



# **HIGH STREET FILATEX LIMITED**



**19<sup>th</sup> ANNUAL REPORT  
2012-2013**

**CORPORATE  
INFORMATION****KEY MANAGERIAL PERSONS****Board of Directors:**

- Kamal Khishore Ghiya: Executive & WTD  
(Upto March 6, 2013)
- Rajneesh Chindaliya : Director
- Rajdeep Ghiya : Director
- Devendra Palod : Director
- Prachi Chopda : Additional Director  
(w.e.f. March 6, 2013 to Sept. 10, 2013)
- Bhagwan Singh : Executive, WTD & CFO  
(w.e.f. Sept. 10, 2013)

**Company Secretary & Compliance Officer:**

CS Kiran Geryani

**Registered Office:**

B-17, IInd Floor, 22 Godown Industrial Area,  
Jaipur-302006  
Ph. No.0141-2214074, 2211658  
Fax No. 0141-2212984  
www.highstreetfilatex.com

**Factory :**

F-86, Hirawala Industrial Area,  
Kanota, Jaipur-302012  
E-mail: highstreet.filatex@gmail.com

**Auditors:**

M/s N.Bhandari & Co.  
Chartered Accountants  
35, Keshav Nagar,  
Hawa Sarak,  
Jaipur-302019

**Registrar & Share Transfer Agent:**

Beetal Financial & Computer Services Pvt. Limited  
"Beetal House"  
3<sup>rd</sup> Floor, 99 Madangir, New Delhi-110062  
Ph. No. 011-29961281,29961282  
E-mail : beetalrta@gmail.com

**Bankers:**

State Bank of Bikaner & Jaipur  
State Bank of India

**Listed At:**

Bombay Stock Exchange Limited, Mumbai  
Calcutta Stock Exchange Limited, Kolkata  
Jaipur Stock Exchange Limited, Jaipur

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**NOTICE OF 19<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 19<sup>th</sup> Annual General Meeting of the Members of **High Street Filatex Limited** will be held on Tuesday, the September 10, 2013 at 11.30 A.M. at the registered office of the Company ; B-17, IInd Floor, 22 Godam Industrial Area, Jaipur to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Balance Sheet as at March 31, 2013, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajneesh Chindalia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s N. Bhandari & Co., Chartered Accountants ( Firm Reg. No. 03185C) , the retiring auditors, as the Statutory Auditors of the Company , who hold office from conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

**SPECIAL BUSINESS****4. APPOINTMENT OF MR. BHAGWAN SINGH AS WHOLE TIME DIRECTOR:**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof) and all other statutory provisions, approvals, as may be applicable, the consent of the Company be and is hereby accorded for the appointment of **Mr. Bhagwan Singh, as a Whole-time Director** of the Company for a period of **5 (Five) years** w.e.f **September 10, 2013**, and subject to other terms & conditions and stipulations, as set out in Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions and /or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof.

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary the terms of remuneration including salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the said terms of appointment of Mr. Bhagwan Singh, Whole-time Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary to give effect to this resolution.”

Jaipur, August 12, 2013

Registered Office:  
B-17, IInd Floor,  
22 Godam Industrial Area, Jaipur-302006

By order of the Board  
Sd/-  
**(CS Kiran Geryani)**  
Company Secretary &  
Compliance Officer

**NOTES:**

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.** The Proxy in order to be effective must be duly filled, stamped and signed by the member and however, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Corporate members are requested to send a duly certified true copy of the board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. Members and Proxies attending the Meeting should bring their copy of Annual Report and attendance slip duly filled in for attending the Meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the September 7, 2013 to Tuesday, the September 10, 2013 (both days inclusive).
6. Members desiring any information regarding the accounts are requested to write to the Company at least seven days in advance of the Meeting so as to enable the Management to keep the information ready.
7. Pursuant to Clause 49 of the Listing Agreement, Profile of Director seeking re-appointment in the forthcoming AGM, is annexed to this notice.
8. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays & public holidays between 11.00 A.M.

to 1.00 P.M. upto the date of the Annual General Meeting. Members are requested to lodge their application for transfer etc. to Beetal Financial & Computer Services Pvt. Ltd Beetal House, 3<sup>RD</sup> Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada- Harsukhandas Mandir, New Delhi-110062, Tel-011 29961281, 29961282.

9. It is to inform that shares of your Company have the demat activation with Central Depository Services (India) Limited and National Services Depository Limited (w.e.f 11<sup>th</sup> February, 2013). The ISIN number is INE319M01011.

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

**ITEM No. 4**

On the recommendation of the Remuneration Committee, the Board of Directors at its meeting held on August 12, 2013, has approved the appointment of Mr. Bhagwan Singh, as a Whole-time Director of the Company w.e.f. September 10, 2013 for a period of 5 (Five) years. Keeping in view the present financial position of the Company, Mr. Bhagwan Singh has voluntarily agreed to not to receive the salary as a Whole-time Director.

A brief Resume of Mr. Bhagwan Singh, nature of expertise in specific functional areas and names of Companies, if any in which he holds Directorships and memberships /Chairmanships of Board Committees, as stipulated under Clause 49 of Listing Agreement signed by the Company with the Stock Exchange is provided in the Annexure to the Notice.

**Terms and conditions:**

- 1) Perquisites not exceeding the overall ceiling prescribed under Schedule XIII, annexed to the Companies Act, 1956 will be provided to the Whole Time Director; such as LTC, Conveyance, Telephone, Reimbursement of Expenses, Sitting fees etc.
- 2) Subject to the direction, control and superintendence of the Board of Directors, Mr. Bhagwan Singh shall have the overall responsibility for looking after the day-to-day business and affairs of the Company.
- 3) The appointment of Mr. Bhagwan Singh as Whole-time Director may be terminated by either party giving to the other two calendar months notice in writing.
- 4) The Whole-time Director is entitled to reimbursement of all actual expenses as per the rules of the Company including entertainment and traveling incurred in the course of the Company's business.
- 5) The Whole-time Director holds office as such, subject to the provisions of Section 283(1) of the Companies Act, 1956.

The members are requested to accord their approval to the appointment of Mr. Bhagwan Singh as Whole-time Director by passing the Special Resolution as set out at Item No. 4 of the Notice.

The above may also be treated as an abstract of the terms of contract/agreement between the Company and Mr. Bhagwan Singh pursuant to Section 302 of the Companies Act, 1956.

None of the Directors except Mr. Bhagwan Singh is concerned or interested in this resolution.

**ANNEXURE TO THE NOTICE OF 19<sup>TH</sup> AGM**

**Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors who are proposed to be appointed/re-appointed at the ensuing Annual General Meeting to be held on September 10, 2013:**

Name of the Director	Mr. Rajneesh Chindalia	Mr. Bhagwan Singh
Date of Birth	03-08-1968	02-12-1982
Date of appointment	30-01-2006	07-09-2013
Qualifications	B.Com	B.Com
Expertise in specific functional areas	Business with wide managerial exposure	Diploma in Electronics
Directorship in other Public Limited Companies	NIL	NIL
Chairmanship/Membership of Committees in other Public Limited Companies	NIL	NIL
Shares held in the Company	10	3100

Jaipur, August 12, 2013

By order of the Board

Registered Office:  
B-17, IInd Floor,  
22 Godam Industrial Area, Jaipur-302006

Sd/-  
**(CS Kiran Geryani)**  
Company Secretary &  
Compliance Officer

**DIRECTORS' REPORT**

To,

**Dear Members,  
High Street Filatex Limited**

Your Directors have immense pleasure in presenting the 19<sup>th</sup> Annual Report on the business and operations of your Company, together with the Audited Financial Statements for the year ended on March 31, 2013.

**FINANCIAL PERFORMANCE**

The performance of the Company for the Financial Year ended March 31, 2013 is summarized as below:

(Rs. in Lacs)

Particulars	Year ended on	
	31-03-2013	31-03-2012
Sales	64.21	240.74
Other Income	0.00	0.00
Increase / (Decrease) in stock	(10.45)	(.77)
<b>Total Income</b>	<b>53.76</b>	<b>239.97</b>
Less: Manufacturing & other exp.	68.80	228.76
<b>Profit/(Loss) before Dep.&amp;Tax (15.03)</b>		<b>11.20</b>
Less: Depreciation	7.39	7.39
<b>Profit/(Loss) after</b>		
<b>Depreciation before tax (22.43)</b>		<b>3.80</b>
Less: Provision for Taxation	0.00	.75
Less: Taxation for earlier period	0.34	(.08)
<b>Profit after Taxation (22.77)</b>		<b>3.13</b>

**DIVIDEND**

Dividend could not be recommended for the Financial Year 2012-13 in view of brought forward loss.

**OPERATIONS**

The Company's performance suffered a set-back in the year, largely on account of the prolonged sluggishness in the industry.

**DIRECTORS & COMPANY SECRETARY**

**Retire by Rotation:**

In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Article 89 of Articles of Association of the Company, Mr. Rajneesh Chindalia, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The brief profile of the Director being re-appointed at the ensuing Annual General Meeting forms part of notice of the ensuing Annual General Meeting.

**Appointment & Resignation from Directorship:**

During the year Mr. Kamal Kishore Ghiya has resigned from the Directorship of the Company w.e.f. March 06, 2013. Board of Directors wish to place on record their sincere appreciation for the contributions made by him, during his tenure as Whole Time Director of the Company.

In terms of the provisions of Section 260 of the Companies Act, 1956 Ms. Prachi Chopda who was appointed as an Additional Director of the Company w.e.f. March 06, 2013, has tendered her resignation from the post of director of the Company vide resignation letter dated August 01, 2013.

The Board has accepted her resignation w.e.f. September 10, 2013.

Due to resignation of Ms. Prachi Chopda, the Board has appointed Mr. Bhagwan Singh as the Whole Time Director and CFO of the Company, subject to the approval of shareholders w.e.f. September 10, 2013.

**Appointment of Company Secretary and Compliance officer:**

For exercising better and effective control on the secretarial and other functions and to meet with the pre determined standards of Corporate Governance, CS Kiran Geryani was appointed as Company Secretary and Compliance officer of the Company w.e.f. June 16, 2012.

**DEMAT CONNECTIVITY WITH NSDL:**

During the Financial Year 2012-2013, for providing the better facilities to the shareholders of convenient trading in shares of the Company, your Company had again initiated for DEMAT connectivity with NSDL and finally complied up with all the necessary pre-requirements and documentation for the said objective under the guidance of Compliance Officer of the Company.

The Company entered into a tripartite agreement with R&TA & NSDL on February 11, 2013 ; being the effective date of DEMAT Connectivity with NSDL .

At present, the Company is connected for DEMAT facility with both NSDL & CDSL.

**REDUCTION OF MARKET LOT OF SHARES ON BSE:**

During the Financial Year 2012-2013, queries and problems related to increased market lot of equity shares on the Stock Exchange was received as the shareholders holding less than 100 shares were not able to trade in the shares of the Company. Thus the management decided to get the market lot reduced to 1 equity share on the Bombay Stock Exchange.

In this regard, the Company had fulfilled all the criteria of Bombay Stock Exchange for getting the Market Lot reduced and thus consequent upon the connectivity of the Company with both the Depositories, the market lot of Equity Shares on BSE has been reduced from 100 shares to 1 share w.e.f. May 06, 2013 vide BSE Notice No. 20130502-14 dated May 02, 2013.

At present, the shareholders can conveniently trade in the shares of the Company in any quantity.

**PAYMENT OF OUTSTANDING LISTING FEES OF JAIPUR STOCK EXCHANGE:**

Due to recurring losses and adverse financial position , your Company was unable to cope up with the payment of Listing Fees of Jaipur Stock Exchange from last 8 years ; with an objective of setting off all the dues, during the Financial Year 2012-2013 ; the management decided to request the Exchange for the Waiver of Outstanding Listing Fees .

In this regard, after making applications for waiver , the Exchange after keeping in mind the adverse financial position of the Company, granted a waiver of 65% of the outstanding fees to the Company.

The Company had paid all the dues as a one time settlement

upto Financial Year 2013-2014 and thus at present there exist no outstanding amount against Jaipur Stock Exchange.

### POSTAL BALLOT:

Pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, the following Ordinary Resolution was passed by Postal Ballot on August 22, 2012:

- i.) Authorizing the Board under Section 293(1)(a) , selling, leasing or otherwise disposing off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole , or substantially the whole of any such undertaking.

Postal Ballot notice along with the explanatory statement dated August 22 ,2012 and postal ballot forms and prepaid postage envelopes were dispatched to the shareholders on August 24, 2012 .The last date of the receipt of duly filled of Postal Ballot Form is September 24, 2012. The Company has appointed Mr. Manoj Maheshwari, Practising Company Secretary as a scrutinizer for processing and evaluating the Postal Ballot Form.

Details of voting as per the Scrutinizer Report dated September 25, 2012 are as follows:

Total no. of shareholders from whom Postal Ballot Forms Received	Votes Polled	Result
Total - 48 • Favour- 38 • Against- 4 • Invalid- 6	Total- 423785 • Favour- 423625 • Against- 70 • Invalid- 90	Since 99.96% votes have been caste in favour of subject matter, the same was treated to be ASSENTED with requisite majority.

The above result of the Postal Ballot was announced by the Chairman at the registered office of the Company on September 25, 2012 and duly advertised in the newspapers.

### PUBLIC DEPOSITS

The Company has not accepted any Deposit from public within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors confirm that:

- i) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanations and disclosures relating to material departures, if any;
- ii) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) the proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- iv) the annual accounts have been prepared on a going concern basis.

### AUDITORS & AUDITORS' REPORT

M/s. N. Bhandari & Co., Chartered Accountants, Jaipur, Statutory Auditors of the Company, retires at the ensuing Annual General Meeting, and confirmed their eligibility and willingness to accept the office, if reappointed. The Board of Directors in its meeting on August 12, 2013 has recommended the appointment of M/s. N. Bhandari & Co., Chartered Accountants, as Statutory Auditors of the Company at the ensuing Annual General Meeting for the Financial Year 2013-14.

The Notes to the Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further clarifications under section 217(3) of the Companies Act, 1956.

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

The information related to conservation of energy, as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is annexed and forms part of this report.

### PARTICULARS OF EMPLOYEES

Disclosure about particulars of employees in relation to sub-section (2A) of Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and forming part of Directors' report for the year ended March 31, 2013 is not applicable as there was no employee drawing remuneration in excess of prescribed limits.

### CASH FLOW STATEMENT

As required under Clause 32 of the Listing Agreement with the Stock Exchanges in India, a Cash Flow Statement, as prepared in accordance with the Accounting Standard on Cash Flow Statement (AS-3) issued by the Institute of Chartered Accountant of India, is given along with Balance Sheet and Profit and Loss Account.

### LISTING

The Securities of your Company are listed at Bombay Stock Exchange Limited, Jaipur Stock Exchange Limited and The Calcutta Stock Exchange Limited. The Company has been generally regular in complying with the provisions of the Listing Agreement. Also the Listing fees of all the Stock Exchange in which the Company is listed has been duly paid upto F.Y. 2013-2014.

### CORPORATE GOVERNANCE AND COMPLIANCE CERTIFICATE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report forms a part of this Annual Report. The Company has complied with all the disclosures and requirements that have to be made in this regard.

A Certificate from the Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

### CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

In compliance with the SEBI regulations on prevention of insider trading, the Company has formulated a comprehensive code of conduct for prevention of Insider Trading for its management and staff. The Code lays down guidelines advising them on procedure to be followed and disclosures to be made while dealing with shares of the Company.

### ACKNOWLEDGEMENT

Your Directors wish to express their gratitude to all the business associates, its management, statutory authorities, Stock Exchanges and to the Investors/Shareholders for the confidence reposed in the Company and supporting the Company during all crucial and critical issues through their kind cooperation. The Directors also convey their deep sense of appreciation for the committed services by the employees at all levels for their enormous personal efforts as well as collective contribution to the Company.

For and on Behalf of the Board of Directors  
Sd/- Sd/-

Jaipur (Rajdeep Ghiya) (Prachi Chopda)  
August 12, 2013 Director Director

### ANNEXURE TO DIRECTORS' REPORT

Particulars as prescribed under 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 March 31, 2013.

#### I. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken:

The Company has taken appropriate steps and made necessary arrangements to conserve and optimize the use of energy through improved operational methods and other means. It is taking adequate steps for reduction in non-essential loads to conserve power by increasing the production in each run.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

The Company is making constant efforts to locate all the possible areas where additional investment can be considered for conservation of energy.

(c) Impact of above measures:

The above measures have resulted in environment protection and more efficient utilization of power & reduction in energy consumption has considerably reduced the expenses and cost of production of goods.

(d) Total energy consumption and energy consumption per unit of production: As per Form 'A' below.

### "FORM A" FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSUMPTION OF ENERGY

Particulars	Current Year (2012-13)	Previous Year (2011-12)
<b>A. POWER &amp; FUEL CONSUMPTION</b>		
<b>1. ELECTRICITY</b>		
(a) Purchased		
- Unit (in lac)	0.92	3.34
- Total Amount (Rs. In lac)	4.17	12.55
- Rate (Rs./ Unit)	4.50	3.75
(b) Own Generation		
- Cost (Rs./ Unit)	NIL	NIL
<b>B. CONSUMPTION PER UNIT OF PRODUCTION</b>		
<b>1. ELECTRICITY (UNIT/ KG)</b>	NIL	NIL
- PRODUCT		

#### II. TECHNOLOGY ABSORPTION

### "FORM B" FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION, RESEARCH AND DEVELOPMENT (R & D)

- **RESEARCH & DEVELOPMENT:**
- a) **Specific areas in which R & D is proposed to be carried out by the Company:**  
The R & D activities of the Company have been directed towards improvement in the existing product range such as medically treated socks, diabetic socks, aloevera, anti bacterial treated socks etc. as well as to develop new products in line such as leggings, designer wrist bands and headbands etc. with the latest trend of consumers. Continuous efforts have been made to achieve the above.
- b) **Benefits derived:**  
With the introduction of R & D activities, the Company has been able to improve the quality of its products, cost reduction, better customer satisfaction, reduction of wastage and has improved environmental conditions.
- c) **Future plan of action:**  
With the object of attainment of better future and growth and reducing the recurring losses, innovative knitting products will be developed and launched and wide new range of socks for all type of age groups, wrist bands and headbands will be produced.
- d) **Expenditure on R & D:**

(a) Capital (if any)	:	N.A
(b) Total R & D Expenditure as a Percentage of total turnover	:	N.A.
- **TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION:**
- a) **Efforts made:**  
Continuous efforts are being made for improvement in the existing production process and products through better machines with upgraded technology so that the Company can bring profits in the Company.

**b) Benefits:**

The Company has been able to improve the quality of its products. Also there is reduced labour due to machines with upgraded technology.

**c) Technology Imported: Nil**

**III. FOREIGN EXCHANGE EARNING AND OUTGO: Nil**

For and on Behalf of the Board of Directors

Jaipur	(Rajeev Ghiya)	(Prachi Chopda)
August 12, 2013	Director	Director

### CORPORATE SOCIAL RESPONSIBILITY

Your Company believes and aims to be a responsible corporate citizen. It has always tried to contribute in the best possible manner in social sectors.

High Street since its inception carried on the belief of creating wealth through business and utilize some part of it for deprived segment of the society.

CSR in High Street means philanthropic work, management engagement and deploying the core competencies to address social problems. Some of the notable activities are environmental awareness promotion, reduction in consumption of paper through programmes like double side printing, reduced scale printing and reusing one sided paper. Same types of innovative efforts are done in reducing usage of water and electricity. Also the Company has installed modern safety and security systems so that employees are well protected from any danger.

Company employs competent personnel for managing Fire Extinguishers, Electrical Supervisors and security personnel to manage any occupational danger.

For High Street, building a successful business and creating positive social impact are not separate objectives.

**IMPORTANT NOTE:** In the present era of Green Initiative, this is the right opportunity for the shareholders to give their contribution for same as the part of CSR.

In this regard, all the members are requested to intimate their present residential address and valid contact nos and email ids in the format for shareholder's communication duly attached in this annual report and forward the same at the earliest to the R&TA of the Company or at the Registered Office of the Company to ensure the effective communications of future corporate actions.

### CORPORATE GOVERNANCE REPORT

#### 1. Corporate Governance

##### 1.1 Company's philosophy on Corporate Governance

High Street Filatex Limited is committed to conduct its business based on the highest standards of corporate governance. At High Street Filatex Limited, Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from

the application of best and sound management practices and compliance with the law coupled with adherence to the highest standard of transparency and business ethics. Corporate accountability, responsibility and transparency are the core of High Street Filatex Limited.

Corporate Governance is not merely compliance and not simply a matter of creating checks & balances. It is an ongoing measure of superior delivery of Company's objects with a view to translate opportunities in reality.

The Company places great emphasis on value such as empowerment and integrity of its employees, safety of the employees & communities surrounding the plant, transparency in the decision making process, fair and ethical dealing with all, pollution free environment and last but not least, accountability to all the stakeholders. The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth on sustainable basis.

The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to improve upon them and adopt the best practices.

#### 1.2 Corporate Governance Structure:

Corporate Governance structure is based on the principle of freedom to the executive management within the given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility to meet our mission to create the value for all of our stakeholders. It specifies the distribution of the role and responsibilities among different participants in the organization, such as Board of Directors, Executive Directors, Business Heads and other Associates and spells out rules and procedures for making decisions on corporate affairs. It also provides a mechanism through which the Company's objectives are set, the means to achieve these objectives are defined and the process of monitoring performance is delineate. In these lines the Company has formed three tier of the corporate governance:-

- **Board of Directors:** which conducts and exercise the overall supervision and control by setting the goals and policies, reporting mechanism and decision making processes to be followed.
- **Committees of Director:** Such as Audit Committee to focus on financial reporting, audit and internal controls, compliance issues; Shareholder/ Investor Grievance Committee to ensure that grievance of shareholders are resolved at the earliest.
- **Executive Management:** The entire business including the support services are run with clearly demarcated responsibilities and authorities at different levels.



**-Whole-time Director:** The Whole-time Director is responsible for achieving the mission and vision set for the Company and for the overall performance and growth of the Company. He takes the strategic decisions, frame the policy guidelines and extend wholehearted support to the Executive Directors, Business Heads and Associates. He is responsible to ensure that the decisions of the Board of Directors and various committees are implemented effectively and in true intent.

**-Executive Directors:** The Executive Directors are responsible for effectively discharging the duties in the areas of their expertise and as per the role and responsibilities assigned to them by the board.

In terms of Clause 49 of the Listing Agreement with the stock exchanges, the Company is in compliance and has ensured with all the provisions of Corporate Governance. A report on the implementation of provisions of Corporate Governance is furnished herewith.

## 2. Board of Directors:

### i) Composition of the Board:

The Company has a very balanced structure of Board of Directors, which take care of the business necessity and stakeholders' interest. The board represents an optimal mix of professionalism, knowledge and experience. The composition of the board complies with the provisions of the Companies Act, 1956 and the requirements of the listing agreement and is in according to the best practices in the corporate governance.

- **Composition:** The Board of Directors of your Company consist of 4 (Four) Directors of which 3 (Three) Directors are Non-executive (Independent Directors) which is 75% of the total strength of Directors in the Company.
- **Responsibility:** The board is entrusted with the responsibility of the management and performance of the Company, setting up the vision and mission of the Company and laying down the broad policy framework.
- Pursuant to Clause 49(1)(C) (ii), none of the Director is a Director in more than 15 (Fifteen) companies and member of more than 10 (Ten) committees or act as a Chairman of more than 5 (Five) committees across all the companies in which they are Director.

### ii.) Board Meetings:

During the Financial Year, every Board Meeting was conducted in accordance with the relevant provisions applicable, viz:

- The Chief Financial Officer of the Company is invited to attend all the board meetings. Other senior management personnel are called as and when necessary to provide additional inputs for the item being discussed by the board.

- The Whole-time Director and the Chief Financial Officer of the Company make the presentation on the quarterly and annual operating & financial performance of the Company, operational health & safety and other business issues.
- The draft of the minutes prepared by Company Secretary is circulated among the Directors for their comment/suggestion and finally after incorporating their views, final minutes are recorded in the books within 30 days of meeting.
- Post meeting, important decisions taken are communicated to the concerned officials and departments for the effective implementation of the same.

The Board of Directors met to discuss and decide on Company's business policy, and strength apart from other normal Board business. During the year 2012-2013, 13 meetings of Board of Directors were held with a time gap of not more than 4 months between any two meetings. The dates on which the said meetings were held were:

May 12, 2012	June 15, 2012	July 20, 2012
Aug 14, 2012	Aug 22, 2012	Oct 13, 2012
Nov 08, 2012	Nov 09, 2012	Dec 27, 2012
Feb 01, 2013	Feb 12, 2013	March 04, 2013
March 11, 2013		

The last Annual General Meeting was held on September 25, 2012.

### Information supplied to the Board:

The Board has complete access to all information with the Company. Inter alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of Board Meeting and is tabled in the course of Board Meeting:-

1. Review of annual operating plans of business, capital budget, updates.
2. Quarterly results of the Company.
3. Significant development in the human resources and industrial relations front.
4. Non-compliance of any regulatory or statutory provision or listing requirements as well as shareholders services, such as delay in share transfer and other grievances.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the Company prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

### iii.) Attendance of each of the directors at the said Board Meetings/ Annual General Meeting is as follows:

Name of Director	Category	Designation	No. of committee position in other companies (\$)		No. of Directorship in other companies*	No of Board Meeting		Attendance at the last AGM	Appointment/ Cessation
			Chairperson	Member		Held	Attended		
Mr. Kamal Kishore Ghiya	ED	WTD	Nil	Nil	Nil	13	13	Present	Ceased to be whole time Director w.e.f: 06-03-2013
Mr. Rajdeep Ghiya	NED:I	Director	Nil	Nil	Nil	13	11	Present	-
Mr. Rajneesh Chindalia	NED:I	Director	Nil	Nil	Nil	13	4	Absent	-
Mr. Devendra Palod	NED:I	Director	Nil	Nil	Nil	13	11	Present	-
Ms. Prachi Chopda	ED	Additional Director	Nil	Nil	Nil	13	1	N.A.	Appointed as Additional Director w.e.f. 06-03-2013

NED: Non-Executive Director I: Independent Director ED: Executive Director WTD: Whole Time Director

# Mr. Kamal Kishore Ghiya and Mr. Rajdeep Ghiya are related to each other.

\* Directorship held by Directors, as above, do not include any alternative directorships; directorships in Foreign Companies, Section 25 Companies and Private Limited Companies.

§ Include Audit Committee and Investor Grievance Committee of all Public Limited Companies whether listed or not.

### iv.) Brief Details of Director seeking re-appointment/ appointment:

The brief individual details of the directors seeking appointment/re-appointment at the ensuing Annual General Meeting of the Company are provided in the explanatory statement accompanying the notice of Annual Genral Meeting.

### v.)Code of Business Conduct and Ethics for Directors and Senior Management:

The Code is applicable to all Directors, Executives as well as Non-Executives and Senior Management Personnel. A copy of the Code has been circulated to all members and also posted on the Company's Website- "www.highstreetfilatex.com".

### Pursuant to Clause 49(1)(D)(ii) , DECLARATION regarding compliance of Code of Conduct:

*I, Rajdeep Ghiya, Director of High Street Filatex Limited, hereby declares that all the members of the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct of the Company, applicable to them as laid down by the Board of Directors in terms of above Clause, for the year ended March 31, 2013.*

**For High Street Filatex Limited**  
Sd/-  
**(Rajdeep Ghiya)**  
Director

### 3. Committees of Board:

Currently, the Board of the Company has three sub-committees namely:

- I. Audit Committee
- II. Shareholders'/Investors' Grievance Committee
- III. Remuneration Committee

These are briefly enumerated as under:

- I. **Audit Committee:** The Audit Committee of the Company is constituted in compliance with the provisions of Clause 49 of the Listing Agreement entered

into with the Stock Exchanges read with Section 292A of the Companies Act, 1956 and comprises of three Non-Executive Independent Directors and is chaired by Mr. Rajdeep Ghiya, an Independent and Non Executive Director of the Company.

### a.) Terms of Reference-

The terms of reference of the Audit Committee are in accordance with all the terms listed in Clause 49 (II) (D) and (E) of the Listing Agreement and Section 292A of the Companies Act, 1956 and are as follows:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position as well as to ensure that correct, sufficient and credible information is disclosed.
- Discussion with the external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Recommending to the Board the appointment, re-appointment and replacement /removal of statutory auditor and fixation of audit fee and payment of any other service.
- Reviewing with Management, the annual financial statements before submission to the Board for approval, focusing primarily on:
  - Matters required to be included in the Directors' Responsibility Statement included in the report of the Board of Directors.
  - Any changes in accounting policies and practices thereof and reasons for the same.
  - Qualifications in draft audit report.
  - Compliance with Stock Exchange and other legal requirements concerning financial statements.
  - Disclosure of related party transactions.
  - The going concern assumption and compliance with Accounting Standards.

- Discussion with internal auditors on any significant findings and follow up thereon.
- Reviewing the Company's financial and risk management policies.
- Reviewing compliances as regards the Company's Whistle Blower Policy.
- Disclosure of contingent liabilities.
- Review the adequacy of internal control systems with the management and external auditors.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### Powers of Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal and professional advice.

### b.) Audit Committee Meetings-

During the Financial Year 2012-2013, 5 meetings of the Audit Committee were held. The necessary quorum was present in all the meetings. The Audit Committee Meetings are usually held at the registered office of the Company. The dates of the meetings are:

May 12, 2012      Aug. 14, 2012      Aug. 22, 2012  
Nov. 09, 2012      Feb. 12, 2013

### c.) Composition and Attendance-

The Audit Committee seeks to ensure both corporate governance and provides assistance to the Board of Directors in fulfilling the Board's overall responsibilities.

Name	Category	No. of Audit Committee during the year	
		Held	Attended
Mr. Rajdeep Ghiya (Chairman)	Independent, Non-executive	5	5
Mr. Rajneesh Chindalia	Independent, Non-executive	5	5
Mr. Devendra Palod	Independent, Non-executive	5	5

d.) All the members of the committee possess good knowledge of finance, accounts and basic elements of Company Law. The Audit Committee invites such of the executives as it considers appropriate i.e. the head of the finance (CFO), representatives of the Statutory Auditors, etc. to attend the Committee's meetings. Mr. Rajdeep Ghiya is the Chairman of the Audit Committee. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

## II. Shareholders'/Investors' Grievance Committee

The Shareholders' / Investors' Grievance Committee is constituted in line with the provisions of clauses of the Listing Agreement entered into with the Stock Exchanges to overlook the performance of the Registrar and Share Transfer Agent and to recommend measures for overall improvement in the Quality of Investor services. The Company has always valued its customer relationships.

### a.) Terms of reference of the Investors' Relation Committee are broadly as under-

The Shareholders'/Investors' Grievance Committee

specifically looks into various issues of the Shareholders such as registration of transfer of shares, issue of share certificates, redressal of shareholders' complaints, credit of shares into Demat Account, facilitation of better investor services etc. The committee has been delegated by the Board to approve transfer / transmission of shares and to deal with all the matters related thereto.

### b.) Meetings-

In order to expedite the working of the committee, the members of the committee meet regularly as and when it is required. During the year 2012-13, 16 meetings of the committee were held. Dates of the Meetings are:

April 25, 2012      May 11, 2012      June 18, 2012  
July 25, 2012      Aug 14, 2012      Sept 01, 2012  
Sept 22, 2012      Oct 08, 2012      Oct 27, 2012  
Dec 01, 2012      Dec 25, 2012      Dec 28, 2012  
Jan 09, 2013      Jan 28, 2013      Feb 18, 2013  
Feb 23, 2013

### c.) Composition and Attendance-

Name	Category	No. of Shareholder/Investor Grievance Committee Meeting during the year	
		Held	Attended
Mr. Devendra Palod	Independent, Non-executive	16	15
Mr. Rajneesh Chindalia	Independent, Non-executive	16	14
Mr. Rajdeep Ghiya	Independent, Non-executive	16	12

### d.) Details of Complaints:

- No. of Complaints received and solved during the year- Q1- 1, Q2- Nil, Q3- 4, Q4- Nil
- No pending complaints were there as on March 31, 2013.

e.) Mr. Devendra Palod acts as the Chairman of the Investor Relation Committee. Company Secretary of the Company acts as the Secretary of the Committee.

## III. Remuneration Committee-

The Remuneration Committee Meeting is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges and as per the provisions of the Companies Act, 1956.

### • Terms of Reference-

- The function of the Committee includes recommendation of remuneration, promotions, increments etc. for the Executives to the Board of Directors for approval. The Remuneration Committee is constituted with a view to-
  - Determine the remuneration policy of the Company.
  - Fix up of remuneration payable to the Director.
  - Review the performance of the employees and their compensation.
  - Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.
- **Meetings** - During the Financial Year 2012-2013, no meeting of the committee was held.

**• Composition, name of Members and Chairperson-**  
The Remuneration Committee has been constituted in order to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders.

The Remuneration Committee presently comprises of three members viz. Mr. Rajneesh Chindalia, Mr. Devendra Palod and Mr. Rajdeep Ghiya. Mr. Rajneesh Chindalia is the Chairman of the Committee.

**d.) Remuneration paid to Directors:** During the Financial Year 2012-2013, no remuneration was paid to any executive director and non-executive directors.

e.)The contract for service, notice period, etc. are applied as per the rules of Company formed by the Boards from time to time.

**f.) Non-executive Directors shareholding as on March 31, 2013:**

Name of the Director	No. of Shares Held
Mr. Rajneesh Chindalia	10
Mr. Rajdeep Ghiya	Nil
Mr. Devendra Palod	Nil

**• COMPLIANCE OFFICER:**

Ms. Kiran Geryani, was appointed as Company Secretary & Compliance Officer of the Company w.e.f. June 16, 2012 for :

- complying up with the compliances of the Listing Agreement entered into with the Stock Exchange.
- ensuring compliance with applicable statutory requirements.
- acting as an interface between the management and regulatory authorities for governance matters.

**4. Subsidiary Companies:** The Company does not have any subsidiary company anywhere.

**5. Disclosures:**

**a.) Materially significant Related Party Transactions-**  
The Company has entered into related party transactions as set out in the notes to the accounts forming part of the Balance Sheet, which are not likely to have a conflict with the interest of the Company. The details of all significant transactions with related parties are periodically placed before the Audit Committee.

**b.) Disclosure of Accounting Treatment-**  
The Company has complied with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

**c.) Disclosure of Risk Management-**  
The Company has laid down the procedures to inform the members of the Board about the risk assessment and minimization procedures. The Board and Audit Committee periodically review these procedures to ensure that executive management controls risk through properly defined framework.

**d.) Board Procedures-**  
The Board Meetings of the Company are convened in the manner as per provision of the Act and the Listing Agreement entered into with the Stock Exchange. Sufficient notice in

writing is given to all the Directors for the Board Meeting and /or Committee Meetings. All important matters concerning the working of the Company along with requisite details are placed before the Board enabling them to deliberate duly at the meetings.

**e.) Compliance with other mandatory requirements-**

Management Discussion and Analysis Report: A Management Discussion and Analysis Report forms part of this Annual Report and include discussion on various matters specified under Clause 49 (IV) (F) of the Listing Agreement. During the year, there have been no material, financial and commercial transaction made by the Company Management where they have personal interest that may have a potential conflict with the interest of the Company at large.

**f.) Strictures or Penalties -**

Bombay Stock Exchange Ltd has imposed a re-instatement penalty of Rs. 60,000 on the Company for revoking the suspension in trading in equity shares of the Company during the year 2010 which was paid. The Company has resumed trading w.e.f. October 26, 2010.

No other strictures or penalties have been imposed on the Company either by the Stock Exchanges or SEBI or any statutory authority for non-compliance of any matter related to Capital Market during the last three years.

**g.) Compliance with other non- mandatory requirements-**

**-Compliance with Code of Conduct and Whistle Blower Mechanism-**

The Company has laid down a Code of Conduct and Ethics for all directors and senior management. The Code of Conduct of the Company lays down that the employees shall promptly report and suggest without hesitating in reporting a violation or breach to the concerned superior. The Code provides that the Company shall support and protect employees for doing so.

The code has been circulated to all the members of the Board and senior management and they have affirmed compliance required under Clause 49 of the Listing Agreement. No personnel have been denied access to the Audit Committee.

**-Audit Qualifications-**

During the period under review, there is no audit qualification in the Company's financial statements.

**-Training of Board Members-**

The Board of Directors of the Company consists of professionals with expertise in their respective fields and industry. They attend workshops and seminars to keep themselves abreast with the changes in the business.

**6. CEO/CFO Certification-** A certificate from Chief Financial Officer on the financial statements of the Company forms part in this Annual Report.

**7. Means of Communication:** The Quarterly and Annual Financial Results are regularly submitted to the Stock Exchanges, published in the newspapers to comply with the provisions of Clause 41 of the Listing Agreement.

The financial results are normally published in "Mint" (English newspaper) and in "Young Leader" (Hindi Newspaper).

The Stock Exchanges where the Company is listed is regularly informed for all corporate announcements and results. The Company results and official news releases are displayed on the Company's website i.e. "www.highstreetfilatex.com"

### 8. General Body Meetings:

a.) Location and time and other details of Annual General Meetings held in the last three years are as under:

AGM	Day Date & Time	Location	Details of Special Resolution Passed
16 <sup>th</sup>	Saturday 25-09-2010 11:30 A.M.	F-86, Hirawala Industrial Area Kanota, Jaipur	5
17 <sup>th</sup>	Wednesday 28-09-2011 11.20 A.M.	F-86, Hirawala Industrial Area Kanota, Jaipur	1
18 <sup>th</sup>	Tuesday 25-09-2012 11.30 A.M.	B-17, IInd Floor, 22 Godam Ind. Area, Jaipur	Nil

#### Details of Special Resolutions:

- Five Special Resolutions were passed at 16<sup>th</sup> Annual General Meeting for:
  - Delisting from Calcutta Stock Exchange Association Limited.
  - Delisting from Jaipur Stock Exchange Limited
  - Alteration of Articles of Association under Section 31, 94 of the Companies Act, 1956.
  - Preferential allotment of preference shares under Section 80, 81(1A) of the Companies Act, 1956.
  - Alteration of articles of Association under Section 31 of the Companies Act, 1956 regarding dematerialization of securities.
- One Special Resolution was passed at 17<sup>th</sup> Annual General Meeting for Alteration of Articles of Association for allowing the Company to pass resolutions by postal ballot under Section 192A.

#### b.) Extra-Ordinary General Meeting:

During the last three years, no Extra-ordinary General Meeting of the members of the Company was held.

#### c.) Postal Ballot:

Pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, the following Ordinary Resolution was passed by Postal Ballot on August 22, 2012:

Authorizing the Board under Section 293(1)(a), selling, leasing or otherwise disposing off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole, or substantially the whole of any such undertaking.

Postal Ballot notice along with the explanatory statement dated August 22, 2012 and postal ballot forms and prepaid postage envelopes were dispatched to the shareholders on August 24, 2012. The last date of the receipt of duly filled of Postal Ballot Form is September 24, 2012.

The Company has appointed Mr. Manoj Maheshwari, Practising Company Secretary as a scrutinizer for

processing and evaluating the Postal Ballot Form. Resolution was passed with requisite majority. The details of voting results for same is detailed in the Director's Report.

### GENERAL SHAREHOLDER INFORMATION

#### Annual General Meeting

Date of Annual General Meeting	September 10, 2013
Time of the Annual General Meeting	11.30 A.M.
Venue	B-17, IInd Floor, 22 Godown Industrial Area, Jaipur-302006

#### Tentative Financial Calendar

Financial Year	April 01, 2013 to March 31, 2014
Results for the quarter ending on June 30, 2013	Within 45 days from the end of the quarter
Results for quarter ending on September 30, 2013	Within 45 days from the end of the quarter
Results for quarter ending on December 31, 2013	Within 45 days from the end of the quarter
Results for quarter & year ending on March 31, 2014	Within 60 days from the end of the quarter

#### Book Closure

Closure of Register of Member and Share Transfer Book Saturday, September 07, 2013 to Tuesday, September 10, 2013 (both days inclusive).

#### Dividend Payment Date:

During the year, no dividend is paid by the Company; therefore dividend payment date will not be applicable.

#### Listing on Stock Exchanges:

The shares of the Company are listed at- Bombay Stock Exchange Limited, Calcutta Stock Exchange Limited & Jaipur Stock Exchange Limited. The Company's Equity Shares are actively traded on the Bombay Stock Exchange.

#### Scrip Code:

**BSE Limited:** 531301

**Jaipur Stock Exchange Limited:** 698

**Calcutta Stock exchange Limited:** 31175

- Corporate Identification Number (CIN):** L18101RJ1994PLC008386
- ISIN for CDSL & NSDL:** INE319M01011
- Stock Market Price Data:** The Monthly High and Low Quotations on Bombay Stock Exchange for the year 2012-13 were as follows;

Month	BSE High	BSE Low	Month	BSE High	BSE Low
April, 2012	54.00	54.00	Oct., 2012	49.25	49.00
May, 2012	-	-	Nov., 2012	-	-
June, 2012	51.35	51.35	Dec., 2012	-	-
July, 2012	-	-	Jan., 2013	55.25	50.95
Aug., 2012	-	-	Feb., 2013	52.15	43.00
Sept., 2012	51.00	50.00	Mar., 2013	40.90	33.45

The above data has been taken from the website of Bombay Stock Exchange Limited.

• **Registrar and Share transfer Agent:** The Company has appointed a Registrar for dematerialization and physical transfer of shares of the Company. The details of Company registrar is given below:

Beetal Financial & Computer Services Pvt. Ltd.  
Beetal House,  
3<sup>rd</sup> Floor, 99 Madangir,  
Behind Local Shopping Centre,  
Near Dada- Harsukhandas Mandir,  
New Delhi-110062  
Tel-011 29961281, 29961282  
E-mail : beetalrta@gmail.com

• **Share Transfer System**

The shares received in physical form are processed through Registrar and Share transfer Agent, within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. For this purpose share transfer committee meeting meets often as and when required. A half yearly compliance certificate with share transfer formalities as required under Clause 47(c) of the Listing Agreement is obtained from a Practicing Company Secretary and a copy of same is submitted to Stock Exchange also.

• **Distribution of Shareholding as on March 31, 2013:**

Range in Numbers	No. of Shareholders	No. of Shares	% to total
Upto 5000	3193	139745	97.88
5001-10000	31	23100	0.95
10001-20000	18	23910	0.55
20001-30000	7	18030	0.21
30001-40000	NIL	N.A.	N.A.
40001-50000	2	9953	0.06
50001-100000	5	41910	0.15
100001 And Above	6	390352	0.18
<b>Total</b>	<b>3262</b>	<b>647000</b>	<b>100</b>

• **Categories of Shareholders as on March 31, 2013:**

	No. of Shares	%
<b>A. Promoter Holding</b>		
Indian Promoter	155564	24.04
Foreign Promoter	NIL	NIL
<b>Sub Total</b>	<b>155564</b>	<b>24.04</b>
<b>B. Public Holding</b>		
Institutions	10000	1.55
Body Corporate	260334	40.24
Individual	192762	29.79
Directors & relatives	23660	3.66
HUF	20	0.00
NRI/OCB's	4660	0.72
<b>Total</b>	<b>491436</b>	<b>74.41</b>
<b>Total Share Holding</b>	<b>647000</b>	<b>100</b>

• **DEMATERIALIZATION OF SHARES**

The Company has acquired DEMAT activation with CDSL on July 01, 2011 and ISIN of the Company is INE319M01011. For the benefit of shareholders of the Company DEMAT activation with NSDL has been effective w.e.f. February 11, 2013. Kindly send your shares to your respective DP for dematerialization of shares.

68.39% of the paid up capital of the Company is held in dematerialized form and are frequently traded.

• **Address for Correspondence**

Registered Office : B-17, IInd Floor, 22 Godam  
Industrial Area, Jaipur-302006  
Factory Address : F-86, Heerawala, Ind. Area,  
Kanota, Jaipur-303012 (Raj.)

### AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE CODE (As Per Clause 49(VII) of the Listing Agreement)

To,  
The Members,  
High Street Filatex Limited,  
Jaipur.

We have examined the compliance of conditions of Corporate Governance by High Street Filatex Limited for the year ended on March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliances of the conditions of the Corporate Governance is the responsibility of the management. Our examination 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 the opinion on the financial statements of the Company.

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

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

For N. Bhandari and Co.,  
Chartered Accountants

Sd/-  
**(N. Bhandari)**  
Partner

Place: Jaipur  
Date: August 12, 2013

**CERTIFICATION FROM CFO**  
(As Per Clause 49(V) of the Listing Agreement)

To,  
The Board of Directors,  
High Street Filatex Limited,  
Jaipur

I, **Prachi Chopda**, Director and CFO of the Company, to the best of my knowledge and belief, certify to the Board that:

- a.) I have reviewed the financial statements and the Cash Flow Statement for the year ended on March 31, 2013 and that to the best of my knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 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 2012-13 which are fraudulent, illegal or violative of the Company's code of conduct;
- c.) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which I am aware of 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 -
- Significant changes in internal control over the financial reporting during the Financial Year 2012-13;
  - Significant changes in accounting policies during the Financial Year 2012-13 and that the same have been disclosed in the notes to the financial statements; and
  - 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 the financial reporting.

Yours truly,  
For High Street Filatex Limited

Sd/-  
**(Prachi Chopda)**  
Director & CFO

Place: Jaipur  
Date : August 12, 2013

**MANAGEMENT DISCUSSION & ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENT**

Indian Textile Industry is one of the leading textile industries in the world. Though was predominantly an unorganized industry even a few years back, but the scenario started changing after the economic liberalization of Indian economy in 1991. The opening up of economy gave the much-needed thrust to the Indian textile industry, which has now successfully become one of the largest in the world.

Indian textile industry largely depends upon the textile manufacturing and export. It also plays a major role in the economy of the country. India earns a major percentage of its total foreign exchange through textile exports. Further, the textile industry of India also contributes nearly 14% of the total industrial production of the country. It also contributes around 3% to the GDP of the country. Indian textile industry is also the largest in the country in terms of employment generation. It not only generates jobs in its own industry, but also opens up scopes for the other ancillary sectors. Indian textile industry currently generates employment to more than 35 million people.

In the hierarchy of human needs, clothing occupies the second top most priority coming only next to the food. The use of socks by the armed forces fighting in high altitude and in adverse climatic conditions have now been finding ways among executives, school children and general masses altogether. Wearing of any kinds of shoes without socks is termed as incomplete. Socks are simple items and one of the basic necessities of people of all ages and income strata.

Socio-economic changes and fashion awareness amongst the masses have brought in sea change in the living styles in India.

The Management Discussion & Analysis Report has been included in adherence to the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India. The report herein presents the Company Overview, SWOT Analysis, Initiatives by the Company and overall outlook of the Company for the future. This outlook is based on the assessment of the current environment which may vary due to future economic and other developments in the universal arena.

**COMPANY STRUCTURE AND DEVELOPMENTS**

The Company has recovered itself from the sickness status and has recovered its losses up to an extent. The Company has already paid its entire debt and now is a debt free company.

The Company adopted series of measures to boost its activities. But, due to non availability of strategic or financial partner, the unit cannot be yet revived in a full fledged way. In comparison to previous year, the Company's operation has decreased as the sales in Financial Year 2011-2012 was Rs. 240.74 Lacs which has decreased to Rs. 64.21 Lacs in Financial Year 2012-2013. As a result, the Company

had a loss of Rs. 22.77 Lacs in Financial Year 2012-2013 whereas during Financial Year 2011-2012, the PAT of the Company was Rs. 3.13 Lacs.

The Company is suffering from losses and even could not able to afford the fixed expenses of the factory unit but it's just trying its best to cope up everything with small amount of sales.

In spite of the above, the Company has not lost its hope to get a financial partner and our assiduous efforts continue for the same. The Company is looking for a strong future ahead and targeting the significant growth in the next year. Its future aim is to improve its financial position.

Though the Company and its management is fully devoted towards producing new range of socks, wrist bands, head bands and other related products in order to fulfill its object of increasing profits.

#### **SWOT ANALYSIS**

##### **1. STRENGTHS:**

- The Company has most strategically located plant and has adopted advanced production techniques.
- We are also pleased to inform you that apart from DEMAT connectivity with CDSL, the Company is now connected with NSDL also w.e.f. February 11, 2013. Consequent to such connectivity with both the depositories, the market lot of the Equity Shares on BSE has also been reduced from 100 Shares to 1 Share. This has benefited the shareholders in terms that they may trade in Company's shares more conveniently. This all has become possible due to your support to the Company.
- The Company due to past experience and having better goodwill with world's best exporters is capable of recapturing the foreign market in short span of time.
- The Company's products are very well established in foreign market. It is capable of making socks of different designs/patterns.

##### **2. Weakness:**

- The financial position of the Company is still not improved according to the set objectives. The management is trying its best to bring the Company in a better position by next year.

##### **3. Opportunities:**

- Due to expansion of the manufacturing base of the company, there will be substantial increase in demand of Company's products.
- The Company will be able to use much potential available now in the domestic market on which every Multi National Company has set their eyes upon in India.

##### **4. Threats:**

- Due to high competitive pressure in the market, the Company has to operate in this competitive scenario and acquire a grip in the market to hold its foot firmly and upkeep the brand name.
- Adverse change in the Government Policies may affect in the business operations of the Company.
- Technology Obsolescence: These are the days when technology takes no time to become obsolete. Thus to be at par with its competitors the Company has to ensure that it constantly updates and upgrades its technology

#### **INTERNAL CONTROL SYSTEMS**

The Company has professional & adequate internal control systems which ensure protection against misuse or loss of the Company's assets. The Company deploys a robust system of internal control that facilitates the accurate and timely compilation of financial statements and management reports; ensures regulatory and statutory compliance and safeguards investor's interests by ensuring the highest level of governance and periodical communication with investors. The Audit Committee also reviews the effectiveness of the Company's internal control system which provides adequate safeguards & effective monitoring of its transactions.

#### **HUMAN RESOURCE DEVELOPMENT**

Human Resource Development is paramount in every organization. The management continues to lay emphasis on identifying, developing the talent on organization with a view to retain them and further training to those who are capable of handling additional responsibilities. This works to increase employee satisfaction. Developing people and harnessing their ideas is high priority for the Company.

#### **FINANCIAL PERFORMANCE**

Financials of the Company is detailed in the Financial Accounts of the Company forming part of the Annual Report. The Financial Statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India.

#### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of the applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.



### AUDITORS' REPORT

#### FORM A

1.	Name of the company	HIGH STREET FILATEX LIMITED
2.	Annual financial statements for the year ended	MARCH 31, 2013
3.	Type of Audit observation	UN-QUALIFIED
4.	Frequency of observation	N.A.

#### For High Street Filatex Limited

Sd/- <b>(CA Nitin Bhandari)</b> Auditor of the Company	Sd/- <b>(Prachi Chopda)</b> Director & CFO	Sd/- <b>(Rajdeep Ghiya)</b> Chairman of Audit Committee
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The Members,

#### HIGH STREET FILATEX LTD

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

We have audited the attached Balance Sheet of **HIGH STREET FILATEX LTD** (formerly known as Uni Legwears (India) Ltd.) as at March 31, 2013 and also the profit and loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - iii. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - v. On the basis of written representations received from the directors, as on March 31, 2013, and taken

on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

3. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, **read together with the notes thereon** give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013; and
  - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

**For N. BHANDARI & CO.,**  
Chartered Accountants  
Firm Reg No : 03185C

**(N. BHANDARI)**

Partner

M. No. 71710

PLACE : JAIPUR  
Date : May 29, 2013

#### ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF HIGH STREET FILATEX LTD (FORMERLY KNOWN AS UNI LEGWEARS (INDIA) LTD) (REFERRED TO IN THE PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The company has not disposed off any substantial part of the fixed assets during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed in verification between the physical stocks and the book records were not material.
- (iii) (a) The company had not granted any loans, secured or unsecured to any company, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion, the rate of interest and other terms and condition on which loans have been given by the company are, *prima facie*, not prejudicial to the interest of the company.
- (c) There being no such loans, receipt of principal amount, interest and overdue amount is not applicable.
- (d) The company had taken unsecured loan from 1 person covered in the register maintained under section 301 of the companies act, 1956. The

maximum amount involved during the year is Rs 7.17 Lacs and the year-end balance of loans taken from such parties was Rs. 0.09 Lacs.

- (f) In our opinion, the rate of interest and other terms and condition on which the loans have been taken from parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the company.
- (g) The company is regular in repaying the principal amounts as stipulated and no interest is payable on such loan.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of its inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in the pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public and has complied with the provisions of section 58A and 58AA of the companies act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal applicable to company in this connection.
- (vii) In our opinion, the company has an internal audit system commensurate with the nature and the size of the business.
- (viii) As informed to us, maintenance of cost records has not been prescribed by the Central Government under section 209 (1) of the Companies Act, 1956 for such companies.
- (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, Service Tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, custom duty, excise duty and cess were in arrears, as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) **According to the information and explanations given to us, a demand of Rs 1,42,048.00 raised by Land & Building Tax Deptt**
- has not been deposited by the company as the same is disputed and the matter is being contested in appropriate court. Rs 92,035 has been deposited with ESI under protest for period relating to Oct 07 to Dec 08 and the matter is sub judice. According to the information and explanations given to us, a demand of Rs. 5,94,250.00 was raised by Sub Registrar for deficiency in stamp duty paid which as per company is not leviable on them. Company has deposited Rs. 148563 only and the matter is being contested in appropriate court.**
- (x) The accumulated losses of the company are more than fifty percent of its net worth (without considering revaluation reserve). The company has incurred cash losses during the financial year covered by our audit but no cash loss was incurred in the previous financial year.
- (xi) The company had not defaulted in repayment of dues to bank or financial institution during the year under reference.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a *nidhi* mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not generally dealing in or trading in shares, securities, debentures and other investments. Proper records have been maintained of the transactions and contracts and timely entries have been made therein, in connection with occasional investment made by the company. The investments, shares, securities etc (if any) has been held by the company in its own name, except to the extent of the exemption granted under section 49 of the act.
- (xv) The company has not given any guarantees for loans taken by other from banks or financial institutions.
- (xvi) During the period covered by our audit report, the company has not taken any fresh term loan.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the act.
- (xix) During the period covered by our audit report, the company has not issued any debentures.
- (xx) During the period covered by our audit report, the company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit

**For N. BHANDARI & CO.,**  
Chartered Accountants  
Firm Reg No : 03185C

**(N. BHANDARI)**  
Partner  
M. No. 71710

PLACE : JAIPUR  
Date : May 29, 2013

**BALANCE SHEET AS AT MARCH 31, 2013**

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	34,270,000.00	34,270,000.00
(b) Reserves and Surplus	3	(5,533,819.38)	(2,925,427.88)
(c) Money Received against share warrants		-	-
<b>(2) SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	4	1,029,827.00	4,545,327.00
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables	5	479,855.00	2,428,941.50
(c) Other current liabilities	6	-	4,601.00
(d) Short-term provisions	7	-	75,000.00
<b>TOTAL</b>		<b>30,245,862.62</b>	<b>38,398,441.62</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	8	29,445,300.26	30,515,970.26
(ii) Intangible Assets		-	-
(iii) Capital Work-in progress & Pre-operative Exp.		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	9	524,229.00	364,666.00
(e) Other non-current assets		-	-
<b>(2) Current assets</b>			
(a) Current investments	10	3,000.00	3,000.00
(b) Inventories	11	32,663.00	1,267,234.00
(c) Trade receivables	12	-	5,702,273.00
(d) Cash and cash equivalents	13	87,787.36	365,734.36
(e) Short-term loans and advances	14	152,883.00	179,564.00
(f) Other current assets		-	-
<b>TOTAL</b>		<b>30,245,862.62</b>	<b>38,398,441.62</b>

Notes to the financial statements

1 to 21

As per our report of even date attached,

For and on behalf of the Board of Directors

**For N. BHANDARI & CO.**

Chartered Accountants

Firm Reg. No: 03185C

Sd/-  
**(N. Bhandari)**  
 Partner  
 M.No. 71710

Sd/-  
**Prachi Chopda**  
 (Director)

Sd/-  
**Rajdeep Ghiya**  
 (Director)

Sd/-  
**CS Kiran Geryani**  
 ( Company Secretary  
 & Compliance Officer)

Place : Jaipur  
 Date: May 29, 2013

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013**

(Amount in Rs.)

Particulars	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
<b>III. INCOME</b>			
<b>A. CONTINUING OPERATIONS</b>			
I. Revenue from operations	15	6,421,789.00	24,074,558.00
II. Other Income		-	-
<b>III. TOTAL REVENUE (I +II)</b>		<b>6,421,789.00</b>	<b>24,074,558.00</b>
<b>IV. Expenses:</b>			
(a) Cost of materials consumed	16	848,131.00	10,369,753.00
(b) Purchase of Trading Goods		4,777,358.00	8234409.50
(c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	17	1,045,178.00	77,559.00
(d) Employee benefit expenses	18	275,959.00	1,823,015.00
(e) Finance costs	19	-	2,111.00
(f) Depreciation and amortization expense	8	739,835.00	739835.00
(g) Other expenses	20		
Manufacturing expenses	20.1	532,868.00	2,111,520.50
Administrative expenses	20.2	445,936.50	336,037.75
<b>TOTAL EXPENSES</b>		<b>8,665,265.50</b>	<b>23,694,240.75</b>
<b>V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)</b>		<b>(2,243,476.50)</b>	<b>380,317.25</b>
VI.. Exceptional items		-	-
<b>VII. Profit / (Loss) before extraordinary items and tax (V+VI)</b>		<b>(2,243,476.50)</b>	<b>380,317.25</b>
VIII. Extraordinary items		-	-
<b>IX. Profit / (Loss) before tax (VII+VIII)</b>		<b>(2,243,476.50)</b>	<b>380,317.25</b>
X. Tax expense:			
(a) Current tax expense for current year		0.00	75,000.00
(b) (Less): MAT credit (where applicable)		0.00	0.00
(c) Current tax expense relating to prior years		34,080.00	(8,301.00)
(d) Net current tax expense		0.00	0.00
(e) Deferred tax		0.00	0.00
<b>XI. Profit / (Loss) from continuing operations (IX- X)</b>		<b>(2,277,556.50)</b>	<b>313,618.25</b>
<b>B. DISCONTINUING OPERATIONS</b>			
XII. Profit / (Loss) from discontinuing operations (before tax)		0.00	0.00
XIII. Profit / (Loss) from discontinuing operations		0.00	0.00
<b>C. TOTAL OPERATIONS</b>		<b>(2,277,556.50)</b>	<b>313,618.25</b>
XIV. Profit / (Loss) for the year (XI + XIII)		<b>(2,277,556.50)</b>	<b>313,618.25</b>
XV. Earnings per share (of Rs. 10/- each):			
(a) Basic		(3.52)	0.48
(b) Diluted		(3.52)	0.48

Notes to the financial statements

1 to 21

As per our report of even date attached,

For and on behalf of the Board of Directors

**For N. BHANDARI & CO.**

Chartered Accountants

Firm Reg. No: 03185C

Sd/-

**(N. Bhandari)**

Partner

M.No. 71710

Place : Jaipur

Date: May 29, 2013

Sd/-

**Prachi Chopda**  
(Director)

Sd/-

**Rajdeep Ghiya**  
(Director)

Sd/-

**CS Kiran Geryani**  
( Company Secretary  
& Compliance Officer)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND  
FOR THE YEAR ENDED MARCH 31, 2013**
**Note 1. NOTES ON ACCOUNTS**
**1.1 Significant Accounting Policies**

- A Fixed Assets are stated at cost of acquisition/ construction less accumulated depreciation. The cost includes all the pre-operative expenses and the financing cost of borrowings related to the pre production period. In case of revaluation of assets cost of acquisition is substituted by appropriate value in terms of valuation by competent professional.
- B Depreciation on Fixed Assets is provided on straight line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on assets acquired during the year is charged on pro rata basis & part of the month is considered as a full month. Depreciation on revalued assets is recomputed so as to write off the entire value in residual life of assets.
- C Foreign Currency Transactions:
- i Export Sales- At the rates as on the date of negotiation or collection ,where export bills are negotiated after the close of the year, then at the year end rate when not covered by forward contract.
  - ii Expenditure- At the rates as on the date of transaction, receivables, creditors and outstanding liabilities are translated at the rate as at the close of the year, or at forward contract rate, wherever applicable.
  - iii Foreign Currency Loans for acquiring Fixed Assets and outstanding at the close of the Financial Year - At the contracted /prevailing rate of exchange, at the close of the year. The gain or loss due to decrease/increase in rupee liability due to fluctuations in rates of exchange is adjusted to the cost of the assets acquired through these loans. The depreciation on such increase/decrease in value of assets is provided for prospectively on residual life of the assets.
- D Investments are stated at cost.
- E Stock of Raw Material, spare parts and work in process are valued at cost.Finished goods are valued at lower of direct cost or net realisable value.
- F Expenditure During Construction Period : Expenditure incurred on projects during implementation is capitalised and apportioned to various assets on commissioning of the project.
- G Preliminary, Capital Issue and Deferred Revenue Expenses :Preliminary, capital issue expenditure are written off in 10 years from the year of commercial production.
- H Retirement Benefit : Gratuity:- Provision for gratuity is made on the basis of actual accrued liability.

**1.2 Contingent Liabilities**
**(Amount in Rs.)**

Particulars	2012-13	2011-12
Claims against company not acknowledged as debts* (*Demand of Rs.1,42,048 raised by Land & Building Tax Deptt. which is challenged by the company in appropriate court.)	142048.00	142048.00
Deposited with ESI under protest against demand for the period from October 2007 to December 2008 during which period the factory was closed. This demand has been challenged by the company in appropriate court.	92035.00	92035.00
Deposit of 25% of registration fees of Land for filling revision petition before Ajmer Revnue board to revise rate of registry charges to 5% instead of demand of full duty i.e Rs. 594250/- vide descision dated 19-1-2012 and demand note dated 4-10-2012.	594250.00	0.00

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

1.4 The accounting of deferred tax in terms of "Accounting Standard ( AS22) on " Accounting for Taxes on Income" results in deferred Tax Assets. However in view of sickness of the company there is no certainty of realization of such assets in a reasonable period of time, hence the same has not been accounted for.

**1.5 Related Party Disclosure as per Accounting Standard (AS 18) issued by Institute of Chartered Accountants of India.**

Name of the Party	High Street Fashions Pvt Ltd	Raj Kumar Sethia
Nature of relationship	Directors of this company are close relative of Promoters	Promoter of our Company
Op. Balance	1,436,941 cr.	716,774.00 cr.
Purchases	0.00	0.00
Sales	6,846,869.00	0.00
Receipts	7,219,000.00	55,000.00
Payments	1,787,500.00	762,500.00
Closing Balance	21,572 cr.	9,274 cr.

- 1.6 Segments are identified in line with the Accounting Standard 17 ( AS17) taking into account the organisation structure. Expenses which were identified were attributed directly i.e manufacturing and depreciation related to Socks segment only and other expenses were attributed on pro-rata basis of sale value.

**Segment Reporting**
**(a) Primary Segment Information**

The company's operation primarily relates to manufacturing of Knitted socks, head band and wrist band and trading in yarn. Accordingly segments have been identified in line with Accounting Standard on Segment Reporting "AS-17". Sale of socks and yarn are the primary segment and there is no other segment.

Details of business segments are as follows:

	(Rs. In Lacs)	
Particulars	2012-13	2011-12
<b>Segment Revenue</b>		
(a) Manufacturing of Socks	13.79	129.74
(b) Trading of Yarn	50.42	111.00
(c) Income from other sources	0.00	0.00
Total	64.21	240.74
Less : Intersegment Revenue	0.00	0.00
Turnover/ Income from Operation	64.21	240.74
<b>Segment wise result (Before Interest &amp; tax)</b>		
(a) Manufacturing of Socks	(17.48)	(3.65)
(b) Trading of Yarn	(5.29)	7.48
(c) income from other sources	0.00	0.00
Total	(22.77)	3.83
Less: Interest paid	0.00	0.02
Less: Unallocable charges/ expenditure	0.00	0.00
Total Profit before tax	(22.77)	3.81
<b>Capital Employed(Segment assets- Segment Liabilities)</b>		
(a) Manufacturing of Socks	287.36	312.52
(b) Trading of Yarn	0.00	1.68
Total	287.36	314.2

**Secondary segment information:**

The company caters mainly to the need of Indian market and there is no Export sale, therefore no reportable geographical segments.

- 1.7 In view of paucity of funds no salary were paid to any of the Director for the financial year, however in view of directors confirmations not to avail any remuneration, no provision for liability is required.
- 1.8 In Terms of Provisions of Accounting Standard 28 ( AS28) issued by The Institute of Chartered Accountants of India the company had provided for loss due to impairment of assets during 2004-05. The Value in use being uncertain due to sickness of unit, recoverable amount was reduced from carrying amount and resultant loss ( impairment loss) was debited to balance of Profit and Loss a/c .In view of high obsolescence rate of machinery the board had decided to provide depreciation on original value of block of machinery.

1.9 Expenditure /Income in Foreign Currency	2012-13	2011-12
C.I.F. Value of Imports	0	0
Raw Material	0	0
Spares	0	0
<b>Expenditure in foreign Currency (on payment basis) On account of :</b>	<b>2012-13</b>	<b>2011-12</b>
Travelling	0	0
Earning In foreign Exchange	0	0
F.O.B Value of Export	0	0

**Note 2. SHARE CAPITAL**

Particulars	As at March 31, 2013		As at March 31, 2012	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	4,000,000	40,000,000.00	4,000,000	40,000,000.00
Redeemable preference shares of Rs. 100/- each (6% Redeemable Cumulative non Convertible)	350,000	35,000,000.00	350,000	35,000,000.00
(b) Issued				
Equity shares of Rs. 10/- each with voting rights	647,000	6,470,000.00	647,000	6,470,000.00
Redeemable preference shares of Rs. 100/- each (6% Redeemable Cumulative non Convertible)	278,000	27,800,000.00	278,000	27,800,000.00
(c) Subscribed and fully paid up				
Equity shares of Rs. 10/- each with voting rights	647,000	6,470,000.00	647,000	6,470,000.00
Redeemable preference shares of Rs. 100/- each (6% Redeemable Cumulative non Convertible)	278,000	27,800,000.00	278,000	27,800,000.00
(d) Subscribed but not fully paid up	-	-	-	-
		<b>34,270,000.00</b>		<b>34,270,000.00</b>

Authorised Capital was rearranged in 4,000,000 Equity Shares having nominal value of Rs. 10 each and 350,000 6% Redeemable Cumulative Non Convertible Preference Shares of Rs. 100/-each vide decision of shareholders in Annual General Meeting held on 25th September 2010.

Issued, Subscribed and Paid Up Capital was reduced from 6,470,000 Equity shares of Rs. 10/- each to 647,000 Equity Shares of Rs. 10/- each consequent to decision of reduction of share capital approved by shareholders and High Court of Rajasthan had also approved the same vide its order dtd 22nd April 2010.

278,000 6% Cumulative Non Convertible Preference Shares of Rs. 100/- each were issued fresh on 9th October 2010 as per decision of shareholders.

Arrears of fixed cumulative dividends on preference shares as at 31 March, 2013 Rs. 4133442/- (As at 31 March, 2012 Rs. 2465442/-).

**2.1 Terms / Rights attached to shares**

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company also has only one class of Redeemable Preference Shares shares having a par value of Rs 100 per share entitled for 6 % preferential Dividend. In the event of liquidation of the Company, the holders of such shares will be entitled to receive remaining assets of the Company prior to equity share holders. The distribution will be in proportion to the number of shares held by the shareholders. The Preference shares are not redeemable before three Years ( i.e 8th October 2013) and not later than five years i.e 8th October 2015 from the date of allotment.

**2.2 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Outstanding at the beginning of the year				
Equity Shares	647,000	6,470,000.00	647,000	6,470,000.00
Redeemable Preference Shares	278,000	27,800,000.00	278,000	27,800,000.00
Add : Fresh shares issued	0	0.00	0	0.00
Less: Shares bought-back	0	0.00	0	0.00
Outstanding at the end of the year	0	0.00	0	0.00
Equity Shares	647,000	6,470,000.00	647,000	6,470,000.00
Redeemable Preference Shares	278,000	27,800,000.00	278,000	27,800,000.00

**2.3 The details of shareholders holding more than 5% shares:**

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No of Shares	% held	No of Shares	% held
NEETA SETHIA	30	0.00	40,930	6.00
MOTI LAL BAID	50	0.00	41,150	6.00
HIGH STREET FASHIONS PVT. LTD	97,037	15.00	NIL	NIL
RAJ KUMAR SETHIA	150,581	23.27	150,581	23.27
CABTECH INDIA PVT LTD	71,074	10.99	86,074	13.31
TECHMECH STEEL PVT LTD	32,500	5.02	32,500	5.02
<b>Total</b>	<b>351,192</b>	<b>54.28</b>	<b>351,235</b>	<b>41.60</b>

### Note 3. RESERVES & SURPLUS

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
<b>3.1 Capital Reserve</b>		
As per last Balance Sheet	70,188,260.80	70,188,260.80
<b>3.2 REVALUATION RESERVE ON LAND &amp; BUILDING</b>		
As per last Balance Sheet	20,686,811.88	21,017,646.88
Less: Utilised for set off against depreciation	330,835.00	330,835.00
Closing Balance	20,355,976.88	20,686,811.88
<b>3.3 Profit and Loss Account</b>		
As per last Balance Sheet	(93,800,500.56)	(94,114,118.81)
Profit for the year	(2,277,556.50)	313,618.25
Closing Balance	(96,078,057.06)	(93,800,500.56)
<b>TOTAL</b>	<b>(5,533,819.38)</b>	<b>(2,925,427.88)</b>
<b>Note 4. LONG TERM BORROWINGS</b>		
4.1 Loans and advances from related parties	-	-
4.1.1 Secured	-	-
4.1.2 Unsecured	-	718,000.00
4.2 Other loans and advances	-	-
4.2.1 Secured	-	-
4.2.2 Unsecured from others	1,029,827.00	3,827,327.00
	1,029,827.00	4,545,327.00
<b>Note 5. TRADE PAYABLES</b>		
5.1 Sundry trade Creditors	236,500.00	2,156,174.50
5.2 Outstanding Expenses	243,355.00	272,767.00
<b>TOTAL</b>	<b>479,855.00</b>	<b>2,428,941.50</b>
<b>Note 6. OTHER CURRENT LIABILITIES</b>		
Statutory remittances (Contributions to PF and ESIC, Excise Duty, VAT, Service Tax, etc.)	-	4,601.00
<b>TOTAL</b>	<b>-</b>	<b>4,601.00</b>
<b>Note 7. SHORT TERM PROVISIONS</b>		
Provision for Income Tax	-	75,000.00
<b>TOTAL</b>	<b>-</b>	<b>75,000.00</b>

### Note 8: FIXED ASSETS

Tangible Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Bal. As on 1/4/2012	Op Bal as of revaluation on 1/4/2012	Addition during the year	Bal. As on 31/3/2013	Depreciation Upto 31/3/2012	On Revaluation	During the Period	Total upto 31/3/2013	As on 31/3/2013	As on 31/3/2012
Land										
Leasehold	287,419.00	16,443,581.00	0.00	16,731,000.00	0.00	0.00	0.00	0.00	16,731,000.00	16,731,000.00
Building										
Owned	13,325,959.12	4,960,040.88	0.00	18,286,000.00	6,385,372.86	330,835.00	445,088.00	7,161,295.86	11,124,704.14	12,676,550.14
Plant & Machinery										
Owned	89,260,950.97	0.00	0.00	89,260,950.97	89,260,949.97	0.00	0.00	89,260,949.97	1.00	1.00
Electric fitting										
Owned	3,581,712.33	0.00	0.00	3,581,712.33	2,210,899.87	0.00	170,132.00	2,381,031.87	1,200,680.46	1,540,944.46
Furniture & Fixture										
Owned	1,506,844.06	0.00	0.00	1,506,844.06	1,228,849.03	0.00	95,384.00	1,324,233.03	182,611.03	373,379.03
Office equipment										
Owned	539,728.64	0.00	0.00	539,728.64	318,572.99	0.00	25,638.00	344,210.99	195,517.65	246,793.65
Computer & software										
Owned	392,736.00	0.00	0.00	392,736.00	378,357.00	0.00	3,593.00	381,950.00	10,786.00	17,972.00
Vehicle										
Owned	515,262.04	0.00	0.00	515,262.04	515,262.04	0.00	0.00	515,262.04	0.00	0.00
<b>Total</b>	<b>109,410,612.16</b>	<b>21,403,621.88</b>	<b>0.00</b>	<b>130,814,234.04</b>	<b>100,298,263.77</b>	<b>330,835.00</b>	<b>739,835.00</b>	<b>101,368,933.77</b>	<b>29,445,300.28</b>	<b>31,586,640.28</b>
Figure for Previous year	(109,410,612.16)	(21,403,621.88)	0.00	(130,814,234.04)	(99,227,593.77)	(330,835.00)	(739,835.00)	(100,298,263.77)	(30,515,970.28)	(31,586,640.28)



- 8.1 Depreciation on revalued part of Building is transferred to revaluation Reserve and balance amount of depreciation is charged to Profit & Loss A/c. Total life of Building was considered 30 years and residual life as on 1-4-09 ( i.e. date of revaluation) was 15 years and depreciation is computed @ 6.67% on revalued assets so as to write off the entire value in residual life of Assets.
- 8.2 Depreciation on Plant & Machinery is restricted up to the amount of net block i.e Rs. 1455869.06/- leaving a residual value of Rs 1/-
- 8.3 The Leasehold land was allotted on 99 year lease w.e.f. 4/10/1991 by RIICO.
- 8.4 In terms of decision of Board of Directors, revaluation of Land and Building of the company was got done during 2008-09 by approved valuer so as to represent the true realizable value of assets. The cost of acquisition in case of land and written down value in case of building was substituted with value arrived as per revaluation report and the difference was credited to Revaluation reserve. Accordingly depreciation is calculated on revalued portion of building as adjusted to write off the entire value in residual life and the same has been shown reduced from revaluation reserve.

**Notes:**

- 8.5 (i) Details of sums added to assets on revaluation during the preceding 5 years:

(Amount in Rs.)

Particulars	Year				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Opening balance	20,686,811.88	21,017,646.88	21,348,481.88	21,403,621.88	-
<b>Written off on reduction of capital</b>	-	-	-	-	-
Date	-	-	-	-	-
Amount	-	-	-	-	-
<b>Written off on revaluation or Depreciation</b>	-	-	-	-	-
Date	31/03/2013	31/03/2012	31/03/2011	31/03/2010	-
Amount	330,835.00	330,835.00	330,835.00	55,140.00	-
<b>Added on revaluation - Land</b>	-	-	-	-	-
Date	-	-	-	-	05/10/2008
Amount	-	-	-	-	16,443,581.00
<b>Added on revaluation - Building</b>	-	-	-	-	-
Date	-	-	-	-	05/10/2008
Amount	-	-	-	-	4,960,040.88
Balance as at 31 March	20,355,976.88	20,686,811.88	21,017,646.88	21,348,481.88	21,403,621.88

**8.6 Depreciation and amortisation relating to continuing operations:**

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Depreciation and amortisation for the year on tangible assets	1,070,670.00	1,070,670.00
Depreciation and amortisation for the year on intangible assets	-	-
Less: Utilised from revaluation reserve	330,835.00	330,835.00
Depreciation and amortisation relating to discontinuing operations	-	-
Depreciation and amortisation relating to continuing operations	739,835.00	739,835.00

**Note 9. LONG TERM LOANS AND ADVANCES**
**9.1 Security deposits**

9.1.1 Secured, considered good

9.1.2 Unsecured, considered good

9.2 **Advance income tax - Unsecured, considered good**

9.3 **Balances with government authorities**

Unsecured, considered good

(i) CENVAT credit receivable

(ii) VAT credit receivable

(iii) ESI Demand Under Protest

(Deposited with ESI under protest against demand for the period from October 2007 to December 2008 during which period the factory was closed . This demand has been challenged by the company in appropriate court.)

(iv) Stamp duty deposited with tax board Ajmer

181,325.00	170,325.00
102,306.00	102,306.00
-	-
-	-
92,035.00	92,035.00
148,563.00	-
524,229.00	364,666.00

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

(Amount in Rs.)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
<b>NOTE -10 : CURRENT INVESTMENT (AT COST)</b>		
A. GOVT. SECURITIES		
National Saving Certificate pledged with Govt. deptt. As security (at face value)	3,000.00	3,000.00
	<b>3,000.00</b>	<b>3,000.00</b>
<b>Note 11. INVENTORIES</b>		
11.1 Raw Material	-	201,413.00
11.2 Stock-in-trade	-	49,981.00
11.3 Finished & Semi Finished Good (At estimated cost)		
Finished Goods- Socks	-	518,049.00
Semi Finished goods	-	457,808.00
Rejected Goods ( At realisable Value)	-	12,420.00
Waste goods ( At realisable value)	-	6,920.00
11.4 Packing Material	32,663.00	20,643.00
<b>TOTAL</b>	<b>32,663.00</b>	<b>1,267,234.00</b>
11.5 Inventories are taken and valued at lower of cost or net realisable value as certified by the management. Cost is valued on Average rate method for raw material and FIFO method for others.		
11.6 Finished goods and work in progress are valued at lower of cost or net realisable value. Cost of finished goods includes cost of conversion and other cost incurred in bringing the inventories to their present location and condition.		
<b>Note 12. TRADE RECEIVABLES</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	-	-
Other Trade receivables		
Unsecured, considered good	-	5,702,273.00
<b>TOTAL</b>	<b>-</b>	<b>5,702,273.00</b>
<b>Note 13. CASH AND CASH EQUIVALENTS</b>		
13.1 Cash on hand	55,537.36	334,278.36
13.2 Balances with banks		
(i) In current accounts	24,598.00	23,804.00
(ii) In deposit accounts	0.00	0.00
(iii) In earmarked accounts for Share Allotment	7,652.00	7,652.00
<b>TOTAL</b>	<b>87,787.36</b>	<b>365,734.36</b>
<b>Note 14. SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured &amp; Considered Good</b>		
(a) Loans and advances to related parties	-	-
(b) Security deposits	-	-
(c) Loans and advances to employees	-	-
(d) Prepaid expenses - Unsecured, considered good	-	8,224.00
(e) Balances with government authorities	-	-
<b>Unsecured, considered good</b>		
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	-	5,957.00
(iii) Ed. Cess & SHEC	-	-
(f) Inter-corporate deposits	-	-
(g) Advance to suppliers	152,883.00	165,383.00
<b>TOTAL</b>	<b>152,883.00</b>	<b>179,564.00</b>
14.1 In the opinion of Board of Directors the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.		

(Amount in Rs.)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
<b>Note 15. REVENUE FROM OPERATIONS</b>		
<b>Sale of Products -Manufactured goods</b>		
Socks	1,486,771.00	7,391,749.00
Job work revenue from Socks manufacturing	0.00	6,431,949.00
<b>Sale of Products -Traded goods</b>		
Yarn	5,042,087.00	11,100,609.00
Less: Excise Duty	<b>(107,069.00)</b>	(849,749.00)
<b>Net Revenue from Operations</b>	<b>6,421,789.00</b>	24,074,558.00

**Note 16. COST OF MATERIAL CONSUMED** (Amount in Rs.)

Particulars	Cotton	Nylon,Elastic & Rubber	TOTAL
<b>A: Material cost for manufacturing</b>			
Opening Stock of Raw Material	<b>168,094.00</b>	<b>33,319.00</b>	<b>201,413.00</b>
	(817,627.00)	(28,363.00)	(845,990.00)
Purchases	<b>646,718.00</b>	<b>0.00</b>	<b>646,718.00</b>
	(8,966,000.00)	(759,176.00)	(9,725,176.00)
Closing stock	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	(168,094.00)	(33,319.00)	(201,413.00)
Cost Of material consumed	<b>814,812.00</b>	<b>33,319.00</b>	<b>848,131.00</b>
	(9,615,533.00)	(754,220.00)	(10,369,753.00)
<b>B. Material cost of goods sold</b>			
Purchases	4,777,358.00	0.00	<b>4,777,358.00</b>
	(8,234,409.50)	0.00	(8,234,409.50)
(Figures in brackets ( ) relates to previous year)			

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
<b>Note 17. CHANGE IN INVENTORIES</b>		
<b>Inventories at the end of the year:</b>		
Finished goods	0.00	518,049.00
Work-in-progress	0.00	477,148.00
Stock-in-trade	0.00	49,981.00
<b>Total</b>	-	1,045,178.00
<b>Inventories at the beginning of the year:</b>		
Finished goods	518,049.00	0.00
Work-in-progress	477,148.00	343,998.00
Stock-in-trade	49,981.00	778,739.00
<b>Total</b>	<b>1,045,178.00</b>	1,122,737.00
<b>Net (increase) / decrease</b>	1,045,178.00	77,559.00
<b>Note 18. EMPLOYEE BENEFIT EXPENSES</b>		
Salary & Wages	<b>265,334.00</b>	1,779,874.00
Employers Contribution to P.F. and E.S.I.	<b>10,625.00</b>	34,154.00
Staff Welfare	<b>0.00</b>	8,987.00
<b>TOTAL</b>	<b>275,959.00</b>	1,823,015.00
<b>Note 19. FINANCE COSTS</b>		
Interest expense on:		
19.1 Borrowings		
a )Bank Loan	-	-
b) Other loans & Security Deposits	-	-
19.2 Trade payables	-	-
19.3 Other borrowing costs		
a) Interest on tds & Excise duty.		2,111.00
	<b>0.00</b>	2,111.00

(Amount in Rs.)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
<b>Note 20. OTHER EXPENSES</b>		
<b>20.1 MANUFACTURING EXPENSES</b>		
1 Power & Fuel	417,465.00	1,255,482.00
2 Stores & Spares	7,280.00	186,832.00
3 Freight & Cartage	275.00	8,018.00
4 Packing Material	107,848.00	619,855.50
5 Repair & Maintenance		
- Building	0.00	22,809.00
- Plant & Machinery	0.00	18,524.00
<b>TOTAL</b>	<b>532,868.00</b>	<b>2,111,520.50</b>
<b>20.2 ADMINISTRATIVE EXPENSES</b>		
1. Advertisement & Publicity	158,428.00	92,342.00
2. Bank Charges	580.00	2,963.25
3. Audit Fee	28,090.00	25,000.00
4. Conveyance	815.00	13,410.00
5. Filing Fees	1,500.00	1,000.00
6 .Miscellaneous Expenses	1,118.50	4,833.50
7. Postage, Telephone, Telegram	56,866.00	12,706.00
8. Printing & Stationery	27,357.00	30,776.00
9. Legal & Professional	122,000.00	35,565.00
10. Listing expenses	9,831.00	41,914.00
11. Sales Promotion	0.00	0.00
12. Stock Exchange Fee	17,978.00	26,196.00
13. Economic Rent	0.00	8,221.00
14. Security charges	0.00	18,025.00
15. Share Transfer exp.	21,373.00	23,086.00
<b>TOTAL</b>	<b>445,936.50</b>	<b>336,037.75</b>
20.2.1 Payments to the auditors comprises		
As auditors - statutory audit	22,472.00	20,000.00
For taxation matters	5,618.00	5,000.00
<b>TOTAL</b>	<b>28,090.00</b>	<b>25,000.00</b>
<b>Note 21 DISCLOSURES UNDER ACCOUNTING STANDARDS</b>		
Earnings per share- Basic and diluted		
<b>Net profit / (loss) for the year</b>	<b>(2277556.50)</b>	313,618.25
<b>Net profit / (loss) for the year attributable to the equity shareholders</b>	<b>(2277556.50)</b>	313,618.25
<b>Weighted average number of equity shares</b>	<b>647,000.00</b>	647,000
<b>Par value per share</b>	<b>10.00</b>	10.00
<b>Earnings per share - Basic and diluted</b>	<b>(3.52)</b>	0.48

As per our report of even date attached,

For and on behalf of the Board of Directors

**For N. BHANDARI & CO.**

Chartered Accountants

Firm Reg. No: 03185C

Sd/-

**(N. Bhandari)**

Partner

M.No. 71710

Place : Jaipur

Date: May 29, 2013

Sd/-

**Prachi Chopda**  
(Director)

Sd/-

**Rajdeep Ghiya**  
(Director)

Sd/-

**CS Kiran Geryani**  
(Company Secretary  
& Compliance Officer)

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

(Rs. In lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax and extra ordinary items	(22.43)	3.80
Adjustments for :		
Depreciation	7.40	7.40
Prior years adjustment	(0.34)	0.08
Profit/ Loss on sale of fixed Assets / or from Investment etc	0.00	0.00
Interest & other income on investments	0.00	0.00
Interest	0.00	0.02
Operating profit before working capital changes	(15.38)	11.31
Adjustments for :		
Trade and other Receivables	57.29	(27.81)
Inventories	12.35	7.29
Trade Payables	(20.29)	12.11
Cash generated from operations	33.97	2.89
Interest paid	0.00	0.02
Direct taxes paid	0.00	0.75
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>33.97</b>	<b>2.12</b>
Extraordinary items-Deferred Revenue Expenses		
<b>Net Cash from operating activities (A)</b>	<b>33.97</b>	<b>2.12</b>
<b>B. CASH FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	0.00	0.00
Sales of fixed assets	0.00	0.00
Acquisitions of Companies (As per Annexure)		
Purchases of Investments		
Loans/Deposits Received back/ Loans given	(1.60)	(0.17)
Sales of Investments	0.00	0.00
Interest received and other income	0.00	0.00
Dividend received		
<b>Net cash used in investing activities (B)</b>	<b>(1.60)</b>	<b>(0.17)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital	0.00	0.00
Proceeds from long term borrowings	(35.16)	0.63
Repayment of Long term loans	0.00	0.00
Dividends paid		
Preliminary Expenses	0.00	0.00
<b>Net cash used in financing activities ( C)</b>	<b>(35.16)</b>	<b>0.63</b>
Net increase/(decrease) in cash and cash equivalents ( A+B+C)	(2.78)	2.58
Cash and Cash Equivalents as at 1-4-2012 ( Opening Balance)	3.66	1.07
Cash and Cash equivalents as at 31-3-2013( Closing Balance)	0.88	3.66

Sd/-  
**Prachi Chopda**  
(Director)

Sd/-  
**Rajdeep Ghiya**  
(Director)

Sd/-  
**CS Kiran Geryani**  
(Company Secretary & Compliance Officer)

**AUDITORS' CERTIFICATE**

We have examined the above cash flow statement of High Street Filatex Ltd, which has been compiled from and is based on the audited financial statements for the year ended March 31, 2013 and March 31, 2012. To the best of our knowledge and belief and according to the information and explanation given to us, it has been prepared in accordance with the requirements of listing agreement with the stock exchange.

**For N. BHANDARI & CO.**  
Chartered Accountants  
Firm Reg. No: 03185C  
Sd/-  
**(N. Bhandari)**  
Partner  
M.No. 71710

Place : Jaipur  
Date: May 29, 2013

Date: \_\_\_\_\_

**FORMAT FOR SHAREHOLDER'S COMMUNICATION**

To,

**BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD**Beetal House, 3<sup>RD</sup> Floor, 99 Madangir,

Behind Local Shopping Centre,

Near Dada- Harsukhandas Mandir,

New Delhi-110062, Tel-011 29961281, 29961282.

**HIGH STREET FILATEX LIMITED**

B-17, IInd Floor,

22 Godam Industrial Area,

Jaipur-302006

OR

Sub: Updation / Intimation of Contact Details in the records of Company

Dear Sir/ Mam,

I agree to receive all communications from the Company in either of the electronic mode or physical mode or both as per the convenience of the Company. Kindly register my below mentioned contact details for sending the communications:

Folio no./ DP ID &amp; Client ID: .....

Name of Sole/ 1<sup>st</sup> Registered Holder: .....

Name of Joint Holder(s): .....

No. of Shares Held: .....

Present Residential Address: .....

E-mail Id: .....

Contact No. (Resi.) ..... (Mobile) .....

From,

.....(Signature)

.....(Name)

Shareholder of High Street Filatex Limited

**HIGH STREET FILATEX LIMITED**

Venue : B-17, IIND FLOOR, 22 GODOWN INDUSTRIAL AREA, JAIPUR-302006  
19<sup>th</sup> Annual General Meeting on Tuesday, September 10, 2013

**PROXY FORM**

I/we \_\_\_\_\_, resident of \_\_\_\_\_ in the district of \_\_\_\_\_ in the State of \_\_\_\_\_ being a shareholder of **M/S HIGH STREET FILATEX LIMITED**, hereby appoint \_\_\_\_\_, resident of \_\_\_\_\_, in the district of \_\_\_\_\_, in the state of \_\_\_\_\_ as my/our proxy in my our absence to attend and vote for me/us and on my/our behalf at the 19th ANNUAL GENERAL MEETING of the Company to be held on Tuesday, September 10, 2013 at 11.30 A. M. at **B-17, IIND FLOOR, 22 GODOWN INDUSTRIAL AREA, JAIPUR-302006**, the registered office of the Company and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Name of Shareholder :

Registered Folio No. :

No. of Shares Held :

DP ID :

Client ID :

**Affix Revenue Stamp of Re. 1 (Pl. sign across the stamp)**

**NOTES:**

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A proxy need not to be a member.
3. This form in order to be effective must be duly stamped, signed and completed and must be deposited at the registered office of the Company at **B-17, IIND FLOOR, 22 GODOWN INDUSTRIAL AREA, JAIPUR-302006** not less than 48 hours before the commencement of the meeting.

**HIGH STREET FILATEX LIMITED**

Venue : B-17, IIND FLOOR, 22 GODOWN INDUSTRIAL AREA, JAIPUR-302006  
19<sup>th</sup> Annual General Meeting on Tuesday, September 10, 2013

**ATTENDANCE SLIP**

(To be handed over at the entrance of the venue of meeting )

DP ID \_\_\_\_\_

Client ID \_\_\_\_\_  
(If shares are in Demat Form)

Folio No. \_\_\_\_\_  
(If shares are in Physical Form)

Name of Member \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

Name of Proxy \_\_\_\_\_  
(To be filled in only when a Proxy attends a Meeting)

I hereby record my presence at the 19th Annual General Meeting of the Company held on Tuesday, September 10, 2013 at 11.30 A. M. at **B-17, IIND FLOOR, 22 GODOWN INDUSTRIAL AREA, JAIPUR-302006** the registered office of the Company.

\_\_\_\_\_  
Signature of the Member/Proxy/  
Authorized Representative

**NOTES:**

1. A Member/ Proxy should bring his/her Annual Report for reference at the meeting.
2. Only member/proxy can attend the meeting. No minors would be allowed at the meeting.
3. Member/ Proxy who wish to attend the meeting must bring this attendance slip to meeting and handover at the entrance duly filled in and signed.

**BOOK-POST  
(Printed Matter)**

**HIGH STREET FILATEX LIMITED**

Venue : B-17, IIIND FLOOR, 22 GODOWN INDUSTRIAL AREA, JAIPUR-302006



# High Street Filatex Limited

(Formerly) UNI LEGWEARS (INDIA) LIMITED

REGD OFFICE: B-17, IIND FLOOR, 22 GODAM INDUSTRIAL AREA, JAIPUR-302006, INDIA

Tel No: 0141-2214074, 2211658 Fax-0141-2212984

FACTORY: F-86 HIRAWALA INDUSTRIAL AREA, KANOTA, DISTT. JAIPUR-303012, INDIA

Web Site: [www.highstreetfilatex.com](http://www.highstreetfilatex.com)

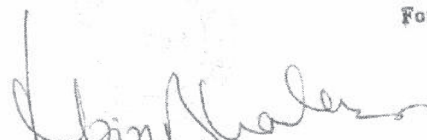
E-mail: [highstreet.filatex@gmail.com](mailto:highstreet.filatex@gmail.com)

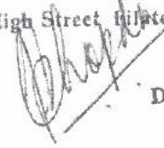
## FORM A

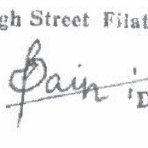
### Covering Letter of the Annual Audit Report

1.	Name of the company	High Street Filatex Limited
2.	Annual financial statements for the year ended	31st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.

### For High Street Filatex Limited

  
Auditor of the Company

For High Street Filatex Ltd.  
  
Director  
Director & CFO

For High Street Filatex Ltd.  
  
Director  
Chairman of Audit Committee

Certified True Copy  
For HIGH STREET FILATEX LTD.  
  
COMPANY SECRETARY