



16th Annual Report

2009-2010



Board of Directors	Raghu Raj	-	Director
	Subhash Kothari	-	Director
	D.P.Kelkar	-	Director
	Nortan Bothra	-	Director
	Sanjay I. Bora	-	Director
	Rajkumar Bidawatka	-	Director
	Prabhat Sethia	-	Managing Director

Registered Office MayFair Gardens 80-6-682/3/A & 3B
Flat No.201, Second Floor,
Road No.12
Banjara Hills,Hyderabad- 500 034.

Works Alinagar, Chettla Potharam Village,
Jeenaram , Mandal, Medak District.

Bankers *HDFC/ HSBC/ YES BANK.*

Auditors M/s N.G. Rao & Associates,
Chartered Accountants, Hyderabad.

Share Transfer Agents M/s Sharex Dyanamic (I) Pvt. Ltd
Unit No.1, Luthra Ind. Premises,
Andheri- Kurla Road,
Safed Pool, Andheri (E) Mumbai- 400 072.
Phone : 022-28515606,Fax :022-28512885



NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of FILATEX FASHIONS LIMITED will be held on Friday, 31st December, 2010 at 11.30 AM at Registered Office of the Company at, MayFair Gardens 80-6-682/3/A & 3B Flat No.201, Second Floor, Road No.12 Banjara Hills, Hyderabad- 500 034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2010 the Profit & Loss Account for the year ended as on that date and the Reports of the Directors' and the Auditor's thereon.
2. To consider Re-appointment of M/s. N.G. Rao & Associates, Chartered Accountants, Begumpet, Hyderabad, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

Place: Hyderabad
Date: 06.12.2010

By order of the Board

Prabhat Sethia
Managing Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf and the proxy need not be a member of the Company. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 30th November 2010 to 4th December 2010 (both days inclusive).
3. Members/ Proxies are requested to bring their copy of Annual Report to the meeting and attendance slip should be duly filled in for attending the Meeting.
4. Members are requested to send all correspondence relating to the shares to the Share Transfer Registrars M/s Sharex Dynamic (India) Private Limited, Unit No. 1, Luthra Ind. Premises, Andheri- Kurla Road, Safed Pool, Andheri (E), Mumbai- 400 072
Phone: 022 28515606, FAX: 022- 28512885.



POSTAL BALLOT

Dear Members,

NOTICE U/s 192A of the Companies Act, 1956

Alteration of Objects Clause of the Memorandum of Association of the Company:

Draft Special Resolution:

“RESOLVED THAT pursuant to Section 17 and other applicable provisions, if any, of the Companies Act, 1956, Objects Clause of Memorandum of Association of the Company be and are hereby altered by adding the following Clauses 4 after the existing Clause 3 of the Main Objects clause as under:

4. To undertake the business of trading, purchase, sale, import, export, exchange, modify, design, develop, improve, print, insulate, hire, let on hire, exhibit, inform and to act as wholesalers, representative, retailer, agent, stockiest, distributor, executors or otherwise to deal in all kinds of yarns, petrochemical products including but not limited to polyurethane and plastic products having applications in industry like Automobile, electrical, electronics, steel, cold rolling mills, irrigation and home appliances and also other products like Morph lines, substituted polyamines, carbonates – solvent plasticizers, urethane chemicals, glycols- functional fluids, epoxy curing agents, polytharamines, polyols, Isocyanates, Polyurethane Elastomers- cellular and non- cellular, Thermoplastics, Polyurethane elastomers, minerals, metals, ores, bulk chemicals, whether for industrial or domestic usage in India or abroad.

“ RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and to take all necessary action in connection with giving effect to the above resolution.”

EXPLANATORY STATEMENT U/s 173(2) and 192A of the Companies Act, 1956

Your Company proposes to undertake new business activities as the business in the field of manufacture of socks and trading of textile products. Hence the Board of Directors of the Company have decided to undertake business in the field of trading of all kinds of petrochemical based products and other related areas in addition to the existing business, in order to add to shareholder value.

Undertaking of such new business requires alteration of Objects clause of Memorandum of Association of the Company for inclusion of objects to undertake business in the field of trading of all kinds of petrochemical based products. In this connection it is considered



of trading of all kinds of petrochemical based products. In this connection it is considered proper to add the new Clauses 4 after the existing Clause 3 of the Main Objects Clause of the memorandum of Association of the Company

None of the Directors of the Company is interested in the resolution.

Since the proposal comes under the ambit of Section 17 your approval is being sought as under the provisions of Section 192A of the said Act, read with Companies (Passing of Resolutions by Postal Ballot) Rules, 2001 through a resolution to be passed by Postal Ballot as set out in the Notice.

You are requested to carefully read the instructions contained in the Postal Ballot Form and send the same after exercising your vote to the Scrutinizer **Mr. Ajay S Shrivastava, Practicing Company Secretary, 303, Durga Apartments, Rd. No. 10, Surya Nagar Colony, Somajiguda, Hyderabad – 500 082** who has been appointed as Scrutinizer by the Board of Directors for conducting vote by Postal Ballot.

Please note that all Forms duly completed should reach the Scrutinizer on or before 30th November 2010 to be able to announce the result of Ballot by the Chairman at the Annual General Meeting to be held on 4th December 2010 at 201, MayFair Gardens Rd. No. 12 Banjara Hills, Hyderabad - 500 034.



FILATEX FASHIONS LIMITED

201, 2nd Floor, MayFair Gardens, Road No. 12, Banjara Hills, Hyderabad - 500034

POSTAL BALLOT FORM

S. No.

1. Name of the shareholder (in BLOCK letters) including Joint holder(s)	
Registered Address of the First/ sole named shareholder	
Registered Folio No./ Client ID No. (Applicable to members holding shares in Demat Form)	
No. of Shares held	
I / We hereby exercise my/our vote in respect of the Special resolution to be passed through Postal Ballot for the business stated in the Notice of the Company by sending my/ our assent / dissent to the said resolution(s) by placing tick (*) mark at the appropriate box given below.	

Item No. 7 Special Resolution under Section 17 of the Companies Act, 1956 for alteration of Main Objects Clause of Memorandum of Association of the resolution	.No. of Shares		Please tick(*) in the appropriate box below
		I / We Assent to the Company	
		I / We Dissent to the resolution	

Place :

Date:

Signature of the shareholder

Please read the instructions printed overleaf before exercising the vote



INSTRUCTIONS :

1. A member desiring to exercise vote by Postal Ballot may complete this Form and send to the Registered Office in the self addressed pre-paid envelope . Envelopes containing Postal Ballot Form, if sent by courier at the expense of Shareholder will also be accepted.
2. The self addressed postage pre-paid envelope bears the address of Scrutinizer appointed by the Board of Directors of the Company.
3. This Form should be signed by the First name shareholder. In case of Joint holding, by the First named holder and in his absence by the next holder (as per the registered Specimen signatures).
4. Unsigned Postal Ballot Forms will be rejected.
5. Duly completed Postal Ballot Forms should reach the Company not later than the close of working hours on. 30th November, 2010. All Forms received after the said date will strictly be treated as if the reply from the member has not been received.
6. In case of shares held by Trusts, Societies, Companies etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution giving requisite authority to the person voting on the Postal Ballot Form.
7. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholder on the date of dispatch of the Notice for the said meeting ie.. 10th November, 2010.
8. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed Pre- paid envelope as the same will be sent to the Scrutinizer and any extraneous paper found in the envelope would be destroyed by the Scrutinizer.



To
The Member
Filatex Fashion Limited
Hyderabad

Your Directors Have pleasure in presenting the Sixteenth Annual Report of the Company together with **Audited Annual accounts** for the year ended 31st March, 2010

1. Financial Results:

(Rupees. in Lacs)

	31.03.2010	31.03.2009
Net Sales	3847.10	3870.76
Increase/ Decrease in Stock		10.01
Other Income	0.78	0.72
Manufacturing/ Operating Expenses	3737.91	3575.55
Profit before Financial Expenses & Depreciation	109.97	269.17
Interest/ Financial Costs	1.81	0.11
Depreciation	---	43.57
Preliminary Expenses written off	---	--
Net Profit (Loss) after Financial Expenses & Depreciation	22.21	225.49

2. BUSINESS REVIEW:

The sales of the Company declined slightly to Rs. **3847.89 Lakhs** from previous year Rs. 3871.49 lakhs with Net profit of Rs. **22.21** Lakhs. The Company, in spite of tough competition in industry for export of textiles and turmoil after recovery from recession started, has been able to maintain adequate sales. The procurement of raw material for manufacture of textile raised and due to high manufacturing cost, coupled with lower margins on trading of textile related products

3. FUTURE OUTLOOK:

The Company is planning to increase the installed capacity for socks manufacturing and upgradation of plant & machinery and for that purpose, has procured new machines. The Company's efforts in trading of textile intermediary products like petrochemical, polyurethane, and other plastic products which enhances the scope of business to other industries like automobile, electronics are being accepted through which the Company can scale up its sales and diversify its risk, which act as a cushion in case of decline in one industry and can dilute adverse effect.



4. AUDITORS:

The Auditors M/s N.G.Rao & Associates ,Chartered Accountants, Hyderabad, who have been appointed by shareholders resolution dated 04.12.2010, shall hold office upto conclusion of the ensuing Annual General Meeting. The Board recommends their reappointment for the year 2010-2011.

The observations made by the Auditors in their report read with the Notes on Accounts are self explanatory and do not require any comments from Directors.

5. FIXED DEPOSITS :

Your Company has not accepted any fixed deposit from the Public or its shareholders during the year under the review.

6. DIRECTORS RESPONSIBILITY STATEMENT: In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) That in the preparation of the Annual accounts, the applicable accounting standards have been followed.
- (ii) That your Directors have selected such accounting policies and applied them consistently and made Judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit & loss of the Company for that period.
- (iii) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- (iv) That your Directors have prepared the Annual Accounts on a going concern concept.

7. PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees drawing salaries equal or more than the limits laid under Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975 as amended.



8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

The details of energy conservation, technology absorption and foreign exchange earnings and outgo 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 are given in the **Annexure forming part of this report.**

9. SUBSIDIARY :

There are no subsidiaries to the Company as on date of the report.

10. CORPORATE GOVERNANCE CODE :

The Code of Corporate Governance promulgated by Securities & Exchange Board of India continues to be implemented by your Company. The Report on Corporate Governance and other related information is annexed hereto. The Compliance Certificate on Corporate Governance has been received from the Statutory Auditors.

11. CODE OF CONDUCT :

The Company has adopted a uniform Code of Conduct for Directors and Senior Management and above Officers level to ensure ethical standards and ensure compliance to the laid down standards.

12. ACKNOWLEDGMENTS

Your Directors take this opportunity to express their grateful appreciation for the Co-operation and assistance by Central and State Governments, Banks, Raw material suppliers and business associates as well as shareholders. Your Directors also place on record their appreciation for the devoted services rendered by all employees.

For and on behalf of the Board of Directors

Place: Hyderabad
Date: 06.12.2010

(Prabhat Sethia)
Managing Director

(Raghu Raj)
Director



ANNEXURE- A TO DIRECTOR'S REPORT

A. Conservation of Energy :

The thrust on energy conservation continued during the year across all manufacturing processes and it has resulted into considerable savings on the energy bill. Adequate training to staff has also contributed to effective utilization of devices resulting in same output in shorter running time. The installation of power capacitor is also bringing the desired results in power and fuel consumption.

B. Technology Absorption :

a. Research & Development

Specific areas in which R & D carried out by the Company :

The Company does not have a specific R & D Department. However it is constantly trying to improve quality of its products by adhering to strict international quality procedures as per buyers specifications.

Benefits as a result of above R & D:

Reduction of cost in output, marked improvement in quality resulting in better marketability

Future plan of action :

The above activities shall continue with capacity being raised to double. The Company proposes to concentrate in the use of developing process know how which will eliminate/ reduce wastage.

b. Technology absorption, adaptation & innovation :

The efforts in brief towards technology absorption, adaptation and innovation :

The Company has fully absorbed the technology for manufacture of socks.

Benefits to be derived as a result of above efforts e.g output improvement, cost reduction, product development, import substitution etc are reflected in the working.



DISCLOSURE OF PARTICULARS WITH RESPECT TO THE CONSERVATION OF ENERGY :

FORM A

A. Power & Fuel consumption

Electricity	Current Year
a) Purchased	
Units (Kwh)	2,68,738
Total amount (Rs.)	15,88,242
Rate/ unit(Rs.)	5.91
b) Own Generation	
Through Diesel Generator Units (Kwh)	1,16,710
Total Amount (Rs.)	8,63,654
Cost/unit (Rs)	7.40

FORM B

RESEARCH & DEVELOPMENT (R&D)

The Company is operating in the area of manufacture where R& D is for designing only. However Company has always made efforts to absorb the latest technological developments in machinery etc.

TECHNOLOGY ABSORPTION

The company has fully absorbed the imported technology for usage and running of machines, their maintenance etc.

FOREIGN EXCHANGE EARNINGS & OUTGO (Rs. in lakhs)

a. Total Foreign Exchange earned through direct exports	NIL
b. Others	
Total Foreign Exchange Earned	NIL
c. Foreign Exchange Used	
For import of materials	125.00
For import of spares etc	----
For Capital expenditure	22.00
Total Foreign Exchange used	147.00



ANNEXURE-B

MANAGEMENT DISCUSSION & ANALYSIS

Industry structure and developments

Indian textile industry is one of the major contributor to GDP, it is independent and self reliant. Large number of human resource is employed directly and indirectly. After facing the heat of recession and economic slowdown in most of countries for last couple of years, industry has recovered and started generating adequate contribution to the economy. Industry is diversified with large variety of products. The rise in the demand of textile for last six months has boosted production and industry is expected to grow decently in coming years.

Opportunities and Threats

The Company surrendered 100% export oriented unit capacity in previous years. The Company is now planning to enhance its productivity and supplies to existing customers and target new customers. The Company can tie-up with footwear manufacturers for “free socks offer” with purchase of shoes. The Company is planning to enter into contract with manufacturers of school shoes, formal wear and other footwear dealers. The increase in disposable income and purchasing power of Indian customers opens opportunities' for market development.

The Company faces competition at domestic and international level. The outsourcing enhanced the competition for quality and price of socks. Due to economies of scale, large players in the market have edge over the small manufacturers. This is decreasing number of small manufacturers in the market.

Outlook

The Company is planning to increase the installed capacity for socks manufacturing and upgradation of plant & machinery and for that purpose, has procured new machines. The Company's efforts in trading of textile intermediary products like petrochemical, polyurethane, and other plastic products which enhances the scope of business to other industries like automobile, electronics are being accepted through which the Company can scale up its sales and diversify its risk, which act as a cushion in case of decline in one industry and can dilute adverse effect.

Risks and concerns

The textile industry export has drastically fallen by 33% in past Eight months. Indian textiles export consists of 60 % of Europe and U.S.. The two major global consumer's i.e. U.S and Europe has taken initiatives to reduce the import and enhance export. This initiative can threat the domestic export oriented units. The dumping of huge textile products by Chinese and Thailand has reduced the demand for domestic products. The low price imported textile products resulting decline of the profits of domestic manufacturer and retailers.



Internal control systems and their adequacy

The internal control systems are aimed at promoting operational efficiencies. Since the operations have continued at same scale with plans to diversify, the new guidelines for control will be implemented according to the Industry specific requirement at appropriate time.

The internal audit is conducted as per the requirement of the Company and the report is submitted to the Audit committee and to the Management. It reviews the policies and procedures followed.

The Audit committee with three directors be meet regularly to investigate any matter relating to the internal control system and reviews the Internal Audit. The committee also reviews the quarterly and half yearly financials before they are submitted to the Board of Directors.

Financial Condition

Share Capital

During the year under review Company has not raised any fresh capital during the year unless review. The paid up capital of the Company is Rs. 6,90,22,725.

Secured Loans

The outstanding Secured Term loan of Rs 5,49,478 as on 31st March 2010 is a vehicle loan being serviced on due dates. The Company has not borrowed any amounts for working capital also from Banks and financial institutions during the year

Fixed Assets

Fixed Assets (gross block) stands at Rs. 5,66,14,847 often providing for depreciation of Rs. 57,65,184 for the financial year. The company proposes to continue the operations with existing assets along with the new assets being purchased during the current year till the expansion plans are completed.

Human Resources

The Company has reviewed the entire work force and most of redundant positions have been abolished to cut down on cost. There has been no substantial increase in human cost for the year.



REPORT ON CORPORATE GOVERNANCE

Pursuant to the provisions of the Listing Agreement entered into by the Company with the Stock Exchanges a report on corporate governance is set out below:

Company's Philosophy on Corporate Governance

1. Board of Directors

A. Board Strength and Representation- As on 31st, March 2010 the Board consisted of Seven Members the composition and category of Director on the Board of the Company as on 31st March 2010 were as under :

Composition and Category of Directors:

Name	Designation	Category	No. Of Other Directorship	Attendance at Board Meetings	Attendance at Previous AGM
Mr. Prabhat Sethia	Managing Director	Executive	1	5	YES
Mr. Subhash Kothari	Director	Independent Non Executive	NIL	NIL	-
Mr. D.P Kelkar	Director	Independent Non Executive	1	NIL	-
Mr. Norton Bothra	Director	Independent Non Executive	1	NIL	-
Mr. Raghu Raj	Director	Independent Non Executive	NIL	5	YES
Mr. Sanjay Ishwarlal Bora	Director	Independent Non Executive	1	3	-
Mr. Raj Kumar Bidawatka	Director	Independent Non Executive	NIL	4	-

Meetings of the Board of Directors

The Board of Directors met five times during the financial year.



B. Conduct of Board Proceedings

The day to day business is conducted by the executives of the Company under the direction of the Chairmen and the supervision of the Board. The Board holds periodic meeting every year to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company. The Board performs the following specific functions in addition to the oversight of the business and the management.

- Review , monitor and approve financial and business strategies and Corporate action;
 - Assess critical risks facing the Company- review options for their mitigation
 - Provide counsel on the selection , evaluation, development and compensation of senior management:
 - Ensure that processes are in place for maintaining the integrity of the Company, the financial statements, compliance with laws, relationships with customers, suppliers and other stake holders
 - Delegation of appropriate authority to the senior executives of the Company for effective management for operation.

Director with materially significant related party transaction, pecuniary or business relationship with the Company

There have been no materially significant transactions, pecuniary transactions or relationships between the Company and its Directors that may have a potential conflict with the interest of the Company at large.

2. AUDIT COMMITTEE :

Terms of Reference:

The Audit Committee constituted by the Company is responsible for looking into the internal controls, reporting process and financial policies of the Company. The Committee has complete access to financial data and other information related there to. The Committee recommends the appointment of Statutory Auditors of the Company and the remuneration payable to them.

Composition

The Audit Committee of the Company has been re-constituted with Three directors viz,
Mr. Raghu Raj , Chairman
Mr. Raj Kumar Bidawatka
Mr. Sanjay Ishwarlal Bora

Meetings of the Committee and Attendance

The meetings of the Committee were held on 30.06.2009, 30.07.2009, 30.10.2009 and 30.01.2010.

Member	Meetings Held	Meetings Attended
Mr. Raj Kumar Bidawatka	4	3
Mr. Sanjay I. Bora	4	3
Mr. Raghu Raj	4	4



3. Remuneration Committee

Terms of Reference:

The Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other employees of the Company. The Non-Executive Directors of the Company are not entitled for any remuneration other than fee payable for attending Board & Committee Meetings. The Committee frames the policy on specific remuneration packages for Whole-time Directors including pension rights and compensation payments. The Committee also approves the Remuneration Policy for employees other than Whole-time Directors as may be recommended to it.

Composition

The Remuneration Committee of the Company has been re-constituted with Three directors, viz

Mr. Raghu Raj , Chairman
Mr. Raj Kumar Bidawatka
Mr. Sanjay Ishwarlal Bora

Details of remuneration paid to Directors

A) Remuneration Policy:

The remuneration Committee determines and recommends to the Board, the compensation of Directors. The key components of the Company's remuneration policy are:

- Compensation will be a major driver of performance.
 - Compensation will be a competitive and benchmarked with a select group of companies from the utility sector.
 - Compensation will be transparent, fair and simple to administer.
 - Compensation will be fully legal and tax compliant.

B) Managing Director:

Particular	Mr. Prabhat Sethia
Salary	Rs. 9,00,000
Commission	NIL
Perquisites	NIL
Total	Rs. 9,00,000

b) Non-Executive Directors: Non-Executive Directors are only entitled to sitting fees for attending Board and Committee Meetings.

4. Shareholders / Investors' Grievance Committee Composition

The Investors' Grievance Committee of the Company has been constituted with three Directors viz.

Mr. Raghu Raj
Mr. Rajkumar Bidawatka
Mr. Sanjay Ishwarlal Bora



Member	Meetings Held	Meetings Attended
Mr. Raghu Raj	4	4
Mr. Raj Kumar Bidawatka	4	4
Mr. Sanjay I. Bora	4	4

The Company has appointed Mr. T.K Pal, Manager as the Compliance Officer of the Company. All the investor complaints received by the Company during the financial year were attended to the satisfaction of the investors. The Company does not have any pending share transfers and investor complaints as on the date of Directors' Report.

5. Insider Trading

Pursuant to Securities and Exchange Board of India [Prohibition of Insider Trading] Regulations, 1992, the Company has prescribed a Code of Conduct for prevention of Insider Trading and a Code of Corporate Disclosure Practices.

6. Code of Conduct

The Company has formulated a Code of Conduct for the Board members and Senior Management personnel. The completion of the code is monitored by the management at all levels of operations.

7. Annual General Meetings

Details of previous Annual General Meetings

Day	Date	Time	Venue
Saturday	29th September. 2007	11:30 A.M.	202, Patel Avenue, Road No. 11, Banjara Hills, Hyderabad - 34
Monday	29th September 2008	10:30 A.M.	202, Patel Avenue, Road No. 11, Banjara Hills, Hyderabad - 34
Thursday	30th September 2009	2:30 A.M.	Ali Nagar, Chettlapottaram Village, District Medak.

8. Postal Ballot:

During the year 2009-10, a Special Resolution in terms of Section 17 of the Companies Act, 1956 seeking the consent of the shareholders to alter the Main Objects Clause of the Memorandum of Association by adding Clause 4 after the existing Clause 3 of the Main Objects Clause of the Memorandum of Association will be passed through Postal Ballot.



Pursuant to the provisions of section 224(6) of the Companies Act, 1956, the Board Appointed an Auditor dated 04.12.2010, to fill in the casual vacancy arising due to the resignation of the Auditor with approval of members by way of ordinary resolution .

The above Postal Ballots will be conducted in accordance with the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001 to be conducted by a duly appointed Scrutinizer to the Postal Ballot.

9. DISCLOSURES

1. No. transaction of material nature has been entered into by the company with directors or management and their relatives etc that may have a potential conflict with the interests of the company. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
2. There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence the question of penalties or strictures being imposed by SEBI or Stock Exchanges does not arise.
3. The Company is in compliance with all the mandatory requirements and has fulfilled the non-mandatory requirements as prescribed in Annexure 1D of the revised Clause 49 of the Listing Agreement with Stock Exchanges.
4. The Company has adopted with the Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Clause 49 is as below:

“ All the Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2010.”

Sd/-
Prabhat Sethia
Managing Director

5. CEO Certification: The Managing Director and Chairman has given a certificate as contemplated in Clause 49 of the Listing Agreement. A copy of the same is made available for inspection at the Registered Office of the company.
6. The requirements of the Audit and other Committees as contemplated in Clause 49 have been complied with as per the report set above in respect of the same.

10. Means of Communication

The Company had published financial results for year and same were sent to all the members and Stock Exchanges. The Company has not made any presentations to institutional investors or analysts during the year under review. The Management Discussion & Analysis Report forms part of the Annual Report of the Company as required under the Listing Agreement.



11. General Shareholder Information

- I. 16th Annual General Meeting Schedule: Thursday the 30th December, 2010 at 11:30 A.M
 ii. Financial Calendar – 1st April to 31st March
 iii. Dates of Book Closure (Period) – 30th November, 2010 to 4th December, 2010.
 iv. Dividend Payment Date NIL
 v. Listing at Stock Exchanges : The Stock Exchange, Mumbai (BSE)

vi. Stock Code : Filatex fashions on BSE 532022

vii. Market Price Data : The Shares of the Company have been traded at Bombay Stock Exchange Market Price Data for the year 2009-2010 is as under :

High and low quotations as well as the volume of shares traded at the Stock Exchange, Mumbai during each month of the financial year are given hereunder:

Month	High Rs.ps.	Low Rs.ps.	Volume
April, 2009	83.95	68.25	1478697
May, 2009	107.00	79.00	2025584
June, 2009	114.80	85.25	3449898
July, 2009	107.60	88.00	2523252
August, 2009	106.55	76.15	1747137
September, 2009	92.00	25.40	1502585
October, 2009	28.75	18.90	3152465
November, 2009	21.55	12.40	2800845
December, 2009	16.20	13.23	3686413
January, 2010	16.22	11.75	2274768
February, 2010	13.49	10.30	769332
March, 2010	12.60	9.00	758029

viii. Comparative Performance : Not applicable

ix. Registrar & Share Transfer Agents : SHAREX DYNAMIC (INDIA) PRIVATE LIMITED
 Unit No.1, Luthra Ind. Premises, Andheri Kurla
 Road, Safed Pool, Andheri (E), Mumbai 400072,
 Ph: 28515606, Fax: 28512885



x. Shareholding pattern as at 31.03.2010

Categories of Shareholders as on 31st March, 2010....put corrected SHP details

Category	No. Of Shares Held	% Of Share Holding
A. Promoter(s) Holding		
1. Promoter(s)		
- Indian Promoters	3114580	26.173
- Foreign Promoters	0	.000
2. Persons Acting In Concert	0	.000
SUB TOTAL	3114580	26.173
B. Non - Promoters Holding		
3. Institutional Investors		
a. Mutual Funds & UTI	0	.000
b. Banks, Financial Inst, Insurance Company(Central/Sate Govt Inst/Non-Govt Inst)	0	.000
c. FII(s)	0	.000
SUB TOTAL	0	.000
4. Others		
a. Private Corporate Bodies	2,838,805	23.856
b. Indian Public	58,65,087	49.286
c. NRI / OCB's	41,852	0.352
d. Any Other (Foreign - Companies)		.000
e. Clearing Members	39,676	0.333
SUB TOTAL	87,85,420	73.827
GRAND TOTAL	1,19,00,000	100.000
Note:		
1. Name, Number of Shares held and percentage shareholding of entities / persons holding More then 1 % is enclosed herewith		
2.	No. Of Shares	Holding in %
Total Foreign Shareholding	0	0.00



xi. Distribution of shareholding : (As on 31.03.2010)

SHARE(OR DEBENTURE) OF NOMINAL VALUE	-NUM OF HOLDERS	(%) OF HOLDERS	TOTAL SHARES(OR DEDS	% OF SH/DB
UPTO TO 100	969	24.88	67120	.56
101 TO 200	523	13.43	93849	.79
201 TO 500	913	23.45	355084	2.98
501 TO 1000	593	15.23	496087	4.17
1001 TO 5000	668	17.15	1523113	12.80
5001 TO 10000	105	2.70	744828	6.26
10001 TO 100000	105	2.70	3285719	27.61
100001 TO ABOVE	18	.46	5334200	44.83
** TOTAL **	3894	100.00	11900000	100.00

xii. Dematerialization of shares : The Company's shares been admitted for Demat at NSDL & CDSL under ISIN no. **INE185E01013**

xiii. Outstanding Bonds/ Convertible Instruments : NIL

Address for communication : REGISTERED OFFICE AT
MayFair Gardens, # 80-6-682/3/A & 3B
Flat No.201, 2nd Floor,
Road No.12
Banjara Hills, Hyderabad- 500 034.



N.G. RAO & ASSOCIATES
CHARTERED ACCOUNTANTS

#6-3-1186/A/6(new No. 325)
2nd Floor, Chinna Balareddy building
Begumpet, Hyderabad - 500 016

AUDITOR'S REPORT

To

The Members' of
M/s FILATEX FASHIONS LIMITED
Hyderabad.

1. We have audited the attached Balance Sheet and Profit & Loss A/c of **M/s FILATEX FASHIONS LIMITED** Hyderabad as at 31st March ,2010 for the year ended on that date and report that 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.
2. We have conducted 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 from 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.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we annex a Statement on the matters specified in Paragraphs 4 and 5 of the said Order.
4. Further to our comments in paragraph 1 above:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of accounts, as required by law, have been kept by the company so far as it appears from our examination of those books;
 - (c) The said Balance Sheet & Profit & Loss A/c is in agreement with the books of accounts;



N.G. RAO & ASSOCIATES
CHARTERED ACCOUNTANTS

#6-3-1186/A/6(new No. 325)
2nd Floor, Chinna Balareddy building
Begumpet, Hyderabad - 500 016

::: Page 2 :::

- (a) In our opinion the Balance Sheet comply with the Accounting Standards referred to in Sub-section 3(C) of Section 211 of the Companies Act, 1956;
- (b) On the basis of written representation received from the directors and taken on record by the board of directors, we report that none of the directors is disqualified as at 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (c) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, 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:
 - i) In the case of the Balance Sheet, of the State of Affairs of the Company as on 31st March, 2010
 - ii) In the Case of Profit & Loss Account as on 31st March, 2010
 - iii) in the case of cash flow as on 31st March, 2010

For N.G. Rao & Associates
Chartered Accountants,

SD/-

G.Nageswara Rao

Partner

Membership No.: 207300

PLACE : Hyderabad,

DATE : 04-12-2010



N.G. RAO & ASSOCIATES
CHARTERED ACCOUNTANTS

#6-3-1186/A/6(new No. 325)
2nd Floor, Chinna Balareddy building
Begumpet, Hyderabad - 500 016

ANNEXURE TO THE AUDITOR'S REPORT

**(Referred to in Paragraph (3) of our Report of even date to the members of
Filatex Fashions Limited)**

- (1) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year the management has carried out physical verification of fixed assets.No material discrepancies were noticed on such verification.
- (c) The company has not affected any substantial sale of assets during the year.
- (2) In our opinion and according to the information and explanations made available to us the Company is maintaining inventories and during the Verification of Stocks no Material Discrepancies were noticed and as per the Explanations given by the Management there was no Scrap was realized during this period. In Our View the Systems and Procedures followed by the Company are adequate with regards to Verification of Stocks.
- (3) (a) In our opinion and according to the information and explanations given to us, the company has not granted unsecured to parties covered in the register maintained under section 301 of the Act.
- (b) In our opinion, the company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. As Company has not taken any loans from parties listed in the register maintained u/s 301 of the Companies Act, 1956, paragraph 3(b), (c) and (d) of the Order are not applicable in respect of loans taken.
- (c) As no loans were granted/accepted during the financial Clause 3(c) & (d) of the Order is not applicable to the company for the year.
- (4) In our opinion and according to the information and explanations given to us, during the course of our audit, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of goods and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in such internal controls.
- (5) In our opinion and according to the information and explanations given to us in respect of transactions to be entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956 :
 - (a) The transactions that need to be entered into the register have been so entered.
 - (b) The transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (6) The Company has not accepted any deposits from public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules 1975 with regard to the deposits accepted from public.
- (7) The Company is introducing the internal audit system commensurate with the size and nature of business.
- (8) The Central Government has not prescribed maintenance of Cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
- (9) (a) According to information and explanations given to us, the provisions of Provident Fund, Act& ESI is applicable to the company and depositing regularly by the Company for the period of Audit.



**N.G. RAO & ASSOCIATES
CHARTERED ACCOUNTANTS**

**#6-3-1186/A/6(new No. 325)
2nd Floor, Chinna Balareddy building
Begumpet, Hyderabad - 500 016**

:::: Page 2 :::

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax or any other Statutory Dues not been deposited on account of any dispute.
10. The Company does not have its accumulated losses as on 31st March, 2010
 11. In our opinion and according to the information and explanations made available to us, the Company has not defaulted in repayment of dues to Financial Institution or Bank.
 12. In our opinion the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The Company is not a chit fund, nidhi/mutual benefit fund/ society and therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
 14. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
 15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by other from banks or financial institutions.
 16. In our opinion and according to the information and explanations given to us, the Company has taken term loan & Working Capital loans from Banks and during the year they have cleared all the Loans which were taken earlier. During the year the company has taken a Vehicle loan and they utilized for the purpose for which they have taken.
 17. In our opinion and according to the information and explanations given to us, the company has not raised any short term loans and hence clause 17 of the Order is not applicable to the Company.
 18. According to information and explanations given to us, the Company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
 19. In our opinion and according to information and explanations given to us, the Company has not issued any secured debentures during the period covered by the report. Accordingly, Clause 19 of the Companies (Auditors Report) Order, 2003 is not applicable to the Company.
 20. To the best of our knowledge and belief and 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 the year ended on 31st March, 2010

**For N.G. Rao & Associates
Chartered Accountants,**

SD/-

**G.Nageswara Rao
Partner**

Membership No.: 207300

**PLACE : Hyderabad,
DATE : 06-12-2010**



BALANCE SHEET AS AT 31ST MARCH' 2010

Particulars	Schedules	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SOURCES OF FUNDS:			
SHARE HOLDERS FUNDS			
- Share Capital	'A'	69022725	70844999
- Reserves & Surplus	'B'	103533499	1725546224
			68935080
			139780079
LOAN FUNDS			
- Secured Loans	'C'	549478	436738
- Unsecured Loans	'D'	2957730	3507208
			2488432
			2925170
TOTAL		176063432	142705249
APPLICATION OF FUNDS:			
FIXED ASSETS			
- GROSS BLOCK	'E'	97970608	108836755
Less: Depreciation		41355760	43458866
		56614848	65377889
CURRENT ASSETS, LOANS & ADVANCES			
-Inventories	'F'	16213543	18888723
-Sundry Debtors	'G'	259002187	266910413
-Cash & Bank Balances	'H'	8659797	8213256
-Loans & Advances	'I'	29442155	16070648
		313317682	310083040
Less: Current Liabilities & Provisions	'J'	193869097	232755680
NET CURRENT ASSETS		119448585	77327360
TOTAL		176063432	142705249
NOTES ON ACCOUNTSM	'P'		

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For N.G. Rao & Associates
Chartered Accountants,

(PRABHAT SETHIA)
MANAGING DIRECTOR

SD/-

G.Nageswara Rao
Partner

(Raghu Raj)
DIRECTOR

Membership No.: 207300

PLACE : Hyderabad,
DATE : 06-12-2010



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

Particulars	Sche- dules	Current Year	Previous Year
INCOME:			
-Sales	'K'	384710525	387076857
-Other Income		78000	72000
TOTAL		384788525	387148857
EXPENDITURE:			
-Manufacturing Expenses	'L'	364020747	357555256
-Administrative Expenses	'M'	6641562	3242079
-Selling Expenses	'N'	705761	445887
-Depreciation	'E'	5765188	4357566
-Decrease/Increase in Stocks	'O'	4303813	-1001008
TOTAL		381437072	364599780
-Profit for the year		3351453	22549077
-Income tax for earlier year	30299		
-Provision for Income tax	1100000		--
Fringe Benefit tax	0	1130299	32,000 32,000.00
Balance b/f from previous year		2221154 50235080	22517077 27718003
Balance carried to balance sheet		52456234	50235080

NOTES ON ACCOUNTSM

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For N.G. Rao & Associates
Chartered Accountants,

(PRABHAT SETHIA)
MANAGING DIRECTOR

SD/-

G.Nageswara Rao
Partner

(Raghu Raj)
DIRECTOR

Membership No.: 207300

PLACE : Hyderabad,

DATE : 06-12-2010



SCHEDULES TO ACCOUNTS:	Total As at 31.03.2010 Rs	Total As at 31.03.2009 Rs
SCHEDULE-1		
SHARE CAPITAL		
Authorized		
16000000 Equity Shares of Rs. 5/ Each	80000000	80000000
Issued, Subscribed and Paid up Capital		
13804545 Equity Shares of Rs. 5/-		
Each fully paid up	69022725	59500000
Share Warrant	0	11344999
TOTAL	69022725	70844999
SCHEDULE-2		
RESERVE & SURPLUS		
Surplus in Profit & Loss Account	52456234	50235080
Share Premium	51077265	18700000
TOTAL	103533499	68935080
SCHEDULE-3		
SECURED LOANS:		
Reliance Consumer Finance- M. T. L (Secured by hypothecation of Vehicle Guarantee of Directors)	549478	436738
TOTAL	549478	436738
SCHEDULE-4		
UNSECURED LOANS		
From Directors	2957730	2488432
TOTAL	2957730	2488432

SCHEDULE -5 FILATEX FASHIONS LIMITED

FIXED ASSETS:

Particulars of the Asset	Rate in (%)	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As on 31.03.09	Add/Ded during the year	Total As on 31.03.10	As on 31.03.09	Written of for the year	Total As on 31.03.10	Total As on 31.03.10	Total As on 31.03.09
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- Land & Site development	0.00%	1378660	0	1378660	0	0	0	1378660	1378660
- Buildings	3.34%	27478978	0	13198298	5145800	440823	4236485	8961813	22333178
- Plant & Machinery									
Imported	6.33%	67247869	0	67247869	32664172	4256790	31506848	35741021	34583697
Indigenous	6.33%	7993384	587210	8580594	3959238	543152	3576036	5004558	4034146
-Electrical Installation	7.07%	1585417	0	1548289	864873	109464	787915	760374	720544
-Furniture & Fixtures	6.33%	724902	2232301	2957203	289434	63858	263641	2693562	435468
-Office Equipment	15.00%	622879	260300	883179	369232	132477	547482	335697	253647
-Vehicles	9.50%	1684118	310000	1994118	159991	189441	388882	1605236	1524127
Computers	16.00%	120548	61850	182398	6126	29184	48472	133926	114422
TOTAL		108836755	3451661	97970608	43458866	5765189	41355760	56614848	65377889





SCHEDULES TO ACCOUNTS:	Total As at 31.03.2010	Total As at 31.03.2009
SCHEDULE-6		
INVENTORIES		
(As valued and certified by the management and Accepted by the auditors)		
-Raw Material (valued at lower of cost or Net realizable value)	14462523	12833890
- Finished Goods (valued at cost or net realizable value whichever is lower)	1751020	6054833
TOTAL	16213543	18888723
SCHEDULE-7		
Sundry Debtors		
(Unsecured, considered good)		
-Outstanding for more than six months	109173925	70137912
-Others	149828262	196772501
TOTAL	259002187	266910413
SCHEDULE-8		
Cash & Bank Balances:		
-Cash in hand	2715270	87448
-Cash at Schedule Bank	5944528	8125808
TOTAL	8659797	8213256
SCHEDULE-9		
LOANS & ADVANCES:		
(Unsecured, considered good)		
-Advances (recoverable in cash or In kind or for value to be received)		
-Advance to suppliers	28951940	15550134
-Security Deposit	490215	520514
TOTAL	29442155	16070648



SCHEDULES TO ACCOUNTS:	Total As at 31.03.2010	Total As at 31.03.2009
SCHUDELE-10		
CURRENT LIABILITIES AND PROVISIONS:		
CURRENT LIABILITIES		
-Sundry creditors:		
Due to S. S. I. units		
Due to Non S. S.I. units	191721971	229270235
-Other liabilities	758086	3428445
PROVISIONS		
-For TDS	249040	0
-For Audit fees	40000	25000
-Income tax	1100000	32000
TOTAL	193869097	232755680
SCHEDULE-11		
SALES:		
-Gross Sales	384710525	387076857
TOTAL	384710525	387076857
SCHEDULE-12		
COST OF RAW MATERIAL CONSUMED		
-Opening Stock	12833890	4029410
-Purchases	360717557	362736024
-Wages	1984507	1217076
-Power & Fuel	1831167	925459
-Freight Inward	118428	117088
-Stores & Spares	393631	175030
-Factory maintenance	452886	892910
-Packing Materials	151205	296150
	378483270	370389146
Less: Closing stock	14462523	12833890
TOTAL	364020747	357555256



SCHEDULE-13			Total As at	Total As at
ADMINISTRATIVE EXPENSES			31.03.2010	31.03.2009
			Rs.	Rs.
-Salaries			558705	540000
-PF & ESI contribution			119071	138419
-Rent			829000	307800
-Conveyance			139503	1503
-Printing & Stationary			158174	26140
-Postage, Telephone & Stamps			231022	58786
-Registration, license & Filling Fees			152604	196235
-Office Maintenance			202692	27455
-Travelling Expenses			1775462	551457
-Repairs & Maintenance				
Factory	171319			0
Vehicle Maintenance	299730	471049	57793	57793
-Finance Charges		121348		0
-Bank Charges		60434		10957
-Director Remuneration		900000		900000
-Consultancy Charges		0		182921
-Audit Fees		40000		31025
-Staff Welfare		42259		55382
-Electricity & Water		28300		8740
-Legal & Professional Charges		158950		61236
VAT Paid		269955		0
-Misc Expenses		383034		86231
	TOTAL		6641562	3242079
SCHEDULE-14				
SELLING EXPENSES				
-Transportation		134657		234930
-Clearing & Forwarding		245001		46030
-Business Promotion		282572		109404
-Insurance		43531		55523
	TOTAL		705761	445887
SCHEDULE-15				
INCREASE/DECREASE IN STOCKS				
-Opening Stock				
Finished Goods		6054833	1041539	5053825
Less: Closing Stock			5013294	
-Finished goods		1751020		6054833
	TOTAL	4303813		-1001008



Schedule : N

NOTES ON ACCOUNTS

Significant Accounting Policies:

1. **BASIS OF ACCOUNTING:**
The Financial statements are prepared under Historical costs convention on actual method of accounting and are in accordance with the requirements of the Companies Act, 1956.
2. **FIXED ASSETS:**
To state Fixed Assets at cost of acquisition inclusive of inward freight duties, taxes and incidental expenses related to acquisition.
3. **VALUATION OF INVENTORY:**
Raw Material at cost, Finished Goods are valued at Cost or Market value which ever is lower.
4. **DEPRECIATION:**
The Depreciation is calculated on SLM method under Schedule xiv of the Companies Act, 1956
5. **RECOGNITION OF INCOME & EXPENDITURE:**
Revenues/Incomes and Costs/Expenditures are generally accounted on the basis of as they are earned or incurred.
6. **EMPLOYEE BENEFITS:**
The company is covering PF & ESI and they are regular in Depositing into respective Accounts. The gratuity is no providing in the accounts.
7. **CONTINGENT LIABILITY:**
During the year the company' is not having any contingent Liabilities.



NOTES ON ACCOUNTS:

	Current Year (In Lacs)	Previous Year
1. Expenditure in Foreign currency		
Foreign Currency out goes	147.00	NIL
Value on Imports on CIF Value	147.00	NIL
2. The Balances in respect of Sundry creditors, Sundry Debtors, Loans & Advances are subject to confirmation and as per the Management's view they are realisable.		
3. Particulars of Employees in accordance with Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars Of Employees) -- NIL		
4. Director's Remuneration & Audit fee	31/03/2010	31/03/2009
Managing Director	Rs. 9,00,000	Rs. 9,00,000
Audit Fee	40,000	31,025
5. During the year there were no dues to SSI Co., / Firms.		
6. Paises were rounded off to the nearest Rupee.		
7. Advance/Loans given to Company under the same Management as defined under Sec. 370(1B) of the Companies Act, 1956 is : Nil		
8. Related Party Transactions as per AS 18 is NIL:		
9. Estimated amount of Contracts remaining to be Executed on Capital Account and not provided for - NIL		
10. Regarding the stocks the management certification was taken into consideration		



11. Information regarding ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3, 4C, AND 4D OF PART II OF THE SCHEDULE VI OF THE COMAPNEIS ACT, 1956:

	Year Ended 31-03-2010 Qty amount (Dozen Pairs)	Year ended 31-03-2009 Qty amount (Dozen Pairs)
a) Capacity & Production		
Licensed Capacity -	289550	289550
Installed Capacity -	370550	289550
b) Production	378213	306086
c) Sales	351003	307376
d) Closing Stock	16902	15612
e) Opening Stock	27210	16902

12. Previous Year Figures regrouped where ever necessary.

For N.G. Rao & Associates
Chartered Accountants,

for Filatex Fashions Ltd.,

SD/-

G.Nageswara Rao
Partner

Manging Director

Director

Membership No.: 207300

PLACE : Hyderabad,

DATE : 04-12-2010



Cash flow statement for the year ended 31st march 2010
(As required under clause 32 of the Agreement with stock exchanges)

For the year ended 31 st March	2010 Rs	2009 Rs
Net Profit / Loss before tax and extraordinary items	2221154	22517077
Adjustments for :		
Depreciation	5765188	4357566
Financial Expenses	181782	10957
Operating Profit before Working Capital changes	8168124	26885600
Adjustment for :		
(Increase) / Decrease in Inventories	2675180	-9805488
(Increase) / Decrease in Sundry debtors	7908226	-197125724
(Increase) / Decrease in other Current Assets	-13371516.80	7830532
(Increase) / Decrease in Current Liabilities	-38886583	179343379
Cash generated from Operations	-33506569	7128299
Financial Expenses paid	181782	10957
Net cash flow from Operating Activities (A)	-33688351	7117342
cash flow from Operating Activities		
purchase of fixed assets	-2997854	14803906
Net cash used in Investing Activities (B)	-2997854	14803906
Cash flow from Financing Activities		
proceeds from long term Borrowing	31137029	6661681
Working Capital Borrowing		-408300
Net cash used in financing Activities (C)	31137029	6253381
Net Increased in cash and Cash Equivalents (A+B+C)	446532	-1433183
Opening balance of cash and cash equivalents	8213265	9646448
Closing balance of cash and cash equivalents	8659797	8213265

Place : Hyderabad
Date : 06 - 09 -2010

For and on behalf of the board

(Prabhat Sethia)
Managing Director

CERTIFICATE

We have verified the above cash flow statement of M/sFilatex Fashions Limited. derived from the Audited Annual financial Statements for the year ending 31 st March, 2010 and found the same in accordance therewith.

Place : Hyderabad
Date : 06-12 -2010

For N.G. Rao & Associates
Chartered Accountants

G.Nageswara Rao (Partner)
Membership No. : 207300



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(In term of amendment od Schedule Vi - Part IV)

I. Registration Details	
Registration No.	17158 of 1993-94
State Code :	01
Balance Sheet Data	31-03-2010
II. Capital Raised during the year(Amount in Rs. Thousands)	
Public Issue	
Rights Issue	
Bonus Issue	
Private Placement	
III. Position of Mobilization and Deployment of Funds(Amounts in Rs.)	
Total Liabilities	176063432
Total Assets	176063432
Sources of Funds:	
Paid-up Capital	69022725
Reserves & Surplus	103533499
Secured Loans	549478
Unsecured Loans	2957730
Application of Funds:	
Net Fixed Assets	56614848
Investments	Nil
Net Current Assets	119448585
Misc. Expenditure	0
Accumulated Losses	—
IV. Performance of Company (Amount in Rs. Thousands)	
Turnover & Other Income	384788525
Total Expenditure	3181437072
Profit/Loss before Tax	3351453
Profit/Loss after Tax	2221154
(Please tick Appropriate box + for profit - for Loss)	
Earning per Share in Rs.	Nil
Dividend Rate (%)	Nil
V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)	
Item Code No. (ITC Code) Manufacturers of Knitted Socks	
Product Description	

FOR AND ON BEHALF OF THE BOARD

Sd/-
(PRABHAT SETHIA)
MANAGING DIRECTOR

Place : Hyderabad
Date: 06 - 12 - 2010

(Raghu Raj)
DIRECTOR





FILATEX FASHIONS LIMITED
SIXTEENTH ANNUAL GENERAL MEETING

Registered Office: 201, 2nd Floor, MayFair Gardens,
 Road No. 12, Banjara Hills, Hyderabad- 500034

PROXY FORM

I / We _____ of _____ being

Members of FILATEX FASHIONS LIMITED, hereby appoint Mr. / Mrs _____ of _____
 or failing him, Mr. / Ms. _____ of _____

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Sixteenth Annual General Meeting
 of the Company to be held on Friday 31st December, 2010 at 11:30 a.m at Registered Office of the
 Company at 201, MayFair Gardens, Road No. 12, Banjara Hills, Hyderabad - 500034 and at any adjournment.
 thereof.

Folio # / Client ID:

As Witness my/our hand(s) this _____ day of _____ of 2010

Signed by the said _____

Affix
 Rs. 1.00
 Revenue
 Stamp

Note: The Proxy form duly completed must be deposited at the registered office of the company not less than
 48 hours before the time for holding meeting. A proxy need not be a member.

FILATEX FASHIONS LIMITED
SIXTEENTH ANNUAL GENERAL MEETING

Registered Office: 201, 2nd Floor, MayFair Gardens,
 Road No. 12, Banjara Hills, Hyderabad- 500034

ATTENDANCE SLIP

I hereby record my/our presence at the Sixteenth Annual General Meeting of the Company at
 201, MayFair Gardens, Road No. 12, Banjara Hills, Hyderabad - 500034 and at any adjournment.

Name of the Share Holder/Proxy	Folio No.	No. of Shares

Member's / Proxy signature

Note:

a) Shareholder / Proxy holder wishing to attend the meeting must bring the Admission Slip and hand over at
 the entrance duly signed.





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