
15th ANNUAL REPORT

2008 - 2009

HIGH STREET FILATEX LTD.

Board of Directors

Mr. R.K. Sethia	:	Managing Director
Mr. Shanti Narain	:	Whole Time Director
Mr. Rajnish Chindaliya	:	Director
Mr. Raj Deep Ghiya	:	Director
Mr. Devendra Palod	:	Director

Auditors

N. Bhandari & Co.,
Chartered Accountants,
35, Keshav Nagar, Hawa Sarak, Jaipur

Corporate Advisor

V.M & Associates
Company Secretaries, Jaipur.

Company Secretary

Chinu Gupta

Bankers

State Bank of Bikaner & Jaipur
International Banking Branch
Chaura Rasta, Jaipur

Registered Office & Works

F-86, Hirawala Industrial Area,
Vill. Kanota, Jaipur, Rajasthan.

Share Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd
Beetal House,
3RD Floor, 99 Madangir,
Behind Local Shopping Centre,
Near Dada- Harsukhandas Mandir, New Delhi-110062
Tel-011 29961281, 29961282

NOTICE

Notice is hereby given that the 15th Annual General Meeting of the Members of High Street Filatex Limited will be held on Friday, the 10th day of July 2009 at 11.00 a.m. at the registered office, F-86, Hirawala Industrial Area, Kanota, Jaipur to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2009 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Devendra Palod, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Raj Deep Ghiya, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass with or without modification, the following as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 100 and other applicable provisions, if any, of the Companies Act, 1956 and Article 4 (c) of the Articles of Association of the Company and subject to the sanction by the Hon'ble High Court of Jaipur, the issued, subscribed and paid up share capital of 64,70,000 (Sixty Four Lacs Seventy Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs. 6,47,00,000/- (Rupees Six Crore Forty Seven Lacs Only) of the Company be reduced by Rs. 5,82,30,000/- (Rupees Five Crore Eighty Two Lacs Thirty Thousand Only) as being no longer represented by the assets of the Company, and the reduced Share Capital would comprise of 6,47,000 (Six Lacs Forty Seven Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each fully paid-up aggregating to Rs. 64,70,000/- (Rupees Sixty Four Lacs Seventy Thousand Only)

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and for removal of any difficulties or doubts, Mr. R.K. Sethia, Managing Director and Mr. Shanti Narain, Whole Time Director of the Company be and are hereby severally authorized to do all such acts, deeds, matter and things as they may, in their absolute discretion, deem necessary, expedient, usual or proper and to settle any question or difficulty that may arise with regard to utilization/ adjustment of the account or reserve available for the purpose, in any manner including passing of such accounting entries and / or making such other adjustments in the books of accounts as may be considered necessary or expedient for giving effect to the above Resolutions or to carry out such modifications/ directions as may be ordered by the Hon'ble High Court of Judicature at Jaipur to implement the aforesaid Resolution.

RESOLVED FURTHER THAT Mr. R.K. Sethia, Managing Director and Mr. Shanti Narain, Whole Time Director of the Company be and are hereby severally authorised (i) to take all necessary steps to obtain confirmation of High Court of Judicature at Jaipur and any other authority, including appointment of suitable Company Secretaries, Advocates/ Attorneys, Chartered Accountants, (ii) for signing and filing of documents/ affidavits/ applications/ petitions, court papers (iii) for affirming/ declaring/ swearing of affidavits, etc. (iv) to agree to such modifications, alterations, substitutions, additions, deletions, other terms and conditions, etc. as may be suggested/ directed by the High Court of Judicature at Jaipur, and (v) to do all acts, deeds, matters and things as it may, in their absolute discretion, deem necessary, expedient, usual or proper to give effect to the above resolution.”

Date : 30th May, 2009

By order of the
Board of Directors

Registered Office :
High Street Filatex Ltd
F-86, Hirawala Industrial Area,
Kanota, Jaipur

Sd/-
R.K.Sethia
MANAGING DIRECTOR

NOTES:

- A. Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The instrument appointing proxy should be deposited at the registered office of the Company not less than forty eight hours before the commencement of the meeting.
- B. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, the 8th day of July, 2009 to Friday, the 10th day of July., 2009 (both days inclusive).
- C. Members desiring any information as regards the accounts are requested to write to the Company at least seven days in advance of the Meeting so as to enable the Management to keep the information ready.
- D. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays & public holidays between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting. Members are requested to lodge their application for transfer etc. to Beetal Financial & Computer Services Pvt. Ltd Beetal House, 3RD Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada- Harsukhandas Mandir, New Delhi-110062, Tel-011 29961281, 29961282
- E. Re-Appointment of Director: At the ensuing Annual General Meeting, Shri Devendra Palod and Shri Rajdeep Ghiya, Directors of the Company retires by rotation and being eligible, offers himself for re-appointment. The Details pertaining to the Director required to be provided pursuant to clause 49 of the listing agreement is furnished in the Statement on Corporate governance published elsewhere in the annual report.
- F. Explanatory statement pursuant to section 173 of Companies Act, 1956 is attached herewith.

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

ITEM NO. 5

Over a period of time, the company has incurred severe losses, in the previous year it amounted to Rs. 25.03 crores and as such could not even make due outstanding payments to lenders. Your directors has reached a one time settlement understanding with the IDBI Bank Ltd. (Lender). Accordingly the net loss in previous years stood at Rs. 3.64 lacs(15.47 crores). In view of the decision of Board of Directors of the Company to restructure the overall operations of the Company, get it fine tuned at all levels, get the equity shares re-instated at the Bombay Stock Exchange Ltd at Mumbai, decided to align

its issued, subscribed, paid up equity share capital. Companies Act provides that the company may, if authorized by its Articles of Association, extinguish or reduce its share capital, which is lost or unrepresented by its available assets.

Section 100 of the Companies Act, 1956 enables reduction of share capital and requires the approval of Shareholders by way of a Special Resolution and accordingly the proposed resolution is placed for your consideration and approval.

Your Board of Directors has approved the reduction of share capital in this regard.

Your Directors therefore, commend the aforesaid resolution for passing with or without modification(s).

None of the Directors is interested in the aforesaid resolution, except to the their shareholding in the company.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 15th Annual Report on the business and operations together with the Audited Accounts for the year ended March 31, 2009.

OPERATIONS

The operations of the company remained suspended as the company was making efforts for revival and resettlement of liabilities to a feasible level. Company has succeeded in renegotiating its liabilities to a sustainable level and now the production is likely to be commence shortly.

WORKING RESULTS

The figures of working results for the year under review are given as below.

	Rs. in Lacs
	2008-2009
Sales	0.00
Increase / Decrease in stock	0.00
Manufacturing & other expenses	2.74
Profit/(Loss) before Depreciation	(2.74)
Depreciation	0.00
Net Profit/(Loss) for the year	(2.74)
Expenses of prev.year.	(.90)
Balance transferred to Balance Sheet	(3.64)

REFERENCE TO BIFR

The unit has been declared as "Sick Industrial unit under Section 4 (II) (i) of the RIPS-2003 by the office of the commissioner of industries District Industries centre, Jaipur (Urban) in its meeting of DLSC, Jaipur held on 27-11-04 and certificate to that effect issued under no. F () /RIPS/SU/04/9417-79 on 30-11-04.

On the reference of the company,) BIFR, Bench-III has declared the unit as sick vide their order dt 1/2/07 issued on 14/5/07.

DIVIDEND

There were no profit during the year, the directors do not recommend any dividend for the year.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Devendra Palod and Sh. Rajdeep Ghiya who retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

DIRECTORS'S RESPONSIBILITY STATEMENT:

Your Directors state that:

1. In the preparation of annual accounts of the company, the applicable Accounting Standards have been followed alongwith proper explanation to material departures, if any ;
2. They have 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 the financial year and of the Profit & Loss of the Company for that period
3. To the best of their knowledge and information, they have 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; and
4. They had prepared the annual accounts on a "going concern" basis.

REDUCTION OF SHARE CAPITAL

Over a period of time, the company has incurred severe losses to the tune of Rs. 25.03 crores and as such could not even make due outstanding payments to lenders. Your directors has reached a one time settlement understanding with the IDBI Bank Ltd. (Lender). Accordingly the net loss in previous years stood at Rs. 3.64 lacs (15.47 crores) . In view of the decision of Board of Directors of the Company to restructure the overall operations of the Company, get it fine tuned at all levels, get the equity shares re-instated at the Bombay Stock Exchange Ltd at Mumbai, decided to align its issued, subscribed, paid up equity share capital. Companies Act provides that the company may, if authorized by its Articles of Association, extinguish or reduce its share capital , which is lost or unrepresented by its available assets.

Section 100 of the Companies Act, 1956 enables reduction of share capital and requires the approval of Shareholders by way of a Special Resolution and accordingly the proposed resolution is placed for your consideration and approval.

Your Board of Directors has approved the reduction of share capital in this regard.

Your Directors therefore, commend the aforesaid resolution for passing with or without modification(s).

AUDIT & AUDITORS' REPORT

The Statutory Auditors, M/s N. Bhandari & Co., Chartered

Accountants, Jaipur, retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The company has received a certificate from Auditors that appointment if made will be within limit fixed by Sec. 224 of the companies Act.- 1956.

Auditor's report read with notes on Accounts are self explanatory and hence no further comments are given. **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO.**

Details of energy conservation and research and development activities undertaken by the Company alongwith the information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given in Annexure 'A' to this Report.

FIXED DEPOSITS

The Company has neither invited ,accepted nor renewed any deposits from public and its shareholders, during the year under review.

PARTICULARS OF EMPLOYEES: As none of the employees of the Company falls within the purview of information required under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the same is not furnished.

LISTING COMPLIANCES-

During the year under report , Your company continues to be listed with Jaipur Stock Exchange Ltd & Bombay Stock Exchange Ltd.

Management discussion & analysis report.

(This report is a part of director's report to the annual report)

Report on Management Discussion & Analysis pursuant to clause 49 of the Listing Agreement.

1. Industry Structure & Developments: -

The High street filatex Ltd. is a 100% Export Oriented Unit.

2. Opportunities and Threats :-

SWOT Analysis: -

(A) Strength -

- The Company is well experienced and engaged in manufacturing and exporting of Socks.
- Already established marketing network.

(B) Weakness -

- Fall of sales value, competition from Far- east. Increase in basic expenses. lack of export Orders.

(C) Opportunities -

- Continuous research and development are carried out for introduction of innovative design, special yarns for latest products.

(D) Threats -

- The products may face competition from existing and new entrants in this filed.
- Any unfavorable change in Govt. policies may effect the profitability of the Company.
- The company has been declared as sick unit..

3. Outlook :-

The Company is constantly striving to provide quantity products. But unfortunately the company does not have any more orders. The Company is planning and

endeavoring to increase its sales by implementation better policies.

4. Risk & concerns :-

The Company is exposed to business and financial risks. Business risks include the cyclical nature of demand in public industry and introduction of new product by existing players as well as new entrants.

The Financial risks consists mainly of change in the Govt. Policies & interest rate variations.

5. Internal Control system :-

In the opinion of the management, the internal control systems are adequate. The internal control system of the Company are designed to ensure that the Financial & other records are reliable and proper utilization and safeguarding of the Company's resource & also at promoting operational efficiencies.

6. Material developments of Human Resources & Industrial: -

The Industrial relation remained stable & cordial throughout the year.

7. Financial and operational performance: -

There have been net loss of Rs. 3.64 lacs.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation and express their sincere thanks to the concerned Government Authorities, Financial Institutions and Banks for their combined support and guidance. The Directors also wish to thank the employees at all levels for their hardwork and sincerity, Special thanks are due to the shareholders for their continued support.

On behalf of the Board of Directors

R.K. Sethia
Managing Director
Jaipur

Shanti Narain
W.T. Director

Date: 30 May. 2009

ANNEXURE 'A' TO THE DIRECTORS' REPORT CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

In accordance with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, the details of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are given below :

A. CONSERVATION OF ENERGY

Energy conservation measures have been implemented wherever possible and the Company is using improved operational methods in order to optimise the use of energy. The Company has installed power capacitors and CSO etc which also contribute to conservation of energy, power and fuel consumption.

B. TECHNOLOGY ABSORPTION

a) Research and Development

1. Specific areas in which R & D carried out by the Company :

The Company does not have a specific R & D Department, however, it is constantly trying to improve the quality of its products, by adhering to strict International quality control procedures.

2. Benefits derived as a result of the above R & D: Reduction in cost of output, marked improvement in quality and better marketability. Future plan of action.

3. The above activities shall continue. The Company proposes to concentrate in the use of developing process know-how which will eliminate/reduce wastage.

4. Expenditure on R & D:

The technology is being modernised and improved alongwith production itself without incurring additional expenses on research.

b) Technology Absorption, Adaptation & Innovation
The efforts in brief towards technology absorption, adaptation and innovation.

The Company has fully absorbed the technology for the manufacture of socks.

2. Benefits to be derived as a result of above efforts e.g. output improvement, cost reduction, product development, import substitution will be reflected in current year's working.

3. Details of imported technology.

The Company is using fully electronic computerised machinery for socks knitting & designing through CAD /CAM technology.

DETAILS OF POWER AND FUEL CONSUMPTION:

1. Electricity	2008-09
(a) Purchases	
Unit (KWH)	
Total amount (Rs)	0.00
Rate/unit (Rs)	
(b) Own generation	
Through diesel generator	
Unit (KWH)	0.00
Unit per-ltr. of diesel oil (KWH)	0.00
Cost/unit (Rs)	0.00
2. Furnace oil	
Quantity (ltrs.)	
Total amount (Rs.)	N.A.
Average rate (Rs)	
3. Consumption per pair	0.00
Furnace oil	NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

1. Foreign Exchange earnings during the year	
Export Sales (F.O.B)	Rs. 0.00 Lacs
2. The Foreign Exchange used during this period was as under :-	
a. On Import of Raw Materials, Spares & Capital Goods (On CIF basis)	NIL
b. On Foreign Travels	Rs. 0.00 Lacs
c. On Interest	NIL

On behalf of the Board of Directors

R.K. Sethia
Managing Director
Jaipur

Shanti Narain
W.T. Director

Date: 30 May. 2009

CORPORATE GOVERNANCE REPORT

Directors present the Company's report on Corporate Governance: -

1. Company's Philosophy on Corporate Governance:- Your Company believes in fair business and Corporate Governance with all its Customers. Corporate responsibility and transparency is the core of High Street Filatex Ltd.
2. Board of directors:-
 - A. As At 31st March 2009, The Board Consisted Of 5 Member
 - B. During The Financial Year 2008-09 Nine Board Meeting Were Held On :- 25-04-08, 03-07-08, 24-07-08, 30-07-08, 04-09-08, 30-10-08, 10-11-08, 30-12-08, 29-01-09.
 - C. Detail Of Director: Shri Shanti Narain ,74, is a formal banker retired as Chief Manager from State Bank of India in 1994 after serving for 36 Years. His qualification is B.A. , C.A.I.I.B.
 - D. The Particulars Of Directors As On 31st March, 09 Are As Follows :-

Name of Director	Designation	Category	No. of B.M. Attended	Last AGM attended	Duration if ceased to be director	Membership On other Board
Sh. R.K.Sethia DIN-00050948	Managing Director	Executive	9	Yes		Nil
Sh. Shanti Narain DIN-00051021	Whole Time Director	Executive	9	Yes		Nil
Sh. Rajdeep Ghiya DIN-00082495	Director	Non Exeutive	7	No	Nil	Nil
Sh. Rajnish Chindaliya DIN-00050984	Director	Non Executive	8	No	Nil	Nil
Sh. Devendra Palod DIN-00082459	Director	Non Executive	7	No	Nil	Nil

3. Audit Committee :-

We have formed the Audit Committee which consists of the following directors: -

- | | |
|--------------------------|--|
| Sh. Rajnish Chindalia :- | Chairman (Non Executive Director) |
| Sh. Shanti Narain :- | Member (Executive director) |
| Sh. Rajdeep Ghiya :- | Member (Non Executive director) |
| Sh. Devendra Palod :- | Member (Non Executive director With Accounts Knowledge) |
| Chinu Gupta :- | Company Secretary |

The terms of reference and power of the audit committee are as per clause 49 of the Listing Agreement and also as per new Section 292 A of the Companies Act, 1956.

During the financial year The Audit Committee met four times and all the members were present.

4. Remuneration of Directors:

The Company does not have a formal remuneration Committee. However, all decision regarding remuneration and the terms and conditions of the Managing Directors/Directors are taken by the Board of Directors, subject to the approval of the shareholder and the Central Government as and when necessary. No Salary has been paid for the financial year 2008-09 to any of the Director.

5. Shareholders Committee:

The company has formed Shareholders/Investors grievance Committee. The Non Executive Director heading this Committee is Sh. Rajnish Chindalia. The company had delegated the power of Share Transfer to Share transfer Agent. No complaints were received during the financial year regarding transfer of shares and no share is being pending for transfer.

6. General Body Meeting:-

The particulars of the last three Annual General Meeting of the Company held are as follows: -

Date of AGM	Financial Year	Venue/Location	Time of Meeting
28 th Sept. 2006	2005-2006	F-86, Hirawala Industrial Area, Kanota, Jaipur	09.00 A.M.
27 th Sept. 2007	2006-2007	F-86, Hirawala Industrial Area, Kanota, Jaipur	09.00 A.M.
31 st May 2008	2007-2008	F-86, Hirawala Industrial Area, Kanota, Jaipur	10.30 A.M.

7. Disclosures :-

(i) The Details of significant related party transaction are as follows..

Name of The Party	: Raj Kumar Sethia
Nature of Relationship	: Key management
Unsecured Loan op. balance	: 106.19 lackhs cr.
Received During The Year	: 80.70 lackhs cr.
Balance as on 31/3/2009	: 186.89 lackhs Cr

Name of the Party	: High Street Fashions Pvt Ltd	: Golden Girl Fashions
Nature of relationship	: Directors of this company are close relative of Managing Director	: Proprietor is close relative of Managing Director.
Op. Balance	: 288652.00	: 275607.00
Purchases	: 0.00	: 0.00
Closing Balance	: 288652 cr.	: 275607.00 Cr.

(ii) Stock Exchange and SEBI has imposed no penalties or strictures on the Company.

(iii) Disclosure of accounting treatment: In preparation of Financial Statement, the company has followed the Accounting Standard issued y the ICAI to the extent applicable.

(iv) Code of conduct: The company adopted the code of conduct and ethics for directors and senior management. The code has been circulated to all of the directors of the board and they affirmed their compliance with the code and a signed declaration obtained from the Director Sh. Rajdeep Ghiya appointed in terms of The Companies Act , 1956(i.e the CEO within the meaning of clause 49-V of the listing agreement) is given below.

It is hereby declared that the company has obtained from all members of the board and Sr. management affirmation that they have complied with the code of conduct for director and Sr. Management of the company for the year 2008-09

Rajdeep Ghiya (Director)

(v) CEO/ CFO Certification has been placed before the board.

8. Means of Communications :-

The Company publishes its quarterly, half-yearly and yearly financial results in Regional and Local newspaper.

9. The management discussion and analysis report forms part of the Director's Report.10. General Shareholder Information :-

Annual General Meeting :- 10th July 2009 at 11.00 A.M.
at Registered Office.
Financial year :- 1-4-2008 to 31-3-2009
Book Closure :- 8th July, 2009 to the 10th July,
2009 (both days inclusive)

No Dividend paid as no profit for the financial year.

Listing on Stock Exchange: -At Regional Stock Exchange at Jaipur. Bombay.

During the last year shares were not quoted on any stock exchange.

Distribution of share holding...

Shareholding	% of Shares held
Promoters	86.95
Mutual Fund	1.55
Private Corporate Bodies	7.82
NRI/OCBs	0.72
Any other	2.96
Total	100

11. Share Transfer Address: Beetal Financial & Computer Services Pvt. Ltd Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada- Harsukhandas Mandir, New Delhi-110062, Tel-011 29961281, 29961282

12. Plant Location :-

F-86, Hirawala Industrial Area, Kanota, Jaipur.

13. Address for Correspondence :-

All enquiries, clarifications and correspondence should be addressed to the Company Secretary at the following address :-

Chinu Gupta (Company Secretary)

F-86, Hirawala Industrial Area, Kanota, Jaipur.

14. Auditors' Certificate on Corporate Governance :-

To

The Members of HIGH STREET FILATEX LTD

Formerly Known As **UNI LEGWEARS (INDIA) LTD**

- We have read the report of the Board of Directors on Corporate Governance and have examined the compliance of the condition of Corporate Governance by High Street Filatex Ltd. for the year ended March 31, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.
- The compliance of the condition of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of the procedure and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
- In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the condition of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.
- We further state that such compliance in neither an assurance as to the future viability of the Company nor of the efficiency or the effectiveness with which the Management has conducted affairs of the Company.
- As required by the guidance note issued by Institute of Chartered Accountants of India we state that the share holders/ investors grievance committee has relied on statement received from company Who have certified that as at 31/3/2009 there were no investors grievances remaining unattended / pending for more than 30 days,

For N. Bhandari and Co.,
Chartered Accountants

Place : Jaipur
Date : 30 May. 2009

(N. Bhandari)
Partner

AUDITORS' REPORT

The Members,

HIGH STREET FILATEX LTD

(formerly known as Uni Legwears (India) Ltd.)
JAIPUR

We have audited the attached Balance Sheet of **HIGH STREET FILATEX LTD** (formerly known as Uni Legwears (India) Ltd.), as at 31st March, 2009 and also the profit and loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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.

- As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- Further to our comments in the Annexure referred to above, we report that:
 - We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 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;
 - The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - On the basis of written representations received from the directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009; and
 - in the case of the Profit and Loss Account, of the loss for the year ended on that date.

Place : Jaipur
Date : 30 May. 2009

For N. Bhandari and Co.,
Chartered Accountants

(N. Bhandari)
Partner

ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF HIGH STREET FILATEX LTD

(FORMERLY KNOWN AS UNI LEGWEARS (INDIA) LTD)

(REFERRED TO IN THE PARAGRAPH 1 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) All the assets have not been physically verified by the management during the year but there is regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The company has not disposed off any substantial part of the fixed assets during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) 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. The discrepancies noticed in verification between the physical stocks and the book records were not material.
- (iii) (a) The company had not granted any loans, secured or unsecured to any company, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion, the rate of interest and other terms and condition on which loans have been given by the company are, *prima facie*, not prejudicial to the interest of the company.
- (c) There being no such loans receipt of principal amount, interest and overdue amount is not applicable.
- (d) The company had taken unsecured loan from 3 persons covered in the register maintained under section 301 of the companies act, 1956. The maximum amount involved during the year and the year-end balance of loans taken from such parties were Rs.194.25 Lacs.
- (f) In our opinion, the rate of interest and other terms and condition on which the loans have been taken from parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the company.
- (g) The company is regular in repaying the principal amounts as stipulated and no interest is payable on such loan.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of its inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in the pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public and has complied with the provisions of section 58A and 58AA of the companies act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal applicable to company in this connection.
- (vii) In our opinion, the company has an internal audit system commensurate with the nature and the size of the business.
- (viii) As informed to us, maintenance of cost records has not been prescribed by the Central Government under section 209 (1) of the Companies Act, 1956 for such companies.
- (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, Service Tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in

respect of income tax, sales tax, wealth tax, custom duty, excise duty and cess were in arrears, as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

- (b) **According to the information and explanations given to us, a demand of Rs 1,42,048.00 raised by Land & Building Tax Deptt has not been deposited by the company as the same is disputed and the matter is being contested in appropriate court.**
- (x) **The accumulated losses of the company are more than fifty percent of its net worth (without considering revaluation reserve). The company has incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.**
- (xi) **The company had defaulted in repayment of dues to Industrial Development Bank of India (IDBI). The entire term loan was recalled by the IDBI vide its letter dtd 30.3.2001 hence the entire outstanding amount was in default. Subsequently loan of the company was transferred to Stresses Assets Stabilisation Fund (SASF) by IDBI A settlement was arrived at with the SASF but default was also made in repayments as per terms of settlement. Subsequently the company made a revised settlement with the SASF and upto 31st March 2009 payments were made in terms of revised settlement. A sum of Rs 93 Lacs is payable in instalments as per revised settlement arrived with the lenders.**
- (xii) The company has not granted any loans and advances 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 *nidhil* mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not generally dealing in or trading in shares, securities, debentures and other investments. Proper records have been maintained of the transactions and contracts and timely entries have been made therein, in connection with occasional investment made by the company. The investments, shares, securities etc (if any) has been held by the company in its own name , except to the extent of the exemption granted under section 49 of the act.
- (xv) The company has not given any guarantees for loans taken by other from banks or financial institutions.
- (xvi) During the period covered by our audit report, the company has not taken any fresh term loan.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (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 act.
- (xix) During the period covered by our audit report, the company has not issued any debentures.
- (xx) During the period covered by our audit report, the company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit

For N. Bhandari and Co.,
Chartered Accountants

Place : Jaipur
Date : 30 May. 2009

(N. Bhandari)
Partner
M. No. 71710

Balance Sheet as at 31st March 2009

PARTICULARS	SCHEDULE	AS AT 31.3.2009 (Rs.)	AS AT 31.3.2008 (Rs.)
I SOURCE OF FUNDS			
1 SHARE HOLDERS FUNDS			
Capital	1	64700000.00	64700000.00
Reserves and Surplus	2	91591882.68	70188260.80
2 LOAN FUNDS			
Secured Loans	3	9300000.00	18600000.00
Unsecured Loans	4	24750827.00	15130827.00
	TOTAL	190342709.68	168619087.80
I APPLICATION OF FUNDS			
1 FIXED ASSETS			
Gross Block	5	130792071.04	109388449.16
Less -Depreciation		95815956.71	95815956.71
Net Block		34,976,114.33	13,572,492.45
2 INVESTMENTS	6	19200.00	19200.00
3 CURRENT ASSETS, LOANS & ADVANCES	7		
A CURRENT ASSETS			
Inventories		895178.77	895178.77
Sundry debtors		0.00	0.00
Cash and bank balances		101901.61	114617.61
B LOANS & ADVANCES		329318.70	371604.20
		1326399.08	1381400.58
LESS : CURRENT LIABILITIES AND PROVISIONS	8		
Liabilities		725360.00	735605.80
Provisions		0.00	0.00
		725360.00	735605.80
NET CURRENT ASSETS		601039.08	645794.78
4 MISC. EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		0.00	0.00
5 PROFIT AND LOSS ACCOUNT		154746356.28	154381600.58
	TOTAL:	190342709.68	168619087.80

Significant Accounting Policies

13

Notes to the Accounts

14

As per our report of even date attached,

For and on behalf of the Board

For N. BHANDARI & CO.,
Chartered Accountants(N. BHANDARI)
Partner
M.No. 71710
PLACE: JAIPUR
DATE : 30th May 2009R.K.Sethia
(Managing Director)Shanti Narain
(Director)Chinu Gupta
(Company Secretary)

PROFIT & LOSS ACCOUNT For the year ended on 31ST March 2009

PARTICULARS	SCHEDULE	For the Year ended 31/3/2009 (Rs.)	For the Year ended 31/3/2008 (Rs.)
INCOME			
Sales (Export)		0.00	0.00
Increase/(Decrease) in Stock	9	0.00	0.00
TOTAL		<u>0.00</u>	<u>0.00</u>
EXPENDITURE			
Material Cost	10	0.00	0.00
Personnel Expenses	11	210.00	21,412.00
Manufacturing Expenses		0.00	0.00
Sales & Distribution Expenses		0.00	0.00
Administrative Expenses	12	274,545.70	220,984.80
Depreciation	5	0.00	0.00
TOTAL		<u>274,755.70</u>	<u>242,396.80</u>
Profit (Loss) for the year		(274,755.70)	(242,396.80)
Add. Creditors/ Liabilities written off		0.00	3,583,155.55
Add: Provision of interest/ accrued interest etc no longer required written back		0.00	92,557,881.00
Less: Previous year expenses		(90,000.00)	0.00
Profit / (Loss) before Taxation		(364,755.70)	95,898,639.75
Less : Provision for Taxation		0.00	0.00
Profit/(Loss) after Taxation		(364,755.70)	95,898,639.75
Balance brought forward from previous year		(154,381,600.58)	(250,280,240.33)
Balance Carried to Balance Sheet		<u>(154,746,356.28)</u>	<u>(154,381,600.58)</u>
Significant Accounting Policies	13		
Notes to the Accounts	14		

The schedules referred to above form an integral part of Profit & loss Account.

As per our report of even date attached,

For and on behalf of the Board

For N. BHANDARI & CO.,
Chartered Accountants

(N. BHANDARI)
Partner
M.No. 71710
PLACE: JAIPUR
DATE : 30th May 2009

R.K.Sethia
(Managing Director)

Shanti Narain
(Director)

Chinu Gupta
(Company Secretary)

As the business of the company has remained closed through out the year and no production activities were undertaken, no depreciation has been provided on the fixed assets in terms of decision of Board of Directors.

**SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH ,2009 AND PROFIT & LOSS ACCOUNT
FOR THE PERIOD ENDED 31-3-2009**

Schedule - 1 : Share Capital

	AS AT 31.3.2009 (Rs.)	AS AT 31.3.2008 (Rs.)
Authorised :		
75,00,000 Equity Shares of Rs. 10/- each (Previous year 75,00,000 Equity Shares)	7,50,00,000.00	7,50,00,000.00
Issued		
64,70,000 Equity Shares of Rs. 10/- each (Previous year 64,70,000 Equity Shares)	6,47,00,000.00	6,47,00,000.00
Subscribed and paid up		
64,70,000 Equity Shares of Rs. 10/- each (Previous year 64,70,000 Equity Shares of Rs. 10/- each) fully called up.	6,47,00,000.00	6,47,00,000.00
	6,47,00,000.00	6,47,00,000.00

Schedule - 2 : Reserve & Surplus

	As at 3/31/2009 (Rs.)	As at 3/31/2008 (Rs.)
Capital Reserve	70,188,260.80	70,188,260.80
Revaluation reserve of land and building.	21,403,621.88	0.00
	<u>91,591,882.68</u>	<u>70,188,260.80</u>

Schedule - 3 : Secured Loans

	As at 3/31/2009 (Rs.)	As at 3/31/2008 (Rs.)
Stressed Assets Stabilisation Fund (Amount payable in terms of settlement of outstanding loans to IDBI)	9,300,000.00	18,600,000.00
	<u>9,300,000.00</u>	<u>18,600,000.00</u>

The company had negotiated settlement with Stressed Assets Stabilization Fund (SASF) to whom account was transferred by IDBI . The outstanding amount shown as on 31.3.09 is payable in next 12 months in equal monthly instalments.

**SCHEDULE-4
UNSECURED LOANS**

		ASAT 31.3.2009 (Rs.)	ASAT 31.3.2008 (Rs.)
(A)	FROM DIRECTOR	19,425,274.00	11,355,274.00
(B)	FROM OTHERS	5,325,553.00	3,775,553.00
	TOTAL	<u>24,750,827.00</u>	<u>15,130,827.00</u>

SCHEDULE -5: FIXED ASSETS

Fixed Assets	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Bal. as on 1-4-2008	Addition during the year	Addition due to revaluation	Bal. as on 31-3-2009	Upto 31-3-2008	During the year 31-3-2009	Total upto	As on 31-3-2009	As on 31-3-2008
Land	287,419.00	0.00	16,443,581.00	16,731,000.00	0.00	0.00	0.00	16,731,000.00	287,419.00
Building	13,325,959.12	0.00	4,960,040.88	18,286,000.00	4,704,204.86	0.00	4,704,204.86	13,581,795.14	8,621,754.26
Plant & Machinery	89,260,950.97	0.00		89,260,950.97	87,098,430.91	0.00	87,098,430.91	2,162,520.06	2,162,520.06
Electric fitting	3,581,712.33	0.00		3,581,712.33	1,842,279.87	0.00	1,842,279.87	1,739,432.46	1,739,432.46
Furniture & Fixture	1,506,844.06	0.00		1,506,844.06	1,022,183.03	0.00	1,022,183.03	484,661.03	484,661.03
Office equipment	539,728.64	0.00		539,728.64	263,023.99	0.00	263,023.99	276,704.65	276,704.65
Computer & software	370,573.00	0.00		370,573.00	370,572.00	0.00	370,572.00	1.00	1.00
Vehicle	515,262.04	0.00		515,262.04	515,262.04	0.00	515,262.04	0.00	0.00
Total	109,388,449.16	0.00	21,403,621.88	130,792,071.04	95,815,956.71	0.00	95,815,956.71	34,976,114.34	13,572,492.46
FIGURE FOR PREVIOUS Year	(109,388,449.16)	(0.00)	(0.00)	(109,388,449.16)	(95,815,956.71)	(0.00)	(95,815,956.71)	(13,572,492.46)	(13,572,492.46)

SCHEDULE -6 : INVESTMENT (AT COST)

	ASAT 31.3.2009 (Rs.)	ASAT 31.3.2008 (Rs.)
A. QUOTED		
30 Equity Shares of Rs. 100/- each of State Bank of Bikaner & Jaipur at a premium of Rs. 440/- each	16,200.00	16,200.00
B. GOVT. SECURITIES		
National Saving Certificate pledged with Govt. deptt. As security (at face value)	3,000.00	3,000.00
	<u>19,200.00</u>	<u>19,200.00</u>

Schedule - 7 : Current Assets, Loans & Advances

	AS AT 31.3.2009 (Rs.)	AS AT 31.3.2008 (Rs.)
A CURRENT ASSETS		
1 INVENTORIES (As taken, valued and certified by the Management)		
(a) Raw Material (At cost)	230531.77	230531.77
(b) Finished & Semi Finished Good (At estimated cost)	664647.00	664647.00
	<u>895178.77</u>	<u>895178.77</u>
2 SUNDRY DEBTORS (Unsecured)		
(a) Debts outstanding for a period Exceeding six months(considered good)	0.00	0.00
(b) Others (considered good)	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
3 CASH & BANK BALANCES		
(a) Cash in Hand	13715.36	61862.36
(b) Balances with Scheduled Banks in Current Account	88186.25	52755.25
	<u>101901.61</u>	<u>114617.61</u>
B LOANS AND ADVANCES (Unsecured, Considered good) (Advances recoverable in cash or in kind or for value to be received)		
Deposits (Security) with Govt. and other authorities	252012.70	294298.20
Tax deducted at source	77306.00	77306.00
	<u>329318.70</u>	<u>371604.20</u>

Schedule - 8 : Current Liabilities & Provisions

	As at 31/3/2009 (Rs.)	As at 31/3/2008 (Rs.)
A. CURRENT LIABILITIES		
Sundry Creditors	683,396.00	683,396.00
Outstanding Expenses	41,964.00	52,209.80
Statutory Liabilities	0.00	0.00
	<u>725,360.00</u>	<u>735,605.80</u>
B. PROVISIONS	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT**SCHEDULE-9: INCREASE/(DECREASE) IN STOCK**

	As at 31/3/2009 (Rs.)	As at 31/3/2008 (Rs.)
FINISHED & SEMI FINISHED GOODS-CLOSING STOCK	664,647.00	664,647.00
LESS: OPENING STOCK	664,647.00	664,647.00
	<u>0.00</u>	<u>0.00</u>

Schedule - 10 : Material Cost

	Cotton	Nylon,Elastic & Rubber	Lycra	Acrylic	Total
Opening Stock of Raw Material	8993.27 (8993.27)	17666.80 (17666.80)	203871.70 (203871.70)	0.00 (0.00)	230531.77 (230531.77)
Purchases	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
Less : Closing stock	8993.27 (8993.27)	17666.80 (17666.80)	203871.70 (203871.70)	0.00 0.00	230531.77 (230531.77)
Cost Of material Consumed	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00

Schedule - 11 : Personnel Expenses

	For the year ended 31.3.2009 (Rs.)	For the year ended 31.3.2008 (Rs.)
Salaries & Wages	0.00	21412.00
Staff Welfare Expenses	<u>210.00</u>	<u>0.00</u>
	<u>210.00</u>	<u>21,412.00</u>

SCHEDULE-12: ADMINISTRATIVE EXPENSES

	For the year ended 31.3.2009 (Rs.)	For the year ended 31.3.2008 (Rs.)
1 Advertisement & Publicity	29,654.00	5,508.00
2 Bank Charges	1,183.00	3,375.00
3 Audit Fee	11,225.00	11,225.00
4 Electric exp.	43,335.50	126,621.00
5 Filling Fees	2,000.00	3,500.00
6 Miscellaneous Expenses	309.20	0.00
7 Postage , Telephone, Telegram	13,875.00	5,190.00
8 Printing & Stationery	0.00	32,338.00
9 Legal & Professional	78,678.00	15,500.00
10 Listing expenses	48,920.00	0.00
11 Stock Exchange Fee	28,090.00	0.00
12 share transfer exp.	17,276.00	17,727.80
	<u>274,545.70</u>	<u>220,984.80</u>

SCHEDULE - 13

Significant Accounting Policies

A. Basis of Preparation of Financial Statements

- A . The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted by the Company
- B The Company generally follows mercantile system of accounting, recognises significant items of income and expenditure on accrual basis

B. Fixed Assets and Depreciation

- A Fixed Assets are stated at cost of acquisition/ construction less accumulated depreciation. The cost includes all the pre-operative expenses and the financing cost of borrowings related to the pre production period. In case of revaluation of assets cost of acquisition is substituted by appropriate value in terms of valuation by competent professional
- B Depreciation on Fixed Assets is provided on straight line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on assets acquired during the year is charged on pro rata basis & part of the month is considered as a full month.. Depreciation on revalued assets is recomputed so as to write off the entire value in residual life of assets.

C. Foreign Currency Transactions

- A Export Sales- At the rates as on the date of negotiation or collection ,where export bills are negotiated after the close of the year, then at the year end rate when not covered by forward contract.
- B Expenditure-At the rates as on the date of transaction, receivables, creditors and outstanding liabilities are translated at the rate as at the close of the year, or at forward contract rate, wherever applicable.
- C Foreign Currency Loans for acquiring Fixed Assets and outstanding at the close of the Financial Year - At the contracted /prevailing rate of exchange, at the close of the year. The gain or loss due to decrease/increase in rupee liability due to fluctuations in rates of exchange is adjusted to the cost of the assets acquired through these loans. The depreciation on such increase/decrease in value of assets is provided for prospectively on residual life of the assets.

D. Investments : Investments are stated at cost.

E. Inventories : Stock of Raw Material, spare parts and work in process are valued at cost . Finished goods are valued at lower of direct cost or net realisable value.

F. Expenditure During Construction Period : Expenditure incurred on projects during implementation is capitalised and apportioned to various assets on commissioning of the project.

G. Preliminary, Capital Issue and Deferred Revenue Expenses : Preliminary, capital issue expenditure are written off in 10 years from the year of commercial production.

H. Retirement Benefit : Gratuity:- Provision for gratuity is made on the basis of actual accrued liability.

SCHEDULE – 14 Notes on Accounts :

1. The previous years figures have been re-worked, re grouped, re-arranged and re classified wherever necessary.

	Current Year (Rs.)	Previous Year (Rs.)
2. Contingent Liabilities		
Claims against company not acknowledged as debts*	1,42,048.00	1.42.048.00

- * Demand of Rs.1,42,048 raised by Land & Building Tax Deptt.

 which is challenged by the company in appropriate court.

3. Market value of SBBJ shares as on 31/3/2009 is Rs. 57855/-

4. In the opinion of Board of Directors the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

5. Loans & Advances due from Directors – Nil and due from officers Rs. Nil (Maximum amount due at any time during the year Rs. NIL)

6. As the business of the company has remained closed through out the year and no production activities were undertaken, no depreciation has been provided on the fixed assets in terms of decision of Board of Directors.

7. The amount shown under Secured loan is the balance amount payable towards negotiated settlement with Stressed Assets Stabilization Fund (SASF) to whom account was transferred by IDBI

8. Due to non availability of reliable information regarding SSI status of suppliers/sundry creditors, information regarding outstanding toward them can not be ascertained. However the amount is not likely to be significant.

9. In terms of decision of Board of Directors, revaluation of Land and Building of the company was got done during the current year by approved valuers so as to represent the true realizable value of assets. The cost of acquisition in case of land and written down value in case of building was substituted with present market value as per revaluation report. It has been decided to provide depreciation on revalued assets i.e. building in such a manner so as to write off the entire value in residual life . However no depreciation was considered necessary for the current year as the revised value has been worked out in the last quarter of the year on which no further depreciation is required.

10. The accounting of deferred tax in terms of "Accounting Standard (AS22) on " Accounting for Taxes on Income" results in deferred Tax Assets. However in view of sickness of the company there is no certainty of realization of such assets in a reasonable period of time, hence the same has not been accounted for.
11. Related Party Disclosure as per Accounting Standard (AS 18) issued by Institute of Chartered Accountants of India.
- Name of The Party : Raj Kumar Sethia
 Nature of Relationship : Key management
 Unsecured Loan op. balance : 106.19 lacks cr.
 Received During the Year : 80.70 lacks cr.
 Balance as on 31/3/2009 : 186.89 lackhs Cr
 No interest has been given on the loan.

Name of the Party	High Street Fashions Pvt Ltd	Golden Girl Fashions
Nature of relationship	Directors of this company are close relative of Managing Director	Proprietor is close relative of Managing Director.
Op. Balance	288652.00	275607.00
Purchases	0.00	0
Closing Balance	288652 cr.	275607.00 Cr.

- 12 The company is engaged mainly in the business of Knitted socks and stocking (Tights) which falls under one segment, in the opinion of the Management. All the activities of the company revolve around the main activity hence there are no separate reportable segments as per Accounting Standard 17 (AS17)
- 13
- | Earning per share (Accounting Standard 20) | 2008-09 | 2007-08 |
|---|-----------|---------------|
| Profit(Loss) after Tax as per Profit and Loss a/c | 364755.70 | 95,898,639.75 |
| Number of equity shares | 6470000 | 6470000 |
| Basic and diluted Earning Per Share | (.06) | 14.82 |
14. In view of paucity of funds no salary were paid to any of the Director for the financial year, however in view of directors confirmations not to avail any remuneration, no provision for liability is required.
15. In Terms of Provisions of Accounting Standard 28 (AS28) issued by The Institute of Chartered Accountants of India the company had provided for loss due to impairment of assets during 2004-05. The Value in use being uncertain due to sickness of unit, recoverable amount has been reduced from carrying amount and resultant loss (impairment loss) was debited to balance of Profit and Loss a/c .In view of high obsolescence rate of machinery the board has decided to provide depreciation on original value of block of machinery.
16. Additional Information pursuant to the provision of Schedule VI of the Companies Act 1956 for current Year.

A: CAPACITIES & PRODUCTION

	ANNUAL CAPACITY			ACTUAL PRODUCTION
	UNIT	LICENCED (AS PER E.O.U REGISTRATION)	INSTALLED	
Knitted Socks	Pairs	21.00 Lakh	41.00 lakh	0 pairs
Stockings		(21.00 lakh)	(41.00 lakh)	(88474) pairs

B SALES AND STOCKS

	UNIT	OPENING STOCK		PRODUCTION	SALES/TRANSFER		CLOSING STOCK	
		Qty	Value Rs.	Qty	Qty	Value Rs.	Qty	Value Rs.
Finished Socks	Pairs	43519.00	739823.00	0.00	0.00	0.00	43519.00	739823.00
(socks)		(43519.00)	(739823.00)	(0.00)	(0.00)	0.00	(43519.00)	(739823.00)
Finished Stockings	Pcs	2010.00	38190.00	0.00	0.00	0.00	2010.00	38190.00
(stocking)		(2010.00)	(38190.00)	(0.00)	(0.00)	(0.00)	(2010.00)	(38190.00)
Semi finished	Pairs	6.00	60.00	0.00	0.00	0.00	6.00	60.00
(socks)		(6.00)	(60.00)	(0.00)	(0.00)	(0.00)	(6.00)	(60.00)
Semi finished	Pcs	1410.00	16920.00	0.00	0.00	0.00	1410.00	16920.00
(stocking)		(1410.00)	(16920.00)	(0.00)	(0.00)	(0)	(1410.00)	(16920.00)
Rejected Goods	Pairs	14579.00	51027.00	0.00	0.00	0.00	14579.00	51027.00
(socks)		(14579.00)	(51027.00)	(0.00)	(0.00)	(0)	(14579.00)	(51027.00)
Yarn on machine	Kg	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		(0)	(0)	(0)	(0)	(0)	(0)	(0)
waste	Kg	5099.87	21675.00	0.00	0.00	0.00	5099.87	21675.00
(socks and stockings)		(5099.87)	(21675.00)	(0)	(0.00)	(0.00)	(5099.87)	(21675.00)

Notes (Figure shown in brackets relate to previous year)

C. Raw Material Consumption

Consumption	2008-2009		2007-2008	
	Qty (Kg.)	Value (Rs.)	Qty (Kg.)	Value (Rs.)
Cotton	0.00	0.00	0.00	0.00
Nylon , Elastic & Rubber	0.00	0.00	0.00	0.00
Spandex Indigenous	0.00	0.00	0.00	0.00
Acrylic	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00

D. Value of Imported and indigenous Raw material consumed and Percentage thereof

	2008-2009		2007-2008	
	Value (Rs.)	% of Total Consumption	Value (Rs.)	% of total Consumption
Indigenous	0.00	100	0.00	100.00
Imported	0	0.00		
	0.00		0.00	

15	Expenditure / Income in foreign Currency	2008-09	2007-08
	C.I.F. Value of Imports	0	0
	Raw Material	0.00	0.00
	Spares	0.00	0.00
	Expenditure in foreign Currency(on payment basis) On account of		
		2008-09	2007-08
		0	0
	Travelling	0.00	0.00
	Advertisement	0.00	0.00
	Earning In foreign Exchange		
	F.O.B Value of Export	0.00	0.00

16 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I)	Registration Details		State Code	17
	Registration No.	8386		
	Balance sheet Date	31/3/2009		
II)	Capital Raised during the year (Amount in Rs/lakhs)			
	Public Issue	NIL	Right Issue	NIL
	Bonus Issue	NIL	Private Placement	NIL
III)	Position of Mobilisation and Deployment of Funds			
	Total Liabilities	1903.43	Total Assets	1903.43
	Sources of Funds			
	Paid-up-capital	647.00	Reserves and Surplus	915.92
	Secured Loans	93.00	Unsecured Loans	247.51
	Application of Funds			
	Net Fixed Assets	349.76	Investments	0.19
	Net Current Assets	6.01		
	Accumulated Losses	1547.46		
IV)	Performance of Company			
	Turnover/ (Total Income)	0.00	Total Expenditure	2.74
	Exp relating to Pvs year	0.90		
	Profit before Tax	(3.64)	Profit after Tax	(3.64)
	Earning per Share (Rs)	(0.06)	Dividend Rate %	NIL
V)	Generic Names of principal Products of Company			
	1. Item Code No. (ITC Code)	61159200		
	Product Description	Knitted socks		

As per our report of even date attached,

For and on behalf of the Board

For N. BHANDARI & CO.,
Chartered Accountants

(N. BHANDARI)

Partner

M.No. 71710

PLACE: JAIPUR

DATE : 30th May, 2009

R.K.Sethia
(Managing Director)Shanti Narain
(Director)Chinu Gupta
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Current Year (Rs. In lacs)	Previous Year (Rs. In lacs)	
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra ordinary items	(2.75)	(2.42)
Adjustments for :		
Depreciation	0.00	
Prior years adjustment	(0.90)	0.00
Profit/ Loss on sale of fixed Assets / or from Investment	0.00	0.00
Interest & other income on investments	0.00	0.00
Interest	0.00	0.00
Operating profit before working capital changes	(3.65)	(2.42)
Adjustments for :		
Trade and other Receivables	0.42	0.99
Inventories	0.00	0.00
Trade Payables	(0.10)	(1.12)
Cash generated from operations	(3.33)	(2.55)
Interest paid	0.00	0.00
Direct taxes paid		
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(3.33)	(2.55)
Extraordinary items-Deferred Revenue Expenses		
Net Cash from operating activities :	(3.33)	(2.55)
B. CASH FROM INVESTING ACTIVITIES		
Purchase of fixed assets	0.00	0.00
Sales of fixed assets	0.00	0.00
Acquisitions of Companies (As per Annexure)		
Purchases of Investments		
Loans/Deposits Received back	0.00	0.00
Sales of Investments	0.00	0.00
Interest received and other income	0.00	0.00
Dividend received		
Net cash used in investing activities	0.00	0.00
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital		
Proceeds from long term borrowings	96.20	21.95
Repayment of Long term loans	(93.00)	(20.00)
Dividends paid		
Preliminary Expenses	0.00	0.00
NET CASH FROM FINANCING ACTIVITIES	3.20	1.95
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(0.13)	(0.60)
Cash and Cash Equivalents as at 1-4-2007 (Opening Balance)	1.15	1.69
Cash and Cash equivalents as at 31-3-2008 (Closing Balance)	1.02	1.09

R.K.Sethia
(Managing Director)

Shanti Narain
(Director)

Chinu Gupta
(Company Secretary)

AUDITORS' CERTIFICATE

We have examined the above cash flow statement of High street filatex Ltd, which has been compiled from and is based on the audited financial statements for the year ended 31st March 2009 and 31st March 2008. To the best of our knowledge and belief and according to the information and explanation given to us, it has been prepared in accordance with the requirements of listing agreement with the stock exchange.

For N. BHANDARI & CO.
Chartered Accountants

(N. Bhandari)
(Partner)

M.No. 71710

Place : Jaipur

Date: 30th May 2009

HIGH STREET FILATEX LTD.

Registered Office : F-86, Hirawala Industrial Area, Vill. Kanota, Jaipur, Rajasthan

PROXY FORM

Reg. Folio No.

No. of Shares held

HIGH STREET FILATEX LTD. hereby appoint of

proxy to attend and vote for me/us and on my/our behalf at the 15th ANNUAL GENERAL MEETING of the Company to be held on Friday, 10th July., 2009 and at any adjournment thereof.



Note : This form duly completed and signed must be deposited at the Registered office of the Company not less than 48 hour before the Meeting.

HIGH STREET FILATEX LTD.

Registered Office : F-86, Hirawala Industrial Area, Vill. Kanota, Jaipur, Rajasthan

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting hall)
15th Annual General Meeting-10th July, 2009

I hereby record my presence at the FIFTEENTH ANNUAL GENERAL MEETING of the Company held at F-86, Hirawala Industrial Area, Vill. Kanota, Jaipur, on Friday 10th July, 2009 at 11.00 a.m.

Full name of Member (IN BLOCK LETTERS)

Full name of Proxy (IN BLOCK LETTERS)

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(Printed Matter)

HIGH STREET FILATEX LTD.

F-86, HIRAWALA INDUSTRIAL AREA, KANOTA, DISTT. JAIPUR, INDIA