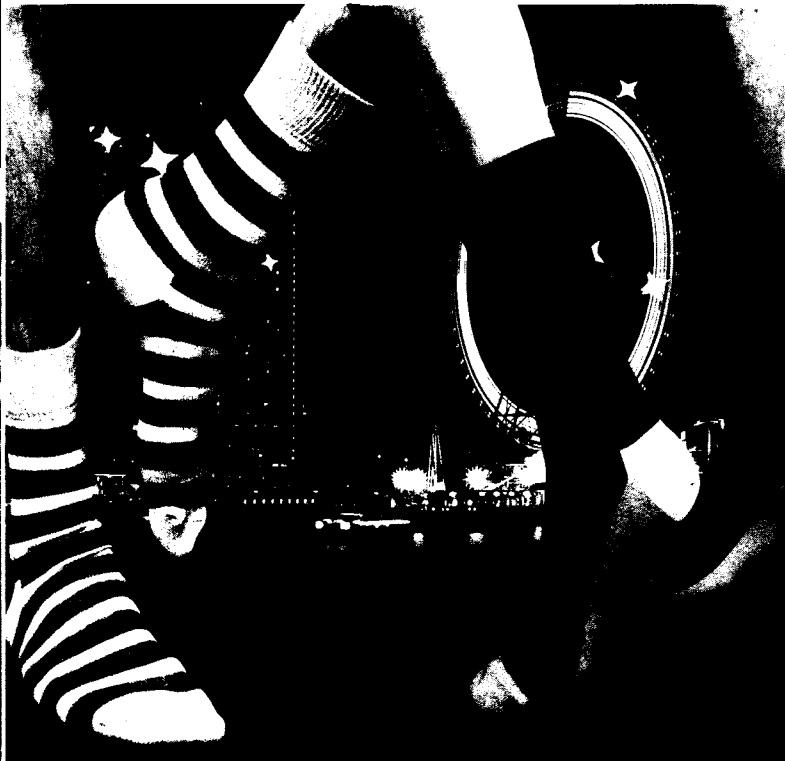




*Filatex Fashions Ltd.*



# CORPORATE INFORMATION



## BOARD OF DIRECTORS

**Prabhat Sethia**  
Managing Director

**Raghu Raj**  
Director

**Subhash Kothari**  
Director

**D.P. Kelkar**  
Director

**Nortan Bothra**  
Director

**Sanjay I. Bora**  
Director

## REGISTERED OFFICE

MayFair Gardens, 80-6-682/3/A & 3B  
Flat No. 201, 2nd 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 Dynamic (I) Pvt. Ltd.  
Unit No. 1, Luthra Ind. Premises,  
Andheri - Kurla Road,  
Safed Pool. Andheri (E) Mumbai - 400 072  
Ph: +91 22-28515606, Fax : +91 22 28512885

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## NOTICE

Notice is hereby given that the 17th Annual General Meeting of Filatex Fashions Limited will be held on 30th September 2011 at 10.00 A.M at May Fair Gardens, 8-2-682/3/A & 3B, Road no 12 ,Banjara Hills, Hyderabad – 500034 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2011, Profit and Loss account for the year ended as on that date together with the schedules and annexures thereto, the Reports of the Auditors' and Directors' thereon.
2. To re-appoint a Director in place of Mr. Sanjay Ishwarlal Bora who retires by rotation and being eligible, offers himself for reappointment.
3. To re-appoint a Director in place of Mr. Raghu Raj who retires by rotation and being eligible, offers himself for reappointment.
4. To re-appoint M/s. N.G. Rao & Associates, Chartered Accountants as Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize the Board of Directors to fix their remuneration.

**Place : Hyderabad**  
**Date : 05/09/2011**

For and on behalf of the Board  
**M/s. Filatex Fashion Limited**  
Sd/-  
Managing Director

### Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote on a poll instead of himself / herself and the Proxy need not be a member of the Company.
2. Proxies, in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from 27.09.2010 to 30.09.2010 (Both days inclusive).
4. Members are requested to notify immediately any change in their address to the Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
5. Members, who hold shares in de-materialized form, are requested to bring their Client ID and DP IDs for easier identification of attendance at the meeting.
6. Members are requested to kindly bring their copies of the Annual Report to the meeting. As a measure of economy, copies of Annual Report will not be distributed at the AGM.





## DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 17th Annual Report of the Company for the financial year ended 31st March 2011.

### FINANCIAL RESULTS

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Net sales	6145.00	3847.10
Increase/ Decrease in Stock	3.52	---
Other Income	7.43	0.78
Manufacturing/Operating Expenses	5993.37	3737.91
Profit before Financial Expenses & Depreciation	110.13	109.97
Interest/Financial Costs	3.91	1.81
Depreciation	59.40	57.65
Preliminary Expenses written off	-	---
Net Profit (Loss) after Financial Expenses & Depreciation.	31.40	22.21

### OPERATIONS

The Company has recorded a turnover of ₹ 6152.43 lacs in the current year against the turnover of ₹ 3847.01 in the previous financial year ending 31.03.2011. The Company has earned profit of ₹ 90.80 lacs against the profit of ₹ 79.86 in the previous year.

The Company has been continuously working on quality up gradation and cost reduction plans.

### DIVIDEND

Your directors express their inability to recommend any dividend for the financial year 2010-2011.

### PUBLIC DEPOSITS

Your Company has not accepted any deposits falling within the meaning of Sec.58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

### LISTING

The equity shares of your company are listed on Bombay Stock Exchange Limited.





## **DIRECTORS**

In accordance with the Companies Act, 1956 read with Articles of Association of the company the Directors namely Mr. Sanjay Ishwarlal Bora and Mr. Raghu Raj retire by rotation and are eligible for reappointment.

Your Board recommends the re-appointment of the Directors above in the best interests of the company.

## **CODE OF CONDUCT**

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director is given in Annexure.

## **STATUTORY AUDITORS**

M/s. N.G. Rao & Associates, Chartered Accountants, the Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility by submitting a Certificate under Section 224 (1B) of the Companies Act, 1956 and willingness to accept office, if re-appointed. Hence M/s. N.G. Rao & Associates, are hereby recommended for re- appointment as Statutory Auditors of the Company till the conclusion of the next Annual General meeting.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement Under Section 217 (2AA) of the Companies Act 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed by the Board that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) Appropriate accounting policies have been selected and applied them consistently and have made judgment 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 loss of the company for the financial year ended 31st March, 2011.
- iii) Proper and sufficient care has been taken 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) Directors had prepared the annual accounts on a going concern basis.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis (MDA) of the Company for the year under review is attached to and forms part of this report.

## **PARTICULARS OF EMPLOYEES**

Your Company has no employee whose salary exceeds the limits prescribed under Section 217 (2A) of the Companies Act, 1956.

Information pursuant to the companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988.





## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

### A. CONSERVATION OF ENERGY

- (a) Energy Conservation measures taken: Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy-efficient computers and purchase of energy efficient equipment.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: Nil
- (c) Impact of the measures (a) and (b) above for energy consumption and consequent impact on the cost of production of goods: Nil

### B. TECHNOLOGY ABSORPTION

Research and Development (R & D)

- Specific areas in which R & D carried out by the Company  
The company continues to focus on R & D activities for developing and improving the quality and enhancing the benefits by adding new machines and technology
- Benefits derived as a result of the R & D  
Research and development of new services & processes will continue to be of importance to your company.
- Future plan of Action  
The Company continues to strive for development of new products and improving the existing ones in order to meet the changing requirements and to cater to customer needs.
- Expenditure on R & D  
The company has not incurred any capital expenditure except a small amount towards salaries related to R & D
- Technology Absorption, Adaptation and Innovation:  
Company is planning to negotiate a new brand name.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings : NIL

Outgo : INR 1.10 Cr.

### CORPORATE GOVERNANCE

The Report on Corporate Governance along with the certificate from the Statutory Auditors certifying the compliance of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchanges is included in the Annual Report.





#### **ACKNOWLEDGMENTS**

Your Directors are pleased to place on record their sincere appreciation to the Company's Bankers, employees, customers, suppliers and shareholders for their valuable support and co-operation.

#### **DECLARATION BY MANAGING DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT**

The shareholders,

I Prabhat Sethia , Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

**Place : Hyderabad**  
**Date : 05/09/2011**

**For and on behalf of the Board of Directors of**  
**Filatex Fashions Limited**

**Sd/-**  
**Raghu Raj**  
**Director**







## REPORT ON CORPORATE GOVERNANCE

### A. MANDATORY REQUIREMENTS

#### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

M/s. Filatex Fashions Limited is committed to good corporate governance and always strives to improve performance at all levels by adhering to corporate governance practices, such as managing its affairs with diligence, transparency, responsibility and accountability. The Board of Directors of the Company believes in a good corporate governance practice, which enables the management to direct and control the affairs of the Company in an efficient manner, so as to achieve the Company's goal of maximizing value for all its stakeholders. The Company has a strong legacy of fair, transparent and ethical governance practices.

The company's core philosophy on the code of corporate governance is to ensure:

- Fair and transparent business practices.
- Accountability for performance.
- Compliance of applicable statute
- Transparent and timely disclosure of financial and management information.
- Effective management control and monitoring of executive performance by the Board.
- Adequate representation of professionally qualified non executive and independent Directors on Board.

We have pleasure in reporting that requirement of Stock Exchange Regulations and the provisions of the Listing Agreement, the compliance report on the corporate governance have been complied with in all features.

#### II. BOARD OF DIRECTORS

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Memberships held by them in other companies is given below. Other Directorships do not include alternate Directorships, Directorships of Private Ltd Companies and of Companies incorporated outside India. Chairmanship/Membership of Board Committees includes Membership of Audit, Remuneration and Shareholders/Investors Grievance Committees.

#### COMPOSITION

The Board represents an optimum mix of professionalism, knowledge and experience. As on March 31, 2011, we had a total strength 6 Directors in the Board, comprising of: 1 Executive Directors and 5 Non-executive Directors (all the 5 of them are Independent Directors). The Company immensely benefits from the professional expertise of the independent Directors. The Board has an adequate combination of Executive, Non-Executive and Independent Directors.





**Table : 1 Key information pertaining to Directors as on 31st March, 2010**

	M: Prabir Sethia	Off: Subhash Kothari	Off: D.P. Ke	M: Noran	M: Raghu	M: Sanjay	M: Rajkumar Bidwatka**
Category	Managing Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director
Directorship in other Public Companies	-	-	-	1	-	-	1
Chairmanship in Committees of Board of other Companies	-	-	-	-	-	-	-
Membership in Committees of Board of other Companies	-	-	-	-	-	-	-
No. of Board Meetings held/attended	8/8	8/NIL	8/1	8/5	8/6	8/7	8/Nil
Attendance at the last AGM held on Sept. 24, 2009	Yes	No	No	Yes	Yes	Yes	No

\*\*Rajkumar Bidwatka resigned from the Board w.e.f. May 20, 2011

#### BOARD MEETINGS

Our Secretarial Department in consultation with the Key Managerial Personnel, Executive Directors and with Board Governance decided the dates on Board Meetings, the schedule of Board Meeting and Board Committee Meetings are communicated in advance to all the Directors to enable them to schedule their meetings. Our Board met Eight times in the Financial Year 2010-11.

**Details of the Directors seeking re-appointment**

Mr. Sanjay Ishwarlal Bora and Mr. Raghu Raj Directors retire by rotation at this Annual General Meeting and seeking re-appointment.

The Agenda and Explanatory notes, is prepared in consultation with the Chairman and Managing Director for each meeting and circulates the same in advance to the Directors. A tentative annual calendar for the meetings of the Board and Audit Committee to be held in each quarter has been circulated to facilitate and assist the Directors to plan their schedules for the meetings for meaningful, informed and focused decisions. Every Director is free to suggest the inclusion of items on the agenda. The Board meets at least once in every quarter to review the quarterly results and other items on the agenda. The Board is given presentation covering industry environment, project implementation, project financing and operations of the Company. Additional meetings are held, when necessary. The draft minutes of the proceedings of the Board of Directors are circulated in advance and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. Senior executives are invited to provide additional inputs at the Board Meeting for the items being discussed by the Board of Directors, as and when necessary.

The Company has an effective post meetings follow up, review and reporting process mechanism for the decisions taken by the Board/Committees. Action taken report on decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the members.

The Company Secretary while preparing the agenda notes, minutes etc., of the meeting is responsible for and is required to ensure adherence to all applicable laws, rules, regulations including the Companies Act, 1956 read with rules made there under.

**III. AUDIT COMMITTEE**

a) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Functions of Audit Committee include:

- Overseeing of the Company's financial reporting process and disclosure of its financial Information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing the adequacy of internal audit functions.
- Reviewing the quarterly and annual financial statements before submission to the Board.
- Reviewing the adequacy of internal control and their compliance thereof.
- Reviewing the Company's financial and risk management policies.

b) **The Composition of the Audit Committee:**

Mr. Raghu Raj -Member

Mr. Sanjay Ishwarlal Bora -Member

Mr. Nortan Bothra\* -Chairman

\* The Audit Committee was re-constituted from May 20, 2011 as Rajkumar Bidwatka resigned from the Board w.e.f. May 20, 2011.



**c) Meetings and Attendance:**

Four Audit Committee Meetings were held during the year. The maximum gap between any two meetings is not more than 4 months.

Name of the Director	No. of Audit Committee Meetings	
	Held	Attended
Mr. Raghu Raj - Member	4	4
Mr. Sanjay Ishwarlal Bora - Member	4	3
Mr. Nortan Bothra - Chairman	4	2

**IV. REMUNERATION COMMITTEE**

a) The broad terms of reference of the Remuneration Committee are as under :

- » # To approve the remuneration and commission / incentive remuneration payable to the Managing Director / Executive Directors for each financial year.
- » To approve the remuneration and Annual Performance Bonus payable to the Chief Finance Officer and the Vice Presidents of the Company for each financial year.
- » \* Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend / approve.

b) The composition of the Remuneration Committee is given below :

1. Mr. Raghu Raj -Member
2. Mr. Sanjay Ishwarlal Bora -Chairman
3. Mr. Nortan Bothra\* -Member

The Remuneration Committee was re-constituted from May 20, 2011 as Rajkumar Bidwatka resigned from the Board w.e.f. May 20, 2011

**c) Attendance during the year**

No Remuneration Committee Meetings was held during the year

d) The Remuneration policy of the Company is summarized as follows:

<b>For Managing Director:</b>	<b>Particulars</b>	<b>Mr. Prabhat Sethia</b>
	Salary	₹ 9,00,000
	Commission	Nil
	Perquisites	Nil
	<b>Total</b>	<b>₹ 9,00,000</b>



The total remuneration, subject to shareholders approval consists of

A fixed component consisting of salary, allowances, perquisites and Fixed % of Commission on the net profits of the Company calculated in accordance with Section 349 of the Companies Act, 1956 and benefits which are in line with the Company's rules for senior managerial personnel

#### **For Non Executive Directors**

Sitting fees is paid as per the Companies Act, 1956 and the Articles of Association of the Company, for attending meetings of the Board or any committees of the Board. Directors are also reimbursed actual travel costs and incidental expenses incurred for attending such meetings or in connection with the Company's business.

#### **V. SHAREHOLDER'S / INVESTORS GRIEVANCE AND SHARE TRANSFER COMMITTEE**

a) A Shareholders / Investors Grievance Committee of Directors reviews the following:

- \* Transfer/transmission of shares/debentures
- • Issue of duplicate share certificates
- \* Review of shares dematerialized and all other relevant matters
- • Monitors expeditious redressal of investor's grievances
- • Non receipt of Annual Reports and declared dividend
- \* - \* All other matters related to shares/debentures

b) The Constitution of Shareholders/Investors Grievance Committee is as follows:

Mr. Raghu Raj                      – Member  
Mr. Sanjay Ishwarlal Bora      - Member  
Mr. Nortan Bothra\*              - Chairman

The Shareholders/Investors Grievance Committee was re-constituted from May 20, 2011 as Rajkumar Bidwatka resigned from the Board w.e.f. May 20, 2011

Name of the Director	No. of Audit Committee Meetings	
	Held	Attended
Mr. Raghu Raj - Member	4	4
Mr. Sanjay Ishwarlal Bora - Member	4	3
Mr. Nortan Bothra - Chairman	4	2



**c) Name and Address of Compliance Officer**

Mr Prabhat Sethia  
Compliance Officer  
May Fair gardens, 8-2-682/3/A/ & 3B  
Flat No. 201, 2nd Floor,  
Road No.12, Banjara Hills,  
Hyderabad -- 500 034  
Tel: +91 40 6674 8931 Fax: +91 40 6674 8930  
E-Mail: filatex\_investors@yahoo.co.in, unisox@yahoo.com

**d) Details of complaints/requests received and redressed**

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	03	03	NIL

**VI. GENERAL BODY MEETINGS****A) Annual General Meeting**

Location, date and time of last three Annual General Meetings (AGMs) and Special Resolutions passed thereat:

Year	Location	Date and Time
2007-08	202, Patel Avenue, Road No. 11, Banjara Hills, Hyderabad - 34	29/09/2008 10:30 AM
2008-09	Ali Nagar, Chettlapotaram Village, Dist. Medak, Hyderabad - 500 004	30/09/2009 2:30 PM
2009-10	May Fair gardens, 8-2-682/3/A/ & 3B, Flat No. 201, 2nd Floor, Road No.12, Banjara Hills, Hyderabad - 500 034	31/12/2010 11:30AM

**B) Extra-ordinary General Meetings**

Year	Location	Date and Time	Special Resolution Passed
2009-10	May Fair gardens, 8-2-682/3/A/ & 3B, Flat No. 201, 2nd Floor, Road No.12, Banjara Hills, Hyderabad - 500 034	04/12/2010 12:00 PM	Change of Statutory Auditors



**C) Postal Ballot:**

During the year 2010 – 2011, No Postal Ballot resolutions are passed

**D) Any special resolution(s) are proposed to be conducted through postal ballot**

No Postal Ballot resolutions are proposed to be conducted through postal ballot.

**VII. DISCLOSURES**

**(I) Disclosure of material, financial and commercial transactions where management has personal interest that may have a potential conflict with the interest of the company at large**

During the year 2010-11, no transactions of material nature had been entered into by the Company with the Management or their relatives that may have a potential conflict with interest of the Company. None of the Non-Executive Directors have any pecuniary material relationship or material transactions with the Company for the year ended March 31, 2011, and have given undertakings to that effect.

Details of transactions of a material nature with any of the related parties (including transactions where Directors may have a pecuniary interest<sup>†</sup>) as specified in Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006, have been reported in the Notes to the Accounts and they are not in conflict with the interest of the Company at large.

Register under Section 301 of the Companies Act, 1956 is maintained and particulars of transactions are entered in the Register, wherever applicable.

Such transactions are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

**(ii) Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

- NIL -

**(iii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement are being reviewed from time to time.

**VIII. MEANS OF COMMUNICATION**

**Quarterly Results, Press Releases, presentations and Publications:**

Our quarterly results are generally published in widely circulated national newspapers the Business Standard, Economic Times and Nav Bharat Times and in one vernacular Language newspaper Andhra Prabha (Telugu Daily). And also the half yearly and Annual Audited Financial Results are published in the same manner.





The results are also displayed on the Company's web site [www.filatexfashionltd.com](http://www.filatexfashionltd.com) Official news releases, presentations made to media are displayed on the Company's website.

Management Discussion and Analysis detailed report is forming part of this Annual Report.

#### IX. GENERAL SHAREHOLDER INFORMATION

##### a) Annual General Meeting :

Financial Year	:	2010-2011
Date	:	30.09.2011
Time	:	10:00A.M
Venue	:	May Fairgardens, 8-2-682/3/A/& 3B, Road No.12,Banjara Hills, Hyderabad-500034
Dividend Payment	:	Nil
Financial Calendar (tentative)	:	Financial Year April 01, 2011 to March 31, 2012

##### Calendar for Reporting

Quarter Ending	Release of Results
June 30, 2011	August 15, 2011
September 30, 2011	November 15, 2011
December 31, 2011	February 15, 2011
March 31, 2011	May 15, 2011*

\* instead of publishing quarterly results, the Company may also opt to publish Audited Annual Accounts within 60 days from the end of the financial year as per Stock Exchange Guidelines.

##### b) Dates of Book Closure :

The Books shall be closed from September 26, 2011 to September 30, 2011 (both days inclusive) for the purpose of the ensuing Annual General Meeting. The dividend, if approved by the shareholders at the Annual General Meeting, shall be paid to all shareholders whose names appear:

##### c) Listing on Stock Exchanges:

The shares of the Company are listed on The Bombay Stock Exchange.

The Company confirms that it has paid annual listing fees due to the stock exchange for the financial year 2011-2012.

##### d) Stock Code:

##### (i) Trading Symbol

Exchange	Scrip Code	Scrip ID
Bombay Stock Exchange Limited	532022	FILATFASH







- (i) Depository for Equity Shares : NSDL and CDSL  
(ii) DematISIN Number : INE185E01013

**11 Stock Market Price Data**

Month	Bombay Stock Exchange(BSE)	
	Share Price (In ₹)	
	High	Low
April 2010	13.49	9.23
May 2010	11.59	8.94
June 2010	10.75	9.05
July 2010	14.99	9.90
August 2010	14.14	11.50
September 2010	14.90	12.00
October 2010	14.25	11.47
November 2010	14.53	8.40
December 2010	9.99	7.00
January 2011	11.40	6.00
February 2011	9.48	7.13
March 2011	7.85	6.02

**Comparative performance: Not Applicable**

**f) Registrar and Transfer Agents : (RTA)**

**SHAREX DYNAMIC (INDIA) PRIVATE LIMITED**

Unit: Filatex Fashions Limited

Unit No.1, Luthra Ind. Premises, Andheri Kurla,  
Road, Safed Pool, Andheri (E), Mumbai – 400 072

Tel: 022 - 2851 5606, 2270 2485, Fax: 022 – 2851 2885, 2264 1349

Email: sharexindia@vsnl.com

Website: www.sharexindia.com

**g) Share Transfer System**

Transfers of shares held on dematerialized form are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with the Registrars at the above.mentioned addresses. Transfers of shares in physical form are normally processed within 15 days from the date of receipt, if the documents are complete in all respects. The Directors, the Chief Finance Officer and the Company Secretary are severally empowered to approve transfers.





(i) Distribution of shareholding as on 31st March, 2011:

Category	No. of Holders	% of Holders	Total Shares	Amount	% Of Amount
01-5000	3019	74.82%	1084252	5421260	7.85%
5001-10000	391	9.69%	609655	3048275	4.42%
10001-20000	262	6.49%	765424	3827120	5.54%
20001 - 30000	129	3.20%	656508	3282540	4.76%
30001 - 40000	52	1.29%	358604	1793020	2.60%
40001 - 50000	32	0.79%	304697	1523485	2.21%
50001 - 100000	67	1.66%	1033462	5167310	7.49%
100001 & Above	83	2.06%	8991943	44959715	65.14%
TOTAL	4035	100.00%	13804545	69022725	100.00%

(ii) Categories of shareholders as on 31st March, 2011:

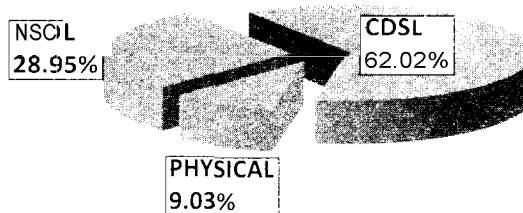
Sl. No.	Category	No. of Holders	Total shares	% to Equity
1	Promoters & Directors	9	2507878	18.167
2	Mutual Funds	0	-	-
3	Resident Individuals	3821	9420595	68.243
4	Bodies Corporate(s)	166	1831171	13.265
5	Indian Venture Capital	0	-	-
6	Foreign Institutional Investors	0	-	-
7	H U F	0	-	-
8	Non Resident Indians	26	35064	0.254
9	Clearing Members	13	9837	0.071
10	Trusts	0	-	-
	TOTAL	4035	13804545	100.00

**k) Dematerialization of Shares and Liquidity:**

As on 31st March 2011, 93.92% of the paid up equity capital of the Company has been dematerialized and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialization.

As on 31st March, 2011 the Equity shares of the Company are dematerialized as follows:

Sl. No	Category	Total No. of Shares	% To Equity
1	PHYSICAL	83,94,702	6.080%
2	DEMATERIALIZED	1,29,65,269	93.920%
	Total	11,104,761	100.00%

**l) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments till date.

**m) Address for Correspondence:**

Prabhat Sethia  
Managing Director & Compliance Officer  
May Fairgardens, 8-2-682/3/A/& 3B  
Flat No. 201, 2nd Floor,  
Road No.12, banjara Hills,  
Hyderabad-500034  
Tel: +91 4066748931 Fax: +91 4066748930  
E Mail: filatex\_investors@yahoo.co.in

**n) Unpaid/Unclaimed dividend**

Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by Company to the Investor Education and Protection Fund, established by the Central Government under the provisions of Section 205C of the Companies Act, 1956.





## CEO / CFO CERTIFICATION

To  
The Board of Directors  
**FILATEX FASHIONS LIMITED**

We, the undersigned, in our respective capacities as Managing Director and Chief Finance Officer of FILATEX FASHIONS LIMITED ("the Company"), to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the applicable accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- e) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

**Place : Hyderabad**  
**Date : 05/09/2011**

**For and on behalf of the Board of Directors of**  
**Filatex Fashions Limited**  
Sd/-  
**Prabhat Sethia**  
**Managing Director**



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

**To**  
**The Members of Filatex Fashions Limited**

As required under Clause 49(I)(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2011.

**Place : Hyderabad**  
**Date : 05/09/2011**

**For and on behalf of the Board of Directors of**  
**Filatex Fashions Limited**  
SD/-  
**Prabhat Sethia**  
**Managing Director**





## AUDITORS 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 M/s FILATEX FASHIONS LIMITED Hyderabad as at 31st March, 2011 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.
  - (d) 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;
  - (e) 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, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with 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 at 31st March, 2011;
    - ii) In the Case of Profit & Loss Account profit as on 31st March, 2011
    - iii) in the case of cash flow as at 1st March, 2011



**ANNEXURE TO THE AUDITOR'S REPORT**  
**(Referred to in Paragraph (3) of our Report of even date to the members of Filatex Fashions Ltd.,)**

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - a) During the year the management has carried out physical verification of fixed assets. No material discrepancies were noticed on such verification.
  - b) 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 loan 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 not introduced 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(l)(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.  
(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 accumulated losses as on 31st March, 2011
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 / 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 Vehicle loan from Banks/Financial institutions. 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 not 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, 2011.

**Place : Hyderabad**  
**Date : 05/09/2011**

**For N.G. Rao & Associates**  
**Chartered Accountants,**  
Sd/-  
**G. Nageswara Rao**  
**Partner**  
**Membership No. : 207300**





**BALANCE SHEET As at 31st March, 2011**

PARTICULARS	SCHEDULES	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>SOURCES OF FUNDS:</b>			
<b>SHARE HOLDERS FUNDS</b>			
Share Capital	1	69022725	69022725
Reserve & Surplus	2	107672784	176695509
			104532202
173554927			
<b>LOAN FUNDS</b>			
Secured Loans	3	362591	549478
Unsecured Loans	4	18000855	18363446
			1967730
2517208			
Defer tax liability		709469	
<b>Total</b>		<b>195768424</b>	<b>176072135</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
GROSS BLOCK	5	104206037	97970608
Less: Depreciation		44058375	41355761
<b>Total</b>		<b>60147662</b>	<b>56614847</b>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories	6	25701041	16163543
Sundry Debtors	7	169269817	259002187
Cash & Bank Balances	8	4321677	8659797
Loans & Advances	9	30330866	29442155
		229623401	313267682
Less: Current Liabilities & Provisions	10	94002640	193810394
<b>Net Current Assets</b>		<b>135620761</b>	<b>119457288</b>
<b>Total</b>		<b>195768424</b>	<b>176072135</b>
Notes of Accounts	N		

VIDE OUR REPORT OF EVEN DATE

For N.G. Rao & Associates  
Chartered Accountants,  
Sd/-

G.Nageswara Rao  
Partner

Membership No. : 207300

Place : Hyderabad

Date : 05/09/2011

FOR AND ON BEHALF OF THE BOARD

(PRABHAT SETHIA)

MANAGING DIRECTOR

(Raghu Raj)  
DIRECTOR





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

PARTICULARS	SCHEDULES	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>INCOME:</b>			
Sales	11	614500130	384710525
Other Income		101598	78000
Profit on Sale of Assets		641927	-
<b>TOTAL</b>		<b>615243666</b>	<b>384788525</b>
<b>EXPENDITURE:</b>			
Cost of Material	12	599367305	369084041
Administrative Expenses	13	5320593	6641562
Selling Expenses	14	285998	705761
Depreciation	5	5939978	5765189
Decrease/Increase in Stocks	15	-352020	-709481
<b>TOTAL</b>		<b>610561853</b>	<b>381487072</b>
Profit for the year		4681802	3301453
Income tax for earlier year		0	30299
Provision for Income Tax	831752	831752	1041297
Deffer Tax Liability		709469	0
Profit After Tax		3140582	2229857
Balance b/f from previous year		52464937	50235080
Balance carried to balance sheet		55605519	52464937
Notes of Accounts	N		

VIDE OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For N.G. Rao & Associates

Chartered Accountants,

Sd/-

G. Nageswara Rao

Partner

Membership No. : 207300

Place : Hyderabad

Date : 05/09/2011

(PRABHAT SETHIA)  
MANAGING DIRECTOR

(Raghu Raj)  
DIRECTOR



**SCHEDULES TO ACCOUNTS**

	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>SCHEDULE - 1 : SHARE CAPITAL</b>		
Authorised 16000000 Equity Shares of ₹ 5/- each	80000000	80000000
Issued, Subscribed and Paid up Capital 13804545 Equity Shares of ₹ 5/- each fully paid up	69022725	69022725
<b>TOTAL</b>	<b>69022725</b>	<b>69022725</b>
<b>SCHEDULE - 2 : RESERVE &amp; SURPLUS</b>		
Surplus in Profit & Loss Account	55605519	52464937
Share Premium	52067265	52067265
<b>TOTAL</b>	<b>107672784</b>	<b>104532202</b>
<b>SCHEDULE - 3 : SECURED LOANS</b>		
Reliance Consumer Finance - M.T.L (Secured by hypothecation of Vehicle guarantee of Directors)	362591	549478
<b>TOTAL</b>	<b>362591</b>	<b>549478</b>
<b>SCHEDULE - 4 : UNSECURED LOANS</b>		
from Directors	10317730	1967730
Others	7683125	
<b>TOTAL</b>	<b>18000855</b>	<b>1967730</b>



**SCHEDULE 6 : FIXED ASSETS**

Description	Rate in (%)	GROSS				DEPRECIATION				NET BLOCK	
		As on 31.03.10	Additions During the Year	Deduc- tions	Total As on 31.03.11	Total As on 31.03.10	Written off During the year	Deduc- tions	Total As on 31.03.11	Total As on 31.03.11	Total As on 31.03.10
Land & Site development	0.00%	1378660	0	0.00	1378660	0	0	0	0	1378660	1378660
Buildings	3.34%	13198298	0	0.00	13198298	4236485	440823	4677308	4677308	8520990	8961813
Plant & Machinery					0						
Imported	6.33%	67247869	10899235	3124372.00	75022732	31506848	4403978	1779955	34130871	40891861	35741021
Indigenous	6.33%	8580594		1771064.00	6809530	3576036	431043	1457409	2549670	4259860	5004558
Electrical Installation	7.07%	1548289	231630	0.00	1779919	787915	125840		913755	866164	760374
Furniture & Fixtures	6.33%	2957203	0	0.00	2957203	263641	187191		450832	2506371	2693562
Office Equipments	15.00%	883179	0	0.00	883179	547482	132477		679959	203220	335697
Vehicle	9.50%	1994118	0	0.00	1994118	388882	189441		578323	1415795	1605236
Computer	16.00%	182398	0	0.00	182398	48472	29184		77656	104742	133926
<b>TOTAL</b>		<b>197970608.00</b>	<b>11130665</b>	<b>4895436</b>	<b>104206037</b>	<b>41355761</b>	<b>5939978</b>	<b>3237364</b>	<b>44058375</b>	<b>60147662</b>	<b>56614847</b>



	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>SCHEDULE - 6 : INVENTORIES</b>		
( As valued and certified by the management and accepted by the auditors)		
Raw Material (valued at lower of cost or net realisable value )	23598001	14412523
Finished Goods (valued at cost or net realisable value whichever is lower)	2103040	1751020
<b>TOTAL</b>	<b>25701041</b>	<b>16163543</b>
<b>SCHEDULE - 7 : SUNDRY DEBTORS</b>		
(Unsecured, considered good)		
Outstanding for more than six months	2319685	109173925
Other	166950132	149828262
	<b>169269817</b>	<b>259002187</b>
<b>SCHEDULE - 8 : CASH &amp; BANK BALANCES</b>		
Cash in hand	53776	2715270
Cash at Schedule bank	4267901	5944528
<b>TOTAL</b>	<b>4321677</b>	<b>8659797</b>
<b>SCHEDULE - 9 : LOANS &amp; ADVANCES</b>		
(Unsecured, considered good)		
Advances ( recoverable in cash or in kind or for value to be received)		
Advance to suppliers	29915401	29178654
Security Deposit	415465	490215
<b>TOTAL</b>	<b>30330866</b>	<b>29442155</b>





	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>SCHEDULE - 10 : CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry creditors:		
Due to S.S.I. units	-	-
Due to Non S.S.I. units	90668228	90668228
Other liabilities	2502660	2502660
Provision For Tax	831752	2088423
<b>TOTAL</b>	<b>94002640</b>	<b>193810394</b>
<b>SCHEDULE - 11 : SALES</b>		
Gross Sales	614437670	384710525
Job Works	62460	-
<b>TOTAL</b>	<b>614500130</b>	<b>384710525</b>
<b>SCHEDULE - 12 : COST OF MATERIAL</b>		
Opening Stock	14412523	7420154
Purchases	604673544	371144587
Wages	1832139	1984507
Power & Fuel	1190517	1831167
Freight Inward	317901	118428
Stores & Spares	144433	393631
Factory maintenance	314249	452886
Packing Materials	80000	151205
	<b>622965306</b>	<b>383496564.5</b>
Less: Closing stock	23598001	14412523
	<b>599367305</b>	<b>369084041</b>





	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
<b>SCHEDULE - 13 : ADMINISTRATIVE EXPENSES</b>		
Salaries	582000	558705
PF & ESI contribution	153360	119071
Rent	1080000	829000
Conveyance	54310	139503
Printing & Stationery	22500	158174
Postage, Telephone & Stamps	207127	231022
Registration, License & Filling Fees	64666	152604
Office Maintenance	66809	202692
Traveling Expenses	1125900	1775462
Repairs & Maintenance		
Factory	50000	171319
Vehicle maintenance	80681	299730
Finance charges	130681	471049
Bank charges	226440	121348
Director Remuneration	165037	60434
Consultancy charges	900000	900000
Audit Fees	105540	0
Staff Welfare	60000	40000
Electricity & Water	16036	42259
Legal & Professional charges	34783	28300
VAT paid	62500	158950
Misc Expenses	0	269955
TOTAL	262903	383034
<b>SCHEDULE - 14 : SELLING EXPENSES</b>	<b>5320593</b>	<b>6641562</b>
Transportation	142786	134657
Clearing & Forwarding	0	245001
Business Promotion	130189	282572
Insurance	13023	43531
<b>TOTAL</b>	<b>285998</b>	<b>705761</b>
<b>SCHEDULE - 15 : INCREASE/DECREASE IN STOCKS</b>		
Opening Stock		
Finished goods	1751020	1041539
Less: Closing Stock		
Finished goods	2103040	1751020
<b>TOTAL</b>	<b>-352020</b>	<b>-709481</b>





## NOTES ON ACCOUNTS

**Schedule : N**

**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 not providing in the accounts.

### **7. CONTINGENT LIABILITY**

During the year the company' is not having any contingent Liabilities.

### **8. FOREIGN CURRENCY TRANSACTIONS**

Company Paid USD \$ 2,40,850 during the Financial Year, for the Material Purchase &China Visit.







**NOTES ON ACCOUNTS:**

	<b>Current Year (INR)</b>	<b>Previous Year (INR)</b>
1. Expenditure in Foreign currency		
Foreign Currency out goes	1.10 Cr.	NIL
Value on Imports on CIF Value	NIL	NIL
2. The Balances in respect of Sundry creditors, Sundry Debtors, Loans & Advances are subject to confirmation & reconciliations and as per the Management's view they are realizable.		
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	31/03/2011	31/03/2010
Managing Director	Rs.9,00,000	Rs. 9,00,000
Audit Fee	60,000	40,000
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	Year ended
	31-03-2011	31-03-2010
	Qty amount	Qty amount
	As per Annexure Enclosed	
13. .Previous Year Figures were regrouped where ever necessary.		

**For N.G. Rao & Associates**

**Chartered Accountants,**

**Sd/-**

**G.Nageswara Rao**

**Partner**

**Membership No. : 207300**

**Place : Hyderabad**

**Date : 05/09/2011**

**FOR AND ON BEHALF OF THE BOARD**

**(PRABHAT SETHIA)**

**MANAGING DIRECTOR**

**(Raghu Raj)**

**DIRECTOR**

**CASH FLOW STATEMENT**

For the Year Ended 31st March, 2011

(As required under clause 32 of the Agreement with stock exchange)

PARTICULARS	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
Adjustment for Depreciation	5939978	5765188
Financial expenses	391478	181782
Operating profit before working capital change adjustments for	9472037	8168124
(increase / decrease in inventories)	-9537498.00	2675180
(increase / decrease in sundry debtors)	89732370.00	7908226
(increase / decrease in other current assets)	-888711.00	-13371517
(increase / decrease in current liabilities)	-99807754	-38886583
Cash generated from operation	-11029556	-33506570
Financial expenses paid	391478	181782
<b>Net cash flow from operating activities (A)</b>	<b>-11421034</b>	<b>-33688352</b>
Purchase of fixed assets	8763323	-2997854
<b>Net cash used in investing activities (B)</b>	<b>8763323</b>	<b>-2997854</b>
Cash flow from financing activities		
Proceeds from long term borrowings	15846238	31137029
Working capital borrowings		
<b>Net cash used in financing activities (C)</b>	<b>15846238</b>	<b>31137029</b>
Net increased in cash and cash equivalents (A-B+C)	-4338119	446531
1 Opening Balance	8659796	8213265
Closing Balance	4321677	8659796

Place : Hyderabad

Date : 05/09/2011

FOR AND ON BEHALF OF THE BOARD

Sd/-

(PRABHATSETHIA)

MANAGING DIRECTOR

**CERTIFICATE**

We have verified the above cash flow statement of M/s. Filatex Fashions Limited, derived from the Audited Annual financial Statements for the year ending 31st March, 2011 and found the same in accordance therewith.

Place : Hyderabad

Date : 05/09/2011

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

Sd/-

G.Nageswara Rao (Partner)

Membership No. : 207300





**BALANCE SHEET ABSTRACT**  
**AND COMPANY'S GENERAL BUSINESS PROFILE**  
(In terms of amendment of Schedule VI - Part IV)

**I REGISTRATION DETAILS**

Registration No.	17158 of 1993-94
State code	01
Balance sheet date	31/03/2011

**II CAPITAL RAISED DURING THE YEAR**

Public issue	Nil
Right issue	Nil
Bonus issue	Nil
Private placement	NIL

**III POSITION OF MOBILIZATION AND DEVELOPMENT OF FUNDS (AMT IN THOUSANDS)**

Total liabilities	289771
Total Assets	289771
Sources of funds	
Paid-up capital	69023
Reserve & surplus	107673
Secured loans	363
Unsecured loans	18001
Application of funds	
Net Fixed assets	60148
Investments	Nil
Net current Assets	135621
Misc. Expenditure	Nil
Accumulated losses	Nil

**IV PERFORMANCE OF COMPANY (IN THOUSAND)**

Turnover & other income	615244
Total expenditure	610562
Profit/Loss before tax	4682
Profit/Loss after tax	3141
Earning per shares	0.23
Dividend rate (%)	Nil

**V GENETIC CODE**

N.A





**FILATEX FASHIONS LIMITED**

**17th ANNUAL GENERAL MEETING**

**Registered Office : 201, 2nd Floor, MayFair Gardens,  
Road No. 12, Banjara Hills, Hyderabad - 500 034**

**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ being

Member of FILATEX FASHION LIMITED, hereby appoint Mr/Mrs \_\_\_\_\_

of \_\_\_\_\_ of falling him, Mr./Ms. \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to attend and vote for me/us and on my/our behalf at the 17th Annual General

Meeting of the company to be held on 30th September 2011 at 10:00 A.M at Registered Office of

the company at # 201, May Fair 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  
₹ 1.00  
Revenue  
Stamp

Note: The proxy from 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

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**FILATEX FASHIONS LIMITED**

**17th ANNUAL GENERAL MEETING**

**Registered Office : 201, 2nd Floor, MayFair Gardens,  
Road No. 12, Banjara Hills, Hyderabad - 500 034**

**ATTENDANCE SLIP**

I hereby record my/our presence at the 17th Annual General Meeting of the company at #201, May Fair 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

Print Matter Book Post



*Filatex Fashion Ltd.*

MayFair Gardens, 80-6-682/3/A & 3B, Flat No. 201, 2nd Floor,  
Road No. 12, Banjara Hills, Hyderabad - 500 034.

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