

**19<sup>th</sup>**  
**Annual Report**  
**2010-11**



**HARYANA TEXPRINTS (OVERSEAS) LTD.**



## **Haryana Texprints (Overseas) Limited**

### **BOARD OF DIRECTORS**

Shri N.P. Jhanwar	-	(Managing Director)
Shri Rang Nath Maheshwari	-	(Executive Director)
Shri Satya Narayan Maheshwari	-	(Director)
Shri Padam Chand Gupta	-	(Director)
Shri M.P. Rungta	-	(Director)

### **CHIEF FINANCIAL OFFICER**

Shri Aditya Maheshwari

### **AUDITORS**

M/s. Doogar & Associates  
13, Community Centre,  
East of Kailash  
New Delhi.

### **REGISTERED OFFICE**

Plot No. 3, Sector 25  
Faridabad - 121 004  
(Haryana)

### **BANKERS**

The Jammu & Kashmir Bank Ltd.  
Chandni Chowk  
Delhi - 110 006

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### NOTICE

Notice is hereby given that the 19th ANNUAL GENERAL MEETING of the Shareholders of Haryana Texprints (Overseas) Ltd. will be held at the Registered office of the Company at Plot No.3, Sector-25, Faridabad-121004 on Thursday, 29th September 2011, at 10.00 A.M to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March'11 and the Profit & Loss Account for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri S.N. Maheshwari, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri P.C. Gupta, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration by considering and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:

"RESOLVED that M/s Doogar & Associates, Chartered Accountants, the retiring Auditors, be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company, and reimbursement of out of pocket expenses incurred in connection with the Audit."

#### SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification the following Resolution as **Special Resolution**.  
"RESOLVED that pursuant to section 314 and other applicable provision of Companies Act 1956, Approval of the Shareholder of the Company be and is hereby accorded to the appointment of Shri Aditya Maheshwari as Chief Financial Officer in the company, a relative of Shri Rangnath Maheshwari, Director of the company, to hold office of profit under the company with effect from 1st June 2011 at a salary Rs.75000 per month with an annual increment of Rs.7500 per month plus usual perks as per Company's rules subject to a maximum remuneration at any time not exceeding Rs.2.50 Lakhs per month.

"RESOLVED further that this resolution shall be deemed to conform the necessary authority to the Board of Directors to sanction to the increments as they deem fit and proper to promote in to any higher position at their discretion.

By order of the Board  
For Haryana Texprints (Overseas) Ltd.

Place: Faridabad  
Date : 08.08.2011

(N.P. Jhanwar)  
Managing Director  
DIN No. 00401788

#### NOTES

1. A member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and such proxy need not be a member(s) of the Company. Proxy in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books shall remain closed from Tuesday, the 27th September 2011 to Thursday, 29th September 2011 (both days inclusive).
3. All members are requested to intimate the change, if any, in their registered address immediately.
4. Members/proxies should bring the attendance slip sent herewith, duly filled in for attending the meeting



## **Haryana Texprints (Overseas) Limited**

5. All documents referred to the notice and the explanatory statements are open for inspection at the Registered Office of the company during office hours.
6. Members holding shares of the company under more than one ledger folio are requested to send the company, details of all such folios together with the share certificates for consolidating the folios into one. The share certificates will be returned to the members after making the requisite endorsement thereon.
7. The explanatory statement U/S-173(2) of the Companies Act, 1956, in respect of special business to be transacted at the meeting, is annexed hereto.
8. Corporate members intending to send their authorized representatives to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.
9. The Ministry of Corporate Affairs ("MCA") has vide Circular No.17/2011 and 18/2011 dated 21 April 2011 and 29 April 2011 respectively, taken a 'Green Initiative in Corporate Governance', by allowing paperless compliance through electronic mode, allowing to send documents such as Notice convening General Meetings, Audited Financial Statements, Director's Report, Auditor's Report, etc. and any other notice/documents, henceforth in electronic form in lieu of the paper form.

In case you wish to support your Company's Concern to prevent global environment degradation, you are requested to please register your E-mail ID with your DP, if you hold the Company's shares in electronic form, under intimation to the Registrar and Transfer Agent through your registered E-mail ID. However, if you hold the shares in physical form then you may register your E-mail ID with the Registrar and Transfer Agent of the Company by sending a letter under your Registered. Signature at the below mentioned address:-

M/s. Skyline Financial Services Pvt. Ltd.  
D-153 A, Okhla Indl. Area,  
Phase-I, New Delhi-110020

### **EXPLANATORY STATEMENT PURSUANT TO SECTION-173 (2) OF THE COMPANIES ACT, 1956**

#### **EXPLANATORY STATEMENT ITEM NO. 5**

The Board of Directors of the Company in their meeting held on 14.05.2011 appointed Shri Aditya Maheshwari as Chief Financial Officer.

Shri Aditya Maheshwari Son of Shri Rangnath Maheshwari, Director of the Company, is an Engineer from IIT, Delhi and MBA-Finance from IIM, Indore, has previously worked with Axis Bank. During last 2-3 years the Company has completed various Expansion projects and increased production capacity of the Plant. Due to this Company's activities have substantially increased. Hence, Shri Aditya Maheshwari has been entrusted the work of Company's Finance Department.

Shri Aditya Maheshwari being Son of Shri Rangnath Maheshwari, Director of the Company, payment of remuneration to him would attract the provision of Section 314 (1B) of the Company's Act 1956. Hence, the resolution is placed for your consideration.

Shri Rangnath Maheshwari and Shri Narayan Prasad Jhanwar being relative are interested in the above resolution.

By order of the Board  
**For Haryana Texprints (Overseas) Ltd.**

Place: Faridabad  
Date : 08.08.2011

(N.P. Jhanwar)  
Managing Director  
DIN No. 00401788

## 19th Annual Report 2010-2011

### DIRECTOR'S REPORT

The Members,

Your Directors have pleasure in presenting the 19th Annual Report and Audited Accounts for the year ended on 31st March 2011.

	Rs.in Lakhs 2010-2011	Rs. In lakhs 2009-2010
Turn Over & Other Income	5520.18	4525.09
Profit before interest & Depreciation	341.39	309.57
Interest & Finance Charges	131.64	113.00
Cash Profit	209.75	196.57
Depreciation	89.90	98.86
Profit for the year before Tax	119.85	97.71
Deferred Tax Charges	20.88	19.51
M.A.T	23.89	15.10
M.A.T Credit	(23.89)	(15.10)
Profit after Tax	98.97	78.20

#### OPERATION:-

During the year under review the Turn Over and other income of the company increased to Rs.5520.18 Lakhs as compared to Rs.4525.09 Lakhs in the previous year showing an increase of 21.99%. During the year under review margins have improved due to cost control measures taken by the management. During the year Export Sales was better as compared to previous year.

#### DIVIDEND:

In order to conserve the resources for the Growth of Company's Operations your Directors do not recommend any Dividend for the year under review.

#### FINANCE:

During the year under review your Company received intimation from Nodal Agency for sanction of capital and interest subsidy under Technology Up-gradation Fund (TUF) on second term loan of Rs.116 Lakh. Accordingly credit of Rs.7.92 Lakh on account of Capital Subsidy and Rs.16.22 Lakh on account of Interest Subsidy has been taken in the accounts. Your company has since received full amount of Capital Subsidy and Interest Subsidy up to 31.03.2011 on both the Term Loans.

During the year under review your Company received sanction of Term Loan of Rs.170 Lakh to finance Capital Expenditure scheme of Rs.284 Lakhs out of which Rs. 105.00 Lakhs has been incurred up to 31.03.2011 and the Term Loan of Rs.77.20 Lakhs has been disbursed by the bank up to that date.

Your Directors have decided not to purchase balance machines under the scheme as the company's case fall under the ineligible period of 29.06.2010 to 27.04.2011 and is not entitled for TUF's Capital and Interest Subsidy. Company has already approached its Bankers to cancel the undisbursed loan of Rs.92.80 Lakhs and re-fix the Term Loan repayment installments.

Ministry of Textiles has now announced restoration of TUF scheme from 28.04.2011 to 31.03.2012. your Directors considering to submit fresh proposal under TUF scheme for procurement of Technologically up graded Textile Machines.

The company has regularly paid interest on working capital and Term Loans. As on 31.03.2011, there is no over dues on account of Term Loans installments.

#### FIXED DEPOSITS:

Your Company has not accepted any-deposit from the public under section 58A of the Companies Act 1956 and rules framed there under.



## **Haryana Texprints (Overseas) Limited**

### **DIRECTORS:**

Shri S.N. Maheshwari and Shri P.C. Gupta, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for reappointment.

### **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirements of Section 217 (2AA) of the Companies Act 1956 your Directors confirm as under.

1. That in the preparation of the Annual Accounts for the Financial Year ended on 31 st March 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were responsible and prudent so as to give true and fair view of the State of affairs of the Company at the end of the Financial Year and of the Profit of the Company for the year under review.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act of safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the Annual Accounts for the year ended 31.03.11 on going concern basis. A report on the Corporate Governance code along with Auditor's certificate regarding Compliance of the Conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to this report.

### **CORPORATE GOVERNANCE**

A report on the Corporate Governance code along with Auditor's Certificate regarding Compliance of the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is annexed to this report.

### **AUDITORS :**

Mis Doogar & Associates Chartered Accountants, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment. Certificate from the Auditors have been received to the effect that their reappointment, if made, would be with in the prescribed limit under section 224 (1 B) OF The Companies Act 1956.

The observation in the Auditor's Report are dealt within the notes to account at appropriate places and being self-explanatory need no other explanations.

### **CONSERVATION OF ENERGY, TECHNOLOGY, FOREIGN EXCHANGE EARNING AND OUT GO:**

The prescribed details as required under section 217 (1) (e) of the Companies (Disclosure of Particulars in Report of Board of Directors) Rule 1988 are set out in Annexure to the Director's Report.

### **PERSONNEL:-**

The relations between the management and the workers have remained co-ordeal during the year. There was no employee drawing remuneration beyond the Limits prescribed under section 217 (2A) of the Companies Act 1956.

### **ACKNOWLEDGEMENT:-**

Your Directors would like to express their gratitude for the assistance and co-operation received from the Financial Institution, the Bank, and Government Agencies during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the devoted services of executives, staff and workers of the Company.

For and on Behalf of the Board of Directors

Place: Faridabad

Date : 08.08.2011

N.P.Jhanwar

Managing Director

DIN 00401788

R.N.Maheshwari

Executive Director

DIN 00403174

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## ANNEXURE TO DIRECTORS' REPORT

Particulars under the Companies (Disclosure of Particulars in the report of Directors) Rules 1988:

### (A) CONSERVATION OF ENERGY:

1. Energy conservation measures taken:

The Company in its pursuit to conserve energy has taken the following measures:

- a. Improvement in work practices focusing on energy saving.
  - b. Regular Preventive maintenance of electrical devices is being undertaken.
  - c. Use of natural light and provision of allowing natural airflow in the plant as much as possible.
  - d. Appointed consultant for study of energy costs and possibilities of reducing the same.
2. Additional investments and proposal, if any being implemented for reduction of consumption of energy: None
3. Impact of measures 1 & 2 on energy consumption and consequent impact on cost of production of goods: The above measures have resulted in reduction of consumption of energy per unit of production.
4. Total energy consumption and energy consumption per unit of production as per prescribed Form A:

<b>Electricity</b>	<b>Current Year</b>	<b>Previous Year</b>
a) Purchased Units	2287185	1935007
Total Amount (Rs.)	12077900	8861150
Rate per Unit (Rs.)	5.28	4.58
b) Own Generation through DG Set	424978	680692
Unit per Ltr of Diesel	2.71	2.95
Cost per Unit (Rs.)	13.43	11.41
<b>Coal</b>		
Quantity (Tones)	3883	2735
Total Amount (Rs.)	37448285	18926075
Average Rate (per Ton) Rs.	9644	6920
<b>Rice Husk</b>		
Quantity (Tones)	2121	5024
Total Amount (Rs.)	6940837	15261389
Average Rate (per Ton) Rs.	3272	3078

Energy consumption per unit is not ascertainable.

### (B) TECHNOLOGY ABSORPTION:

1. RESEARCHES AND DEVELOPMENT (R &D):

- A. Specific Development: None
- B. Benefits of R & D: R & D efforts have improved working and quality and also reduced the cost of production.
- C. Future Plans: Management is committed to strengthen R & D efforts to improve competitiveness through continues improvement efforts in cost of production, quality up gradation and development of new product and applications.
- D. Expenditure on R & D: As per established accounting policies, expenditure incurred on R & D remains merged with the various heads. Expenditure related to Capital items is debited to fixed assets and depreciated at applicable rates. Revenue Expenditure is charged to Profit and Loss Account of the year in which they are incurred.

2. TECHNOLOGY ADAPTATIONS, ABSORPTION AND INNOVATION:

- A. Efforts in brief, made towards technology absorption, adaptation & innovation. **N.A.**
- B. Benefits derived as a result of the above efforts, e.g. product improvement, Cost reduction, product development, import substitution etc. **N.A.**
- C. Technology imported during last 5 years **NIL**

### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. ACTIVITIES RELATING TO EXPORT:

The Company has initiated several steps to establish into export markets and achieved turnover of Rs.466.12 lacs from Export of fabric and garment on FOB price.

2. FOREIGN EXCHANGE EARNINGS: Rs.466.12 lacs on FOB price.

**For and on Behalf of the Board of Directors**

Place: Faridabad

**N.P.Jhanwar**

**R.N.Maheshwari**

Date : 08.08.2011

Managing Director

Executive Director

DIN 00401788

DIN 00403174



## **Haryana Texprints (Overseas) Limited**

### **Management discussion and Analysis**

The Business of the company is processing cotton and man-made Fabric for Exporters on Job Work basis as well as for own Fabric and manufacturing of Garments.

**a) Industry structure and Development**

The operations of Textile processing units are showing improvement in respect of production and profitability during last 2-3 year due to increased Export of Garments and other Textile products. Future of the Industry depends upon revival of US and European Economies.

**b) Opportunities and Threats**

Due to quota free system International Textile Markets are now more competitive in terms of Quality & prices. Although the Quota free system brings unlimited opportunities to Indian Textile Industry but also pose threat of stiff competition with Major Textile Exporting Countries like China and other South East Asian Countries. However the Indian Textile Industry is taking appropriate steps towards modernization and to meet rising costs by effective cost reduction on all fronts to maintain cost competitiveness in domestic and overseas Markets. The Government of India is also providing various incentives like Interest Subsidy of 5% under TUF Scheme and 10% Central Government Cash Subsidy for Textile processing units to Expand manufacturing Capacity and modernize plant and machineries to bring them at International Level, in respect of Technology. These steps will certainly help the Textile Industry to face global challenges in year to come. In order to compensate losses incurred by Textile Exporters due to sluggish Export Orders that too on un-remunerative prices. Government of India is increasing rate of DEPB and Duty drawback from time to time.

**c) Segment wise Performance**

The company is engaged in processing of Cotton and Manmade fabrics and manufacturing of Garments. Garment sale contribution is insignificant in the total turn over of the company, hence not reported separately. The company has no activity out side India except Export of processed Fabric produced by the unit.

**d) Future Out-Look**

Indian Fabric processing industry is depended on Garment Export Orders which has badly affected due to sluggish Exports order at un-remunerative prices. The Economies of US and Europe are not in good shape and the future of Indian Textile Industry, particularly Garment is depended on revival of these Economies.

**e) Risks and Concern**

In the context of changes, which have taken place due to Quota free system, globalization of Indian Economy, the company has already modernized its plant. In order to improve productivity and further reduction of cost ,Company has installed balancing machines.

**f) Internal Control System**

The Company maintains adequate Internal Control System, which provides adequate safe guards and proper monitoring of the transactions. The Company's Internal Auditor who conducts periodic Audits to assure that the Company's Control System is properly followed and the entire statutory requirements are complied with. The Company remains committed to maintain effective Internal Control System and procedures designed to provide reasonable assurance for orderly and efficient conduct of Business and security of its assets.

**g) Discussion on Financial Performance with respect to operating Performance**

The Operating Performance of the Company has been discussed in the Director's Report under the Head Operations.

**h) Development in human resources and Industrial relation.**

The Company's HRD activities involve total approach to develop the employees with emotional maturity, creativity Customer focus, Quality Consciousness etc. The Industrial relations throughout the year remained cordial.

**i) Cautionary Statement**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be " Forward Looking Statement" with in the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demands and supply and price Conditions in domestic and Overseas Markets in which the company operates. Changes in Government regulations, tax regimes, economic developments with in India and the Countries in which the Company Conducts Business and Other incidental factors.



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## CORPORATE GOVERNANCE REPORT:

### CORPORATE GOVERNANCE REPORT:

The detailed report of corporate governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on code of Corporate Governance envisages the attainment of the high level of transparency, accountability in the functioning of the company and assist the top management of the Company in the efficient conduct of its business internally and externally, including its interaction with its shareholders, employees, the government and lenders place due emphasis on regularity compliance.

### BOARD OF DIRECTOR'S:-

Category	Name of Directors	
Promoter/Executive Director	Sh.N.P .Jhanwar	Managing Director
	Sh. Rang Nath Maheshwari	Executive Director
Non-Executive Independent	Sh.Satya Narayan Maheshwari	Director
	Sh.P.C.Gupta	Director
	Sh. M.P. Rungta	Director

### Brief Resume of Director's Being Re-appointed at the ensuing Annual General Meeting.

- Shri S.N. Maheshwari aged 62 years retired by rotation and being eligible, offers himself for reappointment. He is a commerce graduate and having more than 40 years experience in Textiles Business.
- Shri P.C. Gupta, aged 65 years is a Qualified Cost Accountant (ICWA) and MBA, having served in Senior Positions in Government of Rajasthan and Birla Group. He is also having experience of business and industry.

### BOARD MEETINGS ITS COMMITTEE MEETINGS AND PROCEDURES

#### A. Institutionalized Decision making process

With a view to institutionalize all corporate affairs and setting up systems and procedures for advance planning for matters requiring discussion /decisions by the Board, the Company has defined guidelines for the meetings of Board of Directors and committees thereof. These Guidelines seek to systematize the decision making process at the meeting of Board, Committees, in an informed and most efficient manner.

#### B. Scheduling and selection of Agenda items for Board Meetings

- The Company holds minimum of four Board Meetings in each year. Apart from the four Board Meetings, additional Board Meetings are convened by giving appropriate notice at any time to address the specific needs of the Company. The Board may also approve permitted urgent matters by passing resolution by circulation.
- The meetings are usually held at the Company's Registered Office in Faridabad.
- All divisions /departments in the company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion /approval/decision in the Board/Committee Meetings.
- The Board is given presentations covering Finance, Sales & Marketing and major business segments and operations of the Company, before taking on record the results of the Company for the preceding financial quarter at each of the scheduled Board Meeting .The Board's annual agenda includes determining Directors who shall retire by rotation and recommending appointment of Directors /Auditors, authentication of Annual accounts and approving Directors Report, long term strategic plan for the Company expects to face in the future .Board Meetings also note and review functions of its committees.
- The Managing Director in consultation with other concerned persons in the senior management, finalize the agenda papers for the Board Meetings

### BOARD MATERIAL DISTRIBUTED IN ADVANCE

- Agenda papers are circulated to the Directors in advance. All material information is incorporated in the agenda papers for facilitating meaningful, informed and focused discussions at the meeting. Where it is not practicable to



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attach any document to the Agenda, the same are placed on the table at the meeting with special reference to this effect in the Agenda.

- (II) In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance or at the meeting.

### Recording Minutes of Proceedings at Board Meeting

The minutes of the proceedings of each Board and Committee Meetings are entered in the Minutes Book within 30 days from the conclusion of the meeting. Draft minutes are circulated to all the members of the Board for their comments.

### Post Meeting Follow up Mechanism

The guidelines for Board and Committee facilitate an effective post meeting follow-up, review and reporting process for the action taken on decisions of the Board and Committees.

### Compliance

Due care is taken while preparing the agenda, notes on agenda, minutes etc of the Meeting (s) and holding and conducting the meetings as regards to adherence to all the applicable provisions of law including the Companies Act, 1956 and secretarial Standards recommended by the institute of Company Secretaries of India, New Delhi.

### Attendance of each Director at the Board Meetings, Last Annual General Meeting and Number of other Directorship and Chairmanship /Membership of Committee of each Director in various Company's:

Name of the Director	Attendance Particulars Board Meetings	Last AGM	No. of Directorships & Committees Membership & Chairmanship		
			Other Director Ships	Committee Members Ships	Committee Chairman Ships
N.P.Jhanwar	7	Present	-	1	-
S.N.Maheshwari	7	LOA	-	1	-
R.N.Maheshwari	7	Present	1	1	-
P.C.Gupta	6	Present	4	1	1
M P Rungta	4	Present	-	1	-

### Number of Board Meetings Held and the Dates on which held

Seven Board Meetings were held during the year, as against the minimum requirement of 4 meetings. The dates on which the meetings were held as follows: 30-04-10, 30-06-10, 27-07-10, 11-08-10, 08-11-10, 13-11-10 and 04-02-11. The maximum time gap between any two meetings was not more than four calendar months. None of the Directors of the Company was a member of more than ten committees nor was the Chairman of more than Five committees across all Companies in which he was a Director.

### A. Standing Committees

The Company has the following standing Committees of the Board.

#### 1. Audit Committee :-

- A) As on 31st March 2011 the Audit Committee consist of Shri. P.C.Gupta, Shri. S. N. Maheshwari and Shri M P Rungta all of them are independent. Shri P.C. Gupta Chairman having financial and accounting knowledge.

The terms of reference stipulated by the Board of Directors to the Audit Committee are as follows.

- Oversight of the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of Audit fee and also approval for payment for any other services.
- Reviewing with management the half yearly and annual financial statements before submission to the Board

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focusing primarily on (i) any changes in accounting policies, (ii) major accounting entries based on exercise of judgment by management, (iii) qualifications in draft audit report, judgment by management (iv) significant adjustments arising out of Audit, (v) the going concern assumption (vi) compliance with accounting standards, (vii) compliance with stock exchange and legal requirements concerning financial statements and, (viii) any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.

- (d) Reviewing with the management, External and Internal Auditors, the adequacy and compliance of internal control system.
- (e) Reviewing the adequacy of internal audit functions.
- (f) Discussion with Internal Auditors any significant findings and follow up there on.
- (g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is Suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the Matter to the Board.
- (h) Discussion with External Auditors before the Audit commences, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- (i) Reviewing the Company's financial and risk management policies.
- (j) To look into the reasons for substantial defaults in the payments to the depositors, shareholders in case of non payment of declared dividends if any, and creditors.

During the year, committee has met 4 times. The auditors were also invited to attend the audit Committee Meetings

### ATTENDANCE OF EACH MEMBER OF AUDIT COMMITTEES MEETINGS HELD DURING THE YEAR

Name of Member of Audit Committee	Attendance Particulars
Sh. P.C. Gupta	30th June 10, 11th August 10, 8th Nov.,10 and, 4th Feb. 11.
Sh. S.N. Maheswari	30th June 10, 11th August 10, 8th Nov.,10 and, 4th Feb. 11.
Sh. M.P. Rungta	11th August, 10, 8th November, 10 and, 4th February, 11.

### 1. Remuneration Committee: -

Remuneration Committee will be constituted as and when required. Details of remuneration paid to Directors are as follows: -

A. Sh. N.P. Jhanwar	Managing Director	Rs.14,07,180/-
B. Sh. R.N. Maheshwari	Executive Director	Rs.11,23,280/-

### 2. Share Transfer committee: -

The Board of Directors of the Company has constituted a Share Transfer Committee so as to give effect to transfer as desired by investors at an early date to avoid any delay. During the year the Committee has met 23 times.

### ATTENDANCE OF EACH MEMBER OF SHARE TRANSFER COMMITTEE MEETINGS HELD DURING THE YEAR

Sh. N.P. Jhanwar	10-04-2010	31-07-2010	09-10-2010	31-12-2010	20-02-2011
Sh. R.N.Maheshwari	20-04-2010	10-08-2010	20-11-2010	10-01-2011	28-02-2011
	19-06-2010	20-08-2010	30-11-2010	20-01-2011	31-03-2011
	30-06-2010	10-09-2010	10-12-2010	31-01-2011	
	10-07-2010	20-09-2010	20-12-2010	10-02-2011	



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### **B. Functional Committees:**

The Board may, from time to time, constitute one or one more functional Committees delegating powers and duties with respect to specific purposes. Meetings of such committees will be held as and when the need for discussing the matter concerning the purpose arises. Time schedule for holding the meetings of such functional committees are finalized in consultation with the committee members.

### **C. Procedures at Committee Meetings:**

Company's guidelines relating to Board Meetings are applicable to committee meetings as far as may be practicable. Each committee has an authority to engage outside experts, advisers and counsels to the extent it considers appropriate to assist the committee in its work. Minutes of the proceedings of each of the committee meeting are placed before the Board for its perusal and noting.

### **D. Annual General Meeting:**

Location and time for last 3 Annual General Meetings were as follows:

<b>Year</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
2007-2008	Plot No-3, Sector-25, Faridabad (Haryana)	22.09.2008	10.00 a.m
2008-2009	Plot No-3, Sector-25, Faridabad (Haryana)	29.09.2009	10.00 a.m
2009-2010	Plot No-3, Sector-25, Faridabad (Haryana)	27.09.2010	10.00 a.m

During the year ended 31st March 2011, there have been no resolutions passed by the Company's Shareholders through postal ballot. At the ensuing Annual General Meeting there is no resolution proposed to be passed by postal ballot..

### **DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS I.E. TRANSACTIONS OF THE COMPANY OF MATERIAL NATURE, WITH ITS PROMOTERS, THE DIRECTORS OR THE MANAGEMENT, THEIR SUBSIDIARIES OR RELATIVES ETC.THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTEREST OF THE COMPANY AT LARGE.**

None of the transactions with any of the related parties were in conflict with the interest of the Company.

DETAILS OF NON COMPLIANCE OF THE COMPANY PENALTIES, STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGES OR SEBI, OR ANY STATUTORY AUTHORITY, OR ANY MATTER RELATING TO CAPITAL MARKETS, DURING LAST THREE YEARS.

No penalty or strictures were imposed on the Company during last three years.

### **MEANS OF COMMUNICATION**

The quarterly results were published in Hari Bhumi and the Pioneer.

### **GENERAL SHAREHOLDERS INFORMATION**

#### **Distribution of Share Holding as on 31.03.11**

No of Equity Share Held	No of Shares Holders	% of Share Holders	No of Share Held	%of Share Holding to Total
Up to 500	24112	99.56	2447800	4.89
501 to 1000	18	0.07	13900	0.03
1001 to 2000	9	0.04	13100	0.03
2001 to 3000	2	0.01	5300	0.01
3001 to 4000	1	0.01	3100	0.01
4001 to 5000	22	0.09	108700	0.22
5001 to 10000	25	0.10	246100	0.49
10001 & above	30	0.12	47162000	94.32
Total	24219	100	50000000	100

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### Category of Share Holders as on 31.03.2011

Category	No. Of Shares	% Of Total Equity
Promoters and Persons acting in Concert	35664600	71.33
Bodies Corporate	902900	1.81
Indian Public	13432500	26.86
Total	50000000	100.00

### Annual General Meeting

Date and Time: Thursday the 29<sup>th</sup> of September 2011 at 10.00 a.m.

Venue: Plot No-3, Sector-25, Faridabad (Haryana)

Financial Calendar(tentative)

Results for the quarter ending	June 30'2011	Second week of August 2011
Results for the quarter ending	Sep.30'2011	Second week of Nov. 2011
Results for the quarter ending	Dec.31'2011	Second week of Feb. 2012
Results for the quarter ending	Mar.31'2012	Second week of May 2012
Results for the year ending	Mar.31'2012	Second week of August, 2012
Annual General Meeting		September, 2011
Book Closure Date		Sept.27th 2011 To Sept 29th 2011 (Both days inclusive)

### LISTING OF SHARES: Delhi, Mumbai, Ahmedabad, and Jaipur

The Company's shares are listed on Delhi, Mumbai, Jaipur & Ahmedabad Stock Exchanges.

### DEMAT ISIN NUMBER IN NSDL & CDSL FOR EQUITY SHARES

The Company is registered with NSDL for de-materialization having ISIN NO.INE 206G01012 w.e.f 20.09.2003. The Company has already appointed SEBI approved R&T agent M/S Skyline Financial Services Pvt. Ltd., D-153-A, Okhla Phase I, New Delhi 110 020, Phone : 011 26812682.

### STOCK MARKET DATA

The shares of the Company were not traded during the year on any Stock Exchanges.

### ADDRESS FOR CORRESPONDENCE

Registered office: Plot No-3, Sector-25, Faridabad (Haryana) 121004

### DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT.

In accordance with Clause 49 sub-clause 1(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the senior management personnel of the Company have affirmed Compliance to their respective codes of conduct, as applicable to them for the Financial Year ended 31st March, 2011.

For Haryana Texprints (Overseas) Ltd.

Place: Faridabad  
Date : 08.08.2011

**N.P.Jhanwar**  
Managing Director  
DIN 00401788



## **Haryana Texprints (Overseas) Limited**

### **Auditors' Report on Corporate Governance**

To the Members,

#### **HARYANA TEXPRINTS (OVERSEAS) LIMITED**

We have examined the compliance of conditions of Corporate Governance by Haryana Texprints (Overseas) Limited, for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders / Investor's Grievance Committee.

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

**For Doogar & Associates**  
**Chartered Accountants**  
(Firm Reg. No. 000561N)

Place: Faridabad  
Dated: 08.08.2011

**M.S. Agarwal**  
PARTNER  
M.N. 86580

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### AUDITORS' REPORT

We have audited the attached Balance Sheet of M/S HARYANA TEXPRINTS (OVERSEAS) LTD as at 31st March 2011 and Profit & Loss Account of the company for the year ended on that date annexed thereto and 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 have conducted our audit in accordance with accounting standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall financial statements presentation. We believe that our audit provides a reasonable basis of our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph 1 above we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far appears from our examination of the books;
  - c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - e) On the basis of the written representations received from the directors of the Company as on 31/03/2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31/03/2011 from being appointed as the director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

Attention is drawn to the following: -

- i. *Deferred Tax Assets amounting to Rs.94.17 lacs has been recognized in accounts on the basis of future income projections made by the management, as in the opinion of the management, there is a virtual certainty that sufficient taxable income would be available in future to adjust such deferred tax assets. We are unable to offer our comments on such future projections and creation of deferred Tax Asset based on such projections and Consequent impact there of, if any, (Note No16 of Schedule 18).*
- ii. *Treatment of Plant & Machinery as continuous process Plant (Note No. 7 of Schedule 18)*

Subject to above,

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Schedules and Notes thereon, give the information required under Companies Act, 1956 in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India: -
  - i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st, March, 2011
  - ii) In so far as it relates to the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
  - iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For DOOGAR & ASSOCIATES**  
CHARTERED ACCOUNTANTS

(Firm Reg. No. 000561N)

**(M.S. Agarwal)**  
PARTNER  
M.N. 86580

Place: Faridabad  
Date : 08.08.2011



## **Haryana Texprints (Overseas) Limited**

### **ANNEXURE TO THE AUDITOR'S REPORT**

Annexure referred to in paragraph '3' of the Auditors' Report to the Members of Haryana Texprints (Overseas) Limited on the accounts for the year April 1, 2010 to March 31, 2011.

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a programme of physically verifying all its fixed assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its business. The management during the period physically verified some of the fixed assets. The discrepancies noticed on such verification between the physical balances and the fixed assets records were not material and have been properly dealt with in the books of accounts.
- (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off substantial part of fixed Assets during the year, hence, no impact on the going concern status of the Company.
- (ii) (a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure 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) On the basis of our examination of the record of inventories, we are of the opinion that, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of accounts.
- (iii) (a) During the year, Company has taken / earlier Taken interest-free / interest bearing loans from two persons/firm covered in the register maintained under section interest bearing 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.129.20 lacs and the year-end balance of such loans taken from such parties was Rs.129.20 lacs.
- (b) In our opinion, the rate of interest wherever applicable and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (c) As the loans taken are long term and are repayable on demand, there is no overdue amount of loans taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. The Company is regular in payment of interest on loan wherever applicable.
- (d) The Company has not granted secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods and services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- (v) (a) According to the information and explanations give to us, we are of the opinion that during the period, the transactions that were required to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5.00 Lacs in respect of any party during the period. Therefore, no comments are being offered on whether or not the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies exceeding Rs.5.00 lacs in respect of any party during the period have been made at prices which are reasonable having regard to prevailing market prices.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of sections 58A and 58AA of the Companies Act, 1956.



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- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) As informed, the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection funds, employee's state insurance, income tax, sales tax, wealth tax, custom duty, service tax, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax, customs duty, excise duty and cess were in arrears, as at 31.03.11 for a period of more than six months from the date they became payable.
- (c) The disputed statutory dues aggregating to Rs. 85.70 lacs, that have not been deposited on account of matters pending before appropriate authorities are as under:

S. No.	Name of Statute	Nature of Dues	Forum where dispute is pending	Amount (Rs. In lacs)
1	Haryana Local Area Development Tax Act, 2000.	Entry Tax A.Y 2000-01	Excise Commissioner Faridabad	21.46
2	Textile Committee	Textile Cess Upto Dec. 2000	Mumbai High Court	4.06
3	Haryana VAT Act 2003 & CST ACT 1956	VAT & SALES TAXA.Y 2003-04 2004-05 & 2006-07	Jt. Commissioner (Excise&Taxation) Faridabad	60.18

- (x) There are no accumulated losses as on 31/03/2011. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) The company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) As per information and explanation given by the management, the term loans have been applied for the purpose 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 the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued debentures.
- (xx) No fund by way of public issue has been raised by the company.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For DOOGAR & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 (Firm Reg. No. 000561N)

Place: Faridabad  
 Date : 08.08.2011

(M.S. Agarwal)  
 PARTNER  
 M.N. 86580



## Haryana Texprints (Overseas) Limited

### BALANCE SHEET AS AT 31ST MARCH 2011

(Amount in Rs.)

SCHEDULE		AS AT 31.03.2011	AS AT 31.03.2010
<b>I SOURCE OF FUNDS</b>			
1	Share Holder's Funds Share Capital	50000000	50000000
2	Reserves & Surplus	47456169	37559527
3	Loan Funds		
a)	Secured Loans	99854238	85421489
b)	Unsecured Loans	<u>22800000</u>	<u>22800000</u>
4	Deferred Liabilities	122654238	108221489
	TOTAL	<u>220110407</u>	<u>195781016</u>
<b>II APPLICATION OF FUNDS</b>			
1	Fixed Assets		
	Gross Block	176189616	176069078
	Less : Depreciation	<u>121456021</u>	<u>112805969</u>
	Net Block	54733595	63263109
	Capital Advance & Work in Progress	12466331	-
2	Deferred Tax Assets (Net)	9416204	11504729
3	Current Assets, Loans & Advances		
a)	Inventories	146192746	136838113
b)	Sundry Debtors	105202296	89446046
c)	Cash & Bank Balances	571268	782316
d)	Loans & Advances	<u>16847698</u>	<u>13629264</u>
		268814008	240695739
	Less : Current Liabilities	9	116242858
	Provisions	10	<u>3439703</u>
	Net Current Assets	143494277	121013178
	Accounting Policies & Notes on Accounts	18	
	TOTAL	<u>220110407</u>	<u>195781016</u>

As per our report of even date  
For **DOOGAR & ASSOCIATES**  
**Chartered Accountants**  
(Firm Reg. No. 000561N)

**For and on behalf of the BOARD OF DIRECTORS**

**M.S. Agarwal**  
Partner  
M. N. 86580

**N.P.Jhanwar**  
Managing Director  
DIN 00401788

**R.N.Maheshwari**  
Director  
DIN 00403174

**Aditya Maheshwari**  
Chief Finance Officer

Place: Faridabad  
Dated: 08.08.2011

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### PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

(Amount in Rs.)

	SCHEDULE	FOR THE YEAR 31.03.2011	FOR THE YEAR 31.03.2010
<b>INCOME</b>			
Sales	11	544880606	447760103
Other Income	12	7137805	4749255
Increase / (Decrease) In Stock	13	8560906	11290217
		<u>560579317</u>	<u>463799575</u>
<b>EXPENDITURE</b>			
Raw Material Consumed	14	365728320	306564433
Manufacturing Expenses	15	118792773	93362623
Selling & Administrative Expenses	16	42137881	33858178
Financial Expenses	17	13164976	11300452
Depreciation		8989543	9886464
		<u>548813493</u>	<u>454972150</u>
Profit before tax		11765824	8827425
Add: Excess Depreciation written back (Refer Note No. 6)		219343	943461
Profit before tax		11985167	9770886
Provision For Taxation:-			
Current		2388704	1509602
Deferred Tax Charge		2088525	1951200
MAT Credit		<u>(2388704)</u>	<u>(1509602)</u>
Profit after Tax		9896642	7819686
Profit / (Loss) b/f from earlier year		<u>18764527</u>	<u>10944841</u>
Profit / (Loss) carried forward to Balance Sheet		28661169	18764527
Basic and Diluted Earnings per Share of Rs.1/- each (In Rupees)		0.20	0.16

All Schedules referred to above forms an integral part of Profit & Loss Accounts

As per our report of even date

**For and on behalf of the BOARD OF DIRECTORS**

For **DOOGAR & ASSOCIATES**

**Chartered Accountants**

(Firm Reg. No. 000561N)

**M.S. Agarwal**

Partner

M. N. 86580

**N.P.Jhanwar**

Managing Director

DIN 00401788

**R.N.Maheshwari**

Director

DIN 00403174

**Aditya Maheshwari**

Chief Finance Officer

Place: Faridabad

Dated: 08.08.2011



## Haryana Texprints (Overseas) Limited

### SCHEDULE FORMING PART OF THE STATEMENT OF ACCOUNTS

(Amount in Rs.)

	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 1 : SHARE CAPITAL</b>		
<b>Authorised</b>		
50000000 Equity Shares of Re. 1/-each	50000000	50000000
<b>Issued, Subscribed &amp; Paid Up</b>		
50000000 Equity Shares of Re. 1/-	50000000	50000000
	<u>50000000</u>	<u>50000000</u>
<b>SCHEDULE - 2 : RESERVE &amp; SURPLUS</b>		
Capital Reserve	18795000	18795000
Profit & Loss A/c	28661169	18764527
	<u>47456169</u>	<u>37559527</u>
<b>SCHEDULE - 3 : Loan Funds</b>		
1) SECURED LOANS		
From J & K Bank Ltd.		
a) WORKING CAPITAL LOAN	84271038	67985171
b) TERM LOAN I	4080668	10113333
c) TERM LOAN II	3297224	5842516
d) TERM LOAN III	7435649	-
(Note : The Working Capital Loan & Term Loan is secured by hypothecation of stocks of Raw material, Semi - finished, Consumable (both existing and future) and Receivables. Further there is also charge on Plant & Machinery, Furniture & Fixtures, Office Equipments, Vehicle and Other Fixed Assets of the company, both existing and to be created. The Working Capital Loan & Term Loan is also secured by personal guarantee of promoters and equitable mortgage of Land and Building.)		
2) VEHICLE LOANS	769659	1480469
(Secured against hypothecation of vehicles)	<u>99854238</u>	<u>85421489</u>
3) UNSECURED LOANS		
I) From Promoters & Associates	12920000	2500000
II) From Others	9880000	20300000
	<u>22800000</u>	<u>22800000</u>

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## SCHEDULE FORMING PART OF THE STATEMENT OF ACCOUNTS

### SCHEDULE - 4 : FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS - BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.10	ADDITIONS DURING THE YEAR	SALES / ADJUSTMENT	AS AT 31.03.11	AS AT 01.04.10	FOR THE YEAR	SALES / ADJUSTMENT	AS AT 31.03.11	AS AT 31.03.11	AS AT 31.03.10
Land	967610			967610	0		0	0	967610	967610
Building - Factory	20751453			20751453	15035253	571620		15606873	5144580	5716200
- Adm. Block	9684564			9684564	4563863	256035		4819898	4864666	5120701
Plant & Machinery (Main)	93781819	482720	688685	93575854	58756264	5322995	190130	63889129	29686725	35025555
Plant & Machinery (Other)	41217608		103194 (see note no.1 below)	41114414	29218567	1828112	29213 (see note no.2 below)	31017466	10096948	11999041
Furniture & Fixtures	1146925	119313		1266238	826286	63447		889733	376505	320639
Office Equipment/Computer	2490003	452504		2942507	1304534	190810		1495344	1447163	1185469
Vehicle	6029096		142120	5886976	3101202	756524	120148	3737578	2149398	2927894
<b>Total for the year</b>	<b>176069078</b>	<b>1054537</b>	<b>933999</b>	<b>176189616</b>	<b>112805969</b>	<b>8989543</b>	<b>339491</b>	<b>121456021</b>	<b>54733595</b>	<b>63263109</b>
Previous Year	184157195	7992625	16080742	176069078	116069284	9886464	13149779	112805969	63263109	68087911

Note no.1: includes deduction in plant & machinery on account of TUF Capital Subsidy of Rs.7.92 lacs

Note no.2: includes Rs. 2.19 lacs being excess depreciation on plant & machinery charged in earlier years written back

(Amount in Rs.)

AS AT  
31.03.2011

AS AT  
31.03.2010

### SCHEDULE - 5 : INVENTORIES

(As per stock taken, valued & certified by the management)

1) Materials		
- Raw Material	50498139	50886072
- Stores & Others	3132890	1951230
2) Stock in Trade		
- Finished Goods	30045806	27238464
- Stock in Process	50018521	51310590
- Garment	12497390	5451757
	<u>146192746</u>	<u>136838113</u>



## Haryana Texprints (Overseas) Limited

### SCHEDULE FORMING PART OF THE STATEMENT OF ACCOUNTS

(Amount in Rs.)

	AS AT 31.03.2011	AS AT 31.03.2010
<b>SCHEDULE - 6 : SUNDRY DEBTORS</b>		
(Unsecured considered good)		
Due for more than 6 months	7724650	7498821
Others	97477646	81947225
	<u>105202296</u>	<u>89446046</u>
<b>SCHEDULE - 7 : CASH &amp; BANK BALANCES</b>		
1) Cash In Hand	117497	255738
2) Balances with Schedule Banks in Current Accounts	253771	326578
3) Fixed Deposits	200000	200000
	<u>571268</u>	<u>782316</u>
<b>SCHEDULE - 8 : LOANS AND ADVANCES</b>		
(Unsecured considered good)		
1) Interest Accrued but not due	13320	6517
2) Advances recoverable in cash or in kind for value to be received	2390329	1367225
3) Excise and Other Deposits	857814	800441
4) Income Tax Refundable (Net of Provisions : Rs. 5205721 Previous Year Rs.2817017)	1706758	2910211
5) MAT Credit entitlement	4729133	2340429
6) TUF Subsidy receivable	6546045	6204441
7) Sales Tax paid under protest	604299	-
	<u>16847698</u>	<u>13629264</u>
<b>SCHEDULE - 9 : CURRENT LIABILITIES &amp; PROVISIONS</b>		
1) Sundry Creditors	-	-
For Goods - Due to Micro, Small & Medium Enterprises (Ref. note no.11)		
Others - For Goods	108644866	104789250
- For Expenses	1949091	1573372
	<u>110593957</u>	<u>106362622</u>
2) Advance From Customers	5358979	5996545
3) Other Liabilities	5220241	3883691
	<u>121173177</u>	<u>116242858</u>
<b>SCHEDULE - 10 : PROVISIONS</b>		
1) Provision for gratuity	3721784	3080302
2) Provision for leave encashment	424770	359401
	<u>4146554</u>	<u>3439703</u>

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### SCHEDULE FORMING PART OF THE STATEMENT OF ACCOUNTS

(Amount in Rs.)

	FOR THE YEAR ENDED 31.03.2011	FOR THE YEAR ENDED 31.03.2010
<b>SCHEDULE - 11 : SALES</b>		
1) Fabric	299703019	255221510
2) Exports	4458989	1569880
3) Job Work & Services	186103171	178946855
4) Garment		
Exports	46683943	3502529
Domestic	7931484	8519329
	<u>54615427</u>	<u>12021858</u>
	<u>544880606</u>	<u>447760103</u>
<b>SCHEDULE - 12 : OTHER INCOME</b>		
1) Interest Received		
Fixed Deposit (TDS Deducted : Rs. 0.00 Previous Year Rs. 0.00)	6803	6517
Others	<u>275901</u>	<u>103261</u>
2) Misc. Income	4939679	1662334
3) Foreign Exchange Fluctuation Gain (Net)	866833	0
4) TUF Interest Subsidy	1048589	2977143
	<u>7137805</u>	<u>4749255</u>
<b>SCHEDULE - 13 : INCREASE / (DECREASE) IN STOCKS</b>		
Stock in Trade (At Closing)		
Finished Goods	30045806	27238464
Stock in Process	50018521	51310590
Garment	<u>12497390</u>	<u>5451757</u>
	92561717	84000811
Stock in Trade (At Opening)		
Finished Goods	27238464	19586811
Stock in Process	51310590	46851114
Designs		3046094
Garment	<u>5451757</u>	<u>3226575</u>
	84000811	72710594
Increase / (Decrease) in Stocks	<u>8560906</u>	<u>11290217</u>
<b>SCHEDULE - 14 : MATERIAL CONSUMED</b>		
1) Fabric		
Opening Stock	35854357	22603769
Add : Purchase	<u>255038741</u>	<u>215244821</u>
	290893098	237848590
Less : Closing Stock	<u>38671650</u>	<u>35854357</u>
	252221448	201994233
2) Dyes & Chemicals		
Opening Stock	15031715	13086535
Add : Purchase	<u>91361641</u>	<u>92288682</u>
	106393356	105375217
Less : Closing Stock	<u>11826489</u>	<u>15031715</u>
	94566867	90343502
3) Packing Material		
Opening Stock	102142	106062
Add : Purchase	<u>2409565</u>	<u>1901133</u>
	2511707	2007195
Less : Closing Stock	<u>82096</u>	<u>102142</u>
	2429611	1905053
4) Stores & Others		
Opening Stock	1379851	1379291
Add : Purchase	<u>17760501</u>	<u>12322205</u>
	19140352	13701496
Less : Closing Stock	<u>2629958</u>	<u>1379851</u>
	<u>16510394</u>	<u>12321645</u>
	<u>365728320</u>	<u>306564433</u>



## Haryana Texprints (Overseas) Limited

### SCHEDULE FORMING PART OF THE STATEMENT OF ACCOUNTS

(Amount in Rs.)

	For the Year Ended on 31.03.2011 Rs.	For the Year Ended on 31.03.2010 Rs.
<b>SCHEDULE - 15 : MANUFACTURING EXPENSES</b>		
Wages	11544991	10422376
Labour Welfare	2237343	1853978
Power & Fuel	62584858	53283256
Processing Charges	33076223	19578321
Repairs & Maintenance		
- Building	540806	479911
- Plant & Machinery	5631238	4999254
- Others	3177314	8224692
	<u>9349358</u>	<u>2745527</u>
	<u>118792773</u>	<u>93362623</u>
<b>SCHEDULE - 16 : SELLING , ADMINISTRATIVE AND OTHER EXPENSES</b>		
Salaries	17775231	15660871
Employee Welfare	898113	425481
Rent	634000	504000
Rates & Taxes	60615	60615
Travelling & Conveyance Expenses [Directors Travelling Rs.89499 (Previous year Rs. 65093)]	2631479	1705880
Communication Expenses	1097230	949004
Printing & Stationery	509463	355477
Business Promotion	116213	698
Legal, Professional & Consultancy	774858	654596
Fees , Registration & Subscription	379378	342192
Director's Remuneration & Prequisites	2530460	2174036
Director's Sitting Fees & Expenses	2500	0
Rebate & Claims (Net)	4482243	4668098
Insurance Expenses	302260	234523
Payment to Auditors	89380	89720
Freight & Cartage	6882974	2943127
Miscellaneous Expenses	2740527	2044211
Foreign Exchange Fluctuation	0	55901
Loss on Sale of Fixed Assets	11372	480222
Donation	160301	179301
Advertisement	59284	36772
Bad Debts Written Off	0	293453
	<u>42137881</u>	<u>33858178</u>
<b>SCHEDULE - 17 : FINANCIAL EXPENSES</b>		
1) Interest		
Working Capital Loan	9399810	8167309
Term Loan (Net)	835872	1686920
Other	774522	596560
2) Bank Charges	2154772	849663
	<u>13164976</u>	<u>11300452</u>



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## SCHEDULE - 18:

### ACCOUNTING POLICIES & NOTES TO ACCOUNTS

#### A) SIGNIFICANT ACCOUNTING POLICIES

##### 1 Basis of Preparation:

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

##### 2 Use of Estimates:

The preparation of financial statements, in conformity with the generally accepted accounting principles, require estimates and assumption to be made that affect the reported amount of assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which the results materialize.

##### 3 Revenue Recognition

- a) Sales are recognized as and when goods are dispatched from bonded premises.
- b) Job charges are recognized as income when processed fabric cleared from bonded premises.
- c) Export Benefits under DEPB / Duty Draw Back Scheme are recognized on accrual basis.

##### 4 Fixed Assets

Fixed assets are stated at historical cost less accumulated depreciation. Historical cost comprises direct expenses & any interest attributable to bring in its intended use.

##### 5 Accounting for Government Grants

Government grants are recognized when there is a reasonable assurance as to its receipt and that the conditions attached there to shall be complied with. Government grants related to capital investments are reduced from the gross value of fixed assets and such grants relating to expenses are reduced from the respective expense head.

##### 6 Depreciation

Depreciation on fixed assets is provided on written down value method at the rates and in the manner provided in Schedule XIV (as amended) to the Companies Act, 1956. Plant & machinery of the company have been considered as continuous process plant & depreciation is provided accordingly.

##### 7 Inventories

Raw Material	:	At cost or realisable value whichever is lower
Store	:	At cost or realisable value whichever is lower.
Stock in process	:	At direct cost
Finished Goods	:	At cost or market value whichever is lower
Waste	:	At estimated realisable value

The cost is determined on historical basis on relevant lot/ category of inventory. The cost of inventories comprise all cost of purchase, conversion cost and other costs incurred in bringing the inventories to their present condition.



## **Haryana Texprints (Overseas) Limited**

### **8 Claims**

Claims are accounted for on merit basis.

### **9 Foreign Exchange**

(a) Transactions denominated in Foreign Currency are normally recorded at the exchange rates Prevailing at the time of transaction.

(b) Foreign Exchange Fluctuation on Export/Import is accounted for in the year in which such fluctuation arose.

### **10 Retirement Benefits**

Contribution to provident and other funds are accounted for on accrual basis. Gratuity and Leave Encashment is provided for in the Accounts on the basis of Actuarial valuation.

### **11 Borrowing Costs**

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

### **12 Taxation**

Income Tax 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 substantially 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 amounts of deferred tax assets are reviewed to reassess realization.

### **13 Impairment of Assets**

If internal/external indication suggests that an asset of the company may be impaired, the recoverable amount of asset/cash generating asset is determined on the Balance Sheet date and if it is less than its carrying amount, the carrying amount of the asset/cash generating unit is reduced to the said recoverable amount. The recoverable amount is measured as the higher of Net selling price and value in use of such assets/cash generating unit, which is determined by the present value of the estimated future Cash flows.

### **14 Provisions, Contingent Liabilities & Contingent Assets**

(a) The Company recognize as Provision, the liabilities being Present obligation arising out of past events, the settlement of which is expected to result in an outflow of resources and which can be measured only by using a substantial degree of estimation.

(b) Contingent Liabilities is disclosed, unless the possibility of an outflow of resource is remote.

(c) Contingent Assets are neither recognized nor disclosed.

### **B) NOTES ON ACCOUNTS:**

1. Figures of previous year have been regrouped/rearranged wherever considered necessary to conform with current year classification.

2. Figures have been rounded off to the nearest of rupee one.

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3. Contingent Liabilities as at 31st March 2011
  - a) Demand under Haryana VAT ACT 2003 and CST ACT 1956 for the Assessment Year 2003-04, 2004-05 and 2006-07 amounting to Rs.60.18 Lacs (Previous Year - Rs.60.18 Lacs) against which Company has filed an appeal before Joint Commissioner (Excise & Taxation) Faridabad & Tribunal at Chandigarh.
  - b) Textile Committee Cess Rs.4.06 Lacs upto December 2000 (Previous year Rs. 4.06 Lacs ).
  - c) Tax demand of Rs. 21.46 Lacs for assessment year 2000-01 (Previous year - Rs21.46 Lacs) under Haryana Local Area Development Tax Act, 2000.
  - d) The Company (through Faridabad Textile Processors Association) has filed writ petition before Hon'ble Punjab & Haryana High Court in the matter of applicability of Sales Tax on Job Work. The company may be liable to pay Sales Tax on Job Work already/to be undertaken by it, if the case is not decided in the favour of the Company/Association the amount of which is unascertainable. (Previous year NIL)
4. Income Tax Assessment up to the Assessment year 2008-09 has been completed.
5. Pursuant to BIFR order dated 06.10.05, the Company was permitted to increase its paid up capital by Rs.250 Lacs. Accordingly 250 Lacs Equity Shares of Rs.1/- each were allotted by way of conversion of unsecured loans into equity duly approved by Resolution of Board of Directors in meeting held on 31st March'06. The Company is yet to apply to concerned Stock Exchange, where the Shares of the Company are listed, for listing of additional shares worth Rs.250 Lacs.
6. During the year grant in the nature of Capital Subsidy of Rs.7.92 Lacs and Interest Subsidy of Rs. 16.22 Lacs under Technology Up-gradation Fund (T.U.F.) scheme has been recognized aggregating to Rs. 24.14 Lacs. Accordingly, capital subsidy of Rs.7.92 Lacs has been reduced from the gross block of related fixed assets in the year of its acquisition and depreciation have been re-computed. Excess depreciation on account of this charged in earlier years amounting to Rs.2.19 Lacs have been written back. Interest subsidy up to 31.03.2010 amounting to Rs.10.49 Lacs have been taken as other income and such subsidy for the current year amounting to Rs.5.74 Lacs have been reduced from the interest charged for the year.
7. The Company has continued to treat plant & machinery as continuous process plant on the basis of expert opinion obtained. This being a technical matter, without forming an independent opinion has been relied upon by the Auditors.
8. Provision on Account of impairment of Assets as required under AS-28 ICAI has not been made, as in the opinion of the management; the carrying amount of the assets is not less than the recoverable amount.
9. In the opinion of the Management and to the best of their knowledge and belief, the value on realization of Loans, Advances and Current Assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
10. Certain Sundry Creditors and Debtors have been shown at net of debit & credit balances owing to nature of trade. Balances of all Debtors and Creditors are subject to confirmation and reconciliation from the respective parties. The final adjustment, if any, in Debtors and Creditors account would be made as and when the reconciliation is completed, the impact of which is not identifiable and not provided for.
11. The Company has not received information from vendors regarding their Status under the Micro, Small and Medium Enterprises Development Act, 2006, hence, disclosure relating to amount unpaid as at the year end together with interest paid/ payable under this Act have not been given.
12. The Company is engaged in business of Textile viz Fabric Processing and Garment Manufacturing, which has been considered as one reportable segment, therefore, no disclosure on segment wise revenue etc., has been given.



## Haryana Texprints (Overseas) Limited

13 As per accounting standard (As)-15(Revised) the disclosure of Employee benefits as defined in The Accounting Standards are given below:

Sr. No.	Items	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
1.	<b>Change in present value of obligation</b>	31.03.11	31.03.11	31.03.10	31.03.10
a)	Present value of obligation as at the beginning of the period	30,80,302	3,59,401	28,50,594	3,27,519
b)	Acquisition adjustment	--	--	--	--
c)	Interest cost	2,46,424	28,752	1,99,542	22,926
d)	Past service cost	--	--	--	--
e)	Current service cost	4,55,893	91,719	4,13,458	98,585
f)	Curtailment cost/ (Credit)	--	--	--	--
g)	Settlement cost/ (Credit)	--	--	--	--
h)	Benefits Paid	(36,675)	(12,575)	(1,24,499)	-31,789
i)	Actuarial (gain) / loss on obligation	(24,160)	(42,527)	(2,58,793)	-57,850
j)	Present Value of obligation as at the end of Period	37,21,784	4,24,770	30,80,302	3,59,401
2.	<b>Actuarial gain / loss recognized</b>				
a)	Actuarial gain /(loss) for the period - obligation	24,160	42,527	2,58,793	57,850
b)	Actuarial gain /(loss) for the period - plan assets	--	--	--	--
c)	Total (gain)/loss for the period	(24,160)	(42,527)	(2,58,793)	(57,850)
d)	Actuarial (gain)/ loss recognized in the period.	(24,160)	(42,527)	(2,58,793)	(57,850)
e)	Unrecognized actuarial (gain) losses at the end of period	--	--	--	--
3.	<b>Amount Recognised in Balance sheet</b>				
a)	Present Value of obligation as at the end of the period	37,21,784	4,24,770	30,80,302	3,59,401
b)	Fair Value of plan assets as at the end of the period	--	--	--	--
c)	Funded status	(37,21,784)	(4,24,770)	(30,80,302)	(3,59,401)
d)	Excess of actual over estimated	--	--	--	--
e)	Unrecognized actuarial (gains)/ losses	--	--	--	--
f)	Net assets/(liability) recognized in balance sheet	(37,21,784)	(4,24,770)	(30,80,302)	(3,59,401)
4.	<b>Expense recognized in the statement of profit and loss</b>				
a)	Current service cost	4,55,893	91,719	4,13,458	98,595
b)	Past service cost	--	--	--	--
c)	Interest cost	2,46,424	28,752	1,99,542	22,926
d)	Expected return on plan assets	--	--	--	--
e)	Curtailment cost/(credit)	--	--	--	--
f)	Settlement cost/(credit)	--	--	--	--
g)	Net actuarial (gain)/ loss recognized in the period	(24,160)	(42,527)	(2,58,793)	(57,850)
h)	Expenses recognized in the statement of profit & losses	6,78,157	77,944	3,54,207	63,671
5.	<b>Acturial Assumption</b>				
	Discount Rate	8%	8%	7%	7%
	Future Increase in salary	4.5%	4.5%	5.5%	5.5%
	Acturial Method	Projected Unit credit Method	Projected Unit credit Method	Projected Unit credit Method	Projected Unit credit Method

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14. As per Accounting Standard (AS)-18 issued by The Institute of Chartered Accountants of India, the disclosure of transactions with the Related Parties as defined in Accounting Standard are given below

(i) Related parties with whom transactions have taken place and relationships:

### ASSOCIATES

- |   |                        |                                      |
|---|------------------------|--------------------------------------|
| 1 | Balaji Trading Company | - Firm in which M.D. is Proprietor   |
| 2 | Indian Texprints       | - Firm in which E.D. is Proprietor   |
| 3 | Tanfac Apparels Ltd.   | - Company in which E.D. is Director. |

### KEY MANAGEMENT PERSONNEL

- |   |                      |                      |
|---|----------------------|----------------------|
| 1 | Shri N.P. Jhanwar    | - Managing Director  |
| 2 | Shri R.N. Maheshwari | - Executive Director |
| 3 | Shri S.N. Maheshwari | - Director           |

### Relative of Key Management Personnel

Shri Abhishek Maheshwari - Son of Managing Director

(ii) Transactions during the year with related parties

(Rs. in lacs)

	Associate Enterprises	Key Mgmt. Personnel
<b>A LOANS TAKEN</b>		
Balance as at 1st April, 2010	54.20	25.00
	(0.00)	(25.00)
Taken during the year	50.00	--
	(52.10)	(0.80)
Repaid/adjusted during the year	--	--
	(52.10)	(0.80)
Balance as at 31st March, 2011	104.20	25.00
	(0.00)	(25.00)
<b>B PURCHASE</b>		
Fabric Purchases from Associates	295.96	--
	(0.00)	(0.00)
<b>C EXPENDITURE</b>		
Payment to and provisions for Director Remuneration		25.30
		(21.74)
Salary to relative of Key Management Personnel		5.24
		(4.83)
Interest paid on unsecured loan from Associates	6.62	
	(0.0)	
<b>15. EARNING PER SHARE (EPS)</b>		
	2010-2011	2009-2010
Net profit after Tax (Rs. In Lacs) (Numerator used for calculation)	98.97	78.20
b) Weighted Average number of Equity Shares (Denominator used for calculation)	50000000	50000000
c) Basic & Diluted earning per Share of Rs. 1/- each (in Rupee)	0.20	0.16



## Haryana Texprints (Overseas) Limited

### 16. DEFERRED TAX

The net Deferred Tax Asset as on 31st March, 2011 is as under:-

Sl	Particulars	As at 31.03.2010	As at 31.03.2011
<b>A.</b>	<b>Deferred Tax Asset</b>		
1.	On account of brought forward unabsorbed Depreciation	127.32	102.19
2.	On account of Expenses deductible on cash basis.	10.63	13.78
	<b>Total (A)</b>	<b>137.95</b>	<b>115.97</b>
<b>B.</b>	<b>Deferred Tax Liability</b>		
1.	On account of Timing difference between Depreciation as per a/cs as per Tax base	22.90	21.80
	<b>Total of (B)</b>	<b>22.90</b>	<b>21.80</b>
<b>C.</b>	<b>Net Deferred Tax Assets (A-B)</b>	<b>115.05</b>	<b>94.17</b>

The Deferred Tax Asset amounting to Rs.94.17 Lacs has been recognized by the Company, as in the opinion of the management, there is a virtual certainty based on convincing evidences that sufficient taxable income would be available in the future against which such Deferred tax Asset can be realized. The Deferred Tax charge for the current year amounting to Rs.20.88 Lacs has been charged to Profit & Loss Account.

17. Provision for current tax amounting to Rs. 23.89 Lacs has been made under Section 115 JB of Income Tax Act 1961. In view of Tax Credit available U/S115JAA of Income Tax Act 1961, the Company has credited MAT credit entitlement account of equivalent amount by crediting Profit & Loss Account.

18. Remuneration to Managing Director & Executive Director (Whole Time):

	Current Year (Rs.)	Previous Year (Rs.)
Salary	2106000	1903500
Perquisites and others	424460	270536
	<u>2530460</u>	<u>2174036</u>

19. Payments to Auditors Re-present:

	Current Year (Rs.)	Previous Year (Rs.)
i) Towards Statutory Audit	55150	55150
ii) Towards Certification	22060	22060
iii) Reimbursement of out of Pocket Expenses	12170	12510
	<u>89380</u>	<u>89720</u>

20. Additional information pursuant to the provisions of paragraph 3, 4C & 4D of Part II of Schedule VI to the Companies Act, 1956.

A) Capacities	Unit	Current year	Previous year
i) Licensed Capacity	-	N.A.	N.A.
ii) Installed Capacity	Mtrs	60000 per day	60000 per day
iii) Actual Production			
i) Own	Mtrs	6148158	5389598
ii) Job	Mtrs	12301257	11647512
iii) Garments	Pcs	317868	129722

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B) Stocks	Opening Stock		Closing Stock	
	Qty(Mtrs)	Value(Rs)	Qty(Mtrs)	Value(Rs)
i) Fabric	632453	24087224	691737	26508312
	(510852)	(17399938)	(632453)	(24087224)
ii) Job Work (Excluding cost of fabric)	221399	3151240	256710	3537494
	(156165)	(2186873)	(221339)	(3151240)
iii) Garments(pcs)	40517	5451757	43334	12497390
	(23323)	(3226575)	(40517)	(5451757)
C) Turnover	Qty(Mtrs)	Value(Rs)		
i) Fabric	6088874	304162008		
	(*5267997)	(256791390)		
ii) Job Work (Excluding cost of fabric)	12265946	186103171		
	(11582278)	(178946855)		
iii) Garments (pcs)	315051	54615427		
	(112528)	(12021858)		
a.	Includes 566381 meters transferred to garment division (Value - NIL) previous year 63163 Mtrs, (Value-NIL)			
D) Material Consumed				
Particulars	Unit	Quantity	Value (Rs.)	
i) Fabric	Mtrs	6289138	252221448	
	Mtrs	(5729872)	(201994233)	
ii) Dyes & Chemicals	Kgs	2240289	94566867	
	Kgs	(2380333)	(90343502)	
E) Stores & Spares	-	-	16510394	
	-	-	(12321645)	
F) Packing Material	-	-	2429611	
	-	-	(1905053)	
Note: (i)	Raw material, Dyes & Chemicals and Stores & Spares were 100% Indigenous.			
(ii)	Figures in bracket represent previous year figure			
	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)		
G) Value of Imports calculated on CIF basis in respect of Capital Goods.	55.56	NIL		
H) FOB value of exports	466.12	50.72		

As per our report of even date  
For **DOOGAR & ASSOCIATES**  
**Chartered Accountants**  
(Firm Reg. No. 000561N)

**For and on behalf of the BOARD OF DIRECTORS**

**M.S. Agarwal**  
Partner  
M. N. 86580

**N.P.Jhanwar**  
Managing Director  
DIN 00401788

**R.N.Maheshwari**  
Director  
DIN 00403174

**Aditya Maheshwari**  
Chief Finance Officer

Place: Faridabad  
Date: 08.08.2011



## Haryana Texprints (Overseas) Limited

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

(Amount in Rs.)

	2010-11 Rs.	2009-10 Rs.
<b>A Cash Flow from Operating Activities</b>		
Net Profit/Loss before tax & extra-ordinary items	11,765,824	8,827,425
Adjustments for :-		
Depreciation	8,989,543	9,886,464
Loss / (Profit) on sale of fixed assets	11,372	480,222
Interest	13,164,976	11,300,452
Operating Profit/Loss before working capital change	33,931,715	30,494,563
Adjustments for :-		
Trade receivables	(15,756,250)	(2,015,572)
Inventories	(9,354,633)	(24,574,931)
Loans & Advances	(3,218,434)	(8,010,456)
Trade Payable	5,637,170	19,557,679
Cash Generated From Operations	11,239,568	15,451,283
Interest Paid	(13,164,976)	(11,300,452)
Direct Taxes Paid		
Cash Flow Before Extra-ordinary Items	(1,925,408)	4,150,831
Extra-ordinary Items	-	-
Net Cash From Operating Activities	(1,925,408)	4,150,831
<b>B Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets & CWIP	(13,520,868)	(7,592,225)
Sale of Fixed Assets	802,479	3,394,202
Net Cash Used in Investing Activities	(12,718,389)	(4,198,023)
<b>C Cash Flow From Financing Activities</b>		
Proceeds from Long Term Borrowings [Unsecured loans from Others]	7,643,692	1,392,172
Repayment of Deferred Liabilities		
Repayment of Finance/Lease Liabilities	(9,496,810)	(9,264,107)
Bank Borrowings	16,285,867	5,872,558
Net Cash From Financing Activities	14,432,749	(1,999,377)
Net Increase/(Decrease) in Cash & Cash Equivalent	(211,048)	(2,046,569)
Cash & Cash Equivalents [Opening Balance]	782,316	2,828,885
Cash & Cash Equivalents [Closing Balance]	571,268	782,316

For **DOOGAR & ASSOCIATES**

**Chartered Accountants**

(Firm Reg. No. 000561N)

**M.S. Agarwal**

Partner

M. N. 86580

Place: Faridabad

Date: 08.08.2011

For and on behalf of the **BOARD OF DIRECTORS**

**N.P.Jhanwar**

Managing Director

DIN 00401788

**R.N.Maheshwari**

Director

DIN 00403174

**Aditya Maheshwari**

Chief Finance Officer





# Haryana Texprints (Overseas) Limited

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### I. Registration details

Registration No.       State Code

Balance Sheet Date          
Day Month Year

### II. Capital raised during the year (amount in Rs. thousands)

Public Issue    Right Issue     
Bonus issue    Private Placement

### III. Position of mobilisation and deployment of funds (amount in Rs. thousands)

Total Liability       Total Assets

#### Sources of Funds

Paid-up Capital       Reserves and Surplus        
Secured Loans       Unsecured Loans        
Deferred Liabilities       Current Liabilities & Provisions

### IV. Application of Funds

Net Fixed Assets       Investments     
CWIP & advance       Misc Expenditure     
Current Assets        
Loans & Advances  
Deferred Tax Asset        
Accumulated Losses

### V. Performance of Company (Amount in Rs. Thousand)

Turnover inciuding       Total Expenditure        
Other income & Tax adjustment for earlier year  
Prifit/Loss Before Tax       Profit/Loss after Tax        
Earning per share in Rs.0.20 Dividend rate %

### VI. Generic Names of Three Principal product/Service of the Company

Item Code No. (ITC Code) : General Category  
Product Description : Proceesing and printing of kintted & woven fabrics  
Item Code No. (ITC Code) : N.A.  
Product Description : N.A

For and on behalf of the BOARD OF DIRECTORS

Place: Faridabad  
Date: 08.08.2011

N.P.Jhanwar R.N.Maheshwari Aditya Maheshwari  
Managing Director Director Chief Finance Officer  
DIN 00401788 DIN 00403174



# Haryana Texprints (Overseas) Limited

Regd. Office: Plot No. 3, Sector 25, Faridabad - 121 004

## PROXY FORM

Folio No.:

No. of Shares held:

I/We \_\_\_\_\_ of \_\_\_\_\_  
in the District of \_\_\_\_\_ being a Member/Members of the above named Company,  
hereby appoint Shri \_\_\_\_\_ of \_\_\_\_\_  
in the District of \_\_\_\_\_ of failing him  
Shri \_\_\_\_\_ in the District of \_\_\_\_\_ of failing him  
Shri \_\_\_\_\_ of \_\_\_\_\_ in the District  
of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the 19th Annual General  
Meeting of the Company to be held on Thursday, 29th September 2011 at 10.00 A.M. and at any adjournment  
thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2011

Signature \_\_\_\_\_

**Affix  
one rupee  
Revenue  
Stamp**

NOTE : -The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

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## ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

I hereby record my presence at the 19th ANNUAL GENERAL MEETING OF HARYANA TEXPRINTS (OVERSEAS) LIMITED, AT PLOT NO. 3, SECTOR 25, FARIDABAD - 121 004 on Thursday the 29th September, 2011 at 10:00 A.M.

No. of shares held \_\_\_\_\_

Folio No.(s) \_\_\_\_\_

Full name of shareholders \_\_\_\_\_

Signature \_\_\_\_\_

Full name of the proxy\* \_\_\_\_\_

Signature \_\_\_\_\_

\*(To be filled in the Proxy attends instead of the Member)

**BOOK - POST**



*If undelivered please return to :*  
**HARYANA TEXPRINTS (OVERSEAS) LTD.**  
Plot No.3, Sector-25  
Faridabad - 121004