

Mehra Goel & Co.
Chartered Accountants

AUDITORS' REPORT

**To the Shareholders of
SPL INDUSTRIES LIMITED**

We have audited the attached Balance Sheet of SPL INDUSTRIES LIMITED as on 31st March, 2009 and also the Profit & Loss Account and the Cash Flow statement of the Company 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.

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.

1. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. *The company has not accounted for exchange difference on outstanding forward exchange contracts entered in to to hedge the export debts, which constitutes a departure from the Accounting Standard - 11 on "The effects of changes in foreign exchange rates", as notified in companies (Accounting Standard) Rules, 2006. Had the exchange differences been accounted for, the loss after tax for the year would have been higher by Rs. 348.53 Lacs. Reserve and surplus would have been lowered by Rs. 348.53 Lacs and loss per share would have been higher by Rs. 1.20 per share.*
3. Further to our comments in the Annexure referred to in paragraph (1) and subject to our observation in paragraph (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 purpose 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, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;



- d) In our opinion the Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by the report comply with the requirements of Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of the written representations received from the Directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 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, 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 accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2009;
 - ii) in the case of the Profit and Loss Account, of the loss of the company for the year ended on that date; and
 - iii) in the case of Cash Flow Statement, of the cash flow of the Company for the year ended on that date.

FOR MEHRA GOEL & CO.
Chartered Accountants


R.K. MEHRA
PARTNER
M. No.: 6102

Place: New Delhi
Dated: June 30, 2009



ANNEXURE

(Referred to in paragraph 1 of our report of even date)

- i) a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) In our opinion the fixed assets covering significant value have been physically verified by the Management during the year at reasonable intervals and having regard to the size of the company and the nature of its assets and on the basis of the information and explanations given by the Management, no material discrepancies have been noticed on such verification.
- c) No substantial part of fixed assets has been disposed off during the year.
- ii) a) As per information & explanation given to us, the inventory of the Company in its possession has been physically verified by the Management at reasonable intervals. Stocks in the possession and custody of the third parties and stocks in transit as on 31st March 2009 have been verified by the Management with regard to confirmation or statement of account or correspondence of the third parties or subsequent receipt of goods.
- b) The procedure of physical verification of inventory of the Company followed by the Management is reasonable and adequate in relation to the size of the Company and nature of its business.
- c) The Company is maintaining proper records of inventory. As explained to us, no material discrepancies were noticed on such physical verification as compared to book records.
- iii) As per information & explanation given to us, the company has not taken any loan, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- iv) As per information & explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956, during the current financial year. In respect of unsecured loan granted by the company in the previous year(s) to a party listed in the Register maintained under Section 301 of the Companies Act, 1956:-
- a) The maximum amount outstanding of the loan at any time during the year was Rs. 69.75 Lacs and year end balance is Rs. NIL.
- b) In our opinion and according to the information and explanations given to us, the rate of interest and other conditions were not, prima facie, prejudicial to the interest of the company.
- c) As per information and explanation given to us, the interest and principle of the loan granted by the company was repayable on demand and there was no repayment schedule, therefore the question of overdue amount does not arise.
- v) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. During the course of our Audit, no major weakness has been noticed in the internal controls.
- vi) In respect of transactions covered under section 301 of the Companies Act, 1956:-



- a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained u/s 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 contracts or arrangements entered in the register have been made at prices which are reasonable having regard to the prevailing market prices at the relevant times.
- vii) To the best of our knowledge, the company has not accepted any deposits covered under section 58A and 58AA or any other relevant provision of the Companies Act, 1956.
- viii) To the best of our knowledge and explanations given to us, the Company has an internal audit system commensurate with its size and the nature of its business.
- ix) To the best of our knowledge, the Central Government has not prescribed the maintenance of any cost records under Section 209 (1) (d) of the Companies Act, 1956, for the product manufactured by the company.
- x) a) To the best of our knowledge and according to the information and explanations given to us the Company is generally regular, except delay in certain cases and non-deposit of Fringe Benefit Tax, in depositing undisputed statutory dues including Provident Fund, Investors Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Service Tax and any other statutory dues applicable to it with the appropriate authorities.
- b) According to information and explanations given to us, except non-payment of fringe Benefit Tax as required by Income Tax Act, 1961 for the current financial year, there were no arrears of outstanding Income Tax, Wealth Tax, Sale Tax, Service Tax, Cess, Custom Duty, Excise Duty and any other statutory dues as at 31.03.2009 for a period of more than six months from the date they became payable.
- c) To the best of our knowledge and according to information and explanation given to us there are no dues of sales tax / custom duty / wealth tax / excise duty / cess / service tax/ income tax which have not been deposited on account of any dispute except in the following cases: -

Name of the Statute	Nature of the Dues	Amount (Rs: In Lacs)	Period to which amount related	Forum where dispute is pending
1	2	3	4	5
Income Tax Act, 1961	Disallowance	1.44	F/Y 2004-2005	Commissioner (Appeals)
	Disallowance	355.73	F/Y 2005-2006	Commissioner (Appeals)
	80 HHC Disallowance	55.68	F/Y 2001-2002	High Court
Haryana Sale Tax Act & Central Sale Tax	Additional demand	53.98 *	F/Y 2000-2001	Tribunal
	against sale of DEP B License	17.85 *	F/Y 1999-2000	Tribunal
EPF and MP Act	Additional Demand	5.51	Oct 1995 - Sept 1997	Tribunal
EST Act, 1948	Additional Demand	9.81	F/Y 2002-2003	Civil Court

*excluding Rs. 20 Lacs paid under protest.



- xi) The Company has incurred cash losses during the financial year covered by our Audit however, the company neither has incurred any cash losses in the immediate preceding financial year nor has any accumulated losses at the end of the current financial year.
- xii) In our opinion, the company has not defaulted in repayment of dues to Financial Institutions or Banks.
- xiii) On the basis of verification of accounts and records maintained by the Company and to the best of our knowledge & belief, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiv) The Company is not a chit fund or nidhi / mutual benefit fund / society. Therefore the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- xv) To the best of our knowledge and according to information given to us, the Company is not dealing or trading in shares, securities and debentures.
- xvi) To the best of our knowledge and according to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from Banks/ Financial Institutions.
- xvii) To the best of our knowledge and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- xviii) According to the Cash Flow Statement and other records examined by us and information & explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investments.
- xix) According to the information & explanations given to us, the Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xx) According to the information & explanations given to us the Company has not issued any debenture during the year.
- xxi) To the best of our knowledge and according to information and explanation given to us, the company has not raised and money by public issue during the year.
- xxii) Based upon the audit procedure performed and information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

FOR MEHRA GOEL & CO.
Chartered Accountants

pk Tehl
R.K. MEHRA
PARTNER
M. No.: 6102

Place: New Delhi
Dated: June 30, 2009



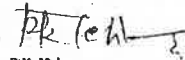
SPL Industries Ltd.

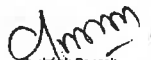
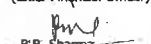
Balance Sheet As on 31st March, 2009

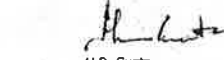

		(Figures in Rupees)	
SCHEDULE No.	AS AT '31.03.2009	AS AT '31.03.2008	
I. Sources of Funds			
(1) SHAREHOLDERS' FUND			
(a) Share Capital	1	290,000,040	290,000,040
(b) Reserves & Surplus	2	1,209,198,021	1,352,671,556
(2) Loan Funds	3		
Secured Loans		1,139,874,301	983,437,057
(3) Deferred Tax Liability		-66,711,767	79,151,767
Total		<u>2,705,784,129</u>	<u>2,705,260,420</u>
II. Application Of Funds			
(1) Fixed/Intangible Assets			
(a) Gross Block	4	1,412,817,574	1,369,983,126
(b) Less : Depreciation		698,331,136	616,350,037
(c) Net Block		714,486,438	753,633,089
(2) Capital Work In Progress	5	274,700	28,405,974
(3) Investment	6	83,595,335	96,036,345
(4) Current Assets, Loans And Advances			
(a) Inventories	7	1,662,512,536	1,382,634,185
(b) Sundry Debtors	8	387,039,528	446,449,106
(c) Cash & Bank Balances	9	59,938,819	42,761,020
(d) Loans & Advances	10	466,079,706	659,335,597
		<u>2,575,570,589</u>	<u>2,531,179,907</u>
Less : Current Liabilities And Provisions			
(a) Current Liabilities	11	566,505,350	612,320,323
(b) Provisions		101,637,583	91,674,572
		<u>668,142,933</u>	<u>703,994,895</u>
Net Current Assets		1,907,427,656	1,827,185,012
Total		<u>2,705,784,129</u>	<u>2,705,260,420</u>
Significant Accounting Policies	16		
Notes To Accounts	17		

Auditors' Report
As Per Our Report Attached

For Mehra Goel & Co.
Chartered Accountants


R.K. Mehra
(Partner)
M.No. 6102
Place : New Delhi
Date : June 30th '2009


Pushpak Bansal
(Chief Financial Officer)

B.B. Sharma
(Company Secretary)


H.R. Gupta
(Chairman Cum Managing Director)

Vijay Jindal
(Jt. Managing Director)



SPT Industries Ltd.

Profit & Loss Account For The Year Ended 31st March, 2009

	SCHEDULE No.	(Figures in Rupees)	
		Year Ended '31.03.2009	Year Ended '31.03.2008
Income			
Sales	12	3,690,655,885	3,236,928,664
Other Income	13	6,982,193	12,049,973
		<u>3,697,638,078</u>	<u>3,248,978,637</u>
Expenditure			
Manufacturing Administrative & Other Expenses	14	3,342,392,107	3,088,909,629
Financial Charges	15	147,710,112	104,422,571
Depreciation		82,887,777	85,483,672
		<u>3,572,989,996</u>	<u>3,278,815,872</u>
Profit/(Loss) before taxation & Exceptional Items		124,648,082	(29,837,235)
Exceptional Items			
Exchange Loss / (Gain)		277,576,617	(75,191,890)
		(152,928,535)	45,354,655
Profit/(Loss) Before Tax			
Provision For Taxation			9,000,000
-Current Income Tax		(12,440,000)	3,000,000
-Deferred Income Tax		2,900,000	2,960,000
-Fringe benefit Tax			2,953,461
Income Tax Paid for Earlier Years		85,000	67,000
- Wealth Tax			
Profit/(Loss) After Tax		<u>(143,473,535)</u>	<u>27,374,194</u>
Add/(Less) :			
-Profit Brought Forward From Previous Year		841,195,509	813,821,315
Profit Available for Appropriation		<u>697,721,974</u>	<u>841,195,509</u>
APPROPRIATIONS			
Balance Carried to Balance Sheet		697,721,974	841,195,509
		<u>697,721,974</u>	<u>841,195,509</u>

Basic/Diluted Earning Per Share (Refer Note No. 14 of schedule 17)

(4.95) 0.94

Nominal Value of Equity Share

10 10

Significant Accounting Policies
Notes To Accounts

16
17

Auditors' Report
As Per Our Report Attached

For Mehra Goel & Co.
Chartered Accountants

R.K. Mehra
R.K. Mehra
(Partner)
M.No. 6102
Place : New Delhi
Date : June 30th 2009

Mishpak Bansal
Mishpak Bansal
(Chief Financial Officer)

B.B. Sharma
B.B. Sharma
(Company Secretary)

R.R. Gupta
R.R. Gupta
(Chairman Cum Managing Director)

Vijay Jindal
Vijay Jindal
(Jt. Managing Director)



SPL Industries Ltd.

Schedules Forming Part Of Balance Sheet

	(Figures in Rupees)	
	AS AT 31.03.2009	AS AT 31.03.2008
Schedule - 1 Share Capital		
Authorised		
30,000,000 Equity Shares Of Rs. 10/- Each	300,000,000	300,000,000
Issued Subscribed and Paid Up*		
29,000,004 (Previous year 29,000,004) Equity Shares Of Rs.10/-		
Each Fully Paid Up	290,000,040	290,000,040
	<u>290,000,040</u>	<u>290,000,040</u>
*Above includes 2 equity shares allotted as fully paid up shares without payment being received in cash on amalgamation of SPL Machines Ltd. with the company and 10,000,002 Issued as Bonus share by Capitalization of accumulated balance in Profit & Loss		
Schedule - 2 Reserves And Surplus		
Capital Reserve		
At The Commencement and end of The Year	3,107,174	3,107,174
Securities Premium Account		
At The Commencement of The Year	496,744,853	496,744,853
General Reserve		
At The Commencement and end of The Year	11,624,020	10,856,400
Add: Addition during the year		767,620
	<u>11,624,020</u>	<u>11,624,020</u>
Profit & Loss Account	<u>697,721,974</u>	<u>841,195,509</u>
	<u>1,209,198,021</u>	<u>1,352,671,556</u>
Schedule - 3 Loan Funds		
Secured		
From Banks		
—Term Loan*		10,846,367
—Other Term Loan**	6,744,832	2,894,241
—Working Capital Loan ***		
In Foreign Currency	391,225,379	406,878,022
In Indian Currency	633,950,391	497,825,427
Term Loan From Financial Institution****	107,953,699	64,993,000
	<u>1,139,874,301</u>	<u>983,437,057</u>

*Secured by first charge on Land & Building and Plant & Machinery acquired under the loan (Further guaranteed by personal guarantee of CMD and Jt. Managing Directors of the Company.)

**Secured by hypothecation of specific vehicles.

*** Rs. 4948.96 Lacs (Previous year 4978.25 Lacs) are secured by first (exclusive) Charge over factory land & building located at Plot No. 7, Plot No. 22 and Plot No. 39, Sector 6, Faridabad, Rs. 4068.25 Lacs (Previous Year 4068.78) are secured by mortgage/ Charge over the property situated at Plot No 128, Sec - 24, Faridabad (Haryana) of M/s Elkay Strips Limited and Rs. 1234.53 Lacs (Previous Year NIL) are secured by first mortgage and charge on all the company's movable assets, both present and future, (save and except book debts), pertaining to its unit at plot no 21, Sector -6, Faridabad, Haryana. All loans secured by first charge on pari passu basis between the working capital lenders on current assets of the company except Rs. 1234.54 Lacs (Previous Year NIL) on which charge yet to be created in favour of IDBI due to pending NOC from other Banks. All loans are further secured by second charge on immovable properties, both present & future (save and except for mortgages and charges created in favour of IDBI FOR Term Loan) and are guaranteed by personal guarantee of CMD and Jt. Managing Directors of the Company.

****Secured by first mortgage and charge on all the company's movable assets, both present and future, (save and except book debts), pertaining to its unit at plot no 21, Sector -6, Faridabad, Haryana subject to the charge created / to be created in favour of the company's bankers on current assets for securing borrowings for working capital requirements, and charges created for specific equipments in favour of banks/IDBI, ranking pari passu with the charges created and /or to be created in favour of existing term lenders. The loan is further secured by personal guarantee of CMD and Jt. Managing Directors of the Company.



SPL INDUSTRIES LTD.

SCHEDULE - 4 FIXED/INTANGIBLE ASSETS

(Figures in Rupees)

ASSETS	Gross Block			Depreciation			Net Block		
	AS AT 01.04.08	ADDITIONS	SALE/ TRANSFER	UP TO 01.04.08	FOR THE YEAR	Written Back On Sale	Up TO 31.03.09	AS AT 31.03.09	AS AT 31.03.08
TANGIBLE ASSETS									
LAND	107,685,450	1,796,226	-	35,072,243	8,188,671	-	43,260,914	109,481,676	107,685,450
BUILDING	184,687,549	5,842,491	-	545,170,744	66,316,049	-	611,486,793	147,269,126	149,615,306
PLANT & MACHINERY	1,003,545,648	23,634,850	-	9,689,784	2,350,444	-	11,113,552	415,693,705	458,374,903
VEHICLES	22,044,891	9,191,181	1,997,588	10,317,621	2,460,178	906,676	12,777,959	16,124,932	12,335,107
FURNITURE & FIXTURE	24,477,100	1,647,373	-	14,430,790	3,375,312	-	17,806,102	13,346,674	14,159,479
OFFICE EQUIPMENTS	25,536,797	2,642,217	-	1,668,854	217,123	-	1,885,977	10,394,912	11,128,007
INTANGIBLE ASSETS									
COMPUTER SOFTWARE	1,983,691	77,698	-	1,668,854	217,123	-	1,885,977	175,412	314,637
TOTAL	1,369,983,126	44,832,036	1,997,588	616,350,037	82,887,777	906,676	698,531,136	714,466,438	753,633,089
PREVIOUS YEAR	1,309,168,290	67,827,237	7,012,401	535,222,511	85,483,672	4,356,146	616,350,037	759,633,089	



SPL Industries Ltd.

Schedules Forming Part Of Balance Sheet

Schedule - 5 Capital Work In Progress

Building
Plant & Machinery
Advance For Capital Goods
(Unsecured, Considered Good)

(Figures in Rupees)	
AS AT 31.03.2009	AS AT 31.03.2008
	4,943,139
274,700	2,095,424
	21,367,411
<u>274,700</u>	<u>28,405,974</u>

Schedule - 6 Investment

(Fully Paid up - Other Than Trade)
Long Term, Unquoted

Elkay International P. Ltd.
6,66,500 Equity Shares of Rs. 10/- Each
Elkay Straps Ltd.
95,750 Equity Shares of Rs. 100/- Each
Sadbu Forging Ltd.
20,625 Equity Shares (Previous Year 26,060)
of Rs.100/- Each

6,665,000	6,665,000
9,575,000	9,575,000
20,625,000	26,060,000

Investment In Subsidiary Company
Mode Prints Ltd.

13,01,000 Equity Shares of Rs.10/- Each

22,227,585	22,227,585
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(A)

Current, Quoted *

23499.941 (Previous Year 21802.226) Units
of HDFC Floating rate Income fund

240,171	221,260
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116711.659 (Previous Year Nil) Units of
Reliance regular saving fund equity plan -
growth option

2,348,262	
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Nil (Previous Year 250000) Units of Reliance
long term equity fund

	2,500,000
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100000 (Previous Year 100000) Units of UTI
Infrastructure Advantage fund

1,000,000	1,000,000
-----------	-----------

27216.568 (Previous Year 23705.055) Units
of HDFC Equity Fund Dividend

1,317,880	1,246,765
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300000 (Previous Year 300000) Units of
HDFC Infrastructure fund

3,000,000	3,000,000
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Less: Diminution In value of Investments

7,906,313	7,968,025
(3,384,763)	(666,965)
<u>4,521,550</u>	<u>7,301,060</u>

(B)

Advance for Share Capital

19,981,200	24,207,700
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(C)

(A+B+C)

<u>83,595,335</u>	<u>96,036,345</u>
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* Aggregate Market Value of Quoted Investments

<u>4,521,550</u>	<u>8,122,728</u>
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Schedule - 7 Inventory

(As Taken, Valued And Certified By The Management)

Raw Material

190,345,942	165,286,037
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Stores & Spares

5,954,828	3,616,778
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Fuel & Furnace Oil

1,110,309	1,492,666
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Work In Progress

810,960,197	681,779,879
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Packing Material

6,217,966	4,578,253
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Finished Goods

647,341,324	525,756,649
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Scrap

581,970	23,923
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<u>1,662,512,536</u>	<u>1,382,634,185</u>
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SPT Industries Ltd.

Schedules Forming Part Of Profit & Loss Account

(Figures in Rupees)

	Year Ended 31.03.2009	Year Ended 31.03.2008
Schedule - 8 Sundry Debtors (Unsecured, Considered Good.)		
Debits Outstanding Over Six Months	84,959,326	117,606,555
Others*	302,080,202	328,842,551
	387,039,528	446,449,106

* Includes Rs. 21465604/- (Previous Year Rs. 20442584/-). Due from M/s Sadhu Auto Parts Pvt. Ltd. in which two directors of the Company are director / Member .

Schedule - 9 Cash and Bank Balances

Cash on Hand	2,956,870	2,235,130
Balance With Scheduled Banks		
-In Current Accounts	20,986,818	11,600,298
-In Fixed Deposit Accounts *	35,995,831	28,925,492
Balance With Post Office		
-Saving Account**	100	100
	59,938,819	42,761,020

*Including Interest Accrued Thereon Rs.962029/- (Previous Year Rs. 902530/-).

**Maximum Balance During the year Rs.100/- (Previous Year Rs. 100/-).

Schedule - 10 Loans And Advances

(Unsecured, Considered Good)		
Advances Recoverable in Cash Or in Kind or for-Value To be Received	152,803,522	292,614,859
Loan & Advances	22,058,627	24,681,458
Security Deposit	30,326,802	30,158,552
Export Benefit Receivable	74,901,841	141,835,131
Advance To Subsidiary Company	67,136,497	67,435,141
Balance With Excise Department	14,527	14,527
Central Receivable	11,324,041	10,517,520
Advance Wealth / Income Tax	107,513,849	92,079,409
	466,079,706	659,335,597

Schedule - 11 Current Liabilities And Provisions

Current Liabilities		
Sundry Creditors	423,294,380	510,717,254
Bank Overdraft	90,347,533	31,104,046
Interest Accrued but not Due on Loans	1,187,820	460,000
Other Liabilities	51,675,617	70,039,023
	A	612,320,323
Provisions		
Retirement Benefits	16,148,160	9,170,149
Provision for Taxation Including Wealth Tax	85,489,423	82,504,423
	B	91,674,572
	A+B	703,994,895



SPL Industries Ltd.

Schedules Forming Part Of Profit & Loss Account

	(Figures in Rupees)	
	Year Ended 31.03.2009	Year Ended 31.03.2008
Schedule - 12 Sales		
Sale Export	3,172,155,388	2,759,321,285
Sale Domestic	128,868,946	104,125,939
Processing Charges	96,729,249	98,312,599
Export Incentives	292,902,302	275,168,841
	<u>3,690,655,885</u>	<u>3,236,928,664</u>
Schedule - 13 Other Income		
Interest*	5,617,613	7,762,919
Profit on Sale of fixed Assets	27,891	
Profit on Sale of non-trade current investment		1,212,228
Dividend from non-trade current investment	88,358	131,661
Other Income	1,248,331	2,943,165
	<u>6,982,193</u>	<u>12,049,973</u>

*Tax Deducted at Source Rs.1158746/- (Previous Year Rs. 1641548/-).



SPL Industries Ltd.

Schedules Forming Part Of Profit & Loss Account

(Figures in Rupees)

	Year Ended 31.03.2009	Year Ended 31.03.2008
Schedule - 14 Manufacturing, Administrative And Other Expenses		
Raw Material Consumed	1,744,350,799	1,727,340,857
Store Consumed	32,571,558	31,778,614
Salary & Wages	338,546,011	303,019,594
Directors' Remuneration	3,720,000	3,520,000
Welfare Expenses	8,781,468	9,168,037
Contribution To P.F. and Other Funds	35,707,539	32,464,089
Power & Fuel	173,336,621	173,010,799
Job Work Charges	669,482,636	541,411,143
Repair & Maintenance		
--Plant & Machinery	34,666,176	29,339,523
--Building	3,234,847	1,724,461
--Others	3,848,777	3,822,819
Advertisement & Publicity	147,340	755,625
Travelling & Conveyance	26,202,669	23,035,864
Printing & Stationery	6,284,837	6,936,917
Postage Telegram and Telephone	17,832,984	15,909,714
Insurance	3,733,867	6,917,260
Auditors Remuneration		
--Audit Fees	882,400	786,520
--Tax Audit Fees	220,600	112,360
--Other Services	25,268	2,850
Legal & Professional Charges	3,422,189	3,008,337
Rent	5,606,489	4,838,400
Rates & Taxes	2,423,285	2,981,191
Vehicle Running & Maintenance	4,597,085	4,220,941
Sales Promotion	4,691,358	3,527,735
Selling Expenses	331,641,405	266,852,944
Miscellaneous Expenditure	87,077,340	66,739,524
Diminution in value of current Investment	2,716,130	346,927
Loss On Sale Of Current Non-Trade Investment	151,738	
Loss On Sale Of Fixed Assets	515,102	1,952,635
Bad Debt: Written Off	47294629	2,603,747
Less: Provision for doubtful debts written back	0	(2,603,747)
	3,593,715,147	3,265,525,680
Add/(Less) : Decrease/(Increase) in Stock		
Opening Stock		
--Finished Goods	525,756,649	425,162,659
--Work In Progress	681,779,879	605,746,753
--Scrap	23,923	34,988
	1,207,560,451	1,030,944,400
Closing Stock		
--Finished Goods	647,344,324	525,756,649
--Work In Progress	810,960,197	681,779,879
--Scrap	581,970	23,923
	1,458,886,491	1,207,560,451
D (B-C)	(251,323,040)	(176,616,051)
A+D	3,342,392,107	3,088,909,629
Schedule - 15 Financial Charges		
Interest		
--Term Loans	7,748,113	6,114,935
--Others	92,596,266	72,340,819
Bank & Financial Charges	47,365,733	25,966,817
	147,710,112	104,422,571



SPL INDUSTRIES LIMITED

SCHEDULE- 16. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles and applicable accounting standards and the provision of Companies Act, 1956.

2. USE OF ESTIMATES

The preparation of financial statements require estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statement and the reported amount of revenue and the expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

3. FIXED ASSETS

Fixed assets are stated at cost net of Modvat/Cenvat/VAT wherever availed, less accumulated depreciation. Cost of fixed assets comprises purchase price, duties, levies, borrowing cost and any directly attributable cost of bringing the assets to its working condition for the intended use. Advance paid towards the acquisition of fixed assets and the cost of assets not ready to put to use before the year end, are disclosed under capital work in progress.

4. INTANGIBLE ASSETS

In accordance with the Accounting Standards (AS) 26 relating to intangible assets, all costs incurred on technical know-how / license fee relating to production process are charged to revenue in the year of incurrence. Costs incurred on technical know-how / license fee relating to process design / plants / facilities are capitalized at the time of capitalization of the said plant / facility and amortized on pro-rata basis over a period of five years. Computer software is capitalized on the date of installation and is amortized over a period of three years.

5. IMPAIRMENT OF ASSETS

Carrying amount of cash generating units / assets is reviewed for impairment. Impairment, if any, is recognized where the carrying amount exceeds the recoverable amount being the higher of net realizable price and value in use.

6. DEPRECIATION

Depreciation on all plant and machinery is provided on the Written Down value method at the rate and in the manner prescribed in schedule XIV to the Companies Act 1956.

Depreciation on other fixed assets is provided on straight Line Method at the rate and in the manner prescribed in schedule XIV to the Companies Act 1956.

Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing Rs. 5000/- or less are depreciated in full, in the year of purchase. Depreciation on incremental cost arising on account of translation of foreign currency liabilities (capitalised upto 31st March, 2007) for acquisition of fixed assets is provided as aforesaid over the residual life of the respective assets.



7. INVESTMENTS

Investments are classified into current and long-term investments. Current investments are stated at lower of cost or market value. Long-term investments are stated at cost and provision for diminution in value is made only if such decline is other than temporary in the opinion of management.

8. INVENTORY VALUATION

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net realisable value. The cost is determined by using First In First Out (FIFO) method.

Finished goods & work in progress includes costs of conversion & other costs incurred in bringing the inventories to their present location & condition.

9. SALES

Sales are net of sales tax.

10. PROCESSING CHARGES

Processing charges are net of returns, trade discount and rebates.

11. PURCHASE OF RAW MATERIALS:

Cost of Purchase less VAT credits, wherever availed, constitutes purchase price and includes duties, freight inward and other cost directly attributable to such purchase in the year in which they are accounted, whether the expenditure is immediate or deferred.

12. BORROWING COST:

Borrowing Cost that is attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

13. DIVIDEND INCOME:

Dividend on investments is accounted for as and when the right to receive the same is established.

14. CLAIMS:

Claim receivables are accounted for depending on the certainty of receipt & Claims payable are accounted for at the time of acceptance.

15. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies outstanding at the year-end are translated at exchange rate applicable as of that date. Non-Monetary items denominated in foreign currency are valued at the exchange rate prevailing on the date of transaction. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.

16. INCOME TAX

Provision for current income tax is made after taking credit for allowances and exemptions. In case of matters under appeal, due to disallowance or otherwise, provision is made when the company accepts the said liabilities.

In accordance with the Accounting standard 22 – 'Accounting for Taxes on income', the deferred tax for timing differences between the book & tax profit is accounted for using the tax rates and the tax laws that have been enacted or substantially enacted as of the balance sheet date.



Deferred tax assets arising from temporary timing difference are recognized to the extent there is virtual certainty that the assets can be realized in future.

17. EMPLOYEE'S BENEFITS

- i. Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which related service is rendered.
- ii. The company has defined contribution plan for post retirements benefits, namely, Employee Provident Fund Scheme administered through provident fund commissioner and the company's contribution are charged to revenue every year.
- iii. Company's contribution to state plans namely Employees State Insurance Fund is charged to revenue every year.
- iv. The company has defined benefit plans namely Leave encashment / Compensated absence and Gratuity, the liability for which is determined on the basis of an Actuarial valuation at the end of the year. Gratuity Trust is administered through Life Insurance Corporation of India.
- v. Termination benefits are recognized as an expense immediately.
- vi. Gain or Loss arising out of actuarial evaluation is recognized immediately in the profit and loss account as income or expense.

18. VAT

VAT claimed on capital assets is credited to assets/capital work in progress account. VAT on purchase of raw materials and other materials are deducted from the cost of such materials.

19. PROVISION AND CONTINGENT LIABILITIES

Show cause notices issued by various government authorities are not considered as obligation. When the demand notice are raised against such show cause notice and are disputed by the company then these are classified as possible obligations.

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 notes.

20. FINANCIAL DERIVATIVE AND HEDGING TRANSACTION

In respect of the Financial derivative contracts the premium / interest paid and profit / loss on settlement is charged to profit & Loss account. The contracts entered into are marked to market at year end and the resultant profit / loss is charged to profit & loss account.



SCHEDULE- 17 NOTES TO ACCOUNTS**1. CONTINGENT LIABILITIES**

		(Rs. In Lacs)	
		As At 31.03.2009	As At 31.03.2008
(i)	Bank Guarantee for A.E.P.C. and Custom Duty	28.75	28.75
(ii)	Bills Discounted	2116.98	2570.35
(iii)	Outstanding Letter of Credit (Net of Margin money of Rs.167.24 Lacs (P.Y. 112.63 Lacs))	1296.04	948.26
(iv)	Income Tax Act 1956 (disallowances)	412.85	39.38
(v)	Disputed Liability towards Provident Fund and E.S.I (Net of paid under protest)	15.32	21.41
(vi)	Disputed Liability towards Sales Tax (Net of paid under protest)	71.83	71.83
(vii)	Estimated amount of Contract remaining to be executed (Net of Advance)	NIL	55.14
(viii)	Surety given to Sales Tax Department for third party	1.50	1.00

2. In case of default in repayment of principal amount of the term loans taken from IDBI or interest thereon IDBI has a right to convert at par at its option 100% of the defaulted amount into fully paid up equity shares of the company. The balance of aforesaid loans as at 31.03.2009 is Rs. 449.89 Lacs. (As at 31.03.2008 is Rs. 649.93 Lacs)

3(a). Remuneration Paid to Directors (Including Managing Director)

		(Rs. In Lacs)	
		As At 31.03.2009	As At 31.03.2008
	Salary & Allowances	37.20	35.20

Note: It does not include :-

- (1) Provisions for contribution to employee retirement / post retirement and other employee benefits which are based on actuarial valuations done on an overall company basis.
- (2) Insurance premium paid under Group Medical policy in which separate premium paid for executive directors is not separately available.

3(b). The company has been advised that the computation of the net profit for the purpose of remuneration to directors under section 349 of the Companies Act, 1956 need not be enumerated since no commission has been paid to the Directors. Only fixed monthly remuneration has been paid to the Directors as per Schedule XIII of the Companies Act, 1956.

4. The Company has given securities of Rs 275 Lacs (Previous year 275 Lacs) and invested Rs 95.75 Lacs (Previous year Rs. 95.75 Lacs) in the equity share capital of M/s Elkay Strips Ltd. and invested Rs. 66.65 Lacs (Previous Year Rs. 66.65 Lacs) in the equity share capital of M/S Elkay International Ltd., Both the companies have incurred losses as a result of which the net worth of aforesaid companies have depleted. As investment is held as long term investment and considering the assets base of investee companies, the



management is of the opinion that the diminution in value of equity shares is of temporary in nature and accordingly no provision is considered necessary for the same. Further the fixed assets of M/s Elkay Strips Ltd has been given as security for the loan taken by the company.

5. Interest income includes Rs. 30.62 Lacs (Previous Year Rs. 24.33 Lacs) on loans to body corporate, Rs. 24.60 Lacs (Previous Year Rs. 52.47 Lacs) on fixed deposit with bank.

6. The company has not provided exchange fluctuation Profit/Loss on outstanding forward exchange contract entered in to by the company to hedge export debts as these losses are only notional as at the year end and considering the uncertainty regarding foreign exchange rate for the future period. In the opinion of the management it would not be appropriate to account for the same till the actual realization. The company does not hold derivative financial instruments for trading or speculative purposes. All derivative financial instruments have been appropriately dealt with as per the existing accounting standards as notified in Companies (Accounting Standard) Rules, 2006.

7. Exceptional items represent net exchange loss of Rs. 2775.77 Lacs (Previous year Rs. 751.92 Lacs gain) due to unprecedented depreciation in the value of the rupee against various foreign currency over the last year.

8. In some cases, the company has received intimation from micro & small enterprises under "The micro, small and medium Enterprises Development Act 2006". The amount remaining unpaid as at 31st March 2009 was Rs. 1.71 Lacs (P.Y. Rs. Nil) No payments beyond the appointed date were noticed. No interest was paid or payable under the act.

9. Segment Information:

a) Primary Segment Reporting by Business Segment:

Primary business segment of the company is sale of cotton knitted garments and made ups i.e. T-Shirts, Bed Sheets etc, which in the context of Accounting Standard 17 on "Segment Reporting" as notified in Companies (Accounting Standard) Rules , 2006 :

b) Secondary Segment Reporting (By Geographical Segments):

The Following is the distribution of the company's consolidated sales by geographical segment, regardless of where the goods were produced:

		(Rs. In Lacs)	
		Current Year	Previous Year
(i)	Sales to Overseas Market	31721.55	27593.21
(ii)	Sales to Domestic Market	2255.98	2024.39
		33977.53	29617.60
(i)	Export debtors	3403.52	3936.03
(ii)	Domestic debtors	466.88	528.46
		3870.40	4464.49

The Company has common fixed/other assets for producing goods for overseas markets and domestic markets. Hence, separate figures for fixed assets , additions to fixed assets, other assets and liabilities etc. cannot be furnished.



12. Related Party Information:

(I) Relationships:

(a) Subsidiary Companies:

- (i) M/s. Mode Prints Ltd.

(b) Associates:

- (i) M/s Elkay Strips Ltd.

(c) Key Management Personnel (KMP):

- (i) Sh. H.R. Gupta
(ii) Sh. Vijay Jindal
(iii) Sh. Mukesh Aggarwal
(iv) Sh. Praveen Garg
(v) Sh. Pankaj Garg
(vi) Sh. Nishant Aggarwal

(d) Relatives of Key management personnel:

- (i) Ms. Punita Jindal
(ii) Ms. Nikita Garg
(iii) Ms. Richa Jindal
(iv) Ms. Kiran Aggarwal
(v) Ms. Suditi Garg
(vi) Ms. Swati Aggarwal
(vii) Ms. Shashi Aggarwal

e) Enterprises over which key management personnel (KMP) or relative having significant influence:

- (i) M/s Sadhu Forging Ltd.
(ii) M/s Elkay Telelinks Ltd.
(iii) M/s Sadhu Auto Parts Pvt. Ltd (Formerly known as SPL Overseas)
(iv) M/s Elkay International Ltd.

Note: Related party relationship is as identified by the company and relied upon by the auditors.



) Transactions Carried out with related parties referred in (j) above, in ordinary course of business.

(Rs. In Lacs)

PARTICULARS	Subsidiary Companies		Associates		Key Management Personnel		Relatives of key Management Personnel		Enterprises over which KMP & their relatives have significant influence		Grand total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Rent Paid	6.00	6.00	6.00	6.00	-	-	-	-	42.24	36.00	54.24	48.00
Land CLU charges paid by Company on their behalf	-	676.69	-	-	-	-	-	-	-	-	-	676.69
Remuneration	-	-	-	-	37.20	35.20	25.80	23.61	-	-	63.00	58.81
Interest Received	-	-	-	-	-	-	-	-	6.89	7.66	6.89	7.66
Paid by Company on their behalf	1.65	-	0.26	1.39	-	-	-	-	10.25	10.97	12.16	12.36
Loan & advance Given	-	-	-	-	-	-	-	-	-	5.92	-	5.92
Lease/Job work	-	-	-	-	-	-	-	-	0.29	3.47	0.29	3.47
Purchase/Job /work	-	-	-	-	-	-	-	-	28.86	25.62	28.86	25.62
Purchase of Fixed Assets	-	-	-	-	-	-	-	-	1.02	1.65	1.02	1.65
Security paid	-	-	-	275.00	-	-	-	-	-	-	-	275.00
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Receivable	671.36	674.35	275.00	278.43	-	-	-	-	214.66	204.43	1161.02	1157.21
Payable	-	-	-	-	5.54	-	1.93	0.63	4.17	24.54	11.64	25.17
Loan & Advances Given	-	-	0.30	-	-	-	-	-	-	69.75	0.30	69.75



13. Deferred Tax

Deferred tax liability at the year end
comprise of the followings:

(Rs. In Lacs)

	AS at 31.03.2009	AS at 31.03.2008
(1) Deferred liability on account of:		
Timing difference between book & tax depreciation	1092.32	850.03
	1092.32	850.03
(2) Deferred Assets on account of:		
Disallowance under section 43B	79.86	58.51
Loss under Income Tax Act	345.34	--
Others	--	--
	425.20	58.51
Net Deferred Tax Liability	667.12	791.52

14. Calculation of Earning Per Share

a) Weighted Average number of Equity Shares

Number of equity share at the commencement of the year (Nos.)	2,90,00,004	2,90,00,004
b) Net profit/ (Loss) available for Equity Share holders	(14,34,73,535)	2,73,74,194
c) Basic & Diluted earning per share (b/a) (Rs.)	(4.95)	0.94

15. Investments purchased (including Dividend Reinvestment) and sold during the year.

(Rs. In Lacs)

S.No	Particulars	Units (Nos.)	Cost
1	Reliance Liquid fund – Treasury plan – retail option – growth option – growth plan	116711.659	23.20



16. In compliance with the accounting standards 15 (revised 2005) "Employee Benefits" The company has got the employee benefits evaluated from actuarial valuer.

The Company has calculated the various benefits provided to employees as under:

A. Provident Fund

During the year the Company has recognized Rs. 353.59 Lacs in the Profit and Loss account.

B. State Plans

Employer's contribution to Employee State insurance.

Employer's contribution to Welfare Fund.

During the year the Company has recognised Rs. 119.07 Lacs in the Profit and Loss accounts.

C. Defined Benefit Plans

a) Leave Encashment/ Compensated Absence

b) Contribution to Gratuity Funds - Employee's Gratuity Fund.

In accordance with Accounting Standard 15 (revised 2005), the actuarial valuation carried out in respect of the aforesaid defined benefit plans is based on the following assumption.

i) Actuarial Assumptions

(Rs. In Lacs)

	Current Year		Previous Year	
	Leave Encashment /Compensated Absence	Employee Gratuity Fund	Leave Encashment /Compensated Absence	Employee Gratuity Fund
Discount Rate (per annum)	7%	7%	8%	8%
Rate of increase in compensation levels	6%	6%	6%	6%
Rate of return on plan assets.	-	8.65%	-	8.65%
Expected Average remaining working lives of employees (years)	27 Years	27 Years	27 Years	27 Years

ii) Change in the obligation during the year

Present value obligation (Opening Balance)	64.72	83.55	61.43	62.39
Impact of Transition Provision of AS -15	-	-	(12.03)	0.40
Interest cost	5.18	6.68	03.95	5.02
Past Service cost	NIL	NIL	NIL	NIL
Current service cost	35.80	25.25	24.18	22.82
Curtailment cost	NIL	NIL	NIL	NIL
Settlement cost	NIL	NIL	NIL	NIL
Benefits Paid	(33.29)	(6.55)	16.82	3.79
Actuarial (gain)/ loss on Obligations	44.01	6.35	4.01	(3.29)
Present value obligation (Closing Balance)	116.42	115.28	64.72	83.55



iii) **Change in fair value plan Assets**

(Rs. In Lacs)

	Current Year	Previous Year
	Employee Gratuity Fund	Employee Gratuity Fund
Fair value of Plan Assets (Opening Balance)	56.57	37.65
Expected return on Plan Assets	4.94	3.26
Contributions	13.94	18.23
Benefits Paid	(6.35)	(3.33)
Actuarial gain/ (loss) on Obligations	1.12	0.76
Fair Value of Plan Assets (Closing Balance)	70.22	56.57

iv) **Reconciliation of Present value of Defined Benefit obligation and Fair value of Assets**

	Leave Encashment /Compensated Absence	Employee Gratuity Fund	Leave Encashment /Compensated Absence	Employee Gratuity Fund
Present value obligation (Closing Balance)	116.42	115.28	64.73	83.55
Fair value of Plan Assets (Closing Balance)	-	70.22	-	56.57
Funded Status	116.42	45.06	64.73	26.98
Present value of un-funded obligation (Closing Balance)	-	-	-	-
Un-funded Actuarial (gains)/ losses	-	-	-	-
Un-funded Net Asset/ (Liability) recognised in Balance Sheet	(116.42)	(45.06)	64.73	26.98

v) **Expenses recognised in Profit and Loss Account**

Current service cost	35.80	25.25	24.18	22.82
Past Service cost	-	-	-	-
Interest cost	5.18	6.68	3.95	5.02
Expected return on Plan Assets	-	(4.94)	-	(3.26)
Curtailment cost	-	-	-	-
Settlement cost	-	-	-	-
Net Actuarial (gain)/ loss recognised during the year	44.01	5.23	4.01	(4.05)
Total Expense recognised in Profit and Loss Account	84.99	32.22	32.14	20.53

17. Personal accounts are subject to confirmation of respective parties.

18. Previous year figures have been regrouped/ rearranged, wherever considered necessary.



18. Additional information under part-II of Schedule VI to the Companies Act, 1956. (As Certified by the management).

(a) <u>Licensed Capacity</u>	N.A	N.A
(b) <u>Installed Capacity</u> (As certified by the management)	Current Year	Previous Year
Knitted Fabric	7000 MT	7000 MT
Processing and Dyeing of Fabric	8000 MT	8000 MT
Garments	225 Lakh Pcs	200 Lakh Pcs
(c) <u>Particulars of production</u>		
Dyed Knitted Fabric*	7153.612 MT	6223.341 MT
Processing and Dyeing	908.966 MT	1439.321 MT
Garments	22,059,502 Pcs	19227164 Pcs

* Includes 1243.401 MT (Previous Year 1371.156 MT) Fabric purchased.

(d) <u>Particulars of Finished Goods</u>					
I <u>Opening Stock</u>	Qty	Current Year Value (Rs.)	Previous Year Qty	Year	Value (Rs.)
Dyed Knitted Fabric	472,470 MT	203244776	291209 MT		116619894
Processing and Dyeing	23,718 MT	1610685	8,783 MT		517764
Garments	1142399 Pcs	315351128	1055330 Pcs		304603414
Others		5,560,060			3421587
		<u>525766649</u>			<u>425162659</u>
II <u>Closing Stock</u>					
Dyed Knitted Fabric	215,122 MT	106044139	472,470 MT		203244776
Processing and Dyeing	33,952 MT	2,565,427	23,718 MT		1,610,685
Garments	1558797 Pcs	537442030	1142399 Pcs		315351128
Others		1289729			5,560,060
		<u>647341324</u>			<u>525766649</u>
(e) <u>Particulars of Turnover</u>					
Dyed Knitted Fabric	7410,960 MT*	41236233	6042.081 MT*		73037459
Processing and Dyeing	898,732 MT	96729248	1424.386 MT		98312599
Garments	21643104 Pcs**	3186376038	19140095 Pcs**		2772408100
Other		73,412,071			18,021,665
		<u>3987753583</u>			<u>2961759823</u>

* Includes 6935.310 MT (Previous Year 5781.832 MT) for Captive consumption for Garments

** Includes Sample Sale 5014 Pcs. (Previous Year 4004 Pcs.).

(f) <u>Raw Material Consumed</u>				
		Current Period	Previous Year	
Colour and Chemical	7571.094 MT	147850635	7338.765 MT	143743672
Yarn	6279.233 MT	955183904	5078.964 MT	824482306
Fabric Knitted	1385.867 MT	371240840	1798.828 MT	518159753
Others		270875426		242955126
		<u>1744350799</u>		<u>1727340857</u>



(g) Value of Imported/Indigenous Raw material and Stores Consumed

	Percentage	Value (Rs.)	Percentage	Value (Rs.)
Raw Material				
Imported	4.87	8590461	14.90	257347527
Indigenous	95.13	165936888	85.10	1469993330
	100	1744356798	100	1727340857
Stores and Spares				
Imported	34.38	11198769	37.06	11776301
Indigenous	65.62	21372649	62.94	20902313
	100.00	32571958	100	31778614

(h) CIF Value of Import

	Current Period Value (Rs)	Previous Year Value (Rs)
Raw material	79,923,458	235,178,335
Capital Goods	3,877,534	4,593,667
Stores and spares	8,047,604	8,586,320
	91,848,596	248,359,322

(i) Expenditure in Foreign Currency


	Current Period Value (Rs)	Previous Year Value (Rs)
Travelling	8,902,509	4,683,938
Others	44,424,477	56,643,756
	53,326,986	61,327,694



(j) Earnings in Foreign Currencies
FOB Value of Exports

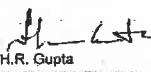
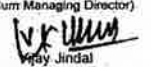
3,147,360,998	2,703,554,296
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AUDITORS' REPORT
As per our report attached

FOR MEHRA GOEL & CO.
CHARTERED ACCOUNTANTS


R.K. MEHRA
(Partner)
M.No. 6102


Dushrak Bansal
(Chief Financial Officer)

B.E. Sharma
(Company Secretary)


H.R. Gupta
(Chairman Cum Managing Director)

Vijay Jindal
(Jt. Managing Director)

PLACE : NEW DELHI
DATE : June 30th 2009



SPL Industries Ltd.
CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE PERIOD
ENDED 31ST MARCH, 2009

	Year ended 31.03.2009 (Rs. In Lacs)	Year ended 31.03.2008 (Rs. In Lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit after Tax and before/provide period/extra ordinary items	1,329.90	2572.14
Adjustment for:		
Depreciation/Amortisation	826.68	654.64
Provision for retirement benefit	69.78	23.82
Interest and financial charges	1,477.10	1,044.23
(Profit)/ Loss on Sale of Fixed Assets (Net)	4.87	19.53
Provision for tax/Tax for Earlier years		179.89
Bad Debts/provision for doubtful debts	472.95	
Dividend Received on non trade current investment	10.90	1.12
Profit on Sale of non-trade current investment	1.52	12.17
Diminution in value of non trade current investments	27.16	6.17
Interest Income on Loan to Body Corporates	90.62	74.33
Interest Income on Loan other to Body Corporates	24.60	53.29
General reserve due to transitional provision		7.68
Loyalty Exchange Fluctuation	(1,255.5)	(619.83)
Operating Profit before Working Capital Change	1,364.21	1,694.52
Adjustment for:		
(Increase)/Decrease in Trade and Other Receivable	2,485.25	1,751.11
(Increase)/Decrease in Inventories	(2,794.36)	(1,816.19)
Increase/(Decrease) in Trade Payable	(465.41)	1,601.21
Increase in DTT, due to transitional provision		5.83
Cash Generated from operations	468.24	227.13
Direct Taxes Paid	(149.33)	(144.56)
Cash Flow before prior period & Extraordinary items	318.91	82.57
Prior Period Items		
Net Cash (Used in) from Operating Activities	318.91	(82.57)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (including capital work in progress) & Intangible Assets	(167.01)	(56.77)
Sale/Damage of Fixed Assets	6.84	2.81
Interest Income on Loan to Body Corporates	10.62	24.13
Interest Income on Loan other to Body Corporates	19.57	51.20
Purchase of Investment	23.46	22.56
Refund of Advance for Investment	12.77	
Sale of Investment	7.83	2.14
Dividend Received on non trade current investment		1.11
(Increase)/Decrease in Loan to Body Corporates	96.23	463.17
Net Cash (Use/In) from investing activities	(12.07)	(121.60)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital including Share Premium		
Dividend paid		(30.75)
Repayment of Long Term Borrowings	(319.40)	(15.21)
Proceed from Long Term Borrowings	679.13	
Short-term borrowing (Net)	833.95	799.01
Interest Paid	(1,469.02)	(489.63)
Exchange Fluctuation		631.61
Net Cash (Use in)/from Financing Activities	(176.21)	(253.79)
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	171.78	(356.89)
Cash and Cash equivalents at beginning of the Year	127.61	984.41
Cash and Cash equivalents at the end of the Period/Year	599.39	427.52

NOTES

1. Cash flow statement has been prepared following the "direct method" as set out in the Accounting Standard 1 on Cash flow statement issued by the ICAI.

Auditors' Report
As Per Our Report Attached

For Mehra Goel & Co.
Chartered Accountants

R. K. Mehta
R. K. Mehta
(Partner)

M No. 6102
Place : New Delhi
Date : June 20th 2009

Chamm
Rajiv Kumar
Chief Financial Officer
B. S. Sharma
(Company Secretary)

H. R. Gupta
H. R. Gupta
(Chairman & Managing Director)
G. S. Sharma
(Jt. Managing Director)



SPL Industries Ltd.
Balance Sheet Abstract & Company's General Business Profile

I Registration Details

Registration No. 6 2 7 4 4 State Code 5 5
Balance Sheet Date 3 1 0 3 2 0 0 9

II Capital Raised During The Year (Amount in Rs. Thousands)

Public Issue Nil Rights Issue Nil
Bonus Issue Nil Private Placement Nil

III Position of Mobilisation and Deployment of Funds (Amounts in Rs. Thousands)

Total Liabilities 2 7 0 5 7 8 4 Total Assets 2 7 0 5 7 8 4

Sources Of Funds

Paid Up Capital 2 9 0 0 0 0 Reserve & Surplus 1 2 0 9 1 9 8
Deffered Tax Liability 6 6 7 1 2
Secured Loans 1 1 8 9 8 7 4 Unsecured Loans Nil

Application of Funds

Net Fixed Assets (Including C. WMP) 7 1 4 7 6 1 Investments 8 3 5 9 5
Net Current Assets 1 9 0 7 4 2 8 Misc. Expenditure Nil

IV Performance Of Company (Amount in Rs. Thousands)

Turn Over 3 6 9 7 6 3 8 Total Expenditure 3 8 5 0 9 6 6

Profit/Loss Before Tax - 1 5 2 9 2 8 Profit/Loss After Tax - 1 4 3 4 7 3
(Please tick appropriate box + for profit, - for loss)

Loss Per Share (Rs.) 0 4 - 9 5 Dividend Rate % Nil

V Generic Names of Three Principal Products/Services of Company

(As Per Monetary Terms)

Item Code No. 6 1 0 9 To 6 1 1 1

(ITC Code/No.)

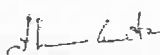

Product Description T S H I R T S
B A B I E S G A R M E N T S O F
C O T T O N

Item Code No. 6 0 0 2


(ITC Code No.)

Product Description K N I T T E D F A B R I C O F
C O T T O N


Pushpak Bansal
(Chief Financial Officer)


H.R. Gupta
(Chairman & Managing Director)

Vijay Jindal
(Joint Managing Director)


Place : New Delhi
Dated: June 30th, 2009

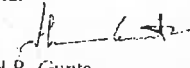

B.B. Sharma
(Company Secretary)


STATEMENT UNDER SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY


1.	Name of the Subsidiary Company	Mode Prints Ltd
2.	Financial Year of the Subsidiary ended on	31 st March, 2009
3.	Number of shares held by M/s SPL Industries Ltd in the subsidiary company at the end of the financial year of the subsidiary Company.	1301000
4.	Extent of Interest of Holding Company at the end of the financial year of the subsidiary Company	99.99 %
5.	The net aggregate amount of the subsidiary Company's profit/(Loss) so far as it concerns the members of M/s. SPL Industries Ltd.-the Holding Company.	99.99%
	(a) Dealt within the accounts of Holding Company, amounted to (in Rs.)	
	(i) For the Subsidiary's financial year ended 31.03.2009	3,35,978.00
	(ii) For the Previous financial year of the subsidiary company Since it became subsidiary of M/s. SPL Industries Ltd.	4,06,466.00
	(b) Not dealt within the accounts of subsidiary Holding company amounted to (in Rs.)	
	(i) For the subsidiary's financial year ended 31.03.2009	NIL
	(ii) For the Previous year of the subsidiary company Since it became subsidiary of M/s. SPL Industries Ltd	NIL

By Order of the Board
For and on behalf of the Board
For SPL Industries Ltd.


Pushpak Bansal
(Chief Financial Officer)


H.R. Gupta
(Chairman & Managing Director)


B.B. Sharma
(Company Secretary)


Vijay Jindal
(Joint Managing Director)

Place: Faridabad
Date: June 30th, 2009