

Spenta International Limited



spenta®

26th Annual Report
2012-13



SPENTA INTERNATIONAL LIMITED

BOARD OF DIRECTORS

Mr. Sanjay S. Gadodia : Chairman and Whole Time Director
Mr. Danny F. Hansotia : Managing Director
Mr. Sandeep S. Gadodia : Whole Time Director
Mrs. Meena Sehra : Independent Non-Executive Director
Mr. Jagdeep Desai : Independent Non- Executive Director (Resigned w.e.f. June 15, 2013)
Mr. Hemant Shah : Additional Independent Non- Executive Director (w.e.f. July 09, 2013)

BANKERS:

Development Credit Bank Ltd.
CITI Bank
ICICI Bank

AUDITORS:

A. R. PARIKH & CO., Mumbai.

Chartered Accountants

321, Parekh Market, 3rd Floor,
Opera House, Mumbai - 400 004.
E-mail:ameetparikh@mtnl.net.in/arparikh.co@gmail.com

REGISTRAR & SHARE TRANSFER AGENT:

LINK INTIME INDIA PVT. LTD.

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078.
Tel: - 022-25963838 Fax: - 022-25946969
Email id:-mumbai@linkintime.co.in
Website :-www.linkintime.co.in

REGISTERED OFFICE & FACTORY:

Plot No. 13 to 16, 40 (PART) & 40/2
Dewan Industrial Estate,
Village Navali, District Thane,
Palghar (West) - 401 404.
Tel:- 91-(2525)-254932
Fax:- 91-(2525)-254932 Extn.113.
Email:- contact@spentasocks.com

WEBSITE : www.spentasocks.com

LISTING OF EQUITY SHARES:

BSE Limited,

Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001.

Ahmedabad Stock Exchange Limited

Kamdhenu Complex, Opp. Sahajanand College,
Panjarapole, Ambawadi, Ahmedabad - 380 001.

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SPENTA INTERNATIONAL LIMITED

Notice

Notice is hereby given that the **Twenty-Sixth Annual General Meeting** (the "Meeting") of the members of **Spenta International Limited** ("the Company") will be held on **Wednesday, September 25, 2013 at 11.00 a.m.** at the Registered Office of the Company situated at **Plot No. 13 to 16, 40 (PART) & 40/2, Dewan Industrial Estate, Village Navali, Dist. Thane, Palghar (W) - 401 404**, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2013 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Meena Sehra, who retires by rotation & being eligible offers herself for re appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting on a remuneration to be decided upon between the Auditors and the Board of Directors of the Company.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, 314, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as "the said Act") the consent of the Company be and is hereby accorded to the re-appointment of Mr. Sanjay Gadodia as a Whole Time Director of the Company for a period of 5(Five) years, with effect from July 01, 2013 on the terms and conditions including remuneration, a draft whereof is placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which terms shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said re-appointment and/or remuneration and/or agreement.

RESOLVED FURTHER THAT the Board be and is hereby authorized to vary the remuneration of the Whole Time Director within the limits as specified in Schedule XIII during the tenure of his appointment from time to time.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Whole Time Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Whole Time Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient, to give effect to this resolution."

5. To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 257 and other applicable provisions, if any of the Companies Act, 1956, Mr. Hemant Shah who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient, to give effect to this resolution."

BY ORDER OF THE BOARD

DANNY HANSOTIA
(MANAGING DIRECTOR)

DATE: August 8, 2013

PLACE: Palghar

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SPENTA INTERNATIONAL LIMITED

NOTES:

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this report. A proxy is not entitled to vote except on a poll. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 18, 2013 to Wednesday, September 25, 2013 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchanges.
4. As a measure of economy copies of the Annual Report & Accounts will not be distributed at the meeting. Members are therefore requested to bring their copies to the meeting.
5. **Members who hold Shares in physical mode are requested to immediately notify the change of address, if any, and also, in furtherance of Green Initiative in Corporate Governance by Ministry of Corporate Affairs, the Shareholders are requested to intimate their Email Id for delivery of Annual Reports, Notices and other documents through electronic mode to the Registrar and Share Transfer Agents, Link Intime India Pvt. Ltd. and can also send confirmation on mail id spentainternationalgogreen@linkintime.co.in**
6. For the convenience of Members and for proper conduct of the meeting entry to the meeting venue will be regulated by attendance slip which is enclosed with the Annual Report. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue.
7. For transfer of shares held in Physical mode the transferee should submit along with the transfer documents copy of PAN Card for registration of transfer request.
8. Members are requested to intimate to the Company, queries if any, regarding the accounts at least 10 days before the Annual General Meeting to enable the Management to keep the information ready at the meeting. The queries may be addressed to Managing Director, Mr. Danny Hansotia, Spenta International Limited, Plot No. 13 to 16, Dewan Industrial Estate, Village Navali, District Thane, Palghar (West) - 401 404.
9. Details of Directors seeking appointment or re-appointment at the 26th Annual General Meeting pursuant to clause 49IV (G)(I) of the Listing Agreement with Stock Exchange(s) are mentioned in the Corporate Governance Report forming part of this Annual Report.
10. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updation of Saving Bank Account details to their respective Depository Participants.
11. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management.
12. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Registrar and Share Transfer Agent M/s Link Intime India Pvt. Ltd., the details of such folios together with the share certificate for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
13. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

BY ORDER OF THE BOARD

DATE: August 8, 2013

PLACE: Palghar

DANNY HANSOTIA
(MANAGING DIRECTOR)

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EXPLANATORY STATEMENT
As required by section 173(2) of the Companies Act, 1956

As required by Section 173 of the Companies Act, 1956 ("Act") the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 5 of the accompanying Notice:

ITEM NO. 4:

Mr. Sanjay Gadodia is the Chairman and Whole Time Director of the Company. His tenure in the office ended on June 30, 2013. The remuneration drawn by him was in the grade of Rs. 75,000/- per month to Rs. 1,25,000/- per month. Subject to the approval of members, the Remuneration Committee and the Board of Directors at their meeting held on May 30, 2013, re-appointed Mr. Sanjay Gadodia for further period of 5 (Five) years with effect from July 01, 2013 and also approved remuneration payable to him in the grade of Rs. 75,000/- per month to Rs. 1,25,000/- per month. The remuneration to Mr. Sanjay Gadodia inter alia, includes the payment of salary, perquisites and benefits and is subject to the approval of members.

MAJOR TERMS OF REMUNERATION OF MR. SANJAY GADODIA, WHOLE TIME DIRECTOR:

I) TERMS & CONDITIONS:

1. Name & Designation of Director : Mr. Sanjay Gadodia (Whole time Director)
2. Date of Appointment : Re-appointment w.e.f. July 01, 2013.
3. Period : 5 (Five) years.
4. Salary (p.m.) : In the grade of Rs. 75,000/-p.m to Rs. 1,25,000/- p.m. with power to Board to vary from time to time within the limits of Schedule XIII of the Act.
5. Minimum Remuneration : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Sanjay Gadodia by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Sanjay Gadodia shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II) PERQUISITES:

Mr. Sanjay Gadodia as a Whole Time Director will be entitled for following perquisites, which shall not be part of the ceiling of the remuneration.

- a) Contribution to provident Fund, Superannuation fund or annuity fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
- b) Gratuity: as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
- c) Children's education allowance: In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.
- d) Holiday passage for children studying outside India/family staying abroad: Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad India if they are not residing in India with the managerial person.
- e) Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

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- III) Salary and perquisites specified herein shall be payable to the Whole Time Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.
- IV) The Whole time Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- V) The Whole time Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VI) The terms and conditions of the said appointment and/or may be altered and varied from time to time by the Board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956, or any amendment hereafter in that regard.

The Board recommends the said resolution for approval of members.

None of the Directors of the Company are in any way concerned or interested in the above resolution except Mr. Sanjay Gadodia as resolution relates to his own re-appointment and remuneration proposed to be paid to him and Mr. Sandeep Gadodia, Whole Time Director of the Company, being the relative (Brother) of Mr. Sanjay Gadodia.

ITEM NO. 5:

Mr. Hemant Shah was appointed as an Additional Director w.e.f July 09, 2013 by the Board of Directors of the Company in terms of Section 260 of the Companies Act, 1956 and in pursuance of the provision of Articles of Association of the Company. Mr. Hemant Shah holds office as a Director upto the date of the ensuing Annual General Meeting of the Company and is eligible for re-appointment as a Director.

The Information about Mr. Hemant Shah is as follows:-

Name of the Director	Mr. Hemant Shah
Age	44
Qualification	B. Com
Expertise in specific functional areas	Retail Management
Directorship in other Indian Public Limited Company & other firms as on March 31, 2013	NIL
Shareholding	NIL

The Company has received a notice, under Section 257 of the Companies Act, 1956 along with the deposit of Rs. 500/-, from a member proposing his candidature as Director of the Company.

The Board considers that his association as Director will be beneficial and in the interest of the Company. Further, brief details regarding the Directors getting appointed / re-appointed, their expertise in specific functional areas and the names of the Companies in which they hold Directorship / Committee membership are furnished in the 'Report on Corporate Governance' forming part of the Annual Report for the year ended March 31, 2013.

The Board recommends the said resolution for approval of members.

None of the Directors of the Company are in any way concerned or interested in the above resolution except Mr. Hemant Shah as resolution relates to his own appointment as Director of the Company liable to retire by rotation.

BY ORDER OF THE BOARD

DANNY HANSOTIA
(MANAGING DIRECTOR)

DATE: August 8, 2013

PLACE: Palghar

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DIRECTORS' REPORT

To,
The Members,
SPENTA INTERNATIONAL LIMITED.

Your Directors have pleasure in presenting the 26th Annual Report on the business and operations of the Company, together with the Audited Accounts for the financial year ended March 31, 2013.

1. FINANCIAL RESULTS:

The financial Results are briefly indicated below:

	(Rs. In Lacs)	
	YEAR ENDED	
	March 31, 2013	March 31, 2012
Sales	2796.27	2642.84
Other Income	44.63	76.96
Total Income	2840.90	2719.80
Profit before Interest and Depreciation	466.34	535.66
Less: Interest & finance charges	(71.01)	(113.67)
Profit after interest but before Depreciation	395.33	421.99
Less: Depreciation & Amortization	(169.36)	(160.94)
Profit before tax	225.97	261.05
Less: Provision for Taxation - Current Tax	90.00	105.00
- Deferred Tax(Net)	(1.73)	(13.69)
- Short/Excess provision for Fringe Benefit Tax	--	0.98
Profit after tax	137.69	168.76

2. FINANCIAL OPERATIONS:

Even as the Indian economy encountered another challenging year, the Company's Sales income grew by 5.80% to Rs. 2796.27 lacs compared to Rs.2642.84 lacs in the previous year. However on account of inflation and rising interest rates the net profit of the company has reduced by 18.41 % to Rs.137.69 lacs compared to Rs.168.76 lacs in the previous year.

3. FUTURE PROSPECTS:

Economic growth rate of Country slowed to around 5.0 % for the 2012–13 fiscal year compared with 6.2 % in the previous fiscal. It is to be noted that India's GDP grew by an astounding 9.3% in 2010–11. Thus, the growth rate has nearly halved in just three years. The industrial sector is the main sector dragging the growth of the economy down. The Company through efficient production management system, automation and modernization is confident of minimizing the risks and increasing the profits of the Company in coming years. The management of the Company makes an effort to sustain the continued growth of the Company even in case of future risk prone conditions.

4. DIVIDEND AND TRANSFER TO RESERVES:

Considering the reduction in profits and in view to conserve resources your Board has not recommended any dividend for the financial year 2012-13. No amount is being transferred to reserves during the year under review.

5. FIXED DEPOSITS:

The Company has accepted Fixed Deposits within the meaning of Section 58A of the Companies Act, 1956 and Rules framed there under are complied with. There are no deposits which have not been claimed by depositors or paid by the company after the date on which the deposit became due for repayment or renewal, as the case may be, according to the contract with the depositors & there are no total amounts due to the depositors & remaining unclaimed or unpaid.

6. SUBSIDIARIES:

Since the Company has no subsidiaries, provision of Section 212 of the Companies Act, 1956 do not apply to the Company.

7. DIRECTORS:

Mrs. Meena Sehra retires by rotation and is eligible for re-appointment.



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Mr. Hemant Shah was appointed as an Additional Non-Executive Independent Director w.e.f July 09, 2013 by the Board of Directors of the Company in terms of Section 260 of the Companies Act, 1956. Mr. Hemant Shah hold office as a Director up to the date of the ensuing Annual General Meeting of the Company and is eligible for re-appointment as a Director, liable to retire by rotation. Members' attention is drawn to Item no. 5 of the Notice for the appointment of Mr. Hemant Shah as Director of the Company, liable to retire by rotation.

Mr. Jagdeep Desai Non-Executive Independent Director resigned from Directorship of the Company w.e.f. June 15, 2013. Company is in the process of appointing an Non-Executive Independent Director within the stipulated time period.

8. DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 217 (2AA) of the Companies Act, 1956 the Board of Directors hereby confirms:

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profits of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

9. CORPORATE GOVERNANCE:

A separate report on Corporate Governance forms part of the Annual Report along with Certificate on Compliance from M/s. HS Associates, Practicing Company Secretaries.

10. CEO / CFO CERTIFICATION:

Certificate of CEO / CFO of the Company on Financial Statements, Cash Flow for the financial year 2012-13 and Certificate of CEO i.e. Whole Time Director of the Company for compliance with code of conduct by Board members and Senior Management personnel on annual basis are enclosed herewith.

11. COMPLIANCE CERTIFICATE:

Compliance Certificate as required under Section 383A of the Companies Act, 1956 prepared and issued by M/s. HS Associates, Practicing Company Secretaries, is annexed hereto.

12. STOCK EXCHANGE REQUIREMENTS:

Being listed at BSE Limited, Mumbai & Ahmedabad Stock Exchange, the Company has paid listing fees till March, 2014.

13. AUDITORS:

M/s. A. R. Parikh & Co., Chartered Accountants, Mumbai, Statutory Auditors of the company hold office until the conclusion of the forthcoming Annual General Meeting and have signified their willingness to be re-appointed and have further confirmed that their appointment if made shall be within the limits specified under Section 224 (1B) of the Companies Act, 1956.

14. AUDITORS' REPORT:

The Auditors' Report to the shareholders did not contain any adverse remarks or qualification.

15. COST AUDITORS:

M/s. Gangan & Company (Membership No. 13311), Cost Accountants were re-appointed as Cost Auditors for the financial year 2013-14 to conduct the cost audit of the accounts maintained by the Company in respect of the various products prescribed under Cost Audit Rules, 2011.

The Compliance Report for the financial year 2011-12, issued by M/s Gangan & Company, Cost Accountants in respect of the various products prescribed under Cost Audit Rules, 2011, was filed with Ministry of Corporate Affairs (MCA) on February 8, 2013. The cost audit Report for the financial year 2012-13 shall be filed in due course of time.

16. COMMITTEES OF BOARD:

Board has constituted Committees pursuant to provisions of Companies Act, 1956 and Listing Agreement with Stock Exchanges.

Following Committees are constituted by the Board: Audit Committee, Shareholders / Investors Grievance Committee and Remuneration Committee.

The composition and other details with respect to Committees are detailed in the Corporate Governance Report which forms part of this Annual Report.

17. MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT:

The Management Discussion and Analysis Statement is annexed and forms an integral part of this report.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE:

A statement giving the particulars relating to Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo, as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988 is attached as Annexure 1.

19. PARTICULARS OF EMPLOYEES:

In accordance with the provision of Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Amendment Rules, 1999 as amended up to date, there were no employees during the whole or part of the year who were in receipt of remuneration in excess of limits as mentioned in the said section and hence no details are given as such.

20. ACKNOWLEDGEMENTS:

Your Directors place on record their gratitude to the Central Government, State Government and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of Investors, Vendors, Dealers, Business Associates and Employees in ensuring an excellent all around operational performance. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

BY ORDER OF THE BOARD

DATE: August 8, 2013

PLACE: Palghar

SANJAY GADODIA
(CHAIRMAN)

Form A: Disclosure of particulars with respect to Conservation of Energy.

		31/03/13	31/03/12
A.	POWER & FUEL CONSUMPTION		
1.	Electricity		
a)	Purchased		
	Units (in lakhs) (in kwh)	16.28	17.27
	Amount in Rupees (in lakhs)	129.03	115.19
	Rate per Unit (in Rupees)	7.94	6.66
B.	CONSUMPTION PER UNIT OF PRODUCTION		
	Knitted Cotton Socks	1.90	1.72

FORM B : Disclosure of particulars with respect of Technology Absorption:

I. Research and Development (R & D)
- Expenditure on R & D

Nil

Nil

II. A. TECHNOLOGY ABSORPTION & ADAPTATION:

Our manufacturing is based on know-how from Lonati, Italy. The plant is being operated at optimum level continuous coordination is being maintained with LONATI to avail the benefits of further development in technology.

B. FOREIGN EXCHANGE EARNINGS & OUTGO:

The details of Foreign Exchange earnings & outgo are as follow:

(Rs. In Lacs)

	31/03/13	31/03/12
Foreign Exchange Earnings:	NIL	NIL
Foreign Exchange outgo:		
Travelling	4.92	NIL
Advances for Machines	0.25	NIL
Plant and Machinery	98.19	60.28
Spares & Consumables	9.92	9.84

**ANNEXURE 2 TO DIRECTORS' REPORT
COMPLIANCE CERTIFICATE**

Regn. No. of the Company: L28129MH1986PLC040482.

Nominal Capital: Rs. 3,50,00,000/-

Paid Up Capital: Rs. 3,11,13,500/-

To,
The Members,
SPENTA INTERNATIONAL LIMITED
Regd. Office: Plot No.13 to 16, 40 (PART) & 40/2
Dewan Industrial Estate,
Village Navali, District Thane,
Palghar - 401 404.

We have examined the registers, records, books and papers of SPENTA INTERNATIONAL LIMITED, ("the Company") as required to be maintained under the Companies Act, 1956, (the "Act") and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on MARCH 31, 2013 ("financial year"). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under and wherever documents filed late, the additional filing fees has been paid.
3. The Company, being a Public Limited Company has the minimum prescribed paid up Capital.
4. The Board of Directors duly met 4 (Four) times on May 30, 2012, August 13, 2012, November 08, 2012 and February 11, 2013 as per information and explanation given by the management, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolution was passed during the year.
5. The Company has closed its Register of Members from Thursday, the September 20, 2012 to Thursday, the September 27, 2012 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The Annual General meeting for the financial year ended on March 31, 2012 was held on September 27, 2012. As per information and explanation given by the management, the Company has given adequate notice to call the members and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors and/or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of the contracts specified in that Section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.

12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
 - (i) approved transfer of 2100 Equity Shares of Rs. 10/- each in physical mode for the financial year March 31, 2013. There was no allotment of securities during the financial year.
 - (ii) not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 - (iii) the Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) not transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years, to Investor Education and Protection Fund as no amount in respect of the above were lying in the books of accounts of the Company is to be transferred.
 - (v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. Mr. Chetankumar Rathod resigned from the Directorship of the Company w.e.f. July 24, 2012. There was no appointment of Alternate Directors and Directors to fill casual vacancy during the financial year.
15. The Company has not appointed Managing Director and Whole-time Director during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company has not been required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has no preference share capital or debentures and as such there was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has complied with the provisions of sections 58A and 58AA read with Companies (Acceptance of Deposits) Rules, 1975.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending March 31, 2013 are within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened annual general meeting.
25. The Company has made investments in other bodies corporate and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.

28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to the share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

FOR HS ASSOCIATES
COMPANY SECRETARIES

HEMANT SHETYE
PARTNER
C.P. NO.: 1483
FCS NO.: 2827

DATE: August 8, 2013
PLACE: Mumbai

ANNEXURE "A"

REGISTERS AND RECORDS MAINTAINED BY THE COMPANY

- a) Register of members under Section 150.
- b) Index of Member under Section 151.
- c) Register of Transfers.
- d) Register of Share application and allotment.
- e) Registers of Deposits under Deposits Rules, 1975 under Section 58A.
- f) Register of Charges under Section 143.
- g) Minutes Book under Section 193.
- h) Books of Account under Section 209.
- i) Register of Contracts under Section 301.
- j) Register of Directors, Managing Director, manager and secretary under Section 303.
- k) Register of Director's shareholdings under Section 307.
- l) Register of Inter Company investments under Section 372A.

ANNEXURE "B"
**FORMS AND RETURNS AS FILED BY THE COMPANY WITH THE REGISTRAR
 OF COMPANIES DURING THE FINANCIAL YEAR ENDED ON MARCH 31, 2013.**

Sr. No.	eForms	Section	Date of filing	Particulars
1	eForm 62	Section 58A	27/06/2012	Return of Deposit financial year ended March 31, 2012.
2	eForm 62	Section 58A	27/06/2012	Statement in Lieu of Advertisement.
3	eForm 8	Section 127	19/07/2012	Registration of Charges.
4	eForm 8	Section 127	21/07/2012	Registration of Charges.
5	eForm 8	Section 127	21/07/2012	Registration of Charges.
6	eForm 8	Section 127	21/07/2012	Registration of Charges.
7	eForm 32	Section 303(2)	24/07/2012	Resignation of Mr. Chetan Rathod from the Directorship of the Company.
8	eForm 8	Section 127	02/08/2012	Registration of Charges.
9	eForm 8	Section 127	03/08/2012	Registration of Charges.
10	eForm 66	Section 383A	11/10/2012	Compliance Certificate for the financial year ended March 31, 2012.
11	eForm 32	Section 257	17/10/2012	Regularization of Mr. Jagdeep Desai as the Director liable to retire by rotation.
12	eForm 20B	Section 159	21/11/2012	Annual return for the financial year ended March 31, 2012.
13	eForm 23AC, ACA XBRL	Section 220	11/01/2013	Balance Sheet and Profit and Loss Account for the financial year ended March 31, 2012.
14	eForm A XBRL	Section 209(1)(d)	08/02/2013	Compliance Report with Central Government for the financial year ended March 31, 2012.
15	eForm 17	Section 138	28/02/2013	Satisfaction of Charges.
16	eForm 17	Section 138	28/02/2013	Satisfaction of Charges.
17	eForm 23D	Section 233B	20/03/2013	Information by Cost Auditor to Central Government.
18	eForm 23B	Section 224(1A)	18/12/2013	Information by Auditor to Registrar
19	eForm 23C	Section 233B(2)	23/01/2013	Form of application to Central Government for appointment of Cost Auditor.

FOR HS ASSOCIATES
 COMPANY SECRETARIES

HEMANT SHETYE
 PARTNER
 C.P. NO.: 1483
 FCS NO.: 2827

DATE: August 8, 2013
 PLACE: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

A. INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian Textile Industry is one of the largest and oldest sectors in the country and among the most important in the economy in terms of output, investment and employment. The sector employs nearly 35 million people and after agriculture, is the second highest employer in the country. With direct linkages to the rural economy and the agriculture sector, it has been estimated that one of every six households in the country depends on this sector, either directly or indirectly, for its livelihood.

A strong raw material production base, a vast pool of skilled and unskilled personnel, cheap labour, good export potential and low import content are some of the salient features of the Indian Textile Industry. This is a traditional, robust, well-established industry, enjoying considerable demand in the domestic as well as global markets. Cotton textiles continue to form the predominant base of the Indian textile industry, though other types of fabric have gained share in recent years. There has been a significant shift in the consumer preferences towards man-made fabric. Textile Industry is on the rise and is getting rationalized.

In the hierarchy of human needs, clothing occupies the second top most priority coming next to the food. The use of socks by the armed forces fighting in high altitude and in adverse climatic conditions have now been finding ways among executives and school children and general masses altogether. Wearing of any kinds of shoes without socks is termed as incomplete. There is more to wearing socks than just adherence to fashion. Socks provide additional cushioning and bounce to the feet. Socks are simple items and one of the basic necessities of people of all ages and income strata. Socio- economic changes and fashion awareness amongst the masses have brought in sea change in the living styles in India.

B. OPPORTUNITIES AND THREATS:

The demand for the socks has been increasing gradually for the last few decades particularly in India and other developing countries. The flow of orders has been progressively increasing with each passing year. This offers opportunity to your Company to widen production base which besides increasing turnover will result in economies of scale. The Company is expected to grow at a high rate due to increased urbanization, increase in brand awareness by consumers, emerging mall culture and retail expansion, shift of unorganized to organized sector.

However there are some adverse factors which is a potential threat to our industry namely pricing pressure, changing consumer preferences because of continuous quality improvement is the need of the hour as there are different demand patterns all over the world, stiff competition from developing countries especially China, locational disadvantage, balancing of demand and supply, geographical disadvantages. Continuation of these adverse factors will result into potential threats to our industry.

C. SEGMENT-WISE OR PRODUCT WISE PERFORMANCE:

The Company has one segment activity namely socks, in line with the definition of "segment" as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India. The performance of the Company is discussed separately in the Directors' Report.

D. OUTLOOK:

Expectations are high, prospects are bright, but capitalizing on the new emerging opportunities will be a challenge for the socks manufacturing Companies. Some prerequisites to be included in the globally competing Socks manufacturing Companies are:

- Imbibing global best practices.
- Adopting rapidly changing technologies and efficient processes.
- Innovation.
- Networking and better supply chain management.
- Ability to link up global value chains.

The Company's Socks Division is optimistic of growth through continued network expansion and innovation.

E. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

Your Company has an adequate internal control system commensurate with its size and nature of its business. The Company's internal control mechanism is geared towards ensuring adequate internal controls to meet the increasing size and complexity of business, for safeguarding the assets of the Company, identifying weaknesses and areas of improvement and to meet all compliances. The focus is primarily on checks and controls of systems and processes, monitoring compliances, continuous upgrade of controls and current business risk assessment.

F. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year under review the total production of the socks was satisfactory. The Profit before tax recorded during the year was Rs. 225.96 Lacs as against Rs. 261.05 Lacs in the previous financial year.

G. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The Company believes that Human Resources is its most valuable resource which has to be nurtured well and equipped to meet the challenges passed by the dynamics of Business Developments. Industrial Relations at all locations were cordial throughout the year. Our sustainable human resources policy focuses on diversity, learning and continuing education, supporting a conducive culture, and occupational health and safety. The staff is highly motivated due to good work culture and the values which the Company maintains. Your Directors would like to record their appreciation of the efficient and loyal service rendered by the Company's employees.

H. CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

DATE: August 8, 2013
PLACE: Palghar

BY ORDER OF THE BOARD

DANNY HANSOTIA
(MANAGING DIRECTOR)

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY:

The Company's philosophy of corporate governance stems out from its belief that timely disclosures, transparent accounting policies, and a strong and independent Board go a long way in preserving shareholders trust while maximizing long term corporate values.

Keeping in view the Company's size and complexity in operations, the company's corporate governance framework is based on the following main principles:

- a. Appropriate composition and size of the Board, with each Director bringing in key expertise in different areas.
- b. Timely and accurate disclosure of all material operational and financial information to the stakeholders.

The Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement with the stock exchanges regulates Corporate Governance for listed companies. Spenta International Limited is in compliance with Clause 49 of Listing Agreement except for Clause Clauses 49I (A)(i),(ii) 49I(C)(iv) & 49 II (A) (iv).

2. BOARD OF DIRECTORS:

As on March 31, 2013 the Board of the Company comprises of 5 (Five) Directors out of which one is Chairman cum Whole Time Director, one a Managing Director and one a Whole Time Director and the remaining two Directors are Independent Non-Executive Directors. There is no Nominee or Institutional Directors in the Company. None of Directors have pecuniary or Business relationship with the Company other than as mentioned elsewhere in the Annual Report. No Director of the Company is either member in more than ten committees and/or Chairman of more than five committees across all Companies in which he/she is Director.

As per revised code of Corporate Governance, the composition of the Board should be as such that the Board of Directors of the company shall have an optimum combination of executive and non-executive Directors with not less than fifty percent of the Board of Directors comprising of Non Executive Directors. The composition of the Board is in non compliance with Clause 49 of the listing agreement.

Sr. No.	Name of Director	Category	No. of Board meetings Attended	Attendance at Last AGM	No. Of Other Directorship *	No. of Membership in other Committees
1.	Mr. Sanjay S. Gadodia	Chairman & Whole Time Director	4	YES	1	NIL
2.	Mr. Danny Hansotia	Managing Director	4	YES	1	NIL
3.	Mr. Sandeep Gadodia	Whole Time Director	4	YES	NIL	NIL
4.	Mrs. Meena Sehra	Independent Non Executive Director	4	NO	NIL	NIL
5.	Mr. Chetan Rathod**	Independent Non Executive Director	1	NO	NIL	NIL
6.	Mr. Jagdeep Desai	Independent Non Executive Director	4	NO	NIL	NIL



SPENTA INTERNATIONAL LIMITED

*Excludes Directorships/Chairmanship in Indian Private Limited Companies, Section 25 Companies and Foreign Companies and positions held in Proprietorship and Partnership in Firms.

** Resigned w.e.f July 24, 2012.

During the year 4 (Four) Board Meetings were held i.e. on May 30, 2012, August 13, 2012, November 08, 2012 and February 11, 2013. The time gap between two meetings did not exceed 4 months.

The required quorum was present at all the above Board Meetings and all the resolutions and discussions were duly approved. There was no instance of adjournment of any of the said Meetings.

The minutes of the Audit Committee, Shareholders / Investors Grievance Committee and Remuneration Committee were periodically placed before the Board.

BOARD MEETINGS PROCEDURES AND INFORMATION PLACED BEFORE THE BOARD:

The Board Meetings were conveyed after sufficient day of prior notice to all the Board Members along with detailed Agenda of the Meeting. All the reference documents in support to the Agenda of the Meeting were duly placed before the Board for their reference and perusal.

The Inter-se relationships and shareholding Directors as on March 31, 2013 are as under:

Name of the Directors	Inter-se relationships amongst Directors	Number of shares held as on March 31, 2013
Sanjay Gadodia	Brother of Sandeep Gadodia	4,69,100
Sandeep Gadodia	Brother of Sanjay Gadodia	1,64,307
Danny Hansotia	N.A.	7,30,277

Details of Directors Seeking Appointment / Re-appointment at the forthcoming Annual General Meeting (pursuant to clause 49 (IV)(G)(I) of the Listing Agreement)

Name of the Director	Mr. Hemant Shah	Mrs. Meena Sehra	Mr. Sanjay Gadodia
Age	44	45	48
Qualification	B. Com	Diploma in Fashion Designing	B.Com
Expertise in specific functional areas	Retail Management	Almost 16 years experience in Business Communication, Advertising & Fashion Designing	Almost 30 years experience in Textile Industry.
Directorship in other Indian Public Limited Company & other firms as on 31.03.2012	NIL	NIL	1
Shareholding	NIL	NIL	4,69,100

Code of conduct for Directors and Senior Management:

Code of conduct as applicable to the Directors and the Members of the Senior Management had been approved by the Board and it is being duly abided by all of them. The Annual Report of the Company contains declaration to this effect from the Chairman and CEO.

3. AUDIT COMMITTEE:

The composition of Audit Committee of Board as on March 31, 2013 comprises of 3 Directors namely Mrs. Meena Sehra (Chairperson of Committee), Mr. Danny Hansotia and Mr. Jagdeep Desai, out of these 3 Directors 2 Directors are the Independent Directors. Chairman of the Audit Committee is Independent Director. The Composition of Audit Committee is in compliance with Clause 49 of the Listing Agreement with Stock Exchanges.

The Committee met 4 times during the year under review on May 30, 2012, August 13, 2012, November 08, 2012 and February 11, 2013.

The Attendance at the Audit Committee Meeting was as under:

Director	No. of Committee meetings held	No. of Committee meetings attended
Mrs. Meena Sehra - Chairperson & Independent Non-Executive Director (Chairperson)	4	4
Mr. Jagdeep Desai - Member & Independent Non-Executive Director	4	4
Mr. Danny Hansotia - Member, CFO & Managing Director	4	4

Brief terms of reference of the Audit Committee are as follows:

- * Approving and implementing the Audit procedures and techniques.
- * Reviewing audit reports of statutory auditors with auditors and management.
- * Reviewing financial reporting systems, internal control systems and control procedures.
- * Ensuring compliance with regulatory guidelines.
- * Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- * Recommending to the Board, the appointment, re-appointment and, if required the replacement or removal of the statutory auditor and fixation of audit fees.
- * Appointment of statutory auditor and fixing their remuneration
- * Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- * Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- * Reviewing, with management, performance of statutory auditors and adequacy of the internal control systems.
- * Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- * Disclosure of Related Party transactions.
- * Reviewing accounting treatment and confirmation of the fact that financial statement is giving true and fair view.

4. REMUNERATION COMMITTEE:

Spenta International Limited remuneration policy is based on 3 factors, pay for responsibility, pay for performance and potential and pay for growth.

The Company's Remuneration Committee is vested with all necessary powers and authority to ensure appropriate disclosure on the remuneration of Directors and to deal with all the elements of remuneration package of all such Directors.

The terms of reference of the Remuneration Committee are to recommend to the Board, Salary (including annual increments, rents), perquisites and allowances, performance linked remuneration, if any, commission to be paid to the company's Executive/Whole time Director (ED/WTD)/Managing Director and to finalize the perquisites and allowances package within the overall ceiling fixed by the Board.

The scope of committee consists of all the matters prescribed under provisions of Schedule XIII of Companies Act, 1956 and Clause 49 of Listing Agreement with Stock Exchanges.

During the financial year 2012-13, 1 (one) Committee meeting was held on May 30, 2012.

The Attendance at the Committee Meeting was as under

Director	No. of Committee meetings held	No. of Committee meetings attended
Mr. Chetan Rathod - Chairman and Independent Non-Executive Director	1	1
Mrs. Meena Sehra - Member and Independent Non-Executive Director	1	1
Mr. Jagdeep Desai- Member and Independent Non-Executive Director	1	1

Disclosure on Remuneration of Directors:

- All elements of remuneration package of individual Directors summarized under major groups, such as salary benefits, bonuses, stock option, pension etc. - All these managerial persons are drawing remuneration, bonus & leave salary, the details of the same are mentioned elsewhere in this report in detail.
- Details of fixed component and performance linked incentives, along with the performance criteria - NIL
- Service contracts, notice period, severance fees - NIL
- Stock option details, if any - and whether issued at a discount as well as the period over which accrued and over which exercisable - NIL

Details of remuneration paid to Directors for the year ended March 31, 2013.

Executive Directors:

(Amt. In Rupees)

Name of Directors	Remuneration (p.a.)
Mr. Danny Hansotia (Managing Director)	12,16,800
Mr. Sanjay Gadodia (Whole Time Director)	12,16,800
Mr. Sandeep Gadodia (Whole Time Director)	9,99,180

Following is the list of Non-Executive Directors and their Shareholdings in the Company:

Name of the Non-Executive Directors	Number of Equity Shares	Sitting fees	Non convertible Instruments
Mr. Chetan Rathod - Independent Non-Executive Director (Resigned w.e.f. July 24, 2012)	Nil	Nil	Nil
Mrs. Meena Sehra - Independent Non-Executive Director.	Nil	Nil	Nil
Mr. Jagdeep Desai -Independent Non-Executive Director.	Nil	Nil	Nil

5. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

The composition of Shareholder/Investors Grievance Committee as on March 31, 2013 comprises of 2 (Two) Independent Non-Executive Directors & 1 (One) Executive Director. The Committee was chaired by Mr. Chetan Rathod till May 30, 2012 Shareholder/Investors Grievance Committee. After his resignation from the Directorship of the Company the Committee reconstituted and was chaired by Mrs. Meena Sehra. The committee looks into the shareholder and investors grievances that are not settled at the level of Compliance Officer and helps to expedite the share transfers and related matters.

Following are the members of the Committee.

1. Mr. Chetan Rathod - Chairman and Independent Non-Executive Director. (Resigned w.e.f. July 24, 2012)
2. Mrs. Meena Sehra - Chairperson and Independent Non-Executive Director.
3. Mr. Jagdeep Desai - Member and Independent Non-Executive Director.
4. Mr. Sandeep Gadodia - Member and Compliance Officer.

The Committee met 4 times during the year under review on May 30, 2012, August 13, 2012, November 08, 2012 and February 11, 2013.

The Attendance at the Shareholders/Investors Grievance Committee meeting was as under:

Directors	No. of Committee meetings held	No. of Committee meetings attended
Mrs. Meena Sehra - Member and Independent Non-Executive Director	4	3
Mr. Chetan Rathod – Member and Independent Non-Executive Director (Resigned w.e.f. July 24, 2012)	4	1
Mr. Jagdeep Desai - Member and Independent Non-Executive Director	4	4
Mr. Sandeep Gadodia - Member & Compliance Officer.	4	4

There were no complaints pending at the end of the financial year ended March 31, 2013. Further, during the year, requests for transfer of 2100 Equity Shares of Rs. 10/- each in physical mode were received and processed for transfer.

Name, Designation & Address of Compliance Officer:

Mr. Sandeep Gadodia, Compliance Officer,
 Plot No. 13 to 16, 40 (PART) & 40/2
 Dewan Industrial Estate,
 Village Navali, District Thane,
 Palghar (West) - 401 404.
 Email ID: sandeep.gadodia@spentasocks.com

6. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings are given below:

Financial Year	Date	Time	Venue	Special Resolution(s)
2009-10	September 23, 2010	10.30 a.m.	Regd. Office	Re-appointment of Managing Director
2010-11	September 15, 2011	11.30 a.m.	Regd. Office	N.A.
2011-12	September 27, 2012	11.00 a.m.	Regd. Office	N.A.

7. DISCLOSURES:

Related Party Transactions:

The details of Related Party Transactions were periodically placed before Audit Committee and Board for review and necessary consent. There have been no materially significant related party transactions, monetary transactions or relationships between the Company and Directors, the Management or Relatives, except for those disclosed in the financial statements for the year ended March 31, 2013. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

Accounting Treatment in preparation of Financial Statements:

In preparation of Financial Statements the Company has followed in general guidelines of Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) read with the Companies (Accounting Standards) Rules, 2006 including the amendments, if any. During the year under review the Company has not changed its Accounting Policies.

Compliance Details:

There has been no instance of non-compliance with any legal requirements nor have there been any strictures imposed by any stock exchange, SEBI or SEC on any matters relating to the capital market over the last three years viz 2010-11, 2011-12 and 2012-13 respectively.

The Company has complied with all the mandatory provisions of corporate governance except for Clauses 49I (A)(i),(ii) 49I(C)(iv) & 49 II (A) (iv). From non - mandatory item the Company has not adopted the Whistle Blower Policy but is in the process of adopting the same.

Reconciliation of Share Capital Audit:

A qualified practicing Company Secretary carried out a Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued /paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

8. Means of Communication:

Financial Results: Spenta recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

- **Quarterly:** The quarterly financial results are normally published in English in "Asian Age" newspaper and in Marathi in "Mumbai Lakshdeep /Vartahar" newspapers.
-
- **Annual Report:** Annual Report of the Company containing inter-alia, Audited Financial Statements, Directors' Report, Report on Corporate Governance, Auditors Report and other important information is circulated to the members and others entitled thereto for each financial year. The Management Discussion and Analysis Report forms part of the Annual Report.

Website: The Company's website www.spentasocks.com contains a separate section 'Investors Relations' for use of investors. The quarterly, half yearly and annual financial results are promptly and prominently displayed on the website. It also displays all the official new releases; however there was no presentation made during the year either to Institutional Investors or to the Analysts. Annual Reports, Shareholding pattern and other Corporate Communications made to the Stock Exchanges are also available on the website.

9. General Shareholders Information:

i. Annual General Meeting:

Date : September 25, 2013
Time : 11.00 a.m.
Venue : Plot No. 13 to 16, 40 (PART) & 40/2, Dewan Industrial Estate, Village Navali, Dist. Thane, Palghar (W) - 401 404.

ii. Financial Calendar:

The Financial year of the Company is from April to March.



SPENTA INTERNATIONAL LIMITED

The financial calendar is as per following:

First quarter results (30th June)	Mid of August
Mailing of Annual Reports	Last week of August
Annual General Meeting	September
Payment of Dividend	N.A.
Second quarter results (30th September)	Mid of November
Third quarter results (31st December)	Mid of February
Fourth quarter / Annual Results	Last week of May

iii. Book Closure:

The dates of Book Closure are from Wednesday, the September 18, 2013 to Wednesday, the September 25, 2013 (both days inclusive).

iv. Dividend Payment:

The Board of Directors has not proposed any dividend for the current financial year.

v. Listing on Stock Exchanges:

At present, the equity shares of the Company are listed at BSE Limited, Mumbai & Ahmedabad Stock Exchange out of which Ahmedabad is a Regional Stock Exchange. The annual listing fees for the financial year 2013-14 for both these Stock Exchanges have been paid.

vi. Corporate Identification Number (CIN) of the Company:

L28129MH1986PLC040482.

vii. Stock Code:

BSE: 526161; ASE: 56470.

Demat - ISIN No. of NSDL & CDSL: INE175C01018

viii. Market Price Data:

High, Low and Volume of Spenta's shares for the year 2012-13 at BSE:

Months	High (Rs.)	Low (Rs.)	Volume
April-2012	13.40	11.41	6877
May-2012	14.68	13.00	10
June-2012	15.03	10.32	666
July-2012	13.32	10.90	4507
August-2012	14.00	10.73	10807
September-2012	12.72	10.63	4801
October-2012	14.55	11.26	4552
November-2012	12.68	11.51	9258
December-2012	13.50	10.95	10339
January-2013	18.30	12.01	6366
February-2013	17.50	15.00	130
March-2013	15.61	14.09	186

ix. Registrar and Share Transfer Agent.

Name and Address :Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078.

Telephone : 022-25946970

Fax : 022-25946969

E-mail : rnt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

x. Share Transfer System:

85.92% of the Equity Shares of the Company are in electronic form. Transfer of those shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with M/s. Link Intime India Pvt. Ltd. at the above mentioned address. Transfer of shares in physical form is normally processed within 10-12 days from the date of receipt if the documents are complete in all respects. The shares in dematerialized mode are transferred through depositories.

xi. Distribution of Shareholding as on March 31, 2013.

Share holding of Nominal Value of		Shareholders No.	% of Total	Share Amt.	% of Total
Rs.				Rs.	
1	5000	3089	91.9072	4305990	13.8372
5001	10000	124	3.6894	1039240	3.3396
10001	20000	58	1.7257	929260	2.9861
20001	30000	29	0.8628	739670	2.3769
30001	40000	10	0.2975	380560	1.2229
40001	50000	9	0.2678	435550	1.3996
50001	100000	14	0.4165	1163860	3.7400
100001	*****	28	0.8331	22124870	71.0976
TOTAL		3361	100.00	31119000	100.00

xii. Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. NSDL and CDSL. Equity Shares of the Company representing 85.92% of the Company's equity share capital are dematerialized as on March 31, 2013.

The Company's equity shares are regularly traded on BSE and ASE in dematerialized form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE175C01018

xiii. Company has not issued ESOP or any GDRs /ADRs /Warrants /Convertible instrument.
xiv. Details of Public Funding obtained in the last three years:

Spenta has not obtained any public funding in the last three years.

xv. Plant Location:

In view of the nature of the Company's business viz. Manufacturing of Socks, the Company operates from the office, the address of which is mentioned as under:

Plot No. 13, 14, 15 & 16, Dewan Industrial Estate, Village Navali, District Thane, Palghar (West) – 401 404.

xvi. Address for Correspondence:

Spenta International Limited.

Plot No. 13 to 16, 40 (PART) & 40/2, Dewan Industrial Estate, Village Navali, District Thane, Palghar (West) – 401 404.

Telephone No.: 02525-254932 (Extn: 113)

Fax No.: 02525-254932

Website: www.spentasocks.com

Designated e-mail address for Investor Services: sandeep.gadodia@spentasocks.com / contact@spentasocks.com

COMPANY SECRETARY IN PRACTICE'S REPORT ON CORPORATE GOVERNANCE

To,
The Members,
SPENTA INTERNATIONAL LIMITED.
Plot No. 13 to 16, 40 (PART) & 40/2,
Dewan Industrial Estate,
Village Navali, Palghar -401404.

We have reviewed the implementation of Corporate Governance produced by the company during the year ended March 31, 2013, with the relevant records and documents maintained by the company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The Compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination is neither an audit nor an expression of opinion of the financial statements of the company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance stipulated in the Clause 49 of the Listing Agreement with the Stock Exchanges except clause 49I(A)(i),(ii) & 49I(C)(iv) & 49 II A (iv) of the Listing Agreement.

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

For HS ASSOCIATES
COMPANY SECRETARIES
HEMANTS. SHETYE

(PARTNER)
FCS - 2827
COP - 1483

DATE: August 8, 2013
PLACE: Mumbai

CEO/CFO CERTIFICATION

To,
The Board of Directors,
Spenta International Limited.
Plot No. 13 to 16, 40 (PART) & 40/2,
Dewan Industrial Estate,
Village Navali, Palghar.

We, Sanjay Gadodia, CEO and Danny Hansotia, CFO of the Company do hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We further certify that:
 - a. There have been no significant changes in internal control during the year;
 - b. There have been no significant changes in accounting policies during the year;
 - c. There have been no instances of significant fraud of which we are become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

FOR SPENTA INTERNATIONAL LTD

FOR SPENTA INTERNATONAL LTD

SANJAY GADODIA
(CEO)

DANNY HANSOTIA.
(CFO)

Date : May 30, 2013
Place: Palghar

DECLARATION

I, Sanjay Gadodia, CEO of the Company hereby declare that all Board members and Senior Management personnel have affirmed compliance with the code on an annual basis.

FOR SPENTA INTERNATIONAL LIMITED

SANJAY GADODIA
(CEO)

Date : May 30, 2013
Place: Palghar



SPENTA INTERNATIONAL LIMITED

AUDITORS' REPORT

1. We have audited the attached Balance Sheet of **Spenta International Limited** as at March 31, 2013, the Statement of Profit and Loss and also 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the 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 and amended CARO 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure hereto 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 2 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 and the Statement of Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion, Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement read with Significant Accounting policies and Note to accounts, dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors we report that none of the directors are disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion, and to the best of our information, and according to the explanations given to us, the said accounts, read together with Significant Accounting policies and Note to accounts thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the generally accepted accounting principles in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2013,
 - (ii) in the case of the Statement of Profit and Loss Account, of the profit of the year ended on that date.
 - (iii) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

For A. R. Parikh & Co.
Chartered Accountants
(Registration No. 107532W)

Ameet R. Parikh
(Proprietor)
Membership No. 38188
Place : Mumbai
Date : May 30, 2013

Annexure to Auditors' Report

Referred to in Paragraph 3 of our report of even date

- i. In respect of its fixed assets:
- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) The fixed assets have been physically verified by the management during the year.
 - c) In our opinion, the Company has not disposed off a substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- ii. In respect of its inventories:
- a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and to the best of our information and according to explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii. In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956.
- a) The company not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Consequently, the requirements of Clauses (iii) (b), (c) and (d) of paragraph 4 of the Order are not applicable.
 - b) The company taken unsecured loans, from companies, firms or other parties covered in the register maintained under section 301 of the Act. In respect of the said loans, the maximum amount outstanding at any time during the year is Rs. 100,78,336/- and the year-end balance is Rs.73,60,384/-.
 - c) In our opinion the rate of interest and other terms and conditions on which unsecured loan has been taken from companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company.
 - d) The principal and interest amounts are repayable on demand and there is no repayment schedule.
- iv. In our opinion and to the best of our information and according to explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956 :
- a) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the Register maintained under section 301 of the Companies Act, 1956 have been so entered.

- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contract / arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 500,000/- in respect of each party during the year, have been made at prices which are prima facie reasonable having regards to the prevailing market prices at the relevant time. No comparison of prices could be made as the Company informed us that there are no comparable market prices / alternate source of supply.
- vi. In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule, 1975, with regard to the deposits accepted from the public.
- vii. In our opinion, the Company has no internal audit system commensurate with the size and nature of the business of the Company.
- viii. In our opinion and as per the explanations given to us the company has maintained accounts and records as prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956.
- ix. In respect of the Statutory dues :
- a) According to the records of the company, undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid due were outstanding as at March 31, 2013, for a period of more than six months from the date they became payable.
- b) The disputed statutory aggregates to Rs. 7,446,117/-, of which Rs.2,861,057/- has been deposited on account of disputed matters pending before appropriate authorities are as under :

Sr. No.	Name of the Statute	Nature of Dues	Amount in (Rs.)	Period to which the amount relates	Forum where dispute is pending
1.	The Income tax Act, 1961.	Income tax Demand	5,411,190/-	F. Y. 2004-05	Income Tax Appellate Tribunal, Mumbai.
2.	The Income tax Act, 1961.	Income tax Demand	2,034,927/-	F.Y.2005-06	Income Tax Appellate Tribunal, Mumbai.
	Total		7,446,117/-		

- x. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayments of dues to financial institutions, banks or debenture holders.
- xii. In our opinion and according to the information and explanation given to us and based on the information available, adequate documents and records are maintained in cases where the company loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xii) of paragraph 4 of the Order are not applicable to the Company.

- xiv. In our opinion and according to the information and explanation given to us, the Company has maintained proper records of the transactions and contracts in respect dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All the shares, securities, debentures and other investments have been held by the Company in its own name.
- xv. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi. In our opinion and according to the information and explanation given to us, the term loans have been applied for the purpose for which they were raised.
- xvii. According to the information and explanations given to us and on overall examination of Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
- xviii. During the year the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company has not issued any debentures during the year and therefore the question of creating security in respect thereof does not arise.
- xx. The Company has not raised any monies by way of public issue during the year.
- xxi. Based on the audit procedures performed and the representation obtained from the management, we report that no fraud on or by the Company, having a material misstatement on the financial statements has been noticed or reported during the year under audit.

For A. R. Parikh & Co.
Chartered Accountants

Ameet R. Parikh
(Proprietor)
Membership No. 38188

Place : Mumbai
Date : May 30, 2013


SPENTA INTERNATIONAL LIMITED

Spenta International Limited

Balance Sheet as at March 31, 2013

(Amount in Rs.)

	Sch.	As at March 31, 2013		As at March 31, 2012	
EQUITY AND LIABILITIES:					
Shareholder Funds					
Share Capital	1	31,113,500		31,154,000	
Reserves and Surplus	2	145,347,150	176,460,650	131,537,022	162,691,022
Non Current Liabilities					
Long Term Borrowings	3	15,076,951		7,349,503	-
Deffered Tax Liabilities	4	-		-	
Other Long Term Liabilities		-		-	
Long Term Provisions	5	4,136,962	19,213,914	3,552,962	10,902,465
Current Liabilities					
Short Term Borrowings	6	20,047,963		51,610,771	
Trade Payables	7	33,620,714		6,136,682	
Other Current Liabilities	8	806,184		26,419,248	
Short Term Provisions		-	54,474,861	-	84,166,701
TOTAL			250,149,425		257,760,188
ASSETS :					
Non Current Assets					
Fixed Assets	9				
Tangible Assets		76,877,259		83,209,710	
Intangible Assets		-		-	
Capital Work-in-Progress		-		-	
Intangible assets under developments		-		-	
Non Current Investments	10	12,147,726		12,147,726	
Deffered Tax Assets	11	1,009,977		836,547	
Long Term Loans & Advances	12	6,781,718		6,689,091	
Other Non Current assets	13	251,608		-	
			97,068,288		102,883,073
Current Assets					
Current Investments	14	-		14,500,000	
Inventories	15	43,853,918		32,373,034	
Trade Receivables	16	63,968,968		62,783,151	
Cash and Cash equivalents	17	39,875,670		39,919,104	
Short Term Loans & Advances	18	5,382,581		5,301,826	
Other Current Assets		-		-	
			153,081,137	154,877,115	154,877,115
TOTAL			250,149,425		257,760,188

Significant Accounting Policies
Notes Forming Part of the Accounts

1 to 37

As per our report of even date

For A. R. Parikh & Co.

Chartered Accountants

For and behalf of the Board
Ameet R. Parikh
 Proprietor
 Membership No : 38188

Sanjay S Gadodia
 Chairman

Danny F Hansotia
 Managing Director

Sandeep S Gadodia
 Whole Time Director

 Place : Mumbai
 Date : May 30, 2013

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SPENTA INTERNATIONAL LIMITED

Spenta International Limited

Statement of Profit and Loss Account for the year ended March 31, 2013

(Amount in Rs.)

	Sch.	2012-13	2011-12
REVENUE :			
Revenue from Operations	19	279,627,685	264,284,476
Other Income		4,463,621	7,696,225
		284,091,306	271,980,702
EXPENSES :			
Cost of Materials Consumed	20	142,516,326	135,141,250
Purchase of Stock in Trade		41,381,406	20,681,282
Variation in Finished Goods, Work In Progress & Stock In Trade	21	(10,097,441)	4,504,903
Employee Benefits Expense	22	13,447,417	12,624,791
Finance Cost	23	7,101,834	11,367,124
Depreciation and amortization expense	9	16,936,490	16,094,291
Other Expense	24	50,209,076	45,461,605
		261,495,109	245,875,246
Profit before exceptional and extraordinary items and tax		22,596,197	26,105,456
Exceptional items		-	-
Profit before extraordinary items and tax		22,596,197	26,105,456
Extraordinary items		-	-
Profit before Tax		22,596,197	26,105,456
Tax Expense			
- Current Tax		9,000,000	10,500,000
- Deferred Tax (Net)		(173,430)	(1,369,182)
- Short / Excess Provision for Fringe FBT		-	98,705
Profit for the period		13,769,627	16,875,933
Basic & Diluted Earning Per Share of Face Value of Rs.10/- (P.Y : Rs.10/-) including Exceptional Items		4.42	5.42
Basic & Diluted Earning Per Share of Face Value of Rs.10/- (P.Y : Rs.10/-) excluding Exceptional Items		4.42	5.42

Significant Accounting Policies

Notes on Accounts 1 to 37

As per our report of even date

 For A. R. Parikh & Co.
Chartered Accountants

For and behalf of the Board

 Ameet R. Parikh
Proprietor
Membership No : 38188

 Sanjay S Gadodia
Chairman

 Danny F Hansotia
Managing Director

 Sandeep S Gadodia
Whole Time Director

 Place : Mumbai
Date : May 30, 2013

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		2012-13		2011-12	
A	CASH FLOW FROM OPERATING ACTIVITIES :				
	Profit before tax		22,596,197		26,105,456
	Adjusted for :				
	Depreciation	16,936,490		16,094,291	
	Amortisation	13,243			
	Loss on Sale of Asset	116,058			
	Interest / Other Income	(4,463,621)		(7,696,225)	
	Interest / Finance Charges	7,101,834	19,704,005	11,367,124	19,765,190
	Operating Profit before Working Capital Changes		42,300,202		45,870,645
	Adjusted for :				
	(Increase) / Decrease in Inventories	(11,480,884)		6,831,310	
	(Increase) / Decrease in Sundry Debtors	(1,185,817)		(36,643,440)	
	(Increase) / Decrease in Short Term Loans and Advances	248,700		-	
	(Increase) / Decrease in Long Term Loans and Advances	(92,627)		-	
	Increase / (Decrease) in Short Term Borrowings	(31,562,808)		-	
Increase / (Decrease) in Long Term Provision	584,000		-		
Increase / (Decrease) in Sundry Creditors	1,870,968	(41,618,468)	11,951,392	(17,860,738)	
Cash Generated from Operations		681,735		28,009,908	
Net Prior Year adjustments		-		-	
Taxes Paid		(9,329,455)		(10,598,705)	
Net Cash from Operating Activities		(8,647,720)		17,411,203	
B	CASH FLOW FROM INVESTING ACTIVITIES :				
	Purchaes/(Sale) of Fixed Assets		(10,720,097)		(9,162,016)
	Movement in Investments		14,500,000		7,496,966
	Movement in Loans & Advances				(13,817,792)
	(Increase) / Decrease in Other Non Current Asset		(264,851)		
	Interest and Other Income Received		4,463,621		7,696,225
Net Cash used in Investing Activities		7,978,673		(7,786,617)	
C	CASH FLOW FROM FINANCIAL ACTIVITIES :				
	Proceeds/(Repayment) in Secured Borrowings		7,280,064		(7,642,638)
	Proceeds/(Repayment) in Unsecured Borrowings		447,384		(1,177,534)
	Interest / Finance Charges Paid		(7,101,834)		(11,367,124)
	Net Cash from Financial Activities		625,614		(20,187,296)
	Net Increase / (Decrease) in Cash and Cash Equivalents		(43,434)		(10,562,710)
	Opening Balance of Cash and Cash Equivalents		39,919,104		50,481,814
Closing Balance of Cash and Cash Equivalents		39,875,670		39,919,104	

As per our report of even date

For A. R. Parikh & Co
Chartered Accountants

For and behalf of the Board

Ameet R. Parikh
(Proprietor)
Membership No.38188

Sanjay S Gadodia
Chairman

Danny F Hansotia
Managing Director

Sandeep S Gadodia
Whole Time Director

Place : Mumbai
Date : May 30, 2013

SIGNIFICANT ACCOUNTING POLICIES**(a) Basic of Preparation of Financial Statements**

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention and accrual basis, The accounting policies have been consistently applied by the Company except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(C) Share Capital

The paid up Share Capital included Rs.40,500/- in Previous year on account of forfeited shares which is transferred to reserves in current year.

(d) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation, (net of Cenvat / Value Added Tax , wherever applicable). Cost is inclusive of freight, non cenvatable duties, levies & any directly attributable cost of bringing the assets to their working condition for intended use.

(e) Depreciation

Depreciation on Fixed Assets has been provided on Straight - Line Method (SLM) in accordance with the rates and in manner prescribed under Schedule XIV of the Companies Act, 1956 over their useful life.

(f) Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at exchange rate prevailing at the date of the transaction or that approximates the actual rate at the date of the transaction. Foreign Currency Assets and Liabilities are restated at the rate prevailing at the year end or at the forward rate where forward cover has been taken. In respect of transactions covered by forward exchange contracts, the difference between contract rate and the rate on the date of the transaction is recognized as income or expense in the Profit and loss account over the life of the contract.

(g) Inventories

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Raw material comprises of Yarn and packing material at cost, Wastage is valued at net realizable value. Cost of Raw material, finished goods, Spares and Consumables are determined on First in First out basis.

(h) Investments

Current investments and non current investments are stated at cost. Provision for diminution in the value of the long term investments is made only if such a decline is other than temporary.

(i) 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 reliably measured. Domestic Sales are booked at net off Returns & exclude Sales Tax / Value Added Tax.

SPENTA INTERNATIONAL LIMITED**(j) Employee Benefits**

Employee benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered. Liability towards gratuity benefit has been made on the assumption that such benefits are payable to employees on termination of their employment and method adopted for its calculation has been worked by management internally in place of actuarial valuation method.

(k) Earning Per Shares

In accordance with the Accounting Standard 20 (AS - 20) "the Earning Per Share" issued by the Institute of Chartered Accountants of India, basic earning per share is computed using average number of shares outstanding during the year.

(l) Provision for Current Tax & Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax liability is recognized and carried forward only to the extent that there is virtual certainty that the liability will be realized in future.

(m) Provision, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statement.

(n) Capital Subsidy

Subsidy given by Government is under State Government Subsidy Scheme for setting up Industrial unit in backward area. As this is only an incentive and not for acquiring any specific Capital Asset. The same is treated as Capital Reserve.

As per our report of even date

For A. R. Parikh & Co
Chartered Accountants

For and behalf of the Board

Ameet R. Parikh
(Proprietor)
Membership No.38188

Sanjay S. Gadodia
Chairman

Danny F. Hansotia
Managing Director

Sandeep S. Gadodia
Whole Time Director

Place : Mumbai
Date : May 30, 2013

SPENTA INTERNATIONAL LIMITED
Notes forming part of Financial Statements

The previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

Amounts and other disclosures for the proceeding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

1 : SHARE CAPITAL

	As at March 31, 2013		As at March 31, 2012	
Authorised Share Capital				
3,500,000 Equity Shares of Rs.10/- each		35,000,000		35,000,000
		35,000,000		35,000,000
Issued Share Capital				
3,120,000 Equity Shares of Rs.10/- each		31,200,000		31,200,000
		31,200,000		31,200,000
Subscribed and Paid up Share Capital				
3,111,900 Equity Shares of Rs.10/- each	31,119,000		31,159,500	
Less : Allotment Money due	5,500	31,113,500	5,500	31,154,000
TOTAL		31,113,500		31,154,000

A. Disclosure of Share held by each shareholder holding more than 5% of Shares

Name of the Share Holder	Number of Shares Held	% age Holding
1. Danny Hansotia	730,277	23.47%
2. Sanjay Gadodia	469,100	15.07%
3. Sandeep Gadodia	164,307	5.28%

B. Subscribed and Paid up Share Capital shown above included Share forfeited amount of Rs.40,500/- on 8,100 Shares in previous year, The said amount is transferred to Reserves in current year.

C. Allotment money due on 1,100 Shares amounting to Rs.5,500/- is pending.

2 : RESERVES AND SURPLUS

	As at March 31, 2013		As at March 31, 2012	
Capital Reserves				
As per Last Balance Sheet Date	2,000,000		2,000,000	
		2,000,000		2,000,000
Balance in Profit & Loss Account				
As per Last Balance Sheet Date	129,537,022		112,661,090	
Add : Current Year's Profit	13,769,627		16,875,933	
Less : Appropriations				
Share Forfeiture	40,500		-	
		143,347,150		129,537,022
TOTAL		145,347,150		131,537,022

CAPITAL RESERVES

Subsidy given by Government is under State Government Subsidy Scheme for setting up Industrial unit in backward area. Since, this is only an incentive, and not for acquiring any specific Capital Asset, the same is treated as Capital Reserve.

SPENTA INTERNATIONAL LIMITED
3 : LONG TERM BORROWINGS

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
SECURED LOANS				
(a) Term Loans From Banks	7,481,441			
(b) Car Loan From Banks	-		201,337	
(c) Car Loan From Financial Institution	-	7,481,441		201,377
UNSECURED LOANS				
(a) Fixed Deposits from Shareholder	1,500,000		1,500,000	
(b) From Subsidiaries	-		-	
(c) From Directors	3,060,875		2,513,000	
(d) From Corporate	201,334		700,000	
(g) From Financial Institution	235,126		235,126	
(f) From Others	2,598,175	7,595,510	2,200,000	7,148,126
TOTAL		15,076,951		7,349,503

SECURED LOANS

- Term Loan from banks is taken from DCB Bank and is secured by first charge on Freehold Land situated at Palghar and on the Other Fixed Assets of the company.
- Car Loan from Banks & Financial Institution are secured by first charge on the said Cars.

UNSECURED LOANS

- Unsecured Loan from Financial Institution is taken from Magma Finance and is guaranteed by the Executive Directors, in their personal capacities.

4 : DEFERRED TAX LIABILITY

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Opening Balance			532,635	
Add : For the year	(173,430)		(1,369,182)	
Less : Deferred Tax Assets	173,430	-	836,547	-
TOTAL		-		-

5 : LONG TERM PROVISIONS

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
(a) Provision for employees benefits				
- Provision for Gratuity	4,136,962		3,552,962	
(b) Others	-	4,136,962		3,552,962
TOTAL		4,136,962		3,552,962

Provision for Gratuity is made on the assumption that such benefits are payable on termination of employment and method adopted for its calculation has been worked by management internally in place of actuarial valuation method.

SPENTA INTERNATIONAL LIMITED
6 : SHORT TERM BORROWINGS

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
SECURED LOANS				
(a) Term Loans From Banks	-		2,260,833	
(b) Car Loan From Banks	201,377		1,012,707	
(c) Car Loan From Financial Institution	-		149,670	
(d) Loans & advances from Banks				
- Working Capital Loans	19,846,586		46,490,874	
		20,047,963		49,914,084
UNSECURED LOANS				
(a) Fixed Deposits from Shareholder	-		-	
(b) From Subsidiaries	-		-	
(c) From Directors	-		18,150	
(d) From Corporate	-		357,000	
(g) From Financial Institution	-		1,301,737	
(f) From Others	-		19,800	
TOTAL				1,696,687
		20,047,963		51,610,771

Working Capital Loans is taken from DCB Bank and the same is secured by hypothecation of Inventories and Book Debts and are further secured by a second charge on the Fixed Assets of the company

7 : TRADE PAYABLES

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
- Micro, Small & Medium Enterprises creditors	-		-	
- Others	33,620,714	33,620,714	6,136,682	6,136,682
TOTAL		33,620,714		6,136,682

Details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company are :

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Principal amount due and remaining unpaid	-		-	
Interest due on above and the unpaid interest	-		-	
Interest paid	-		-	
Payment made beyond the appointed day during the year	-		-	
Interest due and payable for the period of delay	-		-	
Interest accrued and remaining unpaid	-		-	
Amount of further interest remaining due and payable in succeeding years	-	-	-	-
TOTAL		-		-

8 : OTHER CURRENT LIABILITIES

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
(a) Advance from Customer	-		397,400	
(b) Duties & Taxes	806,184		596,254	
(c) Other Payables		806,184	25,425,594	26,419,248
TOTAL		806,184		26,419,248



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SPENTA INTERNATIONAL LIMITED

9 : FIXED ASSETS As per Companies Act, For March 31, 2013

(Amount in Rs.)

Sr. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		Opening	Additions	Deductions	Closing	Opening	For the Year	Written Back	Closing	Closing	Opening	
A	TANGIBLE ASSETS OWN ASSETS											
1	Free Hold Land	6,236,894	-	-	6,236,894	-	-	-	-	-	6,236,894	6,236,894
2	Building & Civic Works Old Factory Shed New Factory Shed	21,163,240 603,272 934,792	- - 365,065	- - -	21,163,240 603,272 1,299,857	6,068,379 71,985 70,229	727,001 - 31,222	- - -	6,795,380 71,985 101,451	14,367,860 531,287 864,563	15,094,861 531,287 864,563	15,094,861 531,287 864,563
3	Plant & Machinery	122,363,221	9,560,508	307,786	131,615,943	75,442,175	13,197,483	-	88,639,658	42,976,285	46,921,046	46,921,046
4	Office Equipments	546,891	17,149	-	564,040	497,386	51,295	-	548,681	15,359	49,505	49,505
5	Computers	1,546,764	-	-	1,546,764	1,230,029	250,731	-	1,480,760	66,004	316,735	316,735
6	Furniture & Fixtures	2,790,717	128,962	-	2,919,679	1,227,270	181,126	-	1,408,396	1,511,283	1,563,447	1,563,447
7	Misc.Fixed Assets.	16,401,331	255,824	-	16,657,155	10,605,934	1,711,263	-	12,317,197	4,339,958	5,795,397	5,795,397
8	Motor Cars	8,063,930	1,490,375	1,346,106	8,208,199	2,856,463	774,995	440,048	3,191,410	5,016,789	5,207,467	5,207,467
9	Flat At Palghar	697,810	-	-	697,810	69,303	11,374	-	80,677	617,133	628,507	628,507
		181,348,863	11,817,883	1,653,892	191,512,854	98,139,153	16,936,490	440,048	114,635,595	76,877,259	83,209,710	83,209,710
B	Intangible Assets	-	-	-	-	-	-	-	-	-	-	-
C	Capital Work -in-Progress	-	-	-	-	-	-	-	-	-	-	-
D	Intangible assets under developments	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	181,348,863	11,817,883	1,653,892	191,512,854	98,139,153	16,936,490	440,048	114,635,595	76,877,259	83,209,710	83,209,710
	Previous Year	151,020,587	13,660,775	782,157	181,348,863	53,135,337	14,116,967	145,353	98,139,153	83,209,710	97,885,250	97,885,250

Note :

- 1 Depreciation is provided on old factory shed building upto December 31, 2009, after which depreciation is provided on new factory shed building
- 2 New factory shed building is capitalised in January 2010 in place of old factory shed building (burn by fire).

SPENTA INTERNATIONAL LIMITED
10 : NON CURRENT INVESTMENTS

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Other Trade Investments				
Investments in Quoted Equity Shares				
300 - ACC LTD (300 - ACC LTD)	263,948		263,948	
100 - Century Textile (100 - Century Textile)	48,919		48,919	
1000 - EIL (1000 - EIL)	452,962		452,962	
4434 - TATA TEA (4434 - TATA TEA)	567,274		567,274	
1500 - TELCO (300 - T ELCO)	219,065		219,065	
1050 - TISCO LTD (1050 - TISCO LTD)	595,558	2,147,726	595,558	2,147,726
Investments in Capital of Partnership Firm				
- Vyas Developers	10,000,000	10,000,000	10,000,000	10,000,000
		12,147,726		12,147,726
TOTAL				
Aggregate book value of quoted investments		2,147,726		2,147,726
Aggregate market value of quoted investments		1,667,320		2,102,065

Investments in Quoted Equity Shares

TELCO (Tata Motors Ltd) on 13/09/2011 sub divided existing ordinary equity shares from every ONE equity share of Rs.10/- each into FIVE equity shares of Rs.2/- each. Hence, Number of Equity Shares increased from 300 to 1500 Shares.

Investments in Capital of Partnership Firm

Company has made an Investments of Rs.100 Lacs in a Partnership Firm viz. Vyas Developers- Property Developers for developing land in Palghar, in May 2008.

11 : DEFERRED TAX ASSETS

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Opening Balance	836,547			
Add : For the year	173,430	1,009,977	836,547	836,547
TOTAL		1,009,977		836,547

SPENTA INTERNATIONAL LIMITED
12 : LONG TERM LOANS & ADVANCES
(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Advances recoverable in cash or in kind for value to be received				
- Loan to Staff				
Secured considered good	-		-	
Unsecured considered good	-		-	
Doubtful	-		-	
- Deposits	1,186,490		1,530,590	
- Net Amount Receivables from Income Tax	5,595,228	6,781,718	5,158,501	6,689,091
TOTAL		6,781,718		6,689,091

13 : DEFERRED EXPENSES NOT WRITTEN OFF
(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
- Deferred Expenses not w/off	251,608	251,608	-	-
TOTAL		251,608		-

Fixed Deposits

Fixed Deposits stated above are under Lien for Bank Guarantee given to DGFT for EPCG License.

14 : CURRENT INVESTMENTS
(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Investments in Company				
- Spenta Global Pvt Ltd	-	-	14,500,000	14,500,000
TOTAL		-		14,500,000

Investments in Company

Company had Share Application money of Rs.145 Lacs in M/s Spenta Global Pvt Ltd. and all application money received in current year.

15 : INVENTORIES
(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
(a) Stock in Hand				
- Raw Material	15,578,570		14,045,402	
- Finished Goods	25,157,771		15,060,330	
- Packing Material	2,717,577		2,867,302	
- Stores & Spares (Including Consumables)	400,000	43,853,918	400,000	32,73,034
(b) Stock in Transit	-	-	-	-
TOTAL		43,853,918		32,73,034

Valuation of inventories

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Raw material comprises of Yarn and packing material at cost, Wastage is valued at net realizable value. Cost of Raw material, finished goods, Spares and Consumables are determined on First in First out basis.

SPENTA INTERNATIONAL LIMITED
16 : TRADE RECEIVABLES
(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
(Unsecured and Considered Good)				
- Over 6 months & above	205,875		205,875	
- Others	63,763,093		62,577,276	
Less : Provisions		63,968,968		62,783,151
TOTAL		63,968,968		62,783,151

17 : CASH AND CASH EQUIVALENTS
(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
- Cash balance on hand	984,880	984,880	1,054,875	1,054,875
- Balance with Banks				
With Scheduled Banks				
i) In Current Accounts :				
Bank Balance	510,788		7,861,937	
Cheques on hand	-		-	
ii) In Fixed Deposit Accounts :				
Maturity with more than 12 months	1,773,499		2,867,036	
Maturity within 12 months	36,606,503	38,890,790	28,135,255	38,864,228
TOTAL		39,875,670		39,919,104

18 : SHORT TERM LOANS & ADVANCES
(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
- Loan to Staff				
Secured considered good	318,002		269,202	
Unsecured considered good	-		97,912	
Doubtful	-		-	
- Prepaid Expenses	286,026		269,529	
- Other Loans and Advances	1,249,404		1,685,097	
- Interest Receivables	3,163,923		2,104,826	
- Balance with Central Excise Authorities, etc	-		428,533	
- Other Receivables	35,771		-	
- Deposits	-		10,000	
- Net Amount Receivables / (Payable) from Income Tax	329,455	5,382,581	436,727	5,301,826
TOTAL		5,382,581		5,301,826

Balance in Loans and Advances as shown in the accounts are subject to confirmation and reconciliation. However, in the opinion of the Board of Directors all loans and advances would in the ordinary course of business realize at least the value stated.

19 : REVENUE FROM OPERATIONS
(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Sales				
1 Exports Sales & Entitlement	17,352,120		-	
2 Local Sales	262,275,565	279,627,685	264,284,476	264,284,476
TOTAL		279,627,685		264,284,476

SPENTA INTERNATIONAL LIMITED
20 : COST OF MATERIAL COMSUMED

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
(a) Raw Material				
Opening Stocks	14,045,402		17,111,511	
Add : Purchases	130,944,457		119,490,273	
Less : Closing Stocks	15,578,570	129,411,289	14,045,402	122,556,382
(b) Packing Material				
Opening Stocks	2,867,302		2,127,600	
Add : Purchases	12,955,312		13,324,570	
Less : Closing Stocks	2,717,577	13,105,037	2,867,302	12,584,868
TOTAL		142,516,326		135,141,250

21 : VARIATION IN STOCKS

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Opening Stock				
Finished Goods	15,060,330		19,765,233	
Stock In Trade				
Spares & Consumables	400,000	15,460,330	200,000	19,965,233
Less :				
Closing Stocks				
Finished Goods	25,157,771		15,060,330	
Stock In Trade				
Spares & Consumables	400,000	25,557,771	400,000	15,460,330
TOTAL		(10,097,441)		4,504,903

22 : EMPLOYEE BENEFITS EXPENSE

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Bonus to Staff	1,565,554		1,069,829	
Directors' remuneration	2,775,240		2,925,000	
Factory Employee's & Labour's Benefits	7,680,428		7,207,703	
Gratuity (Directors)	190,000		190,000	
Gratuity (Office)	14,000		14,000	
Gratuity Factory	380,000		380,000	
Provident Fund Employer's Contribution	842,195	13,447,417	838,259	12,624,791
TOTAL		13,447,417		12,624,791

23 : FINANCE COST

(Amount in Rs.)

	As at March 31, 2013		As at March 31, 2012	
Bank Charges	73,084		191,015	
Interest - Others	98,895		182,770	
Interest on Bill Discounting	3,420,215		3,324,502	
Interest on Fixed Deposits	180,000		180,000	
Interest on Loans Agts. FD's	-		1,051,588	
Interest on Short Term Loan	776,451		913,896	
Interest on Term Loan	545,804		434,220	
Interest on Working Capital	2,007,385	7,101,834	5,089,133	11,367,124
TOTAL		7,101,834		11,367,124

	As at March 31, 2013		As at March 31, 2012	
(A) MANUFACTURING EXPENSES				
Carriage Expenses	1,056,684		758,458	
Commission on Purchases	513,559		924,324	
Consumables Stores & Spares	1,396,031		1,744,052	
Diesel Expenses	253,108		382,207	
Embroidery charges	4,860		124,003	
Factory Expenses	485,086		387,036	
Free Socks Samples	81,763		-	
Hamali Charges	61,730		57,601	
Job Work Charges	8,984,896		7,133,462	
Octroi Charges	8,964		7,317	
Oil Purchases	236,494		211,550	
Other Miscellaneous Expenses	-		910	
Packing Charges	9,099,709		8,004,207	
Power - Factory	12,902,828		11,518,546	
Staff Uniform Expenses	35,430		144,280	
Testing Charges	133,091		107,048	
Washing Charges	400,181		351,140	
Welfare Expenses	686,246	36,340,661	606,193	32,462,333
(B) ADMINISTRATIVE AND OTHER EXPENSES				
Advertisement & Publicity	50,231		34,927	
Auditors Remuneration	-		175,000	
Bonus To Distributors	-		22,507	
Brokerage A/C.	-		37,500	
Books & Periodicals	2,133		-	
Business Promotion	275,903		224,871	
Car Insurance	79,000		78,562	
Carriage Outward	3,831,061		3,303,560	
Claims & Shortages	440,029		605,714	
Commission on Sales	50,930		250,492	
Communication Expenses	320,450		403,098	
Conveyance	803,970		690,091	
Courier & Postage Charges	96,408		78,405	

	As at March 31, 2013		As at March 31, 2012	
Debit/Credit Balances Adj Ac	-		36,442	
Deferred Exp Written Off	13,243		-	
Discount Given	217,291		-	
Donation	50,000		250,000	
Electricity Expenses	100,430		68,437	
Exchange Gains / (Loss)	-		(31,922)	
Foreign Travel	631,677		-	
Insurance	469,757		470,016	
Legal & Professional Fees	808,512		536,305	
Legal License fees	103,917		119,189	
Listing Fees	34,500		38,216	
Loss on sale of assets	116,058			
Membership & Subscription	57,894		45,737	
Miscellaneous expenses	50,311		141,690	
Municipal Tax	224,500		232,358	
Office Expenses	40,028		38,005	
Printing & Stationery	256,693		273,070	
Profession Tax	2,500		2,500	
Rent	863,000		946,000	
Repair & Maintenance	1,767,706		1,830,175	
Salaries & Wages - Office	230,133		223,250	
Sales Tax	-		66,096	
Security Charges	808,617		552,783	
Service Tax paid	101,286		33,935	
Shops & Establishment	31,440		-	
Transfer Agent Fees	130,957		120,733	
Travelling expenses	201,662		613,861	
Vehicle Running Expenses	606,187	13,868,415	487,669	12,999,272
TOTAL		50,209,076	45,461,605	

25. Contingent Liabilities

In respect of guarantee provided by bank on behalf of the Company Rs. 28,65,910/- (Previous year Rs.28,65,910/-) Income Tax demand of Rs.74,46,117/- for A.Y.2005-06 & A.Y.2006-07 (Previous Year Rs.6,62,248/-) against which the company paid 28,61,057/- in March 2012 (Previous Year Rs. Nil/-) and has filed an appeal with the Income Tax Appellate Tribunal, Mumbai.

SPENTA INTERNATIONAL LIMITED
26. Capacities and Production

Capacities and Production	Number of Pairs	
	March 31, 2013	March 31, 2012
Installed Capacity	7,410,000	7,150,000
Actual Production (including sourcing)	8,203,189	6,697,547

Installed capacity has been calculated on the basis of machines running on production of pouch Heel Socks & real Heel Socks. For the year the number of machines making such production as of March 31, 2013 is 6 & 123 respectively (previous year as of March 31, 2012 is 6 & 115 respectively).

27. Insurance claim of Rs. 89.35 Lacs filed by the company on account of fire occurred at the Company's Godown at Aliyali-Palghar, Maharashtra on 26th August, 2008 damaging complete Building and Stock in hand is still pending with the insurance company. The Company has filled a case against the insurance company in the consumer court. The case is still pending as on March 31, 2013.
28. The company has pending Export obligation under EPCG against Machinery destroyed in fire in Dec'2004. In the current year company has taken up the matter with the relevant authorities for waiver of the said export obligation. The matter is still pending as on March 31, 2013.
29. The Company has received a notice from the Octroi department for recovery of Octroi duty for goods cleared under "N" form for the period ended 2008, 2009, & 2010. The Company has however disputed the same and has filled a FIR in the current year against a courier company who have fraudulently forged the company's documents to clear such goods. The matter is pending with the Octroi authorities as on March 31, 2013.

30. Director Remuneration

Director Remuneration (Salaries and Allowances)	Amount in Rs	
	March 31, 2013	March 31, 2012
Managing Director	1,216,800	1,216,800
Whole time Director	2,215,980	1,708,200
Total	3,432,780	2,925,000

31. Auditors Remuneration

Payment to Auditor	Amount in Rs	
	March 31, 2013	March 31, 2012
Audit Fees	1,50,000	157,500
Taxation Matters	112,979	51,729
Certification and Other Charges	42,467	46,957
Total	305,264	256,186

SPENTA INTERNATIONAL LIMITED
32. Additional Information

C.I.F. Value of Imports	Amount (Rs. in Lacs)	
	March 31, 2013	March 31, 2012
Spares & Consumables	07.97	11.57
Plant & Machinery	98.19	77.37

Foreign Exchange Earning & Outgo	Amount (Rs. in Lacs)	
	March 31, 2013	March 31, 2012
Foreign Exchange Earnings (F.O.B. Value of Exports)	-	-
Foreign Exchange Outgo		
- Travelling	4.92	-
- Advances for Machines	0.25	-
- Plant & Machinery	98.19	60.28
- Spares & Consumables	9.92	9.84

33. Quantitative Details :

Raw Material (Yarn)	As at March 31, 2013		As at March 31, 2012	
	Qty. (kgs.)	Amount (Rs.)	Qty. (kgs.)	Amount (Rs.)
Opening Stock	50,611.081	1,40,45,402	64,694.14	1,71,11,511
Purchased during the year	455,471.191	13,09,44,457	4,06,040.28	11,94,90,273
Yarn Sales	84,174.325	2,50,99,670	51,421.926	1,50,00,547
Consumption during the year	368,963.704	10,43,11,619	3,68,701.41	10,75,55,835
Closing Stock	52,944.243	1,55,78,570	50,611.081	1,40,45,402

Raw Material (Packing Material)	Amount in Rs	
	March 31, 2013	March 31, 2012
Opening Stock	28,67,302	21,27,600
Purchased during the year	1,29,55,312	1,33,24,570
Consumption during the year	1,31,05,037	1,25,84,868
Closing Stock	27,17,577	28,67,302

Finished Goods (Socks)	As at March 31, 2013		As at March 31, 2012	
	No. of Pairs	Amount (Rs.)	No. of Pairs	Amount (Rs.)
Opening Stock	6,44,831	1,50,60,330	10,29,286	1,97,65,233
Production / Job Work	68,07,470	17,28,81,864	60,05,448	22,44,57,251
Socks Purchased	13,95,720	4,13,81,406	6,92,099	2,06,81,282
Sales (Net of Returns)	80,03,142	25,44,81,371	70,82,002	24,98,43,436
Closing Stock	8,44,879	2,51,57,771	6,44,831	1,50,60,330

34. Earnings Per Share (EPS)

Earning per share (with extraordinary items)	March 31, 2013	March 31, 2012
Profit after taxation as per profit and loss account (Rs. in Lacs)	137.70	168.76
Weighted average number of equity share outstanding (in Lacs)	31.146	31.146
Basic and diluted earnings per share in rupees (face value -Rs.10 per share)	4.42	5.42

SPENTA INTERNATIONAL LIMITED

Earning per share (without extraordinary items)	March 31, 2013	March 31, 2012
Profit after taxation as per profit and loss account (Rs. in Lacs)	137.70	168.76
Weighted average number of equity share outstanding (in Lacs)	31.146	31.146
Basic and diluted earnings per share in rupees (face value -Rs.10 per share)	4.42	5.42

35. As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below :

Sr.No	Name of Related Party	Relationship
1	Carnival Properties Pvt Ltd	Associates
2	Juvenile Trading Pvt Ltd	
3	Orient Socknit (I) Pvt. Ltd	
4	Mr. Sanjay S Gadodia	Key Management Personnel
5	Mr. Danny F Hansotia	
6	Mr. Sandeep S Gadodia	
7	Mr. Firoz M Hansotia	Relatives of Key Management Personnel
8	Mrs. Sulochana Gadodia	
9	Mrs. Rita Gadodia	

(Amount in Lacs)

Nature of Transaction	Associates		Key Management Personnel		Relatives of Key Management Personnel		Total	
	Cur . Yr.	Prev. Yr.	Cur . Yr.	Prev. Yr.	Cur . Yr.	Prev. Yr.	Cur . Yr.	Prev. Yr.
Finance Received								
Mr. Sanjay S. Gadodia	Nil	Nil	5.25	Nil	Nil	Nil	5.25	Nil
Mrs. Rita S Gadodia	Nil	Nil	Nil	Nil	10.00	Nil	10.00	Nil
Mrs. Sulochana Gadodia	Nil	Nil	Nil	Nil	3.75	Nil	3.75	Nil
Finance Repaid								
Mr. Sanjay S. Gadodia	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Juvenile Trading Pvt. Ltd.	3.50	Nil	Nil	Nil	Nil	Nil	3.50	Nil
Carnival Properties Pvt. Ltd.	5.00	Nil	Nil	Nil	Nil	Nil	5.00	Nil
Interest Paid/Payable								
On Finance Received								
Carnival Properties Pvt. Ltd.	0.63	0.70	Nil	Nil	Nil	Nil	0.63	0.70
Juvenile Trading Pvt. Ltd.	0.10	0.35	Nil	Nil	Nil	Nil	0.10	0.35
Mr. Danny F. Hansotia	Nil	Nil	1.92	1.92	Nil	Nil	1.92	1.92
Mr. Sanjay S. Gadodia	Nil	Nil	0.95	0.50	Nil	Nil	0.95	0.50
Mrs. Rita S Gadodia	Nil	Nil	Nil	Nil	0.74	Nil	0.74	Nil
Mrs. Sulochana Gadodia	Nil	Nil	Nil	Nil	0.32	Nil	0.32	Nil
Interest Paid/Payable								
On Fixed Deposits								
Mr. Firoz M Hansotia	Nil	Nil	Nil	Nil	1.80	1.80	1.80	1.80
Remuneration								
Mr. Danny F. Hansotia	Nil	Nil	12.17	12.17	Nil	Nil	12.17	12.17
Mr. Sandeep S. Gadodia	Nil	Nil	9.99	9.99	Nil	Nil	9.99	9.99
Mr. Sanjay S. Gadodia	Nil	Nil	12.17	12.17	Nil	Nil	12.17	12.17
Rent Paid								
Juvenile Trading Pvt. Ltd.	NIL	0.40	Nil	Nil	Nil	Nil	NIL	0.40
Mrs. Rita S Gadodia	Nil	Nil	Nil	Nil	2.64	2.64	2.64	2.64

Note : Related party relationship is as identified by the Company and relied upon by the Auditors

SPENTA INTERNATIONAL LIMITED
36. Disclosure with regards to Provisions as per Accounting Standard - 29 is as under

Particulars	As at March 31, 2013 Amount in Rs	As at March 31, 2012 Amount in Rs
Leave Encashment :		
Opening Balance	608,771	662,786
Add : Provision during the year	888,542	995,494
Less : Payment during the year	335,841	449,509
Less : Provision reversed during the year	608,771	600,000
Closing Balance	552,701	608,771

37. Segment reporting

Based on the guiding principles given in Accounting Standard on 'Segment Reporting' [(Accounting Standard - 17) issued by the Institute of Chartered Accounts of India] the company's primary business segment is Knitted Socks. As the Company's business activity falls within a single primary business segment the disclosure requirement of AS-17 in this regards are not applicable.

As per our report of even date

For A. R. Parikh & Co
Chartered Accountants

Ameet R. Parikh
(Proprietor)
Membership No.38188

Place : Mumbai
Date : May 30, 2013

For and behalf of the Board

Sanjay S. Gadodia
Chairman

Danny F. Hansotia
Managing Director

Sandeep S. Gadodia
Whole Time Director



SPENTA INTERNATIONAL LIMITED

SPENTA INTERNATIONAL LIMITED
REGD. OFFICE: PLOT NO.13 to 16, 40 (PART) & 40/2, DEWAN INDUSTRIAL ESTATE,
VILLAGE NAVALI, DISTRICT THANE, PALGHAR (WEST) – 401 404.

ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **26th ANNUAL GENERAL MEETING** of the Company at **Regd. Office** of the company on **Wednesday the September 25, 2013 at 11.00 A.M.**

Name of the Shareholder

Signature

Folio No. _____

(Full name of Proxy)

Note: No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

SPENTA INTERNATIONAL LIMITED
REGD. OFFICE: PLOT NO.13 to 16, 40 (PART) & 40/2, DEWAN INDUSTRIAL ESTATE,
VILLAGE NAVALI, DISTRICT THANE, PALGHAR (WEST) – 401 404.

PROXY FORM

I/We.....of.....in

the district of being a member/members of the above named Company hereby appoint

..... of in the district of..... or failing him

..... of In the district of

..... as my / our proxy to attend and vote for me/us on my /our behalf at the **26th**

ANNUAL GENERAL MEETING of the Company to be held at **Regd. Office** of the company, on **Wednesday the September 25,**

2013, at 11.00 A.M. and at any adjournment thereof.

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

Reg. Folio No.....

No. of Shares

Signature



Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Book-Post

If undelivered please return to:
LINK INTIME INDIA PVT. LTD.

UNIT : SPENTA INTERNATIONAL LIMITED
C-13 Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai 400 078