

MALTI TEXTILE MILLS LIMITED

Regd. Office: A-2, Basement, Arcadia Building,
Nariman Point, Mumbai -400 021.

NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of MALTI TEXTILE MILLS LIMITED will be held on Friday the 30th day of September, 2005 at 2.00 P.M. at the Registered Office of the Company to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Reports of the Board of Directors and Auditors together with the audited Balance Sheet and Profit & Loss Account of the company for the year ended 31st March, 2005.
2. To appoint a Director in place of Mr. S. P. Rai who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.

Report

junction

BY ORDER OF THE BOARD
For MALTI TEXTILE MILLS LIMITED

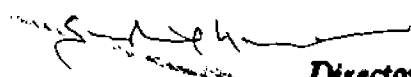
Place: New Delhi
Dated: 18.08.2005


DIRECTOR

NOTES:

1. A member is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and such proxy need not be a member of the company.
2. Proxies in order to be effective should be lodged with the company at the Registered Office at least 48 hours before the commencement of the meeting.
3. Members are requested to notify change/corrections in their address quoting their folio numbers.

CERTIFIED TRUE COPY
For Malti Textiles Mills Limited


Director

MALTI TEXTILE MILLS LIMITED**DIRECTORS REPORT**

To the Members

Your Directors are presenting the 20th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2005 for your perusal consideration and adoption.

FINANCIAL RESULTS

| | <u>2005</u> | <u>2004</u> |
|---|--------------------|--------------------|
| Loss for the year | 4,150.65 | 616.44 |
| Add: Provision/payment of Income tax | 10,000.00 | - |
| | <hr/> 14,150.65 | <hr/> 616.44 |
| Balance being Loss brought forward from Previous year | 58,04,923.86 | 58,04,307.42 |
| Net Loss carried over to Balance sheet | <hr/> 58,19,074.51 | <hr/> 58,04,923.86 |

DIVIDEND

In light of above your Directors do not propose any dividend for the year.

AUDITORS' REPORT

The notes referred to by the Auditors in their report are self-explanatory.

FIXED DEPOSITS

The company has not accepted any Fixed Deposits from the public during the period.

DIRECTORS

Pursuant to provision of Section 256 of the Companies Act, 1956, Sh. S. P. Rai, retires by rotation and being eligible offers himself for re-appointment.

PARTICULARS OF EMPLOYEES

Disclosure of information as per Section 217(2A) of the Companies Act, 1956 is not being given as no employee of the Company is getting remuneration more than the prescribed limits.

LISTING FEES

Listing Fees of Rs.70,500 for the period 1999 to 2005 is yet to be paid to Bombay Stock Exchange.

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For Malti Textile Mills Limited

[Signature]
Director

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE AND EARNING AND OUT GO

As to information required under Section 219(1)(e) of the Companies Act, with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 the company has not made any transaction for earning and outgo of foreign exchange and has not utilized energy in any way during the period under review.

DIRECTOR'S RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956.

Pursuant to Section 217 (2AA) of the Companies (Amendment Act) 2000, the Directors of your Company state as under:-

- a) that in the preparation of the Annual Accounts, applicable accounting standards have been followed.
- b) that the accounting policies are consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year.
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) that the Directors had prepared the annual Accounts on a going concern basis.

AUDITORS

M/s. Suresh Kumar Mittal & Co. Chartered Accountants hold office until the conclusion of the forthcoming Annual General Meeting of the company and being eligible offer themselves for re-appointment.

COMPLIANCE UNDER SECTION 383 A OF THE COMPANIES ACT, 1956

The Company had appointed Mr. Ramesh Kumar Virmani, Practicing Company Secretary for the Secretarial Audit for the current year. His report is enclosed herewith.

RE-APPOINTMENT OF PRACTISING COMPANY SECRETARY

Mr. Ramesh Kumar Virmani, Practicing Company Secretary is being re-appointed for Secretarial Audit from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company in terms of Section 383A of the Companies Act, 1956 and being eligible offers himself for re-appointment.

FOR AND ON BEHALF OF THE BOARD
For MALTI TEXTILE MILLS LIMITED

Place: New Delhi
Dated: 18.08. 2005

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[Signature]
For Malti Textiles Mills Limited
[Signature]
Director

DIRECTOR

AUDITORS' REPORT**TO THE MEMBERS OF MALTI TEXTILE MILLS LIMITED**

1. We have audited the attached Balance Sheet of M/s. MALTI TEXTILE MILLS LIMITED as at 31st March, 2005 and also Profit & Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation we believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - iii) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - iv) In our opinion, the Balance Sheet and the Profit & Loss Account dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.
 - v) On the basis of written representation received from the Directors, as on 31.03.2005 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2005 from being appointed as Director in terms of Section 274 (1)(g) of the Companies Act, 1956.

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For Malti Textiles Mills Limited
[Signature]
Director



- vi) In absence of any notification in the Official Gazette by the Central Government, no cess is payable under Section 441A of the Companies Act, 1956 for the year ended 31st March, 2005.
- vii) In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to and read together with notes appearing in schedule 8 give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - a) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2005.
 - b) In the case of the Profit & Loss Account, of the loss for the year ended on that date.
 - c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Suresh Kumar Mittal & Co.,
Chartered Accountants

Suresh Kumar Mittal

Partner

Plot No.37, Flat No.9C
Adarsh Apartments, Sector – IX
Rohini, Delhi – 110 085.

Dated: 18th August, 2005



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For Malti Textiles Mills Limited

[Signature]

Director

MALTI TEXTILE MILLS LIMITED**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE**

- (i) The Company has no fixed assets and hence para 4, (i) of Companies (Audit Report) Order, 2003 is not applicable.
- (ii) The Company has no stock and neither has purchased nor sold any raw material, stores, spares and finished goods and hence para 4 (ii) of Companies (Audit Report) Order, 2003 is not applicable.
- (iii) (a) The company has not granted any loan during the year to the parties covered in the register maintained under section 301 of the Companies Act, 1956 and as such information regarding rate of interest, overdue amounts and other terms & conditions of loans granted is not required to be furnished.
- (b) The company has not taken any loans, during the year from companies, firms or other parties as listed in the register maintained under section 301 of the Companies Act, 1956. *There are interest free unsecured loan of Rs.1,80,91,931 outstanding as on 31.03.2005 in case of 3 parties covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount due during the year was Rs.1,80,91,931.*
- (c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from Companies, firms or other parties listed in the register maintained u/s 301 are prima facie not prejudicial to the interest of the company.
- (d) *Parties from whom loans have been taken were rescheduled in earlier years and accordingly no principal was due for payment during the year as per revised stipulation.*
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion & according to the information & explanations given to us, no transactions were made during the year in pursuance of such contracts or arrangement which exceeded the value of five lacs rupees in respect of any party at prices which were unreasonable having regard to prevailing market prices at the relevant time.

CERTIFIED TRUE COPY
For Malti Textile Mills Ltd.

Director

