

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. Chetan Rathod	: Independent Non-Executive Director
Mr. Jayant Farswani	: Independent Non-Executive Director (resigned w.e.f 5th January, 2011)

BANKERS:

Dena Bank, Share Bazaar Branch, Mumbai.
Dena Bank, Palghar Branch, Palghar.
ICICI Bank, Palghar Branch, Palghar.
CITI Bank, Nariman Point Branch, Mumbai.
DCB Ltd., Nariman Point Branch, Mumbai.

AUDITORS:

A. R. PARIKH & CO., Mumbai.
321, Parekh Market, 3rd Floor
Opera House, Mumbai - 400 004.
E-mail: arparikh.co@gmail.com.

SHARE TRANSFER AGENT:

LINK INTIME INDIA PVT. LTD.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
MUMBAI - 400 078.

LISTING OF EQUITY SHARES:

The Bombay Stock Exchange, Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001.

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

REGISTERED OFFICE & FACTORY :

Plot No.13, 14, 15, & 16, & 40 (PART) & 40/2
Dewan Industrial Estate,
Village Navali, District Thane,
Palghar (West) – 401 404.

CORPORATE OFFICE:

86 & 87, Empire Building,
2nd Floor, 134/136, Dr. D. N. Road,
Fort, Mumbai – 400 001.

WEBSITE: www.spentasocks.com

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Kamdhenu Complex, Opp. Sahajanand College,	
Panjarapole, Ambawadi, Ahmedabad - 380 001	
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SPENTA INTERNATIONAL LIMITED**Notice**

Notice is hereby given that the 24th Annual General Meeting (the "Meeting") of the members of Spenta International Limited ("the Company") will be held on Thursday, the 15th September, 2011 at 11.30 a.m. at Registered Office of the Company situated at Plot No. 13, 14, 15, & 16, 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 accounts for the year ended 31st March 2011 along with notes & schedules thereon as on that date and the reports of Directors & 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 and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass, with or without modifications, 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. Sandeep Gadodia as a Whole Time Director of the Company for a period of 5 (Five) years, with effect from 1st June, 2011 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 term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement.

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

BY ORDER OF THE BOARD
FOR SPENTA INTERNATIONAL LIMITED

DATE: 10th August, 2011

PLACE: Mumbai

Sd/-
SANJAY GADODIA
(CHAIRMAN & WHOLE TIME DIRECTOR)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the Meeting. A Proxy is not entitled to vote except on a poll.
3. The Register of Members and Share Transfer Register shall remain closed from Thursday, the 8th September, 2011 to Thursday, the 15th September, 2011 (both days inclusive).
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 Transfer Agents, Link Intime India Pvt. Ltd. and can also send confirmation on mail id - spentainternationalgogreen@linkintime.co.in**
6. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
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. Any members requiring further information on accounts at the meeting are requested to send their queries in writing to the Managing Director, Mr. Danny Hansotia at the Registered Office of the Company at least 10 days before the date of the meeting, so as to enable the management to keep the information ready.
9. The explanatory statement pursuant to Section 173 of the Companies Act, 1956, in respect of business under Item No. 4 is annexed hereto.
10. Details of Directors seeking appointment or re-appointment at the 24th 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.
11. 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.
12. Corporate Members intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the 24th Annual General Meeting.

EXPLANATORY STATEMENT

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

Item No.: 4

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, in its meeting held on 27th May, 2011, Mr. Sandeep Gadodia was re-appointed as a Whole Time Director of the Company for a period of 5 (Five) years with effect from 1st June, 2011, subject to the approval of members in the Annual General Meeting. The remuneration to Mr. Sandeep Gadodia inter alia, includes the payment of salary, perquisites and benefits and is subject to the approval of the members.

The terms & conditions proposed to be entered into by the Company with Mr. Sandeep Gadodia in respect of his re-appointment, inter alia, contains the following terms and conditions:

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

1. Name & Designation of Director.	Mr. Sandeep Gadodia (Whole Time Director)
2. Date of Appointment / Re-appointment	1st June, 2011
3. Period	5 (Five) years
4. Salary (p.m)	Rs. 31,250/- p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies 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. Sandeep 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 Mr. Sandeep Gadodia shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II) PERQUISITES:

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

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Funds 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.

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 of the Companies Act, 1956, or any amendment hereafter in that regard.

SPENTA INTERNATIONAL LIMITED

The Board recommends the said resolution for approval of members.

Except Mr. Sanjay Gadodia & Mr. Sandeep Gadodia, none of the Directors of the Company are concerned or interested in the said resolution.

These terms & conditions of re-appointment may be treated as abstracts pursuant to section 302 of the Companies Act, 1956.

BY ORDER OF THE BOARD
FOR SPENTA INTERNATIONAL LIMITED

DATE : 10th August, 2011

PLACE: Mumbai

Sd/-
SANJAY GADODIA
(CHAIRMAN & WHOLE TIME DIRECTOR)

DIRECTORS' REPORT

To,
The Members,
SPENTA INTERNATIONAL LIMITED.

Your Directors have great pleasure in presenting **24th ANNUAL REPORT** along with the Audited Balance Sheet and Profit and Loss Account, for the year ended 31st March, 2011.

1. FINANCIAL RESULTS:

The financial Results are briefly indicated below:

(Rs. In Lacs)

	YEAR ENDED	
	31st March 2011	31st March 2010
Sales	2050.84	2143.34
Profit before Interest and Depreciation	512.87	500.16
Less: Interest & finance charges	89.04	76.23
Profit after interest but before Depreciation	423.83	423.93
Less: Depreciation & Amortization	149.38	141.17
Profit before tax	274.45	282.76
Less: Provision for Taxation		
- Current Tax	113.60	110.00
- Deferred Tax(Net)	(21.95)	(15.10)
Profit after tax	182.80	187.86
Add: Profit for earlier years	943.81	755.95
Profit Available for Appropriation	1126.61	943.81
Less: Transfer to General Reserve	--	--
Surplus carried to Balance Sheet	1126.61	943.81

2. FINANCIAL OPERATIONS:

The turnover of the Company during the year 2010-11 has been Rs. 20,50,84,079/- The Company has posted a net profit of Rs.1,82,80,283/-. On Account of increase in depreciation, interest & finance charges, the net profit of the company has marginally reduced during the year.

3. FUTURE PROSPECTS:

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.

4. DIVIDEND AND TRANSFER TO RESERVES:

Your Directors do not recommend any dividend for the year in order to utilize the accruals for funding the expansion project of the Company. 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 58-A 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 is a director retiring by rotation in terms of provisions of Articles of Association of the Company. She offers herself for re-appointment. The resolution for appointment of director is placed before you in the Annual General Meeting. The Directors recommend her re-appointment.

Mr. Sandeep Gadodia is re-appointed as a Whole Time Director w.e.f 01st June 2011 for a period of 5 (Five) years. The resolution for the appointment of the Whole Time Director is placed before you in the Annual General Meeting. The Directors recommend his re-appointment.

Mr. Jayant Farswani resigned from Directorship w.e.f 5th January, 2011.

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 is enclosed as a part of this Annual Report. Certificate of M/s. HS Associates, Company Secretaries, regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with stock exchange(s) is enclosed herewith.

10. CEO / CFO CERTIFICATION:

Certificate of CEO / CFO of the Company on financial statements, cash flow for the financial year 2010-11 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, Company Secretaries, is annexed hereto.

SPENTA INTERNATIONAL LIMITED**12. STOCK EXCHANGE REQUIREMENTS:**

Being listed at Bombay Stock Exchange Limited, Mumbai & Ahmedabad Stock Exchange, the company has paid listing fees till March, 2012.

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 or qualification remarks.

15. 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 explained under part of Annexure-4 i.e. details under Clause 49 of Listing Agreement with Stock Exchanges.

16. MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT:

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

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

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 I.

18. 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.

19. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to place on record, gratitude for co-operation and support received from their Banker, various departments and agencies of Central and State Government and dedication and commitment of the staff at all levels, without which the all-round growth and prosperity of the Company would not have been possible. Your Directors also appreciate the support provided by the several overseas and local customers to the Company's marketing efforts and to the esteemed shareholders who have maintained confidence in the Company.

FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS

DATE: 10th August, 2011

PLACE: Mumbai

Sd/-
SANJAY GADODIA
(CHAIRMAN & WHOLE TIME DIRECTOR)

ANNEXURE 1 TO DIRECTORS' REPORT
Form A : Disclosure of particulars with respect to Conservation of Energy.

		31/03/11	31/03/10
A.	POWER & FUEL CONSUMPTION		
1.	Electricity		
a)	Purchased		
	Units (in lakhs) (in kwh)	18.17	17.92
	Amount in Rupees (in lakhs)	106.31	103.89
	Rate per Unit (in Rupees)	5.85	5.79
B.	CONSUMPTION PER UNIT OF PRODUCTION		
	Knitted Cotton Socks	1.57	1.54

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)

	31/03/11	31/03/10
Foreign Exchange Earnings:		
(FOB vale of Exports)		
Foreign Exchange outgo:		
Travelling	2.05	1.56
Advances for Machines	3.63	--
Plant and Machinery	31.72	71.10
Spares & Consumables	7.18	6.51

COMPLIANCE CERTIFICATE

Regn. No. of the Company: L28129MH1986PLC040482.

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

To,

The Members,

SPENTA INTERNATIONAL LIMITED

Regd. Office: Plot No.13, 14, 15 & 16,

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 **31ST MARCH, 2011** ("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 thereunder.
3. The Company, being a Public Limited Company has the minimum prescribed paid up Capital.
4. The Board of Directors duly met (7) seven times on 29/05/2010, 03/08/2010, 12/11/2010, 05/01/2011, 10/02/2011, 14/02/2011 and 29/03/2011 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 closed its Register of Members from Thursday, the 16th September, 2010 to Thursday, the 23rd September, 2010 (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 31st March, 2010 was held on 23rd September, 2010 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 not entered into any contracts falling within the purview of Section 297 of the Act.
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 2,900 Equity shares of Rs.10/- each on 31st March, 2011. 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. Jayant Farswani has resigned w.e.f. 5th January, 2011. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the financial year.

15. Mr. Sandeep Gadodia was re-appointed as a Whole Time Director of the Company for a period of 5 years, during the financial year in compliance with the provisions of Section 269 read with Schedule XIII to the Act.

16. The Company has not appointed any sole-selling agents during the financial year.

17. The Company was not 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 31st March, 2011 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.