

16th Annual Report

2008-2009



SAMTEX
FASHIONS LIMITED

SAMTEX FASHIONS LIMITED



BOARD OF DIRECTORS

Anil Mittal
Vinay Mittal
A. P. Mathur
Atul Mittal
S. K. Gupta
Raman.Ohri

Chairman & Managing Director
Director
Director
Director
Director
Director

COMPANY SECRETARY & GM FINANCE

Kamini Gupta

AUDITORS

M/s Aggarwal & Rampal
Chartered Accountants
New Delhi

INTERNAL AUDITORS

M/s Ashok Aggarwal & Co.
Chartered Accountants
Delhi

BANKERS

STATE BANK OF INDIA

Overseas Branch,
9th Floor, Jawahar Vayapar Bhawan,
Tolstoy Marg, New Delhi - 110 001

REGISTERED OFFICE & WORKS

Plot No. 134-135
Noida Special Economic Zone,
Phase - II, Noida - 201 305
Distt. Gautam Budh Nagar
Uttar Pradesh

CORPORATE OFFICE

M-71, (Market)
Greater Kailash - II
New Delhi - 110 048

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NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of Samtex Fashions Limited will be held on Wednesday, the 30th September, 2009 at 9.30 A.M. at the Registered Office & Works of the Company at Plot No. 134-135, Noida Special Economic Zone, Phase – II, Noida – 201 305, Distt. Gautam Budha Nagar, (U.P.) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March' 2009 and the Profit & Loss Account for the financial year ended on that date, together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Atul Mittal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. A.P.Mathur, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION** :

"**RESOLVED THAT** Mr. Raman Ohri, who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 read with Article 80 of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting , and in respect of whom the Company has received a notice in writing pursuant to Section 257 of the said Act, from a member of the Company signifying his intention to propose Mr. Raman Ohri's candidature for office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to Section 17 of the Companies Act, 1956 and any other applicable provisions of Law, Clause III(C) Other Objects, in the Memorandum of Association of the Company be and is hereby altered by inserting sub clause 50 immediately after existing sub clause 49 appearing therein:

50. To deal in trading, acquire, hold, purchase, underwrite, sell, dispose of or otherwise deal in all types of shares and securities, stocks, debentures, debenture stocks, negotiable instruments and other securities issued or guaranteed by any company, Government, semi – Government, State Sovereign, ruler, public body and any other marketable securities.

"**RESOLVED FURTHER THAT** pursuant to section 149 (2A) of the Companies Act,1956 approval be and is hereby granted to commence the business specified above, ie new sub clause 50 and also to commence the business specified in the sub clauses 28 and 33 of Clause III (C) Other Objects.

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to section 149 (2A) of the Companies Act,1956 approval be and is hereby granted to commence the business specified in the sub clauses 28 and 33 of Clause III (C) Other Objects which are read as specified given below:

28. To acquire from or sell to any person, firm or body corporate or unincorporate, whether in India or elsewhere technical and managerial information, know-how, processes, engineering, manufacturing, operating and commercial data plans, layouts and blue prints useful for the design, erection and operation of any plant or process of manufacture and to acquire and grant or license or such other rights and benefits in the forgoing matters and things and to render any kind of management and consultancy services.

33. To carry on the profession of consultants on management, employment, engineering industry and technical matters to industry and business and to act as employment agents."

By order of the Board
For **SAMTEX FASHIONS LIMITED**

Sd/-
KAMINI GUPTA
Company Secretary & GM Finance

Place : New Delhi
Dated : 31.07.2009

REGISTERED OFFICE & WORKS

Plot No. 134-135, Noida Special Economic Zone,
Phase - II, Noida - 201 305
Distt. Gautam Budh Nagar, Uttar Pradesh



NOTES :

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF, A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF MEETING. A BLANK PROXY FORM IS ANNEXED TO THE ANNUAL REPORT.**
- b) The Register of Members and the share transfer books of the Company will remain closed from 15.09.2009 to 30.09.2009 (both days inclusive).
- c) Members/Proxies should bring the attendance slip sent herewith duly filled up for attending the meeting.
- d) Members are requested to communicate change of address/ residential status, if any, to the Company, quoting respective folios in case their holdings in physical form, and to their Depository Participant (DPs) in respect of holdings in dematerialized form.
- e) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least Ten days before the date of meeting, so that any information required by the members may be made available at the meeting.
- f) Members are requested to bring their copy of the Annual Report to the meeting.

IN DEFERENCE TO GOVERNMENT POLICY, NO GIFTS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING. EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

ITEM NO. 5.

Mr. Raman Ohri was appointed as an Additional Director of the Company as on 27th January, 2009 and he vacates his office at this Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956 read with Article 80 of Articles of Association of the Company.

A Notice under Section 257 of the said Act, has been received from a member signifying his intention to propose the name of Mr. Raman Ohri for appointment as a Director of the Company.

Mr. Raman Ohri is a graduate from Punjab University and having a long experience of more than 15 years of business management.

The Board commends the resolution for your approval.

Except Mr. Raman Ohri, no other Director of the Company is concerned or interested in the said resolution.

ITEM NO. 6

It is proposed to diversify the Company's business into dealing and trading in shares and securities of other company's and/or Government securities. The Board of Directors considers that the proposed business activities shall be profitable and in the interest of the Company. The Company has adequate financial and other resources to take these new lines of business and these can be combined along with the existing business activities of the Company economically, efficiently and advantageously. It is proposed to insert a new sub clause 50 immediately after the existing sub clause 49 in Clause III (C) Other Objects of the Memorandum of Association of the Company.

It is also proposed to commence the aforesaid business at any time as may be deemed proper by the Board of Directors of the Company. For this approval of the members also being sought under section 149 (2A) of the Companies Act, 1956 for commencement of the aforesaid business by way of Special Resolution.

The board commend the resolutions for the approval by the Share Holders.

None of the Directors of the Company are concerned or interested in the said resolution.

ITEM NO. 7

The business activities mentioned in Item no. 7 of the Notice are already existing in sub clauses 28 and 33 of Clause III (C) Other Objects of the Memorandum of Association of the Company. It is proposed to commence these activities which are considered to be having good potential and your Board of Directors think that these business activities can be beneficially undertaken by the Company. Hence the approval of the members of the Company is sought for commencement of these business activities under section 149 (2A) of the Companies Act, 1956 by way of Special Resolution.

The board commend the resolutions for the approval by the Share Holders.

None of the Directors of the Company are concerned or interested in the said resolution.

By order of the Board
For **SAMTEX FASHIONS LIMITED**

Sd/-

KAMINI GUPTA

Company Secretary & GM Finance

Place : New Delhi
Dated : 31.07.2009



DIRECTORS' REPORT

To,
The Members,

Your Directors' have pleasure in placing before you the 16th Annual Report together with the Audited Accounts of the Company for the year ended 31st March' 2009.

FINANCIAL RESULTS	Rs. In Lacs	
PARTICULARS	2008-2009	2007-2008
Sales and other Income	5410.66	6643.69
Profit before tax, interest, depreciation and write offs	448.64	516.16
Interest & Financial Expenses	277.17	255.02
Depreciation	162.40	154.59
Profit Before Tax	9.07	106.55
Provision for Taxation :		
— Current	0.00	12.85
— Deferred	2.90	4.84
— Fringe Benefit	2.21	3.33
— Earlier year	0.00	16.03
Profit after Tax	3.96	69.50
Balance of Profit from Previous Years	2646.17	2576.66
Balance of Profit carried forward	2650.13	2646.16

REVIEW OF OPERATIONS & FUTURE PROSPECTS:

The performance during the year under review was towards declining side due to difficult international economic conditions. So far as Profits are concerned, due to increase in cost of raw material and labour coupled with tough competition, Low margins, the Company could not maintain its bottom line and these factors adversely impacted the profitability of the Company for the year under report.

The Board of Directors are anticipating that situation will improve in the years to come with the revival of international economic conditions.

Your Company's Wholly Owned Subsidiary namely SSA International Limited has however achieved a Turnover of Rs. 473.12 crores with a growth of 25% over the last year and a Net Profit of Rs. 7.98 crores registering a growth of 62% over the last year.

MANAGEMENT DISCUSSION AND ANALYSIS

As required by Clause 49 of the Listing Agreement with Stock Exchanges, a Management discussion & Analysis Report is appended.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement with Stock Exchanges, a separate Report on Corporate Governance is appended together with Certificate on Corporate Governance.

DEMATERIALIZATION OF SHARES

Your Company's shares are participating both with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN number of the Company is INE931D01012. As on date 91.33 % of the Share Capital of the Company, comprising 9041872 Equity shares have been de- materialized.

STOCK EXCHANGE LISTING

The Equity shares of your Company are listed at:

1. The Stock Exchange Mumbai, (BSE), Mumbai.
2. The Delhi Stock Exchange Association Ltd. (DSE), New Delhi.

DIVIDEND

In order to conserve and strengthen the financial resources of the Company, the Directors regret their inability to recommend any dividend for the year 2008-2009.



DIRECTORS

Mr. Atul Mittal and Mr. A.P. Mathur, Directors of the Company retire by rotation at the conclusion of the ensuing Annual General Meeting of the Company, and pursuant to article no. 89 of the Articles of Association of the Company and being eligible, they offer themselves for re-appointment.

Mr. Raman Ohri was appointed as Additional Director on the Board w. e. f. 27.01.2009 to hold the office up to the ensuing Annual General Meeting of the Company.

The Company has received notices from the members under section 257 of the Companies Act, 1956 proposing the candidature of Mr. Raman Ohri as Director of the Company at the ensuing Annual General Meeting. The Board takes this opportunity of welcoming the new Directors.

AUDIT COMMITTEE

Pursuant to the provisions of Section 292 A of the Companies Act, 1956, and as per the requirements of the Listing Agreement with Stock Exchanges your Board of Directors has constituted an Audit Committee.

It comprised of the following Directors:

- (i) Mr. S. K. Gupta as Chairman of the Committee
- (ii) Mr. A. P. Mathur
- (iii) Mr. Raman Ohri

AUDITORS' REPORT

Auditors' observations contained in their Audit Report read with the Notes on Accounts are self-explanatory and do not call for any further clarifications.

AUDITORS

The Auditors M/s Aggarwal & Rampal (Previous M/s Vinay Aggarwal & Associates before merger) hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. A Certificate from Auditors has been received to the effect that their re-appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956.

INTERNAL AUDIT

M/s Ashok Aggarwal & Co. a firm of Chartered Accountants have been appointed w.e.f. 01.04.2008 as the new Internal auditors to review the internal control system of the Company and to report thereon. They are conducting periodic audit of all operations of the Company and the Audit Committee of the Board of Directors has reviewed their findings regularly. Their reports have been well received by the Audit Committee.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.

The information relating to conservation of energy, technology absorption and foreign exchange earning and outgo as required under Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rule, 1988 is given in the Annexure – A, which forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of provisions of section 217 (2AA) of the Companies Act, 1956, the Directors' confirm that:-

1. Applicable accounting standards have been followed in preparing the annual accounts and material departures, if any, have been properly explained.
2. The Directors have selected and applied accounting policies and applied them consistently and have made judgments 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 or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts for the year ended 31.03.2009 on a going Concern basis.

PERSONNEL

A statement pursuant to section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, as amended is given as Annexure – B, and forms part of this report.



SUBSIDIARIES

As required by Section 212 of the Companies Act, 1956, a Statement in respect of the subsidiary is annexed and forms an integral part of this report. The Annual Accounts of the Subsidiaries namely M/s SSA International Limited (SSA) and first annual accounts of M/s SAM Buildcon Limited (SBL) are attached for the financial year ended on 31.03.2009.

After incorporation in February 2008, the first financial year of the company M/s Sam Buildcon Limited closed on 31.03.2009.

The Accounts of the Subsidiary, SSA and SBL, have also been included in the consolidated Accounts in accordance with the requirements of Accounting Standards AS-21 prescribed by the Institute of Chartered Accountant of India and forms Part of this Report.

PUBLIC DEPOSIT

The Company has not invited or accepted any deposit from Public during the year under review.

INDUSTRIAL RELATIONS

The Industrial relations remained cordial during the year under review.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to members, business associates, various agencies of the Government, Financial Institutions and Banks for all the help and Co-operation extended by them to the Company.

They also acknowledge with appreciation the devoted services rendered by the workers, staff and Executives at all levels of the Company.

For and behalf of the Board of Directors
For **SAMTEX FASHIONS LIMITED**

Sd/-

ANIL MITTAL

Chairman & Managing Director

Place : New Delhi
Dated : 31.07.2009



ANNEXURE "A"

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March' 2009.

A. CONSERVATION OF ENERGY

1. Energy Conservation measures taken

Company's operations involve low energy consumption. Energy conservation measures continues to remain thrust area and have already been implemented by:-Use of energy efficient Tube lights. Switching off electrical equipments, when not in use. Regular Preventive Maintenance of Pipe Lines so as to avoid the leakages , replacement of old motors by energy efficient motors, energy efficient usage of Air Compressor & Boilers

2. Additional investment and proposals, if any, being implemented for reduction of consumption of Energy.

Introduced energy saving features in the systems by which the user saves power consumption to a considerable extent.

3. Impact of measures at (1) and (2) above for Reduction of energy consumption and consequent Impact on the cost of production of goods.

Created general awareness in the Plant about the need for conservation of energy and resulted in improvement in Productivity and Quality.

Total energy consumption per unit of Production as per Form "A" of the Annexure in respect of industries Specified in the Schedule there to.

As per Form "A"

FORM "A"

Disclosure of particulars with respect to conservation of energy:

	<u>Current Year</u>	<u>Previous Year</u>
1. POWER AND FUEL COSUMPTION		
a) <i>Purchased</i>		
Unit	711824	914652
Total Amount (Rs. Lacs)	43.76	45.60
Rate/Unit (Rs.)	6.15	4.98
b) <i>Own Generation Through Diesel Generator</i>		
Unit	118690	172220
Total Amount (Rs. Lacs)	8.00	10.72
Cost/Unit (Rs.)	6.74	6.22

B. RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION

(i) RESEARCH AND DEVELOPMENT

The Company has no specific R & D activities. However the Company has well equipped Quality Control department to check the quality of Garments manufactured.

(ii) TECHNOLOGY ABSORPTION

New technology absorption is the endeavor of the Company. Development of new products, designs and quality improvement is a continuous process. Value Addition by Up gradation of Technology is a regular process.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to Exports, initiative taken to increase exports, development of new export markets for product and services and export plans:

Regularly developing the new international markets. In order to develop new export markets for its products your company is regularly participating thru its buyers, in international exhibitions. Company has its own office in New York with arrangement of display of Company's Products.



	<u>Current Year</u>	<u>Rs. in Lacs Previous Year</u>
i. Earnings for the year (FOB value of Exports)	2987.28	4695.29
ii. Outgo for the year: :		
Raw Material	1695.81	2362.40
Capital Goods	—	33.38
Others	1.51	2.22

ANNEXURE - "B"

PARTICULARS OF EMPLOYEES

Statement pursuant to Section 217 (2A) of the Companies (Particulars of Employees) Rule 1975, as amended and forming part of the Directors Report for the year ended 31st March' 2009.

<i>NAME</i>	<i>Designation/ Duties</i>	<i>Qualification</i>	<i>Remuneration Rs.</i>	<i>Experience In Years</i>	<i>Date of Commencement of Employment</i>	<i>Age in Years</i>	<i>Last Employment held</i>
Mr. Anubhav Mittal	Vice President Overseas Marketing	Diploma in G.M.T. (F.I.T New York)	3535140	13	01.10.96	34	—

Note :

- Nature of employment of Mr. Anubhav Mittal is contractual .
- Nature of Duties of the appointee includes Development & Promotion of Export Marketing of the Company's Products in USA and other Western Countries.
- Mr. Anubhav Mittal is related to Mr. Anil Mittal, Chairman & Managing Director and Mr. Atul Mittal Director of the Company.
- The remuneration specified above includes salary, allowances, bonus and value of perquisites.
- Mr. Anubhav Mittal , the above named employee along with his spouse hold 4.44 % of Equity Shares of the Company in terms of clause (a) (iii) of Section 217 (2A) of the Companies Act, 1956.

For and behalf of the Board of Directors
For **SAMTEX FASHIONS LIMITED**

Sd/-
ANIL MITTAL
Chairman & Managing Director

Place : New Delhi
Dated : 31.07.2009



MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

OVERVIEW :-

Company Background

The Company was incorporated on 26-04-1993. It is a 100% Export Oriented Unit (EOU) and is situated at 134-135, NSEZ, Noida, which is also the Registered Office of the Company. It is engaged in the business of manufacture and sale of readymade Garments.

Its Corporate Office is located at M-71 (Mkt.), Greater Kailash II, New Delhi 110048 and it also has a Trading Office in USA in the city of New York so as to facilitate the marketing of Company's products. This Trading Office is headed by Vice President, Overseas Marketing.

Company Management

The Board of Directors of the Company comprised of 6 (six) Directors headed by Mr Anil Mittal Chairman and Managing Director of the Company. The Board is a combination of Executive and non-Executive Directors. It has 2 Executive Directors - namely Mr Anil Mittal, Chairman and Managing Director and Mr. Atul Mittal, Whole Time Director and 4 non-Executive Directors out of whom 3 Directors are independent. Mr. Raman Ohri, an independent Director has been inducted in the Board w.e.f. 27th January, 2009.

The Board of Directors meets regularly at least 4 times in a year. In the year 2008-2009, 7 such meetings were held, the details of the attendance of Directors in the Board Meeting have been given in the Report of Corporate Governance. The Board has also constituted 4 Committees namely, (a) Audit Committee (b) Remuneration and Selection Committee (c) Share Transfer and Investor Grievances Committee (d) Project Monitoring Committee to review and control the Company's Expansion cum up gradation Project. The committee members meet regularly from time to time to dispose of the work assigned to them respectively.

Product and Services

The Company is engaged in the business of manufacture and sales of readymade Garments. The Production is carried on in the Company's factory located at 134-135, NSEZ, Noida U.P. Entire production is exported to the overseas markets. The Company has only one segment activity i.e. Readymade Garments. Its geographical distribution is in India and USA.

Industry Structure and Development

The global economy is passing through severe economic recession. The Indian Textile Industry especially Garment Sector plays a significant role in Indian Economy. The international trade in textile and clothing is declining in last 2-3 years and may accelerate during the year 2009.

During the last 3-4 years the Indian textile industry especially the garment sector has attracted huge investments. As a result, the capacity has expanded beyond the requirements of current demand. It is tough time for the industry with leading firms reporting financial strains.

Our Plant being situated in Free Trade Zone, Company enjoys the benefit of importing Raw material such as Fabric, Trims etc. in hassle free atmosphere which provides great comfort to our buyers adhering to the schedule of shipment by us in time and also adds to profitability of the Company. This is one of the major factors to develop confidence in importers of Garments.

Opportunities and Threats.

The Government of India provided the interest subvention of 2% p.a. in respect of rupee export credit extended to the specified exporters during the financial year 2008-09 and the same has been extended for another 6 months.

We hope these recommendations will be reflected in the new policies for the Textile Industry and will strengthen the competitiveness of the industry.

The steep reduction in the demand of textile and clothing products in major importing economies has resulted into decreased imports, which in turn has depressed textile export from India. After steady build up of capacities in all the textile and ready made garments producing countries has resulted in an imbalance between demand and supply, consequently the volumes and the margins are facing pressure.

The government introduced TUF scheme in 1999 in order to increase investment for modernizing and expanding of certain sectors of Textile Industry. In 2004 government brought in major change in fiscal policy by bringing a level playing field among



the different sectors of the Industry. The Finance Minister in his budget speech in 2007 extended the TUF scheme for another 5 years.

Your Company has taken full advantage of the scheme by launching expansion and modernization of its capacities and implemented the same and this will enable the Company to serve various products to provide good service to its customers by supplying products like structured, casual & formal wear garments and also the wrinkle free garments.

The RMG Industry will generate job opportunities in the years to come. Exporters not having economies of scale or presence in high growth or 'niche' categories would become very vulnerable of pricing pressures.

Considering the sensitivity to prices and competitive conditions, the country's relative market share undergoes major changes.

We are using the present difficult time as a learning period to identify the areas of improvement by fine tuning systems, strengthening processes and building on areas of strength i.e. superior quality, reliable deliveries and economies of scale.

Internal control system and their Adequacy

The Company's Quality Control Department strictly follows the Quality Control Rules defined by the Company and inspects each and every piece of Readymade Garments before it is dispatched for Exports. The Operational and Financial performances are also monitored through Internal Audit Systems which always keeps an eye so as to ensure that the operational performance is always kept commensurate with the Financial Performance.

For and behalf of the Board of Directors
For **SAMTEX FASHIONS LIMITED**.

Sd/-
ANIL MITTAL

Chairman & Managing Director

Place : New Delhi
Dated : 31.07.2009



CORPORATE GOVERNANCE REPORT

1. Company philosophy

Samtex Fashions Limited, (SFL), SFL 's philosophy on corporate governance envisages to attain Transparency, accountability, fairness, integrity and Social responsibility in all facets of its operations. The corporate governance enables us to have our system in place and gives us sufficient freedom to operate within the framework of accountability. The company has a firm belief that the code of Corporate Governance provides the structure by which the rights and responsibilities are mentioned and distributed amongst the different members of the organisation.

2. Board of Directors:

During the year under report the Board of Directors Comprised of 6 Directors – 2 Executive Directors and 4 Non- Executive Directors of which 3 were Independent Directors.

The composition of board of directors, their category and other directorships as on 31st March,2009 are given as under:

Sl. No.	Name of Directors	Designation	Category	No. of Directorship and Committee membership/Chairmanship		
				Other Directorship	Committee Membership	Committee Chairmanship
1.	Mr. Anil Mittal	Chairman & Managing Director	Promoter and Executive	2	2	1
2.	Mr. Vinay Mittal	Director	Non-Executive	1	—	—
3.	Mr. Raman Ohri	Director	Non-Executive (Independent)	—	2	—
4.	Mr. A.P. Mathur	Director	Non-Executive (Independent)	2	2	—
5.	Mr. Atul Mittal	Whole Time Director	Executive	1	2	—
6.	Mr. S.K. Gupta	Director	Non-Executive (Independent)	2	3	2

Retiring Directors :

Mr. Atul Mittal and Mr. A.P. Mathur – Directors are retiring by rotation in the ensuing Annual General Meeting and, being eligible; they offer themselves for re-appointment.

Mr. Atul Mittal is a Commerce Graduate belonging to an Industrial family and is having the managerial experience of about 11 years.

Mr. A.P. Mathur retired as General Manager, Central Warehousing Corporation, a Public Sector Undertaking of Govt. of India, and is presently working as an United Nations Consultant with Food and Agricultural Organisation.

Board Meetings and attendance of Directors :

During the year, Seven Meetings of the Board were held on 22.04.2008, 30.04.2008, 29.07.2008, 23.08.2008, 31.10.2008, 12.12.2008 and 27.01.2009

Attendance record of Directors :

The table given below gives the attendance record of all the Directors at the seven Board Meetings held during 2008-09, as well as at the last Annual General Meeting.

S.No	Name of Directors	Attendance Particulars	
		No. of Board Meetings Attended	Attendance at the last AGM held on 30.09.2008
1.	Mr. Anil Mittal	6	Yes
2.	Mr. Vinay Mittal	5	Yes
3.	Mr. A. P. Mathur	7	No
4.	Mr. S.K. Gupta	7	Yes
5.	Mr. Atul Mittal	7	Yes
6.	Mr. Raman Ohri - Inducted as an additional Director in the Board of Directors meeting held on 27.01.2009.		

Code of Conduct

The Company has formed a Code of conduct for the members of the Board of Directors and of the senior management. All the members of the Board and senior management have affirmed compliance of Code of conduct for the year under review.



3. Audit committee

In the year under reference, the Audit committee comprised of three Directors, all of whom were Non-Executive Independent Directors. All these Directors possessed knowledge of Corporate Finance, Accounts and Company Law.

Audit Committee Meetings

The constitution of the Audit Committee has been as follows:-

1. Mr.S.K.Gupta- Chairman
2. Mr.A.P.Mathur- Member
3. Mr. Raman Ohri- Member

The meetings were scheduled well in advance. In addition to the members of the audit committee, these meetings were attended by the head of the Accounts Department, the Statutory Auditors and Internal Auditors of the Company.

The terms of reference of Audit committee are extensive and include all that is mandated in clause 49 of the Listing agreement and section 292A of the Companies Act,1956.

The Company Secretary of the Company acts as the Secretary to the Committee. The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meetings.

Audit Committee Meetings

Sl. No.	Date of Meeting	Strength	No of Member Present
1.	30.04.2008	3	2
2.	29.07.2008	2	2
3.	14.08.2008	2	2
4.	30.10.2008	2	2
5.	27.01.2009	2	2

Mr. Raman Ohri was Inducted as Director /Member of the Audit Committee in the Board of Directors Meeting held on 27.01.2009.

The Attendance of the Members of the Committee is given below:-

Members	No. of Meetings Attended	Category
Mr. S.K. Gupta	5	Member
Mr. A.P. Mathur	5	Member

Mr. S.K. Gupta Chaired the Meeting of Audit Committee held on 27th July, 2009 for reviewing and approving the Final Accounts for the period ended 31st March, 2009.

Internal Auditors:

M/s Ashok Aggarwal & Co. a Firm of Chartered Accountants have been appointed w.e.f. 1st April,2008 as the new Internal Auditors to review the Internal control system of the company and to report thereon. They are conducting periodic audit of all operations of the Company and the Audit Committee of the Board of Directors has reviewed their findings regularly. Their reports have been well received by the Audit Committee.

4. Remuneration Committee :

The Remuneration committee comprises of Three Directors, all of whom are Non-Executive Independent Directors.

The Constitution of the committee is as follows:

Mr. S.K. Gupta	Chairman
Mr. A.P.Mathur	Member
Mr. Raman Ohri	Member

Meetings and Attendance:

During the year under report one meeting of the committee was held on 22.04.2008. The Committee recommended the remuneration to be paid to Mr. Anil Mittal on his reappointment as Chairman & Managing Director for 5 years w.e.f. 26.04.2008 and to Mr. Atul Mittal on his reappointment as Whole Time Director for 3 years w.e.f. 1st May, 2008.

Director's Remuneration

a) Managing Director/Executive Directors:

The Company pays remuneration to the Managing Director / Executive Directors as recommended by the Remuneration Committee and the Board of Directors of the Company. It is approved by the Members of the company in the General Meeting.



Details of Remuneration to Directors for the Year 2008 - 2009 :-

(In Rs.)

Name	Designation	Salary	HRA	Perquisite	P.F. Contribution	Comm.	Gross Remuneration
Mr. Anil Mittal	Chairman & Managing Director	895833	—	150000	106800	—	1152633
Mr. Atul Mittal	WholeTime Director	401000	200500	68000	46440	—	715940

b) Non-Executive Directors:

Non-Executive Directors have not been paid any remuneration except sitting fees for attending Board and Committee Meetings. They are paid sitting fee @ Rs.2000/- per meeting of the Board and of Audit Committee thereof.

5. Shareholders, Share Transfer and Investor Grievance Committee:

Share Transfer and Investor Grievance committee meets regularly and during the year 6 meetings were held. To expedite the process of Share Transfers the powers are delegated to the Company Secretary & GM Finance and one Executive Director, and the delegated authority attends to Share Transfer formalities once in a fortnight. In case of any difference of opinion or there being a dispute among the claimants the matter is forwarded to the Share Transfer and Investors Grievances Committee for their Approval. The Committee comprises of three Directors, of whom two are Executive Directors. The Chairman is a Non-Executive Director.

- There was no share Transfer / Demat cases, or Complaints pending for more than 30 days, as on 31st March, 2009.
- Compliance Officer: The Board has designated Ms. Kamini Gupta, Company Secretary and GM Finance as the Compliance officer.

6. General Body Meeting :

The details of last three Annual General Meetings are given as follows:-

Annual General Meeting/Year	Day, Date & Time of the AGM	Venue
13th AGM 2005-2006	Tuesday, 28th September, 2006 at 9.30 AM	Regd Office : Plot No-134- 135 NSEZ, Phase-II, Noida-201305, U.P
14th AGM 2006-2007	Friday, 28th September, 2007 at 9:30 AM	—do—
15th AGM 2007-2008	Tuesday, 30th September, 2008 at 9.30 AM	—do—

7. Details of Special Resolutions/ Special Business:

- 13th AGM
 - Re-appointment of Relative, Mr Anubhav Mittal son of Mr, Anil Mittal- Chairman & Managing Director of the Company for holding Place of Profit.
 - Increase in the borrowing powers u/s 293 (1) (d).
 - Authorisation for creation of mortgage up to the increased borrowing limits u/s 293 (1)(a).
 - Approval for incorporation of a Wholly Owned Subsidiary by subscribing to the share capital for an amount not exceeding Rs. 2.00 crores.
- 14th AGM
 - Re-appointment of Relative, Mr Amit Mittal son of Mr, Anil Mittal- Chairman & Managing Director of the Company for holding Place of Profit.
- 15th AGM
 - Re-appointment of Mr. Anil Mittal as Chairman & Managing Director with remuneration for a period of 5 years w.e.f. 26.04.2008.
 - Re-appointment of Mr. Atul Mittal as Whole Time Director with remuneration for a period of 3 years w.e.f. 01.05.2008.
 - Increase in the borrowing powers u/s 293 (1) (d).
 - Authorisation for creation of mortgage upto the increased borrowing limits u/s 293 (1) (a) of the Companies Act, 1956.



8. Disclosures :

Related Party Transactions as required :

1. Related Party Transactions as required by the Accounting Standards (AS) 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountant of India have been disclosed at Point No 10 of Part B of Schedule XXI of the Annual Accounts. Members may refer to the notes to accounts for details of related Party Transactions.
2. The Company has complied with the requirements of regulatory authorities on Capital Market and no penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter relating to the capital markets during the last three years.

9. Registrars and Share Transfer Agents :

- i) Beetal Financial & Computer Services (P) Ltd
Registrars and Transfer Agents
Beetal House, 3rd Floor, 99, Madangir,
BH- Local Shopping Center, New Delhi-110062
Ph. : 011-29961281,29961282 Fax : 011-29961284
- ii) **Company's Corporate Office** : M-71 (Mkt), 1st Floor,
Greater Kailash-II, New Delhi-110048.
Ph. No. 011-47572222
E-mail : samtex.compliance@gmail.com

10. Investors Correspondence :

In case of any delay in attending to transfer of shares, non receipt of Annual report or any other related matter the following official of Samtex Fashions Ltd. may be contacted.

Ms. Kamini Gupta, Company Secretary & GM Finance.

11. Registered office & Works :

Samtex Fashions Ltd.

Plot No. 134-135, Noida Special Economic Zone (NSEZ)
Phase-II, Noida-201305, Distt-Gautam Budha Nagar, Uttar Pradesh.

12. Means of communication :

The company communicates with the shareholders at large through its Annual Reports, Publication of Financial Results ,and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and The Registrar of Companies. The quarterly results are published in prominent daily newspapers, Financial Express (English) and Regional language (Hindi) Newspaper. The company has also posted information relating to its financial results, Annual Report, Corporate Governance Report and shareholding pattern in Electronic Data Information Filing and Retrieval (EDIFAR) system of SEBI.

13. General Shareholders Information :

i) 16th Annual General Meeting:-

Date : 30th September,2009
Time : 9:30 A.M
Venue : Plot No-134-135,NSEZ,Phase-II,Noida
Gautam Budh Nagar, Uttar Pradesh-201305

ii) **Book closure Details** : 15th September 2009 to 30th September,2009

iii) **Dividend Payment Details** : N.A

iv) **Financial Calendar (2009-2010-Tentative)**

First quarter results : July, 2009
Second quarter results : October, 2009
Third quarter results : January, 2010
Fourth quarter results : April, 2010
Annual results : August, 2010
AGM for the year ended 31.03.2010 September, 2010

v) **Listing and Stock code** : The company's Equity shares are listed on the following Stock Exchanges:-
i) The Stock Exchange, Mumbai, Scrip Code 521206

SAMTEX FASHIONS LIMITED



ii) The Delhi Stock Exchange Association Ltd.

vi) **Stock Market Data : (Scrip Code-521206)**

Year 2008 – 2009 (Month)	The Stock Exchange, Mumbai		
	Highest	Lowest	Closing
April, 2008	14.89	11.00	13.59
May, 2008	19.14	14.94	16.80
June, 2008	17.25	14.00	14.35
July, 2008	14.00	10.95	12.67
August, 2008	17.25	12.40	14.57
September, 2008	15.47	9.50	9.50
October, 2008	11.76	5.29	5.35
November, 2008	7.86	5.20	6.48
December, 2008	10.45	5.87	8.00
January, 2009	11.99	7.41	10.06
February, 2009	14.65	8.65	13.92
March, 2009	14.09	9.90	9.90

14. **Listing Fees :**

Paid for the year 2008-2009.

15. **Shareholding Pattern of the Company as on 31st March, 2009 :**

Category of Shareholders	No of Shares	Percentage
Promoter's Holding	4673300	47.21
Mutual Funds/UTI	10600	0.11
Banks/Financial institution (Central/StateGovt inst/Non Govt inst)	—	—
Private Corporate Bodies	1458212	14.73
NRI/OCBs	915186	9.24
Others (Trust and Clearing Members)	—	—
Indian Public	2842702	28.71
Total	9900000	100

16. **Distribution of Shareholding as at 31st March, 2009 :**

No. of Equity Share Held Shares	Folio Nos	% of Total Folio Nos.	Share Nos.	% of Total
Up to 500	5488	87.21	792296	8.00
501 – 1000	354	5.62	304013	3.07
1001-2000	177	2.81	280319	2.83
2001-3000	88	1.40	224642	2.26
3001-4000	32	0.51	114542	1.15
4001-5000	29	0.46	134032	1.35
5001-10000	42	0.67	312439	3.15
10001 and above	83	1.32	7737717	78.15
TOTAL	6293	100.00	9900000	100.00

17. **Share Transfer System :**

Share Transfers in physical form are registered and share certificates are returned to the respective transferees with a period ranging from fifteen days to one month, Provided the documents lodged with the Registrar/Company are clear and complete in all respects.



18. Dematerialization of Shares :

Trading in Samtex Fashions Ltd. Share is permitted in De-Materialised Form w.e.f October 8,2001 as per notifications issued by the SEBI. The company has entered in to Agreement with Depositories NSDL and CDSL, where the investors have the options to De-Materialize/Re-Materialize their shares with either of the Depositories.

The Company's ISIN number is INE931D01012.

Shares Dematerialized Record :

The following data indicates the extent of dematerialization of company's shares as on 31st March, 2009.

No. of shares dematerialized	9041872	91.33% of total share capital
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For and behalf of the Board of Directors
For **SAMTEX FASHIONS LIMITED**

Sd/-

ANIL MITTAL

Chairman & Managing Director

Place : New Delhi
Dated : 31.07.2009

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Samtex Fashions Limited

We have reviewed the records concerning the company's compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges in India for the Financial Year ended on March 31, 2009

The Compliance of condition of Corporate Governance is the responsibility of the management. Our review was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It's neither an audit nor an expression of an opinion on the Financial Statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for examination and the information and explanations given to us by the Company.

Based on such a review, and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied, with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges of India.

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

For **DEEPAK KUKREJA & ASSOCIATES**
COMPANY SECRETARIES

Sd/-

DEEPAK KUKREJA

CP No. 8265

Place : New Delhi
Date : 31st July, 2009



CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors,
Samtex Fashions Limited

I the undersigned, in my respective capacities as Chief Executive Officer and Chief Financial Officer of Samtex Fashions Limited, to the best of my knowledge and belief certify that :

- a) I have reviewed Financial Statements and the Cash Flow statement for the year ended on March 31, 2009 and that to the best of my knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations:
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit Committee;
 - i) significant changes in internal control over financial reporting during year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date : July 31, 2009
Place : New Delhi

Sd/-
(ANIL MITTAL)
*Chairman & Managing Director and
CFO & CEO*



AUDITORS' REPORT

To,
The Members of
M/S SAMTEX FASHIONS LIMITED

We have audited the attached Balance Sheet of M/S SAMTEX FASHIONS LIMITED as at 31st March, 2009, 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. We have expressed 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 required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audit also included 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, as amended by the Companies (Auditors' 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 of India and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in 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 :

1. 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.
2. In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of the books.
3. The Balance Sheet and Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
4. In our opinion, the Profit & Loss Account and Balance Sheet generally comply with the accounting standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of the written representation 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 31-03-2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read 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,
 - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009 and
 - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
 - iii) In case of the Cash Flow Statement of Cash Flow for the year ended on that date.

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
VINAY AGGARWAL
PARTNER
M. No. 82045

Place : New Delhi
Dated : 31.07.2009



ANNEXURE REFERRED TO IN OUR AUDIT REPORT OF EVEN DATE OF M/S SAMTEX FASHIONS LIMITED PURSUANT TO THE COMPANIES (AUDITOR'S REPORT) ORDER 2003 AMENDED BY THE COMPANIES (AUDITOR'S REPORT) (AMENDMENT) ORDER, 2004:-

- i. (a) In our opinion and as per information and explanation provided to us the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us the fixed assets have been physically verified by the management during the year and as per the explanations and information given to us there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of account.
- (c) During the year, the company has not disposed off any part of the plant and machinery, which will have the effect on the Going concern of the company.
- ii. (a) As explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to information and explanations given to us 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) As explained and based on the information given to us, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same has been properly dealt with in the books of account.
- iii. (a) The company has not taken loan from any other companies covered in the register maintained under section 301 of the companies Act, 1956, and the company has not given loan to any other party covered in the register maintained under section 301 of the Companies Act, 1956, and thus provisions of Para 3(b), (c) and, (d) of the order are not applicable to the company.
- 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 company and the nature of its business with regard to, purchase of stores and spares, raw materials, fixed assets, and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in such internal controls.
- v. (a) According to the information and explanations provided by the management, we are of the opinion that there were no transactions that need to be entered in the register maintained under section 301.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakhs rupees 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 times.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any Deposits as defined with in the meaning of Sections 58A and 58AA of the companies Act, 1956 and the companies (Acceptance of Deposits) Rules 1975 and hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company
- vii. Internal Audit has been conducted by an independent firm of Chartered Accountants during the year and it is commensurate with the size and nature of Business.
- viii. As informed to us maintenance of cost records has not been prescribed by the Central Government under section 209 (1)(d) of the Companies act, 1956.
- ix. (a) The company is generally been 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, custom duty, excise-duty, cess and other statutory dues applicable to it and as informed and explained to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty were outstanding, as at 31.03.2009 for a period of more than six months from the date they became payable.
- (b) According to the records of company, the disputed statutory dues i.e, Income Tax aggregating to Rs. 72.82 lacs that have not been provided for in the books of accounts on account of matters pending before concerned appellate authorities/ Delhi High Court. However a sum of Rs.67.50 lacs is deposited under protest against above demand. As mentioned in point no. B 2. of other notes of Schedule XXI pertaining to "Notes on Account."



- x. The company does not have any accumulated losses. Further it has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi. As explained and informed to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, or bank.
- xii. Based on the records we report that 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. The company is not a chit fund company or mutual fund / Society, thus the provisions of this para are not applicable.
- xiv. As per records of the company and the information and explanations given to us by the management, The Company is not dealing or trading in shares, securities, and debentures and other investment except those investments, which are held as investment. In our opinion, in respect of those investments held by the Company, proper records have been maintained of the transactions and contracts and timely entries have been made therein and the shares, securities and other investments have been held by the Company, in its own name.
- xv. According to the information and explanations provided to us by the management, the company has guaranteed a sum of Rs. 23,202 Lacs against secured loans taken from financial institutions/Banks by its wholly owned subsidiary Company i.e, SSA International Limited.
- xvi. The term loans obtained by the company have been applied for the purpose for which they were raised.
- 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 no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except core (permanent) working capital.
- xviii. As explained and informed to us by the management and upon our examination of records we report that 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 types of debentures. The question of creation of any security in the respect of debentures does not arise.
- xx. During the financial year the company did not raise any money by public issue.
- xxi. In our opinion and according to information and explanations given to us by the management, there was no fraud on or by the company which has been noticed and reported during the year that causes the financial statements to be materially misstated.

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-

VINAY AGGARWAL
PARTNER
M. No. 82045

Place : New Delhi
Dated : 31.07.2009



BALANCE SHEET AS AT 31ST MARCH, 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
I. SOURCES OF FUNDS			
SHAREHOLDERS FUNDS :			
SHARE CAPITAL	I	99,180,000	99,180,000
RESERVES AND SURPLUS	II	292,607,322	289,617,226
LOAN FUNDS :			
SECURED LOANS	III	305,913,759	316,871,151
DEFERED TAX LIABILITY		2,865,455	2,575,821
		700,566,536	708,244,198
II. APPLICATION OF FUNDS :			
FIXED ASSETS :			
GROSS BLOCK	V	381,639,859	384,627,611
LESS : DEPRECIATION		130,816,118	115,464,762
NET BLOCK		250,823,741	269,162,849
CAPITAL WORK IN PROGRESS			
HOUSING PROJECT WORK IN PROGRESS		12,122,718	8,891,441
		262,946,459	278,054,290
INVESTMENTS	IV	160,100,400	160,099,800
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	VI	268,009,672	264,140,529
SUNDRY DEBTORS	VII	81,994,558	52,486,268
CASH AND BANK BALANCES	VIII	9,426,567	27,346,371
LOANS AND ADVANCES	IX	52,779,527	45,560,997
		412,210,324	389,534,165
LESS : CURRENT LIABILITIES AND PROVISIONS	X	134,690,646	119,444,057
NET CURRENT ASSETS		277,519,678	270,090,108
		700,566,536	708,244,198
NOTES FORMING PART OF ACCOUNTS	XXI		

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-

ANIL MITTAL

CHAIRMAN & MANAGING DIRECTOR

Sd/-

S. K. GUPTA

DIRECTOR

FOR AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS

Sd/-

KAMINI GUPTA

COMPANY SECRETARY
& GM FINANCE

Sd/-

VINAY AGGARWAL

PARTNER
M. NO. 82045

Place : New Delhi
Dated : 31.07.2009

SAMTEX FASHIONS LIMITED



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
INCOME			
SALES	XI	540,078,212	654,513,167
OTHER INCOME	XII	987,531	9,856,626
INCREASE / (DECREASE) IN STOCKS	XIII	15,679,085	(10,267,805)
		<u>556,744,828</u>	<u>654,101,988</u>
EXPENDITURE			
MATERIAL COST	XIV	385,072,379	456,763,233
MANUFACTURING EXPENSES	XV	63,339,568	76,580,152
PAYMENT TO AND PROVISIONS FOR EMPLOYEES	XVI	17,784,930	20,678,864
FINANCIAL EXPENSES	XVII	27,716,957	25,501,726
ADMINISTRATIVE AND OTHER EXPENSES	XVIII	31,365,289	26,866,810
SELLING EXPENSES	XIX	14,018,820	20,766,193
DEPRECIATION AND MISCELLANEOUS EXPENDITURE WRITTEN OFF	XX	16,239,628	15,459,375
		<u>555,537,571</u>	<u>642,616,353</u>
NET PROFIT FOR THE YEAR BEFORE TAX		1,207,257	11,485,635
LESS: PRIOR PERIOD EXPENSES		300,600	830,218
PROFIT BEFORE TAX		<u>906,657</u>	<u>10,655,417</u>
TAX EXPENSES			
CURRENT TAX		—	1,285,230
DEFERRED TAX ASSETS/ (LIABILITIES)		289,634	483,670
FRINGE BENEFIT TAX		221,000	333,033
INCOME TAX FOR EARLIER YEARS		—	1,602,979
		<u>396,023</u>	<u>6,950,505</u>
PROFIT AFTER TAX		<u>510,634</u>	<u>3,704,912</u>
BALANCE BROUGHT FORWARD		264,617,226	257,666,721
BALANCE CARRIED OVER TO BALANCE SHEET		<u>265,013,249</u>	<u>264,617,226</u>
BASIC EARNING PER SHARE OF FACE VALUE OF RS.10 EACH		0.04	0.70
DILLUATED EARNING PER SHARE OF FACE VALUE OF RS. 10 EACH		0.04	0.70
BASIC & DILUATED EARNING PER SHARE OF FACE VALUE OF RS. 10 EACH (BEFORE EXCEPTIONAL ITEMS)		0.04	—

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-
ANIL MITTAL
CHAIRMAN & MANAGING DIRECTOR

Sd/-
S. K. GUPTA
DIRECTOR

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
KAMINI GUPTA
COMPANY SECRETARY
& GM FINANCE

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

Place : New Delhi
Dated : 31.07.2009



SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SCHEDULE - I		
SHARE CAPITAL		
AUTHORISED		
10000000 EQUITY SHARES OF RS. 10 EACH (PREVIOUS YEAR 10000000 EQUITY SHARES OF RS.10 EACH)	100,000,000	100,000,000
ISSUED, SUBSCRIBED AND PAID UP :		
99000000 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP IN CASH (PREVIOUS YEAR 99000000 EQUITY SHARES OF RS.10 EACH FULLY PAID UP)	99,000,000	99,000,000
FORFEITURE ACCOUNT (100000 Zero Coupon warrant @ Rs. 1.80 Per warrant) (Previous Year 100000 Zero Coupon warrant @ Rs.1.80 Per warrant)	180,000	180,000
TOTAL	<u>99,180,000</u>	<u>99,180,000</u>
SCHEDULE - II		
RESERVES AND SURPLUS		
RESERVES :		
CAPITAL RESERVE :		
STATE CAPITAL SUBSIDY	1,000,000	1,000,000
(A)	<u>1,000,000</u>	<u>1,000,000</u>
SURPLUS :		
SHARE PREMIUM ACCOUNT	24,000,000	24,000,000
PROFIT AND LOSS ACCOUNT	265,013,249	264,617,226
ADD : EXCESS PROVISION WRITTEN BACK ON RETIREMENT BENEFIT FOR EARLIER YEARS	2,594,073	—
(B)	<u>291,607,322</u>	<u>288,617,226</u>
TOTAL (A+B)	<u>292,607,322</u>	<u>289,617,226</u>
SCHEDULE - III		
SECURED LOANS :		
(A) TERM LOANS		
FROM FINANCIAL INSTITUTIONS :		
— RUPEE LOANS FROM :		
INDUSTRIAL DEVELOPMENT BANK OF INDIA (IDBI)	131,128,000	142,777,000
INTEREST ACCRUED BUT NOT DUE	—	—
(B) CORPORATE LOAN		
FROM STATE BANK OF INDIA	—	10,454,009
(C) WORKING CAPITAL LOANS :		
— STATE BANK OF INDIA	173,696,828	160,784,320
(D) VEHICLE LOANS	1,088,931	2,855,822
TOTAL	<u>305,913,759</u>	<u>316,871,151</u>

Note:

- The term loans from Industrial development bank of India (IDBI) are secured by way of first charge on immovable and movable assets, present and future except book debts, subject to the charge created or to be created in favour of bankers

SAMTEX FASHIONS LIMITED



- for securing working capital requirement on stocks of raw material, semi-finished goods, finished goods, store & spares, consumables, books debts and other current assets held by the company both present and future in the ordinary course of the business and further guaranteed by Managing Director, Promoter Directors and an independent Director.
- Working capital loan from scheduled banks are secured by way of hypothecation of stock of raw material, semi-finished goods, stores and spares, consumables, book debts and other current assets held by the company both present and future in the ordinary course of the business and further guaranteed by Managing Director, Promoter Directors and an Independent Director. This Working capital loan is further secured by second charge on fixed assets of the company by the bank other than those specifically financed.
 - Vehicle loans are secured against specific vehicles financed.
 - Amount of Term Loan & Vehicle Loan Repayable with in one Year Rs.86,28,000/- (Previous Year Rs. 1,16,49,000/-)

PARTICULARS	AS AT	AS AT
	31.03.2009 (Rs.)	31.03.2008 (Rs.)

SCHEDULE - IV

INVESTMENTS LONG TERM INVESTMENT (VALUED AT COST)

A) TRADE INVESTMENT - UNQUOTED

IN WHOLLY OWNED SUBSIDIARY COMPANIES:

(I) SSA INTERNATIONAL LIMITED

138,59,970 EQUITY SHARES OF RS. 10 EACH 138,599,700 138,599,700

(PREVIOUS YEAR 138,59,970 EQUITY SHARES OF RS. 10 EACH)

SHARE APPLICATION MONEY FOR 15,00,000 EQUITY

SHARES OF RS. 10 EACH. 15,000,000 15,000,000

(PREVIOUS YEAR 15,00,000 EQUITY SHARES OF RS. 10 EACH)

(II) SAM BUILDCON LIMITED

50,070 EQUITY SHARES OF RS. 10 EACH. 500,700 500,100

(PREVIOUS YEAR 50,010 EQUITY SHARES OF RS.10 EACH)

B) NON TRADE INVESTMENT- UNQUOTED

IN OTHER THAN SUBSIDIARY COMPANIES:

YOGENDRA WORSTED LIMITED

600,000 EQUITY SHARES RS. 10 EACH FULLY PAID UP

(PREVIOUS YEAR 600,000 EQUITY SHARES OF RS. 10 EACH) 6,000,000 6,000,000

TOTAL

160,100,400 160,099,800

SCHEDULE - V

A. FIXED ASSETS :

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2008 (Rs.)	Addition during the year (Rs.)	Sales/ adjustment during the year (Rs.)	As at 31.03.2009 (Rs.)	As at 01.04.2008 (Rs.)	For the year ended 31.03.2009 (Rs.)	W. back during the year (Rs.)	As at 31.03.2009 (Rs.)	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
1. BUILDING & SITE DEVELOPMENT	91,645,248	—	—	91,645,248	22,272,291	3,060,951	—	25,333,242	66,312,006	69,372,957
2. PLANT & MACHINERY	237,893,211	23,250	—	237,916,461	66,769,613	9,800,756	—	76,570,369	161,346,092	171,123,598
3. FURNITURE & FIXTURES	24,358,561	55,555	750,763	23,663,353	13,005,366	1,481,236	330,267	14,156,335	9,507,018	11,353,195
4. ELECTRICAL INSTALLATION	11,522,633	—	—	11,522,633	4,977,102	547,325	—	5,524,427	5,998,206	6,545,531
5. OFFICE EQUIPMENT	8,073,990	115,495	524,107	7,665,378	3,485,908	338,357	311,363	3,512,902	4,152,476	4,588,083
6. VEHICLES	11,133,967	—	1,907,181	9,226,786	4,954,482	1,037,872	273,511	5,718,843	3,507,943	6,179,485
TOTAL	384,627,610	194,300	3,182,051	381,639,859	115,464,762	16,266,497	915,141	130816118	250,823,741	269,162,849
PREVIOUS YEAR	284,179,271	106,891,105	6,442,767	384,627,611	100,742,143	15,485,968	763,349	115,464,762	269,162,849	—

See note B (21) in other Notes to Accounts



SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE - VI</u>		
INVENTORIES (AS CERTIFIED, QUANTIFIED AND VALUED BY THE MANAGEMENT ON WHICH AUDITORS HAVE RELIED)		
RAW MATERIAL	97,661,912	109,512,876
FINISHED GOODS	120,040,934	111,753,213
WORK IN PROCESS	46,941,147	39,989,066
SCRAP MATERIAL	2,466,823	2,027,540
OTHER STORES	898,856	857,834
TOTAL	268,009,672	264,140,529
<u>SCHEDULE - VII</u>		
SUNDRY DEBTORS (UNCONFIRMED, UNSECURED, CONSIDERED GOOD) DEBTS OUTSTANDING FOR A PERIOD OF MORE THAN		
(I) TRADE		
SIX MONTHS	544,043	—
OTHER DEBTS	73,149,859	40,454,742
(II) HOUSING PROJECT		
	8,300,656	12,031,526
TOTAL	81,994,558	52,486,268
<u>SCHEDULE - VIII</u>		
CASH AND BANK BALANCES :		
— CASH IN HAND AND IMPREST	3,664,125	330,753
BALANCES WITH BANKS :		
— IN CURRENT ACCOUNTS WITH SCHEDULED BANKS	130,181	15,466,587
— IN MARGIN MONEY ACCOUNTS	5,632,261	11,549,031
TOTAL	9,426,567	27,346,371
<u>SCHEDULE - IX</u>		
LOANS AND ADVANCES (UNSECURED, UNCONFIRMED, CONSIDERED GOODS)		
LOANS :		
SUBSIDIARY COMPANY:		
M/S S S A INTERNATIONAL LTD.	18,532,447	18,532,447
M/S SAM BUILDCON LTD.	258,000	—
OTHERS :		
BODY CORPORATE'S	—	278,967
(A)	18,790,447	18,811,414
ADVANCES :		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED	30,107,344	21,756,083
SECURITY DEPOSITS	3,649,149	4,605,712
TAX DEDUCTED AT SOURCE/ADVANCE TAX	232,587	387,788
(B)	33,989,080	26,749,583
TOTAL (A+B)	52,779,527	45,560,997

SAMTEX FASHIONS LIMITED



PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SCHEDULE - X		
CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
SUNDRY CREDITORS :-		
(I) TRADE		
Total Outstanding dues to Micro & Small Enterprises*	—	9,284,516
Total Outstanding dues of creditors other than Micro & Small Enterprises	110,988,806	87,915,828
(II) EMPLOYEE HOUSING PROJECT	270,882	611,258
OTHER LIABILITIES	16,147,243	17,350,966
BANK OVERDRAFT (DUE TO RECONCILIATION)	3,030,224	—
*See note B (8) in other Notes to Accounts		
TOTAL (A)	130,437,155	115,162,568
B. PROVISIONS		
INTEREST ACCURED AND DUE	3,005,893	1,609,936
EXPENSES PAYABLE	1,026,599	1,353,065
PROVISION FOR INCOME TAX	—	985,455
PROVISION FOR FRINGE BENEFIT TAX	221,000	333,033
TOTAL (B)	4,253,492	4,281,489
(A+B)	134,690,646	119,444,057

PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
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SCHEDULE - XI

SALES		
EXPORT SALES	482,468,653	625,464,694
SCRAP SALES	293,648	705,961
DOMESTIC SALE	57,315,912	25,406,512
JOBWORK CHARGES	—	2,936,000
TOTAL	540,078,212	654,513,167

SCHEDULE - XII

OTHER INCOME		
MISCELLANEOUS INCOME	383,679	1,027,559
COMMISSION	129,289	—
INTEREST ON FIXED DEPOSITE	474,564	1,058,598
EXCESS REALISATION OVER COST UNDER HOUSING PROJECT	—	7,770,469
TOTAL	987,531	9,856,626



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
SCHEDULE - XIII		
INCREASE/(DECREASE) IN STOCKS		
(A) OPENING STOCK :		
FINISHED GOODS	70,152,957	86,304,096
STOCK IN TRANSIT	17,835,533	4,648,307
FINISHED GOODS AT TRADING OFFICE	23,764,723	40,675,703
WORK IN PROCESS	39,989,066	30,223,929
SCRAP MATERIAL	2,027,540	2,185,589
	<u>153,769,819</u>	<u>164,037,624</u>
(B) LESS : CLOSING STOCK :		
FINISHED GOODS	91,115,945	72,328,593
FINISHED GOODS AT TRADING OFFICE	23,042,902	23,764,723
FINISHED GOODS IN TRANSIT	6,440,673	17,835,533
WORK IN PROCESS	46,941,147	39,989,066
SCRAP MATERIAL	2,466,823	2,027,540
	<u>170,007,490</u>	<u>155,945,455</u>
LESS : STOCK RESERVE	<u>558,586</u>	<u>2,175,636</u>
	<u>169,448,904</u>	<u>153,769,819</u>
INCREASE/(DECREASE)	<u>15,679,085</u>	<u>(10,267,805)</u>
SCHEDULE - XIV		
RAW MATERIAL CONSUMPTION		
OPENING STOCK	109,512,876	148,226,503
ADD : PURCHASES DURING THE YEAR	373,221,415	418,049,606
	<u>482,734,291</u>	<u>566,276,109</u>
LESS : CLOSING STOCK	<u>97,661,912</u>	<u>109,512,876</u>
RAW MATERIAL CONSUMED	<u>385,072,379</u>	<u>456,763,233</u>
SCHEDULE - XV		
MANUFACTURING EXPENSES		
CONSUMABLES	2,700,305	3,801,643
CUSTOM / EXCISE DUTY	51,944	80,336
WAGES AND OTHER BENIFITS	44,704,433	52,948,125
POWER AND FUEL	9,561,556	11,066,043
FREIGHT INWARD AND CARTAGE	3,215,675	2,677,881
IMPORT CLEARING EXPENSES	1,044,182	976,795
REPAIR AND MAINTENANCE :		
PLANT AND MACHINERY	1,664,394	3,311,576
ELECTRICALS	269,579	491,692
PROCESS AND FINISHING EXPENSES	127,500	1,226,061
TOTAL	<u>63,339,568</u>	<u>76,580,152</u>

SAMTEX FASHIONS LIMITED



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
SCHEDULE - XVI		
PAYMENT TO AND PROVISIONS FOR EMPLOYEES		
SALARIES AND BENEFITS TO DIRECTORS	1,889,134	1,651,824
SALARIES AND OTHER BENEFITS TO STAFF	15,601,009	17,736,184
STAFF WELFARE	294,787	561,059
P.F. PENALTY	—	729,797
TOTAL	17,784,930	20,678,864
SCHEDULE - XVII		
FINANCIAL EXPENSES		
BANK CHARGES	3,324,647	3,554,634
INTEREST ON TERM LOANS	7,396,593	4,637,434
INTEREST ON WORKING CAPITAL LIMITS	16,806,009	17,054,053
INTEREST ON OTHER LOANS	189,708	255,605
TOTAL	27,716,957	25,501,726
SCHEDULE - XVIII		
ADMINISTRATIVE AND OTHER EXPENSES		
TRAVELLING AND CONVEYANCE	3,486,038	4,612,224
POSTAGE, TELEGRAM AND TELEPHONE	2,211,679	2,177,785
ROYALTY EXPENSES	574,704	2,022,606
LEGAL AND PROFESSIONAL CHARGES	1,304,049	828,091
PRINTING AND STATIONERY	525,005	607,374
REPAIRS AND MAINTENANCE :		
VEHICLES	797,644	993,644
OTHERS	582,593	2,177,745
BUILDING	82,123	283,243
MEMBERSHIP AND SUBSCRIPTION	6,000	11,000
RATES AND TAXES	163,433	334,724
GENERAL EXPENSES	2,358,373	2,963,314
RENT	2,945,048	3,637,175
SECURITY CHARGES	712,578	1,151,137
INTERNAL AUDIT FEES	27,575	150,000
ADVANCE MONEY FORFEITED	—	189,434
CREDIT RATING FEES	175,000	—
COMPLIANCE AUDIT FEES	52,500	—
BOOKS PAPERS AND PERIODICALS	58,882	41,921
AUDITOR'S REMUNERATION	100,000	100,000
SALES TAX PENALTY	15,505	7,200
CHARITY AND DONATION	40,000	227,500
INSURANCE CHARGES	2,527,821	2,832,897
DIRECTOR SITTING FEES	86,000	62,000
LOSS ON SALE OF FIXED ASSETS	—	450,578
MISC. BALANCES WRITTEN OFF	65,313	—
EXCHANGE FLUCTUATION	12,082,106	409,495
ADVERTISEMENT EXPENSES	165,173	238,294
DIWALI EXPENSES	164,928	304,576
MAINTAINANCE CHARGES (HOUSING PROJECT)	55,218	52,852
TOTAL	31,365,289	26,866,810

SAMTEX FASHIONS LIMITED



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
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SCHEDULE - XIX

SELLING EXPENSES

FREIGHT OUTWARD	2,005,156	1,076,060
BUSINESS PROMOTION EXPENSES	3,908,454	4,940,166
COMMISSION PAID	310,100	112,348
EXPORT EXPENSES	5,298	—
ECGC EXPENSES	53,880	293,585
REBATE & DISCOUNT	3,966,666	3,064,017
BAD DEBTS WRITTEN OFF	—	929,278
SALES PROMOTION	—	4,317,765
SAMPLING & SUPPLIES CHARGES	3,769,266	6,032,974
TOTAL	14,018,820	20,766,193

SCHEDULE - XX

DEPRECIATION AND MISCELLANEOUS EXPENDITURE

WRITTEN OFF

DEPRECIATION	16,239,628	15,459,375
TOTAL	16,239,628	15,459,375



SCHEDULE - XXI

NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principals (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Management evaluates all recently issued or revised accounting accounting standards on an on going basis.

b) The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and Assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period.

Example of such estimates includes estimate of carrying value of work in progress, provision for doubtful debts and useful life of fixed assets. Actual results could differ from estimates.

3. FIXED ASSETS AND DEPRECIATION

a) Expenditure of capital nature are capitalized at cost comprising of purchase price (net of rebates and discounts) and any other cost which is directly attributable to bringing the asset to its working condition for the intended use.

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.

c) Fixed Assets Acquired at New York Trading Office is capitalized at historical cost. Depreciation on these Fixed Assets is accounted for as charged in the branch Profit & Loss Account. The same is converted in INR based on the rate prevailing at the time of acquisition of relevant fixed assets.

3. INVESTMENTS

Investments are in the nature of long term investments and are valued at cost to the Company in accordance with AS - 13 Accounting for Investments.

4. FOREIGN EXCHANGE TRANSACTIONS

In view of the Accounting Standard on " Accounting for the effects of Changes in Foreign Exchange rates" (AS-11) issued by the Institute of Chartered Accountants of India, being mandatory with effect from the 1st April, 1995 foreign currency transactions are translated as under:

a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction as far as possible.

b) Monetary items denominated in foreign currency other than the foreign currency loans outstanding as at the year end are recorded at the closing rate and the difference is adjusted in profit & loss account.

c) Exchange differences arising on foreign currency transactions are recognized as income or expenditure in the year in which they arise.

d) Financial Statement of M/S Samtex Fashions Ltd. (New York) branch is translated and incorporated in the books of Head Office M/S Samtex Fashions Ltd. (India) in accordance to with the AS - 11.

5. INVENTORY VALUATION

a) Stock of Raw Materials are valued according to FIFO method as prescribed for the valuation of Inventory, at purchase cost or net realisable value whichever is low. The quantity and valuation of stocks of Raw Material is taken as physically verified, valued and certified by the Management at the end of the year. The inventory of Raw Material includes raw material supplied by foreign parties for the execution of their export orders by the company and the same is valued at the end of the year.

b) Finished goods are valued at lower of cost or net realizable value. Cost for the purpose is determined on the basis of absorption costing method the quantity and valuation of finished goods is taken as physically verified valued and certified by the management at the end of the year. Cost for the purpose of valuation is inclusive of all the expenses except selling expenses. Excise duty levied on domestic tariff area sales does not form part of the cost since the quantum of these sales out of the finished goods stock cannot be ascertained.

c) The stock of Work In Process, is valued at the estimated cost or net realizable value whichever is lower to the company based on absorption costing method. Packing material and accessories like thread, buttons, etc is valued



at Cost or Net realizable value whichever is low. The quantity and valuation of Inventory of WIP is taken as physically verified, valued and certified by the management at the end of the year.

6. REVENUE RECOGNITION

(A) EXPORT SALES

Sales of M/s Samtex Fashions Ltd. (India) is recognized on the basis of Bill Of Lading. Sales of M/S Samtex Fashions Ltd. (New York) is recognized as and when they are executed at New York Office. In respect of sales where material are supplied by the foreign buyers, purchases are booked at the amount debited by them for supply of materials and sales invoices includes the value of material so debited.

(B) DOMESTIC SALES

Domestic Sales is recognized in the books of accounts at the time of dispatch from the custom gate at NSEZ, and sales executed at the Delhi office is Recognised at the date of dispatch from Delhi Office.

7. PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made on the basis of assessable income under the Income Tax Act, 1961.

Current Tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated and accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax liability as at 31st March 2009 comprise of the following :-

	<i>As at 31st March 2009</i>	<i>As at 31st March 2008</i>
	<i>(Rs.)</i>	<i>(Rs.)</i>
Deferred tax Asset / (liability)		
(i) Related to Fixed Assets	(28,65,455)	(25,75,821)

8. MISCELLANEOUS EXPENDITURE

Capital issue expenses and preliminary expenses have already being amortized and there is no amount outstanding to be written off on the date of balance sheet date.

9. CONTINGENT LIABILITIES & PROVISIONS

In terms of the requirement of the Accounting Standard 29 (AS-29) on "Provisions, Contingent Liabilities and Contingent Assets".

- Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates can be made of the amount of obligation- an appropriate provision is created and disclosed.
- Where as a result of past events, there is a possible obligation that may, but probably will not require an outflow of resources no provision is recognised but appropriate disclosure made as contingent liability unless the possibility of out flow is remote.

10. BORROWING COST

Borrowing cost specifically identified to the acquisition or construction of qualifying assets are capitalized as part of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit & Loss Account.

11. EMPLOYEE BENEFITS

(a) PROVIDENT FUND

Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the company make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employees salary. The company has no further obligations under the plan beyond its monthly contributions.

(b) GRATUITY

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a non - funded, defined benefit retirement plan (the gratuity plan) covering all employees. The plan, subject to the provisions of the Act, provides a lump sum payment to vested employees at retirement or termination of employment with the company. The Company estimates its liability on adhoc basis in the interim financial reports and on an actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).

(c) LEAVE ENCASHMENT

Leave encashment cost is a defined benefit, and is accrued on adhoc basis in the interim financial reports and on An actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).



B. OTHER NOTES

1. Contingent liabilities not provided for in respect of :

- a) Letters of Credit in foreign currency established for purchase of raw materials/ consumables and capital goods amounting to Rs.203,57,338 (previous year Rs.110,07,371) the liability is converted into Rupees as per the exchange rate prevailing as on 31st March, 2009.
- b) The company has guaranteed a sum of Rs.23202 Lacs (Previous Year Rs. 16978 Lacs) against secured Loans taken from financial institutions by SSA International Ltd., a wholly owned subsidiary of the Company.
2. No provision has been made in the books of accounts by the company for a sum of Rs. 5902380/-, Rs.890698/- & Rs.489296/- for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y. 2003-04 & A.Y.2006-07 respectively, against which a sum of Rs 5859356/- and Rs. 8,90,698/- has already been paid for A.Y 2000-01 & A.Y. 2003-04 under protest. All the above liabilities have been disputed by the company before the Appellant Authority / Delhi High Court.
3. Fixed assets installed and put to use have been certified by the management and relied upon the by the auditors, being a technical matter.
4. Remuneration paid to managing director and whole time directors is as under :

	Managing Director		Whole Time Director	
	Current Year	Previous Year	Current Year	Previous Year
Salary	895,833	835,000	401,000	312,000
House Rent Allowance	—	—	200,500	156,000
Provident fund	106,800	100,200	46,440	37,440
L.T.A.	75,000	70,000	34,000	26,000
MEDICAL	75,000	70,000	34,000	26,000
Total	1152,633	1075,200	715,940	557,440

5. Remuneration paid to Auditors

	Current Year (Rs.)	Previous Year (Rs.)
i) Audit Fee	75,000	75,000
ii) Tax Audit Fees	5,000	5,000
iii) Others (Including out of pocket expenses)	20,000	20,000

6. In the opinion of the directors current assets, loans and advances are of the value stated if realized in the ordinary course of business except otherwise stated. The provision for all the known liabilities is adequate and not in excess of the amount considered Reasonably necessary.
7. The personal accounts of the parties are subject to their respective confirmations.
8. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act,2006

	31st March 2009 (Rs.)	31st March 2008 (Rs.)
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	—	92,84,516/-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act,2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—
The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	—	—



9. The assets of the company have not been impaired during the year as certified by the management of the company. The management has conducted the test of impairment of assets using the value-in-use method in accordance with the mandatory Accounting Standard –28 (AS 28) on impairment of Assets issued by the Institute of Chartered Accountants of India. For calculation of value-in-use, discount rate of 8% per annum is used being the average market rate of interest in the opinion of the management.

10. Related Party Disclosures :-

I).

- a) (a) Name of the related Party : S.S.A. International Ltd.
 (b) Nature of relationship : Wholly Owned Subsidiary Company.
 (c) Nature of Transactions : Finance/ Investment

	<i>Current Year (Rs. in Lacs)</i>	<i>Previous Year (Rs. in Lacs)</i>
(d) Outstanding at the end of year		
— Equity	Rs. 1386.00 Lacs	Rs.1386.00 Lacs
— Share Application Money	Rs. 150.00 Lacs	Rs. 150.00 Lacs
(b) Loans & Advances	Rs. 185.32 Lacs	Rs.185.32 Lacs

Wholly Owned Subsidiary Co.

	<i>Current Year (Rs. in Lacs)</i>	<i>Previous Year (Rs. in Lacs)</i>
Balance as at 1st April, 2008	Rs. 185.32 Lacs	Rs.260.32 Lacs
Paid During the year	Rs. 155.00 Lacs	Rs. 75.00 Lacs
Taken during the year	Rs. 155.00 Lacs	—
Transferred to Equity Investment	—	Rs.150.00 Lacs
Balance As at 31st March, 2009	Rs. 185.32 Lacs	Rs.185.32 Lacs

II).

- a) (a) Name of the related Party : Sam Buildcon Limited.
 (b) Nature of relationship : Wholly Owned Subsidiary Company.
 (c) Nature of Transactions : Finance/ Investment

	<i>Current Year (Rs. in Lacs)</i>	<i>Previous Year (Rs. in Lacs)</i>
(d) Outstanding at the end of year		
— Equity	Rs. 5.01 Lacs	Rs.5.00 Lacs
b) — Loans & Advances	Rs. 2.58 Lacs	—

Wholly Owned Subsidiary Co.

	<i>Current Year (Rs. in Lacs)</i>	<i>Previous Year (Rs. in Lacs)</i>
Balance as at 1st April, 2008	—	—
Paid During the year	Rs. 2.58 Lacs	—
Taken during the year	—	—
Transferred to Equity Investment	—	—
Balance As at 31st March, 2009	Rs. 2.58 Lacs	—

III).

- Name of the related Party : Samtex Foundation
 Nature of relationship : Key Personnel of the management of reporting company is trustee of the related party.
 Nature of Transactions : For setting up hospital

	<i>Current Year (Rs. in Lacs)</i>	<i>Previous Year (Rs. in Lacs)</i>
Outstanding Outstanding As on 01.04.2008	Rs. 3.68 Lacs	Rs. 6.68 Lacs
Written off During the Year	Rs. 3.00 Lacs	Rs. 3.00 Lacs
Balance As on 31st March 2009	Rs. 0.68 Lacs	Rs. 3.68 Lacs



11. SEGMENT INFORMATION :-

The company has identified a geographical reportable segment viz M/S Samtex Fashions Ltd. New York. Segments have been identified and reported taking into account the Differing risk and returns and the Financial business reporting systems. The Accounting Policies adopted for segment reporting are in line with the Accounting Policy of the Company. Except the Accounting period which is for the Segment is calendar year.

a. **Segment Assets and Segment Liabilities represent Assets and Liabilities in Respective segments.**

I. PRIMARY SEGMENT INFORMATION :-

PARTICULARS	YEAR TO DATE FIGURES FOR THE CURRENT PERIOD ENDED 31.03.2009	YEAR TO DATE FIGURES FOR THE PREVIOUS YEAR ENDED 31.03.2008
1. TOTAL SALES AT EACH SEGMENT		
U.S.A.	2703.75	3166.67
INDIA	3563.37	4985.77
GROSS SALES	<u>6267.12</u>	<u>8152.44</u>
LESS :INTER SEGMENT REVENUE	<u>866.34</u>	<u>1607.31</u>
NET SALES /INCOME FROM OPERATION	<u>5400.78</u>	<u>6545.13</u>
2. SEGMENT RESULTS (PROFIT+/LOSS – BEFORE TAX AND INTEREST FOR EACH SEGMENT)		
U.S.A.	82.28	67.67
INDIA	170.71	258.35
TOTAL	<u>252.99</u>	<u>326.02</u>
INTEREST	<u>243.92</u>	<u>219.47</u>
TOTAL PROFIT BEFORE TAX	<u>9.07</u>	<u>106.55</u>

b. As per Accounting Standard on segment reporting AS –17, Prescribed by Companies (Accounting Standards) Rules 2006, The Company has reported segment information.

SECONDARY SEGMENT INFORMATION :- (FIGURES IN LAKHS)

SEGMENT ASSETS	IN USD	IN RUPEES	
U S A	18.61	942.12	Current Year
	(22.28)	(891.55)	Previous Year
SEGMENT LIABILITIES			
U S A	13.22	673.34	Current Year
	(16.85)	(665.00)	Previous Year
CAPITAL EMPLOYED			
U S A	5.39	268.78	Current Year
	(5.34)	(226.55)	Previous Year

12. a) Gross Block under Fixed Assets includes assets worth Rs.12,74,870 (Previous year Rs.19,84,853) or equivalent to US\$ 15426 (Previous Year US\$ 42971) Situated at the Trading Office of the Company at New York.

b) Security deposit included Rs. 12,97,238 (Previous Year Rs. 12,93,801) equivalent US\$ 32576 (Previous Year US\$ 32490) representing security given by the New York Trading Office of the company.

13. DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES :

(A) The employee gratuity fund & leave encashment scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.



(B) As per actuarial valuations as on 31st March-2009 and recognized in the financial statement in respect of employee benefit schemes.

	Gratuity 31.03.2009	Leave encashment 31.03.2009
<i>(In Rs.)</i>		
(i) Assumptions		
Discount Rate	7.00%	7.00%
Future Salary Increase	4.50%	4.50%
(ii) Table showing change in Benefit Obligation		
Liability at the beginning of the year	55,39,569	13,13,213
Interest Cost	3,87,770	91,925
Current Services Cost	6,11,354	1,80,033
Benefit Paid	(5,73,593)	(1,30,529)
Actuarial (gain)/loss on obligation	6,43,194	2,40,523
Liability at the end of the year	66,08,294	16,95,165
(iii) Tables of Fair value of Plan Assets		
Fair value of plan assets at the beginning of the year	—	—
Expected return on Plan Assets	—	—
Contributions	—	—
Benefit Paid	—	—
Actuarial (gain)/loss on Plan Assets	—	—
Fair Value of Plan Assets at the end of the year	—	—
Total actuarial gain / (loss) to be recognized	—	—
(iv) Actual Return on Plan Assets		
Expected Return on Plan Assets	—	—
Actuarial (gain)/loss on Plan Assets	—	—
Actuarial Return on Plan Assets	—	—
(v) Amount recognized in the Balance Sheet		
Liability at the end of the year	66,08,294	16,95,165
Fair value of plan assets at the end of the year	—	—
Difference	66,08,294	16,95,165
Amount recognized in the Balance sheet	66,08,294	16,95,165
(vi) Expenses recognized in the Income Statement		
Current Service Cost	6,11,354	1,80,033
Interest Cost	3,87,770	91,925
Expected Return On Plan Assets	—	—
Net actuarial (gain)/loss to be recognized	6,43,194	2,40,523
Expenses Recognized in Profit & Loss A/c	16,42,318	5,12,481
(vii) Amount Recognized in the Balance Sheet		
Opening net liability	55,39,569	13,13,213
Expense as above	16,42,318	5,12,481
Employers Contribution Paid	(5,73,593)	(1,30,529)
Closing net Liability	66,08,294	16,95,165

14. The company has adopted the accounting standard-15 (revised) i.e. employees benefits from the current year for computation of gratuity & leave encashment. Hence, the excess provision of Rs.25,94,073/- on valuation of gratuity & leave encashment on 01.04.2008 written back to the reserve & surplus account. (Please see sch. II).
15. Since the detailed information for disclosure as required under AS-15 (Revised) has been compiled for the first time, comparative figures for previous year have not been given.
16. Advance recoverable (Schedule IX) includes an amount of Rs.16,33,670/- (Previous Year NIL) being Insurance claim receivable against theft of Honda CRV car. The claim is pending before insurance company.
17. Sundry creditors (Schedule-X) includes a disputed amount of Rs.9,97,202/- (Previous Year Rs.9,97,202/-) Payable to M/s Ten Cate Permess Inc. The matter with party is pending before court.



18. EARNING PER SHARE

	2008-09	2007-08
Net Profit After Tax As Per Profit and Loss Account (Rs. In Lakhs)	3.96	69.51
Net Profit attributable to Equity Shareholders (Rs. In Lakhs)	3.96	69.51
Net Profit Before Exceptional Item (Rs. In Lakhs)*	3.96	(8.19)
Number of Equity Shares used for Calculating EPS	99,00,000	99,00,000
Basic Earning Per Share (Rs.)	0.04	0.70
Diluted Earning Per Share (Rs.)	0.04	0.70
Basic & Diluted Earning Per Share Before Exceptional Item	0.04	—

* Exceptional item includes Excess of Realisation over cost under housing project of Rs. NIL (Previous Year Rs.77.70/- Lakhs).

19. Additional information pursuant to the provisions of paragraph 3,4C and 4D of the schedule VI to the Companies Act, 1956 (as certified by the management and relied upon by the Auditors)

	Current Year (Qty. in Nos.)	Previous Year (Qty. in Nos.)
a) Licensed Capacity	N.A.	N.A.
b) Installed Capacity (No. of Pcs of Garments)	1600000	1600000
c) Production (Readymade Garments)	834023	1305660

1. The above installed capacity may vary if different types of garments are produced.

2. Licensed and installed capacity being Technical matter are as certified by the management and relied Upon by the Management.

d) Turnover, closing and opening Stocks :-

Class of Products	Turnover		Closing Stock		Opening Stock	
	Qty. (Nos)	Amount (Rs)	Qty. (Nos)	Amount (Rs)	Qty. (Nos)	Amount (Rs)
Jacket	52,339 (64,493)	23,570,055 (24,335,485)	2,012 (20,278)	1,247,666 (5,361,679)	20,278 (28,321)	5,361,679 (16,153,922)
Shirts	310,970 (326,705)	70,548,859 (97,704,637)	11,951 (95,419)	30,46,435 (180,80,070)	95,419 (170,365)	18,080,070 (33,072,248)
Others		73,742,073 (34,440,271)	0 (0)	11,751,817 (2,326,606)	0 (0)	2,326,606 (0)
TOTAL (A)	363,309	167,860,987	13,963	16,045,918	115,697	25,768,355
	(391,198)	(156,480,393)	(115,697)	(25,768,355)	(198,686)	(49,226,170)
Trousers	483,032 (851,244)	250,011,512 (378,633,228)	193,787 (173,102)	80,384,722 (64,246,714)	173,102 (214,524)	64,246,714 (67,917,840)
Shorts	256,074 (305,695)	103,090,768 (85,835,039)	73,049 (63,684)	13,657,276 (13,050,376)	63,684 (24,706)	13,050,376 (4,262,999)
Skirts	56,648 (129,910)	18,821,297 (32,858,545)	46,987 (44,205)	9,953,018 (8,687,769)	44,205 (38,646)	8,687,769 (10,221,097)
TOTAL (B)	795,754	371,923,577	313,823	103,995,016	280,991	85,984,859
	(1,286,849)	(497,326,812)	(280,991)	(85,984,859)	(277,876)	(82,401,936)
Scrap Material (C)		293,648 (705,961)				
TOTAL (A+B+C)	11,59,063	540,078,212	327,786	120,040,934	396,688	111,753,213
	(16,78,047)	(654,513,167)	(396,688)	(111,753,213)	(476,652)	(13,16,28,106)



e) **Consumption of Raw Material :**

Particulars	2008-2009		2007-2008	
	Qty. Mtrs.	Amount (Rs.)	Qty. Mtrs.	Amount (Rs.)
Fabric	1,188,803	164,235,199	1,703,026	279,036,243
Lining	400,144	6,005,910	630,120	8,946,569
Fusing	505,289	13,304,349	732,301	19,814,125
Others /Trims		74,981,003		41,751,404
Consumption at T.O.		126,545,918		107,214,893
		385,072,379		456,763,233

III. a) **C.I.F Value of Imports**

in Rs.

	Current Year	Previous Year
i) Raw Materials	16,95,81,346	23,62,39,845
ii) Capital Goods	NIL	33,38,344

b) **Expenditure in Foreign Currency during the Financial year on account of :**

in Rs.

	Current Year	Previous Year
Foreign Travel	NIL	84,450
Repair & Maintenance (Plant & Machinery)	151,241	137,261

c) **Value and percentage of Imported and Indigenous raw materials, stores and spares consumed :-**

Particulars	RAW MATERIAL		STORES AND SPARES	
	Value (Rs.)	Percentage (%)	Value (Rs.)	Percentage (%)
- Imported	179,285,261	47	1,51,241	9
	(261,165,467)	(57)	(1,37,261)	(4)
- Indigenous	792,41,200	21	15,13,153	91
	(883,82,874)	(19)	(31,74,315)	(96)
- Consumption at T.O.	126,545,918	32	-	-
	(107,214,893)	(24)	-	-
Total	385,072,379	100	16,64,394	100
	(456,763,233)	(100)	(33,11,576)	(100)

d) **Earnings In Foreign Exchange**

in Rs.

	Current Year	Previous Year
F.O.B. value of Exports	29,87,27,614	46,95,29,043

Export FOB has been calculated on the basis of Shipping Bill issued by Customs Department.

Sundry Debtors includes Bills discounted with scheduled Bank of Company against Debtors for Exports.

	As at 31st March 2009	As at 31st March 2008
(i) FCSB	135,38,115	274,91,064
(ii) Bill of Exchange	74,31,596	40,85,265
	2,09,69,711	3,15,76,329

20. The sales made by the company from its Delhi office is of goods are exempt from sales tax, hence no Registration under Sales Tax Act, is obtained.

21. The fixed assets acquired and used for the construction of Housing Project have been included in the gross block of fixed assets only. However the depreciation amount Rs. 26869/- (Previous Year Rs.26,593/-) on such assets which is included in the total depreciation of 1,62,66,497/-(Previous Year Rs.154,85,968/-) has been transferred to "Capital Work in Progress"

SAMTEX FASHIONS LIMITED



as part of the construction cost. The net depreciation of 162,39,628/- (Previous Year Rs.154,59,375/-) on assets other than used for Housing Project has been transfer to Profit & Loss Account.

22. Previous year figures have been regrouped and reclassified wherever necessary to make them comparable to those the current year, and have been rounded of to the nearest rupees.
23. Schedule I to XXI form an integral part of the Balance Sheet as at 31st March, 2009 and have been authenticated as such.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-
ANIL MITTAL
CHAIRMAN & MANAGING DIRECTOR

Sd/-
S. K. GUPTA
DIRECTOR

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
KAMINI GUPTA
COMPANY SECRETARY
& GM FINANCE

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

Place : New Delhi
Dated : 31.07.2009



INFORMATION PURSUANT TO PART - IV OF THE SCHEDULE VI OF THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. State Code

Balance Sheet

II Capital Raised during the year (amount in Rs. Thousand)

Public Issue Right Issue

Bonus Issue Private Placement

III Position of Mobilisation and Development of Funds (Amount in Rs. Thousand)

Total Liabilities Total Assets

Sources of funds

Paid up Capital Reserves & Surplus

Secured Loans Deferred Tax Liability

Application of funds

Net Fixed Assets Investments

Net Current Assets Misc. Expenditure

Accumulated Losses

IV. Performance of Company (Amount in Rs. Thousand)

Turnover Total Expenditure

Profit/(Loss) before tax Profit/(Loss) after tax

Earning per Share in Rs. Dividend Rate %

V. Generic Names of Three Principal Products / Services of Company.

Item Code No. (I.T.C. Code)

Product Description

Item Code No. (I.T.C. Code)

Product Description

Item Code No. (I.T.C. Code)

Product Description

The ITC codes of the products are as per publication "Indian Trade Classification" based on harmonised commodity description and coding system of Ministry of Commerce, Directorate of Commercial Intelligence and Statistics



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

(Amount Rs. 000)

PARTICULARS	YEAR ENDED	
	31.03.2009	31.03.2008
A) CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	907	10,655
ADD : LOSS ON SALE OF FIXED ASSETS	—	451
ADD : PRIOR PERIOD EXPENSES	301	830
ADD: EXCESS PROVISION WRITTEN BACK ON RETIREMENT BENEFIT FOR EARLIER YEARS	2,594	—
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	3,801	11,936
ADJUSTMENT FOR :		
DEPRECIATION AND WRITTEN OFF	16,240	15,459
INTEREST	24,392	21,947
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	44,433	49,342
ADJUSTMENT FOR :		
TRADE AND OTHER PAYABLES	15,247	(102,450)
INVENTORIES	(3,869)	49,052
TRADE & OTHER RECEIVABLES	(36,727)	53,092
CASH GENERATED FROM OPERATIONS	19,084	49,036
ADJUSTMENT FOR :		
DIRECT TAXES	(221)	(3,221)
PRIOR PERIOD EXPENSES	(301)	(830)
NET CASH FROM OPERATING ACTIVITIES (A)	18,562	44,985
B) CASH FLOW FROM INVESTING ACTIVITIES :		
PURCHASE OF FIXED ASSETS	(194)	(49,673)
REALISATION FROM ALLOTMENT OF FLATS UNDER HOUSING PROJECT	—	11,061
HOUSING PROJECT WORK IN PROGRESS	(3,231)	—
PURCHASE OF INVESTMENTS	(1)	(15,500)
SALE OF FIXED ASSETS	2,295	68
NET CASH USED IN INVESTING ACTIVITIES (B)	(1,131)	(54,044)
C) CASH FLOW FROM FINANCING ACTIVITIES :		
TERM LOANS (NET OF REPAYMENT)	(13,416)	15,438
WORKING CAPITAL LOANS	12,913	32,091
CORPORATE LOAN	(10,454)	(9,413)
INTEREST PAID	(24,392)	(21,947)
NET CASH RECEIVED FROM FINANCING ACTIVITIES (C)	(35,350)	16,169
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	(17,919)	7,109
CASH AND CASH EQUIVALENT AS AT 01.04.2008	27,346	20,237
CASH AND CASH EQUIVALENT AS AT 31.03.2009	9,427	27,346

NOTE : FIGURES IN BRACKETS REPRESENT OUTFLOWS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

ANIL MITTAL

CHAIRMAN & MANAGING
DIRECTOR

Sd/-

S.K. GUPTA

DIRECTOR

Sd/-

KAMINI GUPTA

COMPANY SECRETARY
& GM FINANCE

Place : New Delhi
Dated : 31.07.2009

AUDITORS REPORT

We have examined the above Cash Flow Statement of Samtex Fashions Limited derived from the audited financial statements of the company for the year ended 31st March 2009, and found the same in agreement therewith and in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-

VINAY AGGARWAL

PARTNER, M. No. 82045

Place : New Delhi
Dated : 31.07.2009



STATEMENT OF HOLDING COMPANY'S INTEREST IN SUBSIDIARY UNDER SECTION 212.

1. Name of Subsidiary Company Became Subsidiary as on	*SSA International Limited 16.02.2001	**Sam Buildcon Ltd. 05.02.2008
2. Financial year of the Subsidiary Company end on	31st March, 2009	31st March, 2009 (1st Financial Year)
3. Holding Company's interest:-		
a) No. of shares held	13859970 Equity shares of Rs. 10/- each aggregating Rs. 13,85,99,700/-.	50070 Equity shares of Rs. 10/- each aggregating Rs. 5,00,700/-
b) Percentage of Equity Share Capital held	100 %	100%
4. The net aggregate amount of the Subsidiary's Profit/(Loss) so far as it concerns Members of holding Company and is not dealt with in the Holding Company's accounts :		
(i) for the financial year of the Subsidiary	Rs. 797.90 Lacs	(Rs. 2.63 Lacs)
(ii) Profit for the previous financial years of Subsidiary, since it became Holding Company's Subsidiary	Rs.2031.29 Lacs	Nil
5. The net aggregate amount of the Subsidiary Profits /(Loss) dealt with in the Holding Company's Accounts		
(i) for the financial year of the Subsidiary	Nil	Nil
(ii) for the previous financial years of the Subsidiary since it became the Holding Company's Subsidiary	Nil	Nil

*Became wholly owned Subsidiary w. e. f. 15.11.2002

**Became wholly owned Subsidiary w. e. f. 20.03.2009

For and on behalf of the Board of Directors
For **SAMTEX FASHIONS LIMITED**

Sd/-

ANIL MITTAL

Chairman & Managing Director

Place : New Delhi
Dated : 31.07.2009



AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENT

TO THE BOARD OF DIRECTORS
M/S. SAMTEX FASHIONS LIMITED

We have examined the attached Consolidated Balance Sheet of Samtex Fashions Limited ("The Company") and its subsidiaries as at 31st March, 2009 and the Consolidated Profit and Loss Account for the year then ended annexed thereto and the Consolidated 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.

We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with and identified financial reporting framework and are free of material misstatements: An audit includes, examining on a test basis evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Company and its subsidiaries included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company and its subsidiaries, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its subsidiaries as at 31st March, 2009.
- b) In the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Company and its subsidiaries for the year then ended and
- c) In the case of the consolidated Cash Flow Statement, of the consolidated cash flows of the company and its subsidiaries for the year then ended.

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
VINAY AGGARWAL
PARTNER
M. No. 82045

Place : New Delhi
Dated : 31.07.2009



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 (Rs.)	ASAT 31.03.2008 (Rs.)
I. SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
SHARE CAPITAL	I	99,180,000	99,180,000
RESERVES AND SURPLUS	II	589,038,421	506,456,007
LOAN FUNDS :			
SECURED LOANS	III	1,917,540,159	1,491,417,408
UNSECURED LOANS	IV	—	—
DEFERRED TAX LIABILITY		23,746,694	12,505,713
		<u>2,629,505,274</u>	<u>2,109,559,128</u>
II. APPLICATION OF FUNDS :			
FIXED ASSETS :			
GROSS BLOCK		994,048,792	776,983,331
LESS: DEPRECIATION		281,414,523	241,116,282
NET BLOCK	V	712,634,268	535,867,050
ADD : CAPITAL WORK IN PROGRESS		5,580,131	—
CAPITAL WORK IN PROGRESS (HOUSING PROJECT)		12,122,718	8,891,441
		<u>730,337,117</u>	<u>544,758,491</u>
INVESTMENTS	VI	11,000,000	11,500,100
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	VII	1,813,152,758	1,661,028,995
SUNDRY DEBTORS	VIII	431,015,957	218,853,791
CASH AND BANK BALANCES	IX	42,959,026	33,888,828
LOANS AND ADVANCES	X	104,829,544	137,778,045
		<u>2,391,957,285</u>	<u>2,051,547,659</u>
LESS : CURRENT LIABILITIES AND PROVISIONS	XI	504,081,286	499,319,279
NET CURRENT ASSETS		1,887,875,999	1,552,228,380
MISCELLANEOUS EXPENDITURE			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)	XII	292,157	1,072,157
		<u>2,629,505,274</u>	<u>2,109,559,128</u>
NOTES FORMING PART OF ACCOUNTS	XXIII		

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-
ANIL MITTAL
CHAIRMAN & MANAGING DIRECTOR

Sd/-
S. K. GUPTA
DIRECTOR

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
KAMINI GUPTA
COMPANY SECRETARY
& GM FINANCE

Sd/-
VINAY AGGARWAL
PARTNER
M. No. 82045

Place : New Delhi
Dated : 31.07.2009

SAMTEX FASHIONS LIMITED



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
INCOME			
SALES	XIII	5,271,267,237	4,433,272,387
OTHER INCOME	XIV	7,863,898	50,947,017
INCREASE / (DECREASE) IN STOCKS	XV	(223,855,430)	280,698,678
		<u>5,055,275,705</u>	<u>4,764,918,082</u>
EXPENDITURE			
MATERIAL COST	XVI	4,022,566,453	3,921,931,470
MANUFACTURING EXPENSES	XVII	139,678,300	146,903,329
PAYMENT TO AND PROVISIONS FOR EMPLOYEES	XVIII	38,334,677	37,319,785
FINANCIAL EXPENSES	XIX	154,555,453	130,477,196
ADMINISTRATIVE AND OTHER EXPENSES	XX	142,151,830	48,345,032
SELLING EXPENSES	XXI	402,410,839	338,418,451
DEPRECIATION AND MISCELLANEOUS EXPENDITURE WRITTEN OFF	XXII	43,273,631	40,271,590
		<u>4,942,971,183</u>	<u>4,663,666,853</u>
NET PROFIT FOR THE YEAT BEFORE TAX		112,304,522	101,251,229
LESS : PRIOR PERIOD EXPENSES		300,600	984,624
PROFIT BEFORE TAX		112,003,922	100,266,605
TAX EXPENSES			
LESS : CURRENT TAX		16,000,000	32,085,230
LESS : DEFERED TAX (ASSETS)/LIABILITY		11,240,981	714,562
LESS : INCOME TAX ADJUSTED FOR EARLIER YEAR		3,950,586	10,498,722
LESS : FRINGE BENEFIT TAX		889,207	833,033
PROFIT AFTER TAX		79,923,148	56,135,058
BALANCE BROUGHT FORWARD		<u>481,456,008</u>	<u>425,320,949</u>
BALANCE CARRIED OVER TO THE BALANCE SHEET		<u>561,379,156</u>	<u>481,456,007</u>
BASIC EARNING PER SHARE		8.07	5.67
DILLUATED EARNING PER SHARE		8.07	5.67
BASIC & DILUATED EARNING PER SHARE OF FACE VALUE OF RS. 10 EACH (BEFORE EXCEPTIONAL ITEMS)		8.47	4.89

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-

ANIL MITTAL

CHAIRMAN & MANAGING DIRECTOR

Sd/-

S. K. GUPTA

DIRECTOR

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-

KAMINI GUPTA

COMPANY SECRETARY
& GM FINANCE

Sd/-

VINAY AGGARWAL
PARTNER

M. No. 82045

Place : New Delhi

Dated : 31.07.2009



SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SCHEDULE - I		
SHARE CAPITAL		
AUTHORISED		
10000000 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP	100,000,000	100,000,000
ISSUED, SUBSCRIBED AND PAID UP :		
9900000 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP IN CASH (PREVIOUS YEAR 9900000 EQUITY SHARES OF RS. 10 EACH)	99,000,000	99,000,000
FORFEITURE ACCOUNT (100000 ZERO COUPON WARRANT @ RS. 1.80 PER WARRANT) (PREVIOUS YEAR 100000 ZERO COUPON WARRANT @ RS.1.80 PER WARRANT)	180,000	180,000
TOTAL	<u>99,180,000</u>	<u>99,180,000</u>
SCHEDULE - II		
RESERVES AND SURPLUS		
RESERVES :		
CAPITAL RESERVE :		
STATE CAPITAL SUBSIDY	1,000,000	1,000,000
SURPLUS :		
SHARE PREMIUM ACCOUNT	24,000,000	24,000,000
PROFIT AND LOSS ACCOUNT	561,379,156	
ADD: EXCESS PROVISION WRITTEN BACK ON RETIREMENT BENEFIT FOR EARLIER YEARS	2,659,265	481,456,007
TOTAL	<u>589,038,421</u>	<u>506,456,007</u>
SCHEDULE - III		
SECURED LOANS :		
(A) TERM LOANS		
FROM FINANCIAL INSTITUTIONS :		
— RUPEE LOANS FROM :		
IDBI BANK LIMITED	262,328,000	197,397,480
INTEREST ACCURED AND DUE STATE BANK OF INDIA	162,092,363	—
— CORPORATE LOAN FROM STATE BANK OF INDIA	7,590,556	28,146,492
INDUSTRIAL DEVELOPMENT BANK OF INDIA (IDBI)	75,000,000	95,000,000
(B) WORKING CAPITAL LOANS :	1,401,700,131	740,165,194
(C) VEHICLE LOANS	8,829,109	8,416,313
TOTAL	<u>1,917,540,159</u>	<u>1,069,125,479</u>

NOTE :-

- The term loans / Corporate loans from Industrial development bank of India (IDBI) are secured by way of first charge on immovable and movable assets, present and future except book debts, subject to the charge created or to be created in favour of bankers for securing working capital requirement on stocks of raw material, semi-finished goods, finished goods, store & spares, consumables, books debts and others current assets held by the company both present and future in the ordinary course of the business and further guaranteed by Managing Director, Promoter Directors, and an independent Director.

SAMTEX FASHIONS LIMITED



2. Working capital loan from scheduled banks are secured under consortium with State Bank Of India as the lead bank and from Canara Bank, State Bank of Travancore and IDBI Bank Ltd. as member bank are secured by way of hypothecation of stock of raw material, semi finished goods stores and spares, consumables, book debts and other current assets held by the company, both present and future in the ordinary course of the business and further guaranteed by Managing Director, promoter directors and an independent Director, secured by second charge on fixed assets of the company by the bank other than those specifically financed.
3. Vehicle Loans are secured against specific vehicles financed.
4. Term loan repayable with in one year Rs.1638.18 Laks (Previous Year Rs.500.70Lakhs)

PARTICULARS	AS AT	AS AT
	31.03.2009	31.03.2008
	(Rs.)	(Rs.)

SCHEDULE - IV

UNSECURED LOANS

NIL	NIL
NIL	NIL

SCHEDULE - V

A. FIXED ASSETS :

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01.04.2008 (Rs.)	Addition during the year (Rs.)	Sales/ adjustment during the year (Rs.)	As at 31.03.2009 (Rs.)	As at 01.04.2008 (Rs.)	For the year ended 31.03.2009 (Rs.)	W. back during the year (Rs.)	As at 31.03.2009 (Rs.)	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
(A) TANGIBLE ASSETS										
1. LAND (Freehold)	9655835	—	—	9655835	—	—	—	—	9655835	9655835
2. LAND (Leasehold)	—	25,820,689	—	25,820,689	—	73,100	—	73,100.00	25,747,589	—
3. BUILDING & SITE DEVELOPMENT	203291280	30212364	—	233503644	41268732	6420629	—	47689361	185814283	162022548
4. PLANT & MACHINERY	474069234	157345929	102,324	631312839	160934308	28595166	—	189529474	441783365	313134926
5. FURNITURE & FIXTURES	26795628	263406	750,763	26308271	13963076	1637025	330,267	15269834	11038437	12832552
6. ELECTRICAL INSTALLATION	11522633	—	—	11522633	4977102	547325	—	5524427	5998206	6545531
7. OFFICE EQUIPMENT	14132974	1402876	524,107.00	15011743	8620956	1166000	311,363	7475593	7536150	7512019
8. VEHICLES	37337744	8625509	5298053	40665201	13307604	3785262	1329327	15763540	24901662	24030140
(B) INTANGIBLE ASSETS										
1. PATENT & TRADEMARKS	178,002	69,934	—	247,936	44,501	44,692	—	89,193	158,743	133,501
TOTAL	776983330	223740707	6675247	994048792	241,116,280	42269199	1970957	281414524	712634269	535867050
PREVIOUS YEAR	657780561	126067385	6864617	776983331	202391640	39518163	793543	241116282	535867050	—

SCHEDULE - VI

INVESTMENTS

- (i) LONG TERM INVESTMENT
(VALUED AT COST)

(A) TRADE INVESTMENT QUOTED

IN OTHER THAN SUBSIDIARY

- (i) IN J.R.AGROTECH PVT. LTD.

500000 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP
(PREVIOUS YEAR 500000 EQUITY SHARES OF RS. 10 EACH)

5,000,000

5,000,000

(B) TRADE INVESTMENT UNQUOTED

IN WHOLLY OWNED SUBSIDIARY COMPANIES:

- (i) SAM BUILDCON LIMITED

50,010 EQUITY SHARES OF RS.10 EACH
(PREVIOUS YEAR NIL SHARES)

—

500,100.00

(C) NON TRADE INVESTMENT UNQUOTED

IN OTHER THAN SUBSIDIARY

- (i) YOGENDRA WORSTED LIMITED

600,000 EQUITY SHARES RS. 10 EACH FULLY PAID UP
(PREVIOUS YEAR 600,000 EQUITY SHARES OF RS. 10 EACH)

6,000,000

6,000,000

TOTAL

11,000,000

11,500,100

SAMTEX FASHIONS LIMITED



PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE - VII</u>		
INVENTORIES		
(AS CERTIFIED, QUANTIFIED AND VALUED BY THE MANAGEMENT ON WHICH AUDITORS HAVE RELIED)		
RAW MATERIAL	1,097,976,785	728,854,059
FINISHED GOODS	620,182,659	851,416,891
WORK IN PROCESS	46,987,835	40,048,316
SCRAP MATERIAL	2,466,823	2,027,540
OTHER STORES	45,538,656	38,680,189
TOTAL	1,813,152,758	1,661,026,995
<u>SCHEDULE - VIII</u>		
SUNDRY DEBTORS		
(UNCONFIRMED, UNSECURED, CONSIDERED GOOD)		
DEBTS OUTSTANDING FOR A PERIOD OF MORE THAN SIX MONTHS	1,655,843	2,514,699
OTHER DEBTS	429,360,114	171,637,375
TOTAL	431,015,957	174,152,074
<u>SCHEDULE - IX</u>		
CASH AND BANK BALANCES :		
CASH & BANK BALANCE		
CASH IN HAND AND IMPREST	5,488,875	1,430,008
BALANCES WITH BANKS :		
— IN CURRENT ACCOUNTS WITH SCHEDULED BANKS	6,112,889	20,514,787
— IN MARGIN MONEY ACCOUNTS	30,856,913	11,944,033
TOTAL	42,458,677	33,888,828
<u>SCHEDULE - X</u>		
LOANS AND ADVANCES		
(UNSECURED, UNCONFIRMED, CONSIDERED GOODS)		
LOANS :		
BODY CORPORATE'S	—	278,967
(A)	—	278,967
ADVANCES :		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED	76,225,328	119,986,229
SECURITY DEPOSITS	11,674,723	6,599,200
TAX DEDUCTED AT SOURCE /ADVANCE TAX PAID	16,929,493	10,913,649
(B)	104,829,544	137,499,078
TOTAL (A+B)	104,829,544	137,778,045

SAMTEX FASHIONS LIMITED



PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
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SCHEDULE - XI

CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES

SUNDRY CREDITORS :-

i) Total outstanding dues to Micro & Small Enterprises	—	9,284,516
ii) Total outstanding dues of creditors other than Micro & Small Enterprises	301,349,644	144,431,121
iii) Advance from Customers	132,343,838	276,501,056
OTHER LIABILITIES	31,967,567	29,486,709
BANK OVERDRAFT (CURRENT ACCOUNT)	3,030,224	—

TOTAL (A)	468,691,273	459,703,402
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B. PROVISIONS

EXPENSES PAYABLE	17,434,833	8,264,614
INTEREST ACCRUED AND DUE	1,026,599	1,609,936
PROVISION FOR INCOME TAX	16,221,000	31,785,455
PROVISION FOR FRINGE BENEFIT TAX	668,207	833,033
PROVISION FOR WEALTH TAX	39,374	35,202

TOTAL (B)	35,390,013	42,528,240
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TOTAL (A) + (B)	504,081,286	502,231,642
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SCHEDULE - XII

MISCELLANEOUS EXPENDITURE

(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)

DEFERRED REVENUE EXPENDITURE	292,157	1,072,157
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TOTAL	292,157	1,072,157
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PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
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SCHEDULE - XIII

SALES

EXPORT SALES	2,969,364,891	2,730,666,604
DOMESTIC SALES	57,315,912	25,406,512
OTHER SALES	2,244,292,786	1,673,349,154
SCRAP SALES	293,648	705,961
JOBWORK CHARGES	—	3,144,156

TOTAL	5,271,267,237	4,433,272,387
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SAMTEX FASHIONS LIMITED



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
SCHEDULE - XIV		
OTHER INCOME		
MISCELLANEOUS INCOME	383,679	1,027,559
COMMISSION INCOME	129,289	—
INTEREST INCOME	1,715,520	2,181,181
OTHER INCOME	5,635,410	—
INCOME ON SALE OF DEPB LICENSE UNDER HOUSING PROJECT	—	39,967,808
	—	7,770,469
TOTAL	7,863,898	50,947,017
SCHEDULE - XV		
INCREASE/(DECREASE) IN STOCKS		
(A) OPENING STOCK :		
FINISHED GOODS	809,816,635	535,018,331
STOCK IN TRANSIT	17,835,533	4,648,307
FINISHED GOODS AT TRADING OFFICE	23,764,723	40,675,703
WORK IN PROCESS	40,048,316	30,266,139
SCRAP MATERIAL	2,027,540	2,185,589
	893,492,747	612,794,069
(B) LESS: CLOSING STOCK :		
FINISHED GOODS	591,257,670	811,992,271
FINISHED GOODS AT TRADING OFFICE	23,042,902	23,764,723
FINISHED GOODS IN TRANSIT	6,440,673	17,835,533
WORK IN PROCESS	46,987,835	40,048,316
SCRAP MATERIAL	2,466,823	2,027,540
TOTAL	670,195,903	895,668,383
(C) LESS: STOCK RESERVE	558,586	2,175,636
	669,637,317	893,492,747
INCREASE/(DECREASE)	(223,855,430)	280,698,678
SCHEDULE - XVI		
RAW MATERIAL CONSUMPTION		
OPENING STOCK	728,854,059	575,678,760
ADD : PURCHASES DURING THE YEAR	4,391,689,179	4,075,106,769
	5,120,543,238	4,650,785,529
LESS : CLOSING STOCK	1,097,976,785	728,854,059
RAW MATERIAL CONSUMED	4,022,566,453	3,921,931,470

SAMTEX FASHIONS LIMITED



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
<u>SCHEDULE - XVII</u>		
MANUFACTURING EXPENSES		
CONSUMABLES	7,825,838	8,067,539
CUSTOM/ EXCISE DUTY	51,944	80,336
WAGES AND OTHER BENIFITS	44,704,433	52,948,125
POWER AND FUEL	41,869,735	46,439,028
FREIGHT INWARD AND CARTAGE	3,261,542	2,854,760
IMPORT CLEARING EXPENSES	1,044,182	976,795
REPAIR AND MAINTENANCE :		
PLANT AND MACHINERY	14,634,655	12,047,755
ELECTRICALS	269,579	491,692
BUILDING	1,639,519	276,299
PROCESS AND FINISHING EXPENSES	127,500	1,226,061
MATERIAL HANDLING CHARGES	11,034,377	10,191,218
D.G.SET RUNNING EXP.	7,762,976	7,453,917
TRACTORS/ TRUCK EXP.	1,492,287	463,213
LABORATORY EXP.	78,348	8,666
FUMIGATION CHARGES	645,257	519,126
HEXANE CONSUMED	1,457,645	1,270,768
BARDANA REPAIR CHARGES	1,778,483	1,588,031
TOTAL	139,678,300	146,903,329
<u>SCHEDULE - XVIII</u>		
PAYMENT TO AND PROVISIONS FOR EMPLOYEES		
SALARIES AND BENEFITS TO DIRECTORS	3,006,134	2,470,824
SALARIES AND OTHER BENEFITS TO STAFF	33,187,461	32,656,989
STAFF WELFARE	2,141,082	1,462,175
P.F. PENALTY	—	729,797
TOTAL	38,334,677	37,319,785
<u>SCHEDULE - XIX</u>		
FINANCIAL EXPENSES		
BANK CHARGES	12,694,228	10,024,459
INTEREST ON TERM LOANS	19,666,712	13,610,271
INTEREST ON WORKING CAPITAL LIMITS	109,294,426	92,830,225
INTEREST ON CORPORATE LOAN	12,024,659	13,496,698
INTEREST ON VEHICLE LOAN	665,980	249,626
INTEREST ON OTHER LOANS	208,898	265,917
TOTAL	154,554,903	130,477,196

SAMTEX FASHIONS LIMITED



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
SCHEDULE - XX		
ADMINISTRATIVE AND OTHER EXPENSES		
TRAVELLING AND CONVEYANCE	3,486,038	4,612,224
POSTAGE, TELEGRAM AND TELEPHONE	3,967,871	3,812,919
ROYALTY EXPENSES	574,704	2,022,606
LEGAL AND PROFESSIONAL CHARGES	2,962,991	1,441,293
PRINTING AND STATIONERY	1,388,298	1,399,416
REPAIRS AND MAINTENANCE :		
VEHICLE	1,451,777	1,966,010
OTHERS	683,531	2,238,205
BUILDING	82,123	283,243
MEMBERSHIP AND SUBSCRIPTION	48,300	46,100
RATES AND TAXES	1,044,475	503,695
GENERAL EXPENSES	3,239,418	4,223,457
RENT	9,671,050	7,784,709
SECURITY CHARGES	712,578	1,151,137
INTERNAL AUDIT FEES	27,575	150,000
ADVANCE MONEY FORFEITED	—	189,434
BOOKS PAPERS AND PERIODICALS	93,544	70,700
AUDITOR'S REMUNERATION	215,300	178,652
CERTIFICATION CHARGES	—	36,277
SALES TAX ADDITIONAL LIABILITY	15,505	7,200
CHARITY AND DONATION	456,514	458,281
INSURANCE CHARGES	3,581,949	6,928,851
DIRECTORS SITTING FEE	86,000	62,000
LOSS ON SALE OF FIXED ASSETS/INVESTMENT	593,206	482,205
EXCHANGE FLUCTUATION	104,873,584	4,479,220
ADVERTISEMENT EXPENSES	165,173	238,294
ELECTRICITY CHARGES	303,304	355,510
CONVEYANCE EXPENSES	654,228	619,443
DUTIES & TAXES	39,374	35,202
ISO EXPENSES	—	38,110
ANNUAL MAINTENANCE EXPENSES	211,380	283,905
SERVICE TAX	1,295,395	1,889,305
DIWALI EXPENSES	164,928	304,576
MAINTAINANCE CHARGES (HOUSING PROJECT)	55,218	52,853
TOTAL	142,145,331	48,345,032

SAMTEX FASHIONS LIMITED



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
<u>SCHEDULE - XXI</u>		
SELLING EXPENSES		
FREIGHT OUTWARD	2,262,298	4,737,362
BUSINESS PROMOTION EXPENSES	5,589,942	6,166,441
COMMISSION PAID	310,100	112,348
EXPORT EXPENSES	63,345,762	82,726,250
OCEAN FREIGHT	75,336,504	72,498,031
ECGC EXPENSES	53,880	293,585
REBATE AND DISCOUNT	16,171,021	13,281,076
BAD DEBTS WRITTEN OFF	—	929,278
SALES PROMOTION	3,769,266	4,317,765
SAMPLING & SUPPLIES CHARGES	—	6,032,974
TRAVELLING EXPENSE	1,831,342	600,566
BROKRAGE & COMMISSION	4,074,916	3,616,470
CONSIGNMENT EXPENSE	—	92,266
INSURANCE CHARGES (TRANSIT)	202,605	1,169,795
ADVERTISEMENT EXPENSES	126,632	116,151
APEDA BASMATI DEVELOPMENT FUND	457,751	888,315
PACKING MATERIAL CONSUMED	82,200,083	140,839,778
CESS TAX ON EXPORT	146,678,737	—
TOTAL	402,410,839	338,418,451

SCHEDULE - XXII

DEPRECIATION AND MISCELLANEOUS EXPENDITURE WRITTEN OFF

DEPRECIATION	42,242,330	39,491,590
MISCELLANEOUS EXPENDITURE WRITTEN OFF	1,031,301	780,000
TOTAL	43,273,631	40,271,590



SCHEDULE - XXIII

NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES TO CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principals (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Management evaluates all recently issued or revised accounting standards on an on going concern basis.

- b) The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and Assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period.

Example of such estimates includes estimate of carrying value of work in progress, provision for doubtful debts and useful life of fixed assets. Actual results could differ from estimates.

3. FIXED ASSETS AND DEPRECIATION

- a) Expenditure of capital nature are capitalized at cost comprising of purchase price (net of rebates and discounts) and any other cost which is directly attributable to bringing the asset to its working condition for the intended use.
- 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.
- c) Fixed Assets Acquired at New York Trading Office is capitalized at historical cost. Depreciation on these Fixed Assets is accounted for as charged in the branch Profit & Loss Account. The same is converted in INR based on the rate prevailing at the time of acquisition of relevant fixed assets.

4. INVESTMENTS

Investments are in the nature of long term investments and are valued at cost to the Company in accordance with AS - 13 *Accounting for Investments*.

5. FOREIGN EXCHANGE TRANSACTIONS

In view of the Accounting Standard on "Accounting for the effects of Changes in Foreign Exchange rates" (AS-11) issued by the Institute of Chartered Accountants of India, being mandatory with effect from the 1st April, 1995 foreign currency transactions are translated as under:

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction as far as possible.
- b) Monetary items denominated in foreign currency other than the foreign currency loans outstanding as at the year end are recorded at the closing rate and the difference is adjusted in profit & loss account.
- c) Exchange differences arising on foreign currency transactions are recognized as income or expenditure in the year in which they arise.
- d) Financial Statement of M/S Samtex Fashions Ltd. (New York) branch is translated and incorporated in the books of Head Office M/S Samtex Fashions Ltd. (India) in accordance to with the AS - 11.

6. INVENTORY VALUATION

- a) Stock of Raw Materials are valued according to FIFO method as prescribed for the valuation of Inventory, at purchase cost or net realisable value whichever is low. The quantity and valuation of stocks of Raw Material is taken as physically verified, valued and certified by the Management at the end of the year. The inventory of Raw Material includes raw material supplied by foreign parties for the execution of their export orders by the company and the same is valued at the end of the year.



- b) Finished goods are valued at lower of cost or net realizable value. Cost for the purpose is determined on the basis of absorption costing method the quantity and valuation of finished goods is taken as physically verified valued and certified by the management at the end of the year. Cost for the purpose of valuation is inclusive of all the expenses except selling expenses. Excise duty levied on domestic tariff area sales does not form part of the cost since the quantum of these sales out of the finished goods stock cannot be ascertained.
- c) The stock of Work In Process, is valued at the estimated cost or net realizable value whichever is lower to the company based on absorption costing method. Packing material and accessories like thread, buttons, etc is valued at Cost or Net realizable value whichever is low. The quantity and valuation of Inventory of WIP is taken as physically verified, valued and certified by the management at the end of the year.

7. SALES

(A) EXPORT

Sales of M/s Samtex Fashions Ltd. (India) is recognized on the basis of Bill Of Lading. Sales of M/S Samtex Fashions Ltd. (New York) is recognized as and when they are executed at New York Office. In respect of sales where material are supplied by the foreign buyers, purchases are booked at the amount debited by them for supply of materials and sales invoices includes the value of material so debited.

(B) DOMESTIC

Domestic Sales is recognized in the books of accounts at the time of dispatch from the custom gate at NSEZ, and sales executed at the Delhi office is Recognised at the date of dispatch from Delhi Office.

8. CONTINGENT LIABILITIES & PROVISIONS

In terms of the requirement of the Accounting Standard 29 (AS-29) on "Provisions, Contingent Liabilities and Contingent Assets".

- (a) Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates' can be made of the amount of obligation- an appropriate provision is created and disclosed.
- (b) Where as a result of past events, there is a possible obligation that may, but probably will not require an outflow of resources no provision is recognised but appropriate disclosure made as contingent liability unless the possibility of out flow is remote.

9. BORROWING COST

Borrowing cost specifically identified to the acquisition or construction of qualifying assets are capitalized as part of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit & Loss Account.

10. IMPAIRMENT OF ASSETS

The assets of the company have not been impaired during the year as certified by the management of the company. The management has conducted the test of impairment of assets using the value-in-use method in accordance with the mandatory Accounting Standard -28 (AS 28) on impairment of Assets issued by the Institute of Chartered Accountants of India. For calculation of value-in-use, discount rate of 8% per annum is used being the average market rate of interest in the opinion of the management.

11. EMPLOYEE BENEFITS

(a) PROVIDENT FUND

Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the company make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employees salary. The company has no further obligations under the plan beyond its monthly contributions.

(b) GRATUITY

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a non - funded, defined benefit retirement plan (the gratuity plan) covering all employees. The plan, subject to the provisions of the Act, provides a lump sum payment to vested employees at retirement or termination of employment with the company. The Company estimates its liability on adhoc basis in the interim financial reports and on an actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).

(C) LEAVE ENCASHMENT

Leave encashment cost is a defined benefit, and is accrued on adhoc basis in the interim financial reports and on an actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).



B. OTHER NOTES

i) The subsidiary companies considered in the consolidated financial statements are:-

Name of Subsidiaries	Country of Incorporation	Proportion of Ownership Interest.
SSA International Limited	India	100%
Sam Buildcon Limited	India	100%

ii) **Deferred Tax Liability Comprise of following as on 31/03/2009.**

- Related to Fixed Assets : Rs.237.53 Lacs (P.Y. 125.06 Lacs)

iii) **Related Party Disclosures :-**

i) List of the Related parties with whom transactions have taken place and the relationships :

S. No.	Name of the Party	Relationship
1.	Samtex Foundation	Associated Concern

ii) Transaction during the year with the related parties : Rs.3.00 Lacs Written off during the year
Balance as on 31st March 2009 : Rs.0.68 Lacs (P.Y. Rs.3.68 Lacs)

iv) **Segment information :-**

The company has identified a geographical reportable segment viz M/S Samtex Fashions Ltd. New York and Business Segment for Rice & Oil. Segments have been identified and reported taking into account the differing risk and returns and the Financial business reporting systems. The accounting policies adopted for segment reporting are in line with the Accounting Policy of the Company, except the Accounting period which is for the New York Segment is calendar year.

a) **Segment Assets and Segment Liabilities represent Assets and Liabilities in Respective segments.**

GEOGRAPHICAL SEGMENT :-

I. PRIMARY SEGMENT INFORMATION :-

(Rs. in Lacs)

PARTICULARS	YEAR TO DATE FIGURES FOR THE CURRENT PERIOD ENDED 31.03.2009	YEAR TO DATE FIGURES FOR THE PREVIOUS YEAR ENDED 31.03.2008
1. TOTAL SALES AT EACH SEGMENT		
U.S.A.	2703.75	3166.67
INDIA	3563.37	4985.77
GROSS SALES	6267.12	8152.44
LESS :INTER SEGMENT REVENUE	866.34	1607.31
NET SALES /INCOME FROM OPERATION	5400.78	6545.13
2. SEGMENT RESULTS (PROFIT+/-LOSS – BEFORE TAX AND INTEREST FOR EACH SEGMENT)		
U.S.A.	82.28	67.67
INDIA	170.71	258.35
TOTAL	252.99	326.02
INTEREST	243.92	219.47
TOTAL PROFIT BEFORE TAX	9.07	106.55
3. As per Accounting Standard on segment reporting AS -17, prescribed by the Companies (Accounting Standards) Rules 2006, The Company has reported segment information.		
SECONDARY SEGMENT INFORMATION :		
SEGMENT ASSETS		
USA	942.12	891.55
SEGMENT LIABILITIES		
U S A	673.34	665.00
CAPITAL EMPLOYED		
U S A	268.78	226.55



BUSINESS SEGMENT

I. PRIMARY SEGMENT INFORMATION

PARTICULARS	YEAR TO DATE FIGURES FOR THE CURRENT PERIOD ENDED 31.03.2009	YEAR TO DATE FIGURES FOR THE PREVIOUS YEAR ENDED 31.03.2008
1. TOTAL SALES AT EACH SEGMENT		
RICE	42197.34	34564.98
OIL	5673.89	3924.38
GROSS SALES	<u>47871.23</u>	<u>38489.36</u>
LESS :INTER SEGMENT REVENUE	559.34	701.77
NET SALES /INCOME FROM OPERATION	<u>47311.89</u>	<u>37787.59</u>
2. SEGMENT RESULTS (PROFIT+/-LOSS – BEFORE TAX, INTEREST AND EXCHANGE FLUCTUATION FOR EACH SEGMENT)		
RICE	3275.32	1703.92
OIL	(59.13)	243.49
TOTAL	<u>3216.19</u>	<u>1947.41</u>
INTEREST	1174.68	985.05
EXCHANGE (GAINS)/LOSS	927.91	64.70
TOTAL	<u>2102.59</u>	<u>1049.75</u>
TOTAL PROFIT BEFORE TAX	<u>1113.60</u>	<u>897.66</u>
3. As per Accounting Standard on segment reporting As -17, prescribed by the Companies (Accounting Standards) Rules 2006, The Company has reported Segment information.		
SECONDARY SEGMENT INFORMATION :-		
SEGMENT ASSETS		
OIL	1050.70	669.01
SEGMENT LIABILITIES		
OIL	1172.29	29.48
CAPITAL EMPLOYED		
OIL	(121.59)	639.53

DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES :

- (A) The employee gratuity fund & leave encashment scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.
- (B) As per actuarial valuations as on 31st March-2009 and recognized in the financial statement in respect of employee benefit schemes.

(In Rs.)

	Gratuity 31.03.2009	Leave encashment 31.03.2009
(i)- Assumptions		
Discount Rate	7.00%	7.00%
Future Salary Increase	4.50%	4.50%
(ii) Table showing change in Benefit Obligation		
Liability at the beginning of the year	62,29,231	14,89,367
Interest Cost	4,36,046	1,04,256
Current Services Cost	8,17,014	2,94,591
Benefit Paid	(7,12,884)	(1,88,400)
Actuarial (gain)/loss on obligation	9,49,860	4,46,115
Liability at the end of the year	<u>77,19,267</u>	<u>21,45,929</u>



(In Rs.)

	Gratuity 31.03.2009	Leave encashment 31.03.2009
(iii) Tables of Fair value of Plan Assets		
Fair value of plan assets at the beginning of the year	—	—
Expected return on Plan Assets	—	—
Contributions	—	—
Benefit Paid	—	—
Actuarial (gain)/loss on Plan Assets	—	—
Fair Value of Plan Assets at the end of the year	—	—
Total actuarial gain / (loss) to be recognized	—	—
(iv) Actual Return on Plan Assets		
Expected Return on Plan Assets	—	—
Actuarial (gain)/loss on Plan Assets	—	—
Actuarial Return on Plan Assets	—	—
(v) Amount recognized in the Balance Sheet		
Liability at the end of the year	77,19,267	21,45,929
Fair value of plan assets at the end of the year	—	—
Difference	77,19,267	21,45,929
Amount recognized in the Balance sheet	77,19,267	21,45,929
(vi) Expenses recognized in the Income Statement		
Current Service Cost	8,17,014	2,94,591
Interest Cost	4,36,046	1,04,256
Expected Return On Plan Assets	—	—
Net actuarial (gain)/loss to be recognized	9,49,860	4,46,115
Expenses Recognized in Profit & Loss A/c	22,02,920	8,44,962
(vii) Amount Recognized in the Balance Sheet		
Opening net liability	62,29,231	14,89,367
Expense as above	22,02,920	8,44,962
Employers Contribution Paid	(7,12,884)	(1,88,400)
Closing net Liability	77,19,267	21,45,929

The company has adopted the accounting standard-15 (revised) i.e. employees benefits from the current Year for computation of gratuity & leave encashment. Hence, the excess provision of Rs.26,59,265/-on valuation of gratuity & leave encashment on 01.04.2008 written back to the reserve & surplus account.

Contingent liabilities not provided for in respect of :

- Letters of credit established for purpose of raw materials/consumables and capital goods amounting to Rs.21,49,53,652/- (previous year Rs.1,10,07,371/-) as per the exchange rate prevailing as on 31st March, 2009.
- Bank Guarantees issued and outstanding as on 31st March, 2009 amounting to Rs. 27,40,000/- (previous year Rs.21,40,000/-).
- No provision has been made in the books of accounts by the company for a sum of Rs. 5902380/-, Rs.890698/- and Rs.489296/- for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01,2003-04 and A.Y.2006-07 respectively, against which a sum of Rs 5859356/- and Rs. 8,90,698/- has already been paid for A.Y 2000-01 & A.Y. 2003-04 under protest. All the above liabilities have been disputed by the company before the Appellant Authority / Delhi High Court.

Remuneration paid to Auditors :

	Current Year (Rs.)	Previous Year (Rs.)
i) Audit Fee	185,300	153,652
ii) Tax Audit Fees	5,000	5,000
iii) Others (Including out of pocket expenses)	20,000	56,277



Remuneration paid to managing director and whole time directors are as under :

	Managing Director		Whole Time Directors	
	Current Year	Previous Year	Current Year	Previous Year
Salary & Allowances	895,833	835,000	1718,500	1287,000
Provident Fund	106,800	100,200	117,720	37,440
LTA	75,000	70,000	34,000	26,000
Medical	75,000	70,000	34,000	26,000

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-

ANIL MITTAL

CHAIRMAN & MANAGING DIRECTOR

Sd/-

S. K. GUPTA

DIRECTOR

FOR AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS

Sd/-

KAMINI GUPTA

COMPANY SECRETARY
& GM FINANCE

Sd/-

VINAY AGGARWAL

PARTNER
M. No. 82045

Place : New Delhi

Dated : 31.07.2009

SAMTEX FASHIONS LIMITED



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

(Amount Rs. 000)

PARTICULARS	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A) CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	112,005	101,251
ADD : LOSS ON SALE OF FIXED ASSETS/INVESTMENT	593	483
ADD : PRIOR PERIOD EXPENSES	301	—
ADD : EXCESS PROVISION WRITTEN BACK ON RETIREMENT BENEFIT FOR EARLIER YEARS	2,659	—
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	<u>115,558</u>	<u>101,734</u>
ADJUSTMENT FOR :		
DEPRECIATION AND WRITTEN OFF	43,281	40,271
INTEREST	141,860	120,453
OPERATING PFOFIT BEFORE WORKING CAPITAL CHANGES	<u>300,699</u>	<u>262,458</u>
ADJUSTMENT FOR :		
TRADE AND OTHER PAYABLES	1,850	87,684
INVENTORIES	(152,126)	(440,399)
TRADE & OTHER RECEIVABLES	<u>(224,173)</u>	<u>13,754</u>
	<u>(374,449)</u>	<u>(338,961)</u>
CASH GENERATED FROM OPERATIONS	<u>(73,750)</u>	<u>(76,503)</u>
ADJUSTMENT FOR :		
DIRECT TAXES	(20,840)	(43,417)
PRIOR PERIOD EXPENSES	<u>(301)</u>	<u>(984)</u>
	<u>(21,141)</u>	<u>(44,401)</u>
NET CASH FROM OPERATING ACTIVITIES (A)	<u>(94,891)</u>	<u>(120,904)</u>
B) CASH FLOW FROM INVESTING ACTIVITIES :		
PURCHASE OF FIXED ASSETS	(229,320)	(68,849)
REALISATION FROM ALLOTMENT OF FLATS UNDER HOUSING PROJECT	—	11,061
HOUSING PROJECT WORK IN PROGRESS	(3,231)	—
PURCHASE OF INVESTMENTS	500	(500)
SALE OF FIXED ASSETS	<u>4,139</u>	<u>1,428</u>
	<u>(227,913)</u>	<u>(56,860)</u>
NET CASH USED IN INVESTING ACTIVITIES (B)		
C) CASH FLOW FROM FINANCING ACTIVITIES :		
TERM. LOANS (NET OF REPAYMENT)	197334	(22862)
CORPORATE LOAN	(10454)	(9413)
WORKING CAPITAL LOANS	286857	307999
INTEREST PAID	<u>(141860)</u>	<u>(120453)</u>
NET CASH RECEIVED FROM FINANCEING ACTIVITIES (C)	<u>331876</u>	<u>155271</u>
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	<u>9,070</u>	<u>(22,493)</u>
CASH AND CASH EQUIVALENT AS AT 01.04.2008	<u>33,889</u>	<u>56,382</u>
CASH AND CASH EQUIVALENT AS AT 31.03.2009	<u>42,959</u>	<u>33,889</u>

NOTE : FIGURES IN BRACKETS REPRESENT OUTFLOWS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

	Sd/-	Sd/-	Sd/-
	ANIL MITTAL	S. K. GUPTA	KAMINI GUPTA
Place : New Delhi	CHAIRMAN & MANAGING	DIRECTOR	COMPANY SECRETARY
Dated : 31.07.2009	DIRECTOR		& GM FINANCE

AUDITORS REPORT

We have examined the above Cash Flow Statement of Samtex Fashions Limited derived from the audited financial statements of the company for the years ended 31st March' 2009. and found the same in agreement therewith and in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

FOR AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS

Place : New Delhi
Dated : 31.07.2009

Sd/-
VINAY AGGARWAL
PARTNER
M. No. 82045

Sam Buildcon Ltd.

(Wholly owned Subsidiary Company)

ANNUAL REPORT 2008 - 2009

BOARD OF DIRECTORS

Anil Mittal

Director

Naveen Mittal

Director

Atul Mittal

Director

AUDITORS

M/s Aggarwal & Rampal

Chartered Accountants

New Delhi

BANKERS

State Bank of India

Overseas Branch,

9th Floor, Jawahar Vayapar Bhawan,

Tolstoy Marg, New Delhi - 110 001

REGISTERED OFFICE

M-71, (Market), Greater Kailash - II,

New Delhi - 110 048

SAM BUILDCON LIMITED

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the First Annual Report of your Company along with the Audited Accounts for the period ended 31st March, 2009.

FINANCIAL RESULTS

The summary of the financial results of the Company during the period under review are as under:

Particulars	(Amount In Rs.)
	For the period ended March 31, 2009
Revenue	Nil
Profit / (loss) before and after tax	(263,351)
Balance carried over to Balance Sheet	(263,351)

REVIEW OF OPERATIONS

The Company had obtained the Certificate of commencement of business dated 25th September, 2008 from Ministry of Corporate Affairs, Govt. of India. However during the year under report no any business activity have taken place.

SHARE CAPITAL

As on 31st March 2009, the Company's share capital stood at Rs. 5,00,700 (50,070 Equity shares of Rs. 10/- each).

The Company was incorporated on 5th February, 2008 and became wholly owned subsidiary of Samtex Fashions Limited w.e.f. 20th March, 2009. The Holding Company holds 50,070 equity shares of Rs. 10/- each of the Company.

DIRECTORS

Mr. Anil Mittal, Mr. Atul Mittal and Mr. Naveen Mittal appointed as the First Directors as per the Articles of Association of the Company.

Mr. Anil Mittal, Director of the Company retire by rotation at the conclusion of the ensuing Annual general Meeting of the Company and being eligible offer himself for reappointment.

DIVIDEND

In order to conserve and strengthen the financial resources of the Company, the Directors have not considered it possible to recommend any dividend for the period ended 31.03.2009

DIRECTORS RESPONSIBILITY STATEMENT

As required under section 217 (2AA) of the Companies Act, 1956, the Directors of the Company hereby state and confirm:

1. That in preparation of annual accounts, applicable Accounting Standards have been followed along with the proper explanations relating to material departures;
2. That they have selected the accounting policies described in the notes to accounts, which have been consistently applied and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2009 and of the profit or loss of the Company for that period;
3. That 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. That the annual accounts have been prepared on a going concern basis.

SAM BUILDCON LIMITED

AUDITORS

The Auditors, M/s. Aggarwal & Rampal, Chartered Accountants, retire at the conclusion of the Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS' REPORT

Auditors observations contained in the Auditors' Report read with Notes on Accounts are self-explanatory and do not call for any further clarifications.

INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

The particulars with respect to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo and other areas as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are Nil.

PARTICULARS OF EMPLOYEES AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956

None of the employee of the Company is in receipt of remuneration in excess of the limit prescribed under Section 217 (2A) of the Companies Act, 1956.

PUBLIC DEPOSITS:

During the period under review, the Company has not invited or accepted any deposits from the Public within the meaning of Section 58A of the Companies Act, 1956.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the valuable support and cooperation of the Company's Bankers, Government Agencies, Customers, Suppliers, Shareholders, Management team and the entire work force for their cooperation and commitment and look forward for their continued support in future.

For and on Behalf of the Board of Directors
For Sam Buildcon Limited

Place : New Delhi
Date : 20th July 2009

Sd/-
Naveen Mittal
Director

Sd/-
Atul Mittal
Director

SAM BUILDCON LIMITED

AUDITOR'S REPORT

To,
The Members of
M/S SAM BUILDCON LIMITED

We have audited the attached Balance Sheet of M/S SAM BUILDCON LIMITED as at 31st March, 2009, 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. We have expressed 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 required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audit also included 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, as amended by the Companies (Auditors' 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, of India and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in 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:

1. 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.
2. In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of those books.
3. The Balance Sheet and Profit and Loss Account in this report are in agreement with the books of account.
4. In our opinion, the Profit & Loss Account and Balance Sheet and cash flow statement dealt with this report generally comply with the accounting standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of the written representation 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 31-03-2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read 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
 - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009 and
 - ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date.
 - iii) In the case of the Cash Flow Statement of Cash Flow for the year ended on that date.

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
(VINAY AGGARWAL)
PARTNER
M.No. F 082045

Place : New Delhi
Dated : 20-07-2009

ANNEXURE REFERRED TO IN OUR AUDIT REPORT OF EVEN DATE OF M/S SAM BUILDCON LIMITED, PURSUANT TO THE COMPANIES (AUDITOR'S REPORT) ORDER 2003 AMENDED BY THE COMPANIES (AUDITOR'S REPORT) (AMENDMENT) ORDER, 2004:-

- I The Company has no Fixed Assets. Hence Provisions of this para are not applicable to the Company.
- II The Company has not started its business operation and has no inventory, Hence Provisions of this para are not applicable to the Company.

SAM BUILDCON LIMITED

- III (a) The company has not taken loan from any other companies covered in the register maintained under section 301 of the companies Act, 1956, and the company has not given loan to any other party covered in the register maintained under section 301 of the Companies Act, 1956, and thus provisions of Para 3(b), (c) and, (d) of the order are not applicable to the company.
- IV The Company has not started its business operation and hence Provisions of this para are not applicable to the Company.
- v. (a) According to the information and explanations provided by the management, we are of the opinion that the company has entered all transactions that need to be entered in the register maintained under section 301.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakhs rupees 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 times.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any Deposits as defined with in the meaning of Sections 58A and 58AA of the companies Act, 1956 and the companies (Acceptance of Deposits) Rules 1975 and hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order,2003 are not applicable to the Company.
- vii. Provisions of this para are not applicable to the company.
- viii. As informed to us maintenance of cost records has not been prescribed by the Central Government under section 209 (1)(d) of the Companies act, 1956.
- ix. (a) The Company has not started its Commercial Activity and Hence Provisions of this para are not applicable to the Company.
- (b) According to the record of company, there are no dues of sales tax, income tax, custom tax/wealth tax, excise duty/ cess which have not been deposited on account of any dispute.
- x. The Company is incorporated on 05-02-2008. Since five year has not been elapsed, hence Provisions of this para are not applicable to the Company
- xi. As explained and informed to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, or bank.
- xii. Based on the records we report that 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. The company is not a chit fund company or mutual fund / Society, thus the provisions of this para are not applicable.
- xiv. As per records of the company and the information and explanations given to us by the management, The Company is not dealing or trading in shares, securities, and debentures and other investment.
- xv. According to the information and explanations provided to us by the management, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. No term loans has been obtained by the company, Hence provisions of this para are not applicable to the Company.
- xvii. Provisions of this para are not applicable to the Company.
- xviii. As explained and informed to us by the management and upon our examination of records we report that 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 types of debentures. The question of creation of any security in respect of debentures does not arise.
- xx. During the financial year the company did not raise any money by public issue.
- xxi. In our opinion and according to information and explanations given to us by the management, there was no fraud on or by the company which has been noticed and reported during the year that causes the financial statements to be materially misstated.

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
(VINAY AGGARWAL)
PARTNER

Place : New Delhi
Dated : 20-07-2009

SAM BUILDCON LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 AMOUNT (Rs.)
I. SOURCE OF FUNDS		
SHAREHOLDERS FUNDS		
SHARE CAPITAL	I	500,700
RESERVES AND SURPLUS	II	—
LOAN FUNDS :		
UNSECURED LOANS	III	258,000
		<u>758,700</u>
II. APPLICATION OF FUNDS :		
CURRENT ASSETS, LOANS AND ADVANCES		
CASH AND BANK BALANCES	IV	500,349
		<u>500,349</u>
LESS : CURRENT LIABILITIES AND PROVISIONS	V	5,000
NET CURRENT ASSETS		<u>495,349</u>
PROFIT & LOSS ACCOUNT	VIII	263,351
NOTES FORMING PART OF ACCOUNTS		<u>758,700</u>

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-
ATUL MITTAL
DIRECTOR

Sd/-
NAVEEN MITTAL
DIRECTOR

FOR AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

Place : New Delhi
Dated : 20.07.2009

SAM BUILDCON LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

<i>PARTICULARS</i>	<i>SCHEDULE</i>	<i>AS AT 31.03.2009 AMOUNT (Rs.)</i>
INCOME		NIL
TOTAL		NIL
EXPENDITURE		
ADMINISTRATIVE AND OTHER EXPENSES	VI	12,050
MISCELLANEOUS EXPENDITURE WRITTEN OFF	VII	251,301
TOTAL		263,351
NET PROFIT/(LOSS) FOR THE YEAR BEFORE TAX		(263,351)
LESS : PRIOR PERIOD EXPENSES		—
PROFIT BEFORE TAX FOR THE YEAR		(263,351)
TAX EXPENSES		
— CURRENT TAX		—
— DEFERED TAX ASSETS/(LIABILITIES)		—
PROFIT/(LOSS) AFTER TAX		(263,351)
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		—
BALANCE CARRIED OVER TO BALANCE SHEET		(263,351)

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
ATUL MITTAL
DIRECTOR

Sd/-
NAVEEN MITTAL
DIRECTOR

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

Place : New Delhi
Dated : 20.07.2009

SAM BUILDCON LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31.03.2009 AMOUNT (Rs.)
<u>SCHEDULE - I</u>	
SHARE CAPITAL	
AUTHORISED	
20,00,000 EQUITY SHARES OF RS. 10 EACH	20,00,000
ISSUED, SUBSCRIBED AND PAID UP :	
50,070 EQUITY SHARES OF RS. 10 EACH	500,700
FULLY PAID UP IN CASH	
TOTAL	<u>500,700</u>
 <u>SCHEDULE - II</u>	
RESERVES AND SURPLUS	
PROFIT AND LOSS ACCOUNT	—
TOTAL	<u>—</u>
 <u>SCHEDULE - III</u>	
UNSECURED LOANS :	
FROM HOLDING COMPANY :-	
SAMTEX FASHIONS LIMITED	258,000
TOTAL	<u>258,000</u>
 <u>SCHEDULE - IV</u>	
CASH AND BANK BALANCES :	
CASH & BANK BALANCE	
CASH IN HAND	799
BALANCES WITH BANKS :	
IN CURRENT ACCOUNTS WITH SCHEDULED BANKS	499,550
TOTAL	<u>500,349</u>

SAM BUILDCON LIMITED

<i>PARTICULARS</i>	<i>AS AT 31.03.2009 AMOUNT (Rs.)</i>
--------------------	--

SCHEDULE - V

CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES	—
B. PROVISIONS	
EXPENSES PAYABLE	5,000
TOTAL (A)+(B)	5,000

<i>PARTICULARS</i>	<i>FOR THE PERIOD ENDED (14 MONTHS) 31.03.2009 AMOUNT (Rs.)</i>
--------------------	---

SCHEDULE - VI

ADMINISTRATIVE AND OTHER EXPENSES

AUDITOR'S REMUNERATION	5,000
BANK CHARGES	550
LEGAL & PROFESSIONAL EXPENSES	1,000
OFFICE EXPENSES	2,000
PRINTING & STATIONERY	3,500
TOTAL	12,050

SCHEDULE - VII

MISCELLANEOUS EXPENDITURE WRITTEN OFF

PRELIMINARY EXPENDITURE WRITTEN OFF	251,301
TOTAL	251,301

SAM BUILDCON LIMITED

SCHEDULE - VIII

NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principals (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Management evaluates all recently issued or revised accounting accounting standards on an on going basis.

- b) The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and Assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date,of financial statements and the reported amounts of revenues and expenses during the reporting period.

Example of such estimates includes estimate of carrying value of work in progress, provision for doubtful debts and useful life of fixed assets. Actual results could differ from estimates.

3. PROVISION FOR CURRENT AND DEFERRED TAX

The company has not provided for current tax and deferred tax for the current financial year as the company has not yet started any commercial activity.

4. MISCELLANEOUS EXPENDITURE

Treat of Miscellaneous expenses and preliminary expenses have been written off as per Accounting Standard 26 (AS-26) on Intangible Assets..

5. CONTINGENT LIABILITIES & PROVISIONS

In terms of the requirement of the Accounting Standard 29 (AS-29) on "Provisions, Contingent Liabilities and Contingent Assets".

- (a) Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates' can be made of the amount of obligation- an appropriate provision is created and disclosed.
- (b) Where as a result of past events, there is a possible obligation that may, but probably will not require an outflow of resources no provision is recognised but appropriate disclosure made as contingent liability unless the possibility of out flow is remote.

B. OTHER NOTES

1. There are no contingent liabilities exist to the company as on the Balance Sheet date.
2. The accounts have been prepared from the date of incorporation of the company i.e. 05.02.2008 to 31.03.2009 and this being the first accounts of the company, hence previous years comparative figures have not been given.
3. **Remuneration paid to Auditors :**

	Current Year (Rs.)
i) Audit Fee	5,000
ii) Tax Audit Fees	—
iii) Others (Including out of pocket expenses)	—

SAM BUILDCON LIMITED

4. In the opinion of the directors current assets, loans and advances are of the value stated if realized in the ordinary course of the business except otherwise stated. The provision for all the known liabilities is adequate and not in excess of the amount considered Reasonably necessary.
5. **Related Party Disclosures :-**
- | | | |
|------------------------------------|---|----------------------|
| (a) Name of the related Party | : | Samtex Fashions Ltd. |
| (b) Nature of relationship | : | Holding Company. |
| (c) Nature of Transactions | : | Finance/ Investment |
| | | Current Year |
| (d) Outstanding at the end of year | : | |
| — Equity | : | Rs. 5.01 Lacs |
| — Unsecured Loans | : | Rs. 2.58 Lacs |
6. As the company has not commenced any commercial activity additional information pursuant to the provisions of paragraph 3, 4C and 4D of the schedule VI to the Companies Act, 1956 are given to the extent applicable.
7. Schedule I to VII form an integral part of the Balance Sheet as at 31st March, 2009 and have been authenticated as such.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-
ATUL MITTAL
DIRECTOR

Sd/-
NAVEEN MITTAL
DIRECTOR

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

Place : New Delhi
Dated : 20.07.2009

SAM BUILDCON LIMITED

INFORMATION PURSUANT TO PART - IV OF THE SCHEDULE VI OF THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. U74120DL2008PLC173566

Balance Sheet

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

II Capital Raised during the year (amount in Rs. Thousand)

Public Issue

N	I	L
---	---	---

 Right Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Private Placement

5	0	1
---	---	---

III Position of Mobilisation and Development of Funds (Amount in Rs. Thousand)

Total Liabilities

7	5	9
---	---	---

 Total Assets

4	9	5
---	---	---

Sources of funds

Paid up Capital

5	0	1
---	---	---

 Reserves & Surplus

N	I	L
---	---	---

Unsecured Loans

2	5	8
---	---	---

 Deferred Tax Liability

N	I	L
---	---	---

Application of funds

Net Fixed Assets

N	I	L
---	---	---

 Investments

N	I	L
---	---	---

Net Current Assets

4	9	5
---	---	---

 Misc. Expenditure

N	I	L
---	---	---

Accumulated Losses

2	6	4
---	---	---

IV. Performance of Company (Amount in Rs. Thousand)

Turnover

N	I	L
---	---	---

 Total Expenditure

2	6	4
---	---	---

Profit/(Loss) before tax

(-	2	6	4)
---	---	---	---	---	---

 Profit/(Loss) after tax

(-	2	6	4)
---	---	---	---	---	---

Earning per Share in Rs.

N	I	L
---	---	---

 Dividend Rate %

N	I	L
---	---	---

V. Generic Names of Three Principal Products / Services of Company.

Item Code No. (I.T.C. Code)

—

Product Description

NIL

The ITC codes of the products are as per publication " Indian Trade Classification" based on harmonised commodity description and coding system of Ministry of Commerce, Directorate of Commercial Intelligence and Statistics

SAM BUILDCON LIMITED

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

PARTICULARS	AS AT 31.03.2009 AMOUNT (Rs.)	
A) CASH FLOW FROM OPERATING ACTIVITIES :-		
NET PROFIT BEFORE TAX	(263)	
	<hr/>	
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	(263)	
ADJUSTMENT FOR :	—	
	<hr/>	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(263)	(263)
ADJUSTMENT FOR :		
TRADE AND OTHER PAYABLES	5	5
	<hr/>	<hr/>
NET CASH GENERATED FROM OPERATIONS		(258)
B) CASH FLOW FROM INVESTING ACTIVITIES :		—
C) CASH FLOW FROM FINANCING ACTIVITIES :		
PROCEEDS FROM ISSUE OF SHARE CAPITAL	501	
UNSECURED LOAN	258	759
	<hr/>	<hr/>
NET CASH RECEIVED FROM FINANCING ACTIVITIES		759
NET INCREASE(Decrease) IN CASH AND CASH EQUIVALENT (A+B+C)		
CASH AND CASH EQUIVALENT AS AT 05.02.2008		—
CASH AND CASH EQUIVALENT AS AT 31.03.2009		500

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 20.07.2009

Sd/-
ATUL MITTAL
Director

Sd/-
NAVEEN MITTAL
Director

AUDITORS REPORT

We have examined the above Cash Flow Statement of **Sam Buildcon Ltd.** derived from the audited financial statement of the company for the period ended 31st March 2009, and found the same in agreement therewith and in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

Place : New Delhi
Dated : 20.07.2009

FOR AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS
Sd/-
VINAY AGGARWAL
PARTNER
M. No. 82045



SSA International Ltd.

(Wholly owned Subsidiary Company)

ANNUAL REPORT 2008 - 2009

BOARD OF DIRECTORS

Anil Mittal

Naveen Mittal

Rajnish Goenka

S. K. Gupta

Amit Mittal

Rakesh Aggarwal

Chairman & Managing Director

Director

Director

Director

Director

Director

AUDITORS

M/s Aggarwal & Rampal

Chartered Accountants

New Delhi

COMPANY SECRETARY

Ms. Priya Bedi

INTERNAL AUDITORS

M/s Ashok Aggarwal & Co.

Chartered Accountants

Delhi

BANKERS

State Bank of India

Overseas Branch,

9th Floor, Jawahar Vayapar Bhawan,

Tolstoy Marg, New Delhi - 110 001

State Bank of Travancore

Travencore House, K. G. Marg,

New Delhi - 110 001

Canara Bank

PCB-II Branch, New Delhi - 110 001

IDBI Bank Ltd.

New Delhi - 110 001

REGISTERED OFFICE

M-71, (Market), Greater Kailash - II,

New Delhi - 110 048

WORKS

1. 67th Mile Stone, Samalkha,
Distt. Panipat, Haryana
2. Plot No. A-11, Mandideep Industrial Worth Centre,
Satlapur, Raisen (M.P.)



DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the 14th Annual Report with the Audited Accounts of the Company for the year ended 31st March' 2009.

FINANCIAL RESULTS

The Financial Results of the Company as disclosed in the accounts are summarised below:-

PARTICULARS	Rs. in Lacs	
	CURRENT YEAR 2008-2009	PREVIOUS YEAR 2007-2008
Sales and other Income	47380.65	38198.50
Profit before tax, interest, depreciation and write offs	3577.73	2234.68
Interest & Financial Expenses	2196.29	1090.45
Depreciation & Misc. Expenditure written-off	267.83	248.12
Profit Before Tax	1113.61	896.11
Provision for Taxation :		
— Current	160.00	308.00
— Deferred	109.51	2.31
— Fringe Benefits	6.68	5.00
— Earlier Years	39.51	88.96
Profit after Tax	797.90	491.84
Balance of Profit from Previous Years	2168.39	1676.54
Balance of Profit carried forward	2966.29	2168.39

OPERATIONS AND FUTURE PROSPECTS

Your Company has maintained its consistent growth in the top line as well as bottom line during the year under review. Your Directors have pleasure in reporting that the turnover and other income of the Company for the accounting year have increased to Rs. 473.81 Crores as against Rs. 381.98 Crores in the previous year which shows a growth of 24% and net profits after taxes increased to Rs. 7.98 crores which shows a growth of 62% over the previous year.

The Directors' are pleased to inform that the Company had set up a new Rice Mill Plant with a capacity of 54000 MT p.a. of paddy milling, at Mandideep, near Bhopal in the state of Madhya Pradesh, with the financial assistance of Rs. 21.00 crores by way of Term Loan from State Bank of India and the Internal accruals and investments from the Parent Holding Company. The new unit started commercial operations effective from 1st March,2009.

The Board is confident enough that with these additional manufacturing facilities, the Company will prove niche in Rice Industry. The Company's strategy of moving into branded and higher value added products resulted into significant improvement in its turnover. The International Market in Dubai for export of its Products is growing and management is satisfied with the performance. In these Markets the Company is selling the Products in its own Brands namely- "272", "SSA" and "Delight".

LAND MARK

Your Directors are pleased to inform that the Company has been granted the status of a Government Recognized "Trading House" on the basis of its Export Turnover for the previous years from the Ministry of Commerce and Industry, Govt. of India.

MISSION

To reach out across the world to Global Customers offering a portfolio of Quality Food Products with most stringent standards of quality and hygiene and to implement effective Brand promotion strategies.

DIVIDEND

In order to conserve and strengthen the financial resources of the Company, the Directors have not considered it possible to recommend any dividend for the year 2008-2009.



AUDITORS' REPORT

Auditors observations contained in the Auditors' Report read with Notes on Accounts are self-explanatory and do not call for any further clarifications.

AUDITORS

The Auditors, M/s Aggarwal & Rampal (Previous M/s Vinay Aggarwal & Associates before merger) hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the prescribed limit under Section 224 (1B) of the Companies Act' 1956.

INTERNAL AUDIT

M/s Ashok Aggarwal & Co., Chartered Accountants, the Company's Internal Auditors conducting periodic audit of all operations of the Company and the Audit Committee of the Board of Directors has reviewed their findings regularly. Their reports have been well received by the Audit Committee.

DIRECTORS

Mr. Rajnish Goenka and Mr. Naveen Mittal, Directors of the Company retire by rotation at the ensuing Annual General Meeting and, being eligible, they offer themselves for re-appointment.

Mr. Sanjeev Mittal resigned from the position of Whole Time Director as well as Directorship of the Company due to his other pre occupations w.e.f. 1st October, 2008. The resignation was accepted in the Board of Directors meeting held as on 13th October, 2008. The Board of Directors placed on record its appreciation for the valuable services rendered by Mr. Sanjeev Mittal during his tenure as Whole Time Director and Director of the Company.

Mr. Amit Mittal was appointed as Additional Director as well as Whole Time Director, on the Board w.e.f. 01.01.2009. He holds the office as Additional Director up to the ensuing Annual General Meeting of the Company.

Mr. Rakesh Aggarwal was appointed as Additional Director on the Board w.e.f. 30.06.2009 to hold the office up to the ensuing Annual General Meeting of the Company.

The Company has received notices from the members under section 257 of the Companies Act, 1956 proposing the candidature of Mr. Amit Mittal and Mr. Rakesh Aggarwal as Director of the Company at the ensuing Annual General Meeting.

AUDIT COMMITTEE

Pursuant to the provisions of Section 292 A of the Companies Act, 1956, your Board of Directors has constituted an Audit Committee.

Presently it comprises of the following Directors:

- (i) Mr. S.K. Gupta as Chairman of the Committee
- (ii) Mr. Naveen Mittal
- (iii) Mr. Rajnish Goenka

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rule, 1988 is given in the Annexure – A, which forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of provisions of section 217 (2AA) of the Companies Act, 1956, the Directors' confirm that:-

1. Applicable accounting standards have been followed in preparing the annual accounts and material departures, if any have been properly explained.
2. The Directors have selected and applied accounting policies and applied them consistently and have made judgments 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 or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts for the year ended 31.03.2009 on a going concern basis.



PERSONNEL

The provisions of Section 217 (2A) of the Companies Act, 1956 are not applicable, as no employee was drawing the remuneration specified in the rules made there under.

PUBLIC DEPOSIT

The Company has not invited or accepted any deposit from Public during the year under review.

INDUSTRIAL RELATIONS

The Industrial relations remained cordial during the year under review.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to members, business associates, various agencies of the Government, Financial institutions and Banks for all the help and Co-operation extended by them to the Company.

We also acknowledge with appreciation the devoted services rendered by the workers, staff and Executives at all levels of the Company.

For and on behalf of the Board of Directors
For **SSA INTERNATIONAL LIMITED**

Sd/-
ANIL MITTAL

Chairman & Managing Director

Place : New Delhi
Dated : 25.07.2009

ANNEXURE "A"

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March' 2009.

A. CONSERVATION OF ENERGY

1. Energy Conservation measures taken : Energy conservation measures continues to remain thrust area and have already been implemented by:-
 - (i) Use of energy efficient Tube lights. Switching off electrical equipments, when not in use.
 - (ii) Use of energy saving, Husk Fired Boiler and insulated steam lines to reduce the steam losses and improvement in condensate recovery of Boiler.
 - (iii) Use of energy efficient motors of correct size to save energy.
 - (iv) Reduction in Boiler blow down frequency.
 - (v) Regular preventive maintenance of electrical devices.
2. Additional investment and proposals, if any being implemented for reduction of Consumption of energy. : Installation of balancing equipments to optimize capacity.
3. Impact of measures at (1) and (2) above for reduction of energy Consumption and consequent Impact on the cost of production of goods. : Created general awareness in the plant about the need for reduction in consumption of energy and cost of energy consumption of energy consumption is controlled.
4. Total energy consumption per unit of Production As per Form "A" of the Annexure in respect of Industries Specified in the Schedule there to. : As per Form "A"



FORM "A"

Disclosure of particulars with respect to conservation of energy:

	<u>Current Year</u>	<u>Previous Year</u>
A. POWER AND FUEL COSUMPTION :-		
a) Purchased		
- Unit	7094497	7997960
- Total Amount (Rs. Lacs)	322.98	353.73
- Rate/ Per Unit (Rs.)	4.55	4.423
b) Own Generation Through Diesel Generator		
- Unit	790241	837446
- Total Amount (Rs. Lacs)	71.34	71.92
- Rate/ Per Unit (Rs.)	9.03	8.588

B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION:-

(i) RESEARCH AND DEVELOPMENT

The Company has no specific R & D activities. However the Company has well equipped Quality Control department to check the quality of final product.

(ii) TECHNOLOGY ABSORPTION

New Technology absorption by installation of latest upgraded equipments and machineries is the endeavor of the Company. Developments of the new products, designs and quality improvement are a continuous process.

C. FOREIGN EXCHANGE EARNINGS & OUTGO :

Activities relating to Exports, initiative taken to increase exports, development of new export markets for product and services and export plans:

Regularly developing the new international markets. In order to develop new export markets for its products, your company is regularly participating through its buyers, in international exhibitions. Company brands are well accepted by the overseas buyers and now the Company has got registered its own brands in overseas markets.

	<u>Current Year</u>	<u>(Rs. In Lacs)</u> <u>Previous Year</u>
1. Earning for the year	24868.96	21052.02
2. Outgo for the year		
Raw Material	3122.01	607.70
Capital Goods	329.42	NIL
Others – Foreign Traveling	6.21	1.44
Ocean Freight	373.63	724.98
Others	0.86	Nil

For and on behalf of the Board of Directors
For **SSA INTERNATIONAL LIMITED**

Sd/-

ANIL MITTAL

Chairman & Managing Director

Place : New Delhi
Dated : 25.07.2009



AUDITOR'S REPORT

To,
The Members of
M/S SSA INTERNATIONAL LIMITED

We have audited the attached Balance Sheet of M/s SSA INTERNATIONAL LIMITED as at 31st March, 2009, 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. We have expressed 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 required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audit also included 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, as amended by the Companies (Auditors' 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, of India and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in 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:

1. 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.
2. In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of those books.
3. The Balance Sheet and Profit and Loss Account in this report are in agreement with the books of account.
4. In our opinion, the Profit & Loss Account and Balance Sheet and cash flow statement dealt with this report generally comply with the accounting standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of the written representation 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 31-03-2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read 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.
 - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009 and
 - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
 - iii) In the case of the Cash Flow Statement of Cash Flow for the year ended on that date.

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Place : New Delhi
Dated : 25.07.2009

Sd/-
(VINAY AGGARWAL)
PARTNER
M. No. 82045



ANNEXURE REFERRED TO IN OUR AUDIT REPORT OF EVEN DATE OF M/S SSA INTERNATIONAL LIMITED, PURSUANT TO THE COMPANIES (AUDITOR'S REPORT) ORDER 2003 AMENDED BY THE COMPANIES (AUDITOR'S REPORT) (AMENDMENT) ORDER, 2004:-

- I. (a) In our opinion and as per information and explanation provided to us the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us most of the fixed assets have been physically verified by the management during the year and as per the explanations and information given to us there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of account.
- (c) During the year, the company has not disposed off any part of the plant and machinery, which will have the effect on the Going concern of the company.
- II. (a) As explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to information and explanations given to us 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) As explained and based on the information given to us, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same has been properly dealt with in the books of account.
- III. (a) The company has not taken loan from any other companies covered in the register maintained under section 301 of the companies Act, 1956, and the company has not given loan to any other party covered in the register maintained under section 301 of the Companies Act, 1956, and thus provisions of Para 3(b), (c) and, (d) of the order are not applicable to the company.
- 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 company and the nature of its business with regard to, purchase of stores and spares, raw materials, fixed assets, and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in such internal controls.
- v. (a) According to the information and explanations provided by the management, we are of the opinion that the company has entered all transactions that need to be entered in the register maintained under section 301.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakhs rupees 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 times.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any Deposits as defined with in the meaning of Sections 58A and 58AA of the companies Act, 1956 and the companies (Acceptance of Deposits) Rules 1975 and hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- vii. Internal Audit has been conducted by an independent firm of Chartered Accountants during the year and it is commensurate with the size and nature of Business.
- viii. As informed to us maintenance of cost records has not been prescribed by the Central Government under section 209 (1)(d) of the Companies act, 1956.
- ix. (a) The company is generally been 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, Fringe Benefit Tax, cess and other statutory dues applicable to it and as informed and explained to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and



excise duty were outstanding; as at 31.03.2009 for a period of more than six months from the date they became payable.

- (b) According to the record of company, there are no dues of sales tax, income tax, custom tax/wealth tax, excise duty/cess which have not been deposited on account of any dispute, except LADT payable to Haryana Government amounting to Rs. 127,361/ refers to Note No. B15 of other Notes to the Notes on Accounts.
- x. The company does not have any accumulated losses. Further it has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi. As explained and informed to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, or bank.
- xii. Based on the records we report that 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. The company is not a chit fund company or mutual fund / Society, thus the provisions of this para are not applicable.
- xiv. As per records of the company and the information and explanations given to us by the management, The Company is not dealing or trading in shares, securities, and debentures and other investment except those investments, which are held as investment. In our opinion, in respect of those investments held by the Company, proper records have been maintained of the transactions and contracts and timely entries have been made therein and the shares, securities and other investments have been held by the Company, in its own name.
- xv. According to the information and explanations provided to us by the management, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. The term loans obtained by the company have been applied for the purpose for which they were raised.
- 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 no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except core (permanent) working capital.
- xviii. As explained and informed to us by the management and upon our examination of records we report that 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 types of debentures. The question of creation of any security in respect of debentures does not arise.
- xx. During the financial year the company did not raise any money by public issue.
- xxi. In our opinion and according to information and explanations given to us by the management, there was no fraud on or by the company which has been noticed and reported during the year that causes the financial statements to be materially misstated.

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS

Sd/-
(VINAY AGGARWAL)
PARTNER
M. No. 82045

Place : New Delhi
Dated : 25.07.2009



BALANCE SHEET AS AT 31ST MARCH, 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 AMOUNT (Rs.)	AS AT 31.03.2008 AMOUNT (Rs.)
I. SOURCE OF FUNDS			
Shareholder's Funds			
Share Capital	1 (A)	138,599,700	138,599,700
Share Application Money	1 (B)	15,000,000	15,000,000
Reserves & Surplus	2	296,694,450	216,838,782
Loan Funds			
Secured Loans	3	1,611,626,400	1,126,932,177
Unsecured Loans	4	18,532,447	18,532,447
Deferred tax Liability		20,881,239	9,929,892
Total		2,101,334,236	1,525,832,998
II. APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	612,408,931	392,355,720
Less : Depreciation		150,598,404	125,651,518
Net Block		461,810,527	266,704,202
Add : Capital work in progress		5,580,131	—
		467,390,658	266,704,202
INVESTMENTS	6	5,000,000	5,000,000
CURRENT ASSETS, LOAN & ADVANCES			
Inventories	7	1,545,143,086	1,396,886,466
Sundry Debtors	8	349,021,399	121,665,806
Cash & Bank Balances	9	33,032,110	6,542,457
Loans & Advances	10	70,840,464	110,749,495
Total Current Assets		1,998,037,059	1,635,844,224
Less : Current Liabilities	11 (A)	338,254,118	344,540,834
Less : Provisions	11 (B)	31,131,521	38,246,751
Net Current Assets		1,628,651,421	1,253,056,639
MISCELLANEOUS EXPENDITURE	12	292,157	1,072,157
(To the extent not written off or adjusted)			
Total		2,101,334,236	1,525,832,998
Notes forming part of accounts	23		

For and on behalf of the Board of Directors

As per our report of even date attached

For **AGGARWAL & RAMPAL**
Chartered Accountants

Sd/-
ANIL MITTAL
Chairman & Managing Director

Sd/-
NAVEEN MITTAL
Director

Sd/-
PRIYA BEDI
Company Secretary

Sd/-
VINAY AGGARWAL
Partner
M. No. 82045

Place : New Delhi
Dated : 25.07.2009



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
INCOME			
Sales	13	4,731,189,025	3,778,759,220
Other Income	14	6,876,367	41,090,391
Increase / (Decrease) in stocks	15	(239,534,515)	290,966,483
Total(A)		4,498,530,877	4,110,816,094
EXPENDITURE			
Material Cost	16	3,325,293,423	3,404,819,571
Purchase of Finished Goods		312,200,651	60,348,666
Manufacturing Expenses	17	76,338,732	70,323,176
Payments to & Provisions for employees	18	20,549,747	16,640,921
General & Administrative Expenses	19	17,983,564	17,408,497
Selling & Distribution Expenses	20	388,392,017	317,652,258
Interest & Financial Charges	21	219,629,424	109,045,195
Depreciation & write offs	22	26,782,702	24,812,215
Total(B)		4,387,170,262	4,021,050,499
Net Profit/(Loss) for the year before Tax	A-B	111,360,616	89,765,595
Less : Prior period expenses		—	154,406
Profit before tax		111,360,616	89,611,189
Tax Expense			
Current Tax		16,000,000	30,800,000
Fringe benefit tax		668,207	500,000
Deferred tax Assets/(Liabilites)		10,951,347	230,892
Income Tax adjusted for earlier years		3,950,586	8,895,743
Net Profit/(Loss) for the year after tax		79,790,476	49,184,554
Balance brought forward		216,838,782	167,654,228
Balance carried to Balance Sheet		296,629,258	216,838,782
Basic earning per share		6.04	4.44
Dilluted earning per share		6.04	4.44

For and on behalf of the Board of Directors

As per our report of even date attached

For **AGGARWAL & RAMPAL**
Chartered Accountants

Sd/-
ANIL MITTAL
Chairman & Managing Director

Sd/-
NAVEEN MITTAL
Director

Sd/-
PRIYA BEDI
Company Secretary

Sd/-
VINAY AGGARWAL
Partner
M. No. 82045

Place : New Delhi
Dated : 25.07.2009

SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE - 1</u>		
(A) SHARE CAPITAL		
AUTHORISED CAPITAL	210,000,000	140,000,000
2,10,00,000 Equity Shares of Rs. 10/- each (Previous year 1,40,00,000 Equity shares of Rs. 10/-each)		
ISSUED, SUBSCRIBED AND PAID UP CAPITAL TO HOLDING COMPANY SAMTEX FASHIONS LIMITED		
13,859,970 Equity shares of Rs. 10 each fully paid in cash (Previous year 1,38,59,970 Equity shares of Rs.10 each fully paid in cash)	138,599,700	138,599,700
	138,599,700	138,599,700
(B) SHARE APPLICATION MONEY (Pending allotment of equity shares)	15,000,000	15,000,000
	15,000,000	15,000,000
<u>SCHEDULE - 2</u>		
RESERVES & SURPLUS		
PROFIT & LOSS ACCOUNT		
CARRIED FORWARD FROM THE PROFIT & LOSS ACCOUNT	296,629,258	216,838,782
Adjustment for Retirement benefits	65,192	—
	296,694,450	216,838,782
<u>SCHEDULE - 3</u>		
SECURED LOANS		
(A) TERM LOAN FROM :-		
IDBI Bank Ltd.	131,200,000	54,620,480
State Bank of India (Including FLC of Rs.2,01,13,200.00)	162,092,363	—
(B) CORPORATE LOANS FROM:-		
STATE BANK OF INDIA	7,590,556	17,692,483
IDBI Bank Ltd.	75,000,000	95,000,000
(C) WORKING CAPITAL LOANS :-		
EPC ACCOUNT	836,472,512	578,353,222
OCC ACCOUNT	391,530,791	355,695,501
PCFC ACCOUNT	—	20,010,000
(D) VEHICLE LOANS FROM:-		
From Banks	6,898,200	5,560,491
From others	841,978	—
TOTAL	1,611,626,400	1,126,932,177

1. The term loans/Corporate loans from financial institutions are secured by way of hypothecation/Mortgage of immovable and movable assets, other than those specifically financed, present and future on first charge basis, except book debts, subject to the charge created or to be created in favour of bankers for securing working capital requirements on



stocks of raw material, semi-finished goods, finished goods, stores & spares, consumables, book debts and other current assets held by the company both present and future in the ordinary course of the business and further guaranteed by Managing Director and one other Director.

2. Working Capital Loans from scheduled banks under consortium with State Bank of India as the lead bank and from Canara Bank, State Bank of Travancore and IDBI Bank Ltd. as member bank are secured by way of hypothecation of stock of raw material, semi finished goods, stores & spares, consumables, book debts, and other current assets held by the company both present & future in the ordinary course of the business and further guaranteed by Managing Director and other Director. This working capital loan is further secured secured by second charge on fixed assets of the company by the bank other than those specifically financed.
3. The above Term/Corporate loans/Working capital loans are further secured by the corporate guarantee furnished by Samtex Fashions Ltd., a holding Company, to the extent of Rs.23202 lacs. (Previous Year Rs. 16978 lacs)
4. The vehicle loans are secured by way of hypothecation of specific vehicles financed.
5. The loan repayable within one year amounting to Rs. 1551.90 Lacs.(P.Y. Rs.384.21 Lacs)

PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
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SCHEDULE - 4

UNSECURED LOANS

From Holding Company
Samtex Fashions Limited

18,532,447	18,532,447
18,532,447	18,532,447

SCHEDULE - 5

FIXED ASSETS :

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2008 (Rs.)	Addition during the year (Rs.)	Sales/ Adjustment during the year (Rs.)	As at 31.03.2009 (Rs.)	As at 01.04.2008 (Rs.)	For the year (Rs.)	Ded./ Adj. (Rs.)	As at 31.03.2009 (Rs.)	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
TANGIBLE ASSETS										
Land (Freehold)	9,655,835	—	—	9,655,835	—	—	—	—	9,655,835	9,655,835
Land (leasehold)		25820689		25,820,689		73100		73,100	25,747,589	
Site Development	16,899,705	4,799,113	—	21,698,818	1,660,116	282,323	—	1,942,439	19,756,379	15,239,589
Building	94,746,327	25,413,251	—	120,159,578	17,336,325	3,077,355	—	20,413,680	99,745,898	77,410,002
Plant & Machinery	236,176,023	157,322,679	102,324.00	393,396,378	94,164,695	18,794,410	—	112,959,105	280,437,273	142,011,328
Furniture & Fixtures	2,437,067	207,851	—	2,644,918	957,710	155,789	—	1,113,499	1,531,419	1,479,357
Office Equipment	6,058,984	1,287,381	—	7,346,365	3,135,048	827,643	—	3,962,691	3,383,674	2,923,936
Vehicles	26,203,777	8,625,509	3,390,872	31,438,414	8,353,123	2,747,390	1,055,816	10,044,697	21,393,717	17,850,654
INTANGIBLE ASSETS										
Patents & Trademarks	178,002	69,934	—	247,936	44,501	44,692	—	89,193	158,743	133,501
TOTAL	392,355,720	223,546,407	3,493,196	612,408,931	125,651,518	26,002,702	1,055,816	150,598,044	461,810,527	266,704,202
Previous Year	373,601,290	19,176,280	421,850	392,355,720	101,649,497	24,032,215	30,194	125,651,518	266,704,202	—



PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE - 6</u>		
INVESTMENTS		
LONG TERM (VALUED AT COST)		
Trade Investments - Unquoted		
IN J.R.Agrotech Pvt. Ltd.	5,000,000	5,000,000
500000 Equity Shares of Rs. 10/- each fully paid		
(Previous year 500000 Equity shares of Rs10/- each fully paid)		
TOTAL	5,000,000	5,000,000
<u>SCHEDULE - 7</u>		
INVENTORIES		
(As quantified, valued and certified by the management)		
(On which Auditors have relied)		
Raw material	1,000,314,873	619,341,183
Finished Goods	500,141,725	739,663,678
Work in progress	46,688	59,250
Stores, spares & packing material		
Stores & spares	1,864,699	1,200,000
Packing Material	40,219,786	34,693,884
Diesel	736,127	542,604
Hexane	1,819,188	1,385,867
TOTAL	1,545,143,086	1,396,886,466
<u>SCHEDULE - 8</u>		
SUNDRY DEBTORS		
(Unsecured & considered good)		
Debts outstanding for a period of more than six months	1,111,800	2,514,699
Other Debts	347,909,599	119,151,107
TOTAL	349,021,399	121,665,806
<u>SCHEDULE - 9</u>		
CASH & BANK BALANCES		
Cash in hand and Imprest (as certified by the management)	1,824,750	1,099,255
Balance in current account with schedule Banks	5,982,708	5,048,200
Balance with Scheduled Banks in Term Deposits	25,224,652	395,002
TOTAL	33,032,110	6,542,457



PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE - 10</u>		
LOANS & ADVANCES		
Advances recoverable in cash or in kind or for value to be received (Unsecured & considered good)	46,117,984	98,230,146
Security and Deposits	8,025,574	1,993,488
Tax Deducted at source	236,906	175,861
Advance Tax Paid	16,000,000	10,075,000
Advance FBT Paid	460,000	275,000
Total	70,840,464	110,749,495
<u>SCHEDULE - 11</u>		
CURRENT LIABILITIES & PROVISIONS		
(A) CURRENT LIABILITIES		
SUNDRY CREDITORS		
Trade	166,471,392	35,979,154
Other	23,618,564	19,924,881
Advance from customers	132,343,838	276,501,056
TDS Payable	3,201,002	2,173,810
Sales Tax Payable	4,029,935	2,234,356
Provident Fund Payable	108,756	87,190
Retirement benefits	1,561,737	931,008
Other Liabilities	6,918,894	6,709,379
(A)	338,254,118	344,540,834
(B) PROVISIONS		
Expenses payable	14,423,940	6,911,549
Income Tax Payable	16,000,000	30,800,000
Wealth Tax Payable	39,374	35,202
Fringe Benefit Tax Payable	668,207	500,000
(B)	31,131,521	38,246,751
<u>SCHEDULE - 12</u>		
MISCELLANEOUS EXPENDITURE		
<i>(to the extent not written off or adjusted)</i>		
Deferred revenue expenditure		
Opening Balance	1,072,157	1,852,157
Expenses during the year	—	—
	1,072,157	1,852,157
Less : Amount written off during the year	780,000	780,000
	292,157	1,072,157



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
<u>SCHEDULE - 13</u>		
SALES		
Exports	2,486,896,239	2,105,201,910
Other Sales	2,244,292,786	1,673,349,154
Job Work Charges	—	208,156
TOTAL	4,731,189,025	3,778,759,220
<u>SCHEDULE - 14</u>		
OTHER INCOME		
Income on Sale of D.E.P.B. Licenses	—	39,967,808
Other Income	5,635,410	—
Interest income	1,240,957	1,122,583
TOTAL	6,876,367	41,090,391
<u>SCHEDULE - 15</u>		
INCREASE/(DECREASE) IN STOCKS		
a) Opening stock of finished goods	739,663,678	448,714,235
Less : Closing Stock of Finished Goods	500,141,725	739,663,678
Increase/(decrease) in stocks	(239,521,953)	290,949,443
b) Opening stock of work in Progress	59,250	42,210
Less : Closing Stock of Work in Progress	46,688	59,250
	(12,562)	17,040
Total (a+b)	(239,534,515)	290,966,483
<u>SCHEDULE - 16</u>		
MATERIAL COST		
Opening Stock	619,341,183	427,452,257
Add : Purchases	3,706,267,113	3,596,708,497
Sub Total	4,325,608,296	4,024,160,754
Less : Closing Stock	1,000,314,873	619,341,183
TOTAL	3,325,293,423	3,404,819,571



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
SCHEDULE - 17		
MANUFACTURING EXPENSES		
Material Handling Charges	11,034,377	10,191,217
Freight & Cartage	45,867	176,879
Fumigation Charges	645,257	519,126
Bardana Repair Charges	1,778,483	1,588,031
D.G.Set Running Expenses	7,762,976	7,453,917
Stores & Spares	5,125,533	4,265,896
Repair & Maintenance (Building)	1,639,519	276,299
Repair & Maintenance (P & M)	12,970,261	8,736,179
Tractor/Truck Expenses	1,492,287	463,213
Laboratory Expenses	78,348	8,666
Electricity Charges	32,308,179	35,372,985
Hexane Consumed	1,457,645	1,270,768
TOTAL	76,338,732	70,323,176
SCHEDULE - 18		
PAYMENTS TO & PROVISIONS FOR EMPLOYEES		
Conveyance/transport Allowance	175,625	1,545,385
Employer's Contribution to P.F.	642,363	484,926
Employer's Contribution to ESI	364,029	346,463
Salary & other benefits	12,769,247	9,744,419
Security Charges	2,338,064	1,972,284
Staff Welfare	1,846,295	901,116
Recruitment Expenses	—	8,000
Director's Remuneration	1,117,000	819,000
Bonus	404,041	357,811
Gratuity	560,602	326,937
Leave Encashment	332,481	134,580
TOTAL	20,549,747	16,640,921
SCHEDULE - 19		
GENERAL & ADMINISTRATIVE EXPENSES		
Insurance Expenses	1,054,128	4,095,954
Annual Maintenance Expenses	211,380	283,905
Books & Periodical	34,662	28,779
Telephone, Fax & Communication Exp.	1,462,949	1,299,580
Donation & Charity	416,514	230,781
Fees, Rates & Taxes	881,042	168,971
Rent/Lease Rent	6,726,002	4,147,534
General Expenses	815,732	1,260,143
Postage & Courier Charges	293,243	335,554
Printing & Stationery	863,293	792,042
Vehicle Maintenance	654,133	972,366
Statutory Auditor's Expenses :-		
Statutory Audit Fee	110,300	78,652
Certification Charges	—	36,277
Legal & Professional Charges	1,431,442	613,202
Membership & Subscription Expenses	42,300	35,100
Repair & Maintenance (General)	100,938	60,460
ISO Expenses	—	38,110
Electricity Expenses	303,304	355,510
Conveyance Expenses	654,228	619,443
Loss on sale of Fixed Assets/Investments	593,206	31,627
Service Tax	1,295,395	1,889,305
Wealth Tax	39,374	35,202
TOTAL	17,983,564	17,408,497



PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
<u>SCHEDULE - 20</u>		
SELLING & DISTRIBUTION EXPENSES		
Rebate & Discount	12,204,355	10,217,059
Travelling Expenses	1,831,342	600,566
Brokerage & Commission	4,074,916	3,616,470
Consignment Expenses	—	92,266
Freight Outward	257,142	3,661,302
Export Expenses	63,340,464	82,726,250
Ocean Freight	75,336,504	72,498,031
Cess tax on export	146,678,737	—
Insurance Charges(Transit)	202,605	1,169,795
Advertisement Expenses	126,632	116,151
Sales/Business Promotion Expenses	1,681,488	1,226,275
Apeda Basmati Development Fund	457,751	888,315
Packing Material Consumed	82,200,083	140,839,778
TOTAL	388,392,017	317,652,258
<u>SCHEDULE - 21</u>		
INTEREST & FINANCIAL CHARGES		
Interest on Working Capital Limits	92,488,417	75,776,172
Interest on Term Loans	12,270,119	8,972,837
Interest on Corporate Loan	12,024,659	13,496,698
Interest on vehicle loan	665,980	249,626
Interest (Others)	19,190	10,312
Bank Charges	9,369,581	6,469,825
Exchange Fluctuations	92,791,478	4,069,725
TOTAL	219,629,424	109,045,195
<u>SCHEDULE - 22</u>		
DEPRECIATION AND WRITE OFFS		
Depreciation	26,002,702	24,032,215
Preliminary & Deffered Revenue exps. Written off	780,000	780,000
TOTAL	26,782,702	24,812,215



SCHEDULE - 23

NOTES ON ACCOUNTS

A: SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principals (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Management evaluates all recently issued or revised accounting accounting standards on an on going basis.

- b) The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and Assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Example of such estimates includes estimate of carrying value of work in progress, provision for doubtful debts and useful life of fixed assets. Actual results could differ from estimates.

3. FIXED ASSETS AND DEPRECIATION

- a) Expenditure of capital nature are capitalized at cost comprising of purchase price (net of rebates and discounts) and any other cost which is directly attributable to bringing the asset to its working condition for the intended use.

- (b) Depreciation is provided in accordance with the rate specified in the Schedule - XIV of the Companies Act, 1956 on straight line method basis according to the number of days being put to use and number of shifts it is used.

4. INVESTMENTS

Investments are in the nature of Long Term Investments. The same is valued at cost to the Company in accordance to the Accounting Standard -13 prescribed under the Companies Accounting Standard Rules, 2006

5. SALES:

- (a) **Export Sales:** Export sales are recognised in the books of accounts at the date of bill of lading.
- (b) **Domestic Sales:** Domestic sales are recognised in the books of accounts at the time of dispatch from the factory gate/godown gate/warehouse gate. Sales are booked after deducting taxes from invoiced value of goods.

6. FOREIGN EXCHANGE TRANSACTIONS

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rates and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- c) Non monetary foreign currency items are carried at cost.
- d) Profit/loss arising on cancellation or renewal of forward exchange contracts are recognized as income/expense for the period.
- e) Premium paid on currency options are accounted in the profit and loss account at the inception of the option.
- f) Profit/loss arising on settlement or cancellation of currency option are accounted as income/expense for the period.
- g) The net mark to market loss is accounted for in the profit and loss account on the outstanding portfolio of options as at the balance sheet date and the net gain is ignored
- h) Any income or expense on account of exchange difference either on settlement or on translation is recognized as Revenue except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

**7. INVENTORY VALUATION**

- a) Stocks of Raw Material are valued at Cost or Net Realisable value whichever is low, based on First In First Out method. The cost includes the purchase price as well as direct incidental expenses. The quantity and valuation of stocks of Raw Material at the year end is taken as physically verified, valued, and certified by the management.
- b) Finished goods are valued at Cost or Net Realisable value whichever is low, method. The cost for the purpose of valuation is inclusive of all the expenses (incurred in the process of its production and the packing material cost) except selling expenses and any other cost incurred in bringing them to their respective present location and condition. The quantity and valuation of Stocks of Finished Goods at the year end is taken as physically verified, valued, and certified by the management.
- c) The Work In Progress is valued at estimated cost or Net Realisable Value whichever is low to the company. The Stores, Spares and Packing Material are valued at cost or net Realisable value whichever is low, based on First In First out method. The quantity and valuation of stocks at the year end is taken as physically verified, valued, and certified by the management.

8. EMPLOYEE BENEFITS**(a) PROVIDENT FUND**

Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the company make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employee's salary. The company has no further obligations under the plan beyond its monthly contributions.

(b) GRATUITY

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a non-funded, defined benefit retirement plan (the gratuity plan) covering all employees. The plan, subject to the provisions of the Act, provides a lump sum payment to vested employees at retirement or termination of employment with the company. The Company estimates its liability on adhoc basis in the interim financial reports and on an actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).

(c) LEAVE ENCASHMENT

Leave encashment cost is a defined benefit, and is accrued on adhoc basis in the interim financial reports and on an actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).

9. PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961. Deferred Tax is recognized on timing differences; differences between the taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such Deferred assets can be realized. The tax effect is calculated and accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date.

10. MISCELLANEOUS EXPENDITURE

One time settlement amount paid to IDBI for reduction of rate of interest on term loan has been transferred to deferred revenue expenditure. Since the benefit of same is spread over the remaining period of term loan, so the same is amortised over a period of five equal yearly installments starting from the year of payment.

11. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In term of the requirement of the Accounting Standard 29(AS-29) "on Provisions, Contingent liabilities and Contingent Asset."

- (a) Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates' can be made of the amount of obligation-an appropriate provision is created and disclosed;
- (b) Where as results of past events, there is a possible that may, but probably will not require an outflow of resources-no provision is recognised but appropriate disclosure made as contingent liability unless the possibility of outflow is remote.

12. SEGMENT REPORTING

To identify segments based on the dominate source and nature of risks and returns and the internal organization and management structure. To account for inter-segment revenue on the basis of transactions which are primarily market led.



To include under "Unallocated Corporate Expenses" revenue and expenses which relate to the enterprise as a whole and are not attributable to segments.

13. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

14. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

15. LEASES

Leases of Fixed assets where the Company assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalized at the estimated present value of the underlying lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in payables. The interest element of the finance charge is charged to the Profit and Loss Account over the lease period. Lease rentals in respect of assets taken given on "Operating Lease" are charged to the Profit and Loss Account on straight line basis over the lease term.

(B) OTHER NOTES

- Share Application money amounting to Rs. 45,79,170 received from East West Motel Inc. a foreign collaborator as per Government of India Approval No. FC II/908/(95)/545(95) dated 16.11.95 is outstanding. An application has been made to the RBI for seeking permission for refund of share application money. The same has been shown as Current Liabilities under the head Other Liabilities.

2. CONTINGENT LIABILITIES

	<i>As at 31-03-09</i>	<i>As at 31-03-08</i>
A Bank Guarantees issued & outstanding	27,40,000	Rs. 21,40,000
B Guarantees to banks including in respect of Letter of credit established for purchase of Finished Goods	Rs 19,45,96,314 (in US\$ 3842739.22)	Rs. NIL (USD NIL)

- Fixed assets installed and put to use have been certified by the management and relied upon by the auditors, being a technical matter.
- As per Accounting standard 15, 'Employee Benefits', the disclosures of Employee benefits as defined in the Accounting standard are as given below:

	Gratuity 31.03.2009	Leave encashment 31.03.2009
<i>(In Rs.)</i>		
(i) Assumptions		
Discount Rate	7.00%	7.00%
Future Salary Increase	4.50%	4.50%
(ii) Table showing change in benefit Obligation		
Liability at the beginning of the year	6,89,662	1,76,154
Interest cost	48,276	12,331
Current Services Cost	2,05,660	1,14,558
Benefit paid	(1,39,291)	(57,871)
Actuarial (gain)/loss on obligation	3,06,666	2,05,592
Liability at the end of the year	11,10,973	4,50,764
(iii) Table of Fair value of Plan Assets		
Fair value of plan assets at the beginning of the year	—	—
Expected return on plan assets	—	—
Contribution	—	—



	Gratuity 31.03.2009	Leave encashment 31.03.2009
Benefits paid	—	—
Actuarial gain/ (loss) on plan assets	—	—
Fair value of plan assets at the end of the year	—	—
Total actuarial gain/ (loss) to be recognized	—	—
(iv) Actual Return on Plan Asset		
Expected Return on Plan Assets	—	—
Actuarial (gain)/loss on Plan Assets	—	—
Actuarial Return on Plan Assets	—	—
(v) Amount recognized in the balance sheet		
Liability at the end of the year	11,10,973	4,50,764
Fair value of plan assets at the end of the year	—	—
Funded status	(11,10,973)	(4,50,764)
Excess of actual over Estimated	—	—
Unrecognised actuarial (gains)/losses	—	—
Amount recognized in the Balance Sheet	(11,10,973)	(4,50,764)
(vi) Expenses recognized in the income statement		
Current Service Cost	2,05,660	1,14,558
Interest cost	48,276	12,331
Expected return on Plan Assets	—	—
Net actuarial (gain)/Loss to be recognized	3,06,666	2,05,592
Expenses recognized in Profit & loss A/c	5,60,602	3,32,481
(vii) Movement in the liability		
Recognized in the Balance sheet		
Opening net Liability paid	6,89,662	1,76,154
Expenses as above	5,60,602	3,32,481
Contribution paid	1,39,291	57,871
Closing Net Liability	11,10,973	4,50,764

The company has adopted the accounting standard-15 (revised) i.e. employees benefits from the current year for computation of gratuity & leave encashment. Hence, the excess provision of Rs.65'192/- on valuation of gratuity & leave encashment on 01.04.2008 written back to the reserve & surplus account.

5. Managerial Remuneration
Remuneration paid to Whole Time Directors

	2008-09 (Rs.)	2007-08 (Rs.)
Salaries & Allowances	11,17,000	9,59,000
Leave encashment	—	—
Provision for gratuity	2,07,692	—
Contribution to PF	71,280	—

6. Remuneration paid to Auditors

	Current Year (Rs.)	Previous Year (Rs.)
i) Audit Fee	1,10,300	78,652
ii) Certification Charges	Nil	36,277
	<u>1,10,300</u>	<u>114,929</u>



7. Deferred Tax Liability/ (Asset)

	<i>As at 31.03.09 (In Rs.)</i>	<i>As at 31.03.08 (In Rs.)</i>
Deferred Tax Liability		
— Related to Fixed Assets	(2,08,88,010)	(99,36,663)
— Related to Others	Nil	Nil
Less Deferred Tax Asset		
— Related to Fixed Assets	Nil	Nil
— Related to Others	Nil	6,771
Deferred Tax Liability (Net)	(2,08,88,010)	(99,29,892)

8. Related Party Disclosure

I. List of the Related parties with whom transactions have taken place and the relationships:

<i>S.No</i>	<i>Name of the party</i>	<i>Relationship</i>
1.	Samtex fashions Ltd	Holding Company

II. Transaction during the year with the related parties

Nature of transaction				<i>(Rs. in Lacs)</i>
	Holding Co. 2008-2009	Associate Co.	Total 2008-2009	Previous Year 2007-08
a) Equity Issued				
Balance as at 1st April, 2008	Rs. 1386.00	—	Rs. 1386.00	1136.00
Issued during the year	Rs. —	—	Rs.—	250.00
Balance as at 31st March, 2008	Rs. 1386.00	—	Rs. 1386.00	1386.00
b) Share Application Money				
Balance as at 1st April, 2008	Rs. 150.00	—	Rs. 150.00	250.00
Received during the year	Rs.—	—	Rs. —	150.00
Equity Issued During the Year	Rs. —	—	RS. —	250.00
Balance as at 31st March, 2009	Rs. 150.00	—	Rs. 150.00	150.00
c) Unsecured Loan				
Balance as at 1st April, 2008	Rs. 185.32	—	Rs. 185.32	260.32
Taken during the year	Rs. 155.00	—	Rs. 155.00	75.00
Repaid During the year	Rs. 155.00	—	Rs. 155.00	150.00
Balance as at 31st March, 2009	Rs. 185.32	—	Rs. 185.32	185.32

9. In the opinion of the Management current assets, loans and advances are of the value stated if realised in the ordinary course of business except otherwise stated. The provision for all the known liabilities is adequate and not in excess of the amount considered reasonably necessary.

10. Micro, Small and Medium Enterprises

The company has not received information from vendors regarding their status and status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence necessary disclosures under this Act have not been given.

11. Derivative financial instruments

The company in accordance with its risk management policies and procedures enters into foreign currency forward contracts to manage its exposure in foreign exchange rates. The counter party is a bank. These contracts are for a period between one day and seven months. The company has following outstanding foreign exchange forward contracts :-

Foreign Currency	March 31, 2009			March 31, 2008		
	No. of Contracts	Notional amount of forward contracts (Rs.in Lacs)	Fair Value Gain/(Loss) (Rs.in Lacs)	No. of Contracts	Notional amount of forward contracts (Rs. In Lacs)	Fair Value Gain/(Loss) (Rs.in Lacs)
U.S.Dollar	22	3568.08	(23.85)	43	8104.05	(20.52)


12. SEGMENT INFORMATION

The company has identified a business reportable segment viz Rice and Oil. Segments have been identified and reported taking into account the differing risk and returns and the financial business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

a. *Segment Assets and Segment Liabilities represent Assets and Liabilities in Respective segments.*

I. PRIMARY SEGMENT INFORMATION :- (Rs. in Lacs)

PARTICULARS	YEAR TO DATE FIGURES FOR THE CURRENT PERIOD ENDED 31.03.2009	PREVIOUS YEAR ENDED 31.03.2008
1. TOTAL SALES AT EACH SEGMENT		
Rice	42197.34	34564.98
Oil	5673.89	3924.38
GROSS SALES	47871.23	38489.36
LESS: INTER SEGMENT REVENUE	559.34	701.77
NET SALES / INCOME FROM OPERATION	47311.89	37787.59
2. SEGMENT RESULTS (PROFIT+/-LOSS – BEFORE TAX INTEREST AND EXCHANGE FLUCTUATION FOR EACH SEGMENT)		
Rice	3275.32	1703.92
Oil	(59.13)	243.49
TOTAL	3216.19	1947.41
Interest	1174.68	985.05
Exchange (Gain)/Loss	927.91	64.70
TOTAL	2102.59	1049.75
TOTAL PROFIT BEFORE TAX	1113.60	897.66

b. *As per Accounting Standard on segment reporting AS – 17, issued by the Institute of Chartered Accountants of India, The Company has reported segment information.*

SECONDARY SEGMENT INFORMATION AS ON 31.03.2009 (Rs. in Lacs)

PARTICULARS	YEAR TO DATE FIGURES FOR THE CURRENT PERIOD ENDED 31.03.2009	PREVIOUS YEAR ENDED 31.03.2008
SECONDARY SEGMENT INFORMATION:-		
SEGMENT ASSETS		
Oil	1050.70	669.01
SEGMENT LIABILITIES		
Oil	1172.29	29.48
CAPITAL EMPLOYED		
Oil	(121.59)	639.53

15. Additional Information pursuant to Clause 4C of Part II to Schedule VI to the Companies Act, 1956.

a) **Particulars in respect of Licensed / Installed capacity / Production**

Class of goods	Licensed Capacity	Installed Capacity	Actual Production
Rice (as certified by management)	N.A.	26 M.T.P.H. (P.Y.: 17 M.T.P.H) (OF PADDY MILLING)	Milling 86976.90 MT. * (Previous Year 94849.989 MT.) Resulting Production - Of 54737.438 M.T. (Previous year 60675.554 MT.) of Rice. (*In addition : Milling on Job Work Nil MT) (Previous year 825.936,MT)



Class of goods	Licensed Capacity	Installed Capacity	Actual Production
R.B.Oil (As certified By Management)	N.A.	100 M.T.P.D. (OF RICE BRAN MILLING) (P.Y.100 M.T.P.D.)	Milling 21642.088 MT. (Previous year 32311.113 MT) Resulting Production of 3743.608 MT. (Previous year 5580.316 MT)

b) Opening Stock, Closing Stock, Purchases, Sales of each class of goods dealt in by the Company.

CLASS OF GOODS	CURRENT YEAR		PREVIOUS YEAR		
	QUANTITY	VALUE	QUANTITY	VALUE	
OPENING STOCK					
Paddy	M.T)	27368.012	618,093,808	27603.110	426,739,856
Rice	M.T)	16326.183	722,109,098	14281.121	426,804,996
By-Products		—	303,174	—	93,2,848
Packing Material		—	33,950,048	—	27,280,030
PURCHASES					
Paddy	M.T)	102044.529	2337,386,933	95724.494	1,915,761,179
Rice	M.T)	23372.264	1193,181,143	43799.167	1,458,620,668
Packing Material		—	857,77,293	—	145,601,877
Paddy Husk		—	142,92,407	—	10,171,562
SALE					
Paddy	M.T)	2542.872	677,41,531	1109.603	17,790,689
Rice	M.T)	83662.801	408,336,0964	102429.659	3,361,938,747
By-products		—	109,92,124	—	19,37,004
Packing Material		—	27,33,266	—	4,446,883
CLOSING STOCK					
Paddy	M.T)	39892.765	1000,314,873	27368.012	618,093,808
Rice	M.T)	10773.084	494,233,711	16326.183	722,109,098
By-products		—	514,755	—	303,174
Packing Material		—	401,13,314	—	33,950,048
ii) CLASS OF GOODS					
OPENING STOCK					
Rice Bran	M.T)	116.488	12,47,375	82.814	712,401
R.B.Oil		153.483	66,76,511	211.692	348,041
W.I.P. (RB Oil)		1.50	59,250	1.50	42,210
DOC		2819.972	105,74,895	1391.560	5,218,350
Packing Material		—	743,836	—	151,020
PURCHASES					
Rice Bran**	M.T)	22118.654	211,838,376	32357.544	281,079,138
R.B.Oil	M.T)	20.620	6,39220	—	—
C.P.O	M.T)	9999.809	312,200,651	1993.745	60,348,666
Packing Material		—	21,71,418	—	25,00,735
SALES					
Rice Bran	M.T)	283.012	20,89,909	12.757	92,929
R.B.Oil	M.T)	3856.365	152,909,752	5638.525	220,384,887
C.P.O	M.T)	9999.809	311,765,111	1993.745	62,589,020
D.O.C	M.T)	20653.844	995,37,002	27085.128	109,369,773
Packing Material		—	39,366	—	1,132
CLOSING STOCK					
Rice Bran	M.T)	310.042	23,25,315	116.488	1,247,375
R.B.Oil	M.T)	61.346	19,09,394	153.483	6,676,511
D.O.C		246.500	11,58,550	2819.972	10,574,895
Packing Material		—	106472	—	743,836
W.I.P (R.B. OIL)	M.T)	1.50	46,688	1.50	59,250
C) Raw Material Consumed					
Paddy M.T.)		86976.904	1955,165,868	94849.989	1,724,407,226
Rice Bran M.T.)**		21642.088	210,760,436	32311.113	280,544,164

(Include internal transfer from rice segment 5924.989.M.T. amounting to Rs53,961,127)
(Previous year: 8447.559 M.T. amounting to Rs. 68,924,050)



	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
d) Purchases:		
Paddy	233,73,86,933	1,915,761,179
Rice	119,31,81,143	1,458,620,668
Rice Bran	16,07,67,410	212,155,088
Rice Bran Oil	6,39,220	—
Rice Husk	1,42,92,407	10,171,562
Total	370,626,7113	3,596,708,497
e) Value of Imports on CIF basis		
Finished Goods	Rs. 312,200,651 {US \$ 65,93,432}	60,769,728 {US \$ 14,71,555}
Capital Goods	32,941,935 {JPY 628,00,000 &US \$ 104,953}	Nil {US \$ Nil}
f) Expenditure in Foreign Currency		
— Foreign traveling	6,21,531 {US \$ 13,660}	1,43,739 {US \$ 3,620}
— Ocean Freight	3,73,63,136 {US \$ 7,50,588}	7,24,98,031 {US \$ 1,67,606}
— Commission	86,027 {US \$ 1,682.49}	Nil {US \$ Nil}
g) Earnings in Foreign Exchange	248,68,96,239 {US \$ 548,83,763}	210,52,01,910 {US \$ 511,84,608}
h) F.O.B. value of Exports	244,20,65,085 {US \$ 537,21,010}	202,63,59,597 {US \$ 510,41,803}

Export F.O.B has been calculated on the basis of actual payment received from the bank with whom the corresponding bills have been discounted. However, F.O.B. value for export for which bills have been sent on collection is taken on estimated basis.

14. Earnings per Share

Basic earning per share is computed by dividing the net profit or loss for the year available to equity shareholders by the weighted average number of equity share outstanding during the year. There are no outstanding Preference shares, warrants or options attached to the equity Share of the Company. The basic and diluted Earning per Share is as under:

	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
Net Profit After Tax before exceptional item	797,90,476	491,84,554
Excess Provision for tax for earlier years	3950586	8895743
Net profit attributable to Equity Shareholders (before exceptional item)	83741332	58080297
Exceptional item	Nil	Nil
Net profit attributable to Equity Shareholders (after exceptional item)	83741332	58080297
Weighted average number of Equity Shares of Rs. 10/- each	13859970	13074451
Basic and Diluted EPS (before exceptional item)	6.04	4.44
Basic and Diluted EPS (after exceptional item)	6.04	4.44
Face value/ equity share	Rs. 10/13859970	Rs. 10/13859970



15. The liability for LADT for the March, 2007 Quarter amounting to Rs. 1,27,361.00 has been provided in the books, but the same has not been deposited by virtue of a Stay Order from the Punjab & Haryana High Court.

The liability for Entry tax for the year ending March, 2008 amounting to Rs. 21,04,772.00 has been provided in the books, but the same has not been deposited by virtue of a Stay Order from the Punjab & Haryana High Court.

16. The Assets of the Company have not been impaired during the year as certified by the management of the Company. The management has conducted the test of Impairment of Assets using the Value-in-use method in accordance with the Mandatory Accounting Standard – 28(AS 28) on Impairment of Assets issued by the Institute of Chartered Accountants of India. For calculation of Value-in-use, discount rate of 8% per annum is used being the average market rate of interest in the opinion of the Management.
17. The personal accounts of the parties are subject to their respective conformation.
18. Previous year figures have been re-grouped and reclassified wherever necessary to make them comparable to those of the current year and have been rounded off to the nearest rupees.
19. Schedule 1 to 23 from an integral part of the Balance Sheet as at 31st March, 2009 and have been authenticated as such.

For and on behalf of the Board of Directors

As per our report of even date attached

For **AGGARWAL & RAMPAL**
Chartered Accountants

Sd/-
ANIL MITTAL
Chairman & Managing Director

Sd/-
NAVEEN MITTAL
Director

Sd/-
PRIYA BEDI
Company Secretary

Sd/-
VINAY AGGARWAL
Partner
M. No. 82045

Place : New Delhi
Dated : 25.07.2009



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

(Amount Rs. 000)

PARTICULARS	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A) CASH FLOW FROM OPERATING ACTIVITIES :-		
NET PROFIT BEFORE TAX	111,361	89,766
ADD : LOSS ON SALE OF FIXED ASSETS/INVESTMENT	593	32
ADD : ADJUSTMENT FOR RETIREMENT BENEFITS	65	
	<u>112,019</u>	<u>89,798</u>
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		
ADJUSTMENT FOR :		
DEPRECIATION AND WRITTEN OFF	26,783	24,812
INTEREST	117,468	98,506
	<u>256,270</u>	<u>213,116</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
ADJUSTMENT FOR :		
TRADE AND OTHER PAYABLES	(13,402)	190,134
INVENTORIES	(148,257)	(489,451)
TRADE & OTHER RECEIVABLES	(187,446)	(39,338)
	<u>(349,105)</u>	<u>(338,655)</u>
CASH GENERATED FROM OPERATIONS	(92,835)	(125,539)
ADJUSTMENT FOR :		
PRIOR PERIOD ADJUSTMENTS	—	(154)
DIRECT TAXES	(20,619)	(40,196)
	<u>(20,619)</u>	<u>(40,350)</u>
NET CASH FROM OPERATING ACTIVITIES (A)	(113,454)	(165,889)
B) CASH FLOW FROM INVESTING ACTIVITIES :		
PURCHASE OF FIXED ASSETS	(229,126)	(19,176)
PURCHASE OF INVESTMENTS	—	—
SALE OF FIXED ASSETS	1,844	380
SALE OF INVESTMENTS	—	980
	<u>(227,282)</u>	<u>(17,816)</u>
NET CASH USED IN INVESTING ACTIVITIES (B)		
C) CASH FLOW FROM FINANCING ACTIVITIES :		
PROCEEDS FROM ISSUE OF SHARE CAPITAL	—	15000
TERM LOANS (NET OF REPAYMENT)	210,750	(38300)
WORKING CAPITAL LOANS	273,944	275908
INTEREST PAID	(117,468)	(98506)
	<u>367226</u>	<u>154102</u>
NET CASH RECEIVED FROM FINANCING ACTIVITIES (C)		
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	26,490	(29,603)
CASH AND CASH EQUIVALENT AS AT 01.04.2008	6,542	36145
CASH AND CASH EQUIVALENT AS AT 31.03.2009	33,032	6,542

NOTE : FIGURES IN BRACKETS REPRESENT OUTFLOWS

For and on behalf of the Board of Directors

Place : New Delhi Dated : 25.07.2009	Sd/- ANIL MITTAL Chairman & Managing Director	Sd/- NAVEEN MITTAL Director	Sd/- PRIYA BEDI Company Secretary
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AUDITORS REPORT

We have examined the above Cash Flow Statement of **SSA International Ltd.** derived from the audited financial statement of the company for the year ended 31st March 2009, and found the same in agreement therewith and in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

FOR AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS

Place : New Delhi
Dated : 25.07.2009

Sd/-
VINAY AGGARWAL
PARTNER
M. No. 82045



INFORMATION PURSUANT TO PART - IV OF THE SCHEDULE VI OF THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. State Code

Balance Sheet

II Capital Raised during the year (Amount in Rs. Thousand)

Public Issue Right Issue

Bonus Issue Private Placement

III Position of Mobilisation and Development of Funds (Amount in Rs. Thousand)

Total Liabilities Total Assets

Sources of funds

Paid up Capital Reserves & Surplus

Share Application Money Secured Loans

Unsecured Loans Deferred Tax Liability

Application of funds

Net Fixed Assets Investments

Net Current Assets Misc. Expenditure

Accumulated Losses

IV. Performance of Company (Amount in Rs. Thousand)

Turnover Total Expenditure

Profit/(Loss) before tax Profit/(Loss) after tax

Earning per Share in Rs. Dividend Rate %

V. Generic Names of Three Principal Products / Services of Company.

Item Code No. (I.T.C. Code)	<input type="text" value="100.600"/>
Product Description	<input type="text" value="RICE"/>
Item Code No. (I.T.C. Code)	<input type="text" value="151.190"/>
Product Description	<input type="text" value="Crude Palm Oil, Edible"/>
Item Code No. (I.T.C. Code)	<input type="text" value="151.190"/>
Product Description	<input type="text" value="Rice Bran Oil"/>

The ITC codes of the products are as per publication "Indian Trade Classification" based on harmonised commodity description and coding system of Ministry of Commerce, Directorate of Commercial Intelligence and Statistics.



SAMTEX FASHIONS LIMITED

Regd. Office : Plot No. 134-135, Noida Special Economic Zone
Phase - II, Distt. Gautam Budha Nagar, Noida - 201 305 (U.P.)

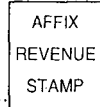
PROXY FORM

Folio No. / DP ID No No. of equity shares held.....

I/We of in the district of being a Member/Members of the above Company hereby appoint Sh./Smt. of in the district of or failing him/her of in the district of as my/our proxy to vote for me/us on my/our behalf at the **16th Annual General Meeting** of the Company to be held on Wednesday, **30th September, 2009** at 9:30 A.M. at the Registered Office of the Company i.e. Plot No. 134-135, Noida Special Economic Zone, Phase - II, Gautam Budh Nagar, Noida - 201305 (U.P.) and any adjournment thereof.

Signed this day of 2009.

Signature.....



Note : The Form should be signed across the stamp as per specimen signature registered with the Company. The proxy form must reach the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting.

----- TEAR HERE -----



SAMTEX FASHIONS LIMITED

Regd. Office : Plot No. 134-135, Noida Special Economic Zone
Phase - II, Distt. Gautam Budha Nagar, Noida - 201 305 (U.P.)

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Folio No./DP ID No No. of equity shares held.....

Name of the Member.....
(in block letters)

Name of the Proxy.....
(if any)

I hereby record my presence at the **16th Annual General Meeting** of the Company held on **30th day of Sept., 2009**.

Signature of the Member/Proxy

Admission slips without this information will not be accepted.

No Gift/Gifts coupons will be provided to the members.

BOOK POST

If undelivered, please return to :



SAMTEX FASHIONS LIMITED

Corporate Office : M-71, (Market), Greater Kailash - II
New Delhi - 110 048