



## NOTICE

Notice is hereby given that the Seventieth Annual General Meeting of Samtex Fashions Limited will be held on Thursday, the 30th September, 2010 at 9.30 A.M. at the Registered Office & Works of the Company at Plot No. 134-135, Noida Special Economic Zone, Phase – II, Noida – 201 305, Distt. Gautam Budha Nagar, (U.P.) to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March' 2010 and the Profit & Loss Account for the financial year ended on that date, together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Raman Ohri, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Vinay Mittal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

### **SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to Section 269,198,309 & 316 read with Schedule XIII and other applicable provisions , if any of the Companies Act, 1956 approval be and is hereby accorded to the appointment of Mr. Atul Mittal as Joint Managing Director of the Company for a period of 3 years w.e.f. 1st September, 2010, on the terms and remuneration set out below :-

1. Basic Salary at the rate of Rs. 70,000 per month in the scale of 70,000-10,000 - 90,000.
2. Provision of furnished Residential Accommodation at an expenditure not exceeding 50% of the Basic salary. In the event the appointee is not provided Residential Accommodation by the Company, he shall be paid HRA at the same rate i.e. at 50% of the basic Salary .
3. Medical Reimbursement per annum not exceeding one month basic salary.
4. Leave Travel allowance per annum not exceeding one month basic salary.
5. Provident Fund Contribution @ 12% of Basic Salary or at such rates as may be applicable as per law from time to time.
6. Gratuity at the rate of ½ month salary for each completed year of service.

In addition to the above, he shall also be entitled to the Telephone and he shall be provided with a Car with Driver for use of Company's Business. These will not be considered as perquisites.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits the remuneration payable to Mr. Atul Mittal as Joint Managing Director, shall be regulated in accordance with limits prescribed in Section 2 of Part II of Schedule XIII of the Companies Act, 1956.

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

Sd/-  
**KAMINI GUPTA**  
Company Secretary & GM Finance

Place : New Delhi  
Dated : 28.08.2010

### **REGISTERED OFFICE & WORKS**

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

### **NOTES :**

- a). **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF, A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF MEETING. A BLANK PROXY FORM IS ANNEXED TO THE ANNUAL REPORT.**
- b) The Register of Members and the share transfer books of the Company will remain closed from 21.09.2010 to 30.09.2010 (both days inclusive).
- c) Members/Proxies should bring the attendance slip sent herewith duly filled up for attending the meeting.



- d) Members are requested to communicate change of address/ residential status, if any , to the Company, quoting respective folios in case their holdings in physical form, and to their Depository Participant (DPs) in respect of holdings in dematerialized form.
- e) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least Ten days before the date of meeting, so that any information required by the members may be made available at the meeting.
- f) Members are requested to bring their copy of the Annual Report to the meeting.

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

**ITEM NO. 5.**

Mr. Atul Mittal was last re-appointed as a Whole Time Director of the Company as on 30th April, 2008 for a period of 3 years and his appointment was approved by the Members in the AGM held on 30th September, 2008.

Mr. Atul Mittal is a Commerce Graduate, belonging to an Industrialist family and is having the managerial experience of about 12 years in Samtex Fashions Limited. He has shown the excellent performance by putting his sincere efforts and hard work for the growth and development of the Company.

The Board has considered in its Meeting dated 12th August, 2010 the appointment of Mr. Atul Mittal as Joint Managing Director of the Company with increased remuneration as recommended by the Remuneration & Selection Committee. The Remuneration & Selection Committee, in its meeting held on 25th August, 2010 recommended the remuneration payable to Mr. Atul Mittal as Joint Managing Director and the Board of Directors in their meeting held on 28.08.2010 approved the remuneration of Mr. Atul Mittal subject to the approval by the members in the ensuing Annual General Meeting of the Company.

**Memorandum of Interest :-**

Except the appointee Mr. Atul Mittal, himself, Mr. Vinay Mittal and Mr. Anil Mittal being related to him, none of the other Directors are concerned or interested in the appointment / Resolution.

This may also be considered as an abstract of the Terms and Conditions of the appointment of the Joint Managing Director and the Memorandum of interest in pursuance of Section 302 of the Companies Act, 1956.

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

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

Sd/-  
**KAMINI GUPTA**  
Company Secretary & GM Finance

Place : New Delhi  
Dated : 28.08.2010

**Annexure to Notice dated 28.08.2010 - Item no. 2,3 and 5**

**Details of Directors seeking appointment / Reappointment at the forthcoming Annual general Meeting ( In pursuance of Clause 49 of the Listing Agreement )**

Name of the Director	Mr. Raman Ohri	Mr. Vinay Mittal	Mr. Atul Mittal
Date of Birth	07.07.1954	25.12.1956	25.04.1977
Date of Appointment	27.01.2009	17.06.1995	29.07.2002
Qualification	Graduate	B.E. (mechanical)	Graduate
Expertise in specific functional areas	Administrative	Technical & General Management	General Management
List of Directorship held in other Companies as on 31st March, 2010.	None	1. S.K.B. Builders India Ltd. 2. Santosh Overseas Ltd. 3. SS Lease Fin Ltd. 4. S.L. Overseas Pvt. Ltd.	Sam Buildcon Ltd.
Chairman/Member of the Committees of the Board of Public Companies on which he is a Director as on 31st March, 2010	None	None	None
Shareholding in the Company as on 31st March, 2010 – Equity Shares in Nos.	Nil	212110	270000
Relationship with other Directors	None	Brother of Mr. Anil Mittal	Son of Mr. Anil Mittal

**DIRECTORS' REPORT**

To,  
The Members,

Your Directors' have pleasure in placing before you the 17th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2010.

<b>FINANCIAL RESULTS</b>	<b>Rs. In Lacs</b>	
<b>PARTICULARS</b>	<b>2009-2010</b>	<b>2008-2009</b>
Sales and other Income	<b>5829.91</b>	5410.66
Profit before tax, interest, depreciation and write offs	<b>599.14</b>	448.64
Interest & Financial Expenses	<b>299.64</b>	277.17
Depreciation	<b>177.04</b>	162.40
Profit Before Tax	<b>122.46</b>	9.07
Provision for Taxation :		
— Current	<b>24.99</b>	0.00
— Deferred	<b>(7.51)</b>	2.90
— Fringe Benefit	<b>0.00</b>	2.21
— Earlier year	<b>(0.01)</b>	0.00
Profit after Tax	<b>104.99</b>	3.96
Balance of Profit from Previous Years	<b>2650.13</b>	2646.17
Balance of Profit carried forward	<b>2755.12</b>	2650.13

**REVIEW OF OPERATIONS & FUTURE PROSPECTS:**

The performance during the year under review was towards accelerating trend. There is consistent growth in the top as well as bottom line. The Company has registered the Turnover of Rs.58.29 cr. which shows a growth of 7.75% over the previous year. The Company earned the Net Profits of Rs. 1.05 cr. as compared to Rs. 0.04 cr. in the previous year.

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

Your Company's Wholly Owned Subsidiary namely SSA International Limited has however achieved a Turnover of Rs. 538 crores with a growth of 13% over the last year and a Net Profit of Rs. 9.63 crores registering a growth of 20% over the last year.

The other wholly owned subsidiary namely Sam Buildcon Limited has also started its activities.

**MANAGEMENT DISCUSSION AND ANALYSIS**

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

**CORPORATE GOVERNANCE**

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

**DEMATERIALIZATION OF SHARES**

Your Company's shares are participating both with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN number of the Company is INE931D01012. As on date 91.47 % of the Share Capital of the Company, comprising 9055168 Equity shares have been de- materialized.

**STOCK EXCHANGE LISTING**

The Equity shares of your Company are listed at:

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



## DIVIDEND

In order to conserve and strengthen the financial resources of the Company, the Directors regret their inability to recommend any dividend for the year 2009-2010.

## DIRECTORS

Mr. Raman Ohri and Mr. Vinay Mittal, Directors of the Company retire by rotation at the conclusion of the ensuing Annual General Meeting of the Company, and pursuant to article no. 89 of the Articles of Association of the Company and being eligible, they offer themselves for re-appointment. Mr. Atul Mittal has been appointed as the Joint Managing Director of the Company.

Information pursuant to the Corporate Governance requirements of the Listing Agreement regarding the Directors seeking appointment/ re-appointment in the Annual General Meeting is annexed to the Notice.

## AUDIT COMMITTEE

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

It comprised of the following Directors:

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

## AUDITORS' REPORT

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

## AUDITORS

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

## INTERNAL AUDIT

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

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

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

## DIRECTORS' RESPONSIBILITY STATEMENT

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

1. Applicable accounting standards have been followed in preparing the annual accounts and material departures, if any, have been properly explained.
2. The Directors have selected and applied accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts for the year ended 31.03.2010 on a going Concern basis.

## PERSONNEL

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



## **SUBSIDIARIES**

As required by Section 212 of the Companies Act, 1956, a Statement in respect of the subsidiary is annexed and forms an integral part of this report. The Annual Accounts of the Subsidiaries namely M/s SSA International Limited (SSA) and of M/s Sam Buildcon Limited (SBL) are attached for the financial year ended on 31.03.2010.

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

## **PUBLIC DEPOSIT**

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

## **INDUSTRIAL RELATIONS**

The Industrial relations remained cordial during the year under review.

## **ACKNOWLEDGMENT**

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

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

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

**Sd/-**  
**ANIL MITTAL**  
Chairman & Managing Director

Place : New Delhi  
Dated : 28.08.2010



## ANNEXURE "A"

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March' 2010

### A. CONSERVATION OF ENERGY

- |   |   |
|---|---|
| <p>1. Energy Conservation measures taken</p>  | <p>Company's operations involve low energy consumption. Energy conservation measures continues to remain thrust area and have already been implemented by:-Use of energy efficient Tube lights. Switching off electrical equipments, when not in use. Regular Preventive Maintenance of Pipe Lines so as to avoid the leakages , replacement of old motors by energy efficient motors, energy efficient usage of Air Compressor &amp; Boilers</p> |
| <p>2. Additional investment and proposals, if any, being implemented for reduction of consumption of Energy.</p>                                    | <p>Introduced energy saving features in the systems by which the user saves power consumption to a considerable extent.</p>   |
| <p>3. Impact of measures at (1) and (2) above for Reduction of energy consumption and consequent Impact on the cost of production of goods.</p>     | <p>Created general awareness in the Plant about the need for conservation of energy and resulted in improvement in Productivity and Quality.</p>  |
| <p>Total energy consumption per unit of Production as per Form "A" of the Annexure in respect of industries Specified in the Schedule there to.</p> | <p>As per Form "A"</p>  |

### FORM "A"

Disclosure of particulars with respect to conservation of energy:

	<i>Current Year</i>	<i>Previous Year</i>
<b>1. POWER AND FUEL CONSUMPTION</b>		
<i>a) Purchased</i>		
Unit	<b>817899</b>	711824
Total Amount (Rs. Lacs)	<b>46.87</b>	43.76
Rate/Unit (Rs.)	<b>5.73</b>	6.15
<i>b) Own Generation Through Diesel Generator</i>		
Unit	<b>172220</b>	118690
Total Amount (Rs. Lacs)	<b>11.60</b>	8.00
Cost/Unit (Rs.)	<b>6.73</b>	6.74
<b>B. RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION</b>		
<b>(i) RESEARCH AND DEVELOPMENT</b>		
The Company has no specific R & D activities. However the Company has well equipped Quality Control department to check the quality of Garments manufactured.		
<b>(ii) TECHNOLOGY ABSORPTION</b>		
New technology absorption is the endeavor of the Company. Development of new products, designs and quality improvement is a continuous process. Value Addition by Up gradation of Technology is a regular process.		
<b>C. FOREIGN EXCHANGE EARNINGS AND OUTGO</b>		
Activities relating to Exports, initiative taken to increase exports, development of new export markets for product and services and export plans:		
Regularly developing the new international markets. In order to develop new export markets for its products your company is regularly participating through its buyers, in international exhibitions. Company has its own office in New York with arrangement of display of Company's Products.		

# SAMTEX FASHIONS LIMITED



	<u>Current Year</u>	<i>Rs. in Lacs</i> <u>Previous Year</u>
i. <b>Earnings for the year</b> (FOB value of Exports)	<b>3692.26</b>	2987.28
ii. <b>Outgo for the year: :</b>		
Raw Material	<b>2640.96</b>	1695.81
Capital Goods	—	—
Others	<b>15.43</b>	1.51

## ANNEXURE - "B"

### **PARTICULARS OF EMPLOYEES**

Statement pursuant to Section 217 (2A) of the Companies (Particulars of Employees) Rule 1975, as amended and forming part of the Directors Report for the year ended 31st March' 2010.

<i>NAME</i>	<i>Designation/ Duties</i>	<i>Qualification</i>	<i>Remuneration Rs .</i>	<i>Experience In Years</i>	<i>Date of Commencement of Employment</i>	<i>Age in Years</i>	<i>Last Employment held</i>
Mr. Anubhav Mittal	Vice President Overseas Marketing	Diploma in G.M.T. (F.I.T New York)	3200130	14	01.10.96	35	—

#### **Note :**

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

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

Place : New Delhi  
Dated : 28.08.2010

**Sd/-**  
**ANIL MITTAL**  
Chairman & Managing Director



## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

### OVERVIEW :-

#### Company Background

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

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

#### Company Management

The Board of Directors of the Company comprised of 6 (six) Directors headed by Mr Anil Mittal Chairman and Managing Director of the Company. The Board is a combination of Executive and non-Executive Directors. It has 2 Executive Directors - namely Mr Anil Mittal, Chairman and Managing Director and Mr. Atul Mittal, Whole Time Director and 4 non-Executive Directors out of whom 3 Directors are independent.

The Board of Directors meets regularly at least 4 times in a year. In the year 2009-2010, 6 such meetings were held, the details of the attendance of Directors in the Board Meetings have been given in the Report of Corporate Governance. The Board has also constituted 4 Committees namely, (a) Audit Committee (b) Remuneration and Selection Committee (c) Share Transfer and Investor Grievances Committee (d) Project Monitoring Committee to review and control the Company's Expansion cum up gradation Project. The committee members' meet regularly from time to time to dispose of the work assigned to them respectively.

#### Product and Services

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

#### Industry Structure and Development

In the global economy there are signs of recovery after passing through severe economic recession in the past 2-3 years. The Indian Textile Industry especially Garment Sector plays a significant role in Indian Economy. The international trade in clothing and textile has started accelerating since past 6 months after the declines in last 2-3 years and expecting the momentum to accelerate during the years to come.

The Indian clothing & textile industry has attracted huge investments to match the international levels of technology, quality and standards. As a result, the capacity has expanded beyond the requirements of current demand. It is tough time for the industry with leading firms reporting financial strains.

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

Due to the specialized quality of garments being manufactured by our Company the demand for the product is increasing. However, price constraint still continuing, which are likely to improve with in next 1-2 years.

#### Opportunities and Threats.

The Government of India provided the interest subvention of 2% p.a. in respect of rupee export credit extended to the specified exporters during the financial year 2009-10 and the same has been extended for another 6 months.

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

**As with the recovery, the textile and clothing industry is also facing increase in input prices - labour, power & energy and financial cost. The inflationary pressure both with in the country and globally have bearing on the outlook of the textile and clothing industry. The increase and volatility in crude oil prices will also impact the growth trends.**





The Government's TUF scheme introduced in 1999 and extended up to 2012, improvements in infrastructure and regulations, all are playing significant role among the different sectors of the Industry.

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

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

**The initiative to use the past difficult time as learning period have paid us in improving and fine tuning systems, strengthening processes and building on areas of strength i.e. superior quality, reliable deliveries, economies of scale and increased our capabilities to overcome such events in future, if any.**

We are having faith for a bright future of RMG Industry in India.

#### **Internal control system and their Adequacy**

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

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

Place : New Delhi  
Dated : 28.08.2010

**Sd/-**  
**ANIL MITTAL**  
Chairman & Managing Director



## CORPORATE GOVERNANCE REPORT

### 1. Company's philosophy

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

### 2. Board of Directors:

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

The composition of board of directors, their category and other directorships as on 31st March,2010 are given as under:-

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

#### Retiring Directors :

Mr. Raman Ohri and Mr. Vinay Mittal – Directors are retiring by rotation in the ensuing Annual General Meeting and, being eligible, they offer themselves for re-appointment.

Mr. Raman Ohri is a Graduate from Punjab University and is having the managerial experience of about 15 years.

Mr. Vinay Mittal has done his B.E. (Mechanical ) from Thapar Institute of Engineering and Technology, Patiala Punjab. He is having rich experience of more than 22 years and possesses expert knowledge in his field of operations.

**Board Meetings and attendance of Directors :** During the year, Six Meetings of the Board were held on 30.04.2009, 31.07.2009, 22.08.2009, 31.10.2009, 16.12.2009 and 29.01.2010

#### Attendance record of Directors :

The table given below gives the attendance record of all the Directors at the six Board Meetings held during 2009-10,as well as at the last Annual General Meeting.

S.No	Name of Directors	Attendance Particulars	
		No. of Board Meetings Attended	Attendance at the last AGM held on 30.09.2009
1.	Mr. Anil Mittal	6	Yes
2.	Mr. Vinay Mittal	6	Yes
3.	Mr. A.P. Mathur	5	No
4.	Mr. S.K. Gupta	6	Yes
5.	Mr. Atul Mittal	6	Yes
6.	Mr. Raman Ohri	5	Yes

#### Code of Conduct

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



### 3. Audit committee

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

#### Constitution & Audit Committee Meetings

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

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

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

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

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

#### Audit Committee Meetings

Sl. No.	Date of Meeting	Strength	No of Member Present
1.	30.04.2009	3	3
2.	29.07.2009	3	3
3.	31.10.2009	3	2
4.	29.01.2010	3	2

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

Members	No. of Meetings Attended	Category
Mr. S.K. Gupta	4	Member & Chairman
Mr. A.P. Mathur	3	Member
Mr. Raman Ohri	3	Member

Mr. S.K. Gupta Chaired the Meeting of Audit Committee held on 25th August, 2010 for reviewing and approving the Final Accounts for the period ended 31st March, 2010.

#### Internal Auditors:

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

### 4. Remuneration & Selection Committee :

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

The Constitution of the committee is as follows:

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

#### Meetings and Attendance:

During the year under report no meeting of the committee was held as there was no business to fix or revise the remuneration of any executive Director.

#### Director's Remuneration

##### a) Managing Director/Executive Directors:

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



Details of Remuneration to Directors for the Year 2009 - 2010 :-

(In Rs.)

Name	Designation	Salary	HRA	Perquisite	P.F. Contribution	Comm.	Gross Remuneration
Mr. Anil Mittal	Chairman & Managing Director	900000	—	150000	108000	—	1158000
Mr. Atul Mittal	WholeTime Director	408000	204000	68000	48960	—	728960

**b) Non-Executive Directors:**

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

**5. Shareholders, Share Transfer and Investor Grievance Committee:**

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

- There was no share Transfer / Demat cases, or Complaints pending for more than 30 days, as on 31st March,2010.
- Compliance Officer : The Board has designated Ms.Kamini Gupta, Company Secretary and GM Finance as the Compliance officer.

**6. General Body Meeting :**

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

Annual General Meeting/Year	Day, Date & Time of the AGM	Venue
14th AGM 2006-2007	Friday, 28th September, 2007 at 9:30 AM	Regd Office: Plot No-134- 135 NSEZ, Phase-II, Noida - 201305, U.P
15th AGM 2007-2008	Tuesday, 30th September, 2008 at 9.30 AM	————do————
16th AGM 2008-2009	Wednesday, 30th September, 2009 at 9.30 AM	————do————

**7. Details of Special Resolutions/ Special Business:**

1. 14th AGM : i) Re-appointment of Relative, Mr Amit Mittal son of Mr, Anil Mittal- Chairman & Managing Director of the Company for holding Place of Profit.
2. 15th AGM : i) Re-appointment of Mr. Anil Mittal as Chairman & Managing Director with remuneration for a period of 5 years w.e.f. 26.04.2008.  
ii) Re-appointment of Mr. Atul Mittal as Whole Time Director with remuneration for a period of 3 years w.e.f. 01.05.2008.  
iii) Increase in the borrowing powers u/s 293 (1) (d).  
iv) Authorisation for creation of mortgage upto the increased borrowing limits u/s 293 (1) (a) of the Companies Act,1956.
3. 16th AGM : i) Appointment of new Director appointed as additional Director by the Board Members.  
ii) Change in Object Clause by inserting a new sub clause.  
iii) To commence the new business activities.

**8. Disclosures :**

**Related Party Transactions as required :**

1. Related Party Transactions as required by the Accounting Standards (AS) 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountant of India have been disclosed at Point No 10 of Part B of Schedule XXII of



the Annual Accounts. Members may refer to the notes to accounts for details of related Party Transactions.

2. The Company has complied with the requirements of regulatory authorities on Capital Market and no penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter relating to the capital markets during the last three years.
- 9. Registrars and Share Transfer Agents :**
- i) Beetal Financial & Computer Services (P) Ltd  
Registrars and Transfer Agents  
Beetal House, 3rd Floor  
99, Madangir, BH- Local Shopping Center, New Delhi-110062  
Ph.: 011-29961281,29961282 Fax : 011-29961284
  - ii) **Company's Corporate Office :** M-71 (Market), 1st Floor,  
Greater Kailash-II, New Delhi - 110048.  
Ph. No. 47572222 Email ID: samtex.compliance@gmail.com
- 10. Investors Correspondence :**
- In case of any delay in attending to transfer of shares, non receipt of Annual report or any other related matter the following official of Samtex Fashions Ltd. may be contacted.
- Ms. Kamini Gupta, Company Secretary & GM Finance.
- 11. Registered office & Works :**  
**Samtex Fashions Ltd.**  
Plot No. 134-135,Noida Special Economic Zone (NSEZ)  
Phase-II, Noida-201305, Distt-Gautam Budha Nagar, Uttar Pradesh.
- 12. Means of communication :**
- The company communicates with the shareholders at large through its Annual Reports, Publication of Financial Results, and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and The Registrar of Companies. The quarterly results are published in prominent daily newspapers, Financial Express (English) and Regional language (Hindi) Newspaper. The company has also posted information relating to its financial results, Annual Report, Corporate Governance Report and shareholding pattern in Electronic Data Information Filing and Retrieval (EDIFAR) system of SEBI.
- 13. General Shareholders Information :**
- i) **17th Annual General Meeting:-**

Date	: 30th September,2010
Time	: 9:30 A.M
Venue	: Plot No-134-135, NSEZ, Phase-II, Noida Gautam Budh Nagar, Uttar Pradesh - 201305
  - ii) **Book closure Details** : 21st September 2010 to 30th September, 2010
  - iii) **Dividend Payment Details** : N.A
  - iv) **Financial Calendar (2010-2011-Tentative)**

First quarter results	: August, 2010
Second quarter results	: November, 2010
Third quarter results	: February, 2011
Fourth quarter results	: May, 2011
Annual results	: August, 2011
AGM for the year ended 31.03.2011	: September, 2011
  - v) **Listing and Stock code** : The company's Equity shares are listed on the following Stock Exchanges:-
    - i) The Stock Exchange, Mumbai, Scrip Code 521206
    - ii) The Delhi Stock Exchange Association Ltd.



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

Year 2008 – 2009 (Month)	The Stock Exchange, Mumbai		
	Highest	Lowest	Closing
April, 2009	13.80	9.90	12.48
May, 2009	17.30	12.30	16.31
June, 2009	17.10	13.35	14.50
July, 2009	14.90	11.37	12.34
August, 2009	18.35	12.95	16.80
September, 2009	17.70	15.35	16.90
October, 2009	17.85	15.00	16.30
November, 2009	23.25	17.10	19.75
December, 2009	38.75	19.40	37.40
January, 2010	40.65	32.50	33.80
February, 2010	37.50	29.10	31.65
March, 2010	33.75	22.20	25.80

14. **Listing Fees :**

Paid for the year 2009 - 2010.

15. **Shareholding Pattern of the Company as on 31st March, 2010 :**

Category of Shareholders	No of Shares	Percentage
Promoter's Holding	4703650	47.51
Mutual Funds/UTI	10600	0.11
Banks/Financial institution (Central/StateGovt inst/Non Govt inst)	—	—
Private Corporate Bodies	1491662	15.07
NRI/OCBs	1086146	10.97
Others (Trust and Clearing Members)	13672	0.14
Indian Public	2594270	26.20
<b>Total</b>	<b>9900000</b>	<b>100</b>

16. **Distribution of Shareholding as at 31st March, 2010 :**

No. of Equity Share Held Shares	Folio Nos	% of Total Folio Nos.	Share Nos.	% of Total
Up to 500	5195	89.11	702414	7.095
501 – 1000	272	4.67	236654	2.390
1001-2000	131	2.25	203568	2.056
2001-3000	66	1.13	169281	1.710
3001-4000	23	0.39	82692	0.835
4001-5000	24	0.41	111721	1.129
5001-10000	32	0.55	246099	2.486
10001 and above	87	1.49	8147571	82.299
<b>TOTAL</b>	<b>5830</b>	<b>100.00</b>	<b>9900000</b>	<b>100.00</b>

17. **Share Transfer System :**

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

**18. Dematerialization of Shares :**

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

The Company's ISIN number is INE931D01012.

**Shares Dematerialized Record :**

The following data indicates the extent of dematerialization of company's shares as on 31st March,2010

No. of shares dematerialized	9055168	91.47% of total share capital
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For and behalf of the Board of Directors  
For **SAMTEX FASHIONS LIMITED**

Sd/-

**ANIL MITTAL**

*Chairman & Managing Director*

Place : New Delhi  
Dated : 28.08.2010

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of Samtex Fashions Limited  
Plot No. 134-135, Noida Special Economic Zone,  
Phase-II, Noida - 201 305

We have reviewed the records concerning the company's compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges in India for the Financial Year ended on March 31, 2010

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

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

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

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

For **DEEPAK KUKREJA & ASSOCIATES**  
COMPANY SECRETARIES

Sd/-

**DEEPAK KUKREJA**

CP No. 8265

Place : New Delhi  
Date : 28.08.2010



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

To,  
The Board of Directors,  
**Samtex Fashions Limited.**

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

- a) I have reviewed Financial Statements and the Cash Flow statement for the year ended on March 31, 2010 and that to the best of my knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations:
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit Committee;
  - i) significant changes in internal control over financial reporting during year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
  - iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi  
Date : 28.08.2010

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





## AUDITORS' REPORT

To,  
The Members of  
M/S SAMTEX FASHIONS LIMITED.

We have audited the attached Balance Sheet of M/S SAMTEX FASHIONS LIMITED as at 31st March, 2010, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. We have expressed an opinion on these financial statements based on our audit.

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

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, of India and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of the books.
3. The Balance Sheet and Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
4. In our opinion, the Profit & Loss Account and Balance Sheet generally comply with the accounting standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of the written representation received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31-03-2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,
  - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
  - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
  - iii) In case of the Cash Flow Statement of Cash Flow for the year ended on that date.

For **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Place : New Delhi  
Dated : 28.08.2010

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. No. F 82045



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

- i. (a) In our opinion and as per information and explanation provided to us the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us the fixed assets have been physically verified by the management during the year and as per the explanations and information given to us there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of account.
- (c) During the year, the company has not disposed off any part of the plant and machinery, which will have the effect on the Going concern of the company.
- ii. (a) As explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to information and explanations given to us the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) As explained and based on the information given to us, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same has been properly dealt with in the books of account.
- iii. (a) The company has not taken loan from any other companies covered in the register maintained under section 301 of the companies Act, 1956, and the company has not given loan to any other party covered in the register maintained under section 301 of the Companies Act. 1956, and thus provisions of Para 3(b), (c) and, (d) of the order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of company and the nature of its business with regard to, purchase of stores and spares, raw materials, fixed assets, and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in such internal controls.
- v. (a) According to the information and explanations provided by the management, we are of the opinion that there were no transactions that need to be entered in the register maintained under section 301.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakhs rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant times.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any Deposits as defined with in the meaning of Sections 58A and 58AA of the companies Act, 1956 and the companies (Acceptance of Deposits) Rules 1975 and hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order,2003 are not applicable to the Company.
- vii. Internal Audit has been conducted by an independent firm of Chartered Accountants during the year and it is commensurate with the size and nature of Business.
- viii. As informed to us maintenance of cost records has not been prescribed by the Central Government under section 209 (1)(d) of the Companies act, 1956.
- ix. (a) The company is generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise-duty, cess and other statutory dues applicable to it and as informed and explained to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty were outstanding, as at 31.03.2010 for a period of more than six months from the date they became payable.



- (b) According to the records of company, the disputed statutory dues i.e, Income Tax aggregating to Rs. 113.63 lacs that have not been provided for in the books of accounts on account of matters pending before concerned appellate authorities/ Delhi High Court and ITAT Delhi Bench. However a sum of Rs.107.50 lacs is deposited under protest against above demand. As mentioned in point no. B 2. of other notes of Schedule XXII pertaining to "Notes on Account."
- x. The company does not have any accumulated losses. Further it has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi. As explained and informed to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, or bank .
- xii. Based on the records we report that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The company is not a chit fund company or mutual fund / Society, thus the provisions of this para are not applicable.
- xiv. As per records of the company and the information and explanations given to us by the management, The Company is not dealing or trading in shares, securities, and debentures and other investment except those investments, which are held as investment. In our opinion, in respect of those investments held by the Company, proper records have been maintained of the transactions and contracts and timely entries have been made therein and the shares, securities and other investments have been held by the Company ,in its own name.
- xv. According to the information and explanations provided to us by the management, the company has guaranteed a sum of Rs. 31,090 Lacs against secured loans taken from financial institutions/Banks by its wholly owned subsidiary Company i.e, SSA International Limited.
- xvi. The term loans obtained by the company have been applied for the purpose for which they were raised.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except core (permanent) working capital.
- xviii. As explained and informed to us by the management and upon our examination of records we report that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix. During the period covered by our audit report, the company has not issued any types of debentures. The question of creation of any security in the respect of debentures does not arise.
- xx. During the financial year the company did not raise any money by public issue.
- xxi. In our opinion and according to information and explanations given to us by the management, there was no fraud on or by the company which has been noticed and reported during the year that causes the financial statements to be materially misstated.

For **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. No. F 82045

Place : New Delhi  
Dated : 28.08.2010



## BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	SCHEDULE	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
<b>I. SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS FUNDS :</b>			
SHARE CAPITAL	I	99,180,000	99,180,000
RESERVES AND SURPLUS	II	303,106,460	292,607,322
<b>LOAN FUNDS :</b>			
SECURED LOANS	III	333,453,670	305,913,759
UNSECURED LOANS	IV	36,730,000	—
DEFERED TAX LIABILITY		2,114,979	2,865,455
<b>TOTAL</b>		<b>774,585,109</b>	<b>700,566,536</b>
<b>II. APPLICATION OF FUNDS :</b>			
<b>FIXED ASSETS :</b>			
GROSS BLOCK	V	383,837,638	381,639,859
LESS: DEPRECIATION		148,433,809	130,816,118
NET BLOCK		235,403,829	250,823,741
FLATS (EMPLOYEES HOUSING PROJECT)		12,122,718	12,122,718
INVESTMENTS	VI	186,000,700	160,100,400
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
INVENTORIES	VII	355,379,107	268,009,672
SUNDRY DEBTORS	VIII	77,529,688	81,994,558
CASH AND BANK BALANCES	IX	17,226,462	9,426,567
LOANS AND ADVANCES	X	59,215,461	52,779,527
LESS : CURRENT LIABILITIES AND PROVISIONS	XI	509,350,719	412,210,324
NET CURRENT ASSETS		168,292,858	134,690,646
<b>TOTAL</b>		<b>341,057,861</b>	<b>277,519,678</b>
NOTES FORMING PART OF ACCOUNTS	XXII	774,585,109	700,566,536

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-  
**ANIL MITTAL**  
CHAIRMAN & MANAGING DIRECTOR

Sd/-  
**S. K. GUPTA**  
DIRECTOR

FOR **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**KAMINI GUPTA**  
COMPANY SECRETARY  
& GM FINANCE

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. NO. 82045

Place : New Delhi  
Dated : 28.08.2010



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b>INCOME</b>			
SALES	XII	578,114,729	540,078,212
OTHER INCOME	XIII	4,876,477	987,531
INCREASE / (DECREASE) IN STOCKS	XIV	7,783,603	15,679,085
		<u>590,774,809</u>	<u>556,744,828</u>
<b>EXPENDITURE</b>			
MATERIAL COST	XV	388,138,136	385,072,379
MANUFACTURING EXPENSES	XVI	82,924,309	63,339,568
PAYMENT TO AND PROVISIONS FOR EMPLOYEES	XVII	16,094,492	17,784,930
FINANCIAL EXPENSES	XVIII	29,963,969	27,716,957
ADMINISTRATIVE AND OTHER EXPENSES	XIX	26,723,943	31,365,289
SELLING EXPENSES	XX	16,891,526	14,018,820
DEPRECIATION AND MISCELLANEOUS EXPENDITURE WRITTEN OFF	XXI	17,703,694	16,239,628
		<u>578,440,069</u>	<u>555,537,571</u>
NET PROFIT FOR THE YEAR BEFORE TAX		<u>12,334,740</u>	1,207,257
LESS: PRIOR PERIOD EXPENSES		88,175	300,600
PROFIT BEFORE TAX		<u>12,246,565</u>	906,657
<b>TAX EXPENSES</b>			
CURRENT TAX		2,498,905	—
DEFERRED TAX ASSETS/ (LIABILITIES)		(750,476)	289,634
FRINGE BENEFIT TAX		—	221,000
FBT EXCESS PROVISION WRITTEN BACK FOR EARLIER YEARS		(1,000)	—
PROFIT AFTER TAX		<u>10,499,136</u>	396,023
BALANCE BROUGHT FORWARD		<u>267,607,324</u>	264,617,226
<b>BALANCE CARRIED OVER TO BALANCE SHEET</b>		<u>278,106,460</u>	<u>265,013,249</u>
<b>BASIC EARNING PER SHARE OF FACE VALUE OF RS.10 EACH</b>		1.06	0.04
<b>DILLUATED EARNING PER SHARE OF FACE VALUE OF RS. 10 EACH</b>		1.06	0.04

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-  
**ANIL MITTAL**  
CHAIRMAN & MANAGING DIRECTOR

Sd/-  
**S. K. GUPTA**  
DIRECTOR

FOR **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**KAMINI GUPTA**  
COMPANY SECRETARY  
& GM FINANCE

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. NO. 82045

Place : New Delhi  
Dated : 28.08.2010



## SCHEDULES FORMING PART OF THE ACCOUNTS

<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - I</u></b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
10000000 EQUITY SHARES OF RS. 10 EACH (PREVIOUS YEAR 10000000 EQUITY SHARES OF RS.10 EACH)	<b>100,000,000</b>	100,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP :</b>		
9900000 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP IN CASH (PREVIOUS YEAR 9900000 EQUITY SHARES OF RS.10 EACH FULLY PAID UP)	<b>99,000,000</b>	99,000,000
<b>FORFEITURE ACCOUNT</b>	<b>180,000</b>	180,000
(100000 Zero Coupon warrant @ Rs. 1.80 Per warrant) (Previous Year 100000 Zero Coupon warrant @ Rs.1.80 Per warrant)		
<b>TOTAL</b>	<b><u>99,180,000</u></b>	<u>99,180,000</u>
<b><u>SCHEDULE - II</u></b>		
<b>RESERVES AND SURPLUS</b>		
<b>RESERVES :</b>		
CAPITAL RESERVE :		
STATE CAPITAL SUBSIDY	<b>1,000,000</b>	1,000,000
<b>(A)</b>	<b><u>1,000,000</u></b>	<u>1,000,000</u>
<b>SURPLUS :</b>		
SHARE PREMIUM ACCOUNT	<b>24,000,000</b>	24,000,000
PROFIT AND LOSS ACCOUNT	<b>278,106,460</b>	265,013,249
ADD : EXCESS PROVISION WRITTEN BACK ON RETIREMENT BENEFIT FOR EARLIER YEARS	—	2,594,073
<b>(B)</b>	<b><u>302,106,460</u></b>	<u>291,607,322</u>
<b>TOTAL (A+B)</b>	<b><u>303,106,460</u></b>	<u>292,607,322</u>
<b><u>SCHEDULE - III</u></b>		
<b>SECURED LOANS :</b>		
<b>(A) TERM LOANS</b>		
FROM FINANCIAL INSTITUTIONS :		
— RUPEE LOANS FROM :		
IDBI BANK LIMITED	<b>122,500,000</b>	131,128,000
<b>(B) WORKING CAPITAL LOANS :</b>		
— STATE BANK OF INDIA	<b>210,953,670</b>	173,696,828
<b>(C) VEHICLE LOANS</b>	—	1,088,931
<b>TOTAL</b>	<b><u>333,453,670</u></b>	<u>305,913,759</u>

### **NOTE :-**

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

# SAMTEX FASHIONS LIMITED



- future in the ordinary course of the business and further guaranteed by Managing Director, Promoter Directors and an Independent Director. This Working capital loan is further secured by second charge on fixed assets of the company by the bank other than those specifically financed.
- 3 Vehicle loans are secured against specific vehicles financed.
- 4 Amount of Term Loan Loan Repayable with in one Year Rs.2,22,72,800/- (Previous Year Rs. 86,28,000/-)

PARTICULARS	AS AT	AS AT
	31.03.2010	31.03.2009
	(Rs.)	(Rs.)

## SCHEDULE - IV

### UNSECURED LOANS :

(A) FROM DIRECTORS	23,950,000	—
(B) FROM OTHERS	12,780,000	—
<b>TOTAL</b>	<b>36,730,000</b>	<b>—</b>

## SCHEDULE - V

### FIXED ASSETS :

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at	Addition	Sales/	As at	As at	For the	W. back	As at	As at	As at
	01.04.2009	during	adjustment	31.03.2010	01.04.2009	year	during	31.03.2010	31.03.2010	31.03.2009
	(Rs.)	the year	during	(Rs.)	(Rs.)	ended	the year	(Rs.)	(Rs.)	(Rs.)
		(Rs.)	the year			(Rs.)	(Rs.)			
			(Rs.)							
1. BUILDING & SITE DEVELOPMENT	91,645,248	160,022	—	91,805,270	25,333,242	3,064,963	—	28,398,205	63,407,065	66,312,006
2. PLANT & MACHINERY	237,916,461	160,900	—	238,077,361	76,570,369	11,302,318	—	87,872,687	150,204,674	161,346,092
3. FURNITURE & FIXTURES	23,663,353	109,588	53,903	23,719,038	14,156,335	1,505,961	60,607	15,601,689	8,117,349	9,507,018
4. ELECTRICAL INSTALLATION	11,522,633	—	—	11,522,633	5,524,427	547,325	—	6,071,752	5,450,881	5,998,206
5. OFFICE EQUIPMENT	7,665,378	466,875	22,589	8,109,664	3,512,902	356,053	25,397	3,843,558	4,266,106	4,152,476
6. VEHICLES	9,226,786	1,376,886	—	10,603,672	5,718,843	927,075	—	6,645,918	3,957,754	3,507,943
<b>TOTAL</b>	<b>381,639,859</b>	<b>2,274,271</b>	<b>76,492</b>	<b>383,837,638</b>	<b>130,816,118</b>	<b>17,703,694</b>	<b>86,004</b>	<b>148,433,809</b>	<b>235,403,829</b>	<b>250,823,741</b>
PREVIOUS YEAR	384,627,610	194,300	3,182,051	381,639,859	115,464,762	16,266,497	915,141	130,816,118	250,823,741	—

## SCHEDULE - VI

### INVESTMENTS

#### LONG TERM INVESTMENT

#### (VALUED AT COST)

#### A) TRADE INVESTMENT - UNQUOTED

##### IN WHOLLY OWNED SUBSIDIARY COMPANIES:

##### (I) SSA INTERNATIONAL LIMITED

170,00,000 EQUITY SHARES OF RS. 10 EACH. **170,000,000** 138,599,700

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

SHARE APPLICATION MONEY **—** 15,000,000

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

##### (II) SAM BUILDCON LIMITED

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

(PREVIOUS YEAR 50,070 EQUITY SHARES OF RS.10 EACH)

SHARE APPLICATION MONEY 950,000 EQUITY SHARES OF RS.10 EACH **9,500,000** **—**

(PREVIOUS YEAR NIL EQUITY SHARES)

#### B) NON TRADE INVESTMENT- UNQUOTED

##### IN OTHER THAN SUBSIDIARY COMPANIES:

##### YOGENDRA WORSTED LIMITED

600,000 EQUITY SHARES RS. 10 EACH FULLY PAID UP **6,000,000** 6,000,000

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

**TOTAL** **186,000,700** **160,100,400**



## SCHEDULES FORMING PART OF THE ACCOUNTS

<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - VII</u></b>		
<b>INVENTORIES</b> (AS CERTIFIED, QUANTIFIED AND VALUED BY THE MANAGEMENT ON WHICH AUDITORS HAVE RELIED.)		
RAW MATERIAL	176,720,872	97,661,912
FINISHED GOODS	118,529,503	120,040,934
WORK IN PROCESS	56,505,080	46,941,147
SCRAP MATERIAL	2,197,924	2,466,823
OTHER STORES	1,425,728	898,856
<b>TOTAL</b>	<b>355,379,107</b>	<b>268,009,672</b>
<b><u>SCHEDULE - VIII</u></b>		
<b>SUNDRY DEBTORS</b> (CONFIRMED, UNSECURED & CONSIDERED GOOD)		
(I) TRADE		
— DEBTS OUTSTANDING FOR A PERIOD OF MORE THAN SIX MONTHS	5,709,956	544,043
— OTHER DEBTS	67,159,576	73,149,859
(II) HOUSING PROJECT		
— DEBTS OUTSTANDING FOR A PERIOD OF MORE THAN SIX MONTHS	4,660,156	8,300,656
— OTHER DEBTS	—	—
<b>TOTAL</b>	<b>77,529,688</b>	<b>81,994,558</b>
<b><u>SCHEDULE - IX</u></b>		
<b>CASH AND BANK BALANCES :</b>		
— CASH IN HAND AND IMPREST	6,856,787	3,664,125
BALANCES WITH SCHEDULED BANKS :		
— IN CURRENT ACCOUNTS	176,312	130,181
— IN MARGIN MONEY ACCOUNTS	10,193,363	5,632,261
<b>TOTAL</b>	<b>17,226,462</b>	<b>9,426,567</b>
<b><u>SCHEDULE - X</u></b>		
<b>LOANS AND ADVANCES</b> (UNSECURED, CONFIRMED, CONSIDERED GOODS)		
<b>LOANS :</b>		
SUBSIDIARY COMPANY:		
M/S S S A INTERNATIONAL LTD.	21,632,147	18,532,447
M/S SAM BUILDCON LTD.	7,158,000	258,000
<b>(A)</b>	<b>28,790,147</b>	<b>18,790,447</b>
<b>ADVANCES :</b>		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED	26,678,862	30,107,344
SECURITY DEPOSITS	3,639,806	3,649,149
TAX DEDUCTED AT SOURCE / ADVANCE TAX	106,647	232,587
<b>(B)</b>	<b>30,425,315</b>	<b>33,989,080</b>
<b>TOTAL (A+B)</b>	<b>59,215,461</b>	<b>52,779,527</b>





## SCHEDULES FORMING PART OF THE ACCOUNTS

<i>PARTICULARS</i>	<i>AS AT 31.03.2010 (Rs.)</i>	<i>AS AT 31.03.2009 (Rs.)</i>
<b><u>SCHEDULE - XI</u></b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
<b>SUNDRY CREDITORS :-</b>		
<b>(I) TRADE</b>		
Total Outstanding dues to Micro & Small Enterprises*	643,464	—
Total Outstanding dues of creditors other than Micro & Small Enterprises	136,572,332	110,988,806
<b>(II) OTHERS</b>		
P.F. PAYABLE	29,575	270,882
ESIC PAYABLE	562,083	462,263
OTHER LIABILITIES	238,015	195,636
BANK OVERDRAFT (DUE TO RECONCILIATION)	8,896,162	7,185,885
	7,338,194	3,030,224
*See note B (8) in other Notes to Accounts		
<b>TOTAL (A)</b>	<b>154,279,825</b>	<b>122,133,696</b>
<b>B. PROVISIONS</b>		
INTEREST ACCRUED AND DUE	846,101	3,005,893
EXPENSES PAYABLE	1,613,766	1,026,599
PROVISION FOR INCOME TAX	2,093,566	—
PROVISION FOR FRINGE BENEFIT TAX	—	221,000
PROVISION FOR GRATUITY	7,602,435	6,608,294
PROVISION FOR LEAVE ENCASHMENT	1,857,165	1,695,165
<b>TOTAL (B)</b>	<b>14,013,033</b>	<b>12,556,951</b>
<b>(A+B)</b>	<b>168,292,858</b>	<b>134,690,646</b>

<i>PARTICULARS</i>	<i>FOR THE YEAR ENDED 31.03.2010 (Rs.)</i>	<i>FOR THE YEAR ENDED 31.03.2009 (Rs.)</i>
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### **SCHEDULE - XII**

<b>SALES</b>		
EXPORT SALES	557,102,685	482,468,653
SCRAP SALES	418,528	293,648
DOMESTIC SALE	20,593,517	57,315,912
<b>TOTAL</b>	<b>578,114,729</b>	<b>540,078,212</b>

### **SCHEDULE - XIII**

<b>OTHER INCOME</b>		
MISCELLANEOUS INCOME	60,445	383,679
COMMISSION	113,144	129,289
INTEREST ON FIXED DEPOSITS (TDS DEDUCTED RS. 76,227/- PREVIOUS YEAR RS. 99,625/-)	673,567	474,564
EXCHANGE FLUCTUATION	4,029,321	—
<b>TOTAL</b>	<b>4,876,477</b>	<b>987,531</b>

# SAMTEX FASHIONS LIMITED



<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - XIV</u></b>		
<b>INCREASE/(DECREASE) IN STOCKS</b>		
<b>(A) OPENING STOCK :</b>		
FINISHED GOODS	90,557,359	70,152,957
FINISHED GOODS IN TRANSIT	6,440,673	17,835,533
FINISHED GOODS AT TRADING OFFICE	23,042,902	23,764,723
WORK IN PROCESS	46,941,147	39,989,066
SCRAP MATERIAL	2,466,823	2,027,540
	<u>169,448,904</u>	<u>153,769,819</u>
<b>(B) CLOSING STOCK :</b>		
FINISHED GOODS	90,955,449	91,115,945
FINISHED GOODS AT TRADING OFFICE	27,574,054	23,042,902
FINISHED GOODS IN TRANSIT	—	6,440,673
WORK IN PROCESS	56,505,080	46,941,147
SCRAP MATERIAL	2,197,924	2,466,823
	<u>177,232,507</u>	<u>170,007,490</u>
LESS:- STOCK RESERVE	—	558,586
	<u>177,232,507</u>	<u>169,448,904</u>
<b>INCREASE / (DECREASE)</b>	<u><u>7,783,603</u></u>	<u><u>15,679,085</u></u>
<b><u>SCHEDULE - XV</u></b>		
<b>RAW MATERIAL CONSUMPTION</b>		
OPENING STOCK	97,661,912	109,512,876
ADD: PURCHASES DURING THE YEAR	467,197,096	373,221,415
	<u>564,859,008</u>	<u>482,734,291</u>
LESS : CLOSING STOCK	176,720,872	97,661,912
RAW MATERIAL CONSUMED	<u><u>388,138,136</u></u>	<u><u>385,072,379</u></u>
<b><u>SCHEDULE - XVI</u></b>		
<b>MANUFACTURING EXPENSES</b>		
CONSUMABLES	3,855,348	2,700,305
CUSTOM / EXCISE DUTY	95,911	51,944
WAGES AND OTHER BENEFITS	52,885,271	44,704,433
POWER AND FUEL	11,258,308	9,561,556
FREIGHT INWARD AND CARTAGE	4,331,739	3,215,675
IMPORT CLEARING EXPENSES	2,739,984	1,044,182
REPAIR AND MAINTENANCE :		
PLANT AND MACHINERY	2,398,397	1,664,394
ELECTRICALS	458,109	269,579
PROCESS AND FINISHING EXPENSES	4,901,242	127,500
<b>TOTAL</b>	<u><u>82,924,309</u></u>	<u><u>63,339,568</u></u>

# SAMTEX FASHIONS LIMITED



<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - XVII</u></b>		
<b>PAYMENT TO AND PROVISIONS FOR EMPLOYEES</b>		
SALARIES AND BENEFITS TO DIRECTORS	1,908,020	1,889,134
SALARIES AND OTHER BENEFITS TO STAFF	13,633,002	15,601,009
STAFF WELFARE	553,470	294,787
<b>TOTAL</b>	<b>16,094,492</b>	<b>17,784,930</b>
<b><u>SCHEDULE - XVIII</u></b>		
<b>FINANCIAL EXPENSES</b>		
BANK CHARGES	5,677,811	3,324,647
INTEREST ON TERM LOANS	8,744,957	7,396,593
INTEREST ON WORKING CAPITAL LIMITS	15,491,193	16,806,009
INTEREST ON OTHER LOANS	50,007	189,708
<b>TOTAL</b>	<b>29,963,969</b>	<b>27,716,957</b>
<b><u>SCHEDULE - XIX</u></b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
TRAVELLING AND CONVEYANCE	5,102,692	3,486,038
POSTAGE, TELEGRAM AND TELEPHONE	2,941,667	2,211,679
ROYALTY EXPENSES	—	574,704
LEGAL AND PROFESSIONAL CHARGES	2,568,050	1,304,049
PRINTING AND STATIONERY	842,255	525,005
REPAIRS AND MAINTENANCE :		
VEHICLES	755,574	797,644
OTHERS	491,008	582,593
BUILDING	182,980	82,123
MEMBERSHIP AND SUBSCRIPTION	73,011	6,000
RATES AND TAXES	773,974	163,433
GENERAL EXPENSES	3,418,264	2,358,373
RENT	4,165,363	2,945,048
SECURITY CHARGES	1,230,720	712,578
INTERNAL AUDIT FEES	27,575	27,575
CREDIT RATING FEES	—	175,000
COMPLIANCE AUDIT FEES	303,196	52,500
BOOKS PAPERS AND PERIODICALS	35,665	58,882
AUDITOR'S REMUNERATION	100,000	100,000
SALES TAX PENALTY	—	15,505
SALES TAX / ENTRY TAX ADDITIONAL LIABILITY	234,679	—
CHARITY AND DONATION	105,100	40,000
INSURANCE CHARGES	2,496,123	2,527,821
EXCHANGE FLUCTUATION	—	12,082,106
DIRECTOR SITTING FEES	72,000	86,000
MISC. BALANCES WRITTEN OFF	—	65,313
ADVERTISEMENT EXPENSES	383,588	165,173
DIWALI EXPENSES	356,450	164,928
LOSS ON SALE/THEFT OF CAR	64,010	—
MAINTAINANCE CHARGES (HOUSING PROJECT)	—	55,218
<b>TOTAL</b>	<b>26,723,943</b>	<b>31,365,289</b>

# SAMTEX FASHIONS LIMITED



<i>PARTICULARS</i>	<i>FOR THE YEAR ENDED 31.03.2010 (Rs.)</i>	<i>FOR THE YEAR ENDED 31.03.2009 (Rs.)</i>
<b><u>SCHEDULE - XX</u></b>		
<b>SELLING EXPENSES</b>		
FREIGHT OUTWARD	4,231,270	2,005,156
BUSINESS PROMOTION EXPENSES	5,227,721	3,908,454
COMMISSION PAID	240,250	310,100
EXPORT CLEARING EXPENSES	741,703	5,298
ECGC EXPENSES	—	53,880
REBATE & DISCOUNT	380,940	3,966,666
SAMPLING & SUPPLIES CHARGES	3,692,931	3,769,266
EXPORT SHIPMENT DAMAGE CHARGES	2,376,711	
<b>TOTAL</b>	<b>16,891,526</b>	<b>14,018,820</b>
<b><u>SCHEDULE - XXI</u></b>		
<b>DEPRECIATION AND MISCELLANEOUS EXPENDITURE WRITTEN OFF</b>		
DEPRECIATION	17,703,694	16,239,628
<b>TOTAL</b>	<b>17,703,694</b>	<b>16,239,628</b>



## SCHEDULE - XXII

### NOTES ON ACCOUNTS

#### A. SIGNIFICANT ACCOUNTING POLICIES

##### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

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

##### 2. USE OF ESTIMATES

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

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

##### 3. FIXED ASSETS AND DEPRECIATION

- a) Expenditure of capital nature are capitalized at cost comprising of purchase price (net of rebates and discounts) and any other cost which is directly attributable to bringing the asset to its working condition for the intended use.
- b) Depreciation on fixed assets is provided on Straight-line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956.
- c) Fixed Assets Acquired at New York Trading Office is capitalized at historical cost. Depreciation on these Fixed Assets is accounted for as charged in the branch Profit & Loss Account. The same is converted in INR based on the rate prevailing at the time of acquisition of relevant fixed assets.

##### 3. INVESTMENTS

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

##### 4. FOREIGN EXCHANGE TRANSACTIONS

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

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

##### 5. INVENTORY VALUATION

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



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

## 6. REVENUE RECOGNITION

### (A) EXPORT SALES

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

### (B) DOMESTIC SALES

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

## 7. PROVISION FOR CURRENT AND DEFERRED TAX

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

Current Tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated and accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax liability as at 31st March 2010 comprise of the following :-

	As at 31st March 2010 (Rs.)	As at 31st March 2009 (Rs.)
<b>Deferred tax Assets / (liability)</b>		
<b>Deferred Tax Liability</b>		
— Related to Fixed Assets	35,57,524	35,57,524
— Related to Others	NIL	NIL
<b>Less : Deferred Tax Assets</b>		
— Related to Fixed Assets	3,57,504	NIL
— Related to others	10,85,041	6,92,069
<b>Deferred Tax Liability</b>	<u>21,14,979</u>	<u>28,65,455</u>

## 8. MISCELLANEOUS EXPENDITURE

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

## 9. CONTINGENT LIABILITIES & PROVISIONS

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

- (a) Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates' can be made of the amount of obligation- an appropriate provision is created and disclosed.



- (b) Where as a result of past events, there is a possible obligation that may, but probably will not require an outflow of resources no provision is recognised but appropriate disclosure made as contingent liability unless the possibility of out flow is remote.

## 10. BORROWING COST

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

## 11. EMPLOYEE BENEFITS

### (a) PROVIDENT FUND

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

### (b) GRATUITY

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

### (c) LEAVE ENCASHMENT

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

## B. OTHER NOTES

### 1. Contingent liabilities not provided for in respect of :

- Letters of Credit in foreign currency established for purchase of raw materials/ consumables and capital goods amounting to Rs.380,28,143/- (previous year Rs.203,57,338/- ) the liability is converted into Rupees as per the exchange rate prevailing as on 31st March, 2010.
  - The company has guaranteed a sum of Rs.31090 Lacs (Previous Year Rs. 23202 Lacs) against secured Loans taken from financial institutions by SSA International Ltd., a wholly owned subsidiary of the Company.
- No provision has been made in the books of accounts by the company for a sum of Rs. 5902380/-, Rs.890698/- Rs.489296/- & Rs.4080705/- for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y.2003-04, A.Y.2006-07 & A.Y.2007-08 respectively, against which a sum of Rs 5859356/-, Rs. 8,90,698/- & Rs.40,00,000/- has already been paid for A.Y 2000-01, A.Y. 2003-04 & A.Y.2007-08 under protest. All the above liabilities have been disputed by the company before the Appellant Authority / Delhi High Court.
  - Fixed assets installed and put to use have been certified by the management and relied upon the by the auditors, being a technical matter.

### 4. Remuneration paid to managing director and whole time directors is as under :

(In Rs.)

	Managing Director		Whole Time Director	
	Current Year	Previous Year	Current Year	Previous Year
Salary	900,000	895,833	408,000	401,000
House Rent Allowance	—	—	204,000	200,500
Provident fund	108,000	106,800	48,960	46,440
L.T.A.	75,000	75,000	34,000	34,000
Medical	75,000	75,000	34,000	34,000
<b>Total</b>	<b>1158,000</b>	<b>1152,633</b>	<b>728,960</b>	<b>715,940</b>



5. Remuneration paid to Auditors :

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

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

7. The personal accounts of the parties are subject to their respective confirmations.

8. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

	<b>(Amount in Rs.) 2010</b>	<b>(Amount in Rs.) 2009</b>
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	6,43,464/-	—
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	NIL	—
The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	—
The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	NIL	—

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

10. Related Party Disclosure : -

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

S. No.	Name of the Party	Relationship
1.	SSA International Limited	Wholly Owned Subsidiary Co.
2.	SAM Buildcon Limited	Wholly Owned Subsidiary Co.
3.	Samtex Foundation	Key Personal Management of the related party





(Rs. In Lacs)

	Wholly Owned Subsidiary Co.				Others	
	SSA International Ltd.		SAM Buildcon Ltd.		Samtex Foundation	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>a) Equity Issued</b>						
Balance as at 1st April, 2009	1386.00	1386.00	5.01	5.01	—	—
Issued During the year	314.00	—	—	—	—	—
Balance As at 31st March, 2010	1700.00	1386.00	5.01	5.01	—	—
<b>b) Share Application Money</b>						
Balance as at 1st April 2009	150.00	150.00	—	—	—	—
Received during the year	164.00	—	95.00	—	—	—
Equity Issued during the year	314.00	—	—	—	—	—
Balance As at 31.03.2010	—	150.00	95.00	—	—	—
<b>c) Loans &amp; Advances</b>						
Balance as at 1st April 2009	185.32	185.32	2.58	—	0.68	3.68
Paid During the year	520.00	155.00	164.00	2.58	—	—
Taken During the year	325.00	155.00	—	—	—	—
Transferred to Equity investment	164.00	—	95.00	—	—	—
Written off during the year	—	—	—	—	0.68	3.00
Balance as at 31.03.2010	216.32	185.32	71.58	2.58	—	0.68
<b>d) Job Work Done</b>	—	—	36.16	—	—	—
<b>e) Creditors</b>						
Balance as at 01.04.2009	—	—	—	—	—	—
Services Recd. During the year	—	—	36.16	—	—	—
Paid during the year	—	—	29.72	—	—	—
Balance as at 31.03.2010	—	—	6.44	—	—	—

## 11. SEGMENT INFORMATION :-

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

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

### I. PRIMARY SEGMENT INFORMATION :-

(Rs. in Lacs)

PARTICULARS	YEAR TO DATE FIGURES	YEAR TO DATE FIGURES
	FOR THE CURRENT PERIOD ENDED 31.03.2010	FOR THE PREVIOUS YEAR ENDED 31.03.2009
<b>1. TOTAL SALES AT EACH SEGMENT</b>		
U.S.A.	2337.29	2703.75
INDIA	3902.39	3563.37
GROSS SALES	6239.68	6267.12
LESS :INTER SEGMENT REVENUE	458.53	866.34
NET SALES /INCOME FROM OPERATION	5781.15	5400.78
<b>2. SEGMENT RESULTS ( PROFIT+/-LOSS – BEFORE TAX AND INTEREST FOR EACH SEGMENT)</b>		
U.S.A.	28.61	82.28
INDIA	336.71	170.71
<b>TOTAL</b>	365.32	252.99
INTEREST	242.86	243.92
<b>TOTAL PROFIT BEFORE TAX</b>	122.46	9.07



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

**SECONDARY SEGMENT INFORMATION :**

**SEGMENT ASSETS**

USA	<b>16.77</b> (18.61)	<b>762.15</b> (942.12)	<b>Current Year</b> Previous Year
-----	-------------------------	---------------------------	--------------------------------------

**SEGMENT LIABILITIES**

U S A	<b>10.89</b> (13.22)	<b>491.78</b> (673.34)	<b>Current Year</b> Previous Year
-------	-------------------------	---------------------------	--------------------------------------

**CAPITAL EMPLOYED**

U S A	<b>5.88</b> (5.39)	<b>270.37</b> (268.78)	<b>Current Year</b> Previous Year
-------	-----------------------	---------------------------	--------------------------------------

12. a) Gross Block under Fixed Assets includes assets worth Rs.633,491/- (Previous year Rs.709,983/-) or equivalent to US\$ 13794 (Previous Year US\$ 15426) Situated at the Trading Office of the Company at New York.  
 b) Security deposit includes Rs.12,74,895/- (Previous Year Rs. 12,97,238/-) equivalent US\$ 32017 (Previous Year US\$ 32576) representing security given by the New York Trading Office of the company.

**13. DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES :**

- (a). The employee gratuity fund & leave encashment scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.  
 (b). As per actuarial valuations as on 31st March-2010 and recognized in the financial statement in respect of employee benefit schemes.

(In Rs.)

	Gratuity		Leave encashment	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
<b>(i) Assumptions</b>				
Discount Rate	7.50%	7.00%	7.50%	7.00%
Future Salary Increase	5.00%	4.50%	5.00%	4.50%
<b>(ii) Table showing change in Benefit Obligation</b>				
Liability at the beginning of the year	66,08,294	55,39,569	16,95,165	13,13,213
Interest Cost	4,95,622	3,87,770	1,27,137	91,925
Current Services Cost	6,77,968	6,11,354	1,85,760	1,80,033
Benefit Paid	(3,17,849)	(5,73,593)	(70,985)	(1,30,529)
Actuarial (gain)/loss on obligation	1,38,400	6,43,194	(79,910)	2,40,523
Liability at the end of the year	76,02,435	66,08,294	18,57,167	16,95,165
<b>(iii) Tables of Fair value of Plan Assets</b>				
Fair value of plan assets at the beginning of the year	—	—	—	—
Expected return on Plan Assets	—	—	—	—
Contributions	—	—	—	—
Benefit Paid	—	—	—	—
Actuarial (gain)/loss on Plan Assets	—	—	—	—
Fair Value of Plan Assets at the end of the year	—	—	—	—
Total actuarial gain / (loss) to be recognized	—	—	—	—
<b>(iv) Actual Return on Plan Assets</b>				
Expected Return on Plan Assets	—	—	—	—
Actuarial (gain)/loss on Plan Assets	—	—	—	—
Actuarial Return on Plan Assets	—	—	—	—
<b>(v) Amount recognized in the Balance Sheet</b>				
Liability at the end of the year	76,02,435	66,08,294	18,57,167	16,95,165
Fair value of plan assets at the end of the year	—	—	—	—
Difference	76,02,435	66,08,294	18,57,167	16,95,165
Amount recognized in the Balance sheet	76,02,435	66,08,294	18,57,167	16,95,165



(In Rs.)

	Gratuity		Leave encashment	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
<b>(vi) Expenses recognized in the Income Statement</b>				
Current Service Cost	6,77,968	6,11,354	1,85,760	1,80,033
Interest Cost	4,95,622	3,87,770	1,27,137	91,925
Expected Return On Plan Assets	—	—	—	—
Net actuarial (gain)/loss to be recognized	1,38,400	6,43,194	(79,910)	2,40,523
Expenses Recognized in Profit & Loss A/c	13,11,990	16,42,318	2,32,987	5,12,481
<b>(vii) Amount Recognized in the Balance Sheet</b>				
Opening net liability	66,08,294	55,39,569	16,95,165	13,13,213
Expense as above	13,11,990	16,42,318	2,32,987	5,12,481
Employers Contribution Paid	(3,17,849)	(5,73,593)	(70,985)	(1,30,529)
Closing net Liability	76,02,435	66,08,294	18,57,167	16,95,165

14. The company has adopted the accounting standard-15 (revised) i.e. employees benefits from the previous financial year for computation of gratuity & leave encashment. Hence, the excess provision of Rs.25,94,073/- on valuation of gratuity & leave encashment on 01.04.2008 written back to the reserve & surplus account. (Please see Sch. II).
15. Advance recoverable (Schedule X) includes an amount of Rs.NIL (Previous Year Rs.16,33,670/-) being Insurance claim receivable against theft of Honda CRV car. The insurance claim is settled during the financial year & short recovery of claim of Rs. 64010/- is debited to Loss on Theft of car (Schedule –XIX).
16. Sundry creditors (Schedule-XI) includes a disputed amount of Rs.9,97,202/- (Previous Year Rs.9,97,202/-) Payable to M/s Ten Cate Permess Inc. The matter with party is pending before court.

#### 17. EARNING PER SHARE

	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
Net Profit After Tax As Per Profit and Loss Account (Rs. In Lakhs)	104.99	3.96
Net Profit attributable to Equity Shareholders (Rs. In Lakhs)	104.99	3.96
Net Profit Before Exceptional Item (Rs. In Lakhs)*	104.99	3.96
Number of Equity Shares used for Calculating EPS	99,00,000	99,00,000
Basic Earning Per Share (Rs.)	1.06	0.04
Diluted Earning Per Share (Rs.)	1.06	0.04
Basic & Diluted Earning Per Share Before Exceptional Item	1.06	0.04

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

#### i. Particulars in respect of Capacity and production :-

	<i>Current Year (Qty. in Nos.)</i>	<i>Previous Year (Qty. in Nos.)</i>
a) Licensed Capacity	—	—
b) Installed Capacity (No. of Pcs of Garments)	1600000	1600000
c) Production ( Readymade Garments)	972433	834023

- The above installed capacity may vary if different types of garments are produced.
- Licensed and installed capacity being Technical matter are as certified by the management and relied Upon by the Management.



d) Turnover, closing and opening Stocks :-

Class of Products	Turnover		Closing Stock		Opening Stock	
	Qty. (Nos.)	Amount (Rs.)	Qty. (Nos.)	Amount (Rs.)	Qty. (Nos.)	Amount (Rs.)
Jacket	23,255 (52,339)	11,188,198 (23,570,055)	3,263 (2,012)	14,81,402 (12,47,666)	2,012 (20,278)	1,247,666 (53,61,679)
Shirts	719,699 (310,970)	104,194,130 (70,548,859)	196,374 (11,951)	250,24,971 (30,46,435)	11,951 (95,419)	30,46,435 (18,080,070)
Others		23,745,383 (73,742,073)	0 (0)	0 (11,751,817)	0 (0)	11,751,817 (23,26,606)
<b>TOTAL (A)</b>	<b>742,954</b> (363,309)	<b>139,127,711</b> (167,860,987)	<b>199,637</b> (13,963)	<b>26,506,373</b> (16,045,918)	<b>13,963</b> (115,697)	<b>16,045,918</b> (25,768,355)
Trousers	917,156 (483,032)	411,424,309 (250,011,512)	184,853 (193,787)	72,322,696 (80,384,722)	193,787 (173,102)	80,384,722 (64,246,714)
Shorts	81,808 (256,074)	23,589,839 (103,090,768)	47,228 (73,049)	11,523,632 (13,657,276)	73,049 (63,684)	13,657,276 (13,050,376)
Skirts	10,203 (56,648)	3,554,342 (18,821,297)	43,288 (46,987)	8,176,801 (9,953,018)	46,987 (44,205)	9,953,018 (8,687,769)
<b>TOTAL (B)</b>	<b>1,009,167</b> (795,754)	<b>438,568,490</b> (371,923,577)	<b>275,369</b> (313,823)	<b>92,023,129</b> (103,995,016)	<b>313,823</b> (280,991)	<b>103,995,016</b> (85,984,859)
Scrap Material (C)		418,528 (293,648)				
<b>TOTAL (A+B+C)</b>	<b>17,52,121</b> (11,59,063)	<b>578,114,729</b> (540,078,212)	<b>475,006</b> (327,786)	<b>118,529,503</b> (120,040,934)	<b>327,786</b> (396,688)	<b>120,040,934</b> (111,753,213)

e) Consumption of Raw Material :

	2009-2010		2008-2009	
	Qty. (Mtrs.)	Amount (Rs.)	Qty. (Mtrs.)	Amount (Rs.)
Fabric	1,331,406	178,989,795	1,188,803	164,235,199
Lining	437,595	8,725,523	400,144	6,005,910
Fusing	539,960	17,057,338	505,289	13,304,319
Others /Trims		29,170,476		74,981,003
Consumption at T.O.		154,195,004		126,545,918
		<b>388,138,136</b>		<b>385,072,379</b>

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

	Current Year (Rs.)	Previous Year (Rs.)
i) Raw Materials	26,40,46,346	16,95,81,346
ii) Capital Goods	NIL	NIL
b) Expenditure in Foreign Currency during the Financial Year on account of :		
	Current Year (Rs.)	Previous Year (Rs.)
Foreign Travel	50,025	NIL
Repair & Maint. (Plant & Machinery)	284,880	151,241
Professional Fees	12,08,362	NIL

# SAMTEX FASHIONS LIMITED



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

	RAW MATERIALS		STORES AND SPARES	
	Value (Rs.)	Percentage (%)	Value (Rs.)	Percentage (%)
Imported	193,024,216 (179,285,261)	50 (47)	2,84,880 (1,51,241)	12 (9)
Indigenous	409,18,916 (792,41,200)	11 (21)	21,13,517 (15,13,153)	88 (91)
Consumption at T.O.	154,195,004 (126,545,918)	39 (32)	- -	- -
<b>Total</b>	<b>388,138,136</b> <b>(385,072,379)</b>	<b>100</b> <b>(100)</b>	<b>23,98,397</b> <b>(16,64,394)</b>	<b>100</b> <b>(100)</b>

d). Earnings In Foreign Exchange

	Current Year (Rs.)	Previous Year (Rs.)
F.O.B. value of Exports	<b>36,92,26,638</b>	29,87,27,614
Export FOB has been calculated on the basis of Shipping Bill issued by Customs Department.		

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

	As at 31st March 2010 (Rs.)	As at 31st March 2009 (Rs.)
(i) FCSB	<b>32,76,122</b>	135,38,115
(ii) Bill of Exchange	<b>85,45,296</b>	74,31,596
	<b>1,18,21,418</b>	2,09,69,711

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

21. The construction of Flats under Employees Housing Project Scheme has been completed during the Financial year 2009-10.

22. Previous years figures have been regrouped and reclassified wherever necessary to make them comparable to those the current year, and have been rounded of to the nearest rupees.

23. Schedule I to XXII form an integral part of the Balance Sheet as at 31st March, 2010 and have been authenticated as such.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-  
**ANIL MITTAL**  
CHAIRMAN & MANAGING DIRECTOR

Sd/-  
**S. K. GUPTA**  
DIRECTOR

FOR AGGARWAL & RAMPAL  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**KAMINI GUPTA**  
COMPANY SECRETARY  
& GM FINANCE

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. NO. 82045

Place : New Delhi  
Dated : 28.08.2010



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

### I. Registration Details

Registration No.      State Code      
 Balance Sheet

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

Public Issue      Right Issue       
 Bonus Issue      Private Placement

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

Total Liabilities       Total Assets

#### Sources of funds

Paid up Capital      Reserves & Surplus        
 Secured Loans       Deferred Tax Liability

#### Application of funds

Net Fixed Assets       Investments        
 Net Current Assets       Misc. Expenditure       
 Accumulated Losses

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

Turnover       Total Expenditure        
 Profit/(Loss) before tax      Profit/(Loss) after tax       
 Earning per Share in Rs.     Dividend Rate %

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

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

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



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2010

(Amount Rs. 000)

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX	12,247	907
ADD : LOSS ON SALE OF FIXED ASSETS	64	—
ADD : PRIOR PERIOD EXPENSES	88	301
ADD : EXCESS PROVISION WRITTEN BACK ON RETIREMENT BENEFIT FOR EARLIER YEARS	—	2,594
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	12,399	3,801
ADJUSTMENT FOR :		
DEPRECIATION AND WRITTEN OFF	17,704	16,240
INTEREST	<u>24,286</u>	<u>24,392</u>
OPERATING PFOFIT BEFORE WORKING CAPITAL CHANGES	54,389	44,433
ADJUSTMENT FOR :		
TRADE AND OTHER PAYABLES	33,602	15,247
INVENTORIES	(87,369)	(3,869)
TRADE & OTHER RECEIVABLES	<u>8,029</u>	<u>(36,748)</u>
CASH GENERATED FROM OPERATIONS	(45,739)	(25,370)
ADJUSTMENT FOR :	8,650	19,063
DIRECT TAXES	(2,498)	(221)
PRIOR PERIOD EXPENSES	<u>(88)</u>	<u>(301)</u>
NET CASH FROM OPERATING ACTIVITIES (A)	<u>6,064</u>	<u>(522)</u>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
PURCHASE OF FIXED ASSETS	(2,349)	(194)
HOUSING PROJECT WORK IN PROGRESS	—	(3,231)
PURCHASE OF INVESTMENTS	(25,900)	(1)
SALE OF FIXED ASSETS	—	<u>2,295</u>
NET CASH USED IN INVESTING ACTIVITIES (B)	(28,250)	(1,131)
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
TERM LOANS (NET OF REPAYMENT)	(9717)	(13416)
WORKING CAPITAL LOANS	37257	12913
CORPORATE LOAN	—	(10,454)
UNSECURED LOANS	36,730	—
LOANS & ADVANCES TO SUBSIDIARY COMPANY	(10,000)	21
INTEREST PAID	<u>(24,286)</u>	<u>(24,392)</u>
NET CASH RECEIVED FROM FINANCING ACTIVITIES (C)	29984	(35329)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C )	7,798	(17,919)
CASH AND CASH EQUIVALENT AS AT 01.04.2009	9,427	27,346
CASH AND CASH EQUIVALENT AS AT 31.03.2010	<u>17,226</u>	<u>9,427</u>

NOTE : FIGURES IN BRACKETS REPRESENT OUTFLOWS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : New Delhi Dated : 28.08.2010	Sd/- <b>ANIL MITTAL</b> CHAIRMAN & MANAGING DIRECTOR	Sd/- <b>S.K. GUPTA</b> DIRECTOR	Sd/- <b>KAMINI GUPTA</b> COMPANY SECRETARY & GM FINANCE
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### AUDITORS REPORT

We have examined the above Cash Flow Statement of Samtex Fashions Limited derived from the audited financial statements of the company for the year ended 31st March' 2010, and found the same in agreement therewith and in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

FOR AGGARWAL & RAMPAL  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N  
Sd/-  
**VINAY AGGARWAL**  
PARTNER, M. No. 82045

Place : New Delhi  
Dated : 28.08.2010

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

1. Name of Subsidiary Company Became Subsidiary as on	<b>*SSA International Limited</b> 16.02.2001	<b>**Sam Buildcon Ltd.</b> 05.02.2008
2. Financial year of the Subsidiary Company end on	31st March, 2010	31st March, 2010
3. Holding Company's interest:-		
a) No. of shares held	17000000 Equity shares of Rs. 10/- each aggregating Rs. 17,00,00,000/-.	50070 Equity shares of Rs. 10/- each aggregating Rs. 5,00,700/-
b) Percentage of Equity Share Capital held	100 %	100%
4. The net aggregate amount of the Subsidiary's Profit/(Loss) so far as it concerns Members of holding Company and is not dealt with in the Holding Company's accounts :		
(i) for the financial year of the Subsidiary	Rs. 962.88 Lacs	Rs. 5.61 Lacs
(ii) Profit for the previous financial years of Subsidiary, since it became Holding Company's Subsidiary	Rs. 2994.17 Lacs	(Rs. 2.63 Lacs)
5. The net aggregate amount of the Subsidiary Profits /(Loss) dealt with in the Holding Company's Accounts		
(i) for the financial year of the Subsidiary	Nil	Nil
(ii) for the previous financial years of the Subsidiary since it became the Holding Company's Subsidiary	Nil	Nil

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

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

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

Sd/-

**ANIL MITTAL**

Chairman & Managing Director

Place : New Delhi  
Dated : 28.08.2010





## **AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENT**

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

We have examined the attached Consolidated Balance Sheet of Samtex Fashions Limited ("The Company") and its subsidiaries as at 31st March, 2010 and the Consolidated Profit and Loss Account for the year then ended annexed thereto and the Consolidated Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

- a) In the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its subsidiaries as at 31st March, 2010.
- b) In the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Company and its subsidiaries for the year then ended and
- c) In the case of the consolidated Cash Flow Statement, of the consolidated cash flows of the company and its subsidiaries for the year then ended.

For **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Place : New Delhi  
Dated : 28.08.2010

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. No. F 82045



## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	SCHEDULE	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
<b>I. SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS FUNDS</b>			
SHARE CAPITAL	I	99,180,000	99,180,000
RESERVES AND SURPLUS	II	696,387,184	589,038,421
<b>LOAN FUNDS :</b>			
SECURED LOANS	III	2,266,138,074	1,917,540,159
UNSECURED LOANS	IV	36,730,000	—
DEFERRED TAX LIABILITY		39,434,635	23,746,694
		<u>3,137,869,893</u>	<u>2,629,505,274</u>
<b>II. APPLICATION OF FUNDS :</b>			
<b>FIXED ASSETS :</b>			
GROSS BLOCK		1,124,564,293	994,048,792
LESS : DEPRECIATION		336,887,472	281,414,523
NET BLOCK	V	787,676,821	712,634,268
CAPITAL WORK IN PROGRESS		151,953,770	5,580,131
FLATS (EMPLOYEES HOUSING PROJECT)		12,122,718	12,122,718
		<u>951,753,309</u>	730,337,117
INVESTMENTS	VI	11,000,000	11,000,000
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
INVENTORIES	VII	1,960,226,358	1,813,152,758
SUNDRY DEBTORS	VIII	525,767,981	431,015,957
CASH AND BANK BALANCES	IX	54,663,176	42,959,026
LOANS AND ADVANCES	X	147,409,131	104,829,544
		<u>2,688,066,646</u>	2,391,957,285
LESS : CURRENT LIABILITIES AND PROVISIONS	XI	512,950,063	504,081,286
NET CURRENT ASSETS		2,175,116,583	1,887,875,999
<b>MISCELLANEOUS EXPENDITURE</b>			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)	XII	—	292,157
		<u>3,137,869,893</u>	<u>2,629,505,274</u>
NOTES FORMING PART OF ACCOUNTS	XXIII		

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-  
**ANIL MITTAL**  
CHAIRMAN & MANAGING DIRECTOR

Sd/-  
**S. K. GUPTA**  
DIRECTOR

FOR **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**KAMINI GUPTA**  
COMPANY SECRETARY  
& GM FINANCE

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. NO. 82045

Place : New Delhi  
Dated : 28.08.2010

# SAMTEX FASHIONS LIMITED



## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b>INCOME</b>			
SALES	XIII	5,965,999,758	5,271,267,237
OTHER INCOME	XIV	63,159,859	7,863,898
INCREASE / (DECREASE) IN STOCKS	XV	148,744,789	(223,855,430)
		<u>6,177,904,406</u>	<u>5,055,275,705</u>
<b>EXPENDITURE</b>			
MATERIAL COST	XVI	5,041,781,723	4,022,566,453
MANUFACTURING EXPENSES	XVII	215,709,564	139,678,300
PAYMENT TO AND PROVISIONS FOR EMPLOYEES	XVIII	51,376,435	38,334,677
FINANCIAL EXPENSES	XIX	184,223,203	154,555,453
ADMINISTRATIVE AND OTHER EXPENSES	XX	53,588,399	142,151,830
SELLING EXPENSES	XXI	376,475,189	402,410,839
DEPRECIATION AND MISCELLANEOUS EXPENDITURE WRITTEN OFF	XXII	57,193,035	43,273,631
		<u>5,980,347,548</u>	<u>4,942,971,183</u>
NET PROFIT FOR THE YEAR BEFORE TAX		<u>197,556,858</u>	<u>112,304,522</u>
LESS : PRIOR PERIOD EXPENSES		<u>357,063</u>	<u>300,600</u>
<b>PROFIT BEFORE TAX</b>		<u>197,199,795</u>	<u>112,003,922</u>
TAX EXPENSES			
— CURRENT TAX		61,627,299	16,000,000
— DEFERRED TAX(ASSETS)/LIABILITY		15,687,941	11,240,981
— INCOME TAX ADJUSTED FOR EARLIER YEAR		12,536,792	3,950,586
— FRINGE BENEFIT TAX		—	889,207
— FBT EXCESS PROVISION WRITTEN BACK FOR EARLIER YEARS		(1,000)	—
<b>PROFIT AFTER TAX</b>		<u>107,348,761</u>	<u>79,923,148</u>
BALANCE BROUGHT FORWARD		<u>564,038,423</u>	<u>481,456,008</u>
BALANCE CARRIED OVER TO THE BALANCE SHEET		<u>671,387,184</u>	<u>561,379,156</u>
BASIC EARNING PER SHARE		10.84	8.07
DILUTED EARNING PER SHARE		10.84	8.07
BASIC & DILUTED EARNING PER SHARE OF FACE VALUE OF RS. 10 EACH (BEFORE EXCEPTIONAL ITEMS)		10.84	8.47

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-  
**ANIL MITTAL**  
CHAIRMAN & MANAGING DIRECTOR

Sd/-  
**S. K. GUPTA**  
DIRECTOR

FOR **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**KAMINI GUPTA**  
COMPANY SECRETARY  
& GM FINANCE

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. NO. 82045

Place : New Delhi  
Dated : 28.08.2010



## SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - I</u></b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
10000000 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP	100,000,000	100,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP :</b>		
9900000 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP IN CASH (PREVIOUS YEAR 9900000 EQUITY SHARES OF RS. 10 EACH)	99,000,000	99,000,000
<b>FORFEITURE ACCOUNT</b> (100000 ZERO COUPON WARRANT @ RS. 1.80 PER WARRANT) (PREVIOUS YEAR 100000 ZERO COUPON WARRANT @ RS.1.80 PER WARRANT)	180,000	180,000
<b>TOTAL</b>	<b>99,180,000</b>	<b>99,180,000</b>
<b><u>SCHEDULE - II</u></b>		
<b>RESERVES AND SURPLUS</b>		
<b>RESERVES :</b>		
CAPITAL RESERVE :		
STATE CAPITAL SUBSIDY	1,000,000	1,000,000
<b>SURPLUS :</b>		
SHARE PREMIUM ACCOUNT	24,000,000	24,000,000
PROFIT AND LOSS ACCOUNT	671,387,184	561,379,156
ADD : EXCESS PROVISION WRITTEN BACK ON RETIREMENT BENEFIT FOR EARLIER YEARS	—	2,659,265
<b>TOTAL</b>	<b>696,387,184</b>	<b>589,038,421</b>
<b><u>SCHEDULE - III</u></b>		
<b>SECURED LOANS :</b>		
<b>(A) TERM LOANS</b>		
IDBI BANK LIMITED	348,097,000	262,328,000
INTEREST ACCRUED AND DUE	—	—
STATE BANK OF INDIA	193,606,567	162,092,363
CORPORATE LOAN FROM		
STATE BANK OF INDIA	—	7,590,556
IDBI BANK LIMITED	52,500,000	75,000,000
<b>(B) WORKING CAPITAL LOANS :</b>	<b>1,664,958,694</b>	<b>1,401,700,131</b>
<b>(C) VEHICLE LOANS</b>		
FROM BANKS	3,524,536	7,987,131
FROM OTHERS	3,451,277	841,978
<b>TOTAL</b>	<b>2,266,138,074</b>	<b>1,917,540,159</b>

NOTE :-

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

# SAMTEX FASHIONS LIMITED



- 2 Working capital loan from scheduled banks are secured under consortium with State Bank of India as the lead bank and from Canara Bank, State Bank of Travancore and IDBI Bank Ltd. as member bank are secured by way of hypothecation of stock of raw material, semi finished goods stores and spares, consumables, book debts and other current assets held by the company, both present and future in the ordinary course of the business and further guaranteed by Managing Director, promoter directors and an independent Director, secured by second charge on fixed assets of the company by the bank other than those specifically financed.
- 3 Vehicle Loans are secured against specific vehicles financed.
- 4 Term loan repayable with in one year Rs. 1974.73 Lakhs (Previous Year Rs.1638.18 Lakhs)

PARTICULARS	AS AT 31.03.2010 (Rs.)	ASAT 31.03.2009 (Rs.)
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## SCHEDULE - IV

### UNSECURED LOANS :

(A) From Directors	23,950,000	NIL
(B) From Others	12,780,000	NIL
<b>TOTAL</b>	<b>36,730,000</b>	<b>NIL</b>

## SCHEDULE - V

### FIXED ASSETS :

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2009 (Rs.)	Addition during the year (Rs.)	Sales/ adjustment during the year (Rs.)	As at 31.03.2010 (Rs.)	As at 01.04.2009 (Rs.)	For the year ended 31.03.2010 (Rs.)	W. back during the year (Rs.)	As at 31.03.2010 (Rs.)	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
	(A) TANGIBLE ASSETS									
1. LAND (Freehold)	9,655,835	16,116,760	—	25,772,595	—	—	—	—	25,772,595	9,655,835
2. LAND (Leasehold)	25,820,689	8,701,532	—	34,522,221	73,100	1,155,657	—	1,228,757	33,293,464	25,747,589
3. BUILDING & SITE DEVELOPMENT	233,503,644	28,800,150	—	262,303,794	47,689,361	7,272,940	—	54,962,301	207,341,493	185,814,283
4. PLANT & MACHINERY	631,312,839	64,527,490	—	695,840,329	189,529,474	40,502,390	—	230,031,864	465,808,465	441,783,365
5. FURNITURE & FIXTURES	26,308,271	865,062	53,903	27,119,430	15,269,834	1,680,240	60,607	16,889,467	10,229,963	11,038,437
6. ELECTRICAL INSTALLATION	11,522,633	3,829,634	—	15,352,267	5,524,427	570,063	—	6,094,490	9,257,777	5,998,206
7. OFFICE EQUIPMENT	15,011,743	2,066,558	22,589	17,055,712	7,475,593	1,385,898	25,397	8,836,094	8,219,618	7,536,150
8. VEHICLES	40,665,200	7,823,493	2,318,460	46,170,233	15,763,539	4,271,584	1,341,924	18,693,199	27,477,034	24,901,661
(B) INTANGIBLE ASSETS										
1. PATENT & TRADEMARKS	247,936	179,775	—	427,711	89,193	62,107	—	151,300	276,411	158,743
<b>TOTAL</b>	<b>994,048,790</b>	<b>132,910,454</b>	<b>2,394,952</b>	<b>1,124,564,293</b>	<b>281,414,522</b>	<b>56,900,878</b>	<b>1,427,928</b>	<b>336,887,472</b>	<b>787,676,821</b>	<b>712,634,268</b>
PREVIOUS YEAR	776,983,330	223,740,707	6,675,247	994,048,792	241,116,280	42,269,199	1,970,957	281,414,523	712,634,268	—

## SCHEDULE - VI

### INVESTMENTS

(i) LONG TERM INVESTMENT (VALUED AT COST)		
(A) TRADE INVESTMENT UNQUOTED IN OTHER THAN SUBSIDIARY		
(i) IN J.R.AGROTECH PVT. LTD. 500000 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP (PREVIOUS YEAR 500000 EQUITY SHARES OF RS. 10 EACH)	5,000,000	5,000,000
(B) NON TRADE INVESTMENT UNQUOTED IN OTHER THAN SUBSIDIARY		
(i) YOGENDRA WORSTED LIMITED EQUITY SHARES RS. 10 EACH FULLY PAID UP (PREVIOUS YEAR 600,000 EQUITY SHARES OF RS. 10 EACH)	6,000,000	6,000,000
<b>TOTAL</b>	<b>11,000,000</b>	<b>11,000,000</b>

# SAMTEX FASHIONS LIMITED



<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - VII</u></b>		
<b>INVENTORIES</b>		
(AS CERTIFIED, QUANTIFIED AND VALUED BY THE MANAGEMENT ON WHICH AUDITORS HAVE RELIED.)		
RAW MATERIAL	1,091,261,253	1,097,976,785
FINISHED GOODS	759,630,352	620,182,659
WORK IN PROCESS	56,553,830	46,987,835
SCRAP MATERIAL	2,197,924	2,466,823
OTHER STORES	50,582,999	45,538,656
<b>TOTAL</b>	<b>1,960,226,358</b>	<b>1,813,152,758</b>
<b><u>SCHEDULE - VIII</u></b>		
<b>SUNDRY DEBTORS</b>		
(CONFIRMED, UNSECURED, CONSIDERED GOOD)		
(I) TRADE		
— DEBTS OUTSTANDING FOR A PERIOD OF MORE THAN SIX MONTH	6,099,956	1,655,843
— OTHER DEBTS	515,007,869	421,059,458
(II) HOUSING PROJECT		
— DEBTS OUTSTANDING FOR A PERIOD OF MORE THAN SIX MONTH	4,660,156	8,300,656
— OTHER DEBTS	—	—
<b>TOTAL</b>	<b>525,767,981</b>	<b>431,015,957</b>
<b><u>SCHEDULE - IX</u></b>		
<b>CASH AND BANK BALANCES :</b>		
CASH IN HAND AND IMPREST	10,361,911	5,488,875
BALANCES WITH BANKS :		
— IN CURRENT ACCOUNTS WITH SCHEDULED BANKS	16,385,318	6,613,238
— IN MARGIN MONEY ACCOUNTS	27,915,947	30,856,913
<b>TOTAL</b>	<b>54,663,176</b>	<b>42,959,026</b>
<b><u>SCHEDULE - X</u></b>		
<b>LOANS AND ADVANCES</b>		
(UNSECURED, UNCONFIRMED, CONSIDERED GOOD)		
<b>LOANS :</b>	—	—
(A)	—	—
<b>ADVANCES :</b>		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED	83,224,148	76,225,328
SECURITY DEPOSITS	14,988,730	11,674,723
TAX DEDUCTED AT SOURCE /ADVANCE TAX PAID	48,124,474	16,929,493
ADVANCES TO SUPPLIERS OF CAPITAL GOODS	1,071,779	—
(B)	147,409,131	104,829,544
<b>TOTAL (A+B)</b>	<b>147,409,131</b>	<b>104,829,544</b>

# SAMTEX FASHIONS LIMITED



<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - XI</u></b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
<b>SUNDRY CREDITORS :-</b>		
I) TRADE		
i) Total outstanding dues to Micro & Small Enterprises	643,464	—
ii) Total outstanding dues of creditors other than Micro & Small Enterprises	315,018,861	301,349,644
II) OTHERS	49,924,292	—
ADVANCES FROM CUSTOMERS	27,898,919	132,343,838
P.F. PAYABLE	803,458	571,019
ESI C PAYABLE	241,127	195,636
OTHER LIABILITIES	24,322,010	20,179,575
BANK OVERDRAFT (DUE TO RECONCILIATION)	7,338,194	3,030,224
<b>TOTAL (A)</b>	<b>426,190,325</b>	<b>457,669,936</b>
<b>B. PROVISIONS</b>		
EXPENSES PAYABLE	13,435,598	17,434,833
INTEREST ACCRUED AND DUE	846,101	1,026,599
PROVISION FOR INCOME TAX	61,221,960	16,221,000
PROVISION FOR FRINGE BENEFIT TAX	—	668,207
PROVISION FOR WEALTH TAX	—	39,374
PROVISION FOR GRATUITY	8,790,001	8,713,408
PROVISION FOR LEAVE ENCASHMENT	2,466,080	2,307,929
<b>(B)</b>	<b>86,759,738</b>	<b>46,411,350</b>
<b>TOTAL (A) + (B)</b>	<b>512,950,063</b>	<b>504,081,286</b>

## **SCHEDULE - XII**

<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b>MISCELLANEOUS EXPENDITURE</b>		
<b>(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)</b>		
DEFERRED REVENUE EXPENDITURE	—	292,157
<b>TOTAL</b>	<b>—</b>	<b>292,157</b>

<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - XIII</u></b>		
<b>SALES</b>		
EXPORT SALES	4,090,031,201	2,969,364,891
DOMESTIC SALES	20,593,517	57,315,912
OTHER SALES	1,847,271,941	2,244,292,786
SCRAP SALES	418,528	293,648
JOBWORK CHARGES	7,684,571	—
<b>TOTAL</b>	<b>5,965,999,758</b>	<b>5,271,267,237</b>

# SAMTEX FASHIONS LIMITED



<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - XIV</u></b>		
<b>OTHER INCOME</b>		
MISCELLANEOUS INCOME	60,445	383,679
COMMISSION INCOME	113,144	129,289
INTEREST INCOME (TDS DEDUCTED RS.385722/- PREVIOUS YEAR RS. 324655)	3,431,097	1,715,520
OTHER INCOME	81,283	5,635,410
EXCHANGE FLUCTUATION	59,365,175	—
DUTY DRAWBACK RECEIVED	108,715	—
<b>TOTAL</b>	<b>63,159,859</b>	<b>7,863,898</b>
<b><u>SCHEDULE - XV</u></b>		
<b>INCREASE/(DECREASE) IN STOCKS</b>		
<b>(A) OPENING STOCK :</b>		
FINISHED GOODS	590,699,084	809,816,635
STOCK IN TRANSIT	6,440,673	17,835,533
FINISHED GOODS AT TRADING OFFICE	23,042,902	23,764,723
WORK IN PROCESS	46,987,835	40,048,316
SCRAP MATERIAL	2,466,823	2,027,540
	<b>669,637,317</b>	<b>893,492,747</b>
<b>(B) LESS:CLOSING STOCK :</b>		
FINISHED GOODS	732,056,298	591,257,670
FINISHED GOODS AT TRADING OFFICE	27,574,054	23,042,902
FINISHED GOODS IN TRANSIT	—	6,440,673
WORK IN PROCESS	56,553,830	46,987,835
SCRAP MATERIAL	2,197,924	2,466,823
<b>TOTAL</b>	<b>818,382,106</b>	<b>670,195,903</b>
<b>(C) LESS : STOCK RESERVE</b>		
	—	558,586
	<b>818,382,106</b>	<b>669,637,317</b>
<b>INCREASE/(DECREASE)</b>	<b>148,744,789</b>	<b>(223,855,430)</b>
<b><u>SCHEDULE - XVI</u></b>		
<b>RAW MATERIAL CONSUMPTION</b>		
OPENING STOCK	1,097,976,785	728,854,059
ADD : PURCHASES DURING THE YEAR	5,035,066,191	4,391,689,179
	<b>6,133,042,976</b>	<b>5,120,543,238</b>
LESS : CLOSING STOCK	1,091,261,253	1,097,976,785
<b>RAW MATERIAL CONSUMED</b>	<b>5,041,781,723</b>	<b>4,022,566,453</b>



# SAMTEX FASHIONS LIMITED



<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - XVII</u></b>		
<b>MANUFACTURING EXPENSES</b>		
CONSUMABLES	12,221,949	7,825,838
CUSTOM / EXCISE DUTY	95,911	51,944
WAGES AND OTHER BENEFITS	54,077,718	44,704,433
POWER AND FUEL	59,225,338	41,869,735
FREIGHT INWARD AND CARTAGE	4,566,532	3,261,542
IMPORT CLEARING EXPENSES	2,739,984	1,044,182
REPAIR AND MAINTENANCE :		
PLANT AND MACHINERY	18,853,942	14,634,655
ELECTRICALS	458,109	269,579
BUILDING	327,304	1,639,519
PROCESS AND FINISHING EXPENSES	4,901,242	127,500
MATERIAL HANDLING CHARGES	27,569,040	11,034,377
D.G.SET RUNNING EXP.	16,432,817	7,762,976
TRACTORS/ TRUCK EXP.	9,049,697	1,492,287
LABORATORY EXP.	65,161	78,348
FUMIGATION CHARGES	616,777	645,257
HEXANE CONSUMED	2,320,142	1,457,645
BARDANA REPAIR CHARGES	2,187,901	1,778,483
<b>TOTAL</b>	<b>215,709,564</b>	<b>139,678,300</b>
<b><u>SCHEDULE - XVIII</u></b>		
<b>PAYMENT TO AND PROVISIONS FOR EMPLOYEES</b>		
SALARIES AND BENEFITS TO DIRECTORS	3,275,552	3,006,134
SALARIES AND OTHER BENEFITS TO STAFF	44,237,973	33,187,461
STAFF WELFARE	3,862,910	2,141,082
<b>TOTAL</b>	<b>51,376,435</b>	<b>38,334,677</b>
<b><u>SCHEDULE - XIX</u></b>		
<b>FINANCIAL EXPENSES</b>		
BANK CHARGES	19,346,750	12,694,778
INTEREST ON TERM LOANS	31,035,910	19,666,712
INTEREST ON WORKING CAPITAL LIMITS	127,794,768	109,294,426
INTEREST ON CORPORATE LOAN	3,763,622	12,024,659
INTEREST ON VEHICLE LOAN	784,469	874,878
INTEREST ON OTHER LOANS	411,516	—
ECGC PREMIUM	1,086,168	—
<b>TOTAL</b>	<b>184,223,203</b>	<b>154,555,453</b>



<i>PARTICULARS</i>	<i>FOR THE YEAR ENDED 31.03.2010 (Rs.)</i>	<i>FOR THE YEAR ENDED 31.03.2009 (Rs.)</i>
<b><u>SCHEDULE - XX</u></b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
TRAVELLING AND CONVEYANCE	6,158,982	4,140,266
POSTAGE, TELEGRAM AND TELEPHONE	5,185,784	3,967,871
ROYALTY EXPENSES	—	574,704
LEGAL AND PROFESSIONAL CHARGES	4,140,595	2,963,991
PRINTING AND STATIONERY	1,808,104	1,391,798
REPAIRS AND MAINTENANCE :		
VEHICLE	2,324,722	1,451,777
OTHERS	1,010,825	683,531
BUILDING	182,980	82,123
MEMBERSHIP AND SUBSCRIPTION	213,501	48,300
RATES AND TAXES	1,539,877	1,044,475
GENERAL EXPENSES	4,481,582	3,241,418
RENT	14,245,137	9,671,050
SECURITY CHARGES	1,333,974	712,578
INTERNAL AUDIT FEES	27,575	27,575
COMPLIANCE AUDIT FEES	303,196	—
BOOKS PAPERS AND PERIODICALS	67,125	93,544
AUDITOR'S REMUNERATION	215,815	215,300
SALES TAX/ ENTRY TAX ADDITIONAL LIABILITY	234,679	15,505
CHARITY AND DONATION	873,300	456,514
INSURANCE CHARGES	6,064,207	3,581,949
DIRECTORS SITTING FEE	72,000	86,000
LOSS ON THEFT OF CAR	64,010	—
LOSS ON SALE OF FIXED ASSETS/ INVESTMENT	339,035	593,206
LOSS ON SALE OF SPECULATIVE ACTIVITY (COMMODITY)	539,611	—
EXCHANGE FLUCTUATION	6,828	104,873,584
ADVERTISEMENT EXPENSES	383,588	165,173
ELECTRICITY CHARGES	394,745	303,304
DUTIES & TAXES	—	39,374
ANNUAL MAINTENANCE EXPENSES	476,665	211,380
SERVICE TAX	543,507	1,295,395
DIWALI EXPENSES	356,450	164,928
MAINTENANCE CHARGES (HOUSING PROJECT)	—	55,218
<b>TOTAL</b>	<b>53,588,399</b>	<b>142,151,830</b>

# SAMTEX FASHIONS LIMITED



<i>PARTICULARS</i>	<i>FOR THE YEAR ENDED 31.03.2010 (Rs.)</i>	<i>FOR THE YEAR ENDED 31.03.2009 (Rs.)</i>
<b><u>SCHEDULE - XXI</u></b>		
<b>SELLING EXPENSES</b>		
FREIGHT OUTWARD	5,236,016	2,262,298
BUSINESS PROMOTION EXPENSES	6,863,320	5,589,942
COMMISSION PAID	240,250	310,100
EXPORT EXPENSES	116,223,133	63,345,762
OCEAN FREIGHT	53,636,617	75,336,504
ECGC EXPENSES	—	53,880
REBATE AND DISCOUNT	10,639,619	16,171,021
SALES PROMOTION	—	3,769,266
SAMPLING & SUPPLIES CHARGES	3,692,931	—
TRAVELLING EXPENSE	2,298,342	1,831,342
BROKERAGE & COMMISSION	6,149,749	4,074,916
INSURANCE CHARGES (TRANSIT)	—	202,605
ADVERTISEMENT EXPENSES	138,729	126,632
APEDA BASMATI DEVELOPMENT FUND	1,796,573	457,751
PACKING MATERIAL CONSUMED	167,183,199	82,200,083
CESS TAX ON EXPORT	—	146,678,737
EXPORT SHIPMENT DAMAGE CHARGES	2,376,711	—
<b>TOTAL</b>	<b>376,475,189</b>	<b>402,410,839</b>

## **SCHEDULE - XXII**

### **DEPRECIATION AND MISCELLANEOUS EXPENDITURE**

<b>WRITTEN OFF</b>		
DEPRECIATION	56,900,878	42,242,330
MISCELLANEOUS EXPENDITURE WRITTEN OFF	292,157	1,031,301
<b>TOTAL</b>	<b>57,193,035</b>	<b>43,273,631</b>



## **SCHEDULE - XXIII**

### **NOTES ON ACCOUNTS**

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

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

##### **2. USE OF ESTIMATES**

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

##### **3. FIXED ASSETS AND DEPRECIATION**

- a) Expenditure of capital nature are capitalized at cost comprising of purchase price (net of rebates and discounts) and any other cost which is directly attributable to bringing the asset to its working condition for the intended use.
- b) Depreciation on fixed assets is provided on Straight-line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956.
- c) Fixed Assets Acquired at New York Trading Office is capitalized at historical cost. Depreciation on these Fixed Assets is accounted for as charged in the branch Profit & Loss Account. The same is converted in INR based on the rate prevailing at the time of acquisition of relevant fixed assets.

##### **4. INVESTMENTS**

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

##### **5. FOREIGN EXCHANGE TRANSACTIONS**

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

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

##### **6. INVENTORY VALUATION**

- a) Stock of Raw Materials are valued according to FIFO method as prescribed for the valuation of Inventory, at purchase cost or net realisable value whichever is low. The quantity and valuation of stocks of Raw Material is taken as physically verified, valued and certified by the Management at the end of the year. The inventory of Raw Material includes raw material supplied by foreign parties for the execution of their export orders by the company and the same is valued at the end of the year.
- b) Finished goods are valued at lower of cost or net realizable value. Cost for the purpose is determined on the basis of absorption costing method the quantity and valuation of finished goods is taken as physically verified valued and certified by the management at the end of the year. Cost for the purpose of valuation is inclusive of all the expenses except selling expenses. Excise duty levied on domestic tariff area sales does not form part of the cost since the quantum of these sales out of the finished goods stock cannot be ascertained.



- c) The stock of Work In Process, is valued at the estimated cost or net realizable value whichever is lower to the company based on absorption costing method. Packing material and accessories like thread, buttons, etc is valued at Cost or Net realizable value whichever is low. The quantity and valuation of Inventory of WIP is taken as physically verified, valued and certified by the management at the end of the year.
- 7. SALES**
- (A) EXPORT**  
Sales of M/s Samtex Fashions Ltd. (India) is recognized on the basis of Bill Of Lading. Sales of M/S Samtex Fashions Ltd. (New York) is recognized as and when they are executed at New York Office. In respect of sales where material are supplied by the foreign buyers, purchases are booked at the amount debited by them for supply of materials and sales invoices includes the value of material so debited.
- (B) DOMESTIC**  
Domestic Sales is recognized in the books of accounts at the time of dispatch from the custom gate at NSEZ, and sales executed at the Delhi office is Recognised at the date of dispatch from Delhi Office.
- 8. CONTINGENT LIABILITIES & PROVISIONS**  
In terms of the requirement of the Accounting Standard 29 (AS-29) on "Provisions, Contingent Liabilities and Contingent Assets".
- (a) Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates' can be made of the amount of obligation- an appropriate provision is created and disclosed.
- (b) Where as a result of past events, there is a possible obligation that may, but probably will not require an outflow of resources no provision is recognised but appropriate disclosure made as contingent liability unless the possibility of out flow is remote.
- 9. BORROWING COST**  
Borrowing cost specifically identified to the acquisition or construction of qualifying assets are capitalized as part of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit & Loss Account.
- 10. IMPAIRMENT OF ASSETS**  
The assets of the company have not been impaired during the year as certified by the management of the company. The management has conducted the test of impairment of assets using the value-in-use method in accordance with the mandatory Accounting Standard –28 (AS 28) on impairment of Assets issued by the Institute of Chartered Accountants of India. For calculation of value-in-use, discount rate of 8% per annum is used being the average market rate of interest in the opinion of the management.
- 11. EMPLOYEE BENEFITS**
- (a) PROVIDENT FUND**  
Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the company make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employees salary. The company has no further obligations under the plan beyond its monthly contributions.
- (b) GRATUITY**  
In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a non - funded, defined benefit retirement plan (the gratuity plan) covering all employees. The plan, subject to the provisions of the Act, provides a lump sum payment to vested employees at retirement or termination of employment with the company. The Company estimates its liability on adhoc basis in the interim financial reports and on an actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).
- (c) LEAVE ENCASHMENT**  
Leave encashment cost is a defined benefit, and is accrued on adhoc basis in the interim financial reports and on an actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).
- B. OTHER NOTES**
- i) The subsidiary companies considered in the consolidated financial statements are:-

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



ii) **Deferred Tax Liability Comprise of following as on 31/03/2010.**

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	4,10,89,155	2,44,38,763
Related To Others	—	—
<b>Less : Deferred Tax Assets</b>		
Related to Fixed Assets	3,57,504	—
Related To Others	12,97,016	6,92,069
<b>Deferred Tax Liability</b>	<b>3,94,34,635</b>	<b>2,37,46,694</b>

iii) **Related Party Disclosures:-**

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

S. No.	Name of the Party	Relationship
1.	Samtex Foundation	Associated Concern
2.	Santosh Overseas Ltd.	Key personnel is related to the management of the related party

(ii) Transaction during the year with the related parties:

	Rs. in Lacs			
	Samtex Foundation		Santosh Overseas Ltd.	
	2009-10	2008-09	2009-10	2008-09
<b>(A) Creditors</b>				
Balance as on 01.04.2009	—	—	—	—
Purchases During the Year	—	—	146.35	—
Payment made during the year	—	—	146.35	—
Balance as on 31.03.2010	—	—	—	—
<b>(B) Debtors</b>				
Balance as on 01.04.2009	—	—	—	—
Sale During The year	—	—	139.73	—
Received During the year	—	—	139.73	—
Balance as on 31.03.2010	—	—	—	—
<b>(C)</b>				
Balance as on 01.04.2009	0.68	3.68	—	—
Paid/Taken During the year	—	—	—	—
Written off during the year	0.68	3.00	—	—
Balance as on 31.03.2010	—	0.68	—	—

iv) **SEGMENT INFORMATION:-**

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

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

**GEOGRAPHICAL SEGMENT :-**

**I. PRIMARY SEGMENT INFORMATION :-**

(Rs. in Lacs)

PARTICULARS	YEAR TO DATE FIGURES FOR THE CURRENT PERIOD ENDED 31.03.2010	YEAR TO DATE FIGURES FOR THE PREVIOUS YEAR ENDED 31.03.2009
	<b>1. TOTAL SALES AT EACH SEGMENT</b>	
U.S.A.	2337.29	2703.75
INDIA	3950.90	3563.37
<b>GROSS SALES</b>	<b>6288.19</b>	<b>6267.12</b>

# SAMTEX FASHIONS LIMITED



PARTICULARS	YEAR TO DATE FIGURES FOR THE CURRENT PERIOD ENDED 31.03.2010	YEAR TO DATE FIGURES FOR THE PREVIOUS YEAR ENDED 31.03.2009
LESS : INTER SEGMENT REVENUE	458.53	866.34
<b>NET SALES /INCOME FROM OPERATION</b>	<b>5829.66</b>	<b>5400.78</b>
<b>2 SEGMENT RESULTS ( PROFIT+/-LOSS – BEFORE TAX AND INTEREST FOR EACH SEGMENT)</b>		
U.S.A.	28.61	82.28
INDIA	345.02	170.71
<b>TOTAL</b>	<b>373.63</b>	<b>252.99</b>
INTEREST	242.86	243.92
<b>TOTAL PROFIT BEFORE TAX</b>	<b>130.77</b>	<b>9.07</b>
<b>3. As per Accounting Standard on segment reporting AS -17, prescribed by the Companies (Accounting Standards) Rules 2006, The Company has reported segment information.</b>		
<b>SECONDARY SEGMENT INFORMATION :</b>		
<b>SEGMENT ASSETS</b>		
USA	762.15	942.12
<b>SEGMENT LIABILITIES</b>		
U S A	491.78	673.34
<b>CAPITAL EMPLOYED</b>		
U S A	270.37	268.78
<b>BUSINESS SEGMENT</b>		
<b>I. PRIMARY SEGMENT INFORMATION</b>		
PARTICULARS	YEAR TO DATE FIGURES FOR THE CURRENT PERIOD ENDED 31.03.2010	YEAR TO DATE FIGURES FOR THE PREVIOUS YEAR ENDED 31.03.2009
<b>1. TOTAL SALES AT EACH SEGMENT</b>		
RICE	49334.45	42197.34
OIL	5388.49	5673.89
<b>GROSS SALES</b>	<b>54722.94</b>	<b>47871.23</b>
LESS :INTER SEGMENT REVENUE	892.61	559.34
<b>NET SALES /INCOME FROM OPERATION</b>	<b>53830.33</b>	<b>47311.89</b>
<b>2. SEGMENT RESULTS (PROFIT+/-LOSS – BEFORE TAX, INTEREST AND EXCHANGE FLUCTUATION FOR EACH SEGMENT)</b>		
RICE	2615.68	3275.32
OIL	69.91	(59.13)
<b>TOTAL</b>	<b>2685.59</b>	<b>3216.19</b>
INTEREST	1395.04	1174.68
EXCHANGE (GAINS)/LOSS	(553.36)	927.91
<b>TOTAL</b>	<b>841.68</b>	<b>2102.59</b>
<b>TOTAL PROFIT BEFORE TAX</b>	<b>1843.91</b>	<b>1113.60</b>



PARTICULARS	YEAR TO DATE FIGURES	
	FOR THE CURRENT PERIOD ENDED 31.03.2010	FOR THE PREVIOUS YEAR ENDED 31.03.2009
3. As per Accounting Standard on segment reporting As -17, prescribed by the Companies (Accounting Standards) Rules 2006, The Company has reported Segment information.		
<b>SECONDARY SEGMENT INFORMATION :-</b>		
<b>SEGMENT ASSETS</b>		
OIL	2230.58	1050.70
<b>SEGMENT LIABILITIES</b>		
OIL	1726.60	1172.29
<b>CAPITAL EMPLOYED</b>		
OIL	503.95	(121.59)

**DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES :**

- (A) The employee gratuity fund & leave encashment scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.
- (B) As per actuarial valuations as on 31st March-2010 and recognized in the financial statement in respect of employee benefit schemes.

(In Rs.)

	Gratuity		Leave encashment	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
<b>(i) Assumptions</b>				
Discount Rate	7.50%	7.00%	7.50%	7.00%
Future Salary Increase	5.00%	4.50%	5.00%	4.50%
<b>(ii) Table showing change in Benefit Obligation</b>				
Liability at the beginning of the year	77,19,267	62,29,231	21,45,929	14,89,367
Interest Cost	5,78,945	4,36,046	1,60,944	1,04,256
Current Services Cost	9,58,175	8,17,014	3,58,585	2,94,591
Benefit Paid	(6,48,359)	(7,12,884)	(1,31,771)	(1,88,400)
Actuarial (gain)/loss on obligation	1,81,973	9,49,860	(67,607)	4,46,115
Liability at the end of the year	87,90,001	77,19,267	24,66,080	21,45,929
<b>(iii) Tables of Fair value of Plan Assets</b>				
Fair value of plan assets at the beginning of the year	—	—	—	—
Expected return on Plan Assets	—	—	—	—
Contributions	—	—	—	—
Benefit Paid	—	—	—	—
Actuarial (gain)/loss on Plan Assets	—	—	—	—
Fair Value of Plan Assets at the end of the year	—	—	—	—
Total actuarial gain / (loss) to be recognized	—	—	—	—
<b>(iv) Actual Return on Plan Assets</b>				
Expected Return on Plan Assets	—	—	—	—
Actuarial (gain)/loss on Plan Assets	—	—	—	—
Actuarial Return on Plan Assets	—	—	—	—
<b>(v) Amount recognized in the Balance Sheet</b>				
Liability at the end of the year	87,90,001	77,19,267	24,66,080	21,45,929
Fair value of plan assets at the end of the year	—	—	—	—
Difference	87,90,001	77,19,267	24,66,080	21,45,929
Amount recognized in the Balance sheet	87,90,001	77,19,267	24,66,080	21,45,929
<b>(vi) Expenses recognized in the Income Statement</b>				
Current Service Cost	9,58,175	8,17,014	3,58,585	2,94,591
Interest Cost	5,78,945	4,36,046	1,60,944	1,04,256





(In Rs.)

	Gratuity		Leave encashment	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Expected Return on Plan Assets	—	—	—	—
Net actuarial (gain)/loss to be recognized	1,81,973	9,49,860	(67,607)	4,46,115
Expenses Recognized in Profit & Loss A/c	17,19,093	22,02,920	4,51,922	8,44,962
<b>(vii) Amount Recognized in the Balance Sheet</b>				
Opening net liability	77,19,267	62,29,231	21,45,929	14,89,367
Expense as above	17,19,093	22,02,920	4,51,922	8,44,962
Employers Contribution Paid	(6,48,359)	(7,12,884)	(1,31,771)	(1,88,400)
Closing net Liability	87,90,001	77,19,267	24,66,080	21,45,929

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

**Contingent liabilities not provided for in respect of :**

- Letters of credit established for purpose of raw materials/consumables and capital goods amounting to Rs.8,61,21,912/- (previous year Rs.21,49,53,652/-) as per the exchange rate prevailing as on 31st March, 2010.
- Bank Guarantees issued and outstanding as on 31st March, 2010 amounting to Rs. 57,40,000/- (previous year Rs.27,40,000/-).
- No provision has been made in the books of accounts by the company for a sum of Rs. 5902380/-, Rs.890698/-, Rs.489296/- and Rs.4080705/- for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y. 2003-04, A.Y.2006-07 and A.Y.2007-08 respectively, against which a sum of Rs 5859356/- and Rs. 8,90,698/- and Rs.40,00,000/- has already been paid for A.Y 2000-01, A.Y. 2003-04 and A.Y. 2007-08 under protest. All the above liabilities have been disputed by the company before the Appellant Authority / Delhi High Court.

**Remuneration paid to Auditors :**

	<u>Current Year</u> (Rs.)	<u>Previous Year</u> (Rs.)
i) Audit Fee	190,815	190,300
ii) Tax Audit Fees	5,000	5,000
iii) Others (Including out of pocket expenses)	20,000	20,000

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

	Managing Director		Whole Time Directors	
	Current Year	Previous Year	Current Year	Previous Year
Salary & Allowances	900,000	895,833	18,78,000	17,18,500
Provident Fund	108,000	106,800	169,920	1,17,720
LTA	75,000	75,000	34,000	34,000
Medical	75,000	75,000	34,000	34,000

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-  
**ANIL MITTAL**  
CHAIRMAN & MANAGING DIRECTOR

Sd/-  
**S. K. GUPTA**  
DIRECTOR

FOR **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**KAMINI GUPTA**  
COMPANY SECRETARY  
& GM FINANCE

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. NO. 82045

Place : New Delhi  
Dated : 28.08.2010



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2010

(Amount Rs. 000)

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX	197,469	112,005
ADD : LOSS ON SALE OF FIXED ASSETS/INVESTMENT	403	593
ADD : PRIER PERIOD EXPENSES	88	301
ADD : EXCESS PROVISION WRITTEN BACK ON RETIREMENT BENEFIT FOR EARLIER YEARS	—	2,659
NET PROFIT BEFORE TAX AND EXTRAORDINARILY ITEMS	<u>197,960</u>	<u>115,558</u>
<b>ADJUSTMENT FOR :</b>		
DEPRECIATION AND WRITTEN OFF	57,193	43,281
INTEREST	<u>163,790</u>	<u>141,860</u>
OPERATING PFOFIT BEFORE WORKING CAPITAL CHANGES	418,943	300,699
<b>ADJUSTMENT FOR :</b>		
TRADE AND OTHER PAYABLES	8,868	1,850
INVENTORIES	(147,073)	(152,126)
TRADE & OTHER RECEIVABLES	<u>(134,687)</u>	<u>(224,173)</u>
	<u>(272,892)</u>	<u>(374,449)</u>
CASH GENERATED FROM OPERATIONS	146,052	(73,750)
ADJUSTMENT FOR :		
DIRECT TAXES	(74,163)	(20,840)
PRIOR PERIOD EXPENSES	<u>(357)</u>	<u>(301)</u>
	<u>(74,520)</u>	<u>(21,141)</u>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>71,533</b>	<b>(94,891)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
PURCHASE OF FIXED ASSETS	(279,359)	(229,320)
HOUSING PROJECT WORK IN PROGRESS	—	(3,231)
PURCHASE OF INVESTMENTS	—	500
SALE OF FIXED ASSETS	637	4,139
ADVANCES TO SUPPLIER OF FIXED ASSETS	(1,072)	—
SECURITY DEPOSITE	<u>(1,572)</u>	<u>—</u>
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(281,365)</b>	<b>(227,913)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
TERM LOANS (NET OF REPAYMENT)	85339	197334
CORPORATE LOAN	—	(10454)
WORKING CAPITAL LOANS	263259	286857
UNSECURED LOANS	36730	—
INTEREST PAID	<u>(163790)</u>	<u>(141860)</u>
<b>NET CASH RECEIVED FROM FINANCING ACTIVITIES (C)</b>	<b>221538</b>	<b>331877</b>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	11,704	9,070
CASH AND CASH EQUIVALENT AS AT 01.04.2009	42,959	33,889
CASH AND CASH EQUIVALENT AS AT 31.03.2010	<u>54,663</u>	<u>42,959</u>
NOTE : FIGURES IN BRACKETS REPRESENT OUTFLOWS		

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : New Delhi Dated : 28.08.2010	Sd/- <b>ANIL MITTAL</b> CHAIRMAN & MANAGING DIRECTOR	Sd/- <b>S. K. GUPTA</b> DIRECTOR	Sd/- <b>KAMINI GUPTA</b> COMPANY SECRETARY & GM FINANCE
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### AUDITORS REPORT

We have examined the above Cash Flow Statement of Samtex Fashions Limited derived from the audited financial statements of the company for the years ended 31st March' 2010. and found the same in agreement therewith and in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

Place : New Delhi  
Dated: 28.08.2010

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

# Sam Buildcon Ltd.

(Wholly owned Subsidiary Company)

## ANNUAL REPORT 2009 - 2010

### BOARD OF DIRECTORS

Anil Mittal	<i>Director</i>
Naveen Mittal	<i>Director</i>
Atul Mittal	<i>Director</i>
Neha Mittal	<i>Director</i>
Deepak Gupta	<i>Director</i>
Raman Ohri	<i>Director</i>

### AUDITORS

**M/s Aggarwal & Rampal**  
*Chartered Accountants*  
New Delhi

### BANKERS

**State Bank of India**  
Overseas Branch,  
9th Floor, Jawahar Vayapar Bhawan,  
Tolstoy Marg, New Delhi - 110 001

### REGISTERED OFFICE

M-71, (Market), 1st Floor,  
Greater Kailash - II, New Delhi - 110 048

# SAM BUILDCON LIMITED

## DIRECTOR'S REPORT

To,

The Members,

Your Directors have pleasure in presenting the Second Annual Report of your Company along with the Audited Accounts for the period ended 31st March, 2010.

### FINANCIAL RESULTS

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

(Rs. in Lacs)

Particulars	For the period ended March 31, 2010	For the period ended March 31, 2009
Sales and other Income	49.60	Nil
Profit before tax, interest, depreciation and write offs	9.31	(0.12)
Interest & Financial Expenses	0.00	Nil
Depreciation & Write offs	1.00	2.51
Profit Before Tax	8.31	(2.63)
Provision for Taxation :		
— Current	1.29	Nil
— Deferred	1.41	Nil
Profit after Tax	5.61	(2.63)
Balance of Profit from Previous Years	(2.63)	Nil
Balance of Profit carried forward	2.98	(2.63)

### REVIEW OF OPERATIONS

During the year under report the Company had changed the Object Clause and obtained the permission for commencement of changed activities from Ministry of Corporate Affairs, Govt. of India. During the year under report the Company had set up the manufacturing facilities for Ready Made Garments. The business activity have been started.

### DIRECTORS

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

Mrs. Neha Mittal was appointed as Additional Director as well as Whole Time Director , on the Board w. e. f. 11.11.2009. The appointment of Mrs. Neha Mittal confirmed by the Members in the Extra Ordinary General Meeting held on 10.11.2009.

Mr. Deepak Gupta was appointed as Additional Director as well as Whole Time Director , on the Board w. e. f. 18.01.2010. The appointment of Mr. Deepak Gupta has been confirmed by the Members in the Extra Ordinary General Meeting held on 26th May,2010.

Mr. Raman Ohri the independent Director in the Parent Holding Company has been appointed as Additional Director by the Board of Director in the meeting held on 26th May, 2010.

### DIVIDEND

In order to conserve and strengthen the financial resources of the Company, the Directors have not considered it possible to recommend any dividend for the period ended 31.03.2010.

### DIRECTORS RESPONSIBILITY STATEMENT

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

1. That in preparation of annual accounts, applicable Accounting Standards have been followed along with the proper explanations relating to material departures;

# **SAM BUILDCON LIMITED**

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2. That they have selected the accounting policies described in the notes to accounts, which have been consistently applied and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2010 and of the profit or loss of the Company for that period;
3. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. That the annual accounts have been prepared on a going concern basis.

## **AUDITORS**

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

## **AUDITORS' REPORT**

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

## **INTERNAL AUDIT SYSTEMS**

The Company is having its own Internal Audit System commensurate with the present scale of operations.

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

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

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

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

## **PUBLIC DEPOSITS:**

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

## **ACKNOWLEDGMENTS**

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

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

Place : New Delhi  
Date : 6th August, 2010

Sd/-  
**Deepak Gupta**  
Director

Sd/-  
**Atul Mittal**  
Director

# SAM BUILDCON LIMITED

## ANNEXURE "A"

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March' 2010.

### A. CONSERVATION OF ENERGY

- |   |   |
|---|---|
| 1. Energy Conservation measures taken   | Company's operations involve low energy consumption. Energy conservation measures have already been implemented by:- Regular Preventive Maintenance, replacement of old motors by energy efficient motors, energy efficient usage of Air Compressor & Boilers. Periodical cleaning of Pipe Lines so as to avoid the leakages. |
| 2. Additional investment and proposals, if any, being implemented for reduction of consumption of Energy.                                       | Introduced energy saving features in the systems by which the user saves power consumption to a considerable extent.  |
| 3. Impact of measures at (1) and (2) above for Reduction of energy consumption and consequent Impact on the cost of production of goods.        | Created general awareness in the Plant about the need for conservation of energy and resulted in improvement in Productivity and Quality.   |
| 4. Total energy consumption per unit of Production as per Form "A" of the Annexure in respect of industries Specified in the Schedule there to. | As per Form "A"   |

### FORM "A"

Disclosure of particulars with respect to conservation of energy:

	<u>Current Year</u>	<u>Previous Year</u>
<b>1. POWER AND FUEL CONSUMPTION</b>		
<b>a) Purchased</b>		
Unit	Nil	Nil
Total Amount (Rs. Lacs)	Nil	Nil
Rate/Unit (Rs.)	Nil	Nil
<b>b) Own Generation Through Diesel Generator</b>		
Unit	56992	Nil
Total Amount (Rs. Lacs)	4.30	Nil
Cost/Unit (Rs.)	7.55	Nil

### B. RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION

#### (i) RESEARCH AND DEVELOPMENT

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

#### (ii) TECHNOLOGY ABSORPTION

The Company had set up the manufacturing facilities recently and adopted the latest available technology by installing the latest machinery.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

# **SAM BUILDCON LIMITED**

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Trying to develop the international markets.

	<u>Current Year</u>	<u>Rs. in Lacs Previous Year</u>
<b>i. Earnings for the year</b> (FOB value of Exports)	12.36	—
<b>ii. Outgo for the year:</b>		
Raw Material	—	—
Capital Goods	86.28	—
Others	—	—

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

Place : New Delhi  
Date : 6th August, 2010

Sd/-  
**Deepak Gupta**  
Director

Sd/-  
**Atul Mittal**  
Director

# **SAM BUILDCON LIMITED**

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## **AUDITOR'S REPORT**

To,  
The Members of  
**M/S SAM BUILDCON LIMITED**

We have audited the attached Balance Sheet of M/S SAM BUILDCON LIMITED as at 31st March, 2010, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. We have expressed an opinion on these financial statements based on our audit.

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

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, of India and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of those books.
3. The Balance Sheet and Profit and Loss Account in this report are in agreement with the books of account.
4. In our opinion, the Profit & Loss Account and Balance Sheet and cash flow statement dealt with this report generally comply with the accounting standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of the written representation received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31-03-2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
  - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
  - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
  - iii) In the case of the Cash Flow Statement of Cash Flow for the year ended on that date.

For **AGGARWAL & RAMPAL**  
*CHARTERED ACCOUNTANTS*  
*FIRM REGD. NO. : 003072N*

Place : New Delhi  
Dated : 06-08-2010

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



## **SAM BUILDCON LIMITED**

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

- i (a) In our opinion and as per information and explanation provided to us the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us the fixed assets have been physically verified by the management during the year and as per the explanations and information given to us there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of account.
- (c) During the year, the company has not disposed off any part of the plant and machinery, which will have the effect on the Going concern of the company.
- ii (a) As explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to information and explanations given to us the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) As explained and based on the information given to us, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same has been properly dealt with in the books of account.
- III (a) The company has not taken loan from any other companies covered in the register maintained under section 301 of the companies Act, 1956, and the company has not given loan to any other party covered in the register maintained under section 301 of the Companies Act. 1956, and thus provisions of Para 3(b), (c) and, (d) of the order are not applicable to the company.
- iv In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of company and the nature of its business with regard to, purchase of stores and spares, raw materials, fixed assets, and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in such internal controls.
- v. (a) According to the information and explanations provided by the management, we are of the opinion that the company has entered all transactions that need to be entered in the register maintained under section 301.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakhs rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant times.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any Deposits as defined with in the meaning of Sections 58A and 58AA of the companies Act, 1956 and the companies (Acceptance of Deposits) Rules 1975 and hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company .
- vii. The Company has an in house Internal Audit system and it is commensurate with the size and nature of Business.
- viii. As informed to us maintenance of cost records has not been prescribed by the Central Government under section 209 (1)(d) of the Companies act, 1956.
- ix. (a) The company is generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, Service Tax, custom duty, cess and other statutory dues applicable to it and as informed and explained to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty were outstanding, as at 31.03.2010 for a period of more than six months from the date they became payable.

## **SAM BUILDCON LIMITED**

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- (b) According to the record of company, there are no dues of sales tax, income tax, custom tax/wealth tax, excise duty/cess which have not been deposited on account of any dispute.
- x. The Company is incorporated on 05-02-2008. Since five year has not been elapsed, hence Provisions of this para are not applicable to the Company
- xi. As explained and informed to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, or bank.
- xii. Based on the records we report that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The company is not a chit fund company or mutual fund / Society, thus the provisions of this para are not applicable.
- xiv. As per records of the company and the information and explanations given to us by the management, The Company is not dealing or trading in shares, securities, and debentures and other investment.
- xv. According to the information and explanations provided to us by the management, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. The term loans obtained by the company have been applied for the purpose for which they were raised.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except core (permanent) working capital.
- xviii. As explained and informed to us by the management and upon our examination of records we report that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix. During the period covered by our audit report, the company has not issued any types of debentures. The question of creation of any security in respect of debentures does not arise.
- xx. During the financial year the company did not raise any money by public issue.
- xxi. In our opinion and according to information and explanations given to us by the management, there was no fraud on or by the company which has been noticed and reported during the year that causes the financial statements to be materially misstated.

For **AGGARWAL & RAMPAL**  
*CHARTERED ACCOUNTANTS*  
*FIRM REGD. NO. : 003072N*

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

Place : New Delhi  
Dated : 06-08-2010

# SAM BUILDCON LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2010

<i>PARTICULARS</i>	<i>SCHEDULE</i>	<i>AS AT 31.03.2010 (Rs.)</i>	<i>AS AT 31.03.2009 (Rs.)</i>
<b>I. SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS FUNDS</b>			
SHARE CAPITAL	I	10,000,700	500,700
RESERVES AND SURPLUS	II	298,053	-
<b>LOAN FUNDS :</b>			
UNSECURED LOANS	III	7,158,000	258,000
DEFERRED TAX LIABILITY		141,232	-
		<u>17,597,985</u>	<u>758,700</u>
<b>II. APPLICATION OF FUNDS :</b>			
<b>FIXED ASSETS :</b>			
GROSS BLOCK	IV	16,565,899	-
LESS: DEPRECIATION		100,063	-
NET BLOCK		<u>16,465,836</u>	-
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
INVENTORY	V	50,126	-
SUNDRY DEBTORS	VI	643,464	-
CASH AND BANK BALANCES	VII	333,847	500,349
LOANS AND ADVANCES	VIII	2,734,070	-
		<u>3,761,507</u>	<u>500,349</u>
LESS : CURRENT LIABILITIES AND PROVISIONS(TRADE)	IX	<u>2,629,358</u>	<u>5,000</u>
NET CURRENT ASSETS		<u>1,132,149</u>	<u>495,349</u>
PROFIT & LOSS ACCOUNT		-	263,351
		<u>17,597,985</u>	<u>758,700</u>
NOTES FORMING PART OF ACCOUNTS	XVIII		

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-  
**ATUL MITTAL**  
DIRECTOR

Sd/-  
**DEEPAK GUPTA**  
DIRECTOR

FOR **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. No. 82045

Place : New Delhi  
Dated : 06.08.2010

# SAM BUILDCON LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

<i>PARTICULARS</i>	<i>SCHEDULE</i>	<i>FOR THE YEAR ENDED 31.03.2010 (Rs.)</i>	<i>FOR THE YEAR ENDED 31.03.2009 (Rs.)</i>
<b>INCOME</b>			
EXPORT SALE & JOB WORK	X	4,851,490	—
OTHER INCOME	XI	108,715	—
		<u>4,960,205</u>	<u>—</u>
<b>EXPENDITURE</b>			
MATERIAL COST	XII	645,716	—
MANUFACTURING EXPS.	XIII	2,347,645	—
PAYMENT TO & OTHER PROVISIONS FOR EMPLOYEES	XIV	578,457	—
ADMINISTRATIVE AND OTHER EXPENSES	XV	447,053	12,050
SELLING EXPS.	XVI	10,240	—
DEPRECIATION & MISCELLANEOUS EXPENDITURE WRITTEN OFF	XVII	100,063	251,301
		<u>4,129,175</u>	<u>263,351</u>
NET PROFIT FOR THE YEAR BEFORE TAX		<u>831,030</u>	<u>(263,351)</u>
PROVISION FOR TAXATION			
CURRENT TAX		128,394	—
DEFERRED TAX ASSETS / (LIABILITIES)		141,232	—
		<u>561,404</u>	<u>(263,351)</u>
PROFIT AFTER TAX		<u>561,404</u>	<u>(263,351)</u>
BALANCE BROUGHT FORWARD		<u>(263,351)</u>	<u>—</u>
BALANCE CARRIED OVER TO BALANCE SHEET		<u>298,053</u>	<u>(263,351)</u>
BASIC EARNING PER SHARE OF FACE VALUE OF RS. 10 EACH		11.20	—
DILUATED EARNING PER SHARE OF FACE VALUE OF RS. 10 EACH		0.56	—

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-  
**ATUL MITTAL**  
DIRECTOR

Sd/-  
**DEEPAK GUPTA**  
DIRECTOR

FOR **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. No. 82045

Place : New Delhi  
Dated : 06.08.2010

# SAM BUILDCON LIMITED

## SCHEDULES FORMING PART OF THE ACCOUNTS

<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - I</u></b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
20,00,000 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP (PREVIOUS YEAR 20,00,000 EQUITY SHARES OF RS.10 EACH FULLY PAID UP)	20,000,000 -	20,000,000 -
<b>ISSUED, SUBSCRIBED AND PAID UP :</b>		
50070 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP IN CASH (PREVIOUS YEAR 50,070 EQUITY SHARES OF RS.10 EACH FULLY PAID UP)	500,700	500,700
SHARE APPLICATION MONEY 9,50,000 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP IN CASH (PREVIOUS YEAR NIL EQUITY SHARES) (Pending Allotment)	9,500,000	-
<b>TOTAL</b>	<b>10,000,700</b>	<b>500,700</b>
<b><u>SCHEDULE - II</u></b>		
<b>RESERVES AND SURPLUS</b>		
<b>RESERVES :</b>		
GENERAL RESERVE :	-	-
(A)	-	-
<b>SURPLUS :</b>		
PROFIT AND LOSS ACCOUNT	298,053	-
(B)	298,053	-
<b>TOTAL (A+B)</b>	<b>298,053</b>	<b>-</b>
<b><u>SCHEDULE - III</u></b>		
<b>UNSECURED LOANS :</b>		
(A) FROM HOLDING COMPANY :- SAMTEX FASHIONS LIMITED	7,158,000	258,000
<b>TOTAL</b>	<b>7,158,000</b>	<b>258,000</b>

# SAM BUILDCON LIMITED

## SCHEDULE - IV

### A. FIXED ASSETS :

PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	As at 01.04.2009 (Rs.)	Addition during the year (Rs.)	Sales/ adjustment during the year (Rs.)	As at 31.03.2010 (Rs.)	As at 01.04.2009 (Rs.)	On the Opening 01-04-09 (Rs.)	On Adjustment	For the year ended 31.03.2010 (Rs.)	W. back during the year (Rs.)	As at 31.03.2010 (Rs.)	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
1 PLANT & MACHINERY	—	12,216,160	—	12,216,160	—	—	72,533	72,533	—	72,533	12,143,626	—
2 FURNITURE & FIXTURES	—	465,348	—	465,348	—	—	3,682	3,682	—	3,682	461,666	—
3 ELECTRICAL INSTALLATION	—	3,829,634	—	3,829,634	—	—	22,738	22,738	—	22,738	3,806,895	—
4 COMPUTER & PRINTERS	—	54,757	—	54,757	—	—	1,110	1,110	—	1,110	53,647	—
<b>TOTAL</b>	—	<b>16,565,899</b>	—	<b>16,565,899</b>	—	—	<b>100,063</b>	<b>100,063</b>	—	<b>100,063</b>	<b>16,465,836</b>	—
PREVIOUS YEAR	—	—	—	—	—	—	—	—	—	—	—	—

PARTICULARS	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
-------------	------------------------------	------------------------------

## SCHEDULE - V

### INVENTORY

(AS CERTIFIED, QUANTIFIED AND VALUED BY THE MANAGEMENT ON WHICH AUDITORS HAVE RELIED)

RAW MATERIAL	—	—
WORK IN PROCESS	—	—
FINISHED GOODS	—	—
STORES CONSUMABLES	50,126	—
	<b>50,126</b>	—

## SCHEDULE - VI

### SUNDRY DEBTORS

(UNCONFIRMED, UNSECURED, CONSIDERED GOOD)

DEBTS OUTSTANDING FOR A PERIOD OF MORE THAN		
— SIX MONTHS	—	—
— OTHER DEBTS	643,464	—
	<b>643,464</b>	—

## SCHEDULE - VII

### CASH AND BANK BALANCES :

CASH IN HAND AND IMPREST	189,795	799
BALANCES WITH BANKS :		
— IN CURRENT ACCOUNTS WITH SCHEDULED BANKS	144,052	499,550
	<b>333,847</b>	<b>500,349</b>

# SAM BUILDCON LIMITED

<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - VIII</u></b>		
<b>LOANS AND ADVANCES</b>		
(UNSECURED, CONFIRMED, CONSIDERED GOODS)		
LOANS	-	-
<b>TOTAL (A)</b>	<b>-</b>	<b>-</b>
<b>ADVANCES :</b>		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		
ADVANCES TO SUPPLIERS OF CAPITAL GOODS	1,071,779	-
SECURITY DEPOSITS	1,572,142	-
OTHER	90,149	
<b>TOTAL (B)</b>	<b>2,734,070</b>	
<b>TOTAL (A)+(B)</b>	<b>2,734,070</b>	<b>-</b>
<b><u>SCHEDULE - IX</u></b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
<b>SUNDRY CREDITORS (TRADE)</b>		
<b>(I) TRADE :</b>		
Total Outstanding dues to Micro & Small Enterprises	-	-
Total Outstanding dues of creditors other than Micro & Small Enterprises	826,656	-
<b>(II) OTHERS :</b>	<b>1,244,359</b>	<b>-</b>
P.F. PAYABLE	76,972	-
E.S.I.C. PAYABLE	3,112	-
OTHER LIABILITIES	270,364	-
<b>TOTAL (A)</b>	<b>2,421,463</b>	<b>-</b>
<b>B. PROVISIONS</b>		
EXPENSES PAYABLE	60,313	5,000
PROVISION FOR INCOME TAX	128,394	-
PROVISION FOR GRATUITY	9,095	-
PROVISION FOR LEAVE ENCASHMENT	10,093	-
<b>TOTAL (B)</b>	<b>207,895</b>	<b>5,000</b>
<b>TOTAL (A+B)</b>	<b>2,629,358</b>	<b>5,000</b>

# SAM BUILDCON LIMITED

<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - X</u></b>		
<b>SALES</b>		
EXPORT SALES	1,235,710	-
JOB WORK CHARGES	3,615,780	-
<b>TOTAL</b>	<b>4,851,490</b>	<b>-</b>
<b><u>SCHEDULE - XI</u></b>		
DUTY DRAWBACK RECD.	108,715	-
<b>TOTAL</b>	<b>108,715</b>	<b>-</b>
<b><u>SCHEDULE - XII</u></b>		
<b>RAW MATERIAL CONSUMPTION</b>		
OPENING STOCK	-	-
ADD : PURCHASES DURING THE YEAR	645,716	-
	645,716	-
LESS : CLOSING STOCK	-	-
<b>RAW MATERIAL CONSUMED</b>	<b>645,716</b>	<b>-</b>
<b><u>SCHEDULE - XIII</u></b>		
<b>MANUFACTURING EXPS.</b>		
CONSUMABLES	97,033	-
WAGES & OTHER BENEFITS	1,192,447	-
POWER & FUEL	815,438	-
FREIGHT IN WARDS	11,540	-
SWEAPING & CLEANING EXPS.	11,519	-
SECURITY & SAFETY EXPS.	103,254	-
REPAIR & MAINT. (MACHINERY)	116,414	-
	2,347,645	-
<b><u>SCHEDULE - XIV</u></b>		
<b>PAYMENT TO AND PROVISION FOR EMPLOYEES</b>		
SALARIES AND OTHER BENEFITS TO DIRECTORS	347,532	-
SALARIES AND OTHER BENEFITS TO STAFF	230,925	-
	578,457	-



# SAM BUILDCON LIMITED

<i>PARTICULARS</i>	<i>FOR THE YEAR ENDED 31.03.2010 (Rs.)</i>	<i>FOR THE YEAR ENDED 31.03.2009 (Rs.)</i>
<b><u>SCHEDULE - XV</u></b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
AUDITOR'S REMUNERATION	5,515	5,000
TRAVELLING & CONVEYANCE EXPS.	3,969	-
BANK CHARGES	9,533	550
RENT EXPS.	300,000	-
LEGAL AND PROFESSIONAL CHARGES	41,047	1,000
OFFICE EXPENSES	960	2,000
PRINTING & STATIONERY EXPS.	33,012	3,500
TELEPHONE EXPS.	19,887	-
MISC. EXPS.	26,303	-
EXCHANGE FLUCTUATION	6,828	-
<b>TOTAL</b>	<b>447,053</b>	<b>12,050</b>
<b><u>SCHEDULE - XVI</u></b>		
<b>SELLING EXPENSES</b>		
FREIGHT OUT WARDS	10,240	-
	<b>10,240</b>	-
<b><u>SCHEDULE - XVII</u></b>		
<b>DEPRECIATION AND MISCELLANEOUS EXPENDITURE</b>		
WRITTEN OFF		
DEPRECIATION	100,063	-
MISCELLANEOUS EXPENDITURE WRITTEN OFF	-	251,301
<b>TOTAL</b>	<b>100,063</b>	<b>251,301</b>

# **SAM BUILDCON LIMITED**

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## **SCHEDULE - XVIII**

### **NOTES ON ACCOUNTS**

#### **A. SIGNIFICANT ACCOUNTING POLICIES**

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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

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

##### **2. USE OF ESTIMATES**

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

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

##### **3. FIXED ASSETS AND DEPRECIATION**

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

Depreciation on fixed assets is provided on Straight-line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956.

##### **3. FOREIGN EXCHANGE TRANSACTIONS**

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

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction as far as possible.
- b) Monetary items denominated in foreign currency other than the foreign currency loans outstanding as at the year end are recorded at the closing rate and the difference is adjusted in profit & loss account.
- c) Exchange differences arising on foreign currency transactions are recognized as income or expenditure in the year in which they arise.

##### **4. INVENTORY VALUATION**

- a) Stock of Raw Materials are valued according to FIFO method as prescribed for the valuation of Inventory, at purchase cost or net realisable value whichever is low. The quantity and valuation of stocks of Raw Material is taken as physically verified, valued and certified by the Management at the end of the year. The inventory of Raw Material includes raw material supplied by foreign parties for the execution of their export orders by the company and the same is valued at the end of the year.
- b) Finished goods are valued at lower of cost or net realizable value. Cost for the purpose is determined on the basis of absorption costing method the quantity and valuation of finished goods is taken as physically verified valued and certified by the management at the end of the year. Cost for the purpose of valuation is inclusive of all the expenses except selling expenses.
- c) The stock of Work In Process, is valued at the estimated cost or net realizable value whichever is lower to the company based on absorption costing method. Packing material and accessories like thread, buttons, etc is valued

# SAM BUILDCON LIMITED

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

## 5. REVENUE RECOGNITION

### (A) EXPORT SALES

Export Sales of M/s Sam Buildcon Ltd. is recognized on the basis of Bill Of Lading.

### (B) DOMESTIC SALES

Domestic Sales is recognized in the books of accounts at the time of dispatch from the Warehouse of the Factory at Noida Phase-II.

## 6. PROVISION FOR CURRENT AND DEFERRED TAX

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

Current Tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated and accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax liability as at 31st March 2010 comprise of the following :-

	<i>As at 31st March, 2010 (Rs.)</i>	<i>As at 31st March, 2009 (Rs.)</i>
<b>Deferred tax (Assets) / liability</b>		
<b>Deferred Tax Liability</b>		
— Related to Fixed Assets	3,53,207/-	NIL
— Related to others	NIL	NIL
<b>Less : Deferred Tax Assets</b>		
— Related to Fixed Assets	NIL	NIL
— Related to Others	2,11,975/-	NIL
<b>Deferred Tax Liability (Net)</b>	<u>1,41,232/-</u>	<u>NIL</u>

## 7. MISCELLANEOUS EXPENDITURE

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

## 8. CONTINGENT LIABILITIES & PROVISIONS

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

(a) Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates' can be made of the amount of obligation- an appropriate provision is created and disclosed.

Where as a result of past events, there is a possible obligation that may, but probably will not require an outflow of resources no provision is recognised but appropriate disclosure made as contingent liability unless the possibility of out flow is remote.

## 9. BORROWING COST

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

# SAM BUILDCON LIMITED

## 10. EMPLOYEE BENEFITS

### (a) PROVIDENT FUND

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

### (b) GRATUITY

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

### (c) LEAVE ENCASHMENT

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

## 11. LEASES

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of lease at lower of the fair value and present value of minimum lease payments. Assets taken on finance lease are depreciated over its estimated useful life or the lease term whichever is lower.

Assets acquired under lease where the significant portion of risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to Profit and Loss Account on accrual basis.

## B. OTHER NOTES

1. There are no contingent liabilities exist to the Company as on the Balance Sheet Date.
2. Fixed assets installed and put to use have been certified by the management and relied upon the by the auditors, being a technical matter.
3. **Remuneration paid to Executive Directors is as under :**

	<i>Executive Director</i>	
	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
Salary	236,172	NIL
House Rent Allowance	29,419	NIL
Provident fund	28,341	NIL
L.T.A.	24,899	NIL
Medical	24,899	NIL
<b>Total</b>	<b>343,730</b>	<b>NIL</b>

### 5. Remuneration paid to Auditors :

	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
i) Audit Fee	5,515	5,000
ii) Tax Audit Fees	NIL	NIL
iii) Others (Including out of pocket expenses)	NIL	NIL

6. In the opinion of the directors current assets, loans and advances are of the value stated if realized in the ordinary course of business except otherwise stated .The provision for all the known liabilities is adequate and not in excess of the amount considered Reasonably necessary.
7. The personal accounts of the parties are subject to their respective confirmations.

# SAM BUILDCON LIMITED

## 8. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

	(Amount in Rs.) 2010	(Amount in Rs.) 2009
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	—	—
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—
The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	—	—

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

## 10. Related Party Disclosures :-

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

S. No.	Name of the Party	Relationship
1.	Samtex Fashions Limited	Holding Company

*(Rs. In Lacs)*

	<i>Holding Company</i>	
	<i>Financial Year 2009-2010</i>	<i>Financial Year 2008-2009</i>
<b>a) Equity Issued</b>		
Balance as on 01.04.2009	5.07	NIL
Issued during the year	NIL	NIL
Balance as at 31.03.2010	5.07	NIL
<b>b) Share Application Money</b>		
Balance as on 01.04.2009	NIL	NIL
Received during the year	95.00	NIL
Balance as at 31.03.2010	95.00	NIL
<b>c) Unsecured Loan</b>		
Balance as at 01.04.2009	2.58	NIL
Taken During the year	69.00	2.58
Repaid During the year	NIL	NIL
Balance as at 31.03.2010	71.58	2.58
<b>d) Debtors</b>		
Balance as on 01.04.2009	NIL	NIL
Sale/Job Work Done	48.51	NIL
Realise During the year	42.08	NIL
Balance as on 31.03.2010	6.43	NIL
<b>e) Sale &amp; Jobwork</b>	48.51	NIL

# SAM BUILDCON LIMITED

11. The Company is engaged in the ready made garments business, which in the context of Accounting Standard 17 is considered the only business segment, hence necessary disclosures under Accounting Standard 17 have not been given.

## 12. DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES :

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

(B). As per actuarial valuations as on 31st March-2010 and recognized in the financial statement in respect of employee benefit schemes.

(In Rs.)

	Gratuity		Leave encashment	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
<b>(i) Assumptions</b>				
Discount Rate	7.50%	—	7.50%	—
Future Salary Increase	5.00%	—	5.00%	—
<b>(ii) Table showing change in Benefit Obligation</b>				
Liability at the beginning of the year	—	—	—	—
Interest Cost	—	—	—	—
Current Services Cost	9095	—	10093	—
Benefit Paid	—	—	—	—
Actuarial (gain)/loss on obligation	—	—	—	—
Liability at the end of the year	9095	—	10093	—
<b>(iii) Tables of Fair value of Plan Assets</b>				
Fair value of plan assets at the beginning of the year	—	—	—	—
Expected return on Plan Assets	—	—	—	—
Contributions	—	—	—	—
Benefit Paid	—	—	—	—
Actuarial (gain)/loss on Plan Assets	—	—	—	—
Fair Value of Plan Assets at the end of the year	—	—	—	—
Total actuarial gain / (loss) to be recognized	—	—	—	—
<b>(iv) Actual Return on Plan Assets</b>				
Expected Return on Plan Assets	—	—	—	—
Actuarial (gain)/loss on Plan Assets	—	—	—	—
Actuarial Return on Plan Assets	—	—	—	—
<b>(v) Amount recognized in the Balance Sheet</b>				
Liability at the end of the year	9095	—	10093	—
Fair value of plan assets at the end of the year	—	—	—	—
Difference	9095	—	10093	—
Amount recognized in the Balance sheet	9095	—	10093	—
<b>(vi) Expenses recognized in the Income Statement</b>				
Current Service Cost	9095	—	10093	—
Interest Cost	—	—	—	—
Expected Return On Plan Assets	—	—	—	—
Net actuarial (gain)/loss to be recognized	—	—	—	—
Expenses Recognized in Profit & Loss A/c	9095	—	10093	—
<b>(vii) Amount Recognized in the Balance Sheet</b>				
Opening net liability	—	—	—	—
Expense as above	9095	—	10093	—
Employers Contribution Paid	—	—	—	—
Closing net Liability	9095	—	10093	—

# SAM BUILDCON LIMITED

## 13. EARNING PER SHARE

	<i>Current Year</i> <i>(Rs.)</i>	<i>Previous Year</i> <i>(Rs.)</i>
Net Profit After Tax As Per Profit and Loss Account (Rs. In Lakhs)	5.61	(2.63)
Net Profit attributable to Equity Shareholders (Rs. In Lakhs)	5.61	(2.63)
Net Profit Before Exceptional Item (Rs. In Lakhs)*	5.61	(2.63)
Number of Equity Shares used for Calculating Basic EPS	50,070	50,070
Weighted average number of Equity Shares For Calculating Diluted EPS	10,00,070	—
Basic Earning Per Share (Rs.)	11.20	NIL
Diluted Earning Per Share (Rs.)	0.56	NIL

## 14. DETAIL OF LEASE PAYMENTS

The Company has an operating lease arrangement for factory building situated at D-88, Hosiery Complex, Phase-II Extn., Noida Phase-II (U.P.). Disclosures relating to the future minimum lease payments under non-cancellable operating lease for each of the periods is as follows :

	<i>Current Year</i> <i>(Rs.)</i>	<i>Previous Year</i> <i>(Rs.)</i>
Not Later than one year	18.00	NIL
Later than one year and not later than five year	71.88	NIL
Lease payments recognized in P & L account	3.00	NIL

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

### i. Particulars in respect of Capacity and production :-

	<i>Current Year</i> <i>(Qty. in Nos.)</i>	<i>Previous Year</i> <i>(Qty. in Nos.)</i>
a) Licensed Capacity	—	—
b) Installed Capacity (No. of Pcs of Garments)	420000	NIL
c) Production ( Readymade Garments)	4662	NIL
d) Job Work Done	36657	NIL

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

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

### e) Consumption of Raw Material :

	2009-2010		2008-2009	
	Qty. (Mtrs.)	Amount (Rs.)	Qty. (Mtrs.)	Amount (Rs.)
Fabric	6915	6,01,605	NIL	NIL
Others /Trims		44,111	NIL	NIL
		6,45,716		NIL

## 16. a). C.I.F Value of Imports

	<i>Current Year</i> <i>(Rs.)</i>	<i>Previous Year</i> <i>(Rs.)</i>
i) Raw Materials	NIL	NIL
ii) Capital Goods	86,28,383	NIL

# SAM BUILDCON LIMITED

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

	RAW MATERIALS		STORES AND SPARES	
	Value (Rs.)	Percentage (%)	Value (Rs.)	Percentage (%)
Imported	NIL (NIL)	— (—)	NIL (NIL)	— (—)
Indigenous	6,45,716 (NIL)	100 (NIL)	97,033 (NIL)	100 (—)
<b>Total</b>	<b>6,45,716</b> (NIL)	<b>100</b> (—)	<b>97,033</b> (NIL)	<b>100</b> (—)

c). Earnings In Foreign Exchange

	<u>Current Year</u> (Rs.)	<u>Previous Year</u> (Rs.)
F.O.B. value of Exports	12,35,710	NIL

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

17. Previous year figures have been regrouped and reclassified wherever necessary to make them comparable to those the current year, and have been rounded of to the nearest rupees.

18. Schedule I to XVIII form an integral part of the Balance Sheet as at 31st March, 2010 and have been authenticated as such.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

Sd/-  
**ATUL MITTAL**  
DIRECTOR

Sd/-  
**DEEPAK GUPTA**  
DIRECTOR

FOR **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. No. 82045

Place : New Delhi  
Dated : 06.08.2010



# SAM BUILDCON LIMITED

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

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

#### I. Registration Details

Registration No. U74120DL2008PLC173566

Balance Sheet 

3	1	0	3	2	0	1	0
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#### II Capital Raised during the year (amount in Rs. Thousand)

Public Issue 

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

 Right Issue 

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

Bonus Issue 

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

 Private Placement 

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

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

Total Liabilities 

1	7	5	9	8
---	---	---	---	---

 Total Assets 

1	7	5	9	8
---	---	---	---	---

##### Sources of funds

Paid up Capital 

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

 Reserves & Surplus 

2	9	8
---	---	---

Unsecured Loans 

7	1	5	8
---	---	---	---

 Deferred Tax Liability 

1	4	1
---	---	---

##### Application of funds

Net Fixed Assets 

1	6	4	6	6
---	---	---	---	---

 Investments 

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

Net Current Assets 

1	1	3	2
---	---	---	---

 Misc. Expenditure 

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

Accumulated Losses 

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

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

Turnover 

4	8	5	1
---	---	---	---

 Total Expenditure 

4	1	2	9
---	---	---	---

Profit/(Loss) before tax 

5	6	1
---	---	---

 Profit/(Loss) after tax 

2	9	8
---	---	---

Earning per Share in Rs. 

1	1	.	2	0
---	---	---	---	---

 Dividend Rate % 

N	I	L
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#### V. Generic Names of Three Principal Products / Services of Company.

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

6204.61.00
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Product Description 

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

# SAM BUILDCON LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2010

(Amount Rs. 000)

PARTICULARS	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX	831	(263)
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	831	(263)
<b>ADJUSTMENT FOR :</b>		
DEPRECIATION AND WRITTEN OFF	100	-
INTEREST	-	-
OPERATING PFOFIT BEFORE WORKING CAPITAL CHANGES	931	(263)
<b>ADJUSTMENT FOR :</b>		
TRADE AND OTHER PAYABLES	2,624	5
INVENTORIES	(50)	-
TRADE & OTHER RECEIVABLES	(734)	-
	1,841	5
CASH GENERATED FROM OPERATIONS	2,772	(258)
<b>ADJUSTMENT FOR :</b>		
DIRECT TAXES	(128)	-
PRIER PERIOD EXPENSES	-	-
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>2,643</b>	<b>(258)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
PURCHASE OF FIXED ASSETS	(16,566)	-
ADVANCES TO SUPPLIER OF CAPITAL GOODS	(1,072)	-
SECURITY DEPOSITE	(1,572)	-
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(19,210)</b>	<b>-</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
UNSECURED LOANS	6,900	258
PROCEEDS FROM ISSUE OF SHARE CAPITAL	-	501
SHARE APPLICATION MONEY	9,500	-
<b>NET CASH RECEIVED FROM FINANCING ACTIVITIES (C)</b>	<b>16,400</b>	<b>759</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>(167)</b>	<b>500</b>
<b>CASH AND CASH EQUIVALENT AS AT 01.04.2009</b>	<b>500</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENT AS AT 31.03.2010</b>	<b>334</b>	<b>500</b>
<b>NOTE : FIGURES IN BRACKETS REPRESENT OUTFLOWS</b>		

For and on behalf of the Board of Directors

Place : New Delhi  
Dated : 06.08.2010

Sd/-  
**ATUL MITTAL**  
Director

Sd/-  
**DEEPAK GUPTA**  
Director

### AUDITORS REPORT

We have examined the above Cash Flow Statement of **Sam Buildcon Ltd.** derived from the audited financial statement of the company for the period ended 31st March' 2010, and found the same in agreement therewith and in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

FOR **AGGARWAL & RAMPAL**  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. : 003072N

Place : New Delhi  
Dated: 06.08.2010

Sd/-  
**VINAY AGGARWAL**  
PARTNER  
M. No. 82045



# SSA International Ltd.

(Wholly owned Subsidiary Company)

## ANNUAL REPORT 2009 - 2010

### BOARD OF DIRECTORS

**Anil Mittal**

*Chairman & Managing Director*

**Naveen Mittal**

*Director*

**Rajnish Goenka**

*Director*

**S. K. Gupta**

*Director*

**Amit Mittal**

*Director*

**Rakesh Aggarwal**

*Director*

### AUDITORS

**M/s Aggarwal & Rampal**

*Chartered Accountants*

New Delhi

### COMPANY SECRETARY

**Ms. Priya Bedi**

### INTERNAL AUDITORS

**M/s Ashok Aggarwal & Co.**

*Chartered Accountants*

Delhi

### BANKERS

**State Bank of India**

Overseas Branch,

9th Floor, Jawahar Vayapar Bhawan,

Tolstoy Marg, New Delhi - 110 001

**State Bank of Travancore**

Travancore House, K. G. Marg,

New Delhi - 110 001

**Canara Bank**

PCB-II Branch, New Delhi - 110 001

**IDBI Bank Ltd.**

New Delhi - 110 001

### REGISTERED OFFICE

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

New Delhi - 110 048

### WORKS

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

**DIRECTOR'S REPORT**

To,  
The Members,

Your Directors have pleasure in presenting the 15th Annual Report with the Audited Accounts of the Company for the year ended 31st March' 2010.

**FINANCIAL RESULTS**

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

*Rs. in Lacs*

<b>PARTICULARS</b>	<b>CURRENT YEAR 2009-2010</b>	<b>PREVIOUS YEAR 2008-2009</b>
Sales and other Income	<b>54412.08</b>	47380.65
Profit before tax, interest, depreciation and write offs	<b>3777.60</b>	3577.73
Interest & Financial Expenses	<b>1542.50</b>	2196.29
Depreciation & Misc. Expenditure written-off	<b>393.89</b>	267.83
Profit Before Tax	<b>1841.22</b>	1113.61
Provision for Taxation :		
— Current	<b>590.00</b>	160.00
— Deferred	<b>162.97</b>	109.51
— Fringe Benefits	<b>—</b>	6.68
— Earlier Years	<b>125.37</b>	39.51
Profit after Tax	<b>962.88</b>	797.90
Balance of Profit from Previous Years	<b>2966.94</b>	2168.39
Balance of Profit carried forward	<b>3929.83</b>	2966.94

**OPERATIONS AND FUTURE PROSPECTS**

Your Company has maintained its consistent growth in the top line as well as bottom line during the year under review. Your Directors have pleasure in reporting that the turnover and other income of the Company for the accounting year have increased to Rs. 544.12 Crores as against Rs. 473.80 Crores in the previous year which shows a growth of 14% and net profits after taxes increased to Rs. 9.63 crores which shows a growth of 20% over the previous year.

The Directors' are pleased to inform that the Company had set up a Rice Bran Oil Refinery being the forward integration of its existing Solvent Extraction Plant. The Capacity of the refinery plant is 15000 MT p.a. for refining of raw rice bran oil. The project was set up with the financial assistance of Rs. 11.00 crores by way of Term Loan was provided by the IDBI Bank Ltd. and Internal accruals of the Company.

The new unit started commercial operations effective from April, 2010. The results of which have already started pouring in the production and sales.

The Company's strategy of moving into branded and higher value added products resulted into significant improvement in its turnover. The International Market in Dubai for export of its Products is growing and management is satisfied with the performance. In these Markets the Company is selling the Products in its own Brands namely- "272",

**MISSION**

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

**DIVIDEND**

In order to conserve and strengthen the financial resources of the Company, the Directors have not considered it possible to recommend any dividend for the year 2009-2010.

**AUDITORS' REPORT**

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

**AUDITORS**

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

**INTERNAL AUDIT**

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

**DIRECTORS:**

Mr. Amit Mittal and Mr. S.K.Gupta, Directors of the Company retire by rotation at the ensuing Annual General Meeting and, being eligible, they offer themselves for re-appointment. Mr. Naveen Mittal appointed as the Joint Managing Director of the Company.

Mr. Rakesh Aggarwal was appointed as Additional Director on the Board w. e. f. 30.06.2009 and confirmed appointed as Director in the Annual General Meeting of the 2009.

**AUDIT COMMITTEE**

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

Presently it comprises of the following Directors:

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

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

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

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

1. Applicable accounting standards have been followed in preparing the annual accounts and material departures, if any have been properly explained.
2. The Directors have selected and applied accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts for the year ended 31.03.2010 on a going concern basis.

**PERSONNEL**

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

**PUBLIC DEPOSIT**

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

**INDUSTRIAL RELATIONS**

The Industrial relations remained cordial during the year under review.



## ACKNOWLEDGMENT

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

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

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

Place : New Delhi  
Dated : 19.08.2010

Sd/-  
**ANIL MITTAL**  
Chairman & Managing Director

## ANNEXURE "A"

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March' 2010.

### A. CONSERVATION OF ENERGY

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

### FORM "A"

Disclosure of particulars with respect to conservation of energy:

	<u>Current Year</u>	<u>Previous Year</u>
<b>A. POWER AND FUEL CONSUMPTION :-</b>		
<b>a) Purchased</b>		
– Unit	10371626	7094497
– Total Amount (Rs. Lacs)	471.52	322.98
– Rate/ Per Unit (Rs.)	4.55	4.55
<b>b) Own Generation Through Diesel Generator</b>		
– Unit	1810523	790241
– Total Amount (Rs. Lacs)	160.97	71.34
– Rate/ Per Unit (Rs.)	8.89	9.03

**B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION:-****(i) RESEARCH AND DEVELOPMENT**

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

**(ii) TECHNOLOGY ABSORPTION**

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

**C. FOREIGN EXCHANGE EARNINGS & OUTGO :**

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

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

	<u>Current Year</u>	<i>(Rs. In Lacs)</i> <u>Previous Year</u>
1. Earning for the year	<b>35316.93</b>	24868.96
2. Out go for the year		
— Raw Material /Traded Goods	<b>2605.92</b>	3122.01
— Capital Goods	<b>Nil</b>	329.42
Others		
Foreign Travelling	<b>Nil</b>	6.21
Ocean Freight	<b>5.79</b>	373.63
Others	<b>Nil</b>	0.86

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

**Sd/-**  
**ANIL MITTAL**  
*Chairman & Managing Director*

Place : New Delhi  
Dated : 19.08.2010

**AUDITOR'S REPORT**

To,  
The Members of  
**M/S SSA INTERNATIONAL LIMITED**

We have audited the attached Balance Sheet of M/S SSA INTERNATIONAL LIMITED as at 31st March, 2010, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. We have expressed an opinion on these financial statements based on our audit.

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

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, of India and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of those books.
3. The Balance Sheet and Profit and Loss Account in this report are in agreement with the books of account.
4. In our opinion, the Profit & Loss Account and Balance Sheet and cash flow statement dealt with this report generally comply with the accounting standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of the written representation received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31-03-2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
  - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
  - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
  - iii) In the case of the Cash Flow Statement of Cash Flow for the year ended on that date.

For **AGGARWAL & RAMPAL**  
**CHARTERED ACCOUNTANTS**  
FIRM REGD. NO. : 003072N

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

Place : New Delhi  
Dated : 19.08.2010



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

- I (a) In our opinion and as per information and explanation provided to us the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us most of the fixed assets have been physically verified by the management during the year and as per the explanations and information given to us there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of account.
- (c) During the year, the company has not disposed off any part of the plant and machinery, which will have the effect on the Going concern of the company.
- II (a) As explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to information and explanations given to us the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) As explained and based on the information given to us, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same has been properly dealt with in the books of account.
- III The company has not taken loan from any other companies covered in the register maintained under section 301 of the companies Act, 1956, and the company has not given loan to any other party covered in the register maintained under section 301 of the Companies Act. 1956, and thus provisions of Para 3(b), (c) and, (d) of the order are not applicable to the company.
- IV In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of company and the nature of its business with regard to, purchase of stores and spares, raw materials, fixed assets, and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in such internal controls.
- v. (a) According to the information and explanations provided by the management, we are of the opinion that the company has entered all transactions that need to be entered in the register maintained under section 301.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakhs rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant times.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any Deposits as defined with in the meaning of Sections 58A and 58AA of the companies Act, 1956 and the companies (Acceptance of Deposits) Rules 1975 and hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company
- vii. Internal Audit has been conducted by an independent firm of Chartered Accountants during the year and it is commensurate with the size and nature of Business.
- viii. As informed to us maintenance of cost records has not been prescribed by the Central Government under section 209 (1)(d) of the Companies act, 1956.
- ix. (a) The company is generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, Service Tax, custom duty, Fringe Benefit Tax, cess and other statutory dues applicable to it and as informed and explained to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty were outstanding, as at 31.03.2010 for a period of more than six months from the date they became payable.



- (b) According to the record of company, there are no dues of sales tax, income tax, custom tax/wealth tax, excise duty/cess which have not been deposited on account of any dispute .except LADT payable to Haryana Government amounting to Rs. 127,361/- and Entry Tax amounting to Rs. 40,29,935/- by virtue of stay order of Punjab and Haryana High Court refers to Note No. B16 of other Notes to the Notes on Accounts.
- x. The company does not have any accumulated losses. Further it has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi. As explained and informed to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, or bank.
- xii. Based on the records we report that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The company is not a chit fund company or mutual fund / Society, thus the provisions of this para are not applicable.
- Xiv As per records of the company and the information and explanations given to us by the management, The Company is not dealing or trading in shares, securities, and debentures and other investment except those investments, which are held as investment. In our opinion, in respect of those investments held by the Company, proper records have been maintained of the transactions and contracts and timely entries have been made therein and the shares, securities and other investments have been held by the Company, in its own name.
- xv. According to the information and explanations provided to us by the management, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. The term loans obtained by the company have been applied for the purpose for which they were raised.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except core (permanent) working capital.
- xviii. As explained and informed to us by the management and upon our examination of records we report that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix. During the period covered by our audit report, the company has not issued any types of debentures. The question of creation of any security in respect of debentures does not arise.
- xx. During the financial year the company did not raise any money by public issue.
- xxi. In our opinion and according to information and explanations given to us by the management, there was no fraud on or by the company which has been noticed and reported during the year that causes the financial statements to be materially misstated.

For **AGGARWAL & RAMPAL**  
*CHARTERED ACCOUNTANTS*  
*FIRM REGD. NO. : 003072N*

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

Place : New Delhi  
Dated : 19.08.2010


**BALANCE SHEET AS AT 31ST MARCH, 2010**

<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>AS AT 31.03.2010 AMOUNT (Rs.)</b>	<b>AS AT 31.03.2009 AMOUNT (Rs.)</b>
<b>I. SOURCE OF FUNDS</b>			
<b>Shareholder's Funds</b>			
Share Capital	1 (A)	170,000,000	138,599,700
Share Application Money	1 (B)	—	15,000,000
Reserves & Surplus	2	392,982,671	296,694,450
<b>Loan Funds</b>			
Secured Loans	3	1,932,684,404	1,611,626,400
Unsecured Loans	4	21,632,147	18,532,447
Deferred Tax Liability		37,178,424	20,881,239
<b>Total</b>		<b>2,554,477,646</b>	<b>2,101,334,236</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	5	724,160,756	612,408,931
Less : Depreciation		188,353,600	150,598,404
Net Block		535,807,156	461,810,527
Add : Capital work in progress		151,953,770	5,580,131
		687,760,926	467,390,658
<b>INVESTMENTS</b>	6	5,000,000	5,000,000
<b>CURRENT ASSETS, LOAN &amp; ADVANCES</b>			
Inventories	7	1,604,797,125	1,545,143,086
Sundry Debtors	8	447,594,829	349,021,399
Cash & Bank Balances	9	37,102,867	33,032,110
Loans & Advances	10	114,249,746	70,840,464
Total Current Assets		2,203,744,567	1,998,037,059
Less : Current Liabilities	11 (A)	269,489,037	336,692,381
Less : Provisions	11 (B)	72,538,810	32,693,258
Net Current Assets		1,861,716,720	1,628,651,421
<b>MISCELLANEOUS EXPENDITURE</b>	12	—	292,157
(To the extent not written off or adjusted)			
<b>Total</b>		<b>2,554,477,646</b>	<b>2,101,334,236</b>
<b>Notes forming part of accounts</b>	23		

For and on behalf of the Board of Directors

As per our report of even date attached

 For **AGGARWAL & RAMPAL**  
 Chartered Accountants  
 Firm Regd. No. : 003072N

 Sd/-  
**ANIL MITTAL**  
 Chairman & Managing Director

 Sd/-  
**NAVEEN MITTAL**  
 Director

 Sd/-  
**PRIYA BEDI**  
 Company Secretary

 Sd/-  
**VINAY AGGARWAL**  
 Partner  
 M. No. 82045

 Place : New Delhi  
 Dated : 19.08.2010


**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b>INCOME</b>			
Sales	13	5,383,033,538	4,731,189,025
Other Income	14	58,174,667	6,876,367
Increase / (Decrease) in stocks	15	140,961,186	(239,534,515)
<b>Total(A)</b>		<b>5,582,169,391</b>	<b>4,498,530,877</b>
<b>EXPENDITURE</b>			
Material Cost	16	4,323,363,384	3,325,293,423
Purchase of Finished Goods		329,634,487	312,200,651
Manufacturing Expenses	17	130,552,383	76,338,732
Payments to & Provisions for employees	18	34,703,486	20,549,747
General & Administrative Expenses	19	26,312,161	17,983,564
Selling & Distribution Expenses	20	359,573,423	388,392,017
Interest & Financial Charges	21	154,249,702	219,629,424
Depreciation & write offs	22	39,389,278	26,782,702
<b>Total(B)</b>		<b>5,397,778,305</b>	<b>4,387,170,261</b>
Net Profit/(Loss) for the year before Tax	A-B	184,391,086	111,360,616
Less : Prior period expenses		268,888	—
<b>Profit before tax</b>		<b>184,122,198</b>	<b>111,360,616</b>
<b>Tax Expense</b>			
Current Tax		59,000,000	16,000,000
Fringe benefit tax		—	668,207
Deferred tax Assets/(Liabilities)		16,297,185	10,951,347
Income Tax adjusted for earlier years		12,536,792	3,950,586
Net Profit/(Loss) for the year after tax		96,288,221	79,790,476
Balance brought forward		296,694,450	216,838,782
Gain/loss on restated of op. actuarial liab.		—	65,192
<b>Balance carried to Balance Sheet</b>		<b>392,982,671</b>	<b>296,694,450</b>
<b>Basic earning per share</b>		<b>7.07</b>	<b>6.04</b>
<b>Diluted earning per share</b>		<b>7.07</b>	<b>6.04</b>
<b>Notes forming part of accounts</b>	23		

For and on behalf of the Board of Directors

As per our report of even date attached

 For **AGGARWAL & RAMPAL**  
 Chartered Accountants  
 Firm Regd. No. : 003072N

 Sd/-  
**ANIL MITTAL**  
 Chairman & Managing Director

 Sd/-  
**NAVEEN MITTAL**  
 Director

 Sd/-  
**PRIYA BEDI**  
 Company Secretary

 Sd/-  
**VINAY AGGARWAL**  
 Partner  
 M. No. 82045

 Place : New Delhi  
 Dated : 19.08.2010


**SCHEDULES FORMING PART OF THE ACCOUNTS**

<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - 1(A)</u></b>		
<b>(A) SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL</b>	<b>210,000,000</b>	
2,10,00,000 Equity Shares of Rs. 10/- each (Previous year 2,10,00,000 Equity shares of Rs. 10/-each)		
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL TO HOLDING COMPANY SAMTEX FASHIONS LIMITED</b>		
1,70,00,000 Equity shares of Rs. 10 each fully paid in cash (Previous year 1,38,59,970 Equity shares of Rs.10 each fully paid in cash)	<b>170,000,000</b>	138,599,700
	<b><u>170,000,000</u></b>	<b><u>138,599,700</u></b>
<b><u>SCHEDULE - 1(B)</u></b>		
<b>SHARE APPLICATION MONEY</b> (Pending allotment of equity shares)	—	15,000,000
	<b><u>—</u></b>	<b><u>15,000,000</u></b>
<b><u>SCHEDULE - 2</u></b>		
<b>RESERVES &amp; SURPLUS</b>		
PROFIT & LOSS ACCOUNT CARRIED FORWARD FROM THE PROFIT & LOSS ACCOUNT	<b>392,982,671</b>	296,629,258
Adjustment for Retirement benefits as per AS-15	—	65,192.00
	<b><u>392,982,671</u></b>	<b><u>296,694,450</u></b>
<b><u>SCHEDULE - 3</u></b>		
<b>SECURED LOANS</b>		
<b>(A) TERM LOAN FROM:-</b>		
IDBI Bank Ltd.	<b>225,597,000</b>	131,200,000
State Bank of India (Including FLC of Rs. 2,01,13,200.00) (P.Y. Rs. 2,01,13,200.00)	<b>193,606,567</b>	162,092,363
<b>(B) CORPORATE LOANS FROM:-</b>		
STATE BANK OF INDIA	—	7,590,556
IDBI Bank Ltd.	<b>52,500,000</b>	75,000,000
<b>(C) WORKING CAPITAL LOANS:-</b>		
EPC ACCOUNT	<b>565,160,002</b>	836,472,512
OCC ACCOUNT	<b>237,216,196</b>	391,530,791
PCFC ACCOUNT	<b>651,628,826</b>	—
<b>(D) VEHICLE LOANS FROM:-</b>		
From Banks	<b>3,524,536</b>	6,898,200
From others	<b>3,451,277</b>	841,978
<b>TOTAL</b>	<b><u>1,932,684,404</u></b>	<b><u>1,611,626,400</u></b>

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



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

2. Working Capital Loans from scheduled banks are secured by way of hypothecation of stock of raw material, semi-finished goods, stores & spare, consumables, book debts and other current assets held by the company both present & future in the ordinary course of the business and further guaranteed by Managing Director and other Director. This working capital loan is further secured by second charge on fixed assets of the company by the bank other than those specifically financed.
3. The above Term/Corporate loans/Working capital loans are further secured by the corporate guarantee furnished by Samtex Fashions Ltd., a holding Company, to the extent of Rs. 31090 lacs. (Previous Year Rs. 23202 lacs)
4. The vehicle loans are secured by way of hypothecation of specific vehicles financed.
5. The loan repayable within one year amounting to Rs.1811.00 Lacs. (P.Y. Rs. 384.21 Lacs)

<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b>SCHEDULE - 4</b>		
<b>UNSECURED LOANS</b>		
From Holding Company- Samtex Fashions Limited	<b>21,632,147</b>	18,532,447
	<b>21,632,147</b>	18,532,447

**SCHEDULE - 5**
**FIXED ASSETS :**

<b>PARTICULARS</b>	<b>GROSS BLOCK</b>				<b>DEPRECIATION</b>				<b>NET BLOCK</b>	
	<i>As at 01.04.2009 (Rs.)</i>	<i>Addition during the year (Rs.)</i>	<i>Sales/ Adjustment during the year (Rs.)</i>	<i>As at 31.03.2010 (Rs.)</i>	<i>As at 01.04.2009 (Rs.)</i>	<i>For the year (Rs.)</i>	<i>Ded./ Adj. (Rs.)</i>	<i>As at 31.03.2010 (Rs.)</i>	<i>As at 31.03.2010 (Rs.)</i>	<i>As at 31.03.2009 (Rs.)</i>
<b>TANGIBLE ASSETS</b>										
Land(Freehold)	9,655,835	16116760	—	25,772,595	—	—	—	—	25,772,595	9,655,835
Land (leasehold)	25,820,689	8701532	—	34,522,221	73100	1155657	—	1,228,757	33,293,464	25,747,589
Site Development	21,698,818	1,617,184	—	23,316,002	1,942,439	353,763	—	2,296,202	21,019,800	19,756,379
Building	120,159,578	27,022,944	—	147,182,522	20,413,680	3,854,214	—	24,267,894	122,914,628	99,745,898
Plant & Machinery	393,396,378	52,150,430	—	445,546,808	112,959,105	29,127,539	—	142,086,644	303,460,164	280,437,273
Furniture & Fixtures	2,644,918	290,126	—	2,935,044	1,113,499	170,597	—	1,284,096	1,650,948	1,531,419
Office Equipment	7,346,365	1,544,926	—	8,891,291	3,962,691	1,028,735	—	4,991,426	3,899,865	3,383,674
Vehicles	31,438,414	6,446,607	2,318,460	35,566,561	10,044,697	3,344,509	1,341,924	12,047,282	23,519,279	21,393,717
<b>INTANGIBLE ASSETS</b>										
Patents & Trademarks	247,936	179,775	—	427,711	89,193	62,107	—	151,300	276,411	158,743
<b>TOTAL</b>	<b>612,408,931</b>	<b>114,070,284</b>	<b>2,318,460</b>	<b>724,160,755</b>	<b>150,598,404</b>	<b>39,097,121</b>	<b>1,341,924</b>	<b>188,353,601</b>	<b>535,807,154</b>	<b>461,810,527</b>
Previous Year	392,355,720	223,546,407	3,493,196	612,408,931	125,651,518	26,002,702	1,055,816	150,598,404	461,810,527	—



<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - 6</u></b>		
<b>INVESTMENTS</b>		
<b>LONG TERM</b>		
<b>(VALUED AT COST)</b>		
Trade Investments-Unquoted		
(A) IN J.R.Agrotech Pvt. Ltd.	5,000,000	5,000,000
500000 Equity Shares of Rs. 10/- each fully paid		
(Previous year 500000 Equity shares of Rs10/- each fully paid		
<b>TOTAL</b>	<b>5,000,000</b>	<b>5,000,000</b>
<b><u>SCHEDULE - 7</u></b>		
<b>INVENTORIES</b>		
(As quantified, valued and certified by the management)		
(On which Auditors have relied)		
Raw material	914,540,381	1,000,314,873
Finished Goods	641,100,849	500,141,725
Work in progress	48,750	46,688
Stores, spares & packing material		
Stores & spares	2,025,440	1,864,699
Packing Material	45,123,260	40,219,786
Diesel	455,292	736,127
Hexane	1,503,153	1,819,188
<b>TOTAL</b>	<b>1,604,797,125</b>	<b>1,545,143,086</b>
<b><u>SCHEDULE - 8</u></b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured, Unconfirmed, considered good)		
Debts outstanding for a period of more than six months	390,000	1,111,800
Other Debts	447,204,829	347,909,599
<b>TOTAL</b>	<b>447,594,829</b>	<b>349,021,399</b>
<b><u>SCHEDULE - 9</u></b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash in hand and Imprest	3,315,329	1,824,750
(as certified by the management)		
Balance in current account with schedule Banks	16,064,954	5,982,708
Balance with Scheduled Banks in Term Deposits	17,722,584	25,224,652
<b>TOTAL</b>	<b>37,102,867</b>	<b>33,032,110</b>



<b>PARTICULARS</b>	<b>AS AT 31.03.2010 (Rs.)</b>	<b>AS AT 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - 10</u></b>		
<b>LOANS &amp; ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received (Unsecured, unconfirmed & considered good)	56,545,286	46,117,984
Security and Deposits	9,776,782	8,025,574
Tax Deducted at source	427,678	236,906
Advance Tax Paid	47,500,000	16,000,000
Advance FBT Paid	—	460,000
<b>TOTAL</b>	<b>114,249,746</b>	<b>70,840,464</b>
<b><u>SCHEDULE - 11</u></b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>(A) CURRENT LIABILITIES</b>		
<b>SUNDRY CREDITORS</b>		
Trade	—	—
Total Outstanding dues to Micro & Small Enterprises*	—	—
Total Outstanding dues of creditors other than Micro & Small Enterprises	177,619,873	166,471,392
Other	48,650,358	23,618,564
Advance from customers	27,898,919	132,343,838
TDS Payable	3,674,577	3,201,002
Sales Tax Payable	4,119,829	4,029,935
Provident Fund Payable	164,403	108,756
Other Liabilities	7,361,078	6,918,894
<b>(A)</b>	<b>269,489,037</b>	<b>336,692,381</b>
<b>(B) PROVISIONS</b>		
Expenses payable	11,761,519	14,423,940
Income Tax Payable	59,000,000	16,000,000
Wealth Tax Payable	—	39,374
Fringe Benefit Tax Payable	—	668,207
Provision for Gratuity	1,178,471	1,110,973
Provision for Leave Encashment	598,820	450,764
<b>(B)</b>	<b>72,538,810</b>	<b>32,693,258</b>
<b><u>SCHEDULE - 12</u></b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
<b>(to the extent not written off or adjusted)</b>		
Deferred revenue expenditure	—	—
Opening Balance	292,157	1,072,157
Expenses during the year	—	—
	292,157	1,072,157
Less : Amount written off during the year	292,157	780,000
	—	292,157





<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - 13</u></b>		
<b>SALES</b>		
Exports	3,531,692,806	2,486,896,239
Other Sales	1,847,271,941	2,244,292,786
Job Work Charges	4,068,791	—
<b>TOTAL</b>	<b>5,383,033,538</b>	<b>4,731,189,025</b>
<b><u>SCHEDULE - 14</u></b>		
<b>OTHER INCOME</b>		
Other Income	81,283	5,635,410
Interest income (includes TDS Rs.3,09,495.00) (P.Y. Rs.2,25,030.00)	2,757,530	1,240,957
Exchange fluctuations/Forward premiums	55,335,854	—
<b>TOTAL</b>	<b>58,174,667</b>	<b>6,876,367</b>
<b><u>SCHEDULE - 15</u></b>		
<b>INCREASE/(DECREASE) IN STOCKS</b>		
a) Opening stock of finished goods	500,141,725	739,663,678
Less : Closing Stock of Finished Goods	641,100,849	500,141,725
Increase/(decrease) in stocks	140,959,124	(239,521,953)
b) Opening stock of work in Progress	46,688	59,250
Less : Closing Stock of Work in Progress	48,750	46,688
	2,062	(12,562)
<b>TOTAL (A+B)</b>	<b>140,961,186</b>	<b>(239,534,515)</b>
<b><u>SCHEDULE - 16</u></b>		
<b>MATERIAL COST</b>		
Opening Stock	1,000,314,873	619,341,183
Add : Purchases	4,237,588,892	3,706,267,113
Sub Total	5,237,903,765	4,325,608,296
Less : Closing Stock	914,540,381	1,000,314,873
<b>TOTAL</b>	<b>4,323,363,384</b>	<b>3,325,293,423</b>



<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b>SCHEDULE - 17</b>		
<b>MANUFACTURING EXPENSES</b>		
Material Handling Charges	27,569,040	11,034,377
Freight & Cartage	223,253	45,867
Fumigation Charges	616,777	645,257
Bardana Repair Charges	2,187,901	1,778,483
D.G.Set Running Expenses	16,432,817	7,762,976
Stores & Spares	8,269,568	5,125,533
Repair & Maintenance (Building)	327,304	1,639,519
Repair & Maintenance (P & M)	16,339,131	12,970,261
Tractor/Truck Expenses	9,049,697	1,492,287
Laboratory Expenses	65,161	78,348
Electricity Charges	47,151,592	32,308,179
Hexane Consumed	2,320,142	1,457,645
<b>TOTAL</b>	<b>130,552,383</b>	<b>76,338,732</b>
<b>SCHEDULE - 18</b>		
<b>PAYMENTS TO &amp; PROVISIONS FOR EMPLOYEES</b>		
Conveyance/transport Allowance	187,102	175,625
Employer's Contribution to P.F.	1,032,553	642,363
Employer's Contribution to ESI	529,088	364,029
Salary & other benefits	23,203,719	12,769,247
Security Charges	4,404,426	2,338,064
Staff Welfare	3,309,440	1,846,295
Recruitment Expenses	19,302	—
Director's Remuneration	1,020,000	1,117,000
Bonus	391,006	404,041
Gratuity	398,008	560,602
Leave Encashment	208,842	332,481
<b>TOTAL</b>	<b>34,703,486</b>	<b>20,549,747</b>
<b>SCHEDULE - 19</b>		
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>		
Insurance Expenses	3,568,084	1,054,128
Annual Maintenance Expenses	476,665	211,380
Books & Periodical	31,460	34,662
Telephone, Fax & Communication Exp.	1,798,434	1,462,949
Donation & Charity	768,200	416,514
Fees, Rates & Taxes	765,903	881,042
Rent/Lease Rent	9,779,774	6,726,002
General Expenses	1,024,536	815,732
Postage & Courier Charges	425,796	293,243
Printing & Stationery	932,837	863,293
Vehicle Maintenance	1,569,148	654,133
Statutory Audit Fee	110,300	110,300
Legal & Professional Charges	1,531,498	1,431,442
Membership & Subscription Expenses	140,490	42,300
Repair & Maintenance (General)	519,817	100,938
Electricity Expenses	394,745	303,304
Conveyance Expenses	1,052,321	654,228
Loss on sale of Fixed Assets/Investments	339,035	593,206
Loss on sale of Speculative activity(Commodity)	539,611	—
Service Tax	543,507	1,295,395
Wealth Tax	—	39,374
<b>TOTAL</b>	<b>26,312,161</b>	<b>17,983,564</b>



<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2010 (Rs.)</b>	<b>FOR THE YEAR ENDED 31.03.2009 (Rs.)</b>
<b><u>SCHEDULE - 20</u></b>		
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Rebate & Discount	10,258,679	12,204,355
Travelling Expenses	2,298,342	1,831,342
Brokerage & Commission	6,149,749	4,074,916
Freight Outward	994,506	257,142
Export Expenses	115,481,430	63,340,464
Ocean Freight	53,636,617	75,336,504
Cess tax on export	—	146,678,737
Insurance Charges (Transit)	—	202,605
Advertisement Expenses	138,729	126,632
Sales/Business Promotion Expenses	1,635,599	1,681,488
Apeda Basmati Development Fund	1,796,573	457,751
Packing Material Consumed	167,183,199	82,200,083
<b>TOTAL</b>	<b>359,573,423</b>	<b>388,392,017</b>
<b><u>SCHEDULE - 21</u></b>		
<b>INTEREST &amp; FINANCIAL CHARGES</b>		
Interest on Working Capital Limits	112,303,575	92,488,417
Interest on Term Loans	22,290,953	12,270,119
Interest on Corporate Loan	3,763,622	12,024,659
Interest on vehicle loan	734,462	665,980
Interest (Others)	411,516	19,190
Bank Charges	13,659,406	9,369,581
ECGC Premium	1,086,168	—
Exchange Fluctuations	—	92,791,478
<b>TOTAL</b>	<b>154,249,702</b>	<b>219,629,424</b>
<b><u>SCHEDULE - 22</u></b>		
<b>DEPRECIATION AND WRITE OFFS</b>		
Depreciation	39,097,121	26,002,702
Preliminary & Deferred Revenue exps.Written off	292,157	780,000
<b>TOTAL</b>	<b>39,389,278</b>	<b>26,782,702</b>

**SCHEDULE - 23****NOTES ON ACCOUNTS****A. SIGNIFICANT ACCOUNTING POLICIES****1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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

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

**2. USE OF ESTIMATES**

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

**3. FIXED ASSETS AND DEPRECIATION**

- a) Expenditure of capital nature are capitalized at cost comprising of purchase price (net of rebates and discounts) and any other cost which is directly attributable to bringing the asset to its working condition for the intended use.
- (b) Depreciation is provided in accordance with the rate specified in the Schedule - XIV of the Companies Act, 1956 on straight line method basis according to the number of days being put to use and number of shifts it is used.

**4. INVESTMENTS**

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

**5. SALES:**

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

**6. FOREIGN EXCHANGE TRANSACTIONS**

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

**7. INVENTORY VALUATION**

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

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

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

**(b) GRATUITY**

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

**(c) LEAVE ENCASHMENT**

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

**9. PROVISION FOR CURRENT AND DEFERRED TAX**

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

**10. MISCELLANEOUS EXPENDITURE**

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

**11. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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

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


**12. SEGMENT REPORTING**

To identify segments based on the dominate source and nature of risks and returns and the internal organization and management structure. To account for inter-segment revenue on the basis of transactions which are primarily market led. To include under "Unallocated Corporate Expenses" revenue and expenses which relate to the enterprise as a whole and are not attributable to segments.

**13. IMPAIRMENT OF ASSETS**

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

**4. BORROWING COSTS**

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

**15. LEASES**

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

**(B) OTHER NOTES**

- Share Application money amounting to Rs. 45,79,170 received from East West Motel Inc. a foreign collaborator as per Government of India Approval No. FC II/909/(95)/545(95) dated 16.11.95 is outstanding. An application has been made to the RBI for seeking permission for refund of share application money. The same has been shown as Current Liabilities under the head Other Liabilities.

**2. CONTINGENT LIABILITIES**

	<i>As at 31-03-10</i>	<i>As at 31-03-09</i>
A Bank Guarantees issued & outstanding	Rs. 57,40,000	Rs. 27,40,000
B Guarantees to banks including in respect of Letter of credit established for purchase of Finished Goods	Rs 4,80,93,769 {in US\$ 1070703.73}	Rs 19,45,96,314 {in US\$ 3842739.22}

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

	<i>(In Rs.)</i>	
<b>Gratuity</b>	<b>31.03.2010</b>	<b>31.03.2009</b>
<b>(i) Assumptions</b>		
Discount Rate	<b>7.50%</b>	7.00%
Future Salary Increase	<b>5.00%</b>	4.50%
<b>(ii) Table showing change in benefit Obligation</b>		
Liability at the beginning of the year	<b>11,10,973</b>	6,89,662
Interest cost	<b>83,323</b>	48,276
Current Services Cost	<b>2,71,112</b>	2,05,660
Benefit paid	<b>(3,30,510)</b>	(1,39,291)
Acturial (gain)/loss on obligation	<b>43,573</b>	3,06,666
Liability at the end of the year	<b>11,78,471</b>	11,10,973



<b>Gratuity</b>	<b>31.03.2010</b>	<b>31.03.2009</b>
<b>(iii) Table of Fair value of Plan Assets</b>		
Fair value of plan assets at the beginning of the year	—	—
Expected return on plan assets	—	—
Contribution	—	—
Benefits paid	—	—
Actuarial gain/ (loss) on plan assets	—	—
Fair value of plan assets at the end of the year	—	—
Total actuarial gain/(loss) to be recognized	—	—
<b>(iv) Actual Return on Plan Asset</b>		
Expected Return on Plan Assets	—	—
Actuarial (gain)/loss on Plan Assets	—	—
Actuarial Return on Plan Assets	—	—
<b>(v) Amount recognized in the balance sheet</b>		
Liability at the end of the year	11,78,471	11,10,973
Fair value of plan assets at the end of the year	—	—
Funded status	(11,78,471)	(11,10,973)
Excess of actual over Estimated	—	—
Unrecognised actuarial (gains)/losses	—	—
Amount recognized in the Balance Sheet	(11,78,471)	(11,10,973)
<b>(vi) Expenses recognized in the income statement</b>		
Current Service Cost	2,71,112	2,05,660
Interest cost	83,323	48,276
Expected return on Plan Assets	—	—
Net actuarial (gain)/Loss to be recognized	43,573	306,666
Expenses recognized in Profit & loss A/c	3,98,008	5,60,602
<b>(vii) Movement in the liability</b>		
Recognized in the Balance sheet		
Opening net Liability paid	11,10,973	6,89,662
Expenses as above	3,98,008	5,60,602
Contribution paid	(3,30,510)	(1,39,291)
Closing Net Liability	11,78,471	11,10,973
<b>Leave Encashment</b>		
	<b>31.03.2010</b>	<b>31.03.2009</b>
<b>(i) Assumption</b>		
Discount rate	7.50%	7.00%
Future Salary Increase	5.00%	4.50%
<b>(ii) Table showing change in benefit Obligation</b>		
Liability at the beginning of the year	4,50,764	1,76,154
Interest cost	33,807	12,331
Current Services Cost	1,62,732	1,14,558
Benefit paid	(60,786)	(57,871)
Actuarial (gain)/loss on obligation	12,303	2,05,592
Liability at the end of the year	5,98,820	4,50,764
<b>(iii) Table of Fair value of Plan Assets</b>		
Fair value of plan assets at the beginning of the year	—	—
Expected return on plan assets	—	—
Contribution	—	—
Benefits paid	—	—
Actuarial gain/ (loss) on plan assets	—	—
Fair value of plan assets at the end of the year	—	—
Total actuarial gain/ (loss) to be recognized	—	—



Leave Encashment	31.03.2010	31.03.2009
<b>(iv) Actual Return on Plan Asset</b>		
Expected Return on Plan Assets	—	—
Actuarial (gain)/loss on Plan Assets	—	—
Actuarial Return on Plan Assets	—	—
<b>(v) Amount recognized in the balance sheet</b>		
Liability at the end of the year	5,98,820	4,50,764
Fair value of plan assets at the end of the year	—	—
Funded status	(5,98,820)	(4,50,764)
Excess of actual over Estimated	—	—
Unrecognised actuarial (gains)/losses	—	—
Amount recognized in the Balance Sheet	(5,98,820)	(4,50,764)
<b>(vi) Expenses recognized in the income statement</b>		
Current Service Cost	1,62,732	1,14,558
Interest cost	33,807	12,331
Expected return on Plan Assets	—	—
Net actuarial (gain)/Loss to be recognized	12,303	2,05,592
Expenses recognized in Profit & loss A/c	2,08,842	3,32,481
<b>(vii) Movement in the liability</b>		
Recognized in the Balance sheet		
Opening net Liability paid	4,50,764	1,76,154
Expenses as above	2,08,842	3,32,481
Contribution paid	(60,786)	(57,871)
Closing Net Liability	5,98,820	4,50,764
<b>5. Managerial Remuneration</b>		
<b>Remuneration paid to Whole Time Directors</b>	<b>2009-10</b>	<b>2008-09</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Salaries	10,20,000	8,80,000
House Rent Allowance	2,46,000	2,37,000
Provident Fund	1,20,960	71,280
<b>Total</b>	<b>13,86,960</b>	<b>11,88,280</b>
<b>6. Remuneration paid to Auditors</b>	<b>Current Year</b>	<b>Previous Year</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
i) Audit Fee	1,10,300	1,10,300
ii) Certification Charges	Nil	Nil
	<b>1,10,300</b>	<b>1,10,300</b>
<b>7. Deferred Tax Liability/ (Asset)</b>	<b>As at</b>	<b>As at</b>
	<b>31.03.10</b>	<b>31.03.09</b>
	<b>(In Rs.)</b>	<b>(In Rs.)</b>
<b>Deferred Tax Liability</b>		
— Related to Fixed Assets	(3,71,78,424)	(2,08,81,239)
— Related to Others	Nil	Nil
<b>Less Deferred Tax Asset</b>		
— Related to Fixed Assets	Nil	Nil
— Related to Others	Nil	Nil
<b>Deferred Tax Liability (Net)</b>	<b>(3,71,78,424)</b>	<b>(2,08,81,239)</b>




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

<b>S.No</b>	<b>Name of the party</b>	<b>Relationship</b>
1.	Samtex fashions Ltd	Holding Company
2.	Santosh Overseas Limited	Key personal is related to the management of the related party

**II. Transaction during the year with the related parties (Rs. in Lacs)**

<b>Nature of transaction</b>	<b>Holding Co. 2009-2010</b>	<b>Others</b>	<b>Total 2009-2010</b>	<b>Previous Year 2008-09</b>
<b>a) Equity Issued</b>				
Balance as at 1st April, 2009	1386.00	—	1386.00	1386.00
Issued during the year	314.00	—	314.00	—
Balance as at 31st March, 2010	1700.00	—	1700.00	1386.00
<b>b) Share Application Money</b>				
Balance as at 1st April, 2009	150.00	—	150.00	150.00
Received during the year	164.00	—	164.00	—
Equity Issued During the Year	314.00	—	314.00	—
Balance as at 31st March, 2010	—	—	—	150.00
<b>c) Unsecured Loan</b>				
Balance as at 1st April, 2009	185.32	—	185.32	185.32
Taken during the year	520.00	—	520.00	155.00
Repaid During the year	325.00	—	325.00	155.00
Transferred to Equity	164.00	—	164.00	—
Balance as at 31st March, 2010	216.32	—	216.32	185.32
<b>d) Purchase</b>				
Balance as at 1st April, 2009	—	—	—	—
Purchases during the year	—	146.35	146.35	—
Payment During the year	—	146.35	146.35	—
Balance as at 31st March, 2010	—	—	—	—
<b>e) Sale</b>				
Balance as at 1st April, 2009	—	—	—	—
Sale during the year	—	139.70	139.73	—
Received During the year	—	139.73	139.73	—
Balance as at 31st March, 2010	—	—	—	—

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

**10. Micro, Small and Medium Enterprises**

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

**11. Derivative financial instruments**

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

<b>Foreign Currency</b>	<b>March 31, 2010</b>			<b>March 31, 2009</b>		
	<b>No. of Contracts</b>	<b>Notional amount of forward contracts (Rs.in Lacs)</b>	<b>Fair Value Gain/(Loss) (Rs.in Lacs)</b>	<b>No. of Contracts</b>	<b>Notional amount of forward contracts (Rs. In Lacs)</b>	<b>Fair Value Gain/(Loss) (Rs.in Lacs)</b>
U.S.Dollar	6	995.45	33.12	22	3568.09	(23.85)


**12. SEGMENT INFORMATION**

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

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

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

PARTICULARS - FOR THE YEAR ENDED	31.03.2010	31.03.2009
<b>1. TOTAL SALES AT EACH SEGMENT</b>		
Rice	49334.45	42197.34
Oil	5388.49	5673.89
<b>GROSS SALES</b>	<b>54722.94</b>	<b>47871.23</b>
LESS: INTER SEGMENT REVENUE	892.61	559.34
<b>NET SALES / INCOME FROM OPERATION</b>	<b>53830.33</b>	<b>47311.89</b>
<b>2. SEGMENT RESULTS (PROFIT+/LOSS – BEFORE TAX INTEREST AND EXCHANGE FLUCTUATION FOR EACH SEGMENT)</b>		
Rice	2615.68	3275.32
Oil	69.91	(59.13)
<b>TOTAL</b>	<b>2685.59</b>	<b>3216.19</b>
Interest	1395.04	1174.68
Exchange (Gain)/Loss	(553.36)	927.91
<b>TOTAL</b>	<b>841.68</b>	<b>2102.59</b>
<b>TOTAL PROFIT BEFORE TAX</b>	<b>1843.91</b>	<b>1113.60</b>

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

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

PARTICULARS - FOR THE YEAR ENDED	31.03.2010	31.03.2009
<b>SECONDARY SEGMENT INFORMATION:-</b>		
<b>SEGMENT ASSETS</b>		
Oil	2230.58	1050.70
<b>SEGMENT LIABILITIES</b>		
Oil	1726.63	1172.29
<b>CAPITAL EMPLOYED</b>		
Oil	503.95	(121.59)

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

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

Class of goods	Licensed Capacity	Installed Capacity	Actual Production
Rice (as certified by management)	N.A.	26 M.T.P.H. (P.Y.: 26 M.T.P.H) (OF PADDY MILLING)	Milling 143587.776 MT. * (Previous Year 86976.904 MT.) Resulting Production Of 90283.014 M.T. (Previous year 54737.438 MT.) of Rice. (*In addition : Milling on Job Work 4175.741 MT) (Previous year Nil MT)



Class of goods	Licensed Capacity	Installed Capacity	Actual Production
R.B.Oil (As certified By Management)	N.A.	100 M.T.P.D. (OF RICE BRAN MILLING) (P.Y.100 M.T.P.D.)	Milling 25673.432 MT. (Previous year 21642.098 MT) Resulting Production of 4491.411 MT. (Previous year 3743.609 MT)

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

CLASS OF GOODS		CURRENT YEAR		PREVIOUS YEAR	
		QUANTITY	VALUE	QUANTITY	VALUE
<b>OPENING STOCK</b>					
Paddy	M.T	39892.765	1000,314,873	27368.012	618,093,808
Rice	M.T	10773.084	494,233,711	16326.183	722,109,098
By-Products		—	514,755	—	303,174
Packing Material		—	401,13,314	—	33,950,048
<b>PURCHASES</b>					
Paddy	M.T	*141041.631	3,006,891,615	102044.529	2,337,386,933
Rice	M.T	*23531.744	1,069,402,315	23372.264	1,193,181,143
Wheat	M.T	1032.984	16,104,029	—	—
Soyabean	M.T	309.622	6,960,452	—	—
Chic Peas	M.T	96.00	5,544,640	—	—
Cummin Seed	M.T	232.000	27,232,000	—	—
Sesame Seed	M.T	171.010	13,200,934	—	—
Paddy Husk		—	4,340,767	—	14,292,407
Packing Material		—	166,561,432	—	85,777,293
<b>SALE</b>					
Paddy	M.T	500.490	16,515,320	2542.872	677,41,531
Rice	M.T	110267.430	4,732,601,401	83662.801	408,336,0964
By-products		—	25,436,265	—	10,992,124
Packing Material		—	1,127,343	—	2,733,266
Wheat		1032.984	18,437,357	—	—
Chic Peas	M.T	96.000	5,384,603	—	—
Cummin Seed	M.T	232.000	26,411,439	—	—
Sesame Seed	M.T	171.010	13,775,182	—	—
Paddy Husk		—	1,156,657	—	—
<b>CLOSING STOCK</b>					
Paddy	M.T	36846.130	913,425,470	39892.765	1000,314,873
Rice	M.T	14320.412	620,124,316	10773.084	494,233,711
By-products		—	—	—	514,755
Packing Material		—	45,017,260	—	401,13,314
Soyabean	M.T	309.622	7,365,225	—	—
<b>II) CLASS OF GOODS</b>					
<b>OPENING STOCK</b>					
Rice Bran	M.T	310.042	2,325,315	116.488	1,247,375
R.B.Oil		61.346	1,909,394	153.483	6,676,511
W.I.P. (RB Oil)		1.50	46,688	1.50	59,250
DOC		246.500	1,158,550	2819.972	10,574,895
Packing Material		—	106,472	—	743,836
<b>PURCHASES</b>					
Rice Bran**	M.T	25526.105	245,485,514	22118.654	211,838,376
R.B.Oil	M.T	—	—	20.620	639,220
C.P.O	M.T	8004.052	260,592,431	9999.809	312,200,651
Packing Material		—	24,00,222	—	21,71,418



CLASS OF GOODS	CURRENT YEAR		PREVIOUS YEAR		
	QUANTITY	VALUE	QUANTITY	VALUE	
<b>SALES</b>					
Rice Bran	M.T	29.952	253,943	283.012	2,089,909
R.B.Oil	M.T	4195.675	145,372,450	3856.365	152,909,752
C.P.O	M.T	8004.052	272,133,102	9999.809	311,765,111
D.O.C	M.T	21412.790	120,359,685	20653.844	99,537,002
Packing Material			—		39,366
<b>CLOSING STOCK</b>					
Rice Bran	M.T	132.763	1,114,911	310.042	2,325,315
R.B.Oil	M.T	357.082	11,605,165	61.346	1,909,394
W.I.P (R.B.Oil)	M.T	1.500	48,750	1.50	46,688
D.O.C	M.T	358.240	2,006,144	246.500	1,158,550
Packing Material		—	106,000	—	106,472
<b>C) Raw Material Consumed</b>					
Paddy M.T.		143587.776	3,095,078,578	86979.904	1,955,165,868
Rice Bran M.T.**		25673.432	162,853,343	21642.088	210,760,436

\* Includes stock adjustments on account of physical verification of stocks during the year.

\*\* (Include internal transfer from rice segment 9354.742 M.T. amounting to Rs. 885,31,319)

(Previous year: 5924.989 M.T. amounting to Rs.53,961,127)

	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
<b>d) Purchases:</b>		
Value of Imports on CIF basis		
Finished Goods	Rs. 260592431	312,200,651
	{US \$ 5380105.86}	{US \$ 65,93,432}
Capital Goods	Nil	329,41,935
	{US \$ Nil}	{JPY 628,00,000 & US \$ 104,953}
<b>e) Expenditure in Foreign Currency</b>		
— Foreign traveling	—	6,21,531
		{US \$ 13660}
— Ocean Freight	5,79,177	3,73,63,136
	{US \$ 12,318}	{US \$ 7,50,588}
— Commission	Nil	86,027
	{US \$ Nil}	{US 1682.49}
<b>f) Earnings in Foreign Exchange</b>		
	353,16,92,806	248,68,96,239
	{US \$ 746,43,893}	{US \$ 548,83,763}
<b>g) F.O.B. value of Exports</b>		
	346,39,18,827	244,20,65,085
	{US \$ 731,84,017}	{US \$ 537,21,010}

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

#### 14. Earnings per Share

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



	<u>Current Year</u>	<u>Previous Year</u>
		(Rs. in Lacs)
Net Profit After Tax before exceptional item	962.88	797.90
Excess Provision for tax for earlier years	125.36	39.50
Net profit attributable to Equity Shareholders (before exceptional item)	1088.24	837.41
Exceptional item	Nil	Nil
Net profit attributable to Equity Shareholders (after exceptional item)	1088.24	837.41
Weighted average number of Equity Shares of Rs. 10/- each	15394978	13859970
Basic and Diluted EPS (before exceptional item) (in Rs.)	7.07	6.04
Basic and Diluted EPS (after exceptional item) (in Rs.)	7.07	6.04

15. The Company has an operating lease arrangement for land having area "25 kanal & 12 Marla" situated at 67th Mile stone Bhodwal Majri Samalkha. Disclosure relating to future minimum lease payment under non-cancellation operating lease for each of the period is as follows:

	<u>Current Year</u>	<u>Previous Year</u>
		(Rs. in Lacs)
Not later than one year	0.30	Nil
Later than one year and not later than five year	1.20	Nil
Later than five Years	28.20	Nil
Lease Payments recognize in P & L account	0.30	Nil

16. The liability for LADT for the March, 2007 Quarter amounting to Rs. 1,27,361.00 has been provided in the books, but the same has not been deposited by virtue of a Stay Order from the Punjab & Haryana High Court.  
The liability for Entry tax for the year ending March, 2010 amounting to Rs. 40,29,935.00 has been provided in the books, but the same has not been deposited by virtue of a Stay Order from the Punjab & Haryana High Court.
17. The Assets of the Company have not been impaired during the year as certified by the management of the Company. The management has conducted the test of Impairment of Assets using the Value-in-use method in accordance with the Mandatory Accounting Standard – 28(AS 28) on Impairment of Assets issued by the Institute of Chartered Accountants of India. For calculation of Value-in-use, discount rate of 8% per annum is used being the average market rate of interest in the opinion of the Management.
18. During the year Income Tax Authorities have carried out action u/s 132(1) of the Income Tax Act, 1961 and consequent to which Assessment Proceedings for six assessment years starting from assessment year 2004-05 to 2009-10 relevant to the financial years 2003-04 to 2008-09 have been taken up by the Income tax department u/s 153A.
19. The personal accounts of the parties are subject to their respective confirmation.
20. Previous year figures have been re-grouped and reclassified wherever necessary to make them comparable to those of the current year and have been rounded off to the nearest rupees.
21. Schedule 1 to 23 from an integral part of the Balance Sheet as at 31st March, 2010 and have been authenticated as such.

For and on behalf of the Board of Directors

As per our report of even date attached

For **AGGARWAL & RAMPAL**  
Chartered Accountants  
Firm Regd. No. : 003072N

Sd/-  
**ANIL MITTAL**  
Chairman & Managing Director

Sd/-  
**NAVEEN MITTAL**  
Director

Sd/-  
**PRIYA BEDI**  
Company Secretary

Sd/-  
**VINAY AGGARWAL**  
Partner  
M. No. 82045

Place : New Delhi  
Dated : 19.08.2010


**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2010**
*(Amount Rs. 000)*

<b>PARTICULARS</b>	<b>YEAR ENDED 31.03.2010</b>	<b>YEAR ENDED 31.03.2009</b>
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :-</b>		
NET PROFIT BEFORE TAX	184,391	111,361
ADD : LOSS ON SALE OF FIXED ASSETS/INVESTMENT	339	593
ADD : ACTUARIAL GAIN /LOSS	—	65
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	<u>184,730</u>	<u>112,019</u>
<b>ADJUSTMENT FOR :</b>		
DEPRECIATION AND WRITTEN OFF	39,389	26,783
INTEREST	<u>139,504</u>	<u>117,468</u>
OPERATING PFOFIT BEFORE WORKING CAPITAL CHANGES	<b>363,623</b>	256,270
<b>ADJUSTMENT FOR :</b>		
TRADE AND OTHER PAYABLES	(27,358)	(13,402)
INVENTORIES	(59,654)	(148,257)
TRADE & OTHER RECEIVABLES	<u>(141,982)</u>	<u>(187,446)</u>
	<b>(228,994)</b>	<b>(349,105)</b>
CASH GENERATED FROM OPERATIONS	<b>134,629</b>	(92,835)
<b>ADJUSTMENT FOR :</b>		
PRIOR PERIOD ADJUSTMENTS	(269)	—
DIRECT TAXES	<u>(71,537)</u>	<u>(20,619)</u>
	<b>(71,806)</b>	<b>(20,619)</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>62,823</b>	<b>(113,454)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
PURCHASE OF FIXED ASSETS	(260,444)	(229,126)
PURCHASE OF INVESTMENTS	—	—
SALE OF FIXED ASSETS	637	1,844
SALE OF INVESTMENTS	—	—
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(259,807)</b>	<b>(227,282)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
PROCEEDS FROM ISSUE OF SHARE CAPITAL	16,400	—
TERM LOANS (NET OF REPAYMENT)	98,156	210750
WORKING CAPITAL LOANS	226,002	273944
INTEREST PAID	<u>(139,504)</u>	<u>(117,468)</u>
NET CASH RECEIVED FROM FINANCING ACTIVITIES (C)	<b>201054</b>	367226
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	<b>4,070</b>	26,490
CASH AND CASH EQUIVALENT AS AT 01.04.2009	<b>33,032</b>	6,542
CASH AND CASH EQUIVALENT AS AT 31.03.2010	<b>37,102</b>	33,032
NOTE : FIGURES IN BRACKETS REPRESENT OUTFLOWS		

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

 Place : New Delhi  
 Dated : 19.08.2010

 Sd/-  
**ANIL MITTAL**  
 Chairman & Managing Director

 Sd/-  
**NAVEEN MITTAL**  
 Director

 Sd/-  
**PRIYA BEDI**  
 Company Secretary

**AUDITORS REPORT**

We have examined the above Cash Flow Statement of **SSA International Ltd.** derived from the audited financial statement of the company for the year ended 31st March' 2010, and found the same in agreement therewith and in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

**FOR AGGARWAL & RAMPAL**  
 CHARTERED ACCOUNTANTS  
 FIRM REGD. NO. : 003072N

 Place : New Delhi  
 Dated: 19.08.2010

 Sd/-  
**VINAY AGGARWAL**  
 PARTNER  
 M. No. 82045



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

**I. Registration Details**

Registration No.  State Code   
 Balance Sheet

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

Public Issue  Right Issue   
 Bonus Issue  Private Placement

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

Total Liabilities  Total Assets

**Sources of funds**

Paid up Capital  Reserves & Surplus   
 Share Application Money  Secured Loans   
 Unsecured Loans  Deferred Tax Liability

**Application of funds**

Net Fixed Assets  Investments   
 Net Current Assets  Misc. Expenditure   
 Accumulated Losses

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

Turnover  Total Expenditure   
 Profit/(Loss) before tax  Profit/(Loss) after tax   
 Earning per Share in Rs.  Dividend Rate %

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

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

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



## SAMTEX FASHIONS LIMITED

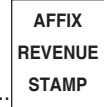
**Regd. Office :** Plot No. 134-135, Noida Special Economic Zone  
Phase - II, Distt. Gautam Budha Nagar, Noida - 201 305 (U.P.)

### PROXY FORM

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

I/We.....of.....in the district of.....being a Member/Members of the above Company hereby appoint Sh./Smt.....of..... in the district of..... or failing him/her..... of.....in the district of.....as my/our proxy to vote for me/us on my/our behalf at the **17th Annual General Meeting** of the Company to be held on Thursday, **30th September, 2010** at 9:30 A.M. at the Registered Office of the Company i.e. Plot No. 134-135, Noida Special Economic Zone, Phase - II, Gautam Budh Nagar, Noida - 201305 (U.P.) and any adjournment thereof.

Signed this.....day of.....2010.



Signature.....

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



TEAR HERE



## SAMTEX FASHIONS LIMITED

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

### ATTENDANCE SLIP

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

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

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

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

I hereby record my presence at the **17th Annual General Meeting** of the Company held on **30th day of Sept., 2010**.

.....  
Signature of the Member/Proxy

Admission slips without this information will not be accepted.

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





## BOOK POST

*If undelivered, please return to :*



**SAMTEX FASHIONS LIMITED**

*Corporate Office* : M-71, (Market), 1st Floor,  
Greater Kailash - II, New Delhi - 110 048

FIRST IMPRESSION 9811224048, 9899578245



## **BOARD OF DIRECTORS**

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

*Chairman & Managing Director*  
*Director*  
*Director*  
*Director*  
*Director*  
*Director*

## **COMPANY SECRETARY & GM FINANCE**

Kamini Gupta

## **AUDITORS**

**M/s Aggarwal & Rampal**  
*Chartered Accountants*  
New Delhi

## **INTERNAL AUDITORS**

**M/s Ashok Aggarwal & Co.**  
*Chartered Accountants*  
Delhi

## **BANKERS**

### **STATE BANK OF INDIA**

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

## **REGISTERED OFFICE & WORKS**

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

## **CORPORATE OFFICE**

M-71, (Market) 1st Floor,  
Greater Kailash - II  
New Delhi - 110 048

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