps.	408,946.00	480,243.00
Computer Exps.	360,797.00	310,529.00
Professional Tax	4,900.00	2,400.00
Provident Fund Contribution	291,495.00	334,406.00
Cost Audit fees	11,000.00	12,000.00
Demat Expenses	90,398.00	64,988.83
Membership fees	12,285.00	6,735.00
Rent Expenses	114,900.00	124,700.00
Security Service Charges	1,455,186.00	1,092,135.00
	20,048,441.44	**18,144,920.36**

PARTICULARS	**CURRENT YEAR (Rs.)**	PREVIOUS YEAR (Rs.)
SCHEDULE 'P' SELLING & DISTRIBUTION EXPENSES		
Brokerage & Commission	7,197,445.00	7,404,446.00
Advertisement	106,460.00	106,478.00
Other Selling Expenses	29,063.00	-
Sales Tax Exps.	8,130.00	4,753.00
	7,341,098.00	**7,515,677.00**
SCHEDULE 'Q' FINANCIAL CHARGES		
Interest Paid	21,230,162.90	22,074,615.40
Bank Charges	230,022.88	230,840.51
	21,460,185.78	**22,305,455.91**
SCHEDULE 'R' MISC. EXPENDITIRE WRITTEN OFF		
Preliminary Expense	463,198.00	463,198.00
	463,198.00	**463,198.00**

SCHEDULE 'S' : STATEMENT OF ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of presentation of financial statements

The finacial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in india and the provisions of the companies act, 1956.

B. INVENTORIES

Closing stocks are valued at lower of cost or estimated realisable value. Cost of inventories comprise Cost of Purchase, Cost of Conversion and other costs incurred in bringing them to their respective present location and condition.

C. INVESTMENTS

Long Term Investments are stated at cost. Current Investments are carried at lower of Cost or Net realisable Value.

D. DEPRECIATION

I) Depreciation on fixed assets has been charged on straight line method (SLM) at the rates specified in Schedule XIV of the Companies Act, 1956.

II) Depreciation on addition has been provided from the date of putting the assets into use.

E. EMPOLYEE BENEFITS

All the Short Term Employee Benefits are accounted for on the basis of services rendered by the employees of the company. Contribution to Provident Fund are charged to Profit & Loss Account as and when the contribution is made. No provision has been made for Long Term Employee Benefits and Defined Benefit Plans as in opinion of the management no such liabilities has accrued as at the end of the accounting year.

F. FIXED ASSETS

Fixed Assets are stated at Cost, Less Accumulated Depreciation. All Costs, including Financing Cost are included in Total cost and accordingly capitalised in Fixed Assets. Capital Work In Progress includes Capital Items not installed or Building construction not completed and Advances given to Creditors for Fixed Assets.

G. CAPITAL ISSUE EXPENDITURE/PRELIMINARY EXPENSES

a) Expenditure incurred in connection with issue of capital has been capitalised and is amortised over a period of 5 years.

b) Preliminary expenses are amortised over a period of 5 years.

H. VALUE ADDED TAX (VAT):-

VAT credit received on purchases is reduced from respective item of purchases. VAT on Sales is credited to Vat Credit Account and differential amount is paid. Thus, the company has followed exclusive method of accounting whereby purchases, sales and stock is shown exclusive of VAT and accounted for in separate VAT Account.

I. FOREIGN CURRENCY TRANSACTION

The Foreign Currency Transaction of the company includes purchases of Raw material and Fixed Assets which are valued at the Rate prevailing at the time of the transaction.

J. DEFERRED TAX LIABILITY

	Defferred Tax (Assets)/Liability as at 01-04-2009	Current Year Charge/(credit)	Defferred Tax (Assets)/Liability **as at 31-03-2010**
Deferred Tax Liability			
Effect of Depreciation Losses C/f	-	(66,792.00)	(66,792.00)
Deferred Tax Liability			
Tax effect on excess of net block over written down value as per the provisions of the I.T. Act, 1961	15,560,611.00	4,900,759.00	20,461,370.00
	15,560,611.00	4,833,967.00	20,394,578.00

Deferred tax resulting from 'timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable cetainty that the assets will be realised in future.

2. **a)** **CONTINGENT LIABILITY** not provided for in Books of Accounts:-

(i) Guarantee given to State Bank of Travancore for loans/credit facilities taken by associate company namely Mohit Overseas Ltd., Rs. 1,00,00,000/- (P.Y. Rs. 1,47,00,000/-). To secure this guarantee and loan so taken by Mohit Overseas Ltd., the bank has extended the first charge on entirefixed assets of the Kim unit of the company.

(ii) The company had procured Machines under EPCG (Export Promotion Capital Goods Scheme) as per which the company has saved total Excise Duty value of Rs.1,87,16,312/- (P.Y. Rs 1,87,16,312/-) against its Export Obligation of USD 31,61,524 (P.Y. USD 31,61,524) to be fulfilled within eight year from purchase of Machinery.

(iii) Liability in respect of loss in Foreign Exchange Swap Contract with ICICI Bank Ltd., which matured on 18th September, 2009, of Rs. 134.28 Lakhs (P.Y. Rs. 116.20 Lakhs on Mark to Market basis), which liability has not been acknowledged and provided by the the company as in the opinion of the management of the company the Swap Contract was void in law ab initio.

(iv) Disputed Sales Tax Demand of F.Y. 2001-02 of Rs. 4,86,462/- (P.Y. NIL

(v) Disputed Income Tax Demand of A.Y. 2007-08 of Rs. 29.31 Lakhs (P.Y. NIL).

b) Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. NIL (P.Y. Rs. NIL) against which advance paid is Rs. NIL (P.Y. Rs. NIL).

3. REMUNERATION TO AUDITORS

	31/03/2010	31/03/2009
Audit Fees (Including Tax Audit Fees)	**170,000.00**	194,000.00
Service Tax	**17,510.00**	20,312.00
TOTAL	**187,510.00**	214,312.00

4. REMUNERATION TO DIRECTORS

Executive Directors	**804,000.00**	774,000.00

Computation of net profit in accordance with Section 198 read with Section 309(5) of the Companies Act, 1956

Net Profit Before Taxation	**20,234,703.56**	17,140,944.48
Add:- Loss on Derivative & Share Trading	**464,785.2**	-
Managerial Remuneration	**804,000.00**	774,000.00
	21,503,488.82	17,914,944.48
Less:- Profit on Sales of Assets	**2,125,592.00**	178,490.51
Profit on Trading of Shares/Derivates	**-**	1,332,686.51
	19,377,896.82	16,403,767.46
Maximum Remuneration Allowable (Sec. 198)	**2,131,568.65**	1,804,414.42
Remuneration Paid According to Resolution	**804,000.00**	774,000.00

5. LICENSED AND INSTALLED CAPACITY

ITEM	UNIT	LICENSED CAPACITY	INSTALLED CAPACITY	ACTUAL PRODUCTION
Art Silk Cloth	MTRS.	N.A.	9500000	8366841.50*
			(9500000)	(8213451.50)
Texturised Yarn	KGS.	N.A.	20137000	11683590.285**
			(15817000)	(10245064.694)**
AAC Block	NO. OF BLOCKS	N.A.	N.A.	32902
			N.A.	(--)

* Includes Job Work done for outside parties of 1565723.25 Mtrs. for outsiders.
** Includes wastage yarn of 58007.520 Kgs. (P.Y. 53019.790 Kgs.)
Installed capacity is certified by the directors and relied on by the auditors accordingly.

6. PARTICULARS OF OPENING & CLOSING STOCKS OF STOCK-IN-TRADE & FINISHED GOODS

ITEM	UNIT	OPENING STOCK		CLOSING STOCK	
		QTY.	AMT.	QTY.	AMT.
ART SILK CLOTH	MTRS.	325012.00	5117013.00	635221.00	17556735.00
		(568744.26)	(8458996.00)	(325012.00)	(5117013.00)
TEXTURISED YARN	KGS.	52617.220	3804899.00	91477.490**	8166925.00
		(51305.191)	(3918332.00)	(52617.220)	(3804899.00)
ACC Block	NO OF BLOCKS	0.000	0.00	31026	1514494.00
		(--)	(--)	(--)	(--)

** Out of Production, 42908.180 Kgs. was transferred to Cloth Division.

7. PARTICULARS IN RESPECT OF PURCHASE & SALES OF FINISHED GOODS & GOODS IN TRADE

ITEM	UNIT	PURCHASE		SALES	
		QTY.	AMT.	QTY.	AMT.
ART SILK CLOTH	MTRS.	3272.25	219506.00	6463370.82	140191001.00
		[0]	[0]	(8450521.86)	(143044611.00)
TEXTURISED YARN	KGS.	0	0	11604113.203	932201140.00
		[0]	[0]	(10123016.555)	(813366024.00)
ACC Block	NO OF BLOCKS	0	0	1876	112899.00
		[0]	[0]	(--)	(--)

8. CONSUMPTION OF RAW MATERIALS

Item	Unit	Opening QTY	Stock Amt.	Purchase/Tranf Qty.	Purchase/Tranf Amt	Resale Qty.	Resale Amt	Consumption Qty.	Consumption Amt	Closing Stock Qty.	Closing Stock Amt
YARN	KGS.	367727.314	27491832	12628974.481	901834752	5423.790	261720	12409138	878192296	582140.404	50872568
FOR MFG.		(338530.635)	(26685777)	(10925954.064)	775017229	[0]	[0]	(10896757)	(774211174)	(367727.314)	(27491832)
R.M. FOR	KGS	–	0	–	2899829.16	–	0	–	1310329.16	–	1589500
BLOCKS**		(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)

** There are various Raw Materials like Aluminium Powder, Lime Powder, Cement, Gypsum Powder, Coal, Caustic Soda etc. are consumed to produce AAC Blocks. As quantity units of all raw materials consumed are different from each other, the same are not given above. However, value of Raw Material consumed and Closing Stock are given.

9) a) Value of imports on C.I.F. Rs. 4,42,28,079/- (P.Y. RS. 1,16,19,645/-)
b) Expenditure in Foreign Currency NIL (P.Y. RS. NIL)
c) Amount remitted in Foreign currency on dividend A/c. NIL (P.Y. RS. NIL)

10) a) Exports on F.O.B. Rs. 16,97,584/- (P.Y. RS. NIL)
b) Earnings in Foreign Currency NIL (P.Y. RS. NIL)

11) Unsecured Loans, Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.

12) Advances include a sum of Rs. 191.31 lacs (P.Y. Rs. 272.16 lacs) due from a company in which directors of this company are directors and which is a company under the same management under section 370(1B) of the Companies Act, 1956.

13) SEGMENT INFORMATION :-

In accordance with Accounting Standard - 17 on "Segment Reporting", the company has identified two reportable segments viz Textiles & AAC Block and reported taking into account nature of products & services, the differing risks and returns of these segments.

(i) Primary Segment Information **Amount in Rupees Lakh**

Particulars	Textiles Division **2009-10**	Textiles Division 2008-09	AAC Block Division **2009-10**	AAC Block Division 2008-09	Total **2009-10**	Total 2008-09
1 SEGMENT REVENUE						
External Turnover	**10,713.47**	9,667.28	**1.13**	-	**10,714.60**	9,667.28
Inter Segment Turnover	**-**	-			**-**	-
Gross Turnover	**10,713.47**	9,667.28	**1.13**	-	**10,714.60**	9,667.28
2 SEGMENT RESULTS						
Segment Profits						
Before Interest & Tax	**372.44**	350.63	**(4.66)**	-	**367.78**	350.63
Less: Interest Expense	**209.10**	220.75	**3.20**	-	**212.30**	220.75
Add: Interest Income	**46.87**	41.53	**-**	-	**46.87**	41.53
Add: Exceptional Items	**-**	-	**-**	-	**-**	-
Profit Before Tax	**210.21**	171.41	**(7.86)**	-	**202.35**	171.41
Current Tax	**37.81**	58.90	**-**	-	**37.81**	58.90
Deferred Tax	**48.34**	2.56	**-**	-	**48.34**	2.56
Profit After Tax	**124.06**	109.95	**(7.86)**	-	**116.20**	109.95
3 OTHER INFORMATION						
Segment Assets	**6,124.70**	4,943.53	**1,513.70**	150.62	**7,638.40**	5,094.15
Segment Liabilities	**3,572.74**	2,390.05	**1,540.44**	150.62	**5,113.18**	2,540.67
Non - Cash Expenditure to be w/off	**3.13**	7.76	**26.74**	-	**29.87**	7.76
Capital Expenditure	**654.27**	174.37	**1,341.26**	-	**1,995.53**	174.37
Depreciation	**223.78**	195.69	**4.10**	-	**227.88**	195.69

(ii) The reportable segments are further described below:

a) The Textiles Division includes production and marketing activities of Textile Products viz. Texturised Yarn, Twisted Yarn, Grey Cloth Fabrics & Finished Cloth Fabrics.

b) The AAC Block Division includes production and marketing activities of Auto-claved Aerated Concrete Blocks

(iii) The company has not reported Geographical Segment (i.e. Secondary Segment) as all the operations and risks & return of the company are based in India and not activity is done outside India.

14) RELATED PARTY RELATIONSHIP AND TRANSACTION

NAME OF RELATED PARTY	RELATIONSHIP	NATURE OF TRANSACTION	AMT. (RS. IN LACS)
Mohit Overseas Ltd.	Key Mnagement Personal & Relatives & Their Concerns	Advances Given	186.17
		Guarantee Given	100.00
		Purchases	222.34
		Sundry Creditors	0.28
		Sales	426.17
		Sundry Debtors	136.51
		Interest Received	28.27
		Investments (Shares)	37.99
Mohit Yarns Ltd.	Key Management Personal & Relatives & Their Concerns	Investments (Shares)	157.23
		Investments (Application Money)	0.01
		Advances Given	4.56
		Interest Received	5.07
Mask Investments Ltd.	Key Management Personal & Relatives & Their Concerns	Advances	0.10
		Sale of Investments	0.10
Naresh Saboo	Key Management Personal & Relatives & Their Concerns	Directors Remuneration	2.40
		Creditor for Expenses	2.38
Narayan Saboo	Key Management Personal & Relatives & Their Concerns	Directors Remuneration	2.40
		Creditor for Expenses	2.38
Manish Saboo	Key Management Personal & Relatives & Their Concerns	Salary Paid	2.34
		Creditor for Expenses	2.32
Sitaram Saboo	Key Management Personal & Relatives & Their Concerns	Directors Remuneration	3.24
		Creditor for Expenses	3.26
Mohit E-Waste Recovery Pvt. Ltd.	Key Management Personal & Relatives & Their Concerns	Investment (Shares)	1.94
Soul Clothing Pvt. Ltd.	Key Management Personal & Relatives & Their Concerns	Sundry Debtors	0.03
		Advances Given	0.48

15) Previous year figures have been regrouped wherever thought necessary to make them comparable with figures of current year.

16) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(I) REGISTRATION DETAILS

Registration No	:	L17119GJ1991PLC015074
State Code	:	04
Balance Sheet Date	:	31/03/2010

(II) CAPITAL RAISED DURING THE YEAR (AMT. RS. IN ' 000)

Share Issue	:	NIL	Right Issue (Including Securities Premium)	:	NIL
Bonus Issue	:	NIL	Private Placement	:	NIL

(III) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT RS. IN '000)

Total Liabilities	646739	**Total Assets**	646739
Sources of Funds			
Paid up Capital	116576	Reserve & Surplus	138933
Secured Loans	365835	Unsecured Loans	5000
Deferred Tax Laibility	20395		
Application of Funds			
Net Fixed Assets	371407	Investments	33296
Net Current Assets	239049	Misc. Exps.	2987

(IV) PERFORMANCE OF COMPANY (AMT. RS. IN '000)

Turnover	1078851	Total Exps.	1058616
Profit Before Tax	20235	Profit After Tax	11620
Earning per share (Rs.)	1.00	Dividend Per Share	0.90

(V) GENERIC NAMES OF PRINCIPAL PRODUCTS OF COMPANY (As per Monetary Terms)

Item Code No. (ITC Code)	54076009
Product Description	MAN MADE FABRICS ON POWER LOOMS/WATER JET LOOMS
Item Code No. (ITC Code)	54023300
Product Description	TEXTURISED YARN
Item Code No. (ITC Code)	N.A.
Product Description	AAC BLOCKS

As per our Audit Report of even date

For RKM & CO.
Chartered Accountants

(RAMESH KUMAR MALPANI)
Partner

Place : Surat
Date : 05-08-2010

FOR AND ON BEHALF OF BOARD

SITARAM SABOO *Director*
NARAYAN SABOO *Director*
NARESH SABOO *Director*

Place : Surat
Date : 05-08-2010

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

PARTICULARS			2009-2010	2008-2009
A.	CASH FLOW FROM OPERATING ACTIVITIES			
	Net Profit before tax and extra-ordinary items		**20,234,703.56**	17,140,944.48
	ADJUSTMENTS FOR:			
	1	Depreciation	**22,788,238.03**	19,568,629.00
	2	Preliminary Exp. w/of	**463,198.00**	463,198.00
	3	Interest Paid/Payable	**21,230,162.90**	22,074,615.40
	4	Interest, Dividend & Rent Received	**(4,701,022.05)**	(4,527,646.07)
	5	Profit on sale of investments	**(2,125,592.00)**	(178,490.51)
	6	(Profit)/Loss on derivative transactions	**464,785.26**	(1,332,686.51)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**58,354,473.70**	53,208,563.79
	ADJUSTMENTS FOR :			
	1	Trade & Other Receivable		
		a) Debtors	**(49,469,328.85)**	40,616,623.50
		b) Loans & Advances	**34,139,663.87**	(28,056,926.54)
	2	Inventories	**(44,013,120.00)**	4,321,710.00
	3	Trade Payables	**18,252,349.97**	(1,091,423.64)
	CASH GENERATED FROM OPERATIONS		**17,264,038.69**	68,998,547.11
	1	Interest Paid	**(21,230,162.90)**	(22,074,615.40)
	2	Direct Taxes Paid	**(5,500,561.00)**	873,748.95
	3	Pre-Operative Expenses Incurred	**(2,673,554.36)**	-
	NET CASH FROM OPERATING ACTIVITIES		**(12,140,239.57)**	47,797,680.66
B.	CASH FLOW FROM INVESTMENT ACTIVITIES			
	1	Purchase of Fixed Assets	**(200,233,886.53)**	(18,815,147.00)
	2	Sale/Credit for Fixed Assets	**2,500,000.00**	1,900,000.00
	3	Investments made during the year	**(213,136.99)**	(5,089,492.00)
	4	Investments Sold during the year	**6,250,000.00**	4,516,482.69
	5	Profit (Loss) on speculative trading of shares/derivative	**(464,785.26)**	1,332,686.51
	6	Loans & Deposits	**(899,145.91)**	24,417,895.83
	7	Interest, Dividend & Rent Recd.	**4,701,022.05**	4,527,646.07
	NET CASH USED IN INVESTMENT ACTIVITIES		**(188,359,932.64)**	12,790,072.10
C.	CASH FLOW FROM FINANCING ACTIVITIES			
	1	Increase/(Decrease) in Working Capital from Bank	**57,726,816.72**	(40,001,721.32)
	2	Repayment of Finance/Lease Liabilities	**130,189,003.81**	(10,000,543.60)
	3	Unsecured Loans	**5,000,000.00**	
	NET CASH FROM FINANCING ACTIVITIES	C	**192,915,820.53**	(50,002,264.92)
	NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		**(7,584,351.68)**	10,585,487.84
	CASH AND CASH EQUIVALENTS (OPENING)		**13,034,221.92**	2,448,734.08
	CASH AND CASH EQUIVALENTS (CLOSING)		**5,449,870.24**	13,034,221.92

As per our Audit Report of even date
For RKM & CO.
Chartered Accountants

(RAMESH KUMAR MALPANI)
Partner

Place : Surat
Date : 05-08-2010

FOR AND ON BEHALF OF BOARD

SITARAM SABOO *Director*

NARAYAN SABOO *Director*

NARESH SABOO *Director*

Place : Surat
Date : 05-08-2010

MOHIT INDUSTRIES LIMITED

Regd. Office : A/601 B, International Trade Centre, Majura Gate, Ring Road, Surat 395 002, Gujarat

ATTENDANCE SLIP

Name of the attending Member : ________________________________
(In Block Letters)

Folio No. : ________________________________

Name of the Proxy : ________________________________
(To be filled in if the Proxy attends instead of the Member)

No. of Shares held : ________________________________

I hereby record my presence at the Annual General Meeting of the Company at the Registered office of the Company at A/601 B, International Trade Centre, Majura Gate, Surat 395 002, Gujarat on Monday, the 20th day of September, 2010.

____

Member's/Proxy's Signature
(To be signed at the time of handing over this slip)

NOTE : Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over the same at the entrance after the same has been duly signed.

- TERE HEAR -

MOHIT INDUSTRIES LIMITED

Regd. Office : A/601 B, International Trade Centre, Majura Gate, Ring Road,Surat 395 002, Gujarat

Proxy Form

I/We____

of__________________________being a Member/Members of the abovenamed Company,

hereby appoint____________________ or failing him ____________________

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, the 20th day of September 2010 and at any adjournment thereof. Unless otherwise instructed, the proxy will act as he thinks fit.

Signed this____________ day of ____________2010

Folio No. : ____________ No. of Shares : ____________

Signature ________________ Affix 1 Re. Revenue Stamp ________

N.B : Proxy forms must reach the Company's Registered Office not less than 48 hours before the meeting.

FINANCIAL HIGHLIGHTS

(Rs.in Lacs)

Year Ended March 31	2006	2007	2008	2009	2010
Turnover	7526.69	9380.19	12148.10	9667.93	10714.59
Earning Before Depreciation, Interest and Tax (EBDIT)	250.69	605.10	762.59	587.82	642.52
Depreciation	84.33	126.01	200.85	195.69	227.88
Profit Before Tax	167.82	355.25	387.70	171.41	202.35
Equity Dividend %	12%	10%	0%	0%	9%
Dividend Payout	57.46	116.58	0.00	0.00	104.92
Equity Share Capital	478.86	1165.76	1165.76	1165.76	1165.76
Reserves & Surplus	245.99	1032.85	1285.53	1395.48	1389.33
Net Worth	718.85	2181.58	2438.89	2553.48	2525.22
Total Assets	1996.84	4408.71	4871.16	4488.28	6437.51
Total Outside Liabilities	1277.99	2227.13	2432.27	1934.80	3912.29
KEY INDICATORS					
EBDIT / Gross Turnover %	3.33	6.49	6.28	5.51	6.02
Net Profit Before Tax %	2.24	3.79	3.19	1.77	1.89
Earning Per Share	2.42	2.19	2.17	0.94	1.00
Book Value per Share (Rs.)	15.01	18.71	20.92	21.90	21.66
Debt : Equity Ratio	1.78	1.02	1.00	0.76	1.55
Current Ratio	1.52	1.89	1.52	1.71	1.31

MOHIT
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