



SAMTEX FASHIONS LIMITED

20th Annual Report 2012-13

SAMTEX FASHIONS LIMITED



BOARD OF DIRECTORS

Anil Mittal

Vinay Mittal

A. P. Mathur

Atul Mittal

S. K. Gupta

Raman Ohri

Chairman & Managing Director

Director

Director

Joint Managing Director

Director

Director

COMPANY SECRETARY & GM FINANCE

Kamini Gupta

AUDITORS

M/s Aggarwal & Rampal

Chartered Accountants

New Delhi

INTERNAL AUDITORS

M/s Ashok Aggarwal & Co.

Chartered Accountants

Delhi

BANKERS

STATE BANK OF INDIA

Overseas Branch,

9th Floor, Jawahar Vayapar Bhawan,

Tolstoy Marg, New Delhi - 110 001

REGISTERED OFFICE & WORKS

Plot No. 134-135

Noida Special Economic Zone,

Phase - II, Noida - 201 305

Distt. Gautam Budh Nagar

Uttar Pradesh

CORPORATE OFFICE

Unit No. 306-308, Square One Mall,

C-2 District Center, Saket,

New Delhi -110017

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NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of M/s Samtex Fashions Limited will be held on Friday, the 27th September, 2013 at 9.30 A.M. at the Registered Office & Works of the Company at Plot No. 134-135, Noida Special Economic Zone, Phase - II, Noida - 201 305, Distt. Gautam Budha Nagar, (U.P.) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March' 2013 and the Profit & Loss Account for the financial year ended on that date, together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Surender Kumar Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Vinay Mittal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:
"**RESOLVED THAT** in supersession of the resolution passed at the 18th Annual General Meeting of the Company held on 30th September, 2011 and in terms of provisions of Section 314(1B) and other applicable provisions, if any of the Companies Act, 1956, and subject to the approval of the Central Government, as applicable, consent of the Company be and is hereby accorded to Mr. Anubhav Mittal, son of Mr. Anil Mittal, Chairman & Managing Director of the Company, to hold an office or place of profits as Vice President, Overseas Marketing, in the Sales and Marketing Division of the Company for a period of 3 years from 01.10.2013 to 30.09.2016 at the salary of Rs. 550,000/- per month in the grade of Rs. 550,000 - 100,000 - 750,000 and the situation of his office will remain the same in the said capacity in the United States of America".
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:
"**RESOLVED THAT** pursuant to the provisions of the Articles of Association of the Company, Section 269, 198, 309 and 316 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956 as amended from time to time, approval of the company be and is hereby accorded to the re-appointment of Mr. Anil Mittal as Chairman & Managing Director of the Company for a period of 5 years w.e.f. 26th April, 2013, without remuneration."

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

Sd/-
KAMINI GUPTA
Company Secretary & GM Finance

Place : New Delhi
Dated : 13.08.2013

REGISTERED OFFICE & WORKS

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

NOTES :

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF, A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF MEETING. A BLANK PROXY FORM IS ANNEXED TO THE ANNUAL REPORT.
- b) The Register of Members and the share transfer books of the Company will remain closed from 18.09.2013 to 27.09.2013 (both days inclusive).
- c) Members/Proxies should bring the attendance slip sent herewith duly filled up for attending the meeting.
- d) Members are requested to communicate change of address/ residential status, if any, to the Company, quoting respective folios in case their holdings in physical form, and to their Depository Participant (DPs) in respect of holdings in dematerialized form.



- e) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least Ten days before the date of meeting, so that any information required by the members may be made available at the meeting.
- f) Members are requested to bring their copy of the Annual Report to the meeting.
- g) In terms of the general approval granted by the Central Government under Section 212(8) of the Companies Act, 1956, the annual accounts and other statements of subsidiary companies have not been attached with the annual report of the holding company. These documents are available for inspection for any Shareholder/ member/ investor, during the business hours at the Registered Office of the Company.
- h) In terms of listing of additional Equity Shares of the Company the Statutory Auditors Certificate as per Regulation 73(2) of SEBI ICDR Regulations 2009 shall be placed before the Shareholders during Annual General Meeting. Further the said certificate is available for inspection to any shareholder / member / investor during the business hours at the Registered Office of the Company.

NO GIFTS / GIFTS COUPON WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act, 1956.

ITEM NO. 5

Mr. Anubhav Mittal was appointed as Vice-President, Overseas Marketing in the Sales and Marketing Division of the Company with an office in New York, USA to develop the growth of exports of the Company in American Markets for a period of 5 years w.e.f. 01.10.96 by the Company and with the approval of the Central Government . The last renewal w.e.f 1-10-2011 for a period of 5 years with a starting salary of Rs.4,00,000/- in the scale of Rs.4,00,000-60,000- 6,40,000 (considering 1US\$ = INR 46.00) was proposed and approved by Central Government for 3 years wef 1.10.2011 to 30.09.2014 with annual remuneration amounting to Rs. 42.67 lacs , Rs. 46.94 lacs and Rs. 51.63 lacs respectively for the sanctioned period.

Mr. Anubhav Mittal has put in his sincere efforts and has been very well managing the Trading Office of the Company at New York, U.S.A.. He has been very much successful in building a brand and quality acceptance of Company's products in USA.

Considering the adverse rate of exchange by depletion in the value of Indian rupee and the remuneration drawn by Mr. Anubhav Mittal in US\$ currency, being posted in New York, US, and considering good performance of Mr. Anubhav Mittal, it is now proposed to re-appoint him at increased remuneration for a further period of 3 years with effect from 01.10.2013 to 30-09-2016 at the pay scale as proposed in the resolution. The renewal of appointment of Mr. Anubhav Mittal was duly considered and recommended by the Remuneration and Selection Committee Meeting held on 12th August 2013 with a starting salary of Rs. 550,000/- per month in the scale of Rs. 550,000 - 100,000 - 750,000.

The Board commends the resolution for your approval.

Mr. Anil Mittal, Chairman & Managing Director, Mr. Vinay Mittal, and Mr. Atul Mittal , Directors of the Company are interested in the resolution being related to Mr. Anubhav Mittal.

ITEM NO. 6

Mr. Anil Mittal was last re-appointed as Chairman & Managing Director of the Company for a period of 5 years w.e.f. 26.04.2008 and the same was approved by the Members in the Annual General Meeting held on 30th September, 2008. Accordingly the tenure of the Managing Director expired on 25th April, 2013. The Board of Directors in their meeting held on 29.03.2013 had re-appointed Mr. Anil Mittal as Chairman & Managing Director of the Company for a further period of 5 years w.e.f. 26.04.2013, without remuneration, subject to the approval of the Members in the General Meeting.

Mr. Anil Mittal, Aged about 61 years and has vast commercial and industrial experience. He passed ISCE Cambridge University examination and is a Commerce graduate from Punjab University. He possesses long managerial experience spanning over about 40 years in the Trade and industry especially relating to Rice Milling, construction activity and manufacturing operations. He has a keen business acumen and is a dynamic entrepreneur. In the year 1993 he established this Company as 100% EOU in technical collaboration with M/s Samsung Corporation, South Korea. Since inception your Company has registered a progressive growth rate under the able guidance and Leadership of Mr. Anil Mittal.



Mr. Anil Mittal is also the Chairman and Managing Director of M/s SSA International Limited, which is now a Wholly Own Subsidiary (WOS) of your Company. Mr. Anil Mittal at present drawing remunerations from SSA International Limited.

The Board recommends the approval of the Resolution by the Members.

Mr. Anil Mittal himself, Mr. Vinay Mittal and Mr. Atul Mittal being related to him, may be considered as interested or concerned in the Resolution.

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

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

Sd/-
KAMINI GUPTA
Company Secretary & GM Finance

Place : New Delhi
Dated : 13.08.2013

Annexure to Notice dated 13.08.2013- Item no. 2, 3 and 6

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

Name of the Director	Mr. S.K.Gupta	Mr. Vinay Mittal	Mr. Anil Mittal
Date of Birth	24.05.1949	15.12.1956	25.09.1952
Date of Appointment	29.07.2002	17.06.1995	26.04.1993
Qualification	Graduate	B.E. Mechanical	Graduate
Expertise in specific functional areas	Administrative	Technical and General Management	Managerial - Controlling whole affairs of the company.
List of Directorship held in other Companies as on 31 st March, 2013.	SSA International Ltd.	Santosh Overseas Ltd. S.K.B. Builders India Ltd	SSA International Ltd Sam Buildcon Ltd. Seven Star Infosoft Pvt. Ltd.
Chairman / Member of the Committees of the Board of Public Companies on which he is a Director as on 31 st March, 2013	Chairman - Two Member - Three	None	Chairman - One Member - Two
Shareholding in the Company as on 31 st March, 2013:- Equity Shares in Numbers	Nil	212,110	619,740
Relationship with other Directors	None	Brother of Mr. Anil Mittal	Brother of Mr. Vinay Mittal Father of Mr. Atul Mittal



E-SERVICE OF DOCUMENTS THROUGH EMAIL

Dear Member,

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" (Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011) allowing paperless compliances by companies through electronic mode. Companies are now permitted to send various notices/documents to its shareholders through electronic mode to the registered e-mail address of the shareholders.

The move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribute towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit and thus serve the shareholders better.

Keeping in view the underlying theme and the circular issued by MCA, we propose to send documents like the notice calling the general meeting, audited financial statements, directors report, auditors report etc. henceforth to the shareholders in electronic form.

To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to inform the same to the Company (by filling & sending this prepaid inland letter).

Please note that you will be entitled to be furnished, free of cost, with a copy of the balance sheet of the company and all other documents required by law to be attached thereto including the profit and loss account and auditors report, upon receipt of a requisition from you, anytime, as a member of the Company.

We hope that as a responsible citizen, you will whole-heartedly support this initiative and will co-operate with the Company in implementing the same.

For **Samtex Fashions Limited**
Sd/-
Kamini Gupta
Company Secretary & GM Finance

Date :

To,
The Company Secretary
Samtex Fashions Limited
134-135, NSEZ (Noida Special Economic Zone),
Phase-II, Gautam Budh Nagar,
Noida- 201 305

Re : E-mail Updation for e-service of documents

Dear Sir,

I/We do here by wish to receive all future correspondence/documents including Notices of Shareholders' Meeting, Audited Financial Statements, Auditors Report, Directors Report, etc. of the Company at the following e-mail id.

E-mail id :

Folio No./DP ID-Client ID :

Name of First Holder.....s/o, d/o, w/o.....

You are requested to kindly update the same in your records.

Signature of First Holder :



DIRECTORS' REPORT

To,
The Members,

Your Directors' have pleasure in placing before you the 20th Annual Report together with the Audited Accounts of the Company for the year ended 31st March' 2013.

FINANCIAL RESULTS		Rs. In Lacs
PARTICULARS	2012-2013	2011-2012
Sales and other Income	7402.01	5342.24
Profit before tax, interest, depreciation and write offs	602.45	811.08
Interest & Financial Expenses	390.06	622.90
Depreciation	174.45	179.15
Profit Before Tax	37.94	9.03
Provision for Taxation :		
Current	32.46	5.19
Deferred	(28.93)	(18.55)
Earlier year	-	1.12
Profit after Tax	34.42	21.27
Balance of Profit from Previous Years	2900.61	2879.34
Balance of Profit carried forward	2935.03	2900.61

REVIEW OF OPERATIONS & FUTURE PROSPECTS:

The performance during the year under review was towards improvement specially for the top line. There was improvement in bottom line also but not up to the mark. The Gross Sales and other Income for the year ended 31st March, 2013 stood at Rs. 7402.01 lacs, an increase of 38% over the previous year and Net Profits at Rs. 34.42 lacs as compared to Rs. 21.27 lacs in the previous year.

The international economic conditions especially in US are reviving and Board of Directors are anticipating that situation will improve further in the years to come.

Your Company's Wholly Owned Subsidiary namely SSA International Limited has achieved a Turnover of Rs. 1149.36 crores with a growth of 47% over the previous year and a Net Profit of Rs. 18.99 crores in consolidation.

The other Wholly Owned Subsidiary namely Sam Buildcon Limited not performing well and achieved a turnover of Rs.5.86 cr. and Profits Rs. 0.02 cr.

A brief note on the performance of the subsidiaries is attached as Annexure to this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

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

CORPORATE GOVERNANCE

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

DEMATERIALIZED OF SHARES

Your Company's shares are participating both with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN number of the Company is **INE931D01012**.

STOCK EXCHANGE LISTING

The Equity shares of your Company are listed at:

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



DIVIDEND

In order to conserve and strengthen the financial resources of the Company, the Directors regret their inability to recommend any dividend for the year 2012-2013.

DIRECTORS

Mr. Vinay Mittal and Mr. S.K. Gupta, Directors of the Company retire by rotation at the conclusion of the ensuing Annual General Meeting of the Company, and pursuant to article no. 89 of the Articles of Association of the Company and being eligible, they offer themselves for re-appointment.

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

AUDIT COMMITTEE

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

It comprised of the following Directors:

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

AUDITORS' REPORT

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

AUDITORS

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

INTERNAL AUDIT

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

COMPLIANCE CERTIFICATE FROM COST AUDITOR

Pursuant to section 233B of the Companies Act, 1956 read with Cost Audit Rules 2011, the Company will comply and will receive the 'Cost Audit Compliance Report for the financial Year 2012-13 from the Practicing Cost Accountant.

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. Applicable accounting standards have been followed in preparing the annual accounts and material departures, if any, have been properly explained.
2. The Directors have selected and applied accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts for the year ended 31.03.2013 on a going Concern basis.



PERSONNEL

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

CREDIT RATING

During the year under review the Company sustained its long term credit rating of "BB" and short term credit "BB".

SUBSIDIARIES

In terms of the general approval granted by the Central Government under Section 212(8) of the Companies Act, 1956, the annual accounts and other statements of subsidiary companies have not been attached with the annual report of the holding company. The Company will make available these documents and related detailed information upon request by the Shareholders of the Company.

The annual accounts of the subsidiaries are also available for inspection for any Shareholder/ member/ investor, during the business hours at the Registered Office of the Company.

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

As required by Section 212 of the Companies Act, 1956, a Statement in respect of the subsidiary is annexed and forms an integral part of this report.

PUBLIC DEPOSIT

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

INDUSTRIAL RELATIONS

The Industrial relations remained cordial during the year under review.

ACKNOWLEDGEMENT

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

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

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

Sd/-

ANIL MITTAL

Chairman & Managing Director

Place : New Delhi

Dated : 30.05.2013



ANNEXURE "A"

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March' 2013

A. CONSERVATION OF ENERGY

- | | |
|--|---|
| 1. Energy Conservation measures taken | Company's operations involve low energy consumption. Energy conservation measures continues to remain thrust area and have already been implemented by:-

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

FORM "A"

Disclosure of particulars with respect to conservation of energy:

	<u>Current Year</u>	<u>Previous Year</u>
1. POWER AND FUEL CONSUMPTION		
a) Purchased		
Unit	4,89,208	6,03,120
Total Amount (Rs. Lacs)	44.80	41.78
Rate/Unit (Rs.)	9.16	6.92
b) Own Generation Through Diesel Generator		
Unit	90,534	32,548
Total Amount (Rs. Lacs)	9.48	2.50
Cost/Unit (Rs.)	10.47	7.68

B. RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION

(i) RESEARCH AND DEVELOPMENT

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

(ii) TECHNOLOGY ABSORPTION

New technology absorption is the endeavor of the Company. Development of new products, designs and quality improvement is a continuous process. Value Addition by Up gradation of Technology is a regular process.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Regularly developing the new international markets. In order to develop new export markets for its products your company is regularly participating thru its buyers, in international exhibitions. Company has its own office in New York with arrangement of display of Company's Products and exploring new markets and products .



	<u>Current Year</u>	<u>Rs. in Lacs Previous Year</u>
i. Earnings for the year (FOB value of Exports)	3422.95	2257.41
ii. Outgo for the year:		
Raw Material	1711.76	2257.30
Capital Goods	Nil	Nil
Others	Nil	1.48

ANNEXURE - "B"

PARTICULARS OF EMPLOYEES

Statement pursuant to Section 217 (2A) of the Companies (Particulars of Employees) Rule 1975, as amended and forming part of the Directors Report for the year ended 31st March' 2013.

<i>NAME</i>	<i>Designation/ Duties</i>	<i>Qualification</i>	<i>Remuneration Rs. in Lacs</i>	<i>Experience In Years</i>	<i>Date of Commencement of Employment</i>	<i>Age in Years</i>	<i>Last Employment held</i>
Mr. Anubhav Mittal	Vice President Overseas Marketing	Diploma in G.M.T. (F.I.T New York)	46.44	17	01.10.96	38	—

Note :

- Nature of employment of Mr. Anubhav Mittal is contractual .
- Nature of Duties of the appointee includes Development & Promotion of Export Marketing of the Company's Products in USA and other Western Countries.
- Mr. Anubhav Mittal is related to Mr. Anil Mittal, Chairman & Managing Director and Mr. Atul Mittal Director of the Company.
- The remuneration specified above includes salary, allowances, bonus and value of perquisites.
- Mr. Anubhav Mittal, the above named employee along with his spouse hold 7.64 % of Equity Shares of the Company, on the date of this report, the information is in terms of clause (a) (iii) of Section 217 (2A) of the Companies Act, 1956.

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

Sd/-
ANIL MITTAL
Chairman & Managing Director

Place : New Delhi
Dated : 30.05.2013



MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Overview: -

Company Background

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

Its Corporate Office is located at Unit No. 306-308, Square One Mall, C-2, District Centre Saket, New Delhi -110017 and it also has a Trading Office in USA in the city of New York so as to facilitate the marketing of Company's products. This Trading Office is headed by Vice President, Overseas Marketing.

Company Management

The Board of Directors of the Company comprised of 6 (six) Directors headed by Mr Anil Mittal Chairman and Managing Director of the Company. The Board is a combination of Executive and non-Executive Directors. It has 1 Executive Directors - namely Mr. Atul Mittal, Whole Time Director and 5 non-Executive Directors out of whom 3 Directors are independent.

The Board of Directors meets regularly at least 4 times in a year. In the year 2012-2013, 7 such meetings were held, the details of the attendance of Directors in the Board Meetings have been given in the Report of Corporate Governance. The Board has also constituted 4 Committees namely, (a) Audit Committee (b) Remuneration and Selection Committee (c) Share Transfer and Investor Grievances Committee (d) Project Monitoring Committee to review and control the Company's Expansion cum up gradation Project. The committee members' meet regularly from time to time to dispose of the work assigned to them respectively.

Product and Services

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

Industry Structure and Development

The Indian Textile Industry especially Garment Sector is one of the leading textile industry in the world and has an overwhelming presence in the Indian Economy. The international trade in clothing and textile plays a vital role through its contribution to industrial output, employment generation and export earnings for the country. The Industry is targeting towards modernization and expansions being encouraged by the prevailing textile strategies and policies.

The Indian clothing & textile industry has attracted huge investments and is undergoing growth. Restructuring to match the international levels of technology, quality and standards. As a result, the capacity has expanded to meet the future requirements as the demands are encouraging. The World economies are coming out of global recession but still the business environment is very challenging.

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

Due to the specialized quality of garments being manufactured by our Company the demand for the product is stable. However, price constraint still continuing, which are likely to improve in the near future.

Opportunities and Threats.

The Government's TUF scheme introduced in 1999 and Ministry of Textiles has recommended continuation of the scheme. All loans sanctioned during the continuation of the scheme are eligible for the subsidy for the life of the loan. The modern technology, improvements in infrastructure and regulations, all are plying significant role among the different sectors of the Industry.

Although your Company has taken full advantage of the scheme by launching expansion and modernization of its capacities and implemented the same and till time not taken the full advantage.

As with the recovery, the textile and clothing industry is also facing increase in input prices - energy, labour and financial cost. The inflationary pressure both with in the country and globally have bearing on the outlook of the textile and clothing industry.

The Government of India is providing the interest subvention of 2% p.a for the Financial Year 2012-13, in respect of rupee export credit extended to the specified exporters and resulted into a financial comfort to the industry.



Many global textile brands and retailers are looking towards India for outsourcing and India has emerged as a preferred sourcing destination for global buyers. Your Company would like to serve various products to provide good service to its customers by supplying products like structured, casual and formal wear garments and also the wrinkle free garments, anticipating to grow at an impressive rate.

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

The coming financial year 2013 -14 is likely to be a period full of challenges on account of pressure both on demand and prices as also risk of inventory value losses and **the Management will remain vigilant and deal with the situation with prudence and foresight and will make all efforts to cope up the situation through continuous cost reduction, process improvements and improved customer based to mitigate the challenges. We are having faith for a bright future of RMG Industry in India.**

Internal control system and their Adequacy

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

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

Sd/-

ANIL MITTAL

Chairman & Managing Director

Place : New Delhi
Dated : 30.05.2013



CORPORATE GOVERNANCE REPORT

1. Company's philosophy

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

2. Board of Directors:

During the year under report the Board of Directors Comprised of 6 Directors - 1 Executive Directors and 5 Non-Executive Directors of which 3 were Independent Directors.

The composition of Board of Directors, their category and other directorships as on 31st March, 2013 are given as under:-

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

Retiring Directors :

Mr. S. K. Gupta and Mr. Vnay Mittal- Directors are retiring by rotation in the ensuing Annual General Meeting and, being eligible, they offer themselves for re-appointment.

Mr. Vinay Mittal has done his B.E. (Mechanical) from Thapar Institute of Engineering and Technology, Patiala Punjab. He is having rich experience of more than 25 years and possesses expert knowledge in his field of operations.

Mr. S.K. Gupta is B.Tech (Hons.) and is having a vast experience of more than 32 years in the field of international marketing and trading.

Board Meetings and attendance of Directors :

During the year, Seven Meetings of the Board were held on 15.05.2012, 14.08.2012, 15.11.2012, 12.01.2013, 28.01.2013, 15.02.2013 and 29.03.2013.

Attendance record of Directors :

The table given below gives the attendance record of all the Directors at the seven Board Meetings held during 2008-09, as well as at the last Annual General Meeting.

Sl. No.	Name of Directors	No. of Board Meetings Attended	Attendance at the last AGM held on 30.09.2011
1.	Mr. Anil Mittal	7	Yes
2.	Mr. Vinay Mittal	4	Yes
3.	Mr. A. P. Mathur	7	No
4.	Mr. S.K. Gupta	6	Yes
5.	Mr. Atul Mittal	6	Yes
6.	Mr. Raman Ohri	6	No

3. Audit committee

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



The constitution of the Audit Committee is as follows:-

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

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

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

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

Audit Committee Meetings

Sl. No.	Date of Meeting	Strength	No of Member Present
1.	14.05.2012	3	3
2.	13.08.2012	3	3
3.	14.11.2012	3	2
4.	14.02.2013	3	3

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

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

Mr. S.K. Gupta Chaired the Meeting of Audit Committee held on 13th August,2012 for reviewing and approving the Final Accounts for the period ended 31st March, 2013.

Internal Auditors:

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

4. Remuneration & Selection Committee :

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

The Constitution of the committee is as follows:

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

Meetings and Attendance:

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

Director's Remuneration

a) Managing Director/Executive Directors:

The Company pays remuneration to the Managing Director / Executive Directors as recommended by the Remuneration Committee and the Board of Directors of the Company. It has also been approved by the Members of the company in their General Meeting.

During the year under report Mr. Anil Mittal, Chairman & Managing Director decided voluntarily not to take any remuneration from the Company w.e.f. 1st February, 2013 and the same was noted in the Boradr of Directors Meeting held on 28.01.2013. Details of Remuneration ito Directors for the Year 2012-13:



(In Rs.)

Name	Designation	Salary	Perquisite	P.F.	Comm. Contribution	Gross Remuneration
Mr. Anil Mittal	Chairman & Managing Director	950000	190000	114000	–	1254000
Mr. Atul Mittal	WholeTime Director	840000	1650076	100800	–	2590876

b) Non-Executive Directors:

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

5. Shareholders, Share Transfer and Investor Grievance Committee:

Share Transfer and Investor Grievance committee meets regularly and during the year 4 meetings were held. To expedite the process of Share Transfers the powers are delegated to the Company Secretary & GM Finance and one Executive Director, and the delegated authority attends to Share Transfer formalities once in a fortnight. In case of any difference of opinion or there being a dispute among the claimants the matter is forwarded to the Share Transfer and Investors Grievances Committee for their Approval. The Committee comprises of three Directors, of whom two are Executive Directors. The Chairman is a Non-Executive Director.

- There was no share Transfer / Demat cases, or Complaints pending for more than 30 days, as on 31st March,2013.
- Compliance Officer: The Board has designated Ms.Kamini Gupta, Company Secretary and GM Finance as the Compliance officer.

6. CODE OF CONDUCT

Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors, Senior Management and Employees of the Company. The Code of Conduct of the Company covers substantial development, disclosure of material information, integrity of financial reporting, continuous improvement of the internal control system and sound investor relations.

Declaration as required under Clause 49 of the Listing Agreement

All Directors and Senior Management of the Company have affirmed Compliance with the Samtex Code of Conduct for the financial year ended 31st March, 2013.

New Delhi, 30th May, 2013

Anil Mittal
Chairman & Managing Director

7. General Body Meeting :

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

Annual General Meeting/Year	Day, Date & Time of the AGM	Venue
17th AGM 2009-2010	Thursday, 30th September, 2010 at 9:30AM	Regd Office: Plot No-134-135 NSEZ, Phase-II, Noida - 201305, U.P
18th AGM 2010-2011	Friday, 30th September, 2011 at 9.30 AM	————do————
19th AGM 2011-2012	Friday, 28th September,2012 at 9.30AM	————do————



8. Details of Special Resolutions/ Special Business:

- | | | | | |
|----|----------------------|---|------|---|
| 1. | 17 th AGM | : | i) | Re-appointment of Mr. Atul Mittal as Whole Time Director-designated as Joint Managing Director with remuneration for a period of 3 years w.e.f. 01.09.2010. |
| | | : | ii) | Change in Object Clause by inserting a new sub clause. |
| | | : | iii) | To commence the new business activities. |
| 2. | 18 th AGM | : | i) | Appointment of Relative, Mr. Rahul Mittal, son of Mr. Sanjeev Mittal, brother of Mr. Anil Mittal, Chairman & Managing Director. |
| | | : | ii) | Re-appointment of Mr. Atul Mittal as Whole Time Director- designated as Joint Managing Director with increased remuneration for a period of 3 years w.e.f. 16.02.2011. |
| | | : | iii) | Re-appointment of relative Mr. Anubhav Mittal son of Mr. Anil Mittal, Chairman & Managing Director of the Company for holding place of profit. |
| | | : | iv) | Increase in the Authorised Capital of Company from existing Rs. 10.00 crores to Rs. 16.00 crores. |
| | | : | v) | Offer, Issue and allotment of 50,00,000 no. of Equity Shares/ Zero Coupon Warrants convertible into Equity Share of Rs. 10/- each at a premium of Rs. 18/- per equity share on Preferential issue basis on private placement. |
| | | : | vi) | Listing of Company's Equity Shares at National Stock Exchange, Mumbai. |
| 3. | 19 th AGM | | | -- Nil -- |

Postal Ballot

- | | | |
|---|--|----|
| - | Whether Special Resolutions were put through Postal Ballot last Year | No |
| - | Are votes proposed to be conducted through Postal Ballot this Year | No |

9. Disclosures :

Related Party Transactions as required :

1. Related Party Transactions as required by the Accounting Standards (AS) 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountant of India have been disclosed in Notes to Accounts to the Financial Statements. Members may refer to the notes to accounts for details of related Party Transactions. The significant accounting policies which are consistently applied are set out in the Annexure to Notes to the Account
2. The Company has complied with the requirements of regulatory authorities on Capital Market and no penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter relating to the capital markets during the last three years.
3. During the year Company had completed the Preferential Allotment of 50,00,000 (Fifty Lacs) Equity Shares/ Zero Coupon warrants (ZCW) convertible into Equity Shares of Rs. 10/- each, at premium of not less than Rs. 18/- per Equity Share / Warrants to Promoters, their relatives and associates and others whether or not they are existing members of the Company, on Preferential Issue basis, on private placement. All the 50,00,000 no. of ZCW were allotted with 100% paid -up value towards equity and premium. The total amount collected is Rs. 14.00 crores. The Allotment of Equity Shares was done in the Board Meeting held on 29th March, 2013. The funds have been utilized for long term working capital margins and investment in its wholly owned subsidiary SSA International Limited for its expansion and working capital requirements.

10. Registrars and Share Transfer Agents:

- i) Beetal Financial & Computer Services(P) Ltd
Registrars and Transfer Agents
Beetal House, 3rd Floor, 99, Madangir,
BH- Local Shopping Center, New Delhi-110062
Ph. : 011-29961281,29961282 Fax : 011-29961284
- ii) **Company's Corporate Office :**
Unit No. 306-308, Square One Mall,
C-2 District Center, Saket, New Delhi -110017.
Ph. No. 41429250, 41429252
Email ID: samtex.compliance@gmail.com.



11. Investors Correspondence :

In case of any delay in attending to transfer of shares, non receipt of Annual report or any other related matter the following official of Samtex Fashions Ltd. may be contacted.

Ms. Kamini Gupta, Company Secretary & GM Finance.

12. Registered office & Works :

Samtex Fashions Ltd.

Plot No. 134-135, Noida Special Economic Zone (NSEZ)

Phase-II, Noida-201305, Distt-Gautam Budha Nagar, Uttar Pradesh.

13. Means of communication :

The company communicates with the shareholders at large through its Annual Reports, Publication of Financial Results, and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and The Registrar of Companies. The quarterly results are published in prominent daily newspapers, Financial Express (English) and Regional language (Hindi) Newspaper. The company has also posted information relating to its financial results, Annual Report, Corporate Governance Report and shareholding pattern in Electronic Data with Mumbai Stock Exchange and can be viewed at the company's Website: www.samtexfashions.com.

14. General Shareholders Information :

i) 20th Annual General Meeting:-

Date : 27th September, 2013
 Time : 9:30 A.M
 Venue : Plot No-134-135, NSEZ, Phase-II, Noida
 Gautam Budh Nagar, Uttar Pradesh-201305

ii) Book closure Details : 18st September 2013 to 27th September, 2013

iii) Dividend Payment Details : N.A

iv) Financial Calendar (2013-2014-Tentative)

First quarter results : August, 2013
 Second quarter results : November, 2013
 Third quarter results : February, 2014
 Fourth quarter results : May, 2014
 Annual results : May, 2014
 AGM for the year ended 31.03.2014 : September, 2014

v) Listing and Stock code : The company's Equity shares are listed on the following Stock Exchanges:-

- i) The Stock Exchange, Mumbai, Scrip Code 521206
- ii) The Delhi Stock Exchange Association Ltd.

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

Year 2012 – 2013 (Month)	The Stock Exchange, Mumbai		
	Highest	Lowest	Closing
April- 2012	19.90	16.50	18.95
May -2012	19.45	16.90	16.90
June -2012	18.50	16.00	17.35
July -2012	18.75	16.15	16.80
August - 2012	18.10	15.60	16.30
September -2012	18.75	16.15	18.00
October -2012	18.70	16.65	18.15
November -2012	18.35	16.05	17.00
December -2012	19.10	16.60	17.25
January -2013	19.00	16.75	17.70
February -2013	18.25	14.05	14.75
March- 2013	15.19	12.52	12.52



15. Listing Fees :

Paid for the year 2012 - 2013.

16. Shareholding Pattern of the Company as on 31st March, 2013:

Category of Shareholders	No of Shares	Percentage
Promoter's Holding	7708651	51.74
Mutual Funds/UTI	10600	0.07
Banks/Financial institution(Central /State Govt. inst/Non Govt inst)	-	-
Private Corporate Bodies	2564123	17.21
NRI/OCBs	884201	5.93
Others (Trust and Clearing Members)	80209	0.54
Indian Public	3652216	24.51
Total	14900000	100.00

17. Distribution of Shareholding as at 31st March, 2013 :

No. of Equity Share Held	Folio Nos	% of Total Folio Nos.	Share Nos.	% of Total
Up to 500	4795	89.73	6,05,257	4.0621
501 – 1000	218	4.08	1,84,850	1.2406
1001-2000	95	1.78	1,46,854	0.9856
2001-3000	57	1.07	1,44,648	0.9708
3001-4000	20	0.37	70,741	0.4748.
4001-5000	18	0.34	87,107	0.5846
5001-10000	34	0.64	2,52,247	1.6929
10001 and above	107	2.00	1,34,08,296	89.9886
TOTAL	5344	100.00	1,49,00,000	100.00

18. Share Transfer System :

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

19. Dematerialization of Shares :

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

The Company's ISIN number is INE931D01012.

Shares Dematerialized Record :

The following data indicates the extent of dematerialization of company's shares as on 31st March, 2013.

No. of shares dematerialized	9125355	61.244% of total share capital
Preferential Allotment in D Mat	50,00,000	33.557 % of total share capital

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

Sd/-

ANIL MITTAL

Chairman & Managing Director

Place : New Delhi
Dated : 30.05.2013



CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of SAMTEX FASHIONS LIMITED
Plot No. 134-135,
Noida Special Economic Zone,
Phase-II, Noida- 201 305

We have reviewed the records concerning the company's compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges in India for the Financial Year ended on March 31, 2013.

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

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

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

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

For **DEEPAK KUKREJA & ASSOCIATES**
COMPANY SECRETARIES

Sd/-
DEEPAK KUKREJA
COMPANY SECRETARY
CP No. 8265

Place : New Delhi
Date : 30.05.2013



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

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

I the undersigned, in my respective capacities as Chief Executive Officer and Chief Financial Officer of Samtex Fashions Limited and pursuant to the provisions of the Clause 49 of the Listing Agreement, to the best of my knowledge and belief, certify that :

- a) I have reviewed Financial Statements and the Cash Flow statement for the year ended on March 31, 2013 on stand-alone and consolidated basis and that to the best of my knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations:
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2012-2013 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit Committee;
 - i) significant changes, if any, in internal control over financial reporting during year;
 - ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi
Date : May 30, 2013

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



INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of **M/S SAMTEX FASHIONS LIMITED** ("The Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

OPINION:

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give that the same is not applicable to the Company.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

Place : New Delhi
Dated : May 30, 2013

Sd/-
VINAY AGGARWAL
PARTNER
M.No. 082045

THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE OUR REPORT OF EVEN DATE TO THE MEMBERS OF M/S SAMTEX FASHIONS LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2013.

- i (a) In our opinion and as per information and explanation provided to us the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us the fixed assets have been physically verified by the management during the year and as per the explanations and information given to us there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of accounts.
- (c) During the year, the company has not disposed off any part of the plant and machinery, which will have the effect on the Going concern of the company.
- ii (a) As explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to information and explanations given to us the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business
- (c) As explained and based on the information given to us, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same has been properly dealt with in the books of account.
- iii (a) The company has granted loan to parties covered in the register maintained under section 301 of the companies Act, 1956. (Refer Note No. 31 (C)).
- (b) The above loans and advances are in the nature of interest free loan and in our opinion the terms and conditions are not, prima facie prejudicial to the interest of the company.
- (c) As explained to us, there is no stipulated time frame for the repayment of the above loans and advances and hence we are unable to comment on the regularity of the repayment of the Principal and Interest on the above loan taken or granted to the parties covered under section 301 of the Companies Act, 1956.
- (d) In view of the above we are unable to comment whether there is any overdue amounts of loans taken from or granted to the Companies, Firms or Other Parties listed in the register maintained u/s 301 of the Companies Act, 1956.
- (e) No Loans advances is reported to be overdue.
- (f) The company has not taken any loans and advances, secured or unsecured from Companies, Firms or Other Parties covered in the register maintained under section 301 of the companies Act, 1956. Hence part (e), (f) & (h) of Clause 4(iii) are not applicable.
- iv In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of company and the nature of its business with regard to, purchase of stores and spares, raw materials, fixed assets, and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in such internal controls.



- v. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakhs rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant times
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any Deposits as defined with in the meaning of Sections 58A and 58AA of the companies Act, 1956 and the companies (Acceptance of Deposits) Rules 1975 and hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- vii. Internal Audit has been conducted by an independent firm of Chartered Accountants during the year and it is commensurate with the size and nature of Business. It needs to be further strengthened.
- viii. As informed to us maintenance of cost records has been prescribed by the Central Government under section 209 (1) (d) of The Companies Act, 1956 is in the process but not shown to us and management ensures that the compliance report will be submitted within the time period stipulated in the relevant statute
- ix. (a) As informed to us, and records of the company examined by us, In our opinion, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, Service Tax, custom duty, excise duty, cess and other statutory dues applicable to it and as informed and explained to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty were outstanding, as at 31.03.2013 for a period of more than six months from the date they became payable.
- (b) According to the records of the company, the disputed statutory dues i.e. Income Tax aggregating to Rs. 111.88 lacs that have not been provided for in the books of accounts on account of matters pending before concerned appellate authorities/ Delhi High Court and ITAT Delhi Bench. However a sum of Rs.110.65 lacs is deposited under protest against above demand. As mentioned in point no. A of Note No. 31 to "Notes on Account.
- x. The company does not have any accumulated losses. Further it has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi. As explained and informed to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, or bank.
- xii. Based on the records we report that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The company is not a chit fund company or mutual fund / Society, thus the provisions of this para are not applicable.
- xiv. As per records of the company and the information and explanations given to us by the management, The Company is not dealing or trading in shares, securities, and debentures and other investment except those investments, which are held as investment. In our opinion, in respect of those investments held by the Company, proper records have been maintained of the transactions and contracts and timely entries have been made therein and the shares, securities and other investments have been held by the Company, in its own name.
- xv. According to the information and explanations provided to us by the management, the company has guaranteed a sum of Rs. 59360 Lacs & Rs. 575 Lacs against secured Loans taken from financial institutions by SSA International Ltd. & Sam Buildcon Ltd. Respectively; wholly owned subsidiaries of the Company.
- xvi. The term loans obtained by the company have been applied for the purpose for which they were raised.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except core (permanent) working capital.
- xviii. As explained and informed to us by the management and upon our examination of records we report that the company has made any preferential allotment of equity shares to parties and companies covered in the register maintained under section 301 of the Act. The allotment of 5,000,000 equity shares been made at the face value of Rs. 10 per share and security premium of Rs. 18 per share. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.



- xix. During the period covered by our audit report, the company has not issued any types of debentures. The question of creation of any security in the respect of debentures does not arise.
- xx. During the financial year the company did not raise any money by public issue.
- xxi. In our opinion and according to information and explanations given to us by the management, there was no fraud on or by the company which has been noticed and reported during the year that causes the financial statements to be materially misstated.

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

Place : New Delhi
Dated : May 30, 2013

Sd/-
VINAY AGGARWAL
PARTNER
M.No. 082045



BALANCE SHEET AS AT 31ST MARCH, 2013

PARTICULARS	NOTE	AS AT 31.03.2013		AS AT 31.03.2012	
		(Amount ₹)	(Amount ₹)	(Amount ₹)	(Amount ₹)
I EQUITY AND LIABILITIES					
1 SHAREHOLDERS FUNDS					
(a) SHARE CAPITAL	3	149,180,000		99,180,000	
(b) RESERVES AND SURPLUS	4	408,501,972	557,681,972	315,060,329	414,240,329
2 SHARE APPLICATION MONEY PENDING ALLOTMENT	5				63,301,941
3 NON-CURRENT LIABILITIES					
(a) LONG TERM BORROWINGS	6	74,038,800		96,311,600	
(b) DEFERRED TAX LIABILITIES (NET)				-	
(c) LONG-TERM PROVISIONS	7	10,217,830	84,256,630	8,273,214	104,584,814
4 CURRENT LIABILITIES					
(a) SHORT TERM BORROWINGS	8	268,713,337		303,489,818	
(b) TRADE PAYABLES	9	123,969,696		137,824,864	
(c) OTHER CURRENT LIABILITIES	10	44,158,301		35,958,136	
(d) SHORT TERM PROVISIONS	11	5,279,033	442,120,368	5,169,019	482,441,837
			1,084,058,970		1,064,568,921
II ASSETS					
1 NON-CURRENT ASSETS					
(a) FIXED ASSETS					
(i) TANGIBLE ASSETS	12	190,349,433		207,596,499	
(ii) INTANGIBLE ASSETS		-		-	
(b) NON-CURRENT INVESTMENTS	13	253,000,700		226,000,700	
(c) DEFERRED TAX ASSETS(NET)	14	4,055,613		1,162,629	
(c) LONG-TERM LOANS AND ADVANCES	15	12,200,578	459,606,324	23,717,940	458,477,768
2 CURRENT ASSETS					
(a) CURRENT INVESTMENTS		-		-	
(b) INVENTORIES	16	526,139,406		520,399,090	
(c) TRADE RECEIVABLES	17	46,918,896		39,918,506	
(d) CASH AND BANK BALANCES	18	13,479,884		10,798,502	
(e) SHORT-TERM LOANS AND ADVANCES	19	35,783,545		30,463,501	
(f) OTHER CURRENT ASSETS	20	2,130,916	624,452,646	4,511,553	606,091,153
			1,084,058,970		1,064,568,921
Significant Accounting Policies	1 & 2				

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS
F.R. NO. : 003072N

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
ANIL MITTAL
CHAIRMAN & MANAGING DIRECTOR

Sd/-
ATUL MITTAL
DIRECTOR

Place : New Delhi
Dated : May 30, 2013

Sd/-
KAMINI GUPTA
COMPANY SECRETARY & GM FINANCE



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

PARTICULARS		Note	F.Y. 2012-13 Rupees	F.Y. 2011-12 Rupees
I	REVENUE			
	(1) REVENUE FROM OPERATIONS	21	701,131,814	530,734,402
	(2) OTHER INCOME	22	39,069,528	3,489,581
	TOTAL REVENUE		740,201,342	534,223,983
II	EXPENSES:			
	(1) COST OF MATERIAL CONSUMED	23	456,901,938	361,479,088
	(2) PURCHASE OF STOCK-IN-TRADE		24,503,950	17,498,403
	(3) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK -IN-TRADE	24	23,884,050	(67,501,260)
	(3) EMPLOYEE BENEFITS EXPENSES	25	79,436,569	69,292,035
	(4) FINANCE COST	26	39,006,191	62,289,660
	(5) DEPRECIATION AND AMORTIZATION	27	17,445,476	17,915,007
	(6) OTHER EXPENSES	28	95,228,861	68,739,594
	TOTAL EXPENSES		736,407,035	529,712,528
III	PROFIT BEFORE PRIOR PERIOD ITEMS (I-II)		3,794,307	4,511,455
IV.	PRIOR PERIOD (INCOME)/EXPENSES	29	-	26,681
V.	PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAXEX (III-IV)		3,794,307	4,484,774
IV.	Exceptional Items	30	-	(3,582,108)
VI.	PROFIT/(LOSS) BEFORE TAXES - PBT		3,794,307	902,666
VII.	TAX EXPENSE:-			
	Current Tax		3,245,646	519,173
	Earlier Years Tax		-	112,261
	Deferred Tax		(2,892,983)	(1,855,453)
VIII.	PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VI-VII)		3,441,643	2,126,685
	EARNING PER SHARE (FACE VALUE Rs.10 EACH)			
	EARNINGS PER EQUITY SHARE			
	BASIC		0.35	0.21
	DILUTED		0.35	0.20
	Face Value per Equity Share		10	10

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR **AGGARWAL & RAMPAL**

CHARTERED ACCOUNTANTS

F.R. NO. : 003072N

Sd/-

VINAY AGGARWAL

PARTNER

M. NO. 82045

Sd/-

ANIL MITTAL

CHAIRMAN & MANAGING DIRECTOR

Sd/-

ATUL MITTAL

DIRECTOR

Sd/-

KAMINI GUPTA

COMPANY SECRETARY & GM FINANCE

Place : New Delhi

Dated : May 30, 2013



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

PARTICULARS	F.Y. 2012-13		F.Y. 2011-12	
	(Amount ₹)	(Amount ₹)	(Amount ₹)	(Amount ₹)
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit / (Loss) before extraordinary items and tax		3,794,307		902,666
<i>Adjustments for:</i>				
Depreciation and amortisation	17,445,476		17,915,007	
(Profit)/ Loss on Sale of Fixed	-		3,582,108	
Finance costs	39,006,191		62,289,660	
Interest income	(434,792)	56,016,875	(251,817)	83,534,957
Operating profit / (loss) before working capital changes		59,811,182		84,437,623
<i>Changes in working capital:</i>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(5,740,316)		(107,884,615)	
Trade receivables	(7,000,389)		1,877,108	
Short-term loans and advances	(5,320,044)		11,376,090	
Long-term loans and advances	11,517,362		(3,485,675)	
Other current assets	2,380,637		(151,397)	
<i>Adjustments for increase/(decrease) in operating liabilities:</i>				
Trade payables	(13,855,168)		25,101,078	
Other current liabilities	8,200,165		1,787,075	
Short-term provisions	110,014		(36,542)	
Long-term provisions	1,944,616	(7,763,123)	(1,214,285)	(72,631,163)
Cash generated from operations		52,048,059		11,806,460
Net income tax (paid) / refunds		(3,245,646)		631,433
Net cash flow from / (used in) operating activities (A)		48,802,413		11,175,027
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(198,410)		(672,646)	
Bank balances not considered as Cash and cash equivalents				
- Placed	(856,000)		4,566,610	
Interest received	434,792			
- Others	(27,000,000)	(27,619,618)	251,817	4,145,781
Net cash flow from / (used in) investing activities (B)		(27,619,618)		4,145,781



PARTICULARS	F.Y. 2012-13		F.Y. 2011-12	
	(Amount ₹)	(Amount ₹)	(Amount ₹)	(Amount ₹)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	76,698,059		-	
Repayment of long-term borrowings	(22,272,800)		63,301,941	
Net increase / (decrease) in working capital borrowings	(34,776,481)		(22,272,800)	
Net proceed from long-term borrowing	-		5,309,800	
Finance cost	(39,006,191)	(19,357,413)	(62,289,660)	(15,950,718)
Net cash flow from / (used in) financing activities (C)		(19,357,413)		(15,950,718)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		1,825,382		(629,910)
Cash and cash equivalents at the beginning of the year		10,798,502		11,428,412
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
Cash and cash equivalents at the end of the year		12,623,884		10,798,502
(a) Cash on hand		6,811,353		5,698,688
(b) Balances with banks:				
(i) In current accounts		1,712,853		5,099,814
(ii) In term deposits with original maturity of less than 3 months		4,099,678		-
(c) Current investments considered as part of Cash and cash equivalents"				
Cash & Cash Equivalents		12,623,884		10,798,502

Notes:

- Cash Flow statement has been prepared under the Indirect Method as set out in the Accounting Standard 3; Cash Flow Statement as per Companies (Accounting Standard) Rules, 2006.
- Previous year's figures have been regrouped/reclassified wherever applicable.
- The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR **AGGARWAL & RAMPAL**
 CHARTERED ACCOUNTANTS
 F.R. NO.: 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
VINAY AGGARWAL
 PARTNER
 M. NO. 82045

Sd/-
ANIL MITTAL
 CHAIRMAN & MANAGING DIRECTOR

Sd/-
ATUL MITTAL
 DIRECTOR

Place : New Delhi
 Dated : May 30, 2013

Sd/-
KAMINI GUPTA
 COMPANY SECRETARY & GM FINANCE



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

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

B. USE OF ESTIMATES

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

C. FIXED ASSETS AND DEPRECIATION

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

D. INVESTMENTS

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

E. FOREIGN EXCHANGE TRANSACTIONS

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

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

F. INVENTORY VALUATION

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



and certified by the management at the end of the year. Cost for the purpose of valuation is inclusive of all the expenses except selling expenses. Excise duty levied on domestic tariff area sales does not form part of the cost since the quantum of these sales out of the finished goods stock cannot be ascertained.

- c) The stock of Work in Process, is valued at the estimated cost or net realizable value whichever is lower to the company based on absorption costing method. Packing material and accessories like thread, buttons, etc is valued at Cost or Net realizable value whichever is low. The quantity and valuation of Inventory of WIP is taken as physically verified, valued and certified by the management at the end of the year.

G. REVENUE RECOGNITION

a) EXPORT SALES

Sales are recognized on the basis of Bill Of Lading. Sales of companies overseas branches are recognized as and when they are executed at their country. In respect of sales where material are supplied by the foreign buyers, purchases are booked at the amount debited by them for supply of materials and sales invoices includes the value of material so debited.

b) DOMESTIC SALES

The Company main manufacturing units situated in NSEZ thus Domestic sales are recognized in the Books of Account at the time of dispatch from the gate at NSEZ, and sales executed at the Delhi office is recognized at the Date of dispatch from Delhi Office.

H. PROVISION FOR CURRENT AND DEFERRED TAX

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

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

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

I. PROVISIONS & CONTINGENT LIABILITIES

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

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

J. BORROWING COST

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

K. IMPAIRMENT OF ASSETS

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

L. EMPLOYEE BENEFITS

a) PROVIDENT FUND

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



b) GRATUITY

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

c) LEAVE ENCASHMENT

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

NOTE 2: CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE	PARTICULARS	AS AT 31.03.2013 (Amount ₹)		AS AT 31.03.2012 (Amount ₹)	
		No. of Shares	Rupees	No. of Shares	Rupees
3	SHARE CAPITAL:				
	(1) AUTHORIZED SHARES				
	Equity Shares of Rs.10/- each	16,000,000	160,000,000	16,000,000	160,000,000
	ISSUED, SUBSCRIBED AND PAID UP SHARES				
	EQUITY SHARES OF ₹ 10/- EACH FULLY PAID UP	14,900,000	149,000,000	9,900,000	99,000,000
	FORFEITED SHARES				
	AMOUNT ORIGINALLY PAID -UP ON 1,00,000 ZERO COUPON WARRANT @RS. 1.80 PER WARRANT.	100,000	180,000	100,000	180,000
	TOTAL	15,000,000	149,180,000	10,000,000	99,180,000

(a) Reconciliation of the Shares outstanding at the beginning and at the end of the year:

PARTICULARS	AS AT 31 MARCH, 2013		AS AT 31 MARCH, 2012	
	NO. OF SHARES	AMOUNT (₹)	NO. OF SHARES	AMOUNT (₹)
Equity Shares:				
At the beginning of the year	9,900,000	99,000,000	9,900,000	99,000,000
Issued during the year as fully paid	5,000,000	50,000,000	-	-
Outstanding at the end of the year	14,900,000	149,000,000	9,900,000	99,000,000

(b) Terms / Rights attached to Equity Shares

"The Company has only one class of equity shares having a par value of Rs.10/- per share. The equity shareholders of the Company have voting rights and are subject to the preferential rights as prescribed under law, if any. The equity shares are also subject to restriction as prescribed under the Companies Act, 1956. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended 31st March 2013, no dividend is declared by Board of Directors. (Previous year - Nil).

(c) Shares held by Holding / Ultimate holding company and/or their subsidiaries/associates: NIL(Previous Year - NIL)

4 **RESERVE & SURPLUS:**

CAPITAL RESERVE

(STATE CAPITAL SUBSIDY)

AT THE BEGINNING OF THE ACCOUNTING PERIOD	1,000,000	1,000,000
ADDITION/(DEDUCTION) DURING THE ACCOUNTING PERIOD	-	-
At the End of the Accounting Period	1,000,000	1,000,000

SECURITIES PREMIUM

AT THE BEGINNING OF THE ACCOUNTING PERIOD	24,000,000	24,000,000
ADDITION/(DEDUCTION) DURING THE ACCOUNTING PERIOD	90,000,000	-
At the End of the Accounting Period	114,000,000	24,000,000

SURPLUS / (DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS

BALANCE AS PER THE LAST FINANCIAL STATEMENT	290,060,329	287,933,643
ADD: PROFIT / (LOSS) FROM CURRENT YEAR	3,441,643	2,126,686
Closing Balance	293,501,972	290,060,329
Total of Reserves and Surplus	408,501,972	315,060,329



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

5. SHARE APPLICATION MONEY PENDING ALLOTMENT

PARTICULARS	AS AT 31.03.2013		AS AT 31.03.2012	
	No. of Shares	Rupees	No. of Shares	Rupees
SHARE APPLICATION MONEY RECEIVED		475,317		63,301,941
LESS :-				
AMOUNT SHOWN UNDER OTHER CURRENT LIABILITY (REFER NOTE NO. 10)		(475,317)		
TOTAL		-		63,301,941

PARTICULARS	AS AT	AS AT
	31.03.2013 (Amount ₹)	31.03.2012 (Amount ₹)
6 LONG TERM BORROWINGS		
TERM LOANS (SECURED) :		
— FROM BANK		
IDBI BANK LIMITED	55,681,600	77,954,400
— FROM OTHERS		
LOANS AND ADVANCES FROM RELATED PARTIES	-	-
SUB-TOTAL (A)	55,681,600	77,954,400
TERM LOANS (UNSECURED):		
— FROM BANK	-	-
— FROM OTHERS		
LOANS AND ADVANCES FROM RELATED PARTIES	40,630,000	40,630,000
SUB-TOTAL (B)	40,630,000	40,630,000
SUB-TOTAL (A+B)	96,311,600	118,584,400
Less:-		
CURRENT MATURITY-(DISCLOSED UNDER OTHER CURRENT LIABILITIES- REFER NOTE NO-10)	22,272,800	22,272,800
TOTAL	74,038,800	96,311,600

A NATURE OF SECURITY:-

(I) PRIMARY SECURITY

Term Loan from IDBI is secured by first charge on immovable & movable assets, present and future except book debts, subject to the charge created or to be created in favour of bankers for securing working capital loan on stocks of raw material, semi finished goods, finished goods, stores and spares, consumables, book debts and other current assets held by the Company both present and future in the ordinary course of the business and further guaranteed by the Managing Director, Promoter Directors and an independent Director.

(B) Terms of Repayments :-

Repayable in equated quarterly installments of Rs 55,68000/- each from the date of loan. Interest will be payable at 10% above base rate at monthly rests.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

PARTICULARS	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
7 LONG TERM PROVISIONS		
PROVISIONS FOR EMPLOYEE BENEFITS:-		
PROVISION FOR GRATUITY	8,520,961	7,146,360
PROVISION FOR LEAVE ENCASHMENT	1,696,869	1,126,854
TOTAL	10,217,830	8,273,214
8 SHORT TERM BORROWINGS		
Loans Repayable on Demand		
From Bank		
A) SECURED		
WORKING CAPITAL LOAN FROM STATE BANK OF INDIA	239,137,266	247,985,113
B) UN-SECURED		
BANK OVER DRAFT WITH STATE BANK OF INDIA	29,576,071	55,504,705
From Others	-	-
TOTAL	268,713,337	303,489,818
NATURE OF SECURITY :-		
The Working Capital Loan taken from State Bank of India is secured by first exclusive hypothecation charge on all existing and future current assets, second hypothecation charge on all movable fixed assets (other than specially charged with other lenders) and personal guarantee of directors -Mr. Anil Mittal, Mr. Vinay Mittal and Mr. Atul Mittal.		
9 TRADE PAYABLES		
TRADE PAYABLES		
(A) OUTSTANDING DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES	-	-
(B) OUTSTANDING DUE TO OTHER THAN MICRO, SMALL AND MEDIUM ENTERPRISES	123,969,696	137,824,864
TOTAL	123,969,696	137,824,864
10 OTHER CURRENT LIABILITIES		
(A) CURRENT MATURITIES OF LONG TERM BORROWINGS: (REF. NOTE NO. 6)	22,272,800	22,272,800
(B) INTEREST ACCRUED AND DUE ON BORROWINGS	1,426,299	663,596
(C) SHARE APPLICATION MONEY REFUNDABLE (REFER NOTE NO. 5)	475,317	-
(D) ADVANCE RECEIVED FROM CUSTOMERS	-	829,574
(E) EXPENSES PAYABLE	17,396,635	10,778,918
STATUTORY DUES:-	-	-
TDS Payable	609,577	736,578
TCS Payable	-	3,331
ESI Payable	227,289	153,374
PF Payable	581,986	490,390
(F) OTHER	1,168,398	29,575
TOTAL	44,158,301	35,958,136
11 SHORT-TERM PROVISIONS:		
PROVISIONS FOR EMPLOYEE BENEFITS:-		
PROVISION FOR GRATUITY	1,943,736	1,920,461
PROVISION FOR LEAVE ENCASHMENT	669,757	583,320
PROVISION FOR BONUS	2,665,540	2,665,238
PROVISION FOR TAXATION	-	-
TOTAL	5,279,033	5,169,019

SAMTEX FASHIONS LIMITED



NOTE 12: FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET CARRYING VALUE		
	As at 01.04.2012 (Rs.)	Addition during the year (Rs.)	Sales/ adjustment during the year (Rs.)	As at 31.03.2013 (Rs.)	As at 01.04.2012 (Rs.)	For the year ended 31.03.2013 (Rs.)	W. back during the year (Rs.)	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)	
TANGIBLE ASSETS										
1. Building and Site Development	91,805,270	-	-	91,805,270	34,530,797	3,066,296	-	37,597,093	54,208,177	57,274,473
2. Plant & Machinery	230,256,693	-	-	230,256,693	108,420,552	10,937,193	-	119,357,745	110,898,948	121,836,141
3. Furniture & Fixtures	23,798,438	97,920	-	23,896,358	18,601,886	1,509,396	-	20,111,282	3,785,076	5,196,552
4. Electrical Instalation	12,232,633	-	-	12,232,633	7,201,144	581,050	-	7,782,194	4,450,439	5,031,489
5. Office Equipments	8,836,158	100,490	-	8,936,648	4,674,827	422,190	-	5,097,017	3,839,631	4,161,331
6. Vehicles	9,782,645	-	-	9,782,645	7,808,850	929,351	-	8,738,201	1,044,444	1,973,795
TOTAL	376,711,837	198,410	-	376,910,247	181,238,055	17,445,476	-	198,683,532	178,226,715	195,473,782
Previous Year	386,474,982	672,646	10,435,791	376,711,837	165,610,122	17,903,798	11,202	17,915,007	195,473,782	

NOTE	PARTICULARS	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
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13 NON CURRENT INVESTMENT:

INVESTMENT (VALUED AT COST):

(A) TRADE INVESTMENT IN EQUITY INSTRUMENTS (UNQUOTED) IN WHOLLY OWNED SUBSIDIARY COMPANIES:

(I) SSA INTERNATIONAL LIMITED

23,200,000 (PREVIOUS YEAR 20,500,000) EQUITY SHARES OF 10/- EACH FULLY PAID-UP **232,000,000** 205,000,000

(II) SAM BUILDCON LIMITED

1,500,070 (Previous Year 1,500,070) Equity Shares of 10/- Each Fully Paid-up **15,000,700** 15,000,700

(B) OTHER INVESTMENT IN EQUITY INSTRUMENTS (UNQUOTED)

YOGENDRA WORSTED LIMITED

600,000 (PREVIOUS YEAR 600,000) EQUITY SHARES OF 10/- EACH FULLY PAID-UP **6,000,000** 6,000,000

TOTAL

253,000,700 **226,000,700**

14 DEFERRED TAX ASSETS (NET):

DEFERRED TAX ASSETS **4,055,613** 1,162,629

TOTAL **4,055,613** **1,162,629**

NOTE* ITEM WISE DETAIL OF DEFERRED TAX

Related to Depreciation on Fixed Assets(DTA/(DTL)) **1,711,954** (407,380)

Related to Gratuity and Leave Encashments (DTA) **2,343,659** 1,570,009

4,055,613 **1,162,629**

15 LONG TERM LOANS AND ADVANCES:

SECURITY DEPOSITS

SECURED, CONSIDER GOOD - -

UNSECURED, CONSIDER GOOD **4,426,531** 6,135,793

LOAN & ADVANCE FROM RELATED PARTIES

UNSECURED CONSIDER GOOD **7,774,047** 17,582,147

TOTAL **12,200,578** **23,717,940**



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE	PARTICULARS	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
16	INVENTORIES:		
	RAW MATERIAL	263,332,947	234,008,581
	FINISHED GOODS	200,398,241	214,649,531
	WORK IN PROGRESS	59,131,830	68,671,892
	SCRAP MATERIAL	1,775,876	1,868,574
	OTHER STORES	1,500,512	1,200,512
	TOTAL	526,139,406	520,399,090
17	TRADE RECEIVABLES:		
	UNSECURED, CONSIDERED GOOD:		
	TRADE RECEIVABLES		
	(1) OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DATE THEY WERE DUE FOR PAYMENTS	1,133,763	-
	(2) OTHERS	45,785,133	39,918,506
	TOTAL	46,918,896	39,918,506
18	CASH & BANK BALANCES		
	CASH AND CASH EQUIVALENTS:-		
	BALANCES WITH BANKS		
	ON CURRENT ACCOUNT	1,712,853	508,814
	ON TERM DEPOSITS WITH ORIGINAL MATURITY OF LESS THAN 3 MONTHS.	4,099,678	4,591,000
	CASH ON HAND	6,811,353	5,698,688
		12,623,884	10,798,502
	OTHER BANK BALANCES:-		
	DEPOSITS WITH ORIGINAL MATURITY FOR MORE THAN 3 MONTHS BUT LESS THAN 12 MONTHS	856,000	-
	TOTAL	13,479,884	10,798,502
19	SHORT TERM LOANS & ADVANCES:		
	SECURITY DEPOSIT		
	UNSECURED, CONSIDERED GOOD	-	-
	OTHER LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)		
	ADVANCES TO EMPLOYEES	835,601	180,520
	TRADE ADVANCES TO SUPPLIERS	8,436,618	4,530,726
	PREPAID EXPENSES	416,294	1,900,763
	LOAN & ADVANCE TO RELATED PARTIES	56,000	56,000
	SHARE APPLICATION MONEY (PAID)	10,000,000	10,000,000
	BALANCES WITH GOVERNMENT AUTHORITIES		
	- TDS RECEIVABLES	71,767	29,347
	- VAT RECEIVABLES	1,708,401	1,526,401
	- INCOME TAX REFUNDABLE	25,040	25,040
	- ADVANCE TAX	783,500	-
	- DEPOSIT AGAINST DISPUTE WITH GOVT. AUTHORITIES	11,065,481	11,064,581
	OTHERS	2,384,843	1,150,123
	TOTAL	35,783,545	30,463,501
20	OTHER CURRENT ASSETS		
	INTEREST ACCRUED ON FIXED DEPOSITS	407,624	151,397
	OTHERS	1,723,292	4,360,156
	TOTAL	2,130,916	4,511,553



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE	PARTICULARS	For the Year Ended 31.03.2013 (Amount ₹)	For the Year Ended 31.03.2012 (Amount ₹)
21	<u>REVENUE FROM OPERATIONS</u>		
	(A) SALE OF MANUFACTURED GOODS		
	EXPORT SALES	697,402,526	501,299,729
	DOMESTIC SALES OF TRADE GOODS	3,459,065	29,101,548
	SCRAPE SALES	270,223	333,125
	NET REVENUE FROM OPERATIONS	701,131,814	530,734,402
22	<u>OTHER INCOME:</u>		
	INTEREST	434,792	251,817
	EXCHANGE FLUCTUATIONS	3,685,722	2,000,091
	COMMISSION RECEIVED	18,270	23,474
	MISCELLANEOUS INCOMES	34,930,744	1,214,199
	TOTAL	39,069,528	3,489,581
23	<u>COST OF MATERIALS CONSUMED:</u>		
	OPENING BALANCE OF STOCK	234,008,581	193,347,395
	ADD :- MATERIAL PURCHASED	486,226,304	402,140,274
	LESS :- CLOSING STOCK	263,332,947	234,008,581
	COST OF MATERIALS CONSUMED	456,901,938	361,479,088
	<u>MATERIAL CONSUMED COMPRISES</u>		
	FABRICS	406,114,472	328,170,452
	TRIMS	28,873,977	6,603,466
	OTHERS	21,913,489	26,705,170
24	<u>CHANGES IN INVENTORIES</u>		
	<u>FINISHED GOODS</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	207,906,146	148,593,450
	AT THE ENDING OF THE ACCOUNTING PERIOD	191,502,668	207,906,146
	CHANGE IN FINISH GOODS	16,403,478	(59,312,697)
	<u>FINISHED GOODS- IN TRANSIT(TO)</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	6,743,385	7,637,215
	AT THE ENDING OF THE ACCOUNTING PERIOD	8,895,573	6,743,385
	CHANGE IN FINISH GOODS	(2,152,188)	893,830
	<u>WORK-IN-PROGRESS</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	68,671,892	59,566,608
	AT THE ENDING OF THE ACCOUNTING PERIOD	59,131,830	68,671,892
	CHANGE IN WORK-IN-PROGRESS	9,540,062	(9,105,284)
	<u>FINISHED GOODS</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	1,868,574	1,891,465
	AT THE ENDING OF THE ACCOUNTING PERIOD	1,775,876	1,868,574
	CHANGE IN SCRAP MATERIAL	92,698	22,891
	TOTAL	23,884,050	(67,501,260)



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE	PARTICULARS	For the Year Ended 31.03.2013 (Amount ₹)	For the Year Ended 31.03.2012 (Amount ₹)
25	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	SALARY AND WAGES:		
	WAGES AND OTHER BENEFITS	50,651,887	36,122,273
	OFFICE STAFF SALARY	15,237,592	20,624,817
	BONUS	2,588,196	2,724,881
	SUCURITY CHARGES	1,807,339	1,491,802
	DIRECTOR'S REMUNARETION	1,790,000	2,333,869
	LEAVE ENCASHMENTS	686,292	-
	GRATUITY EXPENSES	1,817,427	658,444
	CONTRIBUTION TO PROVIDENT AND OTHER FUNDS		
	CONTRIBUTION TO PROVIDENT FUND	3,097,288	3,046,845
	CONTRIBUTION TO EMPLOYEE'S STATE INSURANCE FUND	1,351,727	1,519,080
	STAFF WELFARE EXPENSES		
	STAFF WELFARE EXPENSES	408,821	770,024
	TOTAL	<u>79,436,569</u>	<u>69,292,035</u>
26	<u>FINANCIAL COSTS:</u>		
	INTEREST ON WORKING CAPITAL LOANS	21,338,498	6,694,541
	INTEREST ON TERM LOANS	3,398,473	31,396,485
	INTEREST OTHERS	-	36,673
	BANK CHARGES	5,677,000	8,526,453
	FORWARD CONTRACT/ FACTORING CHARGES	8,592,220	7,270,411
	EXCHANGE FLUCTUATION	-	8,365,097
	TOTAL	<u>39,006,191</u>	<u>62,289,660</u>
27	<u>DEPRECIATION AND AMORTZATION:</u>		
	DEPRECIATION ON TANGIBLE ASSETS	17,445,476	17,915,007
	TOTAL	<u>17,445,476</u>	<u>17,915,007</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE	PARTICULARS	For the Year Ended 31.03.2013 (Amount ₹)	For the Year Ended 31.03.2012 (Amount ₹)
28	<u>OTHER EXPENSES:</u>		
	MANUFACTURING EXPENSES		
	CONSUMPTION OF STORES AND SPARE PARTS		
	STOCK AT BEGINNING OF THE ACCOUNTING PERIOD	1,200,512	1,478,342
	ADD: STORES AND CONSUMABLES PURCHASED	1,689,756	1,909,603
	LESS: STOCK AT ENDING OF THE ACCOUNTING PERIOD	1,500,512	1,200,512
		<hr/>	<hr/>
	STORES AND SPARE PARTS CONSUMED	1,389,756	2,187,433
	POWER AND FUEL	9,646,542	9,575,021
	CUSTOM/ EXCISE DUTY	18,920	50,620
	IMPORT CLEARING EXPENSES	1,723,227	1,401,921
	FREIGHT INWARDS	1,484,680	1,260,007
	REPAIR AND MAINTENANCE (MACHINARY) EXPENSES	1,646,085	2,102,044
	REPAIR AND MAINTENANCE (ELECTRICALS) EXPENSES	236,632	206,863
	PROCESSING AND FINISHING EXPENSES	16,206,395	8,427,495
	GENERAL & ADMINISTRATIVE EXPENSES		
	AUDITOR'S REMUNERATION	100,000	100,000
	TRAVELLING AND CONVEYANCE EXPENSES	2,789,574	5,099,893
	RENT EXPENSES	10,286,368	7,043,534
	LEGAL AND PROFESSIONAL CHARGES	1,629,638	1,485,749
	INSURANCE EXPENSES	5,407,813	3,656,909
	RATES AND TAXES	499,984	723,430
	PRINTING AND STATIONARY EXPENSES	736,939	660,880
	INTEREST ON TDS	92,017	-
	POSTAGE, TELEGRAM AND TELEPHONE EXPENSES	3,181,447	3,238,971
	MEMBERSHIP AND SUBSCRIPTION	10,500	90,305
	GENERAL EXPENSES	4,925,867	3,572,151
	FRANCHIES FEES	2,211,720	-
	CREDIT RATING FEES	80,000	100,000
	COMPLIANCE AUDIT FEES	54,270	95,299
	BOOKS AND PERIODICALS	8,165	11,890
	SALES/ ENTRY TAX	-	22,937
	CHARITY AND DONATION	132,000	253,555
	DIRECTOR'S SITTING FEES	66,000	89,000
	GUEST HOUSE EXPENSES	204,240	240,240
	REPAIR AND MAINTENANCE- VEHICLE	732,428	790,239
	REPAIR AND MAINTENANCE- BUILDING	66,557	172,999
	REPAIR AND MAINTENANCE- OTHERS	1,691,781	857,495



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE	PARTICULARS	For the Year Ended 31.03.2013 (Amount ₹)	For the Year Ended 31.03.2012 (Amount ₹)
28	<u>OTHER EXPENSES: (CONTD.)</u>		
	SELLING AND DISTRIBUTION EXPENSES:-		
	FREIGH OUTWARDS	2,396,195	2,522,024
	EXPORT CLEARING CHARGES	4,448,677	1,540,940
	SAMPLING AND SUPPLIED CHARGES	6,263,960	3,235,043
	REBATE AND DISCOUNT	3,644,230	1,261,374
	SALES COMMISSION	15,798	935,619
	ADVERTISEMENT EXPENSES	844,340	389,119
	BUSINESS PROMOTION EXPENSES	10,289,733	4,893,263
	HANDLING CHARGES	-	152,532
	EXPORT SHIPMENT DAMAGE CHARGES	66,383	292,802
	TOTAL (B)	95,228,861	68,739,594
29	<u>PRIOR PERIOD ITEMS</u>		
	LEGAL AND PROFESSIONAL CHARGES	-	3,000
	TELEPHONE EXPENSES	-	13,041
	FREIGHT OUTWADRS	-	10,640
	TOTAL	-	26,681
31	<u>EXCEPTIONAL ITEMS</u>		
	LOSS/(GAIN) ON SALE OF FIXED ASSETS	-	3,582,108
	TOTAL	-	3,582,108



NOTE 32 : OTHER NOTES

A. CONTINGENT LIABILITIES

a) No provision has been made in the books of accounts by the company for a sum of Rs.5902380/-, Rs.1205225/- , & Rs.4080705/- for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y.2003-04, & A.Y.2007-08 respectively, against which a sum of Rs 5859356/- Rs.1205225/- & Rs.40,00,000/- has already been paid for A.Y 2000-01, A.Y.2003-04 & A.Y.2007-08 under protest. All the above liabilities stands before the Appellate Authority/Delhi High Court.

b) GUARANTEES

The company has guaranteed a sum of Rs. 59360 Lacs (Previous Year Rs. 47,615 Lacs) & Rs.575 Lacs (Previous Year Rs. 575 Lacs) against secured Loans taken by SSA International Ltd. & Sam Buildcon Ltd. respectively from financial institutions; these are wholly owned subsidiaries of the Company.

B. DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES

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

I. As per actuarial valuations as on 31st March 2013 and recognized in the financial statement in respect of employee benefit schemes :-

	Gratuity		Leave encashment	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
(Rs. in lacs)				
(i) Assumptions				
Discount Rate	8.00%	8.00%	8.00%	8.00%
Future Salary Increase	5.00%	5.00%	5.00%	5.00%
(ii) Table showing change in Benefit Obligation				
Liability at the beginning of the year	9,066,821	9,046,590	1,710,173	1,909,721
Interest Cost	725,346	723,727	136,814	152,778
Past Service Cost	-	-	-	-
Current Services Cost	748,134	637,734	241,424	144,796
Benefit Paid	(419,551)	(638,213)	(29,840)	(177,919)
Actuarial (gain)/loss on obligation	343,947	(703,017)	308,054	(319,203)
Liability at the end of the year	10,464,697	9,066,821	2,366,625	1,710,173
(iii) Tables of Fair value of Plan Assets				
Fair value of plan assets at the beginning of the year	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Contributions	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial (gain)/loss on Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end of the year	-	-	-	-
Total actuarial gain / (loss) to be recognized	-	-	-	-
(iv) Actual Return on Plan Assets				
Expected Return on Plan Assets	-	-	-	-
Actuarial (gain)/loss on Plan Assets	-	-	-	-
Actuarial Return on Plan Assets	-	-	-	-
(v) Amount recognized in the Balance Sheet				
Liability at the end of the year	10,464,697	9,066,821	2,366,625	1,710,173
Fair value of plan assets at the end of the year	-	-	-	-
Difference	(10,464,697)	(9,066,821)	(2,366,625)	(1,710,173)
Excess of actual over estimated	-	-	-	-
Unrecognized Actuarial (gain)/losses	-	-	-	-
Amount recognized in the Balance sheet	(10,464,697)	(9,066,821)	(2,366,625)	(1,710,173)



(Rs. in lacs)

	Gratuity		Leave encashment	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
(vi) Expenses recognized in the Income Statement				
Current Service Cost	748,134	637,734	241,424	211,007
Interest Cost	725,346	723,727	136,814	152,778
Expected Return On Plan Assets	-	-	-	-
Net actuarial (gain)/loss to be recognized	343,947	(703,017)	308,054	(319,203)
Expenses Recognized in Profit & Loss A/c	1,817,427	658,444	686,292	(21,626)
(vii) Amount Recognized in the Balance Sheet				
Opening net liability	9,066,821	9,046,590	1,710,173	1,909,721
Expense as above	1,817,427	658,444	686,292	(21,629)
Employers Contribution Paid	(419,551)	(638,213)	(29,840)	(177,919)
Closing net Liability	10,464,697	9,066,821	2,366,625	1,710,173

C. RELATED PARTY DISCLOSURES

I. Related Parties with Whom Transactions have been Taken Place and Relationships.

S. No.	Name of the Parties	Relationship
1.	SSA International Ltd.	Wholly Owned Subsidiary Co.
2.	Sam Buildcon Ltd.	Wholly Owned Subsidiary Co.
3.	Samtex Foundation	Key personnel is related to the Management of the related party

II. Related Parties with Whom Transactions have been Taken Place and Nature of Transactions (Rs.)

	Wholly Owned Subsidiary Co.			
	SSA International Ltd.		SAM Buildcon Ltd.	
	Current Year	Previous Year	Current Year	Previous Year
a) Investments				
Opening Balance	205,000,000	205,000,000	15,000,700	15,000,700
Issued during the Year	27,000,000	-	-	-
Closing Balance	232,000,000	205,000,000	15,000,700	15,000,700
b) Share Application Money Paid for Investments				
Opening Balance	10,000,000	-	-	-
Received during the Year	37,000,000	10,000,000	-	-
Equity issued during the Year	27,000,000	-	-	-
Closing Balance	10,000,000	10,000,000	-	-
c) Loans & Advances				
Opening Balance	14,432,147	23,032,147	3,150,000	3,150,000
Given During the Year	75,991,900	74,000,000	25,729,000	18,350,433
Repaid During the Year	58,800,000	72,600,000	25,729,000	18,350,433
Transferred to Equity Investment	27,000,000	10,000,000	-	-
Closing Balance	4,624,047	14,432,147	3,150,000	3,150,000
d) Sale & Jobwork				
Sale/Job Work Done	-	-	28,998,179	24,437,810
e) Creditors				
Opening Balance	-	-	18,021,025	7,385,403
Sale/Job Work Done	-	-	28,998,179	24,437,810
Realise Durung the Year	-	-	39,145,697	13,802,189
Closing Balance	-	-	7,873,507	18,021,025



D. SEGMENT REPORTING

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

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

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

I. PRIMARY SEGMENT INFORMATION :- (Amount in Rs.)

PARTICULARS	2012-13	2011-12
1. TOTAL SALES AT EACH SEGMENT		
USA	446307876.18	247,202,701.00
India	346024942.71	403,607,094.00
Gross Sales	792332818.89	650,809,795.00
LESS : INTER SEGMENT REVENUE	91201005.00	128,048,306.00
NET SALES /INCOME FROM OPERATION	701131813.89	522,761,489.00
2 SEGMENT RESULTS (PROFIT+/- LOSS – BEFORE TAX AND INTEREST FOR EACH SEGMENT)		
U.S.A.	14139673.90	10,099,659.00
INDIA	14391603.84	31,075,844.00
TOTAL	28531277.73	41175503.00
INTEREST	24736971.00	40271838.00
TOTAL PROFIT BEFORE TAX	3794306.73	903665.00

As per Accounting Standard on Segment Reporting As –17, prescribed by Companies (Accounting Standard) Rules 2006, The Company has reported segment information.

II. SECONDRY SEGMENT (Amount in Lacs)

Particulars	In USD	In Rupees	Period
SEGMENT ASSETS			
U S A	2099095.00	114111523.76	Current Year
	(2,713,042.00)	(137,860,486.00)	Previous
SEGMENT LIABILITIES			
U S A	1,217,110.00	63,794,373.74	Current Year
	(1,921,023.00)	(98,689,123.00)	Previous
CAPITAL EMPLOYED			
U S A	881,985.00	50,317,150.03	Current Year
	(792,045.00)	(39,171,518.00)	Previous

E. IMPAIRMENT OF ASSETS

The Company has revised the future discounted cash flows based on value in use of fixed assets and is hopefully sure that the recoverable amount is more than the amount carried in the books. Accordingly, no provision is required to be made for the impairment in the accounts.

F. PARTICULARS IN RESPECT OF CAPACITY AND PRODUCTION

	CURRENT YEAR (QTY. IN NOS.)	PREVIOUS YEAR (QTY. IN NOS.)
a) Licensed Capacity	-----NA-----	-----NA-----
b) Installed Capacity (No. of Pcs of Garments)	1600000	1600000
c) Production (Readymade Garments)	1371621	1447585

Note.* (i) The above installed capacity may vary if different types of garments are produced.

(ii) Licensed and installed capacity being technical matter are relied upon as certified by the management.



a) Turnover, closing and opening Stocks :-

Class of Products	Turnover		Closing Stock		Opening Stock	
	Qty. (Nos.)	Amount (Rs.)	Qty. (Nos.)	Amount (Rs.)	Qty. (Nos.)	Amount (Rs.)
Jacket	66,516 (29,539)	44,927,374 (20,018,286)	7,693 (5052)	7,201,607 (2,452,356)	5052 (6335)	2,452,356 (2,210,923)
Shirts	223,776 (786,119)	70,287,404 (183,907,300)	76,566 (48,882)	20,319,162 (8,216,526)	48,882 (295,251)	8,216,526 (39,828,827)
Others		56,991,401 (21,461,760)		74,049,757 (126,266,003)		127,574,709 (2,976,190)
TOTAL (A)	290,292 (815,658)	172,206,179 (225,387,346)	84,259 (53,934)	101,570,526 (136,934,885)	53,934 (301,586)	138,243,591 (45,015,940)
Trousers	972,231 (576,498)	510,197,180 (279,506,472)	197,526 (196,707)	77,852,974 (70,231,340)	196,707 (243,883)	70,231,340 (88,632,453)
Shorts	57,417 (45,580)	15,862,348 (21,263,185)	26,835 (9,740)	8,314,790 (3,253,355)	9,740 (71,678)	3,253,355 (14,417,730)
Skirts	7,073 (9,849)	2,595,883 (4,244,273)	10,014 (13,645)	3,764,378 (4,229,950)	13,645 (43,264)	4,229,950 (8,164,541)
TOTAL (B)	1,036,721 (631,927)	528,655,411 (305,013,930)	234,375 (220,092)	89,932,142 (77,714,646)	220,092 (358,825)	77,714,645 (111,214,724)
Scrap Material (C)		270,223 (333,125)				
TOTAL (A+B+C)	1,327,013 (1,447,585)	701,131,814 (530,734,401)	318,634 (274,026)	191,502,669 (214,649,531)	274,026 (660,411)	215,958,237 (156,230,665)

b) Consumption of Raw Material :

	2012-2013		2011-2012	
	Qty. (Mtrs.)	Amount (Rs.)	Qty. (Mtrs.)	Amount (Rs.)
Fabric	1,030,243	134,767,708	491,841	64,069,268
Lining	51,483	1,344,636	257,550	6,603,466
Fusing	740,316	20,568,854	421,055	11,321,969
Others /Trims		28,873,977		15,383,201
Consumption at TO		271,346,764		264,101,185
Total	1,822,042	456,901,938	1,170,446	361,479,089

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

	RAW MATERIALS		STORES AND SPARES	
	Value	%	Value	%
Imported	167,821,890 (62,853,416)	37 (18)	-	-
Indigenous	17,733,285 (34,424,487)	4 (9)	1,389,756 (2,187,433)	100 100
Consumption at TO	271,346,764 (264,101,185)	59 (73)		
Total	456,901,938 (361,379,088)	100% 100%	1,389,756 (2,187,433)	100% 100%



Note: Figures in bracket are of Previous Year.

G. EXPENDITURE IN FOREIGN CURRENCY

(a) C.I.F Value of Imports:-

PARTICULARS	2012-13	2011-12
Raw Materials	171,176,580	225,730,880
Capital Goods	-	-
Total	171,176,580	225,730,880

(b) Other Expenditure in Foreign Currency:-

PARTICULARS	2012-13	2011-12
Foreign Travels	-	147,732
Total	-	147,732

H. EARNINGS IN FOREIGN CURRENCY

PARTICULARS	2012-13	2011-12
F.O.B. value of Exports*	342,295,655	225,740,941

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

I. SUNDRY DEBTORS INCLUDES BILLS DISCOUNTED WITH SCHEDULED BANK OF COMPANY AGAINST DEBTORS FOR EXPORTS

PARTICULARS	2012-13	2011-12
(i) FCSB	23,859,768	42,511,251
(ii) Bill of Exchange	5,366,587	6,349,257
Total	29226355	48,860,508

J. EARNINGS PER EQUITY SHARE

PARTICULARS	2012-13	2011-12
Earnings Per Equity Share:		
Net Profit after tax	Rupees 3,441,643	2,126,685
Equity Shares outstanding	Numbers 14,900,000	9,900,000
Weighted Average Equity Shares	Numbers 9,941,096	9,900,000
Nominal Value of Equity Share	Rupees 10	10
Basic Earnings per Share	Rupees 0.35	0.21
Diluted Earnings per Share	Rupees 0.35	0.20

K. PAYMENTS TO AUDITOR (EXCLUDING SERVICE TAX)

PARTICULARS	2012-13	2011-12
(a) Statutory Audit Fee	100,000	100,000
(b) Other Services	16,800	47,250
Total	116,800	147,250



L. TRANSACTION WITH MICRO, SMALL AND MEDIUM ENTERPRISES

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

M. OTHERS

- (i) Fixed assets installed and put to use have been certified by the management and relied upon by the auditors, being a technical matter.
- (ii) In the opinion of the directors, current assets, loans and advances are of the value stated if realized in the ordinary course of business except otherwise stated. The provision for all the known liabilities is adequate and not in excess of the amount considered reasonably necessary.
- (iii) The personal accounts of the parties are subject to their respective confirmations
- (iv) Gross Block under Fixed Assets includes assets worth Rs.875,266/- (Previous year Rs.875,266/-) or equivalent to US\$ 18536 (Previous Year US\$ 18,536) situated at the Trading Office of the Company at New York.
- (v) Security deposit includes Rs.16,81,708/- (Previous Year Rs. 15,75,064/-) equivalent US\$ 30920 (Previous Year US\$ 30920) representing security given by the New York Trading Office of the company.
- (vi) During the year, The Company has made the preferential allotment of 50,00,000 Equity shares of Rs.28 per share (with Premium of Rs.18 per share) on 29th March, 2013. The Excess amount of Share Application money of Rs.4,75,317 received is pending for refund and same has been shown under the head "Other Current Liabilities".

N. PREVIOUS YEAR FIGURES

Fixed assets installed and put to use have been certified by the management and relied upon by the auditors, being a technical matter.

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS
F.R. NO. : 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

Sd/-
ANIL MITTAL
CHAIRMAN & MANAGING DIRECTOR

Sd/-
ATUL MITTAL
DIRECTOR

Place : New Delhi
Dated : May 30, 2013

Sd/-
KAMINI GUPTA
COMPANY SECRETARY & GM FINANCE



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

1. Name of Subsidiary Company Became Subsidiary as on	*SSA International Limited 16.02.2001	**Sam Buildcon Ltd. 05.02.2008
2. Financial year of the Subsidiary Company end on	31st March, 2013	31st March, 2013
3. Holding Company's interest:-		
a) No. of shares held	2,32,00,000 Equity shares of Rs. 10/- each aggregating Rs. 23.20 crore	15,00,070 Equity shares of Rs. 10/- each aggregating Rs. 1.50 crore
b) Percentage of Equity Share Capital held	100%	100%
4. The net aggregate amount of the Subsidiary's Profit/(Loss) so far as it concerns Members of holding Company and is not dealt with in the Holding Company's accounts :		
(i) for the financial year of the Subsidiary	Rs. 1898.55 Lacs	Rs. 2.32 Lacs
(ii) Profit for the previous financial years of Subsidiary, since it became Holding Company's Subsidiary	Rs. 6285.40 Lacs	Rs. 27.69 Lacs
5. The net aggregate amount of the Subsidiary Profits /(Loss) dealt with in the Holding Company's Accounts		
(i) for the financial year of the Subsidiary	Nil	Nil
(ii) for the previous financial years of the Subsidiary since it became the Holding Company's Subsidiary	Nil	Nil

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

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

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

Place : New Delhi
Dated : 30.05.2013

Sd/-
ANIL MITTAL
Chairman & Managing Director



INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying consolidated financial statements of **M/S SAMTEX FASHIONS LIMITED** ("The Company") and its subsidiaries (the company and its subsidiaries constitute the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY:

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

OPINION:

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. For/subject to the effects on financial statements of matter referred below:

1. *During the year, due to heavy rains & water overflows from the adjacent River/nallas at Mandideep plant of M/s SSA International Limited (Wholly Owned Subsidiary Company) the water entered into the plant, resulting in loss of Stock and Damage the various Fixed Assets. The water also damaged the Books of Account, computers etc. which resulted in loss of accounting data and records from April 1, 2012 to August 11, 2012. The accounts for this period have been reconstructed/reframed from the best available evidences and backups upon which auditors have relied.*

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Consolidated Statement of Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give that the same is not applicable to the Company.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books



- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

Place : New Delhi
Dated : May, 30, 2013

Sd/-
VINAY AGGARWAL
PARTNER
M. No. F 082045



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

	PARTICULARS	NOTE	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
	EQUITY AND LIABILITIES			
1	SHAREHOLDERS FUNDS			
	(a) SHARE CAPITAL	3	149,180,000	99,180,000
	(b) RESERVES AND SURPLUS	4	1,247,058,817	963,775,340
	TOTAL(1)		1,396,238,817	1,062,955,340
2	SHARE APPLICATION MONEY PENDING ALLOTMENT	5	-	63,301,941
3	NON-CURRENT LIABILITIES			
	(a) LONG TERM BORROWINGS	6	451,886,821	477,908,401
	(b) DEFERRED TAX LIABILITIES (NET)	7	90,853,220	67,488,988
	(c) LONG-TERM PROVISIONS	8	18,915,714	13,452,552
	TOTAL(3)		561,655,755	558,849,941
4	CURRENT LIABILITIES			
	(a) SHORT TERM BORROWINGS	9	4,626,553,606	3,205,100,391
	(b) TRADE PAYABLES	10	658,618,091	338,951,334
	(c) OTHER CURRENT LIABILITIES	11	334,149,411	200,301,434
	(d) SHORT TERM PROVISIONS	12	36,382,627	29,864,813
	TOTAL(4)		5,655,703,735	3,774,217,972
	TOTAL(1+2+3+4)		7,613,598,307	5,459,325,194
	ASSETS			
1	NON-CURRENT ASSETS			
	(a) FIXED ASSETS	13		
	(i) TANGIBLE ASSETS		1,297,743,214	1,040,308,817
	(ii) INTANGIBLE ASSETS		186,685	296,252
	(iii) CAPITAL WORK-IN-PROGRESS		25,212,249	35,849,476
	(b) NON-CURRENT INVESTMENTS	14	6,000,000	6,000,000
	(c) LONG-TERM LOANS AND ADVANCES	15	22,608,385	19,567,464
	TOTAL(1)		1,351,750,532	1,102,022,009
2	CURRENT ASSETS			
	(a) INVENTORIES	16	4,902,570,131	3,518,204,612
	(b) TRADE RECEIVABLES	17	1,010,977,805	636,192,892
	(c) CASH AND BANK BALANCES	18	72,184,313	47,839,152
	(d) SHORT-TERM LOANS AND ADVANCES	19	268,053,390	148,117,580
	(e) OTHER CURRENT ASSETS	20	8,062,135	6,948,948
	TOTAL(2)		6,261,847,774	4,357,303,184
	TOTAL(1+2)		7,613,598,307	5,459,325,194
	NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-2		

IN TERMS OF OUR REPORT ATTACHED

FOR AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS
F.R. NO. : 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

Sd/-
ANIL MITTAL
CHAIRMAN & MANAGING DIRECTOR

Sd/-
ATUL MITTAL
DIRECTOR

Place : New Delhi
Dated : May 30, 2013

Sd/-
KAMINI GUPTA
COMPANY SECRETARY & GM FINANCE



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

	PARTICULARS	Note	(Amount ₹) 31.03.2013	(Amount ₹) 31.03.2012
I	REVENUE FROM OPERATIONS			
	(1) REVENUE FROM OPERATIONS(GROSS)	21	12,246,763,988	8,394,646,339
	(2) OTHER INCOME	22	48,545,851	9,118,130
	TOTAL REVENUE		12,295,309,839	8,403,764,469
II	EXPENSES:			
	(1) COST OF MATERIAL CONSUMED	23	10,592,808,741	7,504,577,631
	(2) PURCHASES OF STOCK IN TRADE	24	660,588,286	249,569,953
	(3) CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK -IN-TRADE	25	(736,525,982)	(804,209,773)
	(4) EMPLOYEE BENEFITS EXPENSES	26	171,459,011	144,697,634
	(5) FINANCE COSTS	27	453,464,539	472,411,088
	(6) DEPRECIATION AND AMORTIZATION EXPENSE	28	94,207,420	83,735,274
	(7) OTHER EXPENSES	29	766,205,075	562,172,820
	TOTAL EXPENSES		12,002,207,090	8,212,954,627
III	PROFIT BEFORE PRIOR PERIOD ITEMS (I-II)		293,102,749	190,809,842
IV	PRIOR PERIOD (INCOME)/EXPENSE	30	60,185	85,131
V	PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX (III-IV)		293,042,564	190,724,711
VI	EXCEPTIONAL ITEMS	31	(378,895)	4,645,670
VII	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		293,421,459	186,079,041
VIII	EXTRAORDINARY ITEMS		-	-
IX	PROFIT BEFORE TAX (VII-VIII)		293,421,459	186,079,041
X	TAX EXPENSE			
	CURRENT TAX		60,487,313	37,772,716
	EARLIAR YEARS TAX		16,041,438	12,288,249
	DEFERRED TAX (Assets) /LIABILITY		23,364,234	10,706,879
XI	PROFIT(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (IX-X)		193,528,474	125,311,197
XII	PROFIT(LOSS) FROM DISCONTINUING OPERATIONS		-	-
XIII	TAX EXPENSE OF DISCONTINUING OPERATIONS		-	-
XIV	PROFIT(LOSS) FROM DISCONTINUING OPERATIONS (AFTER TAX) (XII-XIII)		-	-
XV	PROFIT (LOSS) FOR THE PERIOD (XI+XIV)		193,528,474	125,311,197
XVI	EARNING PER EQUITY SHARE			
	BASIC		19.47	12.66
	DILUTED		19.47	12.05
	NUMBER OF EQUITY SHARES			
	BASIC		9941096	9900000
	DILUTED		9941096	10400000

IN TERMS OF OUR REPORT ATTACHED

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS
F.R. NO. : 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

Sd/-
ANIL MITTAL
CHAIRMAN & MANAGING DIRECTOR

Sd/-
ATUL MITTAL
DIRECTOR

Place : New Delhi
Dated : May 30, 2013

Sd/-
KAMINI GUPTA
COMPANY SECRETARY & GM FINANCE



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2013

PARTICULARS	(Amount ₹) 31.03.2013	(Amount ₹) 31.03.2012
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	293,421,459	186,079,040
<i>Adjustments for:</i>		
Depreciation and amortisation	94,207,420	83,735,274
(Profit) / loss on sale / write off of assets	(378,895)	4,645,670
Finance costs	453,464,539	472,411,088
Interest income	(5,916,124)	(4,195,485)
Net (gain) / loss on sale of investments	-	(80,597)
Appropriation of Profit	(77,997)	-
Capital investment subsidy	(167,000)	(167,000)
	541,131,943	(167,000)
Operating profit/(loss) before working capital changes	834,553,402	742,427,990
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(1,384,365,519)	(440,639,484)
Trade receivables	(362,466,755)	(105,054,711)
Short-term loans and advances	(119,935,810)	(22,188,564)
Long-term loans and advances	6,767,179	(5,302,087)
long-term Investment	-	-
Other current assets	(1,113,187)	(1,068,367)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	307,348,601	111,575,674
Other current liabilities	133,766,299	18,009,410
Short-term provisions	(13,909,855)	20,219,383
Long-term provisions	5,463,162	242,710
	(1,428,445,884)	242,710
Cash flow from extraordinary items	-	-
Cash generated from operations	(593,892,482)	318,221,954
Net income tax (paid) / refunds	56,019,406	58,229,419
Net cash flow from/(used in) operating activities(A)	(649,911,888)	259,992,535
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(341,330,128)	(182,127,003)
Proceeds from sale of fixed assets	814,000	5,373,609
Bank balances not considered as Cash and cash equivalents:		
- Placed	(11,285,703)	(17,090,000)
- Matured	-	-
Current investments not considered as Cash and cash equivalents:		
- Purchased	-	(80,000,000)
- Proceeds from sale	-	80,080,597
Interest received		
- Others	5,916,124	4,195,485
Sale of long-term investments	-	-
Capital investment subsidy received	-	-
Rental income from operating leases	(345,885,707)	(189,567,312)
Net cash flow from/(used in) investing activities(B)	(345,885,707)	(189,567,312)



PARTICULARS	(Amount ₹)	
	31.03.2013	31.03.2012
C. Cash flow from financing activities		
Proceeds from issue of equity shares	76,698,059	
Share application money received	-	73,301,941
Repayment of long-term borrowings	(35,829,680)	(54,091,533)
Net increase/(decrease) in working capital borrowings	1,421,453,215	358,326,625
Net proceed from long-term borrowing	-	-
Finance cost	(453,464,539)	(472,411,088)
	1,008,857,055	(94,874,055)
Net cash flow from / (used in) financing activities (C)	1,008,857,055	(94,874,055)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	13,059,460	(24,448,832)
Cash and cash equivalents at the beginning of the year	24,542,709	48,991,541
Cash and cash equivalents at the end of the year	37,602,169	24,542,709
* Comprises:		
(a) Cash on hand	16,718,808	11,249,114
(b) Cheques, drafts on hand	-	-
(c) Balances with banks:		
(i) In current accounts	- 16,550,047	13,293,597
(ii) In term deposit with original maturity of less than 3 months	- 4,333,314	-
(d) Current investments considered as part of Cash and cash equivalents	-	-
Total	- 37,602,169	24,542,709

Notes:

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

IN TERMS OF OUR REPORT ATTACHED

FOR **AGGARWAL & RAMPAL**
 CHARTERED ACCOUNTANTS
 F.R. NO. : 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
VINAY AGGARWAL
 PARTNER
 M. NO. 82045

Sd/-
ANIL MITTAL
 CHAIRMAN & MANAGING DIRECTOR

Sd/-
ATUL MITTAL
 DIRECTOR

Place : New Delhi
 Dated : May 30, 2013

Sd/-
KAMINI GUPTA
 COMPANY SECRETARY & GM FINANCE



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

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

B. USE OF ESTIMATES

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

C. FIXED ASSETS AND DEPRECIATION

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

D. INVESTMENTS

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

E. FOREIGN EXCHANGE TRANSACTIONS

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

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

F. INVENTORY VALUATION

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



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

G. REVENUE RECOGNITION

(I) EXPORT

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

(II) DOMESTIC

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

H. SEGMENT REPORTING

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

I. PROVISION FOR CURRENT AND DEFERRED TAX

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

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

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

J. CONTINGENT LIABILITIES & PROVISIONS

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

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



K. BORROWING COST

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

L. IMPAIRMENT OF ASSETS

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

M. EMPLOYEE BENEFITS

(a) PROVIDENT FUND

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

(b) GRATUITY

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

(c) LEAVE ENCASHMENT

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

NOTE 2: CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
3	<u>SHARE CAPITAL:</u>		
	(1) <u>AUTHORISED:</u>		
	1,60,00,000 EQUITY SHARES OF Rs. 10/- EACH (PREVIOUS YEAR 1,00,00,000 EQUITY SHARES OF RS. 10/- EACH)	160,000,000	160,000,000
	(2) <u>ISSUED, SUBSCRIBED & FULLY PAID UP</u>		
	1,49,00,000 EQUITY SHARES OF RS.10/- EACH FULLY PAID IN CASH (PREVIOUS YEAR 99,00,000 EQUITY SHARES OF RS.10 EACH FULLY PAID IN CASH)	149,000,000	99,000,000
	(3) <u>FORFEITED SHARES</u>		
	AMOUNT ORIGINALLY PAID UP ON 1,00,000 ZERO COUPON WARRANT @ RS. 1.80 PER WARRANT (PREVIOUS YEAR 2,05,00,000 EQUITY SHARES OF RS.10 EACH FULLY PAID IN CASH)	180,000	180,000
	TOTAL (2)	149,180,000	99,180,000

(a) The reconciliation of number of shares outstanding is as follows:

PARTICULARS	AS AT 31 MARCH, 2013		AS AT 31 MARCH, 2012	
	NO. OF SHARES	AMOUNT (₹)	NO. OF SHARES	AMOUNT (₹)
At the beginning of the year	9,900,000	99,000,000	9,900,000	99,000,000
Add: Shares issued	5,000,000	50,000,000	-	-
At the closing of the year	14,900,000	149,000,000	9,900,000	99,000,000

(b) **Rights, Preferences & restrictions attached to Shares :**

The equity shares of the Company have voting rights and are subject to the preferential rights as prescribed under law or those of the preference shareholders, if any. The equity shares are also subject to restriction as prescribed under the Companies Act, 1956.

4 RESERVE & SURPLUS:

(1) <u>SURPLUS</u>		
AT THE BEGINNING OF THE ACCOUNTING PERIOD	935,146,113	809,834,916
ADDITIONS DURING THE YEAR (BALANCE IN STATEMENT OF PROFIT & LOSS A/C)	193,528,474	125,311,197
ALLOCATIONS AND APPROPRIATIONS AT THE END OF THE ACCOUNTING PERIOD	(77,997)	-
	1,128,596,590	935,146,113
(2) <u>CAPITAL INVESTMENT SUBSIDY</u>		
AT THE BEGINNING OF THE ACCOUNTING PERIOD	4,629,227	4,796,227
ADDITIONS/(DEDUCTION) DURING THE YEAR	167,000	167,000
AT THE END OF THE ACCOUNTING PERIOD	4,462,227	4,629,227
(3) <u>SECURITIES PREMIUM ACCOUNT</u>		
AT THE BEGINNING OF THE ACCOUNTING PERIOD	24,000,000	24,000,000
ADDITIONS/(DEDUCTION) DURING THE YEAR	90,000,000	-
AT THE END OF THE ACCOUNTING PERIOD	114,000,000	24,000,000
TOTAL (1+2+3)	1,247,058,817	963,775,340



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
5	SHARE APPLICATION MONEY PENDING ALLOTMENT	-	63,301,941
		-	63,301,941-
6	LONG TERM BORROWINGS		
	TERM LOANS FROM BANKS (SECURED) :		
	IDBI BANK LTD.	127,908,800	186,181,600
	STATE BANK OF INDIA	136,802,645	105,150,000
	STATE BANK OF TRAVANCORE	40,286,100	
	VEHICLE LOANS	15,229,705	12,768,615
	CORPORATE LOANS FROM BANKS (SECURED) :		
	IDBI BANK LTD.	88,500,000	133,100,000
	TERM LOANS FROM FINANCIAL INSTITUTIONS (SECURED):		
	TATA CAPITAL LIMITED	-	78,186
	DAIMLER FINANCIAL SERVICES INDIA PVT. LTD.	2,529,571	-
	KOTAK MAHINDRA PRIME LTD.	-	-
	LOANS AND ADVANCES FROM RELATED PARTES (UNSECURED)	40,630,000	40,630,000
	TOTAL	451,886,821	477,908,401

(A) Nature of Security and terms of repayment of Borrowings

Nature of Security	Terms of repayment
Term Loan from IDBI Bank Ltd. Is secured by first charge on Immovable and Movable assets, present and future except book debts, subject to the charge created or to be created in favor of bankers for securing working capital requirement on stock of raw material, semi finished goods, finished goods, store and spares, consumables, book debts and other current assets held by the company both present and future in the ordinary course of the business and further gauranted by the Managing Director, Promoter Directors and an independent Director.	Repayable in equated quarterly installments of Rs. 5,568,000 each from the date of loan. The interst will be payable 10% above base rate at Monthly rests.
Term loan of Rs.1100 Lacs (year end balance Rs. 385 lacs) from IDBI Bank Ltd.is secured by first charge on fixed assets (refinery unit) of the company at samalkha and it is secured by personal guarantee of Anil Mittal (CMD) and Naveen Mittal (WTD) & corporate guarantee of Samtex fashions Ltd.	The principle amount is repayable in 20 equal quarterly instalments of Rs.55 Lacs each upto 01.10.2015. Interest will be payable at BPLR -50 BPS monthly
Term loan of Rs.700 Lacs (year end balance Rs. 560 lacs) from IDBI Bank Ltd. Is secured by first charge on the fixed assets (solvent plant) of the company at Samalkha Unit and further guaranteed by irrevocable and unconditional personal guarantee of Anil Mittal (CMD) and Naveen Mittal (WTD) & corporate guarantee of Samtex Fashions Ltd.	The principle amount is repayable in 20 equal quarterly instalments of Rs.35 Lacs from 01.04.2013 to 01.01.2018. Interest will be payable at BBR plus 350 BPS monthly.
Term loan of Rs.750 Lacs (year end balance Rs. 536.03 lacs) from State Bank of India is secured by exclusive charge over assets created for the Co-generation Power Plant at Samalkha and second charge over current assets both present & future of the company extension of second charge over fixed assets of the company (excluding fixed assets at mandideep industrial area, MP & assets created for co-generation power Plant at samalkha).	The principle amount is repayable in 23 equal quarterly instalments of Rs.31 Lacs and last quarterly instalment of Rs.37 Lacs from 01.04.2013 to 31.03.2019. Interest will be payable 4.00% above base rate at Monthly rests.



<p>Further guaranteed by personal guarantee of Anil Mittal (CMD) and Naveen Mittal(WTD) and corporate guarantee of Samtex Fashions Ltd., Empire Finvest Pvt. Ltd., Gartex Overseas Pvt. Ltd. and SSR Apparel Pvt. Ltd.</p> <p>Term loan of Rs.2100 Lacs (year end balance is Rs. 420 lacs) from State Bank of India is secured by exclusive charge over entire fixed assets of the company at Mandideep including E.M. of factory land and building and collateral security is same as in case of above mentioned term loan of Rs. 750 lacs from SBI. Further guaranteed by personal guarantee of Anil Mittal (CMD) and Naveen Mittal(WTD) and corporate guarantee of Samtex Fashions Ltd., Empire Finvest Pvt. Ltd., Gartex Overseas Pvt. Ltd. and SSR Apparel Pvt. Ltd.</p> <p>Corporate loan of Rs.2000 Lacs(year end balance Rs. 885 lacs) from IDBI Bank Ltd. Is secured primarily by first charge on all the movable and immovable assets of the company other than specifically financed and collateral by promoters to pledge five lacs shares of Samtex Fashions Ltd.</p> <p>Term loan of Rs.780 Lacs(received Rs.450.00 lacs upto 31.03.2013)(year end balance Rs.372.00 lacs) from State Bank of India is secured by exclusive charge over entire fixed assets created at Rice Mill-2 at Mandideep Plant. Further guaranteed by personal guarantee of Anil Mittal (CMD), Vinay Mittal and Naveen Mittal and corporate guarantee by Samtex Fashions Ltd., Empire Finvest Pvt. Ltd., Gartex Overseas Pvt. Ltd. and SSR Apparel Pvt. Ltd.</p> <p>Term loan of Rs.480 Lacs(year end balance Rs.402.87 lacs) from State Bank of Travancore is secured by exclusive charge on fixed assets of the proposed solvent extraction plant at Mandideep (excluding land). Further guaranteed by personal guarantee of Anil Mittal(CMD) and Naveen Mittal.</p> <p>Axis Bank Ltd.Car Loan of Rs.7,00,000 (year end balance is Rs.2,96,376/-) is secured by hypothecation of Honda City Car and personal guarantee of directors.</p> <p>HDFC Bank Ltd. BMW Car Loan of Rs.70,00,000 (year end balance is Rs.39,01,539/-) is secured by hypothecation of BMW Car and personal guarantee of directors.</p> <p>HDFC Bank Ltd.Vokswagon Polo Car Loan of Rs.5,17,000/- (year end balance is Rs.3,46,739/-) is secured by hypothecation of Polo Car and personal guarantee of directors.</p> <p>HDFC Bank Ltd. Truck loan of Rs.9,70,000 (year end balance Rs. 95,626/-) is secured by hypothecation of Eicher Canter and personal guarantee of directors.</p> <p>HDFC Bank Ltd. Car loan of Rs.4,00,000/- (year end balance Rs. 88,400/-) is secured by hypothecation of Indica Car and personal guarantee of directors.</p> <p>HDFC Bank Ltd. Car loan of Rs.10,80,000/-(year end balance Rs. 7,23,589/-)is secured by hypothecation of Innova Car and personal guarantee of directors.</p> <p>HDFC Bank Ltd. Car loan of Rs. 3,00,000/-(year end balance Nil) is secured by hypothecation of Maruti A-Star Car and personal guarantee of directors.</p>	<p>Four instalments of Rs.90 Lacs, four instalments of Rs.100 Lacs, four instalments of Rs.125 Lacs and three instalments of Rs.140 Lacs from 01.10.2009 to 01.10.2014. Interest will be payable 4.00% above base rate at Monthly rests.</p> <p>The principle amount is repayable in 17 equal quarterly instalments of Rs.111.50 Lacs and last quarterly instalment of Rs.104.50 Lacs from 01.10.2011 to 01.01.2017. Interest will be payable at BBR plus 400 BPS monthly.</p> <p>The principle amount is repayable in 20 equal quarterly instalments of Rs.39 lacs each beginning from 31.12.2013 to 30.09.2018.</p> <p>The principle amount is repayable in 25 equal quarterly instalments of Rs.19.20 lacs each beginning from 01.04.2013 to 30.06.2019</p> <p>Repayable in 36 equated monthly instalments of Rs.22,610/-including interest (@ 10.68 % p.a) from the date of loan (05/06/2012)</p> <p>Repayable in 36 equated monthly instalments of Rs.2,24,000/-including interest(@ 10.62 % p.a)from the date of loan (06/12/2012)</p> <p>Repayable in 36 equated monthly instalments of Rs.16,830/-including interest (@ 11.25 % p.a)from the date of loan (06/03/2013)</p> <p>Repayable in 35 equated monthly instalments of Rs. 32,495/-including interest (@ 11.62% p.a.) from the date of loan(17/08/2011).</p> <p>Repayable in 35 equated monthly instalments of Rs. 13,140/-including interest (@ 11.92% p.a.) from the date of loan(11/12/2011)</p> <p>Repayable in 36 equated monthly instalments of Rs. 35,037/-including interest (@ 11.00% p.a.) from the date of loan(15/03/2013)</p> <p>Repayable in 36 equated monthly instalments of Rs. 9,732/-including interest (@ 11.00% p.a.) from the date of loan(05/11/2010)</p>
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<p>HDFC Bank Ltd. Truck loan of Rs.77,80,000/- (year end balance Rs. 12,59,279/-)is secured by hypothecation of four nos. TATA trucks and personal guarantee of directors.</p>	<p>Repayable in 35 equated monthly instalments of Rs. 64,725/-each including interest (@ 11.12% p.a.) from the date of loan(15/11/2011)</p>
<p>HDFC Bank Ltd. vehicle loan of Rs.2,50,000/-(year end balance Nil)is secured by hypothecation of TATA Magic and personal guarantee of directors.</p>	<p>Repayable in 35 equated monthly instalments of Rs. 8,695/-including interest (@ 14.48% p.a.) from the date of loan(12/08/2011)</p>
<p>HDFC Bank Ltd. Car loan of Rs.5,00,000/-(year end balance Rs. 1,87,790/-)is secured by hypothecation of TATA Indigo Car and personal guarantee of directors.</p>	<p>Repayable in 36 equated monthly instalments of Rs. 16,730/-including interest (@ 12.51% p.a.) from the date of loan (12/03/2012)</p>
<p>HDFC Bank Ltd. Truck loan of Rs.66,39,000/-(year end balance Rs.18,68,864/-)is secured by hypothecation of four nos. TATA trucks and personal guarantee of directors.</p>	<p>Repayable in 35 equated monthly instalments of Rs. 55,437/ for each truck including interest (@ 10.73% p.a.) from the date of loan (12/01/2012)</p>
<p>HDFC Bank Ltd. Truck loan of Rs.35,00,000/-(year end balance Rs.16,37,991/-)is secured by hypothecation of two nos. TATA trucks and personal guarantee of directors.</p>	<p>Repayable in 35 equated monthly instalments of Rs. 58,700/ for each truck including interest (@ 11.15% p.a.) from the date of loan (19/07/2012)</p>
<p>ICICI Bank Ltd. Truck loan of Rs.20,70,000/-(year end balance Rs.13,70,398/-)is secured by hypothecation of two nos. Eicher 1110xp trucks and personal guarantee of directors.</p>	<p>Repayable in 35 equated monthly instalments of Rs. 34,460/ for each truck including interest (@ 10.50% p.a.) from the date of loan (07/03/2013)</p>
<p>ICICI Bank Ltd. Truck loan of Rs.34,20,000/-(year end balance Rs.22,56,676/-) is secured by hypothecation of two nos. Eicher 1110xp trucks and personal guarantee of directors.</p>	<p>Repayable in 35 equated monthly instalments of Rs. 56,370/ for each truck including interest (@ 9.80% p.a.) from the date of loan (07/03/2013)</p>
<p>Kotak Mahindra Bank Ltd. Truck loan of Rs. 61,12, 000 (year end balance Rs. 11,96,436/-)is secured by hypothecation of four trucks and personal guarantee of directors.</p>	<p>Repayable in 35 equated monthly instalments of Rs. 51,594/ including interest (@ 11.50% p.a.) for each truck from the date of loan (22/10/2011)</p>
<p>Daimler Financial Services India Pvt. Ltd. Car loan of Rs.38,00,000/-(year end balance Rs. 25,29,571/-)is secured by hypothecation of Mercedes Benz Car and personal guarantee of directors.</p>	<p>Repayable in 36 equated monthly instalments of Rs. 1,20,644/-including interest (@ 9.67 % p.a.) from the date of loan (12/03/2013)</p>
<p>TATA Capital Ltd. Car loan of Rs.4,13,000/- (year end balance Nil) is secured by hypothecation of Maruti Swift Car and personal guarantee of directors</p>	<p>Repayable in 35 equated monthly instalments of Rs. 13,492/-including interest (@ 9.16% p.a.) from the date of loan (28/10/2010)</p>
<p><u>Term loan from SBI</u></p>	
<p><u>Primary:</u> First charge over entire Fixed assets of the company.</p>	
<p><u>Collateral: (i)</u> Extension of charge over entire current assets of the company including all Raw Material, Semi finished and Finished Goods, Stores & Spares and Book Debts.</p>	
<p>(ii) Pledge of 4,50,000 shares of M/s Samtex Fashions Ltd. held by promoters and their family members.</p>	
<p><u>Personal Guarantee of Directors: (i)</u> Anil Mittal (ii) Atul Mittal and (iii) Mr. Naveen Mittal</p>	
<p><u>Corporate Guarantee</u> of M/s Samtex Fashions Limited (Holding company)</p>	<p>Repayment of principle amount will be made in equal installments of Rs.10,00,000 each payable on quarterly basis. Interest rate is 2% above SBAR.</p>



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
7	DEFERRED TAX LIABILITIES (NET)		
	DEFERRED TAX LIABILITIES	90,853,220	67,488,988
		90,853,220	67,488,988
	Item wise detail of the Deferred Tax Liability		
	Related to Fixed Assets	DTL (96,045,901)	(71,217,947)
	Provision for Gratuity	DTA 1,920,417	1,439,311
	Provision for Leave encashment	DTA 3,804,109	717,415
	Other	DTA 5,762	1,572,233
	NET DEFERRED TAX LIABILITY	(90,315,613)	(67,488,988)
8	LONG-TERM PROVISIONS:		
	PROVISION FOR GRATUITY	13,451,861	10,548,527
	PROVISION FOR LEAVE ENCASHMENT	5,463,853	2,904,025
	TOTAL	18,915,714	13,452,552
9	SHORT-TERM BORROWINGS:		
	FROM BANKS (SECURED):		
	LOANS REPAYABLE ON DEMAND:		
	WAREHOUSED FINANCE	336,491,726	280,000,000
	BUYER CREDIT LOAN	185,011,182	395,651,968
	WORKING CAPITAL FINANCE:		
	EPC ACCOUNT	2,389,054,121	917,512,471
	OCC ACCOUNT	1,664,064,887	1,276,788,360
	PCFC ACCOUNT	47,866,176	219,364,919
	FBP ACCOUNT	4,065,514	60,277,968
	FROM BANKS (UNSECURED):		
	BANK OVERDRAFT WITH SBI	-	55,504,705
	TOTAL	4,626,553,606	3,205,100,391

(A) Warehouse finance from IDBI of Rs. 5000.00 lacs (year end balance 3364.92.00 lacs) is secured by pledge of stock of

(B) Details of security and Guarantee for working capital finance:-

The working capital facilities are secured by 1st charge on current assests (both present and future) of the company to Second pari-passu charge over fixed assests of the company. E.M. of residential property bearing No. D-78

Further guaranteed by personal guarantee of Anil Mittal (CMD), Naveen Mittal (WTD) and Vinay Mittal (Promoter) and **Working capital loan from SBI:**

Primary: First charge over entire Fixed assets of the Company

Collateral: (i) Extension of charge over entire current assets of the company including all Raw Material, Semi finished and (ii) Pledge of 4,50,000 shares of M/s Samtex Fashions Ltd. Held by promoters and their family members.

Personal Guarantee of directors: (i) Anil Mittal, (ii) Atul Mittal and

Corporate Guarantee of M/s Samtex Fashions Limited (Holding Company)

This loan is secured by 1st exclusive hypothetication charge on all existing and future current assets, second hypothetication



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
10	<u>TRADE PAYABLES</u>		
	(A) TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES	-	-
	(B) TOTAL OUTSTANDING DUES OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES	658,618,091	338,951,334
	TOTAL	658,618,091	338,951,334
	Trade payables includes amount payable to related parties	8,527,599	8,527,599
11	<u>OTHER CURRENT LIABILITIES</u>		
	CURRENT MATURITIES OF LONG TERM DEBTS (SECURED):		
	TERM LOAN FROM BANKS :		
	IDBI BANLK LTD.	58,272,800	44,272,800
	STATE BANK OF INDIA	74,200,000	44,000,000
	STATE BANK OF TRAVANCORE	7,680,000	
	VEHICLE LOANS	13,761,607	5,350,740
	CORPORATE LOANS FROM BANKS :		
	IDBI BANK LTD.	44,600,000	44,600,000
	TERM LOANS FROM FINANCIAL INSTITUTIONS:		
	TATA CAPITAL LIMITED	78,186	2,089,519
	DAIMLER FINANCIAL SERVICES INDIA PVT. LTD.	1,149,785	-
	KOTAK MAHINDRA PRIME LTD.	-	114,768
	SUB-TOTAL	199,742,378	140,427,827
	INTEREST ACCRUED BUT NOT DUE ON BORROWINGS	1,426,299	710,018
	INTEREST ACCRUED AND DUE ON BORROWINGS	7,535,694	5,853,015
	ADVANCES FROM CUSTOMERS	2,137,044	829,574
	OTHERS PAYABLE	78,395,486	15,953,605
	SECURITY RECEIVED	331,050	311,050
	EXPENSES PAYABLE	29,793,627	24,828,876
	SHARE APPLICATION MONEY REFUNDABLE	475,317	-
	STATUTORY REMITTANCES :		
	SERVICE TAX PAYABLE	262,766	8,419
	TDS PAYABLE	8,236,338	5,638,480
	TCS PAYABLE	1,242	3,331
	ESI PAYABLE	478,494	326,849
	PROVIDENT FUND PAYABLE	992,189	807,935
	PROFESSIONAL TAX PAYABLE	13,858	4,214
	ENTRY TAX PAYABLE	4,157,296	
	SALES TAX PAYABLE	152,573	4,591,386
	GOVT. WELFARE . PAYABLE	17,760	6,855
	TOTAL	334,149,411	200,301,434



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
12	SHORT-TERM PROVISIONS:		
	PROVISION FOR INCOME TAX	22,747,671	11,753,543
	PROVISION FOR WEALTH TAX	127,065	106,111
	PROVISION FOR EMPLOYEE BENEFITS:		
	PROVISION FOR BONUS	4,649,995	4,332,274
	PROVISION FOR GRATUITY	2,129,709	2,093,642
	PROVISION FOR LEAVE ENCASHMENT	1,485,715	1,145,220
	PROVISION FOR EXCISE DUTY	460,472	8,922,941
	PROVISION FOR EXPENSES PAYABLE	4,782,000	1,511,082
	TOTAL	36,382,627	29,864,813

NOTE 13 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2012 (Rs.)	Addition during the year (Rs.)	Sales/ adjustment during the year (Rs.)	As at 31.03.2013 (Rs.)	As at 01.04.2012 (Rs.)	For the year ended 31.03.2013 (Rs.)	W. back during the year (Rs.)	As at 31.03.2013 (Rs.)	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
TANGIBLE ASSETS										
1 Land(Freehold)	25,772,595	-	-	25,772,595	-	-	-	-	25,772,595	25,772,595
2 Land (leasehold)	34,723,135	-	-	34,723,135	3,541,745	1162354	-	4,704,099	30,019,036	31,181,390
3 Site Development	30,639,269	747,284	-	31,386,553	3,347,327	501,051	-	3,848,378	27,538,175	30,639,269
4 Building	293,255,774	83,915,939	-	377,171,713	69,867,766	10,315,680	-	80,183,445	296,988,268	220,040,681
5 Plant & Machinery	986,286,860	234,005,064	-	1,220,291,924	346,425,893	68,851,438	-	415,277,331	805,014,593	639,860,967
6 Furniture & Fixtures	28,048,185	997,248	-	29,045,433	20,391,560	1,800,976	-	22,192,536	6,852,897	7,656,625
7 Electrical Installations	20,187,905	-	-	20,187,905	7,831,961	958,925	-	8,790,886	11,397,019	12,355,944
8 Office Equipment	20,790,806	2,206,350	-	22,997,156	12,090,177	1,962,614	-	14,052,791	8,944,365	8,700,632
9 Vehicles	78,153,525	30,095,469	1,480,632	106,768,362	26,175,528	8,544,815	1,045,528	33,674,815	73,093,547	51,977,997
Intangible Assets										
Patents & Trademarks	617,037	-	-	617,037	320,785	109,567	-	430,352	186,685	296,252
TOTAL	1,518,475,091	351,967,354	1,480,632	1,868,961,813	489,992,742	94,207,420	1,045,528	583,154,634	2,571,427,673	1,028,482,352
Previous Year	1,379,134,737	152,470,055	13,129,700	1,518,475,092	409,367,888	83,735,274	3,110,421	489,992,742	1,028,482,352	-

14 NON-CURRENT INVESTMENT

INVESTMENT IN EQUITY INSTRUMENTS

YOGENDRA WORSTED LIMITED	6,000,000	6,000,000
6,00,000 EQUITY SHARES RS. 10 EACH FULLY PAID UP (PREVIOUS YEAR 6,00,000 EQUITY SHARES RS. 10 EACH)		

INVESTMENT IN EQUITY INSTRUMENTS

SSA	-	-
SAMBULCON	-	-
TOTAL	6,000,000	6,000,000



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT	AS AT
		31.03.2013 (Amount ₹)	31.03.2012 (Amount ₹)
15	<u>LONG TERM LOANS AND ADVANCES:</u>		
	UNSECURED, CONSIDERED GOOD:		
	SECURITY DEPOSITS	22,608,385	19,567,464
	TOTAL	22,608,385	19,567,464
16	<u>INVENTORIES:</u>		
	RAW MAETRIAL	2,190,682,319	1,512,621,153
	FINISHED GOODS	2,306,812,874	1,653,434,363
	TRADED GOODS	143,070,625	9,177,198
	WORK IN PROGRESS	155,085,576	205,738,834
	SCRAP MATERIAL	1,775,876	1,868,574
	STORES, SPARES & PACKING MATERIAL		
	STORES & SPARES	7,187,598	5,901,426
	PACKING MATERIAL	90,400,212	124,982,263
	DIESEL	934,091	818,441
	HEXANE	5,120,448	2,461,848
	OTHER STORES	1,500,512	1,200,512
	TOTAL	4,902,570,131	3,518,204,612
17	<u>TRADE RECEIVABLES:</u>		
	UNSECURED, CONSIDERED GOOD:		
	(1) REC. OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DATE THEY WERE DUE	14,538,086	4,017,426
	(2) OTHER TRADE RECEIVABLES	996,439,719	632,175,466
	TOTAL	1,010,977,805	636,192,892
NOTE: The date of invoice is treated as due date of repayment of trade receivables. However in case			
18	<u>CASH & BANK BALANCES:</u>		
	CASH & CASH EQUIVALENTS (AS PER AS-3)		
	CASH IN HAND	16,718,808	11,249,114
	CURRENT ACCOUNTS WITH BANKS	16,550,047	8,702,597
	DEMAND DEPOSIT MATURED LESS THAN 3 MONTH		
	OTHER BANK BALANCES	4,333,314	-
	DEMAND DEPOSITS	34,582,144	27,887,441
	TOTAL	72,184,313	47,839,152



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2013 (Amount ₹)	AS AT 31.03.2012 (Amount ₹)
19	<u>SHORT TERM LOANS & ADVANCES:</u>		
	UNSECURED, CONSIDERED GOOD:		
	LOANS AND ADVANCES TO EMPLOYEES	1,548,687	939,425
	PREPAID EXPENSES	16,510,455	13,467,781
	ADVANCE FOR FIXED ASSETS	13,654,747	13,363,942
	LOANS AND ADVANCES TO RELATED PARTIES	56,000	56,000
	SHARES APPLICATION MONEY	-	9,842,500
	<u>BALANCES WITH GOVT AUTHORITIES:</u>		
	SERVICE TAX RECEIVABLE	9,540,656	11,903,171
	EXCISE DUTY RECEIVABLE	2,622,741	-
	GOVT. GRANT	4,600,000	2,500,000
	VAT CREDIT RECEIVABLE	40,662,128	28,095,561
	CUSTOM DUTY RECEIVABLE	10,054,865	-
	INSURANCE CLAIM RECEIVABLE	52,015,063	-
	TDS RECEIVABLE	1,819,095	1,138,994
	INCOME TAX REFUND	25,040	25,040
	ADVANCE TAX PAID	783,500	-
	DEPOSITS AGAINST DISPUTE WITH GOVT AUTHORITIES	18,776,805	11,265,318
	TRADE ADVANCE TO SUPPLIERS	87,852,653	54,342,416
	TRADE ADVANCE TO OTHERS	7,530,955	1,177,432
	TOTAL	268,053,390	148,117,580
20	<u>OTHER CURRENT ASSETS:</u>		
	ACCRUALS:		
	INTEREST ACCRUED ON FD	5,110,406	2,588,792
	OTHER RECEIVABLES	2,951,729	4,360,156
	TOTAL	8,062,135	6,948,948
21	<u>REVENUE FROM OPERATIONS</u>		
	<u>SALE OF MANUFACTURED GOODS</u>		
	EXPORT SALE	4,637,333,343	3,449,400,793
	DOMESTIC SALES	6,962,199,161	4,138,509,190
	<u>SALE OF TRADED GOODS</u>		
	EXPORT SALE	236,826,466	34,788,824
	DOMESTIC SALES	384,245,667	750,470,709
	SALE OF SERVICES	30,315,068	27,031,944
	OTHERS SALE	388,527	447,338
		12,251,308,232	8,400,648,798
	LESS: EXCISE DUTY	4,544,244	6,002,459
	NET REVENUE FROM OPERATIONS	12,246,763,988	8,394,646,339



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	For the Year Ended 31.03.2013 (Amount ₹)	For the Year Ended 31.03.2012 (Amount ₹)
22	<u>OTHER INCOME:</u>		
	CAPITAL INVESTMENT SUBSIDY WRITTEN BACK	167,000	167,000
	PROFIT ON CURRENT INVESTMENT	-	80,597
	COMMISSION INCOME	18,270	23,474
	DUTY DRAWBACK RECEIVED	2,239,269	491,415
	EXCHANGE FLUCTUATION	4,114,268	2,692,278
	FREIGHT OUTWARD	-	9,296
	MISC INCOME	36,090,920	1,458,585
	INTEREST INCOME	5,916,124	4,195,485
	TOTAL	48,545,851	9,118,130
	INTEREST INCOME COMPRISES:		
	INTEREST FROM BANKS ON DEPOSITS	3,220,890	2,357,571
	INETREST ON LOAN & ADVANCES	2,695,234	1,837,914
	Total	5,916,124	4,195,485
23	<u>COST OF MATERIALS CONSUMED:</u>		
	RAW MATERIALS		
	OPENING BALANCE OF STOCK	1,512,621,153	1,912,027,836
	ADD:RAW MATERIAL PURCHASED	11,058,073,951	6,954,671,354
	LESS: CLOSING STOCK	2,190,682,319	1,512,621,153
	CONSUMPTION OF RAW MATERIAL	10,380,012,785	7,354,078,037
	PACKING MATERIAL		
	OPENING STOCK	124,982,263	87,551,485
	ADD: PACKING MATERIAL PURCHASED	178,213,905	187,930,372
	LESS: CLOSING STOCK	90,400,212	124,982,263
	Add:- Excise Duty Paid On Captive Consumption	-	-
	PACKING MATERIAL CONSUMED	212,795,956	150,499,594
	COST OF MATERIALS CONSUMED	10,592,808,741	7,504,577,631
	<u>MATERIAL CONSUMED COMPRISES</u>		
	PADDY & RICE	8,278,145,864	5,793,177,234
	RICE BRAN	845,159,161	392,430,953
	HUSK	28,083,079	22,825,911
	OILS (RB OIL, CPO, RBD, SOYA)	753,289,156	748,507,599
	PACKING MATERIAL	212,795,956	150,499,594
	FABRIC	417,546,961	350,965,588
	LINING	28,873,977	6,603,466
	OTHER	28,959,329	39,567,286
	TOTAL	10,592,853,483	7,504,577,631



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	For the Year Ended 31.03.2013 (Amount ₹)	For the Year Ended 31.03.2012 (Amount ₹)
24	<u>PURCHASE OF TRADED GOODS</u>		
	MUSTARD	-	21,964,775
	CHICK PEAS	56,019,266	50,396,987
	WHEAT	-	4,854,024
	ALOMONDS	468,335,789	63,296,794
	CPO	88,985,248	76,598,542
	STEEL	22,570,111	14,960,428
	OTHERS	173,922	17,498,403
	TOTAL	636,084,336	249,569,953
25	<u>CHANGES IN INVENTORIES</u>		
	<u>FINISHED GOODS</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	1,646,690,978	914,323,942
	AT THE END OF THE ACCOUNTING PERIOD	2,297,917,301	1,646,690,978
		(651,226,323)	(732,367,036)
	<u>WORK-IN-PROGRESS</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	205,738,834	74,973,364
	AT THE END OF THE ACCOUNTING PERIOD	155,085,576	205,738,834
		50,653,258	(130,765,470)
	<u>STOCK-IN-TRADE</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	9,177,198	67,183,210
	AT THE END OF THE ACCOUNTING PERIOD	143,070,625	9,177,198
		(133,893,427)	58,006,012
	<u>FINISHED GOODS-IN TRANSIT(TO)</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	6,743,385	7,637,215
	AT THE END OF THE ACCOUNTING PERIOD	8,895,573	6,743,385
		(2,152,188)	893,830
	<u>SCRAP MATERIAL</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	1,868,574	1,891,465
	AT THE END OF THE ACCOUNTING PERIOD	1,775,876	1,868,574
		92,698	22,891
	TOTAL	(736,525,982)	(804,209,773)



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	For the Year Ended	For the Year Ended
		31.03.2013 (Amount ₹)	31.03.2012 (Amount ₹)
26	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	SALARY AND WAGES:		
	WAGES & OTHER BENEFITS	56,815,987	43,997,805
	OFFICE STAFF SALARY	72,016,873	63,558,169
	SECURITY CHARGES	8,616,282	7,946,107
	BONUS	4,654,327	4,480,012
	DIRECTOR'S REMUNERATIONS	9,353,000	9,821,681
	LEAVE ENCASHMENT	3,054,983	878,556
	RECUITMENT EXPNESES	161,914	23,645
	GRATUITY EXPENSES	3,579,163	1,817,611
	CONTRIBUTION TO PROVIDENT AND OTHER FUNDS		
	CONTRIBUTION TO PROVIDENT FUND	5,079,916	4,418,521
	CONTRIBUTION TO EMPLOEES STATE INS.FUND	2,467,800	2,483,270
	STAFF WELFARE EXPENSES		
	WORKERS AND STAFF WELFARE	5,658,766	5,272,257
	TOTAL	171,459,011	144,697,634
27	<u>FINANCIAL COSTS:</u>		
	INTEREST ON WORKING CAPITAL LIMITS	343,294,550	329,098,418
	INTEREST ON TERM LOANS	45,510,297	48,076,999
	INTEREST ON CORPORATE LOAN	20,296,447	29,282,208
	INTEREST ON VEHICLE LOAN	2,380,541	992,905
	INTEREST (OTHERS)	2,077,637	131,124
	BANK CHARGES	29,844,188	35,064,789
	FORWARD CONTRACT CHARGES	8,592,220	7,270,411
	EXCHANGE FLUCTUATIONS	1,468,659	22,494,234
	TOTAL	453,464,539	472,411,088
28	<u>DEPRECIATION AND AMORTZATION:</u>		
	DEPRECIATION ON TANGIBLE ASSETS	94,207,420	83,735,274
	TOTAL	94,207,420	83,735,274
29	<u>OTHER EXPENSES:</u>		
	MANUFACTURING EXPENSES		
	CONSUMPTION OF STORES AND SPARE PARTS :		
	OPENING BALANCE OF STOCK	9,563,786	8,510,838
	ADD: STORE & CONSUMABLE PURCHASED	52,595,122	31,936,669
	LESS: CLOSING STOCK	13,808,558	9,563,786
	STORE & CONSUMABLE CONSUMED	48,350,350	30,883,721
	POWER & FUEL :		
	D.G.SET RUNNING EXPENSES	25,164,174	25,456,430
	ELECTRICITY CHARGES	89,623,759	66,886,185
	MATERIAL HANDLING CHARGES	52,518,262	32,836,047
	FREIGHT & CARTAGE	2,660,610	2,258,515
	FUMIGATION CHARGES	2,800,322	1,747,773



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	For the Year Ended	For the Year Ended
		31.03.2013 (Amount ₹)	31.03.2012 (Amount ₹)
	BARDANA REPAIR CHARGES	3,882,595	2,712,167
	REPAIR & MAINTENANCE (BUILDING)	4,793,606	1,468,408
	REPAIR & MAINTENANCE (P&M)	22,004,612	17,889,548
	REPAIR & MAINTENANCE (ELECTRICALS)	236,632	206,863
	TRACTOR/TRUCK RUNNING EXPENSES	15,658,817	10,470,988
	LABORATORY EXPENSES	359,826	101,919
	JOB WORK EXPENSES	9,223,437	225,404
	PROCESS AAND FINISHING EXPENSES	16,206,395	8,427,495
	IMPORT CLEARING EXPENSES	1,723,227	1,726,882
	MACHINERY HIRING CHARGES	55,750	66,600
	CUSTOM/EXCISE DUTY	18,920	50,620
	GENERAL & ADMINISTRATIVE EXPENSES		
	TRAVELLING AND CONVEYANCE	2,789,574	5,099,890
	INSURANCE EXPENSES	13,330,645	8,296,191
	ANNUAL MAINTENANCE EXPENSES	618,959	524,925
	BOOKS & PERIODICALS	70,565	36,471
	TELEPHONE, FAX & COMMUNICATION EXPENSES	2,319,839	2,065,951
	DONATION & CHARITY	714,100	405,555
	FEES, RATES & TAXES	1,982,733	1,768,128
	RENT/LEASE RENT	40,845,161	24,042,856
	GENERAL EXPENSES	7,297,683	6,913,555
	POSTAGE & COURIER CHARGES	3,746,024	3,879,862
	PRINTING & STATIONERY	2,460,454	1,921,195
	VEHICLE MAINTENANCE	4,181,816	3,041,423
	PAYMENT TO AUDITORS	525,284	563,787
	LEGAL & PROFESSIONAL CHARGES	6,974,457	3,669,720
	MEMBERSHIP & SUBSCRIPTION EXPENSES	321,228	322,043
	REPAIR & MAINTENANCE(GENERAL)	3,512,354	1,832,977
	CREDIT RATING CHARGES	80,000	100,000
	COMPLIANCE AUDIT FEES	54,270	95,299
	SALES/ENTRY TAX ADDITIONAL LIABILITY	-	22,937
	DIRECTOR SITTING FEES	66,000	89,000
	MAINTENANCE CHARGES GUEST HOUSE	204,240	240,240
	ELECTRICITY EXPENSES	512,305	411,903
	CONVEYANCE EXPENSES	1,897,684	1,442,697
	EXCISE DUTY	150,432	9,140,433
	SERVICE TAX	4,284,735	1,156,943
	WEALTH TAX	120,223	106,111
	SELLING & DISTRIBUTION EXPENSES		
	REBATE & DISCOUNT	40,114,937	13,311,845
	TRAVELLING EXPENSES	4,665,313	2,660,740
	BROKERAGE & COMMISSION	9,405,400	7,010,875
	FREIGHT OUTWARD	18,996,076	12,941,735
	HANDLING CHARGES	-	152,532
	EXPORT CLEARING EXPENSES	4,828,182	1,540,940
	SAMPLING AND SUPPLIES CHARGES	6,263,960	3,235,043
	EXPORT SHIPMENT DAMAGE CHARGES	66,383	292,802
	EXPORT EXPENSES	158,996,321	133,078,956
	OCEAN FREIGHT	109,352,887	95,717,079



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	For the Year Ended	For the Year Ended
		31.03.2012 (Amount ₹)	31.03.2011 (Amount ₹)
	INSURANCE CHARGES(TRANSIT)	548,684	1,961,116
	ADVERTISEMENT EXPENSES	1,485,438	578,123
	SALES/BUSINESS PROMOTION EXPENSES	14,962,421	6,649,758
	ECGC PREMIUM	460,316	-
	APEDA BASMATI DEVELOPMENT FUND	1,700,900	1,500,000
	COMPENSATION PAID	15,798	935,619
	TOTAL	766,205,075	562,172,820
	# Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods.		
	NOTES		
	(i) PAYMENTS TO THE AUDITORS COMPRISES (NET OF SERVICE TAX INPUT CREDIT,WHERE APPLICABLE):		
	AS AUDITORS-STATUTORY AUDIT	358,428	354,308
	FOR TAXATION MATTERS	34,832	142,197
	FOR OTHER SERVICES	132,024	67,282
	TOTAL	525,284	563,787
30	<u>PRIOR PERIOD ITEMS</u>		
	SOFTWARE EXPENSES	-	6,250
	REPAIR & MAINTENANCE	-	3,000
	LEGAL AND PROFESSIONAL CHARGES	-	13,041
	TELEPHONE EXPENSES	-	19,075
	CONVEYANCE EXPENSES	15,442	9,859
	PURCHASE-TRIM	44,743	33,906
	TOTAL	60,185	85,131
31	<u>EXCEPTIONAL ITEMS</u>		
	LOSS/(GAIN) ON SALE OF FIXED ASSETS	(378,895)	4,645,670
	TOTAL	(378,895)	4,645,670



NOTE 32: OTHER NOTES

A. CONTINGENT LIABILITIES

- (a) No provision has been made in the books of accounts by the company for a sum of Rs.5902380/-Rs.1205225/- & Rs.4080705/- for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y.2003-04, & A.Y.2007-08 respectively, against which a sum of Rs 5859356/- Rs.1205225/- & Rs.40,00,000/- has already been paid for A.Y 2000-01, A.Y.2003-04 & A.Y.2007-08 under protest.All the above liabilities have been disputed by the company before the Appellant Authority/Delhi High Court.
- (b) **Guarantees:** The company has guaranteed a sum of Rs. 59360 Lacs (Previous Year Rs. 47,615 Lacs) & Rs.575 Lacs (Previous Year Rs. 575 Lacs) against secured Loans taken from financial institutions by SSA International Ltd. & Sam Buildcon Ltd. Respectively; wholly owned subsidiaries of the Company.

B. DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES.

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

As per actuarial valuations as on 31st March 2013 and recognized in the financial statement in respect of employee benefit schemes:-

(In Rs.)

	Gratuity		Leave encashment	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
(i) Assumptions				
Discount Rate	8.00%	8.00%	8.00%	8.00%
Future Salary Increase	5.00%	5.00%	5.00%	5.00%
(ii) Table showing change in Benefit Obligation				
Liability at the beginning of the year	12,642,169	11,524,905	4,049,244	3,456,561
Interest Cost	1,011,374	934,384	323,940	284,260
Past Service Cost	-	-	-	-
Current Services Cost	2,008,489	1,513,476	1,243,053	827,257
Benefit Paid	(639,763)	(700,347)	(154,660)	(264,245)
Actuarial (gain)/loss on obligation	559,300	(630,249)	1,487,990	(254,589)
Liability at the end of the year	15,581,569	12,642,169	6,949,567	4,049,244
(iii) Tables of Fair value of Plan Assets				
Fair value of plan assets at the beginning of the year	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Contributions	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial (gain)/loss on Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end of the year	-	-	-	-
Total actuarial gain / (loss) to be recognized	-	-	-	-
(iv) Actual Return on Plan Assets				
Expected Return on Plan Assets	-	-	-	-
Actuarial (gain)/loss on Plan Assets	-	-	-	-
Actuarial Return on Plan Assets	-	-	-	-
(v) Amount recognized in the Balance Sheet				
Liability at the end of the year	15,581,569	12,642,169	6,949,567	4,049,244
Fair value of plan assets at the end of the year	-	-	-	-
Difference	15,581,569	12,642,169	6,949,567	4,049,244
Excess of actual over estimated	-	-	-	-
Unrecognised Actuarial (gain)/losses	-	-	-	-
Amount recognized in the Balance sheet	15,581,569	12,642,169	6,949,567	4,049,244



(In Rs.)

	Gratuity		Leave encashment	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
(vi) Expenses recognized in the Income Statement				
Current Service Cost	2,008,489	1,513,476	1,243,053	893,468
Interest Cost	1,011,374	934,384	323,940	284,260
Expected Return On Plan Assets	-	-	-	-
Net actuarial (gain)/loss to be recognized	559,300	(630,249)	1,487,990	(279,183)
Expenses Recognized in Profit & Loss A/c	3,579,163	1,817,611	3,054,983	856,931
(vii) Amount Recognized in Balance Sheet				
Opening net liability	12,642,169	11,524,905	4,049,244	3,456,561
Expense as above	3,579,163	1,817,611	3,054,983	856,931
Employers Contribution Paid	(639,763)	(700,347)	(154,660)	(264,245)
Closing net Liability	15,581,569	12,642,169	6,949,567	4,049,244

C. RELATED PARTY DISCLOSURES

I. Related Parties with Whom Transactions have been Taken Place and Relationships.

S. No.	Name of the Party	Relationship
1.	Samtex Foundation	Key personnel is related to the Management of the related party
2.	S.S.R. Apparels Private Limited	Key personnel is related to the Management of the related party
3.	Gartex Overseas Private Limited	Key personnel is related to the Management of the related party
4.	Express Warehousing Private Limited	Key personnel is related to the Management of the related party

(In Rs.)

II. Related Parties with Whom Transactions have been Taken Place and Nature of Transactions.

Nature of Transaction	Gartex Overseas Private Limited		S.S.R. Apparels Private Limited	
	F.Y 2012-13	F.Y 2011-12	F.Y 2012-13	F.Y 2011-12
LEASE RENT				
Opening Balance	15,000	15,000	15,000	15,000
Paid during the year	-	15,000	15,000	15,000
Payable during the year	15,000	15,000	15,000	15,000
Closing Balance	30,000	15,000	15,000	15,000

D. SEGMENT REPORTING

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



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

GEOGRAPHICAL SEGMENT:-

I. PRIMARY SEGMENT INFORMATION:-

(in Rs.)

PARTICULARS	2012-13	2011-12
1. TOTAL SALES AT EACH SEGMENT		
USA	446,307,876	247,202,701
INDIA	346,024,943	403,607,094
GROSS SALES	792,332,819	650,809,795
LESS : INTER SEGMENT REVENUE	91,201,005	128,048,306
NET SALES /INCOME FROM OPERATION	701,131,814	522,761,489
2 SEGMENT RESULTS (PROFIT+/ LOSS – BEFORE TAX AND INTEREST FOR EACH SEGMENT)		
USA	14,139,674	10,099,659
INDIA	14,391,604	31,075,844
TOTAL	28,531,278	41,175,503
INTEREST	24,736,971	40,271,838
TOTAL PROFIT BEFORE TAX	3,794,307	903,665

II. As per Accounting Standard on segment reporting AS -17, prescribed by the Companies (Accounting Standards) Rules 2006, The Company has reported segment information.

SECONDARY SEGMENT INFORMATION:-

Particulars	IN USD	IN INR	PERIOD
SEGMENT ASSETS			
USA	2099095	114111524	Current Year
	(2713042)	(137860486)	Previous
SEGMENT LIABILITIES	1217110	63794374	Current Year
USA	(1921023)	(98689123)	Previous
CAPITAL EMPLOYED	881985	50317150	Current Year
USA	(792045)	(39171518)	Previous

BUSINESS SEGMENT

I. PRIMARY SEGMENT INFORMATION

PARTICULARS	FY 2012-13	FY 2011-12
1. TOTAL SALES AT EACH SEGMENT		
RICE	9,357,181,000	6,593,208,000
OIL	2,055,050,000	1,282,312,000
GROSS SALES	11,412,231,000	7,875,520,000
LESS :INTER SEGMENT REVENUE	162,082,000	75,837,000
NET SALES / INCOME FROM OPERATION	11,250,149,000	7,799,683,000



**2. SEGMENT RESULTS (PROFIT+/
LOSS – BEFORE TAX AND INTEREST
FOR EACH SEGMENT)**

RICE	656,181,000	563,272,000
OIL	28,847,000	23,434,000
TOTAL	685,028,000	586,706,000
INTEREST	405,194,000	389,985,000
EXCHANGE (GAIN)/LOSS	(5,919,000)	14,129,000
TOTAL	399,275,000	404,114,000
TOTAL PROFIT BEFORE TAX	285,753,000	182,592,000

As per Accounting Standard on Segment Reporting As –17, prescribed by Companies (Accounting Standard) Rules 2006, The Company has reported segment information.

SECONDARY SEGMENT INFORMATION :-

PARTICULARS	FY 2012-13	FY 2011-12
SEGMENT ASSETS		
OIL	691,517,000	605,019,000
SEGMENT LIABILITIES		
OIL	300,765,000	207,613,000
CAPITAL EMPLOYED		
OIL	390,752,000	397,406,000

E. IMPAIRMENT OF ASSETS

The Company has revised the future discounted cash flows based on value in use of fixed assets and is satisfied that the recoverable amount is more than the amount carried in the books. Accordingly, no provision is required to be made for the impairment in the accounts.

F. EARNING PER SHARE

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

PARTICULARS	2012-13	2011-12
Net profit attributable to Equity Shareholders	193,528,474	125,311,197
Equity shares at the beginning of the year	9,900,000	9,900,000
Equity Shares issued during the year	5,000,000	-
Equity shares at the end of year	14,900,000	9,900,000
Equity shares pending for allotment	-	6,330,194
Nominal value of equity share	10	10
Weighted Average Number of shares for Basic EPS	9,941,096	9,900,000
Weighted Average Number of shares for Dilluted EPS	9,941,096	10,400,000
Basic EPS	19.47	12.66
Dilluted EPS	19.47	12.05



G. OTHERS

- i) During the year, due to heavy rains & water overflows from the adjacent River/nallas at Mandideep plant of M/s SSA International Limited (Wholly Owned Subsidiary Company) the water entered into the plant, resulting in loss of Stock and Damage the various Fixed Assets. The water also damaged the Books of Account, computers etc. which resulted in loss of accounting data and records from April 1, 2012 to August 11, 2012. The accounts for this period have been reconstructed/reframed from the best available evidences and backups upon which auditors have relied
- ii) During the year, The Company has made the preferential allotment of 50,00,000 Equity shares of Rs.28 per share (with Premium of Rs.18 per share) on 29th March, 2013. The Excess amount of Share Application money of Rs.4,75,317 received is pending for refund and same has been shown under the head "Other Current Liabilities".

H. PREVIOUS YEAR FIGURES

The Company has regrouped/reclassified the previous year figures to make them comparable with current year figures.

FOR **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS
F.R. NO. : 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
VINAY AGGARWAL
PARTNER
M. NO. 82045

Sd/-
ANIL MITTAL
CHAIRMAN & MANAGING DIRECTOR

Sd/-
ATUL MITTAL
DIRECTOR

Place : New Delhi
Dated : May 30, 2013

Sd/-
KAMINI GUPTA
COMPANY SECRETARY & GM FINANCE



PERFORMANCE OF THE SUBSIDIARY – SSA INTERNATIONAL LIMITED

FINANCIAL RESULTS

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

PARTICULARS	Rs. In Crores	
	2012-2013	2011-2012
Sales and other Income	1149.36	780.38
Profit before tax, interest, depreciation and write offs	77.34	65.11
Interest & Financial Expenses	40.93	40.42
Depreciation & Misc. Expenditure written-off	7.52	6.43
Profit Before Tax	28.89	18.26
Provision for Taxation :		
— Current	5.73	3.67
— Deferred	2.57	1.18
— Earlier Years	1.60	1.22
Profit after Tax	18.99	12.19
Balance of Profit from Previous Years	64.23	52.04
Balance of Profit carried forward	83.22	64.23

OPERATIONS, FUTURE PROSPECTS AND KEY HIGHLIGHTS

Maintaining consistent growth in overall operations during the year under review. **The turnover and other income of the Company for the accounting year have increased to Rs. 1149.36 Crores as against Rs. 780.38 crores in the previous year which shows a growth of 47% with profits after taxes Rs. 18.99 crores.**

- New Solvent Extraction Plant of 100 MTPD capacity installed at Mandideep Location to cater the Rice Bran Oil Refinery.
- The Power Co Generation Plant at Samalkha Location was implemented and started its operations during the year under report and is proving a Energy Cost Saver system for the Company.
- The Company's strategy of moving into branded and higher value added products resulted into significant improvement in its turnover. The International Market in Dubai for export of its Products is growing. In these Markets the Company is selling the Products in its own Brands namely- "272", "SSA" and "Delight".
- Expanding the Rice Mill Capacity by installing the new Rice Mill Plant of 42000 MT Capacity at Mandideep Location with additional Sortex Capacities.
- Expanding by diversification towards setting up a Soyabean Solvent Extraction Plant of 600 MTD capacity at Mandideep Plant, with the financial assistance from IDBI Bank Ltd. Is towards its implementation stage and will be an added mile stone towards Company's Growth Track.
- This expansion is by Minimum Cost and with the object to utilize maximum of the available infrastructure. The strengthen operations have already started pouring in the Production, Sales and Profits and being reflected in the Financial Report of the Company.
- Enjoying the status of government recognized Trading House for its export performance.

MISSION

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

SAM BUILDCON LIMITED

PERFORMANCE OF THE SUBSIDIARY – SAM BUILDCON LIMITED

FINANCIAL RESULTS

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

FINANCIAL RESULTS	Rs. In Lacs	
PARTICULARS	2012-2013	2011-2012
Sales and other Income	614.80	657.33
Profit before tax, interest, depreciation and write offs	73.18	100.49
Interest & Financial Expenses	49.68	59.60
Depreciation & Misc. Expenditure written-off	15.81	15.05
Profit Before Tax	7.69	25.84
Provision for Taxation :		
— Current	0	5.21
— Deferred	5.38	7.48
— Fringe Benefits/Earlier Years	0	0
Profit after Tax	2.31	13.15
Balance of Profit from Previous Years	27.69	14.54
Balance of Profit carried forward	30.00	27.69

OPERATIONS, FUTURE PROSPECTS AND KEY HIGHLIGHTS

The Company's operations during the year under review are satisfactory and achieved a turnover of Rs. 614.80 lacs and Net Profits Rs. 2.31.

- Doing Garmenting for Samtex as well as some other brands.



SAMTEX FASHIONS LIMITED

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

PROXY FORM

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

I/We.....of.....in the district of.....being a Member/Members of the above Company hereby appoint Sh./Smt.....of..... in the district of..... or failing him/her..... of.....in the district of.....as my/our proxy to vote for me/us on my/our behalf at the **20th Annual General Meeting** of the Company to be held on Friday, **27th September, 2013** at 9:30 A.M. at the Registered Office of the Company i.e. Plot No. 134-135, Noida Special Economic Zone, Phase - II, Gautam Budh Nagar, Noida - 201305 (U.P.) and any adjournment thereof.

Signed this.....day of.....2013.

Signature.....



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



----- TEAR HERE -----



SAMTEX FASHIONS LIMITED

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

ATTENDANCE SLIP

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

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

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

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

I hereby record my presence at the **20th Annual General Meeting** of the Company held on **27th day of Sept., 2013**.

.....
Signature of the Member/Proxy

Admission slips without this information will not be accepted.

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



BOOK POST

If undelivered, please return to :



SAMTEX FASHIONS LIMITED

Corporate Office: Unit No. 306-308, Square One Mall,
C-2 District Center, Saket, New Delhi -110017.