



PADAM COTTON YERNS LIMITED

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16TH Annual Report 2009-10

BOARD OF DIRECTOR

Shri Rajev Gupta
Shri Vivek Gupta
Shri Jai Kumar Gupta
Shri Satwant Singh
Shri Harbhajan Singh

Whole time Director
Whole time Director
Director
Director
Director

REGISTERED OFFICE

196,1st Floor, G.T.Road,
Opp. Red Cross Market
Karnal -132001

HEAD OFFICE

C-5/2A, Rana Partap Bagh,
Delhi-7

STATUTORY AUDITORS

M/S.Viney Goel & Associates
Chartered Accountants,
B-2,Parshotam Garden,
Near Chandranchal Banquet Hall,
Karnal-132001

BANKERS TO THE COMPANY

HDFC Bank Ltd.
SCO 778-779,
Opp. Mahabir Dal Hospital,
Kunjpura Road, Karnal-132001



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PADAM COTTON YARNS LIMITED

NOTICE

Notice is hereby given that the 16th. Annual General Meeting of the Company will be held at the Registered Office of the Company at 196, Opposite Red cross Market, G.T.Road, Karnal on Friday, the 10th. Day of September, 2010 at 11.00AM. to consider and transact the following ordinary business:-

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended on 31st. March, 2010 and the report of Auditors' and Directors' there on.
2. To appoint a Director in place of Mr. Jai Kumar Gupta, who retires by rotation but being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Satwant singh, who retires by rotation but being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General meeting and to fix their remuneration. M/s Viney Goel & Associates Chartered Accountants, the retiring Auditors of the Company are eligible and offer themselves for re-appointment.

Place : Karnal

Dated : 28th. July, 2010

FOR AND ON THE BE HALF OF THE BOARD
For Padam Cotton Yarns Limited

Sd/-
(Rajev Gupta)
Whole Time Director

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint another person as his/ her proxy to attend and on poll to vote instead of himself/ herself. The proxy need not be a member of the Company. A blank proxy form is enclosed and should be returned duly completed at the registered office of the Company not later than 48 hours before scheduled time of the meeting.
2. The Register of Members and share Transfer Books of the Company shall remain Closed w.e.f Tuesday, the 7th. Day of September, 2010 to Friday, the 10th. Day of September, 2010 (Both days inclusive).
3. Members are requested to notify the change of address, if any, to the Company at the Registered Office immediately quoting the folio number under which the shares are held.
4. In case of Joint Holders, if more than one holder intends to attend the meeting they must obtain additional admission slip(s) on request from the Registered Office of the Company.
5. All queries relating to the accounts must be sent to the Company at its Registered Office at least ten days before the holding of the Annual General Meeting.
6. Members/Proxies are requested to bring their copy of Annual Report along with duly filled admission slip for attending the meeting.
7. Member who have multiple accounts in identical names or joint accounts in same order are requested to intimate to the company, the ledger folios of such accounts to enable the company to consolidate all such shareholdings into one account.

DIRECTOR'S REPORT

DEAR MEMBERS,

Your Directors take pleasure in presenting their 16th. Annual Report together with the Audited Accounts for the year ended 31st. March, 2010.

FINANCIAL RESULTS:

Your Directors regret to inform you that there was no commercial activity during the year under review as the entire Plant and Machinery and major part of the Building had got damaged in July, 2002 due to fire in the factory premises. However, the company has receipts from the other income only to the extent of Rs 1.38 Lacs as against Rs 2.20 lacs during the previous year. The insurance claim of Rs. 5,29,51,550/- is still pending for decision with the Honourable National consumer Dispute Redressal Commission, New Delhi. However, it has received an amount of Rs. 439.13 Lacs in the protest a/c against the bank guarantee.

DIVIDEND

In view of the non availability of the profits during the year under review, your Directors do not recommend any dividend.

Deposits

During the year under review, the company does not have any loans outstanding.

Information Pursuant to section 217 of the Companies Act, 1956:

Under sub-section(1)(e):

Information with regard to power and fuel consumption, own generation, conservation of energy, absorption of technology and foreign exchange earning and outgo is enclosed as Annexure 1 and forms an integral part of the report.

Under sub-section (2A):

No employee was in receipt of remuneration in excess of the limits prescribed under the act whose particulars are required to be disclosed in this report.

Under sub section 2AA Directors' Responsibility statement

To the best of their Knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of section 217(2AA) of the Companies Act 1956:

1. That in the preparation of the annual accounts for the year ended 31st. March, 2010, the applicable accounting standards have been followed, along with proper explanations relating to material departures, if any.
2. That such Accounting policies as mentioned in Schedule XI i.e. Annual accounts have been selected and applied consistently and judgements and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st. March, 2010 and of the Profit/loss of the Company for that year.

3. That proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing frauds and other irregularities.
4. That Annual Account as at 31st. March, 2010 have been prepared on a going concern basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 read with Articles of Association of the Company, Mr. Jai Kumar Gupta and Mr. Satwant Singh, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, Offer themselves for re-appointment.

CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement entered with the Stock Exchanges, a separate report on the Corporate Governance practices followed by the Company together with a certificate of the Statutory Auditors of the Company is attached as Annexure II to this report.

AUDITORS

M/s Viney Goel & Associates, Chartered Accountants, shall retire at the conclusion of the ensuing Annual General meeting of the Company and being eligible, offers themselves for re-appointment. The Auditors have informed that their re-appointment if made, shall be within the limits prescribed under section 224(IB) of the Companies Act, 1956. The qualifications given by the statutory auditors regarding disputed excise duty were placed before the board and were discussed in detail. As the paragraphs are self explanatory, no further details are given here.

ACKNOWLEDGEMENT

Your Directors would like to thank Financial Institutions, Bank and all other Central and State Government Departments for their continued support and assistance. Your Directors would also like to thank all employees and officers of the Company without whose efforts it would not have been possible to obtain these results.

Place: Karnal
Dated: 28th. July, 2010

FOR AND ON THE BEHALF OF THE BOARD
For Padam Cotton Yarns Limited.

Sd/-
(Vivek Gupta)
Whole Time Director

Sd/-
(Rajev Gupta)
Whole Time Director

Annexure-I
(FORM A)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. Power and fuel consumption

	2008-09	2009-10
1. Electricity		
(a) Purchased		
Unit		
Total amount	Nil	Nil
(Rs. In lacs)		
Rate/ Unit (Rs.)		
(b) Own Generation		
(i) Through Diesel Generator.		
Units	Nil	Nil
Unit per ltr. Of Diesel oil.		
Cost/ unit (Rs)		
(ii) Through steam Turbine / Generator		
Units	Nil	Nil
Unit per ltr. of Fuel oil/Gas		
Cost/ unit(Rs.)		
2. Coal	Nil	Nil
Quantity (tonnes)		
Total Cost		
Average Rate(Rs.)		
3. Furnace Oil	Nil	Nil
Quantity(K.Ltr)		
Total amount		
Average Rate(Rs.)		
4. Others/ internal generation	Nil	Nil
Quantity(tonnes)		
Total cost		
Rate/unit		

B. Consumption per unit of production

Standards	2008-2009	2009-2010
	1	2
Products (with details)unit KG.		
Electricity	Nil	Nil
Furnace oil	Nil	Nil
Coal	Nil	Nil
Others	Nil	Nil

(FORM B)**Technology Absorption**

The Company did not import any technology. Information under this head may be taken as nil.

(FORM C)**Foreign Exchange**

A. Activities relating to exports

Nil

B. Foreign exchange earning & outgo

Nil

FOR AND ON THE BEHALF OF THAT BOARD
For Padam Cotton Yarns Ltd.

Place : Karnal

Dated: 28th. July, 2010

Sd/-

(Rajev Gupta)

Chairman-cum Whole-Time Director