



NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of FILATEX INDIA LIMITED will be held as scheduled below:

DAY : SATURDAY
DATE : 25TH SEPTEMBER, 2010
TIME : 9.30 A.M.
**PLACE : SURVEY NO.274, DEMNI ROAD, DADRA
(U.T. OF DADRA & NAGAR HAVELI) 396 191**

to transact the following business(es):

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet of the Company as at March 31, 2010 and the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To confirm the interim dividend of Rs. 1 per equity share, already paid for the financial year 2009-10.
3. To appoint a Director in place of Shri Madhav Bhageria, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Ram Avtar Bhageria, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize the Board of Directors to fix their remuneration.

By Order of the Board of Directors
For **FILATEX INDIA LIMITED**

PLACE : NEW DELHI
DATE : 3rd August, 2010

SANJEEV GUPTA
COMPANY SECRETARY

REGISTERED OFFICE:
Survey No.274, Demni Road, Dadra
(U.T. of Dadra & Nagar Haveli) 396 191

NOTES:

1. 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 AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 16th September, 2010 to 25th September, 2010 (both days inclusive).
3. Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting.
4. Members are requested to notify:
 - A) change of address, if any, with Pin Code, quoting reference of their folio number, to the Company.
 - B) members who are holding shares in Demat Mode are requested to notify any change in their address to their respective Depository Participant.
5. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.
6. Members wishing to claim dividend, which remain unclaimed, are requested to correspond with the Company Secretary of the Company.



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twentieth Annual Report along with the Audited Accounts for the year ended March 31, 2010.

FINANCIAL RESULTS:

Particulars	2009-2010	2008-2009
	(Rs. in Lacs)	
Sales/Income from Operations	42923	38428
Gross Profit before Financial Charges, Depreciation & Taxation	3934	2829
Financial charges	465	640
Depreciation	851	790
Profit before exceptional items and tax	2618	1399
Exceptional items		
– Profit on sale of Wind Mill unit	-	(122)
Profit before tax	2618	1521
Provision for Taxation		
– Current	648	171
– Deferred	251	853
– Fringe Benefit	-	10
– Taxation for earlier years	9	-
– MAT Credit Entitlement	(9)	(171)
Net Profit	1719	658
Balance brought forward from previous year	434	1026
Profit available for appropriation	2153	1684
Interim Dividend paid	171	-
Dividend Distribution Tax	29	-
Transfer to Capital Redemption Reserve	-	1250
Balance carried forward to Balance Sheet	1953	434

DIVIDEND

Your Company has paid interim dividend of Rs.1 per share for the year 2009-10. The total outflow for this purpose was Rs.171.41 lacs. In order to conserve the resources for future requirements, your Board has not recommended any final dividend for the year 2009-10.

OPERATIONS & OUTLOOK

Your Directors are pleased to inform you that the adoption of effective and efficient raw material/ inventory management system, stringent cost control measures and improved product mix continues to yield better results as reflected by the improved financial performance of the Company.

During the financial year, the Company has issued 40,00,000 convertible Warrants to be converted at the option of warrant holders in one or more tranches within eighteen months from 4th March, 2010 i.e. the date of allotment into equivalent number of fully paid up equity shares of the Company of the face value of Rs. 10 each at an exercise price of Rs. 40 per share (including premium of Rs. 30 per share) to the Promoters/ persons belonging to the Promoter Group on preferential basis. The money so raised has been utilized/ deployed in the ongoing expansion project of the Company.

Implementation of the Polyester Poly-Condensation plant together with increase in the existing POY capacity is going on as per schedule at a capital outlay of Rs. 240 crores.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposits.

DIRECTORS

Mr. Madhav Bhageria and Mr. Ram Avtar Bhageria, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.



DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 217 (2AA) of the Companies Act, 1956, your Directors state as under:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures there from;
- ii. that they have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for that period;
- iii. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that they have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

A separate Report on Corporate Governance as stipulated under clause 49 of the Listing Agreement along with the Auditors' Certificate regarding compliance of conditions of Corporate Governance and Management Discussion & Analysis are annexed hereto as part of the Annual Report.

AUDITORS & AUDITORS' REPORT

M/s Amod Agrawal & Associates, Chartered Accountants, Statutory Auditors of the Company hold office upto the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. Your Company has received a letter from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Observations, if any, made by the Auditors in their report read with the relative notes on accounts are self-explanatory.

STOCK EXCHANGE LISTING

The Equity Shares of your Company are listed on Bombay & Calcutta Stock Exchanges. The Annual Listing Fees has been paid to the aforesaid Stock Exchanges for the year 2010-2011.

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

A statement showing the necessary information as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed to this Report.

PARTICULARS OF EMPLOYEES

A Statement showing the particulars of employees under Section 217(2A) of the Companies Act, 1956 is annexed to this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to all shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Company Secretary.

ACKNOWLEDGEMENTS

Your Directors are pleased to place on record their sincere appreciation for the support, which the Company has received from its Bankers, Government Organizations, Dealers, Customers, Vendors, Staff and Employees. Your Directors also place on record their sincere appreciation for the confidence reposed by the Shareholders in the Company and its Management.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 3rd August, 2010

RAM AVTAR BHAGERIA
Chairman



REPORT ON CORPORATE GOVERNANCE

In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, given below is a Report on the matters mentioned in the said Clause.

1. Company's Philosophy on Code of Governance

Your Company is fully committed to conduct its business with due compliance of all applicable laws, rules and regulations. The Company's philosophy on Corporate Governance lays strong emphasis on integrity, transparency, accountability and full disclosure in all facets of its operations to achieve the highest standards of Corporate Governance and to enhance the trust of the creditors, employees, suppliers, customers and public at large. The Company believes that all its operations and actions must serve the underlying goal of enhancing shareholder value, over a sustained period of time.

2. Board of Directors

The Board of Directors is headed by non-executive Chairman and consists of total 8 members comprising of 5 non-executive Directors out of which 4 are Independent Directors representing an optimum mix of professionalism, knowledge and experience in their respective fields.

i) Present Structure of Board of Directors

S.No.	Name	Category of Director
1.	Shri Ram Avtar Bhageria Chairman	Non-Executive Director
2.	Shri Madhu Sudhan Bhageria Vice Chairman & Managing Director	Executive Director
3.	Shri Purrshottam Bhaggeria Joint Managing Director	Executive Director
4.	Shri Madhav Bhageria Joint Managing Director	Executive Director
5.	Shri B. B. Tandon Director	Non-Executive & Independent Director
6.	Shri Vibhu Bakhru Director	Non-Executive & Independent Director
7.	Shri S.C. Parija Director	Non-Executive & Independent Director
8.	Shri S.P. Setia Director	Non-Executive & Independent Director

Details of Directors being re-appointed at the ensuing Annual General Meeting are given at the end of this Report.

ii) Board Meetings

During the year 2009-10, the Board met five times on 28th April, 2009, 31st July, 2009, 30th October, 2009, 18th January, 2010 & 29th January, 2010.

Details of attendance of each Director at various meetings of the company and the membership held by the Directors in the Board/ Committees of other corporate bodies are as follows: -



S. No.	Name	No. of Board Meetings attended	No. of Other Directorships*	Committee Memberships*	Committee Chairmanships*	Attendance in AGM
1.	Shri Ram Avtar Bhageria	4	-	-	-	YES
2.	Shri Madhu Sudhan Bhageria	5	5	-	-	NO
3.	Shri Purshottam Bhaggeria	4	5	-	-	NO
4.	Shri Madhav Bhageria	1	3	-	-	YES
5.	Shri B. B. Tandon	5	14	7	1	NO
6.	Shri Vibhu Bakhru*	3	2	-	-	NO
7.	Shri S.P. Setia	4	1	1	1	YES
8.	Shri S.C. Parija	3	1	-	1	YES

* As on 31.03.2010. Represents Directorship & Membership/Chairmanship of Audit Committee & Shareholders Grievance Committee of Indian Public Companies.

iii) **Board Procedure:**

The members of the Board are provided with the requisite information mentioned in the Listing Agreement before the Board Meetings. The Directors actively participate in the deliberations of the Board.

All the Directors who are on various committees are within the permissible limits of the Listing Agreement. The Directors have intimated from time to time about their membership in the various Committees in other Companies.

3. **Audit Committee**

In terms of Section 292A of the Companies Act, 1956 and the requirement of the Listing Agreement with the Stock Exchanges, the Board has an Audit Committee comprising of five Directors namely, Shri S.P. Setia, Shri S.C. Parija, Shri B.B. Tandon, Shri Vibhu Bakhru, all Independent Directors and Shri Ram Avtar Bhageria, Non Executive Director. Shri S.C. Parija is Chairman of the Committee. The terms of reference of the Audit Committee are as per Section 292A of the Companies Act, 1956 and guidelines given in the Code of Corporate Governance, which inter-alia include the over view of Company's Financial Reporting Process, review of Quarterly, Half Yearly and Annual Financial Statements, Adequacy of Internal Control Systems, Major Accounting Policies & Practices, Compliances with Accounting Standards, Related Party Transactions, etc. The Company Secretary of the Company acts as the Secretary of the Committee.

The Internal Audit Reports are prepared by an external firm of Chartered Accountants & cover various operations of the Company and the Audit Committee of the Board of Directors reviews their findings regularly. This ensures a constant review of operations and systems and highlights the areas which need improvement. The reports form the basis of management functions, decisions and follow up.

During the year 2009-10 the Committee met 4 times. The attendance at the meetings is as under: -

Date of Meeting	No. of Members present
28-04-2009	5
31-07-2009	5
30-10-2009	4
29-01-2010	3

In addition to the Committee members, Shri Madhu Sudhan Bhageria, Managing Director, Shri Purshottam Bhaggeria, Joint Managing Director, President (F & A), Internal Auditors and Statutory Auditors were also present at the meetings to answer the queries raised by the Committee members.



4. Details of Remuneration paid to the Directors during the Financial Year ended 31st March, 2010

(Amt. in Rs.)

S. No.	Name of Directors	Salary, Allowances & Commission	Contribution to Provident Fund	Perquisites	Sitting Fees	Total
1.	Shri Ram Avtar Bhageria	—	—	—	17500	17500
2.	Shri Madhu Sudhan Bhageria, Managing Director	4554781	9360	200863	—	4765004
3.	Shri Purrshottam Bhaggeria, Joint Managing Director	4194781	9360	544076	—	4748217
4.	Shri Madhav Bhageria, Joint Managing Director	4194780	9360	289220	—	4493360
5.	Shri Vibhu Bakhru	—	—	—	15000	15000
6.	Shri S.P. Setia	—	—	—	17500	17500
7.	Shri S.C. Parija	—	—	—	22500	22500
8.	Shri B B Tandon	—	—	—	20000	20000

The employment of Managing/Joint Managing Directors is on contractual basis. Except Shri Ram Avtar Bhageria, Non-Executive Director who holds 4,62,000 Equity Shares, none of the Non-Executive Directors held any Equity Shares of the Company as on 31st March, 2010. The Managing/Whole-time Directors are paid remuneration as approved by the Board of Directors and Shareholders, on the recommendation of the Remuneration Committee, and such other authorities as the case may be and are not paid sitting fees for Board/Committee Meetings attended by them. Non-Executive Directors do not have any pecuniary relationship with the Company except sitting fees paid to them for attending the Board/Committee Meetings. No notice period and severance fee is applicable for the Executive Directors. The Company does not pay any performance-linked incentives to its Executive Directors. The Company does not have any Stock Options Scheme.

5. Shareholders'/Investors' Grievances Committee

For effective and efficient Investor Services, the Company has a Shareholders'/Investors' Grievances Committee. The Committee comprises of Shri S.P. Setia & Shri S.C. Parija, Independent Directors and Shri Purrshottam Bhaggeria, Joint Managing Director of the Company. Shri. S.P. Setia is the Chairman of the Committee. Amongst the other functions, the Committee looks into redressal of Shareholders complaints like non-transfer of Shares, non-receipt of Balance Sheet etc as required pursuant to Clause 49 of the Listing Agreement. The Company attends to Investor Grievances/correspondences expeditiously and all efforts are made to reply immediately. Shri Sanjeev Gupta, Company Secretary of the Company is the Compliance Officer. Based on its experience in performance of its duties, the Committee time to time suggests necessary measures for overall improvement of Investor Services.

During the year ended 31st March, 2010, 5 investors complaints /queries were received which were replied / resolved to the satisfaction of the investors and as on 31st March, 2010 there were no complaints / queries pending reply. There were no share transfers pending for registration for more than 30 days as on 31st March, 2010. As on 31st March, 2010, no requests for transfer of Shares were pending for approval.

The Company has also adopted a Code of Conduct for Prevention of Insider Trading in the Shares of the Company, pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The Board has designated Shri Sanjeev Gupta, Company Secretary as the Compliance Officer.



6. General Body Meetings:

The last three Annual General Meetings of the Company were held as under: -

Year	Location	Date	Time	Whether Special Resolution passed
2006-2007	Survey No.274 Demni Road, Dadra - 396 191 (U.T. of Dadra & Nagar Haveli)	10th September, 2007	09.30 A.M.	YES (4 Nos.)
2007-2008	Same as above	30th September, 2008	09.30 A.M.	NO
2008-2009	Same as above	25th September 2009	09.30 A.M.	NO

There is no item in the Notice of the forthcoming Annual General Meeting that is proposed to be passed through Postal Ballot.

7. Disclosures

- (i) None of the transactions with any of the related party were in conflict with the interest of the Company. Attention of the members is drawn to the disclosures of transactions with the related parties set out in Notes to the Accounts - Point 13 forming part of the Annual Report.
- (ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (iii) In preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are adopted have been set out in the Notes to Accounts forming part of the Annual Report.
- (iv) The Company has not adopted a Whistle Blower Policy. However, no personnel were denied access to the Audit Committee.
- (v) The Company has laid down Risk Management Policy to inform Board members about the risk assessment and minimization procedures.
- (vi) The Company has complied with all mandatory requirements set out in Clause 49 of the Listing Agreement.

8. Means of Communication

The Company is not sending half-yearly report to the shareholders, as it is not a mandatory requirement. The Company publishes its quarterly/half yearly/annual results, amongst others, in The Free Press Journal and Sandesh circulating in Dadra & Nagar Haveli. The same together with shareholding pattern and any other significant development is submitted to the Stock Exchanges. The Company is not making any official releases. The Financial Results, specified documents/statements are being displayed on SEBI website, www.sebidifar.nic.in in compliance with the provisions of Clause 51 of the Listing Agreement. The Company has not made any presentation to Institutional Investors or Analysts. Management Discussion and Analysis Report forms part of the Annual Report, which is posted to the shareholders of the Company.

9. Code of Conduct for Directors & Senior Management Personnel

The Board has adopted a Code of Conduct for observance of the Directors and Senior Management Personnel to ensure ethical conduct in performance of their duties.

The Code has been circulated to all the Directors and Senior Management Personnel and they have affirmed compliance of the same. A declaration in this regard signed by Managing Director of the Company is given at the end of this Report.



10. Shareholder's referencer

10.1 Annual General Meeting:

- Date and Time 25th September, 2010 at 9.30 A.M.
- Venue Survey No. 274, Demni Road, Dadra - 396191 (U.T. of Dadra & Nagar Haveli)

10.2 Financial Calendar (tentative)

- | | | |
|--|------------|--|
| Results for the quarter ending | 30-06-2010 | 3 rd August, 2010 |
| Results for the quarter/half year ending | 30-09-2010 | before 14 th November 2010 |
| Results for the quarter ending | 31-12-2011 | before 14 th February 2010 |
| Results for the quarter/year ending | 31-03-2011 | before 15 th March, 2011/
31 st May, 2011 |

10.3 Book Closure Date : 16th September, 2010 to 25th September, 2010 (both days inclusive)

10.4 Dividend Payment Date : Interim Dividend paid on 26th November, 2009 No final dividend is recommended by the Board of Directors.

10.5 Listing of Equity Shares : Mumbai and Calcutta. Annual Listing fees for the year 2010-11 has been paid to the on Stock Exchanges at above Stock Exchanges.

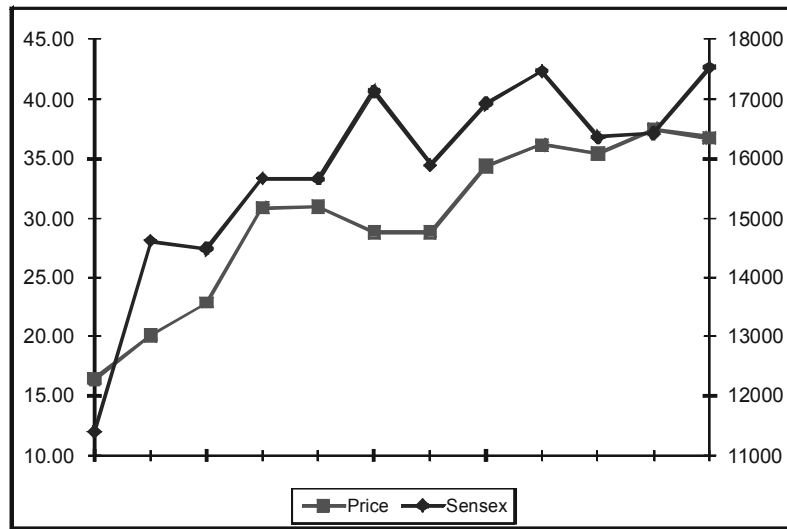
10.6 Stock Code :

- (a) Trading Symbol at The Bombay Stock Exchange Ltd. 526227
- The Calcutta Stock Exchange Association Ltd. 10016023
- (b) ISIN allotted to Equity Shares : INE816B01019

10.7 Stock Market Data:

Monthly High & Low of the Equity Shares of the Company for the year 2008-2009 based upon BSE Price data in comparison to BSE Sensex is given below:

Month	High		Low	
	Share Price	Sensex	Share Price	Sensex
April, 2009	17.37	11492	10.56	9546
May, 2009	21.90	14931	15.85	11621
June, 2009	25.50	15600	20.00	14017
July, 2009	30.90	15733	17.70	13220
August, 2009	34.00	16002	27.05	14684
September, 2009	33.00	17143	26.00	15357
October, 2009	32.05	17493	27.15	15805
November, 2009	37.50	17290	29.15	15331
December, 2009	39.00	17531	31.00	16578
January, 2010	43.00	17790	34.60	15982
February, 2010	41.45	16669	29.40	15652
March, 2010	38.95	17793	34.00	16438



10.8 Registrar and Transfer Agents : All the works relating to the share registry for the shares held in the physical forms as well as the shares held in the electronic form (Demat) are being done by MCS Limited at the following address:
 MCS Limited
 F-65, Okhla Industrial Area
 Phase-I, New Delhi - 110020
 Tel: 011-41406148
 Fax: 011-41709881
 Email: mcsdel@vsnl.com
Note: Shareholders holding shares in electronic mode should address all correspondence to their respective Depository Participants.

10.9 Share Transfer System: The Share Transfers in physical form are registered and returned to the respective shareholders within a period of 15 days from the date of receipt, subject to the documents lodged for transfer being valid in all respects. The Shareholders'/ Investors Grievances Committee meets twice in a month to approve share transfers/ transmissions.

10.10 Distribution of Shareholding according to categories of Shareholders as on 31st March, 2010:

S.No.	Category	No. of Shares	%
1.	Promoters Holding		
	Promoter Group	86,18,495	50.28
2.	Institutional Investors		
	Mutual Funds	63,400	0.37
	Banks and Financial Institutions	8,41,497	4.91
	Foreign Institutional Investors	17,00,000	9.92
3.	Others		
	Private Corporate Bodies	30,63,404	17.87
	Indian Public	28,44,943	16.59
	NRIs/ OCBs	9,658	0.06
	TOTAL	1,71,41,397	100.00



Distribution of Shareholding as on 31st March, 2010

Range		Share holders		Shares	
No. of Shares		Number	% to total holders	Number	% to total Capital
Upto	500	3849	88.50	582103	3.40
501	1000	245	5.63	210862	1.23
1001	2000	87	2.00	146882	0.86
2001	3000	44	1.01	115125	0.67
3001	4000	12	0.28	43491	0.25
4001	5000	19	0.44	90095	0.53
5001	10000	30	0.69	222328	1.30
10001	and above	63	1.45	15730511	91.76
Total		4349	100	17141397	100

10.11 Dematerialization of Shares:

The shares of the Company are traded in compulsory dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

Share Dematerialization record

As on 31st March, 2010, 1,66,99,477 Equity Shares were in dematerialized form which represents 97.42% of the paid up capital.

10.12 Outstanding GDR/ADRs/ Warrants or any Convertible Instruments, conversion dates and likely impact on Equity

The Company has issued 40,00,000 convertible Warrant to the Promoters \ Promoter Group on preferential basis. These warrants shall be converted within 18 months from date of its allotment i.e. 04.03.2010 at the option of warrant holder in one or more tranches at an exercise price of Rs. 40 per share (including premium of Rs. 30 per share).

10.13 Plant Location

1. Survey No.274, Demni Road, Dadra-396 191 (U.T. of Dadra & Nagar Haveli)
2. A-2, Extension, Phase - II (Noida), Distt. Gautam Budh Nagar - 201 304 (U.P.)

10.14 Address for Investor Correspondence

MCS Limited
F-65, Okhla Industrial Area, Phase-I,
New Delhi - 110020
Tel : 011-41406148
Fax: 011-41709881 Email: mcsdel@vsnl.com

Members can also contact us at :

The Company Secretary
Flatex India Limited
42, Community Centre, New Friends Colony,
New Delhi - 110 025

Email : shares@filatex.com

Shareholders are requested to quote their Folio Nos./DP ID/ Client ID, No. of Shares held and address for prompt reply.



11. RE-APPOINTMENT OF DIRECTORS:

Name of Director(s)	Shri Madhav Bhageria	Shri Ram Avtar Bhageria
Age (Years)	47	76
Qualifications	Graduate in Commerce	Graduate in Commerce
Date of Appointment	30-07-2008	30-07-2008
Expertise in specific functional areas/ other related activities.	Promoter looking after Marketing & Dadra works	Has vast experience in Polyster business and is associated with charitable Organisations
List of other Directorship (Indian Public Companies)	Helios Infrastructure & Projects Ltd. Animate Energy Limited Trilliant Hospitality Limited	–
Chairman/Member of the committees of the Board of the Companies on which he/she is a Director.	–	Filatex India Limited Member- Audit Committee

12. CEO/CFO CERTIFICATION

In terms of Clause 49 of the Listing Agreement, Managing Director and Chief Financial Officer of the Company have submitted a certificate certifying various covenants about financial/cash flow statements, internal controls, financial reporting etc. in respect of Accounts for the year ending 31st March, 2010 to the Board of Directors.

13. NON MANDATORY ITEMS:

The Company has not adopted any non mandatory requirements, except the Remuneration Committee as mentioned in Annexure 3 of Clause 49 of the Listing Agreement. The Remuneration Committee constituted earlier needs to be reconstituted in view of the withdrawal of nomination of Shri Inderpal S. Kalra by IDBI Bank Limited. During the year under review no meeting of the Remuneration Committee was held.

DECLARATION:

I, Madhu Sudhan Bhageria, Managing Director of the Company do hereby declare that all the Directors of the Company and Senior Management personnel have affirmed compliance with the Code of Conduct adopted by the Company for the financial year ended 31st March, 2010.

Place: New Delhi
Date : May 3, 2010

Madhu Sudhan Bhageria
Managing Director



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Auditors' Certificate on compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement
TO THE MEMBERS OF FILATEX INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by Filatex India Limited for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We state that in respect of investor grievances received during the year ended 31st March, 2010, the Company Secretary has certified that as at 31st March, 2010, there were no investor grievances remaining unattended/pending for a period exceeding one month.

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

For **AMOD AGRAWAL & ASSOCIATES**
Chartered Accountants

AMOD AGRAWAL
Partner
Membership No. 84175

Place: New Delhi
Dated: July 29, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

DISCLAIMER STATEMENT

Certain statements in this report on Management Discussion and Analysis may be forward looking statements and have been issued in terms of the applicable security laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed in the statements or implied due to the influence of external and internal factors, which are beyond the control of the Company. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

INDUSTRY STRUCTURE & DEVELOPMENT

The Indian textile industry has an overwhelming presence in the economic life of the Country. Besides providing one of the basic necessities of human being, the textile industry plays a crucial role in contributing to industrial output, export earnings and employment generation. The industry is the single largest employer after agriculture providing direct employment to more than 35 million people from almost all strata of society. It contributes 12% to export earnings, 11% to industrial production and 4% to the GDP. Man-made fibre/polyester filament yarn segment plays a vital role in the textile industry as it contributes to approximately 41% of the market consumption. The reason behind the higher demand of polyester filament yarn (PFY) is the continued increase in prices of cotton and limitation of growth of cotton industry.

INDUSTRY OUTLOOK

Indian textile industry after facing a period of slowdown in 2008 has shown signs of recovery during 2009. Strong domestic consumption and higher export demand have brought new optimism in the industry. From time to time the Government has also intervened to help the industry by bringing several stimulus packages.

FY 2009-10 witnessed growth in polyester product by 15%. Polyester filament yarn segment in particular grew by 14%. Beginning the third quarter of 2009 cotton prices assumed an increasing trend that is still continuing. The



favourable price difference of PFY with cotton yarn has led to increased demand for PFY. Almost firm price of PFY in comparison to increasing price of cotton is expected to result in further strengthening of price competitiveness of PFY vis-à-vis cotton yarn.

As far as domestic scenario is concerned, signs are very encouraging. As per a CRISIL Research Report demand for man-made fibre is expected to grow at CAGR of 7-8% between FY10 and FY13. Within the polyester group, PFY will continue to dominate with its share expected to increase from 31% in FY10 to 33% in FY13, higher than the growth expected in the overall man made fibre segment.

OPPORTUNITIES & CHALLENGES

Opportunities

- (i) Substantially gap in Demand & Supply
- (ii) Huge potential in non-apparel applications
- (iii) Shift towards man made fibers from cotton
- (iv) Rising prices of Cotton
- (v) Rising income level
- (vi) Increased spending on textiles products in rural areas

Challenges:

- (i) Volatile raw material prices
- (ii) Possibility of increase in excise duty
- (iii) Cheap imports due to international competition
- (iv) Expansion plans of other leading domestic manufacturers

COMPANY OUTLOOK

The Company has adopted various means and measures to improve operational efficiencies and reduce cost of production. The Company has commenced the production of Fully Drawn Yarn, which has higher margins. The Company is continuously exploring the possibilities of manufacturing yarns having higher value addition and consequent higher price realization. The implementation of Polyester Poly-condensation Plant will result in substantial reduction in operational costs leading to increase in margins. The Company is also planning forward integration into knitting and weaving

RISKS AND CONCERNS

The Company perceives the following main business risks:

- a) Backward integration adopted by other companies.
- b) Possible product substitution in the fibre market based on change in the prices of competitive fibres.
- c) International competition in post WTO scenario

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company remains committed to maintaining adequate and proper internal control systems and procedures in all the spheres of activity to provide reasonable assurance for orderly and efficient conduct of business and security of assets. It assures that all the assets are safeguarded and protected from unauthorized use and disposition and that all transactions entered into by the Company are duly authorized, recorded and reported. The Company has an elaborate budgetary control system and actual performance, which is constantly monitored by the management. The Company has well defined organization structure, authority levels and internal guidelines and rules. The internal control system ensures that the financial and other records are reliable for preparing financial statements and other data and for maintaining proper records of assets. The Company has an extensive system of internal controls which ensures optimum utilization and protection of resources, accurate reporting of financial transactions and compliance with applicable laws and regulations as also internal policies and procedures. The internal control system is supplemented by effective internal audit carried out by an external firm of Chartered Accountant and reports reviewed by the management at regular intervals.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review your Company achieved turnover of Rs. 42,923 lacs as against Rs. 38,428 lacs in the previous financial year. The net profit for the year under review was Rs.1719 lacs after providing for depreciation of Rs. 851 lacs and tax of Rs. 899 lacs as against a net profit of Rs. 658 lacs after providing for depreciation of Rs. 790 lacs and tax of Rs. 863 lacs during the previous year. During the year under review, there was nil exceptional gain as compared to Rs. 122 lacs during the previous year.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

Human Resources are vital to the success of any Organization. The Company lays emphasis on developing and facilitating optimum human performance by providing opportunity for open interactions, communications and feedback.



Relations with employees remained cordial during the year under review. Consistent and fair policies ensure that industrial relations continue to be peaceful and results in improvement in productivity and effectiveness. Your Company aims at creating development oriented approach for its employees by building systems, processes and focusing on recruitment of top quality manpower. Focus on performance appraisal and incentive schemes results in enhancing productivity on a substantial basis. It provides an opportunity to all the employees to utilize their full potential and grow in the organization and believes in empowering its people and providing a stimulating professional environment. The number of persons employed in the Company at the close of the Financial Year was 836.

ANNEXURE TO DIRECTORS' REPORT

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO IN ACCORDANCE WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY:

1. Energy Conservation measures taken:

The company, in line with its commitment towards conservation of energy, has taken the following steps through improved operational & maintenance practices:

- Replacing old motors with energy efficient motors
- Optimization of Air Conditioning system
- Introduction of low pressure air generation and distribution
- Installation of Air Pre Heater in PHS Boiler
- Existing lighting system replaced with energy efficient T5 fittings.

2. Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:

- Installation of high capacity energy efficient air compressors
- Installation of Inverters
- Increase in bobbin weight size
- Installation of false ceiling to reduce air conditioning area
- Modification of process system on an ongoing basis.

3. Impact of the measures at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- Reduction in power consumption and overall cost of production due to lower energy costs
- Improvement in both quality and productivity
- Increase in efficiency by optimum utilisation of power
- Lowering of equipment engagement load will result in longer life of equipments

4. Total energy consumption and energy consumption per unit of production:

The details are provided in Form 'A' given below.

B. TECHNOLOGY ABSORPTION:

The details are provided in Form 'A' given below.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

a) Activities relating to exports, initiative taken to increase export, development of new exports markets for product services & exports plans:

The Company is continuously exploring the possibilities for exports to newer markets. Consistent efforts are being made to sustain new avenues for exports.

b) Foreign Exchange earned	:	Rs. 305.24 Lacs
Foreign Exchange used	:	Rs.1004.20 Lacs

D. INFORMATION ON POLLUTION CONTROL MEASURES:

The Company is maintaining & monitoring environment and pollution control parameters at its plants on a continuous basis. The company does not generate any effluents, however, environment & pollution parameters are regularly analyzed and actual values are within the permissible norms.



FORM 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY:

A) Power and Fuel Consumption:	2009-2010	2008-2009
1. Electricity		
a) Purchased Units KWH	5,48,46,515	5,01,64,534
Total amount Rs.	21,23,54,518	20,40,52,411
Rate per unit Rs.	3.87	4.07
b) Own generation through DG Sets		
Units KWH	21,49,548	4,93,107
Units per Liter of Diesel oil	3.54	3.53
Cost per unit Rs.	8.05	8.41
2. Coal	NIL	NIL
3. Furnace Oil		
- Quantity (K. ltr)	774.171	542.806
- Total amount (Rs. in lacs)	170.44	129.42
- Average Rate/Litre (in Rs.)	22.02	23.84
4. Others	NIL	NIL
B) Consumption per unit of production :		
Electricity (KWH/kg)	0.92	0.93
Furnace Oil(K. ltr/MT)	0.013	0.010

FORM 'B'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION:

Research and Development:

- Specific areas in which Research and Development carried out by the Company:**
 - Optimization of process parameters to increase productivity, product quality & efficiency
 - New product development with special emphasis on products having higher value addition
 - Need based modernization / modification of production processes leading to reduction in consumption of raw material.
- Benefits derived as a result of the above research and development:**
 - Consistency and improvement in product quality leading to improved customer satisfaction
 - Increase of higher value added products in the overall product mix leading to lower dependency on commodity items
 - Lowering of maintenance cost
 - Tapping the new markets base due to development of new products.
- Future Plan of Action:**
 - Further increase of the volume of higher value added products in the overall product mix
 - Replacement of the existing DG Sets with Gas Based Generators, which will result into substantial saving of fuel oils.
 - Re-use of waste paper & paper tubes
 - Study of new material technology and development
- Expenditure on Research & Development:**
 - Capital)
 - Recurring) The expenditure has been
 - Total) charged under the primary
 - Total Research & Development) heads of accounts.
 - Expenditure as % of total turnover.)

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- Efforts in brief made towards technology absorption, adaptation and innovation:**
 - The Company has installed the latest state-of-art machines and is continuously adapting the latest technology and production processes to increase its production, quality & consistency in its production.
 - Market scenario is regularly monitored to meet different needs of the customers
 - Consistent efforts are made for development of new products to cater to varied requirements of the customer.
 - Regular efforts for improvements in production processes and modernization of the equipments for improved product quality.
 - Reduction in cost of packing
- Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.:**
 - Improved customer satisfaction leading to a dedicated clientele
 - Reduction in the cost of production and improve profitability margins
 - Increase of value added products leading to lower dependence on commodity items.
- In case of Imported Technology (Imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished: - N.A.**



AUDITORS' REPORT

TO THE MEMBERS OF FILATEX INDIA LIMITED

1. We have audited the attached Balance Sheet of Filatex India Limited as at March 31, 2010 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in para 3 above, 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 purposes 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, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956,
 - (e) On the basis of written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of section 274(1) (g) of Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and other notes thereon in Schedule No.22, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of Balance Sheet, of the state of the affairs of the Company, as at March 31, 2010.
 - ii) In the case of the Profit and Loss account, of the Profit of the Company for the year ended on that date; and
 - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **AMOD AGRAWAL & ASSOCIATES**
Chartered Accountants

Place : New Delhi
Date : 5th May 2010

AMOD AGRAWAL
Partner
Membership No. 84175
FR No.005780N

**Annexure referred to in paragraph (3) of our report of even date**

1.
 - a) The Company has maintained proper records to show full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management during the year in a phased manner and no material discrepancies have been noticed on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - c) The company has not disposed off substantial part of fixed assets during the year and going concern status of the company is not affected.
2.
 - a) The management has conducted physical verification of inventory at reasonable intervals.
 - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company is maintaining proper records of inventory and no material discrepancies in inventory were noticed on physical verification.
3.
 - a) As informed to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - b) According to the information and explanations given to us, the company has taken unsecured loan from a party covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.535.00 lacs and the year end balance of the loan taken from such party was Rs.Nil. In our opinion, the rate of interest and other terms & conditions are not prima facie prejudicial to the interest of the company. There is no overdue amount as the loan was payable on demand.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. There are no transactions in respect of sale of services during the year. Accordingly the issue of continuing failure to correct major weakness in internal control in these areas does not apply.
5. According to the information and explanations provided by the management, there are no transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from the public within the meaning of section 58A & 58AA of the Companies Act, 1956 and the rules made thereunder.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Govt. for the maintenance of Cost Records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have however, not made a detailed examination of these records.
9.
 - a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Cess and other statutory dues applicable to it with the appropriate authorities.



- b) According to the information and explanations given to us there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Custom duty and Excise duty outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
- c) According to the records of the company, there are no dues of wealth tax and cess, which have not been deposited on account of any dispute. Dues towards excise & customs duties, sales tax, service tax and income tax that have not been deposited on account of dispute are stated below:

S. No.	Nature of Dues	Amount (Rs/lacs)	Period to which it relates	Forum where Dispute is pending
1	NCCD on Deemed Exports & Job Work.	98.24	July, 2003 to June, 2004	Central Excise & Service Tax Appellate Tribunal, Western Zone, Ahmedabad.
2	NCCD on Deemed Exports.	2.76	July to Nov. 2004	Commissioner of Central Excise (Appeals), Vapi
3	Sales Tax	18.16	FY 2002-03	Appallete Tribunal, Noida(UP)
4	Differential duty on import of chips	14.54	December, 2007	Asst. Commissioner of Customs, Group II, E&B, JNCH, Navi Mumbai.
5	Co-Party made with a customer for discrepancies in compliance of export obligation by customer.	15.00	April, 2007	CESTAT, Western Zone, Ahmedabad.
6	Estimation of Sales value of Yarn	174.22	FY 2002-03	Supreme Court.
7	Demand on Non Receipt of Warehouse Certificate	4.81	June, 2005	Jt. Commissioner, Central Excise & Customs, Vapi.
8	Sales Tax	0.32	FY 2003-04	Jt. Commissioner (Appeals), Sales Tax
9	NCCD against CENVAT of basic excise duty	500.87	March 2006 to February 2008.	The Commissioner, Central Excise & Customs, Vapi
10	Penalty under Rule 209A of the CE Rules 1994.	0.50	FY 2005-06	The Asst. Commissioner, Customs, Group II, C&D, JNCH, Navi Mumbai.
11	Demand towards adjustments of NCCD against CENVAT credit of Basic Excise Duty.	21.68	February, 2008	The Jt. Commissioner, Central Excise & Customs, Vapi
12	Credit of Service Tax availed on courier service.	0.21	2005-06 & 206-07	The Asst. Commissioner of Central Excise, Silvassa.
13	Undue availment of DEPB Credit	26.14	FY 2009-10	Commissioner of Customs (Exports), Nhava Sheva

10. The Company has no accumulated losses at the end of the financial year. It has not incurred cash losses during the year under report and immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks.
12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund, nidhi / mutual benefit fund and societies.
14. The company has not dealt/traded in shares, securities and debentures. However in respect of investments made in mutual funds, in our opinion and according to the information and explanations given to us, proper records have been maintained for the transactions and contracts and timely entries have been made therein. The investments have been held by the company in its own name.



15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. Based on the audit procedures applied by us & according to the information & explanations provided by the management, the term loans taken by the company during the year have been applied for the purpose for which the loans were obtained.
17. According to the information and explanation given to us and on the basis of overall examination of the Balance Sheet of the company, in our opinion, no short term funds have been used for long term uses, during the year under our report.
18. During the year the company has not made any preferential allotment of shares. However the company has made preferential allotment of convertible warrants to the parties covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion the price at which shares are to be issued against warrants is not prejudicial to the interest of the company
19. During the period covered under our audit report, the Company has not issued any debentures. Therefore the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information & explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit that causes the financial statement to be materially misstated.

For **AMOD AGRAWAL & ASSOCIATES**
Chartered Accountants

Place : New Delhi
Date : 5th May 2010

AMOD AGRAWAL
Partner
Membership No. 84175
FR No.005780N

FILATEX INDIA LIMITED



BALANCE SHEET AS AT MARCH 31, 2010

(Rs /Lacs)

PARTICULARS	SCHEDULE NO	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS			
Share Capital	1		
- Equity		1714.14	1714.14
- Advance against Preferential Convertible Warrants (Refer Note No. 4 of Notes to Accounts)		800.00	-
- Reserves & Surplus	2	7045.49	5527.37
		9559.63	7241.51
LOAN FUNDS			
Secured - Terms Loans	3(a)	1898.57	2605.64
- Working Capital Loans		1485.56	1486.01
Unsecured	3(b)	83.11	337.28
		3467.24	4428.93
Deferred Tax Liability		1354.64	1103.81
		14381.51	12774.25
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	17738.18	16481.94
Less Depreciation		8285.12	7477.61
		9453.06	9004.33
NET BLOCK			
Capital Work In Progress		671.18	244.08
		10124.24	9248.41
INVESTMENTS	5	0.01	277.79
CURRENT ASSETS, LOANS & ADVANCES:			
Inventories	6	2720.44	1375.20
Sundry Debtors	7	1972.01	1092.46
Cash & Bank Balances	8	294.74	1390.82
Other Current Assets	9	248.29	121.89
Loans & Advances	10	519.93	927.76
		5755.41	4908.13
LESS:CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	11	1340.85	1532.26
Provisions		161.30	133.82
		1502.15	1666.08
NET CURRENT ASSETS		4253.26	3242.05
Miscellaneous Expenditure (to the extent not written off or adjusted)	12	4.00	6.00
		14381.51	12774.25
Notes To Accounts	22		

The schedules referred to above and Notes to Accounts form an integral part of the Accounts

for and on behalf of the Board

As per our report of even date attached
for **AMOD AGRAWAL & ASSOCIATES**
Chartered Accountants

AMOD AGRAWAL
Partner
Membership No. 84175
FR No. 005780N

Place : New Delhi
Date : 5th May 2010

SANJEEV GUPTA
Company Secretary

R P GUPTA
President (F & A)

RAM AVTAR BHAGERIA
Chairman

MADHU SUDHAN BHAGERIA
Vice Chairman & Managing Director

PURRSHOTTAM BHAGGERIA
Joint Managing Director

S C PARIJA, Director

S P SETIA, Director

B B TANDON, Director

VIBHU BAKHRU, Director



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

(Rs. /Lacs)

PARTICULARS	SCHEDULE NO	YEAR ENDED MARCH 31, 2010	YEAR ENDED MARCH 31, 2009
INCOME			
Gross Sales	13	42923.48	38427.93
Less: Excise Duty		<u>2947.42</u>	<u>2521.04</u>
Net Sales		39976.06	35906.89
Other Operating Income	14	43.09	34.45
Other Income	15	14.68	18.02
Increase/(Decrease) in Stocks	16	<u>708.30</u>	<u>(312.28)</u>
		<u>40742.13</u>	<u>35647.08</u>
EXPENDITURE			
Cost of Materials Consumed	17	32492.32	28817.16
Manufacturing & Administration expenses	18	3061.32	2851.77
Payment & Benefits to Employees	19	987.40	844.52
Selling Expenses	20	268.01	305.17
Financial Charges	21	464.71	639.59
Depreciation		<u>850.74</u>	<u>789.93</u>
		<u>38124.50</u>	<u>34248.14</u>
Profit before exceptional items & taxes		2617.63	1398.94
Exceptional Items:			
- Profit on sale of Wind Mill unit		-	121.85
- Profit before Tax		<u>2617.63</u>	<u>1520.79</u>
- Provisions for Tax:			
Current		648.15	171.12
Deferred		250.82	852.60
Fringe Benefit		-	10.43
Taxation for earlier years		8.76	-
MAT Credit Entitlement		(8.76)	(171.12)
Profit after Tax		<u>1718.66</u>	<u>657.76</u>
Balance Brought Forward from previous year		434.14	1026.38
Profit available for appropriation		2152.80	1684.14
Appropriations:			
Dividend paid		171.41	-
Dividend distribution tax		29.13	-
Transfer to Capital Redemption Reserve		-	1250.00
Balance Carried to Balance Sheet		<u>1952.26</u>	<u>434.14</u>
Earnings per Share(EPS) (Face value of Rs.10/- per share)			
Basic before & after extra ordinary items (in Rupees)		10.03	3.84
Diluted before & after extra ordinary items (in Rupees)		9.85	3.84
Notes to Accounts	22		

The schedules referred to above and Notes to Accounts form an integral part of the Accounts

As per our report of even date attached for **AMOD AGRAWAL & ASSOCIATES** Chartered Accountants

AMOD AGRAWAL
Partner
Membership No. 84175
FR No. 005780N

Place : New Delhi
Date : 5th May 2010

SANJEEV GUPTA
Company Secretary

R P GUPTA
President (F & A)

for and on behalf of the Board

RAM AVTAR BHAGERIA
Chairman
MADHU SUDHAN BHAGERIA
Vice Chairman & Managing Director
PURRSHOTTAM BHAGGERIA
Joint Managing Director
S C PARIJA, Director
S P SETIA, Director
B B TANDON, Director
VIBHU BAKHRU, Director



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH, 2010

(Rs./Lacs)

PARTICULARS	Year ended March 31, 2010	Year ended March 31, 2009
A Cash Flow from Operating Activities		
Net Profit before Tax	2617.62	1520.80
Adjusted for:		
Depreciation	850.74	789.93
Interest expenses	291.22	459.83
Interest received	(27.05)	(8.13)
Bad debts written off / Provision for doubtful debts	7.22	63.15
Provision no longer required, written back	11.00	-
Provision for diminution in investment	-	23.26
(Profit)/Loss on Sale of Fixed Assets	0.57	5.68
(Profit)/Loss on investment	(5.59)	71.79
Exceptional items	-	(121.85)
Dividend received	(9.09)	(18.03)
Misc expenses written off	2.00	2.00
Operating Profit before Working Capital Changes	3727.64	2788.43
Adjusted for:-		
Trade and Other Receivables	(1007.10)	144.14
Inventories	(1345.22)	1186.04
Trade Payables	(170.24)	(301.07)
Net cash from operating activities	1194.07	3817.54
Exceptional items	-	121.85
Direct Taxes Paid	(430.10)	(216.10)
Net Cash generated from Operations (a)	763.97	3723.29
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1733.49)	(1567.38)
Sale of Fixed Assets	6.32	225.35
Purchase of Investment	(4750.00)	(4120.00)
Sale of Investments	5033.38	3818.95
Dividend received	9.09	18.03
Interest received	27.05	8.13
Net Cash used in Investing Activities (b)	(1407.65)	(1616.92)



C. Cash Flow from Financing Activities

Proceeds/(repayment) from Unsecured Loans	(254.17)	(961.78)
Proceeds/(repayment) from Short Term Borrowings	(0.45)	19.44
Proceeds from Long Term Loans	283.12	1623.33
Repayment of Long Term Loan	(990.19)	(645.52)
Interest Paid	(291.22)	(459.83)
Dividend & dividend distribution tax paid	(200.55)	0.00
Redemption of Non Convertible Preference Shares	0.00	(356.58)
Proceeds from Issue of preferential convertible warrants	800.00	0.00
Net Cash Flow from Financing Activities ©	(653.45)	(780.94)
Net Increase/(Decrease) in cash & Cash Equivalents(a+b+c)	(1297.13)	1325.43
Opening balance of Cash & Cash Equivalents	1351.33	25.90
Closing balance of Cash & Cash Equivalents	54.20	1351.33
Cash & Cash Equivalents at the year end includes :		
Cash in hand	13.71	11.78
Balance with Scheduled Banks		
On Current Accounts	21.26	36.31
Unpaid dividends	0.96*	0.00
On Cash Credit Accounts	18.27	1303.24
On Term Deposits	240.54	39.48
	294.74	1390.81
Less : Deposit Pledged & having maturity period of more than 3 months	240.54	39.48
	54.20	1351.33

Notes :* These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.
Previous year figures have been regrouped wherever necessary.

As per our report of even date attached
for **AMOD AGRAWAL & ASSOCIATES**
Chartered Accountants

AMOD AGRAWAL
Partner
Membership No. 84175
FR No. 005780N

Place : New Delhi
Date : 5th May 2010

for and on behalf of the Board

RAM AVTAR BHAGERIA
Chairman

MADHU SUDHAN BHAGERIA
Vice Chairman & Managing Director

PURRSHOTTAM BHAGGERIA
Joint Managing Director

S C PARIJA, Director

S P SETIA, Director

B B TANDON, Director

VIBHU BAKHRU, Director

SANJEEV GUPTA
Company Secretary

R P GUPTA
President (F & A)

FILATEX INDIA LIMITED



SCHEDULES FORMING PART OF BALANCE SHEET

(Rs /Lacs)

PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE 1 SHARE CAPITAL		
AUTHORISED		
4,00,00,000 (Previous Year 2,75,00,000) Equity Shares of Rs.10/- each	4000.00	2750.00
NIL (Previous Year 1,25,00,000) Redeemable Preference shares of Rs.10/- each	NIL	1250.00
	<u>4000.00</u>	<u>4000.00</u>
ISSUED, SUBSCRIBED AND PAID UP		
1,71,41,397 (Previous Year 1,71,41,397) Equity Shares of Rs.10/- each fully paid up	1714.14	1714.14
	<u>1714.14</u>	<u>1714.14</u>

SCHEDULE 2 - RESERVES & SURPLUS

	AS AT 01/04/2009 (Rs/Lacs)	Additions during the year (Rs/Lacs)	Adjustment during the year (Rs/Lacs)	AS AT 31/3/2010 (Rs/Lacs)
i) Securities Premium	2165.86	-	-	2165.86
i) General Reserve	424.26	-	-	424.26
iii) Capital Reserve	1253.11	-	-	1253.11
iv) Capital Redemption Reserve	1250.00	-	-	1250.00
v) Profit & Loss A/c	434.14	1518.12	-	1952.26
	<u>5527.37</u>	<u>1518.27</u>	<u>-</u>	<u>7045.49</u>



PARTICULARS	(Rs /Lacs)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE 3 - LOAN FUNDS		
Schedule 3 (a) Secured Loans:		
i) Term Loans from Banks		
– Rupee	–	78.87
– Foreign Currency	1834.09	2464.75
– Vehicle Loans	64.48	62.02
ii) Working Capital Loan from Banks		
– Rupee	416.84	36.25
– Foreign currency	1068.72	1449.76
	3384.13	4091.65
<p>a) Term Loans from Banks are secured by way of first charge on pari-passu basis on all immovable and movable assets of the Company, both present and future (save and except inventories and book debts) and vehicles loans which are secured by way of exclusive charge on specific assets.</p> <p>b) Working capital loans from scheduled banks are secured by way of hypothecation of stocks of raw material, work-in-progress, finished goods, stores & spares, other consumables and book debts of the company both present and future and by way of second charge on fixed assets of the company.</p> <p>c) The above loans except vehicle loans are further guaranteed by the three Promoter Directors in their personal capacity.</p> <p>d) Installments of term loans & vehicle loans due within next 12 months are Rs.909.97 lacs (previous year Rs.910.82 lacs)</p>		
Schedule - 3 (b) Unsecured Loans:		
i) From Bodies Corporate	–	250.00
ii) Dealers Deposits	83.11	87.28
	83.11	337.28



SCHEDULE 4 - FIXED ASSETS

(Rs/Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.09	Additions	Sale/ Adjust- ments	As at 31.03.10	As at 01.04.09	For the Year Ended 31.03.10	Adjust- ments	TOTAL	As at 31.03.10	As at 31.03.09
Tangible Assets										
Lease Hold Land	43.39	-	-	43.39	3.73	0.53	-	4.26	39.13	39.66
Free Hold Land	225.44	382.11	-	607.55	-	-	-	-	607.55	225.44
Factory Buildings	884.23	259.87	-	1144.10	308.64	34.91	-	343.55	800.55	575.59
Non-Factory Buildings	570.85	-	-	570.85	111.64	9.30	-	120.94	449.91	459.21
Plant & Machinery	14184.93	583.26	-	14768.19	6796.48	761.53	-	7558.01	7210.18	7388.45
Office Equipments	97.44	4.44	-	101.88	37.71	4.68	-	42.39	59.49	59.73
Furniture & Fixtures	116.22	6.84	0.75	122.31	66.37	6.35	0.74	71.98	50.33	49.85
Computers	85.88	9.63	36.79	58.72	71.09	5.13	36.79	39.43	19.29	14.79
Vehicles	245.83	60.23	12.59	293.47*	78.01	22.76	5.70	95.07	198.40	167.82
	16454.21	1,306.38	50.13	17710.46	7473.67	845.19	43.23	8275.63	9434.83	8980.54
Intangible Assets										
Computer Software	27.72	-	-	27.72	3.94	5.55	-	9.49	18.23	23.78
Capital Work in Progress	244.08	671.18 #	244.08	671.18	-	-	-	-	671.18	244.08
Grand Total	16726.01	1977.56	294.21	18409.36	7477.61	850.74	43.23	8285.12	10124.24	9248.40
Previous Year	15571.33	1684.91	530.23	16726.01	6870.51	799.04	191.96	7477.59	9248.42	8700.82

* Includes vehicles taken on hire purchase amounting to Rs.144.81 lacs (Upto Previous Year Rs.110.99 lacs)

Includes advances against Land and Plant & Machinery - Rs.573.93 lacs (Previous Year Plant & Machinery and Building under construction pending capitalization Rs.244.08 lacs) and Pre-Operative Expenses - Rs.97.25 lacs (Previous year - Nil) as per details mentioned below:

- Up front fee/bank charges	Rs. 69.50 (in Lacs)
- Legal & professional charges	Rs. 5.94 (in Lacs)
- Travelling Expenses	Rs. 11.75 (in Lacs)
- Salary & Wages	Rs. 10.06 (in Lacs)
Total	<u>Rs. 97.25 (in Lacs)</u>

SCHEDULE 5 - INVESTMENTS (AT COST)

LONG TERM, NON TRADE (QUOTED)

Fully Paid Equity Shares (Face Value Rs. 10/- Each, Unless otherwise stated)

PARTICULARS	AS AT MARCH 31, 2010		AS AT MARCH 31, 2009	
	No. of Shares/Units	(Rs/Lacs)	No. of Shares/Units	(Rs/Lacs)
Tata Coffee Ltd.	5	0.03	5	0.03
B.S.I. Industries Ltd.	4,600	4.90	4,600	4.90
Cavalet India Ltd.	5,000	1.79	5,000	1.79
Montana International Ltd.	4,500	1.17	4,500	1.17
		<u>7.89</u>		<u>7.89</u>

CURRENT, NON-TRADE (UNQUOTED)

Units of Mutual Funds

(Face value of Rs. 10/ each per unit)

Tata Gilt Securities Fund- Dividend (2277773 units sold during the year)	-	-	2277773	301.04
		<u>7.89</u>	-	<u>308.93</u>
Less : Provision for diminution in value		<u>7.88</u>		<u>31.14</u>
		<u>0.01</u>		<u>277.79</u>

Market value of quoted investments as on 31/03/2010 Rs.0.02 lac (Previous year Rs.277.79 lac)

Current Investments:

Units of mutual funds, non-trade (unquoted) purchased and sold during the year, but not existing on the balance sheet date:

- i) 2175273 units of HDFC Cash Management Fund
- ii) 4505127 units of Fortis Short Term Income Fund
- iii) 1319184 units of Reliance Medium Term Fund
- iv) 44896 units of Tata Liquid Super High Investment Fund
- v) 272259 units of Tata Treasury Manager Fund
- vi) 4506291 units of Birla Sun Life Saving Fund



PARTICULARS	(Rs /Lacs)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE 6 - INVENTORIES		
Raw Materials	1016.93	408.59
Stores, Spares & Consumables	272.85	244.62
Work in Progress	231.82	125.56
Finished Goods	1198.47	596.43
Goods in Transit	0.37	-
	2720.44	1375.20
SCHEDULE 7 - SUNDRY DEBTORS		
(Unsecured, Considered Good unless otherwise stated)		
Exceeding 6 months	101.88	106.97
Others	1963.36	1082.20
Total Debtors	2065.24	1189.17
Less: Provision for doubtful debts	93.23	96.71
	1972.01	1092.46
SCHEDULE 8 - CASH & BANK BALANCES		
Cash in hand	13.71	11.78
Balances with Scheduled Bank -		
- In Current Accounts	21.26	36.31
- Unpaid Dividend Accounts	0.96	-
- Cash Credit Accounts	18.27	1303.25
- In Fixed Deposits (pledged with banks as Margin Money)	240.29	39.23
- In Fixed Deposits (pledged with Sales Tax Department)	0.25	0.25
	294.74	1390.82
SCHEDULE 9 - OTHER CURRENT ASSETS		
Interest receivable	0.84	0.74
Prepaid Expenses	51.57	102.15
DEPB Licenses/Customs Duty Advance	11.45	-
Insurance Claim Receivable	184.43	19.00
	248.29	121.89
SCHEDULE 10 - LOANS & ADVANCES		
(Unsecured, Considered Good)		
Advances Recoverable in Cash or in kind or value to be received (includes Rs. 19.96 lacs given to employees, Previous year-Rs. 14.46 lacs)	118.19	244.15
Balance with Excise Department	141.97	52.17
VAT Receivable	29.04	216.16
Security Deposits	39.94	34.77
Mat Credit entitlement recoverable	140.34	332.30
Income Tax recoverable	50.45	48.21
	519.93	927.76



PARTICULARS	(Rs /Lacs)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE 11 - CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors		
- Acceptances	-	232.83
- for Material	569.13	328.69
- for Services	133.64	101.00
- Micro/Small Enterprises (Refer Note 8 to Schedule 22)	0.62	-
Advances / Balances of customers	61.23	202.90
Excise Duty/Service Tax/TDS Payable	71.46	64.62
Unpaid dividend (to be transferred to investor protection fund as and when due)	0.96	-
Others	503.81	602.22
	1340.85	1532.26
PROVISIONS		
Gratuity	88.02	89.17
Leave Encashment	59.27	47.96
Income/Wealth Tax (Net of Advance Tax, TDS & MAT Credit availed aggregating to Rs.633.99 lacs Previous Year Rs.320.77 lacs)	14.01	(3.74)
Fringe Benefit Tax	-	0.43
	161.30	133.82
TOTAL	1502.15	1666.08
SCHEDULE 12 - MISCELLANEOUS EXPENDITURE		
Capital Issue Expenses	6.00	8.00
Less: Written off during the year	2.00	2.00
	4.00	6.00
	YEAR ENDED MARCH 31, 2010	YEAR ENDED MARCH 31, 2009
SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT		
SCHEDULE 13 - SALES/INCOME FROM OPERATIONS		
Sales - Domestic (Includes Traded goods of Rs.26.66 lacs, Previous Year - Nil)	42536.33	38237.93
- Exports (Includes merchandise exports of Rs.107.50 lacs, Previous Year - Nil)	338.07	158.69
Export Incentives earned	17.87	-
Job Work	0.07	1.99
Sale of Scrap	31.14	29.32
	42923.48	38427.93



PARTICULARS	(Rs /Lacs)	
	YEAR ENDED MARCH 31, 2010	YEAR ENDED MARCH 31, 2009
SCHEDULE 14 - OTHER OPERATING INCOME		
Interest on FDR (TDS of Rs.0.24 lacs, Previous Year Rs.1.54 lacs)	1.52	6.93
Interest - others (TDS of Rs.1.92 lacs, Previous year Rs.1.56 lacs)	25.53	21.80
Provisions written back no longer required	11.00	-
Exchange Fluctuations Gain	1.65	2.28
Miscellaneous Receipts	3.39	3.44
	43.09	34.45
SCHEDULE 15 - OTHER INCOME		
Dividend (On current investments, non trade)	9.09	18.02
Profit on sale of Mutual Funds	5.59	-
	14.68	18.02
SCHEDULE 16 - INCREASE/(DECREASE) IN STOCK		
Opening Stock of Finished Goods and Work in Progress	721.99	1034.27
Closing Stock of Finished Goods and Work in Progress	1430.29	721.99
	708.30	(312.28)
SCHEDULE 17 - COST OF MATERIAL CONSUMED		
Raw Material	30368.71	27477.68
(Includes exchange fluctuation of Rs.2.66 lacs, previous year Rs.13.75 lacs)		
Consumables	162.97	125.61
Store & Spares	404.92	236.00
Packing Material	1419.66	977.86
Goods for resale	136.06	-
	32492.32	28817.15
SCHEDULE 18 - MANUFACTURING & ADMINISTRATIVE EXPENSES		
Repair & Maintenance - Machinery	89.62	109.78
- Building	126.81	71.21
- Others	35.56	37.28
Electricity expenses	18.61	16.49
Power & Fuel	2488.05	2241.32
Rates & Taxes	6.73	5.89
Printing & Stationery	13.93	11.21
Postage, Telephone & Telegram	29.21	28.95
Rent	63.26	59.22
Travelling & Conveyance	72.54	59.87
Vehicle Running & Maintenance	24.75	25.74
Legal & Professional Charges	17.18	17.92
Auditor's Remuneration (Net of Service Tax)	4.21	4.17
Insurance Expenses	42.33	41.56
Director's Sitting Fees	0.93	0.87
Security Services	6.18	3.52
General Expenses	5.09	5.75
Miscellaneous Expenditure Written off	2.00	2.00
Donation	0.29	1.01
Advertisement & Publicity	6.09	4.22
Membership Fees & Subscription	7.38	3.07
Loss on sale of units of mutual fund (current - non trade)	-	71.78
Provision for dimunition in value of investments	-	23.26
Loss on Sales of Fixed Assets	0.57	5.68
	3061.32	2851.77



PARTICULARS	(Rs /Lacs)	
	YEAR ENDED MARCH 31, 2010	YEAR ENDED MARCH 31, 2009
SCHEDULE 19 - PAYMENT & BENEFITS TO EMPLOYEES		
Salary, Wages, Bonus & Commission	883.32	733.27
Employer's Contribution to Provident & other funds	43.29	50.31
Other Benefits	60.79	60.94
	<u>987.40</u>	<u>844.52</u>
SCHEDULE 20 - SELLING EXPENSES		
Market Development	21.67	16.49
Freight Outward	79.68	106.49
Commission & Claims	159.44	119.04
Bad Debts Written off	10.70	9.10
Provision for doubtful debts	(3.48)	54.05
	<u>268.01</u>	<u>305.17</u>
SCHEDULE 21 - FINANCIAL CHARGES		
Interest on Term Loans	157.57	228.86
Interest on Working Capital Loans & Others	133.64	251.56
Bank Charges	67.44	81.45
Premium on Forward Contracts	106.06	77.72
	<u>464.71</u>	<u>639.59</u>

SCHEDULE-22 -SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS.

I. NATURE OF OPERATION

Filatex India Ltd. is a manufacturer of Polyester, Nylon, Poly propylene Multi & Mono Filament Yarn and Narrow fabrics.

II. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Concepts

The financial statements are prepared under the historical cost convention in compliance with the Accounting Standards specified to be mandatory by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

b) Fixed Assets & Depreciation:

- i) Fixed Assets are stated at cost net of cenvat / value added tax and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financial costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable directly to fixed assets are capitalized.
- ii) Depreciation has been provided on straight-line method on pro-rata basis at the rates & manner prescribed in Schedule XIV of the Companies Act, 1956 except for the following assets where higher rate of depreciation is charged to represent the useful life of these assets.

	Rates charged (SLM)	Schedule XIV Rates (SLM)
Plant & Machinery (pre-used)	7.83%	5.28%
Plant & Machinery (Capital spares)	12.50%	5.28%

- iii) Fixed assets costing below Rs.5,000/- are fully depreciated in the year of acquisition.
- iv) Lease hold land is amortized over the period of lease.

c) Foreign Currency Transactions:

- i) Initial Recognition :
Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transactions.



- ii) **Exchange Differences :**
Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.
- iii) **Forward Exchange Contracts (Derivative instruments)** not intended for trading or speculation purposes
The Company uses derivative financial instruments including forward exchange contracts to hedge its risk associated with foreign currency fluctuations. The premium or discount arising at the inception of forward exchange contract is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.
- d) **Inventories**
Inventories are valued as follows:
Raw Material & Others:
Lower of cost or net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if finished products, in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on First In First Out (FIFO) basis.
Work in Progress and Finished Goods:
Lower of cost or net realisable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
By Products and Waste :
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.
- e) **Investments**
Investments are stated at Cost less provision for diminution in value.
- f) **Employees Benefits**
The employees' gratuity fund and leave encashment schemes are the company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit credit Method.
- g) **Revenue Recognition**
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured.
Sale of Goods
Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are net of return, volume discount, trade discounts & sales tax including excise duty.
Export Benefits
Export benefits constituting import duty benefits under Duty Exemption Pass Book (DEPB) and Advance License Scheme are accounted for on accrual basis.
Interest Income
Interest is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.
- h) **Borrowing cost**
Borrowing cost attributable to acquisitions and construction of assets are capitalized as a part of cost of such assets upto the date when such assets are ready for its intended use and other borrowing cost are charged to Profit & Loss Account.
- i) **Accounting for Taxes on Income**
Provision for tax on income is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.
- j) **Impairment of Assets**
Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is defined as value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the



- impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years.
- k) Intangibles**
Intangible assets, software etc. are accounted at their cost of acquisition and amortised over their estimated economic life not exceeding 5 years. Leasehold improvements are charged to the Profit & Loss Account over the primary period of lease.
- l) Provisions**
A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.
- m) Earnings Per Share (EPS)**
Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted Earnings per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year and adjusted for the effects of all dilutive potential Equity Shares.
- n) Miscellaneous Expenditure**
Miscellaneous expenditure represents expenses incurred for issue of share capital. The same are written off over a period of five years in equal installments.

III. NOTES TO ACCOUNTS:

1. (i) Contingent liabilities not provided for in respect of: (Rs/Lacs)
- | PARTICULARS | Year Ended
March 31, 2010 | Year Ended
March 31, 2009 |
|---|------------------------------|------------------------------|
| a) Letters of Credit | 4473.99 | 195.88 |
| b) Unexpired Letter of Guarantees | 234.87 | 188.00 |
| c) Excise / Customs (mainly relating to reversal of cenvat credit of NCCD & valuation of texturised yarns). | 879.68 | 874.93 |
| d) Sales Tax demand (emerging from rejection of consignment sales due to different interpretation) | 19.13 | 18.67 |
| e) Income Tax demand (Demand of MAT for AY 2004-05 due to different interpretation of brought forward losses) | 34.94 | 49.81 |
| f) Claims not acknowledged as debts | 55.87 | 55.87 |
- (ii) The company carries an export obligation of Rs.2836.39 lacs (Previous year - Rs.2219.80 lacs) under EPCG against duty free import of plant & machinery.
2. Capital contracts remaining to be executed (net of payments) and not provided for:-Rs. 9712,19 lacs (Previous year- Rs.Nil)
3. There was a fire at company's Monofilament Yarn unit at Noida (UP) on April 18, 2009 which affected some of its production lines and factory buildings. The affected production lines and factory building have been repaired and production has been restored. The company has lodged its claim with the insurers and has decided to carry forward Rs.128.68 lacs, net of Rs.25.00 lacs on account of non-recoverables, which accordingly have been charged to Profit & Loss Account.
4. During the year, the company has issued 40,00,000 Convertible Warrants to be converted at the option of warrant holders in one or more tranches within 18 months from March 04, 2010 i.e. the date of allotment of warrants into equivalent number of fully paid up equity shares of the company of the face value of Rs.10/- each at an exercise price of Rs.40.00 per share (including premium of Rs.30.00 per share) to the Promoters / persons belong to Promoters Group on preferential basis.
- The said amount has been utilized towards procurement of land and payment of advances to suppliers of plant & machinery for the company's proposed project for setting up a unit for continuous poly-condensation facility and expansion of POY capacity.



5. Auditor's Remuneration (Rs./ Lacs)

PARTICULARS	Year Ended March 31, 2010	Year Ended March 31, 2009
a) Audit Fees	3.64	3.64
b) Tax Audit Fees	0.77	0.77
c) Out of Pocket Expenses	0.21	0.17
	4.62	4.58

Note : Auditors Remuneration includes service tax of Rs. 0.41 lacs (previous year Rs. 0.41 lacs)

6. Managerial Remuneration: (Rs./ Lacs)

PARTICULARS	Year Ended March 31, 2010	Year Ended March 31, 2009
a) Salary & Allowances	46.80	38.69
b) Employer's Contribution to PF	0.28	0.28
c) Value of Perquisites	10.34	11.30
d) Commission	82.64	47.06
	140.06	97.33

Managing & the Joint Managing Directors are covered under the company's Gratuity and Leave encashment rules with the other employees of the company. The gratuity and leave encashment liabilities are determined for all the employees on an independent actuarial valuation. Such liabilities for these Directors cannot be ascertained separately and therefore the same has not been included in the above.

7. Computation of Net Profit in accordance with Section 198 read with Section 309(5) of the Companies Act, 1956.

	(Rs/lacs)
Profit before Taxation	2617.62
Add: Provision for Doubtful Debts	(3.48)
Loss on sale of assets	0.57
Remuneration to Directors	57.42
Commission	82.64
	2754.78
Less: Profit on sale of assets	-
Net Profit for the year available for Commission	2754.78
Commission payable to the Managing & Joint Managing Directors.	82.64

8. Amount due to Suppliers covered under Micro Small & Medium Enterprises Development (MSMED) Act, 2006, on the basis of information available with the company, is as follows:

Description	(Rs/lacs)
	Year Ended March 31, 2010
Principal amount outstanding at the end of the year	0.62
Interest paid during the year	-
Interest due and payable (on the amount which have been paid beyond the appointed date during the year)	-
Interest remaining accrued and unpaid at the end of the year	-
Interest due of the previous year	-



In the previous year, company had not received information from suppliers regarding their status under MSMED Act, 2006, hence previous year figures has not been disclosed.

9. Earnings per Share (EPS) computed in accordance with AS-20 on 'Earnings per Share'.

(Rs. in Lacs)

Description	Year Ended March 31, 2010	Year Ended March 31, 2009
i) Net Profit for the year	1718.65	657.76
Less: Extra Ordinary Items.	-	-
Amount available for equity share holders	1718.65	657.76
ii) Weighted average number of shares for basic EPS	17141397	17141397
Add : Weighted number of Potential Equity Shares under Convertible Warrants	306849	-
Weighted average Number of Equity shares including Potential Equity	17448246	17141397
iii) Basic EPS (In Rupees)	10.03	3.84
Diluted EPS (In Rupees)	9.85	3.84

10 Details of Deferred Tax Liabilities / (Assets) are as under:

(Rs. in Lacs)

Description	Year Ended March 31, 2010	Year Ended March 31, 2009
(a) Deferred Liabilities: Timing difference on account of Depreciation	4282.15	4356.95
(b) Deferred Assets:		
- Un-absorbed Depreciation & Business Losses	-	824.35
- Disallowance u/s 43B of Income Tax	203.53	188.43
- Provision for doubtful debts	93.23	96.70
Total Deferred Assets:	296.76	1109.48
(c) Net Deferred Liabilities / (Assets)	3985.39	3247.47
(d) Deferred Tax Liabilities /(Assets)	1354.63	1103.81
(e) Deferred Tax Liabilities /(Assets) for the year	250.82	852.60

11. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company is primarily engaged in manufacture of Synthetic Yarn & Textiles.

12. Derivative Instruments and Unhedged Foreign Currency Exposure:

i) Forward contract outstanding as at Balance Sheet date.

Particulars of Derivatives	Year Ended March 31, 2010	Year Ended March 31, 2009	Purpose
Buy USD	62,78,329	86,91,076	Forward Cover for FCTLs & FCLs

ii) Particulars of Unhedged foreign Currency Exposures as at Balance Sheet date

Particulars	Amount in foreign Currency		Amount in Rupees (lacs)	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
Import Creditors(USD)	2,450	-	1.13	-
Export Debtors (USD)	50,531	26,417	23.08	13.37

iii) Premium of forward contracts for unexpired period Rs.27.52 lacs has been carried over to next year (Previous year Rs.8.54 lacs) and will be charged to Profit & Loss Account as and when the underlying transaction will mature.



13. Related Party Disclosure:

(i) List of related parties with whom transactions have taken place and relationships:

- a) Key managerial personnel:
 - Shri Madhu Sudhan Bhageria
 - Shri Purrshottam Bhaggeria
 - Shri Madhav Bhaggeria
- b) Relative of key managerial personnel:
 - Shri Ram Avtar Bhageria (Father of related parties mentioned at (a) above.
- c) Enterprises owned or significantly influenced by key managerial personnel:
 - M/s Ram Avtar Bhageria (HUF)
 - M/s Madhu Sudhan Bhageria (HUF)
 - M/s Purrshottam Bhaggeria (HUF)
 - M/s Madhav Bhageria (HUF)
 - M/s Azimuth Investments Limited
 - M/s Fargo Estates Pvt. Ltd.
 - M/s Elevate Developers Pvt. Ltd.
 - Nouvelle Securities Pvt. Ltd.

(ii) Transactions During the year with related parties

(Rs. Lacs)

Nature of Transactions	Key Management Personnel	Relative of key managerial personnel	Enterprises owned in significantly influenced by key managerial personnel
Rent	14.51 (13.77)	4.20 (4.76)	- (-)
Convertible Warrants Issued	160.00 (-)	- (-)	640.00 (-)
Loans taken	- (-)	- (-)	1110.00 (1140.00)
Loans repaid	- (-)	- (-)	1360.00 (1790.00)
Interest paid	- (-)	- (-)	4.97 (41.49)
Amount outstanding as on 31/03/10	(-)	(-)	- (250.00)
Managerial Remuneration	Refer Note No.6		

No amount has been written off or provided for in respect of transactions with related parties.

14. An amount of Rs.334.91 lacs representing unabsorbed cenvat and service tax credits generated in the previous years due to excess of excise /service tax suffered on purchases is lying to the credit of the company in excise records, though the same had been charged to Profit & Loss Account of the relevant year as per prudent accounting norms. The same is recognized to the extent utilized during the relevant year.



15. The company has adopted Accounting Standard 15 (Revised 2005) Employee Benefits. Accordingly, the company has provided long term employee benefits on the basis of actuarial valuation done as per "Projected Unit Credit Method".

PARTICULARS	As on 31.03.2010		As on 31.03.2009	
	Gratuity	Leave Wages	Gratuity	Leave Wages
RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE PRESENT VALUE OF OBLIGATIONS				
Present value of obligation at the beginning of the year	89.16	47.96	74.94	32.09
Current Service Cost	13.37	11.77	13.29	10.68
Interest Cost	6.24	3.36	5.81	2.49
Benefits paid	(8.71)	(7.52)	(3.49)	(5.75)
Net actuarial (Gain) / Loss recognized in the year	(12.05)	3.70	(1.38)	8.46
Present value of obligation at the end of the year	88.02	59.27	89.16	47.96
RECONCILIATION OF PRESENT VALUE OF DEFINED BENEFIT OBLIGATION AND FAIR VALUE OF PLAN ASSETS :				
Present value of obligation at the end of the year	88.02	59.27	89.16	47.96
Fair value of plant assets at the year end	—	—	—	—
Net Liability recognized in the Balance Sheet	88.02	59.27	89.16	47.96
COST OF THE YEAR :				
Current service cost	13.37	11.77	13.29	10.68
Interest Cost	6.24	3.36	5.81	2.49
Net actuarial (Gain) / Loss recognized in the year	(12.05)	3.70	1.38	8.46
Net cost recognized during the year	07.57	18.83	17.71	21.62
ASSUMPTION :				
Discount Rate	7.80%	7.80%	7.00%	7.00%
Rate of Increase in compensation	8.00%	8.00%	8.00%	8.00%
Employees age group	33	33	34	34

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

16. The company has taken various residential, office and warehouse premises under operating lease agreements. These are generally not non- cancelable and are renewable by mutual consent. There is no restriction imposed by lease agreements. There are no sub leases.

PARTICULARS	Year Ended March 31, 2010	Year Ended March 31, 2009
Total Lease payment for the year	62.67	64.56
Minimum lease payments not later than One year	67.79	66.49
Later than one year but not later than 5 years.	66.19	77.37
Later than 5 years	—	2.77

FILATEX INDIA LIMITED


17. Additional information pursuant to the provisions of paragraph 3,4C & 4D of part II of the Schedule-VI of the Companies Act, 1956 (as certified by the Management):

A) Details of Capacity & Production

Class of Goods	Unit	Licensed Capacity	Installed Capacity (\$)		Actual Production	
			Year Ended	Year Ended	Year Ended	Year Ended
			March 31,2010	March 31,2009	March31, 2010	March 31,2009
Polyester, Nylon & Polypropylene Monofilament Yarn	MT	#	1750	1500	1436.281**	1619.128**
Polyester & Polypropylene Filament Yarn	MT	#	68150*	66523*	59913.443***	53784.658***
Narrow Fabrics	MT	#	1890	–	+659.839	+ –
Wind Electricity	MW	#	–	1	+	10.95##

Delicensed

\$ Being a technical matter relied upon by auditors as certified by the Management.

* Calculated at standard denier of 126 POY for Polyester 250 for Polypropylene.

+ Excludes reprocessed production of 1297.315 MT (Previous Year - 1118.132 MT)

** Includes Job Work of 0.244 MT (Previous year 7.234 MT)

*** Includes Captive Consumption of 9450.158 MT (Previous year - 7313.814 MT) and Issued for job work of 51.679 MT (Previous Year - 42.966 MT)

Operations of Wind Electricity Generation unit had been discontinued from October, 2008.

B) Raw Materials Consumed (excluding traded goods)

*Item	Year Ended March 31, 2010		Year Ended March 31, 2009	
	Quantity (MTs)	Value (Rs/Lacs)	Quantity (MTs)	Value (Rs/Lacs)
Polyester Chips	45212.020	24295.09	41702.313	21975.81
Nylon Chips	402.516	411.94	285.879	363.50
Polypropylene Chips	7372.312	4500.25	6485.879	4307.51
Partially Oriented Yarn	–	–	23.970	18.00
Polyester Texture Yarn	79.653	55.29	–	–
Others	–	3093.70	–	2152.33

C) Particulars in respect of goods dealt with by the Company

(Value/Rs/Lacs)

ITEMS	Opening Stock		Sales		Closing Stock	
	Qty(MTs)	Value	Qty(MTs)	Value	Qty(MTs)	Value
(i) Manufactured Goods						
Polyester, Nylon & Poly propylene Monofilament Yarn	40.590 (95.781)	42.09 (92.02)	*1317.187 (1674.319)	*1810.58 (2310.38)	**142.322 (40.590)	152.77 (42.09)
Polyester & Polypropylene Multifilament Yarn	752.090 (1209.922)	552.50 (825.39)	49946.093 (46885.703)	40165.27 (35949.06)	1217.603 (752.090)	1020.13 (552.50)
Narrow Fabrics	– (–)	– (–)	635.722 (–)	693.99 (–)	24.117 (–)	22.82 (–)
Wind Electricity	– (–)	– (–)	– (10.95)	– (29.45)	– (–)	– (–)
Waste/Scrap	– (–)	1.84 (2.31)	– (–)	119.48 (139.05)	– (–)	2.76 (1.84)
	792.680 (1305.703)	596.43 (919.72)	51899.001 (48560.022)	42789.32 (38427.93)	1384.042 (792.680)	1198.47 (596.43)

Note: Figures given in brackets are for previous year.

* Includes job work sale quantity 0.244 MTs amounting to Rs.0.07 lacs (Previous year 7.234 MTs amounting to Rs.1.99 lacs)

** Excludes inventory of 17.362 MT lost in fire at Noida plant during the year.



(ii) Traded Goods									(Value/Rs/Lacs)
ITEMS	Opening Stock		Purchases		Sales		Closing Stock		
	Qty (MTs)	Value	Qty (MTs)	Value	Qty (Mts)	Value	Qty (MTs)	Value	
Polyster Textured Yarn	—	—	164.136	126.29	164.136	123.92	—	—	
	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	
Polyster FDY Yarn	—	—	10.260	9.77	10.260	10.24	—	—	
	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	
Total		—		136.06		134.16		—	
		(—)		(—)		(—)		(—)	

Note: Figures given in brackets are for previous year.

D) Value of imported and indiginous raw Materials Consumed & Percentage thereof.

DESCRIPTION	Year Ended March 31, 2010		Year Ended March 31, 2009	
	Value (Rs/lacs)	Percentage	Value (Rs/Lacs)	Percentage
i) Raw Materials				
– Imported	482.24	01.59	360.82	1.31
– Indigenous	29831.18	98.41	27114.75	98.69
	30313.42	100	27475.57	100
ii) Consumable/Spares				
– Imported	43.50	07.66	37.28	10.25
– Indigenous	524.39	92.34	326.42	89.75
	567.89	100	363.70	100

E) Value of Imports on CIF Basis **(Rs/Lacs)**

PARTICULARS	Year Ended March 31, 2010	Year Ended March 31, 2009
i) Raw Materials*	533.83	242.95
(ii) Capital Goods	145.96	1340.52
(iii) Consumable/Spares	59.21	13.24

F) Expenditure in Foreign Currency (Payment Basis) **(Rs/Lacs)**

PARTICULARS	Year Ended March 31, 2010	Year Ended March 31, 2009
i) Foreign Travel	18.43	12.34
ii) Commission	4.37	1.72
iii) Foreign Bank Charges	0.45	0.31
iv) Fee & Participation	—	0.30
v) Bank Interest	241.95	350.15

FILATEX INDIA LIMITED**G) Earnings in Foreign Exchange****(Rs/Lacs)**

PARTICULARS	Year Ended March 31, 2010	Year Ended March 31, 2009
FOB Value of Export of Goods (excluding deemed exports)	305.24	122.70

18. Figures have been rounded off to rupees in lacs.

19. Previous year figures have been re-grouped and/or rearranged wherever considered necessary.

The schedules referred to above and Notes to Accounts form an integral part of the Accounts

As per our report of even date attached
for AMOD AGRAWAL & ASSOCIATES
Chartered Accountants

AMOD AGRAWAL
Partner
Membership No. 84175
FR No. 005780N

Place : New Delhi
Date : 5th May 2010

for and on behalf of the Board

RAM AVTAR BHAGERIA
Chairman

MADHU SUDHAN BHAGERIA
Vice Chairman & Managing Director

PURRSHOTTAM BHAGGERIA
Joint Managing Director

S C PARIJA, Director

S P SETIA, Director

B B TANDON, Director

VIBHU BAKHRU, Director

SANJEEV GUPTA
Company Secretary

R P GUPTA
President (F & A)



Balance Sheet Abstract and Company's General Business Profile :

I	Registration Details:	
	Registration Number	L17119DN1990PLC000091
	State Code	54
	Balance Sheet Date	31.03.2010
II	Capital Raised During the year	
	Public Issue	-
	Rights Issue	-
	Bonus Issue	-
	Preferential Convertible Warrants	800.00
III	Position of Mobilization and Deployment of Funds	
	Total Liabilities	15883.65
	Total Assets	15883.65
	Source of Funds	
	Paid up Capital	1714.14
	Preferential Convertible Warrants	800.00
	Reserves and Surplus	7045.48
	Secured loans	3384.13
	Unsecured Loans	83.11
	Deferred Tax liabilities	1354.64
	Total	14381.50
	Application of Funds	
	Net Fixed Assets	10124.26
	Investments	0.01
	Net Current Assets	4,253.24
	Miscellaneous Expenditure	4.00
	Total	14381.50
IV	Performance of the Company:	
	Turnover / Other income	40033.83
	Expenditure	37416.20
	Profit/(Loss) before tax	2617.62
	Provision for taxation	898.97
	Profit/(Loss) after tax	1718.65
	Earning per share (Rs.) Basic	10.03
	Diluted	9.85
	Dividend Rate	10%
V	Generic Name of Three Principal Products/Services of Company (as per monetary terms)	
	Item code No	5402
	Product Description	Synthetic Filament Yarn
	Item code No	5402
	Product Description	Polyester, Nylon & Polypropylene Monofilament Yarn
	Item code No	5806
	Product Description	Narrow Fabrics

As per our report of even date attached
for **AMOD AGRAWAL & ASSOCIATES**
Chartered Accountants

AMOD AGRAWAL
Partner
Membership No. 84175
FR No. 005780N

Place : New Delhi
Date : 5th May 2010

for and on behalf of the Board

RAM AVTAR BHAGERIA
Chairman

MADHU SUDHAN BHAGERIA
Vice Chairman & Managing Director

PURRSHOTTAM BHAGGERIA
Joint Managing Director

S C PARIJA, Director

S P SETIA, Director

B B TANDON, Director

VIBHU BAKHRU, Director

SANJEEV GUPTA
Company Secretary

R P GUPTA
President (F & A)



FILATEX INDIA LIMITED
 REGD. OFFICE: SURVEY NO.274, DEMNI ROAD, DADRA
 (U.T. OF DADRA & NAGAR HAVELI) 396 191.

ADMISSION SLIP

PLEASE COMPLETE THE ADMISSION SLIP AND HAND IT OVER AT THE ADMISSION COUNTER.

LF. No./DP Id/Client Id	:
NAME OF THE MEMBER/PROXY	:

I HEREBY RECORD MY PRESENCE AT THE TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON SATURDAY, 25TH SEPTEMBER 2010 AT 9.30 A.M. AT SURVEY NO. 274, DEMNI ROAD, DADRA (U.T. OF DADRA & NAGAR HAVELI) 396 191.

SIGNATURE OF THE MEMBER/PROXY:

NOTE: JOINTHOLDER(S) INTENDING TO ATTEND THE MEETING ARE REQUESTED TO OBTAIN ADDITIONAL ADMISSION SLIP FROM THE REGISTERED/CORPORATE OFFICE OF THE COMPANY ON OR BEFORE 23RD SEPTEMBER, 2010 TO AVOID INCONVENIENCE.

.....(Please tear here).....

PROXY FORM



FILATEX INDIA LIMITED
 REGD. OFFICE: SURVEY NO.274, DEMNI ROAD, DADRA
 (U.T. OF DADRA & NAGAR HAVELI) 396 191.

LF. No./DP Id/Client Id

I/WE _____ OF _____ BEING A MEMBER/MEMBERS OF THE ABOVE NAMED COMPANY, HEREBY APPOINT _____ OF _____ OR FAILING HIM _____ OF _____ AS MY/OUR PROXY TO ATTEND AND VOTE FOR ME/US ON MY/OUR BEHALF AT THE TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON SATURDAY, 25TH SEPTEMBER 2010 AT 9.30 A.M. AT SURVEY NO. 274, DEMNI ROAD, DADRA (U.T. OF DADRA & NAGAR HAVELI) 396 191 AND AT ANY ADJOURNMENT THEREOF.

Signature _____

Date _____

Re 1.00 Revenue Stamp

Note: Proxy Form must reach the Company's Registered Office not less than 48 hours before the scheduled time of the Meeting.

BOOK POST

If undelivered, please return to :
FILATEX INDIA LIMITED
42, Community Centre,
New Friends Colony,
New Delhi-110 025



FILATEX INDIA LIMITED

(AN ISO 9001 : 2000 COMPANY)

**20TH ANNUAL REPORT
2009-2010**

BOARD OF DIRECTORS

Ram Avtar Bhageria
Chairman

Madhu Sudhan Bhageria
Vice Chairman & Managing Director

Purrshottam Bhaggeria
Joint Managing Director

Madhav Bhageria
Joint Managing Director

B.B. Tandon

S.C. Parija

S.P. Setia

Vibhu Bakhru

COMPANY SECRETARY

Sanjeev Gupta

BANKERS

Union Bank of India
Punjab National Bank
Oriental Bank of Commerce

AUDITORS

Amod Agrawal & Associates
D-58, East of Kailash
New Delhi - 110 025

REGISTERED OFFICE

S. No. 274, Demni Road,
Dadra - 396 191
(U.T. of Dadra & Nagar Haveli)

CORPORATE OFFICE

42, Community Centre,
New Friends Colony,
New Delhi - 110 025

WORKS

A-2, Extension,
Phase - II (Noida),
Distt. Gautam Budh
Nagar - 201 304 (U.P.)

S. No. 274, Demni Road,
Dadra - 396 191
(U.T. of Dadra & Nagar Haveli)

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