



15th Annual Report 2008-2009



Filatex Fashions Ltd.



Filatex Fashion Ltd.

World of a primary and yet
most important clothing
accessory - socks!



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

Registered Office 202,Patel Avenue Road,
8-2-618/2/1/1,Road No. 11,
Banjara Hills,
Hyderabad - 500 034

Works Alinagar, Chetla
Potharam Village,
Jeenaram Mandal,
Medak Dist.

Bankers HDFC / HSBC / Yes Bank

Auditors M/s S. Suresh & Co.,
Chartered Accountants
Hyderabad.

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

NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of FILATEX FASHIONS LIMITED will be held on Thursday the 30th day of September 2009 at 2.30 AM at 202, Patels Avenue, Road No. 11, Banjara Hills, Hyderabad- 500 034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2009, the Profit & Loss Account for the year ended as on that date and the Reports of the Directors' and the Auditor's thereon.
2. To appoint a Director in place of Shri. Raghu Raj who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri D.P Kelkar who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. S.Suresh & Co, Chartered Accountants, Hyderabad the retiring Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS :

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

“RESOLVED THAT Mr. Rajkumar Bidawatka who was appointed as Additional Director of the Company by the Board of Directors and who holds office as per Section 260 of the Companies Act, 1956, up to the date of next Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

6. To consider and, if thought fit, to pass with or without the modifications, the following resolution as an Ordinary resolution

“RESOLVED THAT Mr. Sanjay Ishwarlal Bora who was appointed as Additional Director of the Company by the Board of Directors and who holds office as per Section 260 of the Companies Act, 1956, up to the date of next Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To consider and, if thought fit, to pass with or without the modifications, the following resolution as a Special resolution

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

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

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

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

"RESOLVED THAT pursuant of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956 and subject to the approval of Shareholders, Shri Prabhat Sethia be and is hereby re-appointed as Managing Director for a period of 5 years commencing from 01.07.2009 on a remuneration as per details given below:

REMUNERATION

- I. Salary : Rs.75000/- (Seventy five thousand) per month in the scale of 5,00,000/- 10,00,000/- as per Company rules.

II. PERQUISITIES

PART - A

- i. The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income tax Rules, 1962.
- ii. Medical Reimbursement : Expenses incurred for self and family subject to a ceiling of one month salary per year or three months salary in a period of 3 years.

iii. Leave Travel Concession:

For self and family once in a year accordance with any rules specified by the Company.

iv. Club Fees:

Fees of Clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.

v. Personal Accident Insurance:

For an amount the annual premium of which does not exceed Rs.15,000/-.

PART-B

- I. Company's contribution towards Provident Fund will be as per the rules made under Employees Provident Fund Miscellaneous Provisions Act, 1956.
- ii. Company's Contribution towards Pension/Superannuation Fund, such contribution together with the contribution to the Provident Fund shall not exceed 25% of salary.
- iii. Gratuity : Payable in accordance with an approved scheme of the Company.

PART-C

- I. Free use of Company's car on Company's business
- ii. Residential telephone shall be provided. All long distances personal calls shall be duly logged and paid for the Managing Director.
- iii. Earned/Privilege Leave - On full pay and allowance as per rules of the Company. Leave accumulated but not availed during his tenure any be allowed to encash as per the rules of the Company"

For and on behalf of the Board of Directors

Place: Hyderabad
Date: 30.07.2009

Prabhat Sethia
Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf and the proxy need not be a member of the Company. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 25th September 2009 to 30th September 2009 (both days inclusive).
3. Members/ Proxies are requested to bring their copy of Annual Report to the meeting and attendance slip should be duly filled in for attending the Meeting.
4. Members are requested to send all correspondence relating to the shares to the Share Transfer Registrars M/s Sharex Dynamic (India) Private Limited, Unit No. 1, Luthra Ind. Premises, Andheri- Kurla Road, Safeal Road, Andheri (E), Mumbai- 400 072 Phone: 022 – 28515606, FAX: 022- 28512885.

EXPLANATORY STATEMENT

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

Item no: 5 & 6

The Board of Directors of the Company appointed Mr. Rajkumar Bidawatka, Mr. Sanjay Bora Directors of the Company during the period and their term of office expires on the date of next Annual General Meeting and a notice from a member of the Company was received proposing their appointment as a Directors of the Company under Section 257 of the Companies Act, 1956.

No Director other than the appointees is concerned or interested in the said Resolution. Your Directors commend the Resolutions in item nos.1 to 4 for approval.

Item No. 7

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

Undertaking of such new business requires alteration of Objects clause of Memorandum of Association of the Company for inclusion of objects to undertake business in the field of trading of all kinds of petrochemical based products. In this connection it is considered proper to add the new Clauses 4 after the existing Clause 3 of the Main Objects Clause of the Memorandum of Association of the Company.

You are requested to communicate your assent or dissent in writing in the POSTAL BALLOT FORM sent herewith in accordance with the instructions set out there in.

None of the directors is in any way concerned or interested in the Special resolution .

Item No.8

The Board of Directors at its meeting held on 30th July, 2009 has appointed Shri Prabhat Sethia as Managing Director of the Company effective from 01st July 2009 for a period of 5 years on payment of remuneration and perquisites as detailed at item no.8 of the notice. It may be mentioned that the proposed remuneration & perquisites payable to Shri Prabhat Sethia are in conformity to Schedule XIII and other applicable provisions of the Companies Act, 1956.

Shri Prabhat Sethia has been in textile business since 20 years and has experience in manufacturing and trading of textiles and other related fields.

Except Shri Prabhat Sethia, being the appointee, no other Director of the Company is anyway concerned or interested in the resolution.

POSTAL BALLOT

Dear Members,

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

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

Draft Special Resolution:

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

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

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

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

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

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

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

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

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

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

Please note that all Forms duly completed should reach the Scrutinizer on or before 26th September, 2009 to be able to announce the result of Ballot by the Chairman at the Annual General Meeting to be held on 30th September, 2009 at 202, Avenue, Road No. 11 Banjara Hills, Hyderabad - 500 034.