

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. Chetan Rathod : Independent Non-Executive Director (Resigned w.e.f. 24th July, 2012)
Mr. Jagdeep Desai : Additional Independent Non- Executive Director (w.e.f 5th October, 2011)

BANKERS:

Development Credit Bank Ltd.
CITI Bank
ICICI Bank

AUDITORS:

A. R. PARIKH & CO., Mumbai.
321, Parekh Market, 3rd Floor,
Opera House, Mumbai - 400 004.
E-mail: arparikh@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.
Tel:-022-25963838 Fax:-022-25946969
Email id:-mumbai@linkintime.co.in

REGISTERED OFFICE & FACTORY:

Plot No.13 to 16,
Dewan Industrial Estate,
Village Naval, District Thane,
Palghar (West) - 401 404.

WEBSITE : www.spentasocks.com

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.

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SPENTA INTERNATIONAL LIMITED**Notice**

Notice is hereby given that the **Twenty-Fifth Annual General Meeting** (the "Meeting") of the members of **Spenta International Limited** ("the Company") will be held on **Thursday, the 27th September, 2012 at 11.00 a.m.** at the 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 Balance Sheet as at 31st March 2012, the Profit and Loss account for the year ended on that date and the Reports of the 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 mutually 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 pursuant to the provisions of Section 257 and other applicable provisions, if any of the Companies Act, 1956 Mr.Jagdeep Desai 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
FOR SPENTA INTERNATIONAL LIMITED

Sd/-

SANJAY GADODIA
(CHAIRMAN & WHOLE TIME DIRECTOR)

DATE: 13th August, 2012

PLACE: Palghar

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 Thursday 20th September, 2012 to Thursday, 27th September, 2012(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 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 25th 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 dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management.

BY ORDER OF THE BOARD
FOR SPENTA INTERNATIONAL LIMITED

DATE: 13th August, 2012
PLACE: Palghar

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

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

ITEM NO. 4:

Mr. Jagdeep Desai was appointed as an Additional Director w.e.f 5th October, 2011 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. Jagdeep Desai 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. Jagdeep Desai is as follows:-

Name of the Director	Mr. Jagdeep Desai
Age	52
Qualification	B.com
Expertise in specific functional areas	Accounting & Finance
Directorship in other Indian Public Limited Company & other firms as on 31.03.2012	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 31st March, 2012.

The Board recommends the said resolution for approval of members.

Except Mr. Jagdeep Desai, none of the Directors of the Company are concerned or interested in the said resolution.

BY ORDER OF THE BOARD
FOR SPENTA INTERNATIONAL LIMITED

DATE: 13th August, 2012
PLACE: Palghar

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

DIRECTORS' REPORT

To,
The Members,
SPENTA INTERNATIONAL LIMITED.

The Directors are pleased to present the **Twenty-Fifth Annual Report** and the Audited Statement of Accounts for the year ended 31st March 2012:

1. FINANCIAL RESULTS:

The Financial Results are briefly indicated below:

	(Rs. In Lacs)	
	YEAR ENDED	
	31st March 2012	31st March 2011
Sales	2642.84	2050.84
Other Income	76.96	38.88
Total Income	2719.80	2089.72
Profit before Interest and Depreciation	535.66	512.87
Less: Interest & finance charges	(113.67)	(89.04)
Profit after interest but before Depreciation	421.99	423.83
Less: Depreciation & Amortization	(160.94)	(149.38)
Profit before tax	261.05	274.45
Less: Provision for Taxation - Current Tax	105.00	113.60
- Deferred Tax(Net)	(13.69)	(21.95)
- Short/Excess provision for Fringe Benefit Tax	0.98	—
Profit after tax	168.76	182.80
Add: Profit for earlier years	1126.61	943.81
Profit Available for Appropriation	1295.37	1126.61
Less: Transfer to General Reserve	—	—
Surplus carried to Balance Sheet	1295.37	1126.61

2. FINANCIAL OPERATIONS:

Even as the Indian economy encountered a challenging 2011-12, the Company's Sales income grew by 28.86 % to Rs. 2642.84 lacs compared to Rs. 2050.84 lacs in the previous year. However on account of inflation and rising interest rates the net profit of the company has reduced by 7.68 % to Rs.168.76 lacs.

3. FUTURE PROSPECTS:

The robustness of the Indian Economy is reflected in the fact that despite challenging headwinds, the Euro-zone crisis and a substantially weaker rupee, India's GDP is expected to grow by about 6.5% in 2012-13. The Company's Socks Division is optimistic of growth through continued network expansion and innovation.

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.

SPENTA INTERNATIONAL LIMITED**6. SUBSIDIARIES:**

Since the Company has no subsidiaries, provisions 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.

Mr. Jagdeep Desai was appointed as an Additional Director w.e.f 5th October, 2011 by the Board of Directors of the Company in terms of Section 260 of the Companies Act, 1956. Members attention is drawn to Item No.4 of the Notice for the appointment of Mr. Jagdeep Desai as a Director of the Company.

Mr. Chetan Rathod resigned from Directorship w.e.f 24th July, 2012. Company is in process of appointing an independent non executive director within the stipulated time period.

8. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to 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, Practising Company Secretaries.

10. CEO / CFO CERTIFICATION:

Certificate of CEO / CFO of the Company on financial statements, cash flow for the financial year 2011-12 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.

12. STOCK EXCHANGE REQUIREMENTS:

Being listed at Bombay Stock Exchange Limited, Mumbai & Ahmedabad Stock Exchange, the company has paid listing fees till March, 2013.

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.

SPENTA INTERNATIONAL LIMITED**14. AUDITORS' REPORT:**

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

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 detailed in the Corporate Governance Report which forms part of this Annual Report.

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:

A statement giving details of conservation of energy, technology, absorption, foreign exchange earnings and outgo in accordance with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed to this report.

18. PARTICULARS OF EMPLOYEES:

In accordance with the provisions 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 Bankers, 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
SPENTA INTERNATIONAL LIMITED

DATE: 13th August, 2012
PLACE: Palghar

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

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

		31/03/12	31/03/11
A.	POWER & FUEL CONSUMPTION		
1.	Electricity		
a)	Purchased		
	Units (in lakhs) (in kwh)	17.27	18.17
	Amount in Rupees (in lakhs)	115.19	106.31
	Rate per Unit (in Rupees)	6.66	5.85
B.	CONSUMPTION PER UNIT OF PRODUCTION		
	Knitted Cotton Socks	1.72	1.57

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

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

	31/03/12	31/03/11
Foreign Exchange Earnings:		
(FOB vale of Exports)		
Foreign Exchange outgo:		
Travelling	NIL	2.05
Advances for Machines	NIL	3.63
Plant and Machinery	60.28	31.72
Spares & Consumables	9.84	7.08

**ANNEXURE 2 TO DIRECTORS' REPORT
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, 2012** ("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 and wherever documents filed late, the additional filling 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 (8) eight times on 09/04/2011, 05/05/2011, 27/05/2011, 10/08/2011, 04/10/2011, 05/10/2011, 14/11/2011 and 14/02/2012 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 8th September, 2011 to Thursday, the 15th September, 2011 (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, 2011 was held on 15th September, 2011. 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 400 Equity shares of Rs.10/- each in physical mode for the financial year 31st March, 2012. 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. Jagdeep Desai was appointed as an Additional Director w.e.f. 5th October, 2011 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 obtained approval of the Central Government pursuant to provisions of Section 297 of the Act but was not required to obtain any approvals of the 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, 2012 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.