

NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the members of Polytex India Limited will be held on 30th September, 2009 at 04:00 p.m. at 502, Eco Space, 5th Floor, Old Nagardas Road, Andheri (East), Mumbai - 400069 to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date together with the report of Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. Arvind Kariya who retires by rotation and, being eligible, offers himself for reappointment.
3. To re-appoint M/S. Navin Nishar & Associates, Chartered Accountants, Mumbai as Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT Mrs. Pallavi Dhoot who was appointed as an additional director in terms of section 260 of the Companies Act, 1956 and holds such office until this Annual General meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, signifying his intention to propose Mrs. Pallavi Dhoot's candidature for the office of a Director be and is hereby appointed as director of the Company, liable to retire by rotation."

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

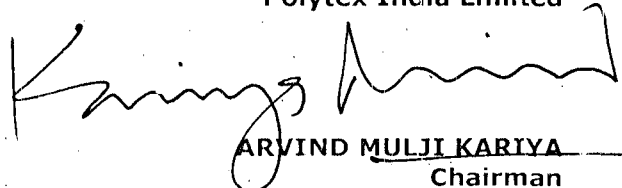
"RESOLVED THAT Mr. Vishram Kambli who was appointed as an additional director in terms of section 260 of the Companies Act, 1956 and holds such office until this Annual General meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr. Vishram Kambli's candidature for the office of a Director be and is hereby appointed as director of the Company, liable to retire by rotation."

Registered Office:

1st Floor, Nisarg Apartment,
Besant Road,
Vile Parle (West),
Mumbai - 400 056

Place : Mumbai
Dated : 6th May, 2009

**By and Behalf of the Board of Directors
Polytex India Limited**


ARVIND MULJI KARIYA
Chairman

For POLYTEX INDIA LIMITED


Director/Authorised Signatory

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY SHALL REMAIN CLOSED FROM 22ND SEPTEMBER, 2009 TO 29TH SEPTEMBER, 2009 (BOTH DAYS INCLUSIVE).
3. MEMBERS ARE REQUESTED TO NOTIFY IMMEDIATELY ANY CHANGE OF ADDRESS TO THE COMPANY.
4. AN EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956 IS ANNEXED HERETO.
5. MEMBERS / PROXIES ARE REQUESTED TO BRING THE COPIES OF ANNUAL REPORT AND ATTENDANCE SLIP DULY FILLED WHILE ATTENDING THE MEETING.
6. MEMBERS DESIRING ANY INFORMATION AT THE ANNUAL GENERAL MEETING OF THE COMPANY ARE REQUESTED TO WRITE TO THE COMPANY AT LEAST 10 DAYS IN ADVANCE SO AS TO ENABLE THE MANAGEMENT TO KEEP THE INFORMATION READY.
7. M/S. MAHESHWARI DATAMATICS PRIVATE LIMITED, HAVING DATA CENTRE AT 8/2, KIRAN SHANKAR ROY ROAD, 1ST FLOOR, KOLKATA - 700 001 IS THE REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY AND IS AUTHORISED AND ELIGIBLE TO RECEIVE PHYSICAL SHARES OF THE COMPANY. M/S. MAHESHWARI DATAMATICS PRIVATE LIMITED IS ALSO THE DEPOSITORY INTERFACE OF THE COMPANY. HOWEVER, KEEPING IN VIEW THE CONVENIENCE OF SHARE HOLDERS, DOCUMENTS RELATING TO SHARES WILL CONTINUE TO BE RECEIVED BY THE COMPANY AT REGISTERED OFFICE SITUATED AT VILE PARLE, MUMBAI.


Registered Office:

1st Floor, Nisarg Apartment,
Besant Road,
Vile Parle (West),
Mumbai - 400 056

Place: Mumbai

Dated : 6th May, 2009

**By and Behalf of the Board of Directors
Polytex India Limited**


ARVIND MULJI KARIYA
Chairman

ANNEXURE TO THE NOTICE:

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 4 & 5

In terms of section 260 of the Companies Act, 1956, the Company has appointed Mrs. Pallavi Dhoot and Mr. Vishram Kambli as Additional Directors of the Company who holds such office until ensuing Annual General meeting. The Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, signifying their intention to propose their candidature for the office of a Director. Considering the experience and expertise of these additional directors and likely benefit to the Company from their valuable guidance, the Board is of the opinion that they must continue on the Board of Company.

Mrs. Pallavi Dhoot and Mr. Vishram Kambli are deemed to be concerned or interested in the respective resolution since the same is for their own appointment. Your Board of Directors recommends the resolutions for your approval.

Registered Office:

1st Floor, Nisarg Apartment,
Besant Road,
Vile Parle (West),
Mumbai - 400 056

Place: Mumbai
Dated : 6th May, 2009

**By and Behalf of the Board of Directors
Polytex India Limited**


ARVIND MULJI KARIYA
Chairman

POLYTEX INDIA LIMITED

1st Floor, Nisarg Apartment, Besant Road, Vile Parle (West), Mumbai - 400056.

Tel No: +91-22-67804700 Fax No: +91-22-26104462 Website: www.polytexindia.com Email: info@polytexindia.com

DIRECTORS' REPORT

The Members

POLYTEX INDIA LIMITED

Mumbai

Your Directors have pleasure in presenting their Twenty Third Annual Report together with the Statement of Accounts as on 31st March, 2009.

FINANCIAL RESULTS:

During the Year under review, the Company has earned total income of Rs. 51,93,084/- and earned a profit of Rs. 4,12,698/- after providing for current years taxation of Rs. 1,50,020/-. Your Directors are hopeful of achieving better results in current year.

PARTICULARS	(Amount in Lacs)	
	2008-09	2007-08
Profit Before Depreciation and Taxation	4.12	4.48
Depreciation	0.00	0.00
Profit Before Taxation	4.12	4.48
Provision for Taxation	1.50	1.95
Fringe Benefit Tax	0.00	0.03
Deferred Tax	0.00	0.00
Profit After Taxation	2.62	2.50
Balance B/d from previous year	(30.62)	(33.12)
Previous Years Adjustments	(0.35)	0.00
Balance Carried to Balance Sheet	(28.34)	(30.62)

DIVIDEND:

Considering the necessity of conserving financial resources for future growth and expansion of the Company, the Board of Directors do not recommend payment of dividend on the equity share capital of the Company for the financial year ended 31.03.2009.

DIRECTORS:

Mr. Vivek Nevatia, the Director of the Company has resigned w.e.f. 20th August, 2008 due to his pre-occupation. The Board appreciates valuable contribution during his tenure of service and places on record its appreciation for time and efforts put in by the outgoing Director.

Mrs. Pallavi Dhoot was appointed as an Additional Director of the Company w.e.f. 20th August, 2008. Pursuant to the provisions of section 260 of the Companies Act, her term of appointment expires at the ensuing Annual General Meeting. In view of her vast and varied experience, it is eminently in your Company's interest to retain her on the Board of the Company as Director. The Board recommends her appointment as Director.

Mr. Vishram Kambli was appointed as an Additional Director of the Company w.e.f. 1st September, 2008. Pursuant to the provisions of section 260 of the Companies Act, his term of appointment expires at the ensuing Annual General Meeting. In view of his vast and varied experience, it is eminently in your Company's interest to retain him on the Board of the Company as Director. The Board recommends his appointment as Director.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Arvind Mulji Kariya, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends their re-appointment.

BUSINESS REVIEW:

The overall performance during the year under review has shown significant growth over the previous year. The Company is deploying its resources in the best possible way to increase business volumes and plans to achieve increased turnover in the current year.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956, read together with the Companies (Acceptance of Deposits) Rules, 1975.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors give hereunder the Director's Responsibility Statement pertaining to the accounts of the Company:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation statement relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently 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 & Loss Account of the Company for the year ended on that date.
3. The Directors 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.
4. These accounts have been prepared on a going concern basis.

AUDIT COMMITTEE:

The provisions relating to Audit Committee as envisaged under section 292A of the Companies Act, 1956 and Listing Agreement are not applicable to the Company.

AUDITORS:

M/s Navin Nishar & Associates, Chartered Accountants, Mumbai, Statutory Auditor of the Company who shall be retiring at the ensuing Annual General Meeting, has expressed their willingness to continue for the next year and necessary eligibility Certificate u/s.224 (1B) of the Companies Act,1956 is received from them. Your Directors recommends their appointment.

OBSERVATION OF AUDITORS:

Observation of Auditors as provided in their report are self explanatory and do not call for further explanation.

PARTICULARS OF EMPLOYEES:

No employee of the Company was in receipt of remuneration in excess of limits prescribed under the Companies (Particulars of Employees) Rules, 1975 as amended up to date.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO:

Your Company is not a manufacturing company and has not consumed energy & accordingly the information required under Form A doesn't apply. No comment is made on Technology Absorption considering nature of activities undertaken by your Company. During the year under review your Company did not earn any Foreign Exchange & there is no Foreign Exchange outgo.

PERSONNEL:

During the year under review, the Company enjoyed cordial relations with the employees at all levels. The company is committed to develop its employee's full potential through intensified training.

Further, your Directors wish to place on record their sincere appreciation of the wholehearted co-operation and sincere efforts of senior and middle level managers, which has significantly contributed, to the growth of the company.

SECRETARIAL COMPLIANCE:

Pursuant to Section 383A of the Companies Act 1956, amended by the companies (Amendment) Act, 2000, copy of Certificate from Company Secretary in whole time practice pertaining to compliance of the provisions of the Companies Act, 1956 is furnished in the Annexure to this Report.

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank all investors, clients, technology partners, financial institutions, banks, regulatory and Government authorities for their continued support during the year.

The Board expresses its sincere gratitude to the shareholders and clients for their continued support. The Board also whole-heartedly acknowledges with thanks the dedicated efforts of all the staffs and employees of the company.

The Board appreciate and value the contribution made by every person who contributed to the growth of the Company.

On behalf of the Board
For Polytex India Limited

Place : Mumbai
Date : 06th May, 2009

Arvind Mulji Kariya
Director

Vishram Kambli
Director

For POLYTEX INDIA LIMITED
Director/Authorised Signatory

Navin K. Nishar

B.Com., F.C.A., DISA (ICA)

Navin Nishar & Associates

Chartered Accountants

A/504, Rajeshri Accord,

Telly Gully Cross Lane,

Andheri (E), Mumbai - 400069.

Tel.: 26836220 / 26836225

Mobile : 9820072730

E-mail : navin_nishar@yahoo.co.in

AUDITOR'S REPORT

To,
The Members of
POLYTEX INDIA LIMITED
MUMBAI.

We have audited the attached Balance Sheet & Profit & Loss Account of **POLYTEX INDIA LIMITED** as at 31st March, 2009 and the Profit and Loss Account of the Company and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amount and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, We enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, We state that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by the Companies Act, 1956 have been kept by the Company, so far as it appears from our examination of books.
 - c) The Balance Sheet and Profit and Loss Account and the Cash Flow statement dealt referred to in this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and the Profit and Loss Account and the Cash Flow statement dealt with by this report have been prepared in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 to the extent applicable.
 - e) On the basis of written representations received from Directors as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on 31st March, 2009 from being appointed as Directors of the Company under clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.



In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss Account read together with the Significant Accounting Policies and the Notes thereon give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view :

- (i) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2009 and
- (ii) in so far as it relates to Profit and Loss Account, of Profit of the Company for the year ended on that date.
- (iii) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

**FOR NAVIN NISHAR & ASSOCIATES
CHARTERED ACCOUNTANTS**

N. K. Nishar



**Dated : 06th May, 2009.
Place : Mumbai**

**CA. NAVIN K. NISHAR
(PROPRIETOR)
Membership No. 101443**

Navin K. Nishar

B.Com., F.C.A., DISA (ICA)

Navin Nishar & Associates

Chartered Accountants

A/504, Rajeshri Accord,
Telly Gully Cross Lane,
Andheri (E), Mumbai - 400069.

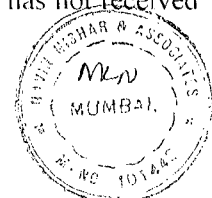
Tel.: 26836220 / 26836225

Mobile: 9820072730

E-mail: navin_nishar@yahoo.co.in

ANNEXURE TO THE AUDITOR'S REPORT FOR THE PERIOD ENDED 31ST MARCH 2009
(Referred to in paragraph 1 of our report of even date)

1. The Company does not have any fixed assets and hence the question of maintaining records, physical verification and the disposal of the same does not arise.
2. (a) Shares in custody of the Company have been Physically verified by the management at reasonable intervals. For shares held with the custodian and depository participant, statements from them have been obtained on a regular basis.
(b) In our opinion, the procedures of verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its' business.
(c) The Company is maintaining proper records of inventory and the valuation of stocks has been done on the basis of physically verified quantity. Therefore, shortage/ excess automatically get adjusted and the same is properly dealt in the books of account.
3. (a) During the year the Company has granted interest bearing Loans secured against shares in the nature of current account to the Companies, Firms or other parties listed in the register maintained under Section 301 and to the Companies under the same management as defined in Sub-Section (1B) of Section 370 of the Companies Act, 1956.
(b) During the year, the Company has not taken any loans in the nature of current account secured or unsecured from Companies, Firms or other parties listed in the register maintained under Section 301 of the Act.
4. The parties under the same management to whom the Company has given loans are regular in payment of Interest on time to time as agreed by the Company.
(b) The principal amount has been repaid in time as agreed by the Company.
5. In our opinion and according to the information and explanations given to us, the internal control procedure of the Company relating to the purchase of Shares and sale of Shares are commensurate with the size of the Company and the nature of its business and we have neither come across nor have we been informed of any major weakness in internal control procedures.
6. (a) As explained to us and according to the information and explanations given to us, the transactions that need to be entered in the register in pursuance of Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of each party during the year have been entered in the Register.
(b) In our opinion and according to the information and explanations given to us, the aforesaid transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
7. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, as specified under the provisions of section 58-A and 58AA of the Companies Act, 1956 and therefore the Directives issued by the Reserve Bank of India and the provisions of section 58-A and 58AA of the Companies Act, 1956 and rules framed there under is not applicable. As explained to us, the Company has not received any order from the Company Law Board.



8. As per the information and explanations given to us, during the year under audit, the Company did not have an Internal Audit System but had an efficient system for accounting and internal controls.
9. As per the information and explanations given to us, the Central Government has not prescribed the maintenance of costs records under Section 209(1)(d) of the Companies Act, 1956 for the Companies procedures.
10. (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' State insurance, Income Tax, Sales Tax, Wealth-Tax, Customs Duty, Excise Duty, cess and other statutory dues, if any, with the appropriate authorities except the Professional Tax of Rs. 6,575. There are Professional Tax of Rs. 6,575/- outstanding statutory dues as at 31st March, 2009 for a period of more than six months from the date they become payable.
(b) As explained to us, there are no disputed dues relating to income tax, customs duty, wealth tax and cess, which have not been deposited as at 31st March, 2009.
11. The Company have accumulated losses of Rs. 28,34,135/- as at 31st March, 2009. The Company has not incurred any cash losses during the current financial year ended on 31st March, 2009.
12. In our opinion and According to the information and explanations given to us, the Company has not defaulted in repayment of its' dues to financial institutions, banks or debenture holders during the year.
13. The Company has granted Loans and Advances on the basis of security by way of pledge of shares, debentures and other securities during the period under review.
14. As per the information and explanation given to us, the provisions of Special Statutes applicable to Chit fund, Nidhi or Mutual benefit society are not applicable to the Company.
15. The Company is engaged in the business of lending & borrowing and also Trading in Shares and Securities, for which the Company has maintained the full records of all transactions entered and timely entries has been made in the register. All the Shares and securities and other investments held by the Company is in it's own name except to the extent of the exemption, if any granted U/s 49 of the Companies Act, 1956.
16. As explained to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof, are prejudicial to the interest of the Company.
17. The Company has taken Loans against Marketable securities from ECL Finance Ltd amounting to Rs. 651.36 Lacs for Investment & business purpose during the year and same has been applied for the purpose for which it has taken.
18. According to the information and explanations given to us and on an overall examination of the Balance Sheet & cash flow statement of the Company, in our opinion, there are no funds raised on short term basis which have been used for long term investments and vice versa.
19. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
20. According to the information and explanations given to us, the Company has not issued any debentures during the year under review.
21. The Company has not raised any money by way of public issue during the year, However, it is in process of raising the money by way of Right Issue of Shares.



22. Based on the Audit Procedures performed and as per the information and explanations given to us by the management, we report that no fraud on or by the Company has been reported or noticed during the year.

**FOR NAVIN NISHAR & ASSOCIATES
CHARTERED ACCOUNTANTS**

N. K. Nishar



Dated : 06th May, 2009

Place : MUMBAI

**CA. NAVIN K. NISHAR
(PROPRIETOR)**

Membership No. 101443.

POLYTEX INDIA LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

		AS AT 31.03.2009 AMT.(RS.)	AS AT 31.03.2008 AMT.(RS.)
<u>SCHEDULES</u>			
<u>I SOURCES OF FUNDS</u>			
<u>1. Shareholders' Funds</u>			
Share Capital	A	15,000,000	15,000,000
<u>2. Loan Funds</u>			
Unsecured Loans	B	-	132,561
TOTAL		15,000,000	15,132,561
<u>II APPLICATION OF FUNDS</u>			
<u>1. Investments</u>			
	C	500,000	1,012,599
<u>2. Current Assets, Loans and Advances</u>			
a. Inventories	D	NIL	920,471
b. Cash & Bank Balances	E	98,012	510,824
c. Loans & Advances	F	10,887,978	10,689,184
		10,985,990	12,120,479
<u>Less: Current Liabilities and Provisions</u>			
a. Current Liabilities	G	135,972	1,001,180
b. Provisions	H	351,824	816,975
		487,795	1,818,155
Net Current Assets		10,498,194	10,302,324
<u>3. a. Miscellaneous Expenditure</u>			
(to the extent not w/off or adjusted)			
Share Issue & Preliminary Expense	I	1,167,671	756,000
b. Profit & Loss Account		2,834,135	3,061,638
TOTAL		15,000,000	15,132,561

NOTES TO ACCOUNT

N

The Schedules referred to above & Notes to Account form an integral part of the Balance Sheet.

As per our Report of even date attached
For NAVIN NISHAR & ASSOCIATES
CHARTERED ACCOUNTANTS

N. K. Nishar

CA. NAVIN K. NISHAR
PROPRIETOR

PLACE : MUMBAI
DATED : 06TH MAY, 2009



For & On Behalf of the Board of Directors
of Polytex India Ltd.

Arvind Mulji Kariya

Arvind Mulji Kariya
Director

Vishram Kambli

For POLYTEX INDIA LIMITED

Vishram Kambli
Director / Authorised Signatory

POLYTEX INDIA LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

		FOR THE PERIOD ENDED 31.03.2009 AMT.(RS.)	FOR THE YEAR ENDED 31.03.2008 AMT.(RS.)
<u>SCHEDULES</u>			
<u>I N C O M E</u>			
Sales & Operational Income	J	6,092,555	961,150
Other Income	K	21,000	29,159
Increase/(Decrease) in Stock	L	(920,471)	(30,629)
		<u>5,193,084</u>	<u>959,680</u>
<u>E X P E N D I T U R E</u>			
Interest Paid		3,197,610	NIL
Operating & Other Expenses	M	1,582,776	511,322
		<u>4,780,387</u>	<u>511,322</u>
Profit before Tax		412,698	448,357
Less: Provision for Tax			
- Current Tax		150,020	195,229
- Deferred Tax		-	NIL
- Fringe Benefit Tax		-	3,054
Profit after Tax		<u>262,678</u>	<u>250,074</u>
Balance brought forward from previous year		(3,061,638)	(3,311,712)
Add/(Less) : Previous Year Adjustments		(35,175)	
Balance carried to Balance Sheet		<u>(2,834,135)</u>	<u>(3,061,638)</u>
Basic & Diluted Earning Per Share		0.18	0.17
Nominal Value Per Share		10.00	10.00

NOTES TO ACCOUNT

N

The Schedules referred to above & Notes to Account form an integral part of the the Profit & Loss Account.

As per our Report of even date attached

For NAVIN NISHAR & ASSOCIATES
CHARTERED ACCOUNTANTS

CA. NAVIN K. NISHAR
 PROPRIETOR



PLACE : MUMBAI.
 DATED : 06TH MAY, 2009

For & On Behalf of the Board of Directors
of Polytex India Ltd.

Arvind Mulji Kariya
 Director

Vishram Kambli
 Director

For POLYTEX INDIA LIMITED
 Director/Authorised Signatory

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	AS AT 31.03.2009 AMT.(RS.)	AS AT 31.03.2008 AMT.(RS.)
<u>SCHEDULE A</u>		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED CAPITAL</u>		
15000000 (15000000) Equity Shares of Rs 10/- each	150,000,000	150,000,000
<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u>		
1500000 (1500000) Equity Shares of Rs 10/- each fully paid up	15,000,000	15,000,000
	15,000,000	15,000,000
<u>SCHEDULE B</u>		
<u>UNSECURED LOANS</u>		
Intercompany Deposits	-	132,561
	-	132,561
<u>SCHEDULE C</u>		
<u>INVESTMENTS (Non trade) (Long term)</u>		
<u>i. Quoted</u>		
55 (55) Equity Shares of Rs.10/- each of J K Synthetics Ltd.	NIL	2,200
2000 (2000) Equity Shares of Rs.10/- each of ABG Infralogistics Ltd.	NIL	234,039
10000 (10000) Equity Shares of Re.1/- each of Assam Company Ltd.	NIL	276,360
	NIL	512,599
<u>ii. Unquoted</u>		
50000 (50000) Equity Shares of Rs.10/ each of Indo Color Photo Products Ltd.	500,000	500,000
	500,000	500,000
TOTAL "i" + "ii"	500,000	1,012,599



	AS AT 31.03.2009 AMT.(RS.)	AS AT 31.03.2008 AMT.(RS.)
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SCHEDULE D
INVENTORIES

(As taken, valued & certified by a
Director of the Company)

StockInTrade

Shares	NIL	920,471
	NIL	920,471

SCHEDULE E
CASH & BANK BALANCES

Cash On Hand	24,066	3,084
Balance in Current Account with Scheduled Banks	73,946	507,740
	98,012	510,824

SCHEDULE F
LOANS & ADVANCES

(Unsecured, considered good)

Sundry Loans	9,568,540	1,095,280
Trade Deposits	NIL	4,000,000
Advances	14,381	NIL
Advance Tax (A.Y.2006-07)	-	170,000
Advance Tax (A.Y.2007-08)	-	40,000
Share Application Money (Pending Allotment)	-	4,800,000
T.D.S. A.Y. 2006 - 07	-	239,946
T.D.S. A.Y. 2007 - 08	-	205,594
T.D.S. A.Y. 2008 - 09	138,364	138,364
T.D.S. A.Y. 2009 - 10	1,109,823	-
S.A. Tax (A.Y.2008-09)	56,870	-
	10,887,978	10,689,184

SCHEDULE G
CURRENT LIABILITIES

Sundry Creditors for Expenses	126,884	50,393
Share Issue Expenses Payable	-	945,000
TDS Payable	9,088	5,787
	135,972	1,001,180

SCHEDULE H
PROVISIONS

For Tax

A.Y. 2006-07	-	408,732
A.Y. 2007-08	-	211,622
A.Y. 2008-09	195229	195229
A.Y. 2009-10	150020	-
For Fringe Benefit Tax	-	1,381
For Professional Tax	6,575	-
	351,824	816,975



POLYTEX INDIA LIMITED

FOR THE	FOR THE
YEAR ENDED	YEAR ENDED
31.03.2009	31.03.2008
AMT.(RS.)	AMT.(RS.)

SCHEDULE I

SHARE ISSUE & PRELIMINARY EXPENSES

Opening Balance	756,000	NIL
Add : Expenses incurred during the year	750,839	945,000
	1,506,839	945,000
Less : 1/5th W/off for the year	339,168	189,000
Closing Balance	1,167,671	756,000

SCHEDULE J

SALES & OPERATIONAL INCOME

Sales	1,194,208	273,698
Interest on Loan	4,898,347	687,452
	6,092,555	961,150

SCHEDULE K

OTHER INCOME

Dividend	21,000	16,412
Profit on Sale of Investments	-	1,368
Interest on IT Refund	-	10,559
Income on Fraction Shares	-	820
	21,000	29,159

SCHEDULE L

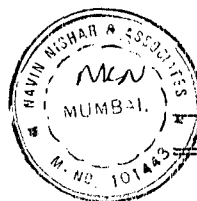
INCREASE/(DECREASE) IN STOCK

Closing Stock	-	920,471
Less : Opening Stock	(920,471)	(920,471)
	(920,471)	(30,629)

SCHEDULE M

OPERATING & OTHER EXPENSES

Salary	506,837	66,000
Conveyance	-	15,308
Directors' Sitting Fees	4,500	3,750
Listing Fees	11,084	10,000
Legal & Professional Fees	449,822	9,830
Director's Travelling Expenses	-	48,904
Telephone Charges	-	15,423
Office Expenses	-	15,419
<u>Remuneration to Auditors'</u>		
For Audit	30,000	15,000
For Company Law Matters	5,000	5,000
For Other Matters	15,000	30,000
For Reimbursement of Expenses (Service Tax)	5,150	6,180
Printing & Stationery	-	18,097
Staff Welfare	-	6,466
General Expenses	37,993	39,001
Share Processing Chgs	20,090	-
Advertisement Expenses	16,347	17,944
Loss on Sale of Investment	91,785	-
Share Issue Expenses w/off	339,168	189,000
	1,582,776	511,322



POLYTEX INDIA LIMITED

SCHEDULE N : NOTES TO ACCOUNT

1. Summary of Significant Accounting Policies :

- a. The Company follows the Prudential Norms for Assets Classification, Income Recognition, Accounting Standards, Provisioning for bad and doubtful debts as prescribed by the Reserve Bank of India for Non Banking Financial Companies.
- b. Accounts have been prepared on Historical Cost and accrual basis except for government dues which are accounted for in the year of receipt of the relevant order.
- c. Fixed Assets are stated at Cost less Depreciation. The Company capitalises all cost relating to acquisition and installation of fixed assets.
- d. Depreciation on fixed assets is provided on prorata basis on the Written Down Value Method at the rates and on the basis as specified in Schedule XIV to the Companies Act, 1956.
- e. Stock in trade in the case of Quoted Scrips is valued at lower of cost & market value based on the last available quotation, whereby aggregate cost of all scrips is compared with their aggregate market value, category wise. In the case of Unquoted shares, the same is taken at lower of cost & breakup value.
- f. Long Term Investments are stated at cost after deducting provisions made for permanent diminution in the value, if any. Current investments are stated at lower of cost & fair market value.
- g. The cost of Investments/Stockintrade includes brokerage but does not include stamp duty & securities transaction tax which is charged to revenue.
- h. Bonus entitlements are recognised on ex bonus dates without any acquisition cost.
- i. Incometax expense comprises current tax and deferred tax charge or credit. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassure realisation.
- j. Share issue expenses are amortised in equal instalments over the period of five years.



POLYTEX INDIA LIMITED

2. Details required pursuant to Para 3 & 4 of Part II of Schedule VI to the Companies Act, 1956 :

Since the Company is not in the business of manufacturing, the provisions regarding licensed and installed capacity, as well as production and raw materials consumed are not applicable.

Details of Items traded :

Shares

	<u>As at 31.01.2009</u>		<u>As at 31.03.2008</u>	
	<u>QTY</u> <u>(in Nos.)</u>	<u>AMOUNT</u> <u>(Rs.)</u>	<u>QTY</u> <u>(in Nos.)</u>	<u>AMOUNT</u> <u>(Rs.)</u>
Opening Stock	31726	920471	135143	951100
Purchases/Other Entitlements	NIL	NIL	256	NIL
Sales/Conversion/Lost	31726	1194208	103673	273698
Closing Stock	NIL	NIL	31726	920471

Statement pursuant to Part I of Schedule VI to the Companies Act., 1956 is given as per Annexure "1"

<u>3. Earnings Per Share (EPS)</u>	<u>2008-2009</u>	<u>2007-2008</u>
a) Weighted average Number of Equity shares outstanding during the year	1500000	1500000
b) Net Profit after tax available for equity Shareholders (Rs.)	262678	250074
c) Basic and Diluted Earnings Per Share (Re.)	0.18	0.17
d) Nominal Value Per Share (Rs.)	10.00	10.00

The Company does not have any outstanding dilutive potential equity shares.

4. The Company is engaged in financial & dealing in shares/ units and all activities of the Company revolve around this business. As such there is only one 'business segment' and 'geographical segment' and, therefore, the segment information as per Accounting Standard 17 on "Segment Reporting" is not provided by the Company.

5. Disclosure as required by Accounting Standard 18 (AS - 18) "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as follows:

- (a) Other related parties (where transactions have taken place during the year):

- (i) Associate

Anugrah Stock & Broking Pvt. Ltd.

- (b) Key Management Personnel:

Mr. Arvind Mulji Kariya (w.e.f. 31st January, 2008)
Mr. Paresh Mulji Kariya (w.e.f. 31st January, 2008)



POLYTEX INDIA LIMITED

Details of Transactions:

Nature of Transactions:	Associates Amt (Rs.)	Key Management Personnel Amt (Rs.)
Director Sitting Fees	-	3500/-
	(-)	(1250/-)
Deposit for Trading activity	-	-
	(4000000/-)	(-)
Interest received on Loan	4738172/-	
Loan given & received back during the year	65135625/-	
Repayment of Trading Deposits	4000000/-	
Balances outstanding as on year end		
Deposit for Trading activity	-	-
	(4000000/-)	(-)

Note: Figure in brackets pertain to previous year

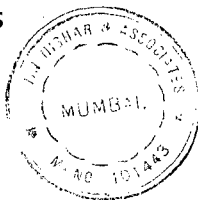
6. Previous Year's figures have been regrouped/rearranged, wherever necessary, so as to make them comparable with current year's figures.
7. Other information required under Part I and Part II of Schedule VI to the Companies Act, 1956 is either Nil or Not Applicable.

Signatures to Schedules "A" to "N"

**For NAVIN NISHAR & ASSOCIATES
CHARTERED ACCOUNTANTS**

N. K. Nishar

**CA. NAVIN K. NISHAR
PROPRIETOR**



**PLACE : MUMBAI
DATED : 06TH MAY, 2009**

**For & On Behalf of the Board of Directors
of Polytex India Ltd.**

Arvind Mulji Kariya

**Arvind Mulji Kariya
Director**

Vishram Kambli

**Vishram Kambli
Director**

For POLYTEX INDIA LIMITED

Vishram Kambli
Director/Authorised Signatory

POLYTEX INDIA LIMITED

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT.**

	FOR THE YEAR ENDED 31.03.2009 <u>AMOUNT(RS.)</u>	FOR THE YEAR ENDED 31.03.2008 <u>AMOUNT(RS.)</u>
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	412,698	448,357
ADJUSTMENTS FOR :		
PROFIT/(LOSS) ON SALE OF INVESTMENTS	91,785	(1,368)
ASSETS SCRAPPED	NIL	NIL
SHARE ISSUE EXPENSES W/OFF	339,168	189,000
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	843,651	635,989
ADJUSTMENTS FOR :		
LOANS & ADVANCES	312,359	(1,174,712)
INVENTORIES	920,471	30,629
TRADE PAYABLES	(858,633)	965,409
CASH GENERATED FROM OPERATIONS	1,217,848	457,315
INCOME TAX & FBT PAID	(1,168,074)	(75,290)
NET CASH FROM OPERATING ACTIVITIES	49,774	382,025
B. CASH FLOW FROM INVESTING ACTIVITIES		
SALE OF INVESTMENTS	420,814	2,368
NET CASH USED IN INVESTING ACTIVITIES	420,814	2,368
C. CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM UNSECURED LOANS	(132,561)	NIL
SHARE ISSUE EXPENSES	(750,839)	(945,000)
NET CASH USED IN FINANCE ACTIVITIES	(883,400)	(945,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(412,812)	(560,607)
CASH AND CASH EQUIVALENTS (OPENING BALANCE AS AT 1.4.2008)	510,824	1,071,431
CASH AND CASH EQUIVALENTS (CLOSING BALANCE AS AT 31.3.2009)	98,012	510,824

As per our Report of even date attached

**For NAVIN NISHAR & ASSOCIATES
CHARTERED ACCOUNTANTS**

**CA. NAVIN K. NISHAR
PROPRIETOR**

**PLACE : MUMBAI
DATED : 06TH MAY, 2009**



**For & On Behalf of the Board of Directors
of Polytex India Ltd.**

**Arvind Mulji Kariya
Director**

**Vishram Kambli
Director**

For POLYTEX INDIA LIMITED

Director/Authorised Signatory

POLYTEX INDIA LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
FOR THE PERIOD ENDED 31ST MARCH, 2009

1. Registration Details

Registration No.	:	42092
State Code	:	11
Balance Sheet Date	:	31st March 2009

2. Capital Raised During the Year

(Amt. in Rs.'000)

Public Issue	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	NIL
Pvt. Placement (Promoters)	:	NIL

3. Position of mobilisation and deployment of Funds

(Amt. in Rs.'000)

Total Liabilities	:	15488
Total Assets	:	15488

Sources Of Funds

(Amt. in Rs.'000)

Paid Up Capital	:	15000
Reserves & Surplus	:	NIL
Secured Loans	:	NIL
Unsecured Loans	:	NIL
Deferred Tax Liability	:	NIL

Application Of Funds

(Amt. in Rs.'000)

Net Fixed Assets	:	NIL
Investments	:	500
Net Deferred Tax Asset	:	NIL
Net Current Assets	:	10498
Miscellaneous Expenditure	:	1168
Accumulated Losses	:	2834

4. Performance Of Company

(Amt. in Rs.'000)

Turnover (Gross Receipts)	:	6114
Total Expenditure	:	5701
Profit/(Loss) before tax	:	413
Profit/(Loss) after tax	:	263
Earnings Per Share (in Re.)	:	0.18
Dividend rate (%)	:	
-on Preference Shares	:	NIL
-on Equity Shares	:	NIL

5. Generic Names of Principal Products, Services of the Company:

Item Code No.	:	
(ITC Code)	:	N.A.
Product Description	:	Finance & Dealing in Shares.