



BANG OVERSEAS Ltd.

ANNUAL REPORT 2008-09

**THOMAS
SCOTT** 

Arjun Rampal With Thomas Scott

BANG OVERSEAS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Venugopal Bang	Chairman
Mr. Brijgopal Bang	Managing Director
Mr. Viswanath Cheruvu	Independent Director
Dr. Mithilesh Kumar Sinha	Independent Director
Mr. V. D. Ajgaonkar	Independent Director

COMPANY SECRETARY

Ms. Kavita Lunawat

STATUTORY AUDITORS

M/s. Rajendra K Gupta & Associates
Room No.3, Kshipra Society,
Akurli Cross Road No-1,
Kandivali (E), Mumbai : 400 101,
Tel : (022) 28874879

PRACTISING COMPANY SECRETARIES

M/s. Kothari H & Associates
40-A, Shankar Seth Building,
380, J. S. S Road,
Chira Bazar, Mumbai: 400 002.
Tel : (022) 2291 7764
E mail : hiteshkotharics@yahoo.co.in

REGISTRARS & TRANSFER AGENTS

Karvy Computershare Private Limited
Plot no. 17-24 Vittal Rao Nagar,
Madhapur, Hyderabad – 500081
Tel: (91 40) 2343 1553
Fax: (91 40) 2343 1551
Website: www.karvy.com

BANKERS

1. ING Vysya Bank Ltd.
2. Hongkong & Shanghai Banking Corporation Ltd.

REGISTERED OFFICE

Masjid Manor, 2nd Floor,
16 Homi Modi Street, Fort, Mumbai-400 023.
Tel.: (022)2204 3496
Fax.: (022)2281 0379
Website.: www.banggroup.com

CORPORATE OFFICE

144, Kewal Industrial Estate, 1st Floor,
Senapati Bapat Marg,
Lower Parel (West), Mumbai-400 013, India.
Tel.: 91-22-6660 7965
Fax.: 91-22-6660 7970

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DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting their SEVENTEENTH ANNUAL REPORT along with the Audited Accounts of the Company for the year ended 31st March 2009.

FINANCIAL HIGHLIGHTS

(Rs. In lacs)

Description	Stand Alone		Consolidated	
	Year Ended 31.03.09	Year Ended 31.03.08	Year Ended 31.03.09	Year Ended 31.03.08
Sales	13,734.16	12038.91	16524.09	14585.30
Other Income	752.10	293.15	760.18	292.90
Less: Total Expenditure	13942.86	10514.13	16603.90	12607.02
Earnings before Interest, Depreciation and Tax (EBIDT)	543.40	1817.93	680.37	2271.18
Less: Interest	355.85	324.69	414.52	353.45
Earning Before Depreciation And Tax (EBDT)	187.55	1493.24	265.85	1917.73
Less: Depreciation	158.90	110.73	164.64	116.20
Dfc h'VYZcfY'HUI 'fD6HL	28.65	1382.51	101.21	1801.53
Less: Tax Provision (Current, Deferred, FBT and Earlier Year adjustment)	(43.85)	505.91	18.56	652.21
Dfc h'UZNYf'HUI 'fD5HL	72.50	876.60	119.77	1149.32

PERFORMANCE REVIEW

Stand Alone

Your Company has achieved a turnover of Rs. 13734.16 lacs for the year ended 31st March, 2009 gaining an increase of 14.08% over the previous year. However due to lesser margins in the second half of the Financial Year 2008-09 the EBIDT of the Company came down drastically. Lesser margins could be attributed to global economic conditions, cautionary approach of consumers and recessionary trends in India. Further, the fall in EBIDT was also caused due to Foreign Exchange

above and retail losses due to slow down in the economy.

Consolidated

Consolidated Turnover of the Company has increased by 13.29 % from Rs. 14585.30 Lacs to Rs. 16524.09 Lacs, indicating that its Subsidiary Vedanta Creations Limited has also achieved increase in turnover in similar proportion. Consolidated EBIDT of the Company has also fallen due to the factors such as poor global economic scenario, which has led to lower margins in the industry.

Your Directors are hopeful of achieving better results in coming years.

UTILIZATION OF IPO FUNDS

Brief particulars of Public Issue fund utilization upto 31st March, 2009 is as follows:

Particulars	Amount (Rs. In lac) (Proposed in Prospectus)	Amount (Rs. in Lac) Utilized
Setting up Retail outlets across India and brand building	1063.00	867.77
Setting up of a new apparel manufacturing unit	3671.00	0.25
Warehousing and logistic facility	1022.50	-
General Corporate purpose	1016.80	1016.75
Issue Expenses	471.70	515.20
Total Fund	7245.00	2399.97
Balance fund kept in Fixed Deposit	-	4845.03

The Board of Directors has proposed to modify the objects of the issue and have proposed a resolution to be passed by the members of the company for reasons as detailed in the notice calling the Annual General Meeting.

DIVIDEND AND TRANSFER TO RESERVES

recommend any dividend for the year under review. No amount is proposed to be transferred to reserves.

The register of members and share transfer books will remain closed from 28th September, 2009 to 30th September, 2009 both days inclusive. The Annual General Meeting of the Company will be held on 30th September, 2009.

SPECIAL ECONOMIC ZONE

Your Company has obtained the approval of setting up of a unit of manufacturing of garment in the Visakhapatnam Special Economic Zone (VSEZ). Civil construction will soon be commenced on the land and the Projected capacity of the unit is 180000 garment pcs per annum.

Company, however has already started its business from the leased premises in the Visakhapatnam SEZ.

JOINT VENTURE AGREEMENT

Company has entered into a 50:50 joint venture agreement with Aquarelle International Limited for carrying on the business of manufacturing shirts and other garments in India for export and sale in the international and domestic market. Company will invest an amount not more than Rs.6,00,00,000 (Rupees Six crores only) in the form of equity and/or debt in one or more tranches in Aquarelle India Private Limited, the proposed Joint Venture Company.

The Joint Venture entity has already commenced its business and order book is giving an impressive picture.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the applicable accounting standards AS 21 on Consolidated Financial Statements read with AS 23 on Accounting of Investments in Associates, your Directors provide the audited Consolidated Financial Statements in the Annual Report.

Business outlook, operations and performance are discussed in detail in the Management Discussion & Analysis forming part of this Report and have not been incorporated here to avoid repetition.

SUBSIDIARY COMPANY

As per the provisions of Section 212 of the Companies Act, 1956, the audited statement of accounts of the Subsidiary Company is annexed to the Annual Report of the Company.

DIRECTORS

In terms of the provisions of Sections 255 and 256 of the Companies Act, 1956 and the Articles of Association of the Company Dr. Mithilesh Kumar Sinha and Mr. Viswanath Cheruvu retire at the ensuing Annual General Meeting and, being Y][JV'YZ\Uj Y'c YfYX'h Ya gy'j Yg'Zcf'fYUddc]bha Ybh'6f]YZ'fYgi a Y'cZH'Y'8]fYVtcfg'dfcdcgYX'hc'VY'fY! Uddc]bhYXz'bUhi fY'cZH'Y]f'YI dYfh]gY'jb'gdYVW' WZ' bV]cbU'UFYUg'UbX'bUa Yg'cZVta dUb]Yg'jb'k\]W'h'Ym\c'X'8]fYVtcfg\]dg'UbX'A Ya VYfg\]dg' /Chairmanships of Board Committees, as stipulated in Clause 49 of the Listing agreement with the stock exchanges are provided as an attachment of the notice calling the annual general meeting

AUDITORS

A #g"FU'YbXfU"?"; i dHU/ '5ggcV]UHygZ'7\UfhYfYX'5VWti bHUbhgZ'h'Y'fYh]f]b['GHUhi hcfm5i X]hcf'g'cZH'Y'7ca dUbnz'\c'X'c' W' until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

H\Y'Vta dUbm\Ug'fYVW]j YX'U'Vtb fa Uh]cb'Zfca 'h'Y'Ui X]hcf'g'hc'h'Y'Y' YVh'h'Uhi'h'Y]f'fY! Uddc]bha Ybh'Z'a UXY'k ci 'X'VY'k]h.]b'h'Y'dfYgW]VYX'ja]hg'i bXYf'GYV]cb'&&(f%6'cZH'Y'7ca dUb]Yg'5VWz%-) * 'UbX'h'Uhi'h'YmUFY'bchX]gei U] YX'Zcf'gi W' reappointment within the meaning of Section 226 of the said Act.

M/s. Rajendra K. Gupta & Associates, Chartered Accountants retire at the ensuing Annual General Meeting and according hc'U'Vf]h] W]H'f'fYVW]j YX'Zfca 'h'Ya 'i bXYf'GYV]cb'&&(f%6'cZH'Y'7ca dUb]Yg'5VWz%-) * 'UFY'Y][JV'Y'Zcf'fY! Uddc]bha Ybh' The members are recommended to re-appoint them as the auditors of the Company.

AUDITOR'S REPORT

The observations made in the Auditors' Report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under Section 217 of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with (Particulars of Employees) Rules 1975 as amended, the names and other particulars are required to be set out in the annexure to the Director's Report.

However, having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual report excluding the aforesaid information is being sent to all the members of the company and others entitled thereto. Any member interested in cVh]b]b['gi W' dUfh]W' Ufg'a Umk f]h'hc'h'Y'7ca dUbmGYVW]HfmiUhi'h'Y'fY[]gh'fYX'c' W'cZH'Y'7ca dUbm'

FIXED DEPOSITS

During the year under review, the company has not accepted any deposit under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975. As such, no amount of Principal or Interest is outstanding as on the Balance Sheet date.

LISTING

At present the Company's equity shares are listed at National Stock Exchange of India Limited and Bombay Stock Exchange Limited and the Company has paid the Listing fees to the above exchange for the year 2009-10.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (disclosure of the particulars in the report of Board of Directors) Rules, 1988 is given by way of Annexure I to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors Report:

- i. that in the preparation of 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 in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iii. that the Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

The Company has implemented various processes of Corporate Governance, through meetings of the Directors by the Audit and Share Transfer cum Shareholders' / Investors Grievance Committees of the Board.

The Securities and Exchange Board of India, vide an amendment to the listing agreement, has directed listed Companies to follow a uniform code of Corporate Governance which also includes disclosures in the Annual Report pursuant to Clause 49 of the listing agreement.

The Company has implemented various processes of Corporate Governance, through meetings of the Directors by the Audit and Share Transfer cum Shareholders' / Investors Grievance Committees of the Board. The Company has obtained the requisite compliance with Company's Code of Conduct for Directors and Senior Management personnel forms part of report on Corporate Governance.

TRANSFER OF UNPAID / UNCLAIMED AMOUNTS TO INVESTOR EDUCATION PROTECTION FUND (IEPF)

During the year there were no amounts which remained unpaid / unclaimed for a period of 7 years and which were required to be transferred by the company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

TRANSFER OF UNCLAIMED SHARES TO SUSPENSE ACCOUNT

Company is in the process of opening a Demat Suspense Account with one of the Depository Participant. As soon as the account is opened, the unclaimed shares shall be credited to the same.

ACKNOWLEDGEMENT

The Directors wish to put on record their appreciation for the wholehearted support and sincere co-operation received by the Company from the bankers, buyers, customers, suppliers as well as various government departments towards the growth of the Company.

The Directors also wish to put on record their appreciation of the excellent contribution made by all the employees for the growth of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

VENUGOPAL BANG
CHAIRMAN

PLACE: Mumbai

DATE: 30th July 2009

Annexure I to the Director Report

Statement Pursuant to Section 217 (1) (e) of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

(a) Conservation of Energy

The Company is taking all steps necessary to minimize energy consumption

Form for Disclosure of Particulars with respect to Conservation of Energy

A. Power and fuel consumption

1.	Electricity		Current year	Previous year
	(a)	Purchased		
		Unit	542847.80	482898.50
		Total Amount	2769085.00	2360230.50
		Rate/unit	5.10	4.89
	(b)	Own generation		
		i) Through Diesel generator unit		
		Unit	1613.88	1125.15
		Units per ltr. Of Diesel Oil	3.17	3.62
		Cost/ unit	12.38	11.35
		ii) Through Steam turbine/ generator		
		Units	Nil	Nil
		Units per ltr. of fuel oil/ gas	Nil	Nil
		Cost/ units	Nil	Nil
2.	Coal			
		Quantity (tonnes)	73235	33905
		Total Cost	279447	119886
		Average Cost	Rs. 4000 per ton	Rs. 4000 per ton
3.	Furnace Oil			
		Quantity	Nil	Nil
		Total Amount	Nil	Nil
		Average rate	Nil	Nil
4.	Others / internal generation			
		Quantity	Nil	Nil
		Total Cost	Nil	Nil
		Rate/ unit	Nil	Nil

B. Consumption per unit of production

	Standards(if any)	Current year	Previous year
	1	2	3
Electricity (generated)	-	0.06 KWH Per piece	0.03 KWH Per piece
Furnace oil	-	Nil	Nil
Coal (specify quantity)	-	0.07 ton per piece	0.04 ton per piece
Others (specify)	-	Nil	Nil

(b) Technology Absorption

7cbgUbhY cftgUFY a UXY hck UfXg'hVWbc`c[mi d[fUXU]cb`hc`]a dfcj Y`ei U]hmcZH`Y`dfcXi Wg'a Ubi ZUMi fYX`VmiH`Y` Company.

(c) Foreign Exchange Earning and Outgo

- i) Earning in Foreign Exchange Rs. 3503.67 lacs
- ii) Outgo of Foreign Exchange Rs. 6474.39 lacs

REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance of the Company is incorporated in Clause 49 of the Listing Agreement is set out below:

1. PHILOSOPHY OF CORPORATE GOVERNANCE:

Corporate Governance is both the structure and relationships which determine corporate direction and performance. Integrity, fairness, equity, transparency, accountability and commitment to values are the foundation of Corporate Governance. Good governance practices stem from the quality and mindset of the organisation.

Bang Overseas visualizes 'Corporate Governance' as a process which provides transparency of corporate policies, strategies and the decision-making process and also strengthens internal control systems and helps in building relationship with stakeholders. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholding value over a sustained period of time and sound corporate governance is critical to enhance and retain investor trust.

2. BOARD OF DIRECTORS

a) Composition

The Board of Directors of the Company consists of five members, including three independent directors. The Chairman being an Executive Director, as per Listing Agreement, the Company should have minimum three Independent Directors. The Company has three independent Directors. There is no institutional nominee on the Board. Details of Directors retiring by rotation and their brief particulars are provided in the corporate governance report.

Category	Name of Director
Promoter / Chairman-Executive	Mr. Venugopal Bang
Promoter / Managing Director	Mr. Brijgopal Bang
Non Executive and Independent Director	Mr. Viswanath Cheruvu
Non Executive and Independent Director	Dr. Mithilesh Kumar Sinha
Non Executive and Independent Director	Mr. V. D. Ajgaonkar

Pursuant to the provisions of the Companies Act 1956, Dr. Mithilesh Kumar Sinha and Mr. Viswanath Cheruvu, are independent directors.

None of the Directors on the Company's Board is a member of more than ten committees and Chairman of more than one committee. The Company has disclosed the details of the committees and the positions held by them in other companies. Also none of the Directors on the Board has any other directorships in any other companies.

The requisite information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is being made available to the Board for discussion and their consideration. The maximum time gap between two Board meetings did not exceed 4 months.

b) Board Procedure

The agenda for the Board Meetings and committee meetings, containing relevant information/ supporting data, as required, are distributed well in advance to all the Board members from time to time in a structured manner, to enable the Board to take informed decisions. When deemed expedient, the Board also approves by circular resolution important items of business which are permitted under the Companies Act, 1956, and which can not be deferred till the next Board Meeting.

Matters discussed at Board Meeting generally relate to Company's performance, quarterly results of the Company, approval of related-party transactions, general notice of interest of Directors, review of the reports of the internal auditors, Audit Committee and compliance with their recommendation, suggestion, compliance of any regulatory, statutory or listing requirements, etc.

c) Number of Board Meetings:

During the year, Five Board meetings were held. These were on 29th April 2008, 31st July 2008, 25th August 2008, 31st October 2008 and 28th January 2009.

d) Director's Attendance Record and Directorships:

Name of Director	Category	No. of meetings held	No. of meetings attended	Whether attended last AGM	No. of directorships of Public Limited Companies	No. of Shares held in the Company
Mr. Brijgopal Bang (Managing Director)	Promtor Director	5	5	Yes	1	15,21,000
Mr. Venugopal Bang (Chairman)	Promtor Director	5	5	Yes	1	27,06,600
Mr. Viswanath Cheruvu (Independent Director)	Non Executive Director	5	3	No	1	Nil
Dr. Mithilesh Kumar Sinha (Independent Director)	Non Executive Director	5	5	No	7	Nil
Mr. V D Ajgaonkar (Independent Director)	Non Executive Director	5	5	Yes	4	115

e) Information Supplied to the Board

Among others, information supplied to the board includes:

- Quarterly results of the company and its operating divisions,
- Minutes of meetings of Audit Committee and other Committees,
- Materially important show cause, demand, prosecution and penalty notices,
- Fatal or serious accidents or dangerous occurrences,
- Non-payment for goods sold by the company,
- Any issue which involves possible public or product liability claims of a substantial nature,
- Details of any joint venture or collaboration agreement,
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business,
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement; and
- Non-compliance of any regulatory, statutory or listing requirements

The Board is presented with detailed notes along with the agenda papers well in advance of the meeting.

f) Directors with Materially Pecuniary or Business Relationship with the Company

There have been no materially pecuniary transactions or relationship between the Company and its non-executive and/or independent Directors during the year 2008-09.

2. CODE OF CONDUCT

Pursuant to the requirements of the Clause 49 of the Listing Agreement, Your Company has put in place a Code of Conduct for its Board members and Senior Management Personnel. Declaration of compliance with the code of Conduct from Mr. Brijgopal Bang, Managing Director of the Company, forms a part of this Report.

3. AUDIT COMMITTEE

The composition of the Audit Committee is as follows:

a) Composition

The composition of the Audit Committee is as follows:

Sr. no.	Name of the Director	Designation
1	Mr. Viswanath Cheruvu, Non-Executive Independent Director	Chairman
2	Mr. Mithilesh Kumar Sinha, Non-Executive Independent Director	Member
3	Mr. V.D. Ajgaonkar, Non-Executive Independent Director	Member

4. SHARE TRANSFER CUM SHAREHOLDERS'/INVESTOR'S GRIEVANCE COMMITTEE

The Board of Directors at their meeting held on 4th May 2009 decided to change the constitution of Share Transfer cum Shareholders/ Investors Grievance Committee by inducting Two Executive directors in place of Non-executive Independent Directors in the committee. Board further decided to broaden the Terms of reference of this Committee.

H\Y'7ca a]h\Y'gdYV\ W\`m`cc_g`]bhc`h\Y`hfUbgZYf`cZg\UfYgZ`fY`UH\X`a`UH\fg`UbX`fYXfYgg]b[`Vt`a`d`U]bhg`cZg\UfY`holders and investors such as transfer of shares, non- receipt of balance sheet, non-receipt of declared dividends and Dematerialization of shares.

a) Composition

The committee comprises of the following members:

Sr. no.	Name of the Director	Designation
1	Mr. V.D. Ajgaonkar, Non-Executive Independent Director	Chairman
2	Mr. Brijgopal Bang, Managing Director	Member
3	Mr. Venugopal Bang, Chairman and Executive Director	Member

b) Terms of Reference

"To supervise and ensure the following:

- i. 9 W\Ybh\UbgZYf`cZg\UfYg/]bW\ X]b[`fYj]Yk `cZ`W\gYg`Zc`f`fYZi`gU`cZ`hfUbgZYf`#`hfUbg`a`]gg]cb`cZg\UfYg`UbX` debentures;
- ii. Redressal of shareholder and investor complaints like transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends etc;
-]]]` `ggj`Y`cZ`Xi`d`]W\H`#`gd`]h`#`Vt`bgc`]XUH\X`g\UfY`WfH` W\H\g/
- iv. Listing of shares;
- v. Reference to statutory and regulatory authorities regarding investor grievances;
- vi. And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances".

c) Meetings of the Committee for 2008-2009

Share Transfer cum Shareholders/ Investors Grievance Committee Committee met 5(Five) times during the year 2008-09 on 29th April 2008, 31st July 2008, 25th August 2008, 31st October 2008 and 28th January 2009 and the attendance record is as per the table given below:

Name of the Director	Number of meetings	Meeting attended
Mr. Viswanath Cheruvu	5	3
Dr. Mithilesh Kumar Sinha	5	5
Mr. V. D. Ajgaonkar	5	5

d) Complaints

8YH\]g`cZ`b]Yg\rc`f`7ca`d`U]bhg`fYW\]j`YX`Xi`f]b[`h\Y` bUbV\U`mYUf`YbXYX`' `gh`A`UfW`&\$\$`-`UfY`Ug`Zc`ck`g.

Nature of Complaint Received	Beginning of year	Received During The year	Resolved During the year	Pending at the end of year
Application lodged for IPO	0	0	0	0
Non-receipt of Electronic credit	0	5	5	0
Non-receipt of Refund Order	0	11	11	0
TOTAL	0	16	16	0

5. REMUNERATION COMMITTEE

a) Composition:

Sr. no.	Name of the Director	Designation
1	Mr. Mithilesh Kumar Sinha, Non-Executive Independent Director	Chairman
2	Mr. V.D. Ajgaonkar, Non-Executive Independent Director	Member
3	Mr. Viswanath Cheruvu, Non-Executive Independent Director	Member

b) Terms of Reference

The general objective of the remuneration committee is to broadly review and approve remuneration packages for senior management personnel including the Managing Director.

c) Meeting

8i f]b['h\Y' bUbVWU`mYUf'bc`a YYh]b[`cZh\Y`fYa i bYfUj]cb`Vta a]HhY`k Ug`Y`X"

d) Remuneration

8i f]b['h\Y' bUbVWU`mYUf`fYa i bYfUj]cb`dU]X`hc`8]fYVWc]fg`]g`[]j Yb`VY`ck .

(Amount in Rs)

Name of Director	Sitting Fees	Salaries and perquisites	Commission	Total
Mr. Venugopal Bang	Nil	Nil	Nil	Nil
Mr. Brijgopal Bang	Nil	24,00,000	Nil	24,00,000
Mr. Viswanath Cheruvu	15,000	Nil	Nil	15,000
Dr. Mithilesh Kumar Sinha	50,000	Nil	Nil	50,000
Mr. V. D. Ajgaonkar	25,000	Nil	Nil	25,000

e) Remuneration Policy

The remuneration policy approved by the Board of Directors, inter alia, provides for the following:

- Executive Directors
 - 1 Salary & Commission not to exceed limits prescribed under the Companies Act, 1956
 - 2 No Sitting Fee to be paid for attending the Board / Committee meetings.
- Non-executive Directors

Sitting Fee and Commission not to exceed the limits prescribed under the Companies Act, 1956.

6. GENERAL BODY MEETINGS

a) Date, time and venue for the last three Annual General Meetings(AGM)

Financial year	Date	Time	Venue
2005-06	28/09/2006	11.00 A.M.	FY[]ghYfYX`c W`cZh\Y`7ca dUbm
2006-07	28/09/2007	11.00 A.M.	FY[]ghYfYX`c W`cZh\Y`7ca dUbm
2007-08	29/09/2008	11.00 A.M.	Maheshwari Bhavan, 603, Jagannath Shankar Sheth Road, Mumbai- 400 042

b) Details of the Special Resolutions passed in the previous three AGMs

Special Resolutions

AGM held on September 28, 2006: No Special Resolution was passed.

AGM held on September 28, 2007: No Special Resolution was passed

AGM held on September 29, 2008: No Special Resolution was passed

Resolution passed through postal ballot

8i f]b['h\Y' bUbVWU`mYUf`&\$\$, ! \$- žVžbgYbhcZa Ya VYfg`cZh\Y`7ca dUbm]k Ug]gci [\h\h fci [\`dcgH`VU`chZcf` the subject matters mentioned herein below. The postal ballot process was undertaken in accordance with the provisions of Section 192A of the Companies Act, 1956, read with the Companies (passing of the resolution by postal ballot) Rules, 2001. Mr. Hitesh Kothari, Practicing Company Secretary, was appointed as Scrutinizer for conducting the postal ballot process. The results of the postal ballot were announced on March 20, 2009. The details of resolutions passed through postal ballot are as follows:

Sl. No.	Business	Postal Ballot Forms received		Valid Votes Cast		
		Total	Valid	Total	in favor	Against
1	To enter into a 50:50 Joint Venture with Aquarelle International Limited and making an investment upto Rs. 15 Crores in the said Company	69	63	6471587	6471369	118
2	To authorize the Board of Directors to lease / sub-lease or otherwise dispose of the whole or part of the Unit and sell / transfer the Plant and Machineries, employees and other assets to JV Company	69	63	6373868	6360748	7120

7. DISCLOSURES

a) Related-party transactions

The Company has entered into related party transactions in the ordinary course of business. The transactions are on an arm's length basis and are in the best interest of the Company.

The Company has entered into related party transactions in the ordinary course of business. The transactions are on an arm's length basis and are in the best interest of the Company.

b) Details of Non-Compliance

The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or other statutory authorities, on any matter related to capital markets, during the last three years.

c) Whistle-blower policy

Though there is no formal whistle-blower policy, the Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective measures are implemented.

d) Accounting standards

The Company has followed accounting standards issued by the Institute of the Chartered Accountants of India, to the extent applicable.

e) Disclosure by Management to the Board

The Company has followed accounting standards issued by the Institute of the Chartered Accountants of India, to the extent applicable.

f) Disclosure of Risk Management

The Company has initiated the risk assessment and minimization procedure which has been given in other section of this report.

g) Bang Insider Trading Policy

The Company has implemented an Insider Trading Policy to comply with the relevant Insider Trading Regulation. In accordance with the policy, the Company announces quiet period for designated employees from time to time.

The Company has a policy of observing a 'quiet period' from seven days prior to the event leading to / generating financial results. The Company has a policy of observing a 'quiet period' from seven days prior to the event leading to / generating financial results.

The Company is strictly monitoring its Insider Trading Policy.

The Company is strictly monitoring its Insider Trading Policy.

8. MEANS OF COMMUNICATION

- Quarterly results: Quarterly results are published in accordance with the provisions of the Listing agreement. The results are published in English newspapers viz. The Financial Express and in Marathi newspapers viz. Mahanagar.
- Website: Bang Overseas Limited has its own web-site and all vital information relating to the company and its dYfZcfa UbWz]bWl X]b['ei UfhYf mifYgi `hg UbX'c WU`bYk g'fY'YUgYg]g'di hcb'h'k YV! g]hY'Zcf'h'Y VYbY' hcZ'h'Y' public at large.
The company's web-site address is www.banggroup.com.
- No formal presentations were made to the institutional investors and analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report.

9. ADDITIONAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date : Wednesday, 30th September, 2009 at 10.00 A.M.

Venue : Maheshwari Bhavan, 603, Jagnath Shanker Seth Road Mumbai - 400 002

b) Financial Calendar (2009-10)

First quarterly results - Up to the end of July, 2009

Second quarterly results - Up to the end of October, 2009

Third quarterly results - Up to the end of January, 2010

Fourth quarterly results - Up to the end of April, 2010

c) Book Closure

The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 28th September, 2009 to Wednesday, 30th September, 2009 (both days inclusive).

d) Dividend payment date

Not applicable

e) Listing

At present the Company's Equity Shares are listed at National Stock Exchange of India Limited and Bombay Stock Exchange Limited and the Company has paid the Listing fees to the above exchanges for the year 2009-2010.

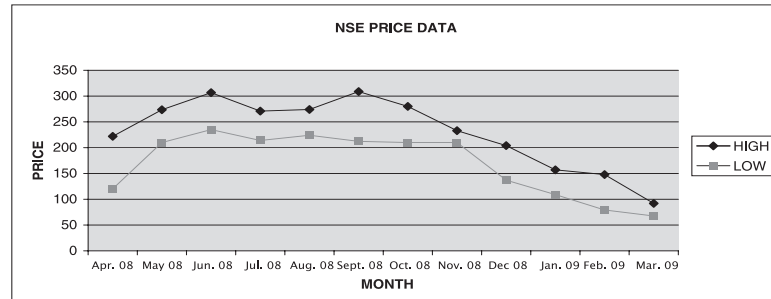
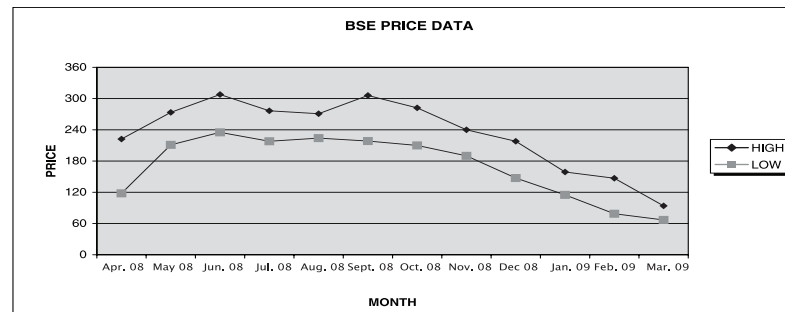
Stock Codes

- BSE: 532946
- NSE : BANG
- Demat ISIN No. for NSDL and CDSL - INE863I01016

f) Stock Data

Table below gives the monthly high and low prices and volumes of the Company equity shares at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), Mumbai for the year 2008-2009:

Month	BSE			NSE		
	High	Low	No. of shares traded	High	Low	No. of shares traded
April, 2008	222.25	118.00	7526491	222.00	120.20	5980910
May, 2008	273.50	211.10	3789087	273.50	210.00	1484198
June, 2008	307.80	235.15	3290882	306.65	235.00	1062689
July, 2008	276.50	218.00	732139	270.90	214.00	385565
August, 2008	270.90	224.00	96941	274.00	224.05	99113
September, 2008	306.00	218.45	329917	308.80	212.25	159357
October, 2008	282.20	210.00	510720	280.00	210.00	82879
November, 2008	240.00	190.00	514307	233.00	210.00	3232
December, 2008	218.00	147.40	536151	204.00	137.00	198347
January, 2009	159.00	115.00	2449029	157.00	109.05	691194
February, 2009	147.00	78.80	1473236	147.90	79.25	747941
March, 2009	93.90	66.90	1631279	92.00	67.60	218459

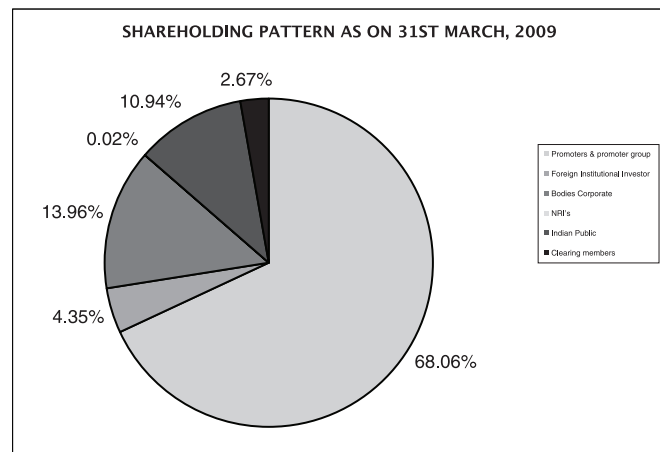


g) Shareholding Pattern

Table below gives the pattern of shareholding by ownership and share class respectively:

a. Shareholding Pattern by ownership as on 31st March, 2009

Category	No. of shares held	Shareholding %
Promoters & promoter group	9228740	68.06
Foreign Institutional Investor	589485	4.35
Bodies Corporate	1893354	13.96
NRI's	2859	0.02
Indian Public	1483950	10.94
Clearing members	361612	2.67
	13,560,000	100.00



b. Pattern of shareholding by share class as on 31st March, 2009

Category	Share Holders		Share Amount	
	No of Equity Shares (1)	Number (2)	% to Total (3)	(In Rs.) (4)
Upto - 5000	1901	90.65	1545140	1.14
5001 - 10000	47	2.24	398340	0.29
10001 - 20000	24	1.14	371070	0.27
20001 - 30000	5	0.24	124420	0.09
30001 - 40000	5	0.24	166500	0.12
40001 - 50000	13	0.62	635450	0.47
50001 - 100000	27	1.29	2191570	1.62
Above 100000	75	3.58	130167510	95.99
Total	2097	100.00	135600000	100.00

h) **Dematerialisation**

The Company's equity shares are under compulsory Demat trading. The ISIN of the Scrip is INE863I01016. As on 31st March, 2009, Dematerialized shares accounted for **29.81%** of the total equity. The Company has appointed **Karvy Computershare Private Limited** as Registrars & Transfer Agents to handle the physical Share Transfer related work and for Electronic connectivity.

i) **Details of Public Funding Obtained in the Last Three Years**

8i f]b['h.Y' bUbVWU' nYUF' &\$\$+! \$, z'h.Y' 7ca dUbmK YbhZcf' Ub' ðC' UbX' fU]gyX' Ub' UXX]h]cbU' Wd]HU' Vm]ggi]b[35,00,000 equity shares of Rs.10/- each issued at a premium of Rs. 197/- amounting to Rs.7,245 lacs. The Company's shares are listed and tradable at the Bombay Stock Exchange and National Stock Exchange. Utilization of proceeds form the Issue is given elsewhere in this Annual Report

j) **Plants**

Garments Unit:

19 / 2, 9th Main, Basavapura Village,
Begur Hobli,
Electronic City Post,
Bangalore- 560 100

Garments Unit:

No. 51 / 1 & 1 / 1, Kallabalu Village,
Jigani Hobli, Anekal Taluk,
Bangalore 560 106

k) **Registrar and Share Transfer Agents and Share Transfer Systems**

M/s. Karvy Computershare Private Limited has been appointed as one-point agency, for dealing with shareholders, to handle the physical share transfer related work and for electronic connectivity as per the directives of SEBI. The Company's equity shares are traded on the Stock Exchanges compulsorily in Demat mode. For transfer of shares in physical form, the Company has introduced transfer cum demat facility to avoid un-necessary mailing cZ Wfh] WHyg" 7Yfh] WHyg' Xi `mhfUbgZYffYX' UfY' fYh' fbYX' hc' h'cgY' k \c' cdh' hc' fYW]j Y' Wfh] WHyg']b' d\ng]W' form. There are no legal proceedings against the Company on any share transfer matter.

Shareholders correspondence should be addressed to the Company's Registrar & Share Transfer Agent at the address mentioned below:

Karvy Computershare Private Limited

Plot no. 17-24 Vithal Rao Nagar,
Madhapur, Hyderabad - 500081
Tel: (91 40) 2343 1553
Fax: (91 40) 2343 1551
Website: www.karvy.com
Contact person: Mr. Murli Krishna

l) Investor Correspondence Address

of the Company at the below mentioned address:

Secretarial Department

Bang Overseas Limited

144, Kewal Industrial Estate, 1st Floor,
Senapati Bapat Marg, Lower Parel (W),
Mumbai -400 013, India

Contact person: Ms. Kavita Lunawat, Company Secretary

or

Mr. Jaydas Dighe
Vice President, Finance
144, Kewal Industrial Estate,
Senapati Bapat Marg, Lower Parel (West),
Mumbai- 400 013

m) Subsidiary Companies

The Company has one material unlisted Subsidiary Company, namely Vedanta Creations Limited (formerly known as Vedanta Creations Private Limited) and has appointed one Independent Director of the Company on the Board of the said Subsidiary.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

India plays an integral role in the global apparel market due to availability of abundant man power, raw material, and infrastructural developments. The Indian textiles and apparels sector is a major contributor to the Indian economy in terms of Gross Domestic Product (GDP), industrial production and the country's total export earnings.

Garment exports from India fell 14 per cent short of the 11.62 billion dollar target for 2008-09 but leveled 4.6 per cent over the target. The Indian textile and apparel industry is expected to grow by 10 per cent in 2009-10. The Indian textile and apparel industry is expected to grow by 10 per cent in 2009-10. The Indian textile and apparel industry is expected to grow by 10 per cent in 2009-10.

Change in the buyer behavior and shopping trends have lured international giants, who are at the wings seeking entry into the Indian market. Indian retail industry accounts for 10 percent of the country's GDP, and is expected by industry analysts to grow by 427 billion dollars by 2010.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

India being such a vast market itself provides enormous opportunities for growth of the textile industry. The domestic organised garment retailing, which grew by 15-20% from April-September 2008, had fallen to 10% since November 2008, but for the full year ended March 2009, the sector recorded a 13-14% growth, with sales slowly picking up now, the market is expected to grow by 10% in 2009-10.

➤ Vibrant Local Market

Demographic conditions in India such as increase in young population, rise in the income levels of the people provides ample scope of growth in the textile industry in India itself.

➤ Increasing production costs of shirts in China resulting in China becoming non-competitive

China, being one of the strong competitors of India in global garment Industry is losing its traditional competitiveness due to increasing production costs in terms of raw material, labour, energy and environmental protection.

➤ Free Trade Agreements

The Free Trade Agreement (FTA) between India and the United States is expected to be implemented by end of 2009. This FTA is expected to be implemented by end of 2009.

➤ Power of availability

India has a well-developed distribution system supported by our logistics and warehousing system and hence our products are available whenever demanded in the market as we complete the value chain from fashion fabric to branded garment.

➤ Low reality prices

Low real estate prices in tier 2 and tier 3 cities and towns and this could be the perfect time to open a store, before the rentals start moving northwards once again.

➤ Export Promotion measures and incentives

The Central Government has provided two stimulus packages to the Indian textile and garment industry. Stimulus packages include export promotion measures and incentives to garment exporters making Indian garment industry competitive in the international market.

THREATS

EU27, US and Japan are major import markets for Textile & Clothing products in the world accounting for 46% of world imports. The Textile & Clothing market of these three large importers of textile and clothing.

India being one of the major exporters of textile and clothing products to these markets, the Indian Textile & Clothing industry has also witnessed a downward impact.

➤ Removal of US and EU quotas on imports from China

The removal of US and EU quotas on imports from China effective from December 31, 2008. This may have a negative impact on the imports from other countries including India to US and EU. However, markets like Japan intends to reduce the share of Chinese textile and clothing in its total Textile

for the other Asian garment exporters.

➤ **Emerging low cost garment manufacturers i.e. Bangladesh, Vietnam and Sri Lanka**

Despite China losing its competitiveness in terms of production cost, India is facing strong competition from its neighboring countries as they enjoy the advantage of being low cost garment manufacturing countries in the world.

➤ **Buying behavior of clothing buyers**

Research and development in apparel industry is ongoing process. Every now and then, we encounter new developments, innovations, improvements in existing processes, which are in terms of fabric, style, stitching details, patterns, prints and their designs, but cycle of fashion keeps on revolving and always repeats after certain period. Our company is well- equipped with innovative designers and machines to cope up with these changes in trends.

➤ **Cut down in discretionary expenditure**

Recession has forced consumers to cut down their discretionary expenditure and it is compelling them to buy products preferred choice by delivering durable and quality product to the consumers.

➤ **Emergence of several new State-of-the-art factories for fabric manufacturing**

Indian garment industry is witnessing emergence of several new State-of-the-art factories for manufacture of the fabric. These manufacturers may give a tough competition to your Company in the short as well as in the long run.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Your Company mainly operates in two geographical segments i.e. India and Overseas. During the Financial year 2008-09, Domestic Turnover of the increased by 12.59% from Rs. 9086 Lacs to Rs. 10230 Lacs whereas the Export turnover of the company recorded a gain of 18.66 % from Rs. 2953Lacs to Rs. 3504 Lacs. Reunion Clothing Company, a division of the company was wholly dedicated to export of fabric and garment. Company is consistently making

FUTURE OUTLOOK

Indian premium and mid apparel market is set to witness rapid growth, driven by rising consumer demand and availability of high quality retail space. However, the entry of large number of strong international apparel and retail brands may pose a strong challenge. Further, the Company has been manufacturing the garments for famous brands such as Shoppers Stop, Vettario Fratini, Austin Reed, Provogue, ITC etc. and is focusing on below mentioned strategies:

➤ **Special Economic Zone**

Your Company has obtained the approval of setting up of a unit of manufacturing of garment in the Visakhapatnam Special Economic Zone (VSEZ). Civil construction will soon be commenced on the land and the Projected capacity of the unit is 180000 pcs per annum.

Company, however, has already started its business from the leased premises in the Visakhapatnam SEZ.

➤ **Joint Venture Agreement**

Company has entered into a 50:50 joint venture agreement with Aquarelle International Limited for carrying on the business of manufacturing shirts and other garments in India for export and sale in the international and domestic market. Company will invest an amount not more than Rs.6,00,00,000 (Rupees Six crores only) in the form of equity and/or debt in one or more tranches in Aquarelle India Private Limited, the proposed Joint Venture Company.

The Joint Venture entity has already commenced its business and order book is giving an impressive picture.

➤ **Outsourcing of garment manufacturing to Low Developed Countries**

The Company is also planning to outsource manufacture of garment to Low Developed Countries like Nepal, Bangladesh, Sri Lanka etc. Cost of garment manufactured here will be lower as compared to India as these countries enjoy the advantage of abundant supply of raw material, low cost of labour and low duties on exports to developed countries. Further, these countries fall into 100% duty free status for export to India under SAARC agreement.

➤ **Market Expansion**

Company is looking to enter into markets which provide relatively higher margins on its products viz. fabric and garment through direct marketing for e.g. Middle-east Asia, Far-east Asia etc.

➤ **Expansion of Product range**

In order to enhance its reach to consumers, your Company is entering into women's formal wear segment. It has already introduced the brand "MISS SCOTT" in the market.

➤ **Judicious expansion of Retail Outlets**

Your Company is constantly looking for opening of new Retail outlets in the places which are not covered by its brand. However, given the market scenario, Company is expanding its retail chain but very judiciously and in a calculative manner.

➤ **Retail Outlets on revenue sharing basis**

Company's strategy to open outlets on revenue sharing basis. In this arrangement, Company pays certain sum of gross sales to the owner as rent for the outlet hired.

➤ **Acquisition/ Takeover**

The Company may acquire or invest in the Companies engaged in the similar line of business in view of its expansion plan.

STRENGTHS

➤ **Positioned brand**

"Thomas Scott", Company's well established brand enjoys the popularity in the men's formal and casual wear segment both in the domestic as well as international market. This brand is available in Large Format Stores (LFS) and Multi Brand Outlets (MBOs) as well as in the retail outlets exclusively owned by the Company.

➤ **Complete garmenting solution**

Besides having its established brand, Company also manufactures garments for other brands such as Shoppers Stop, Acropolis, John Players, Provogue, Austin Reed, Vettario Fratini. Company enjoys reputation for its quality among these brands.

➤ **Presence through Retail outlets**

Your Company has made its presence felt in the various towns and cities of India through its retail outlets, which is a strong brand recalling tool. At present, Company has 33 retail stores, out of which 8 outlets were added during the year.

➤ **Tie-up for Slow moving stocks**

Your Company has tie-ups with the large discount stores for its slow moving stock. Company sells them its slow moving stock to these stores. Hence, the Company is saved from the carrying large inventory.

RISK MANAGEMENT

Company's risk management framework drives continued competitive sustainability of an organization as it enables alignment of operations and activities of the organization to its vision and values. At Bang, the vision is to establish and maintain enterprise-wide risk management capabilities for active monitoring and mitigating the risks on continuous basis.

Global Melt down Risk

Company's performance is highly dependent on the growth of the economy, which is integrated with the world economy. However, increasing population in India, availability of skilled workers and increasing foreign investment in garment sector are the positive factors for the growth of the economy.

Foreign Exchange Risk

The Company's policy is to systematically hedge its long term foreign exchange risk as well as short term exposures risk. The Company uses various financial instruments to hedge its foreign exchange risk. The Company's policy is to hedge its foreign exchange risk in US dollars and Indian Rupees.

Other Risk Element in Individual Businesses

Business risks related to market such as fashion, change in consumer preferences, brand building which are managed by the Company.

HUMAN RESOURCES:

As on 31st March 2009, Company employed 1044 employees. The Company believes that the human resources are vital resource in giving the company a competitive edge in the current business environment. The Company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition/dissemination, creativity and responsibility. The industrial relations at all the sites of the Company are cordial. The modernization, rationalization

UbX'cdhja]nUh]cb \Uj Y'VYbY hYX'hY'7ca dUbmhc'U' [fYUhf'YI hYbh' b'hY'dUghz hY'7ca dUbmYb'cnYX'VeFX]U' fY'Uh]cbg' with the employees at all levels.

H\Y'6cUfX'k]g]Yg'hc'd'UW'cb'fYVtFX']hg'UddfYV]Uh]cb'hc'U''hY'Ya d'cnYYg']b'hY'Ve'a dUbmZcf'hY]f'gi ghU]bYX'Y' cfhg'UbX' immense contribution to the high level of performance and growth of the business during the year.

INTERNAL CONTROL SYSTEM AND ADEQUACIES

H\Y'7ca dUbm]dfUW]Vg'Ub'UXYei UHY'gmghYa 'cZ']bhYfbU'Ve'bhf'UbX'XcW'a YbhYX'dfcW'Xi fYgZ'Ve]Yf]b['hY' bUbV]U'UbX' operating functions. It ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition. It also ensures that all the transactions are authorized, recorded and reported correctly and that operations UfY'Ve'bXi V]YX']b'Ub'Y' V]Ybh'UbX'Ve'ghY' YV]j'Y'a Ubbyf''A cfYcj Yfz'nci f'7ca dUbmVe'b]bi ci g'mi d[fUXYg'hYgY'gmghYa g']b' line with the best accounting practices. The Company has independent audit systems to monitor the entire operations.

H\Y'5i X]h7ca a]hY'cZ'hY'6cUfX'cZ8]fYVt'fgZ'Ve'a df]g]b['bXYdYbXYbh8]fYVt'fgZ'fY[i 'Uf'mfY]]Yk YX'hY'd'Ubz'g][b] V]Ubh'Ui X]h' bX]b[g'UbX'hY'UXYei UW]icZ']bhYfbU'Ve'bhf'gZ'Ug'k Y''Ug'Ve'a d']UbW'k]h' UW]i bh]b['ghU]bXUfXg''

FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. Actual fYgi 'hg'Ve'i 'X X] Yf'a UHYf]U'mZ'ca h'cgYI dfYggYX'cf]a d']YX''K YV]bbch[i UfUbhY'Y'h'Uh'h'YgY'Zc'fk UFX! 'cc_]b['ghU]Ya Ybhg' will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

To
The Members
Bang Overseas Limited

We have examined the compliance of conditions of Corporate Governance by Bang Overseas Limited ("the Company"), for the year ended 31st March 2009 as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange(s) in India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 7cfdcfUHY'; cj YfbUbW''-h]g'bY]h'Yf'Ub'Ui X]h'bcf'Ub'YI dfYgg]cb'cZ'cd]b]cb'cb'hY' bUbV]U' ghU]Ya Ybhg'cZ'hY'7ca dUbm'

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

On the basis of the records maintained by the Company we state that as at 31st March 2009, there were no investor grievances pending with the Company.

K Y'Zi f'h'Yf'ghU]Y'h'Uh]gi V] Ve'a d']UbW']g'bY]h'Yf'Ub'Uggi fUbW'Ug'hc'hY'Zi hi fY'j]UV']hmcZ'hY'7ca dUbm]bcf'hY'Y' V]YbV]h' cf'Y' YV]j' YbYgg'k]h' k \]V] 'hY'a UbU[Ya Ybh'\Ug'Ve'bXi V]YX'hY'U' U]fg'cZ'hY'7ca dUbm'

For Kothari H & Associates
Company Secretaries

Hitesh Kothari

Place: Mumbai
Dated: 30th July, 2009
Membership No. : 16982

ANNUAL DECLARATION BY CEO PURSUANT TO CLAUSE 49(I) (D) (ii) OF THE LISTING AGREEMENT

As per the requirements of Clause 49(I)(D)(ii) of the Listing Agreement, I, Brijgopal Bang, Managing Director, hereby
 XYWUFY hUhU`hY`6cUFX`A Ya VYfg`UbX`GYb]cf`A UbU[Ya YbhDYfgcbbY`cZ`hY`7ca dUbn\Uj`Y`U` fa YX`Vta d`]UbW`k`]h`h`Y`
 Company's Code of Business Conduct and Ethics for the Financial Year 2008-09.

Brijgopal Bang
 Managing Director

Place: Mumbai
 Date: 30th July 2009

CEO AND CFO CERTIFICATE PURSUANT TO CLAUSE 49 (v) OF THE LISTING AGREEMENT

This is to certify that:

fUe` K`Y`Uj`Y`fYj`Yk`YX`h`Y` bUbVjU`ghUHYa`Ybhg`UbX`h`Y`Wjg`ck`ghUHYa`YbhZcf`h`Y`mYUf`UbX`h`Uh`h`h`Y`VYgh`cZ`ci`f`
 knowledge and belief:

- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
-]]` h`YgY`ghUHYa`Ybhg`h`c`Yh`Yf`dfYgYbh`U`hfi`Y`UbX`ZU]f`j`Yk`cZ`h`Y`Vta`dUbn]U`U]fg`UbX`UFY`]b`Vta`d`]UbW`k`]h`
 existing accounting standards, applicable laws and regulations.
- (b) There are, to the best our knowledge the belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

fV` K`Y`UFY`fYgdcbg]V`Y`Zcf`YghUV`]g\`]b[`UbX`a`U]bhU]b]b[`]bhYfbU`Vtbhfc`g`UbX`h`Uh`k`Y`Uj`Y`Yj`U`i`UHYX`h`Y`Y`YV]j`YbYgg`
 of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee,
 XY`VYbVYg]b`h`Y`XYg][`b`cf`cdYfU]cb`cZ]bhYfbU`Vtbhfc`gZ]ZUbnz`cZk`\\]W`k`Y`UFY`Uk`UFY`UbX`h`Y`ghYdg`k`Y`Uj`Y`hU`_Yb`
 cf`dfcdcgY`h`hU`_Y`h`fYV]Zmh`YgY`XY`VYbVYg"

- (d) We have indicated to the auditors and the Audit Committee:
 - f]e` g][`b]`WbhVX`Ub[`Yg]b`]bhYfbU`Vtbhfc`Xi`f]b[`h`Y`mYUf`/
 - f]]e` g][`b]`WbhVX`Ub[`Yg]b`UWVzi`bh]b[`dc`]VYg`Xi`f]b[`h`Y`mYUf`UbX`h`Uh`h`Y`gUa`Y`Uj`Y`VYyb`X]gVc`gYX`]b`h`Y`bchYg`
 h`h`Y`bUbVjU`ghUHYa`Ybhg`/`UbX`
 - f]]]e`]bghUbVWg`cZ`g][`b]`Wbh`ZFu`i`X`cZ`k`\\]W`k`Y`Uj`Y`VYVta`Y`Uk`UFY`UbX`h`Y`]bj`c`j`Ya`Ybh`h`YfY]bZ`]Z`Ubnz`cZ`h`Y`
 a`UbU[`Ya`Ybhcf`Ub`Ya`d`cmY`Uj`]b[`U`g][`b]`Wbhfc`Y`]b`h`Y`7ca`dUbn]U`]bhYfbU`Vtbhfc`gnghYa`"

For Bang Overseas Limited
Brijgopal Bang Vice President - Finance

Place: Mumbai
 Date : 30th July 2009

AUDITORS' REPORT

To,
The Members of
Bang Overseas Limited

1. We have audited the attached Balance Sheet of **Bang Overseas Limited** 'Ug'Uh' %A UFWž &\$\$- 'UbX'U'gc'h'Y'Dfc' h and Loss Account for the year ended on that date and the Cash Flow Statement for the year ended on that date both UbbYI YX h'YfYc' h'Y'g'Y' bUbVU'ghU'Ya Ybhg'U'f'Y'h'Y'f'Y'g'd'c'g'V']]m'c'Z'h'Y'7'ca d'U'bm'U'g'a UbU' Ya Ybh'Ci f'f'Y'g'd'c'g'V']]m' g'hc'YI d'f'Y'g'U'b'cd']b]cb'cb'h'Y'g'Y' bUbVU'ghU'Ya Ybhg'V'U'g'Y'X'cb'ci f'U'i X]h'
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards f'Yei]f'Y' h'U'h'k'Y'd'U'b'UbX'd'Y'f'Z'c'f'a' h'Y'U'i X]h'rc'c'V'h'U]b'f'Y'U'g'c'b'U'V'Y'U'g'gi f'U'b'W'U'V'ci h'k' \Y'h'Y'f'h'Y' bUbVU'ghU'Ya Ybhg' are free from any material misstatement. An audit includes, examining on a test basis, evidence supporting the Ua ci bhg'UbX'X]g'W'c'g'i f'Y'g']b' h'Y' bUbVU'ghU'Ya Ybhg' 5b'U'i X]h'U'g'c']b'W'i X'Y'g'z'U'g'g'Y'g'g]b['h'Y'U'W'z'i bh]b['d'f]b'V'd'Y'g' i g'Y'X'UbX'g]]b] W'bh'Y'g'h]a U'h'Y'g'a U'X'Y'V'm'a UbU' Ya Ybh'z'U'g'k'Y'U'g'Y'j'U'i U'h]b['h'Y'c'j'Y'f'U' d'f'Y'g'Y'bh]cb'c'Z'h'Y' bUbVU' statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order 2003 as amended by the Companies (Auditor's Report) (Amendment) order, 2004 issued by the Central Government of India in terms of sub section (4A) of Section 227 of h'Y'7'ca d'U'b]Y'g'5'V'h'%) *ž'k'Y'Y'b'W'c'g'Y'X']b'h'Y'5'bb'Y'i i f'Y'U'g'U'ghU'Ya Ybh'cb'h'Y'a U'h'Y'f'g'd'Y'W'Y' Y'X']b'd'U'f'U' f'U'd'g' ('UbX') of the said order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report as follows:
 - a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes 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;
 - W' h'Y'6'U'Ub'W'G'Y'Y'h'U'b'X'D'fc' h'U'b'X'@c'g'g'5'W'z'i bh'U'b'X'7'U'g' \: 'ck' G'h'U'Ya Ybh'X'Y'U'h'k']h' V'm'h']g'f'Y'd'c'f'h'U'f'Y']b'U' f'Y'Ya Ybh' with the books of account;
 - X'E h'Y'6'U'Ub'W'G'Y'Y'h'U'b'X'D'fc' h'U'b'X'@c'g'g'5'W'z'i bh'U'b'X'7'U'g' \: 'ck' G'h'U'Ya Ybh'X'Y'U'h'k']h' V'm'h']g'f'Y'd'c'f'h'V'z'a d'm'k']h' the Accounting Standards referred in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) on the basis of the written representation received from the directors, and taken on record by the Board of 8]f'Y'W'z'f'g'z'U'g'cb' " %A U'F'W' &\$\$- ž'k'Y'f'Y'd'c'f'h'U'h'z'bc'b'Y'c'Z'h'Y'X']f'Y'W'z'f'g']g'X']g'e'i U'] Y'X'U'g'cb' " %A U'F'W' &\$\$- Z'f'ca' being appointed as a director in terms of clause (g) of the sub-section (1) of the 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 f'Y'U'X'hc' [Y'h'Y'f'k']h' g]]b] W'bh'U'W'z'i bh]b['d'c']V'Y'g'UbX' b'ch'Y'g'hc' U'W'z'i bh]g' []j' Y'h'Y']b'Z'c'f'a U'h]cb' f'Yei]f'Y'X'V'm' 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;
 -]]E']b'h'Y'W'U'g'Y'c'Z'h'Y'6'U'Ub'W'G'Y'Y'h'z'c'Z'h'Y'g'h'U'h'c'Z'U' U']f'g'c'Z'h'Y'7'ca d'U'bm'U'g'U'h' ' %A U'F'W'ž &\$\$- /
 -]]E']b'h'Y'W'U'g'Y'c'Z'D'fc' h'U'b'X'@c'g'g'5'W'z'i bh'z'c'Z'h'Y'd'fc' h'c'Z'h'Y'7'ca d'U'bm'Z'c'f'h'Y'n'Y'U'f'Y'b'X'Y'X'cb'h'U'h'X'U'h' / and
 -]]]E']b'h'Y'W'U'g'Y'c'Z'7'U'g' \: 'ck' G'h'U'Ya Ybh'z'c'Z'h'Y'W'U'g' \: 'ck' g'Z'c'f'h'Y'n'Y'U'f'Y'b'X'Y'X'cb'h'U'h'X'U'h'

For Rajendra K.Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No: 9939

Place: Mumbai
Date: 29 June 2009

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of the even date)

f]k: b`fYgdYVW`cZ I YX`UggYhg.

(a) The company has maintained proper records showing full particulars including quantitative details and situation cZ I YX`UggYhg/

fVE: H\Y` I YX`UggYhg`cZ`H\Y`Vt`a dUbm\Uj Y`VYYb`d\ng]WV`mj Yf] YX`VmH\Y`a UbU[Ya YbhUh`fYUgcbUV`Y`]bhYf] U`g`UbX`bc`a UhYf]U`X]gWYdUbVYg`k YfY`bch]WVX`cb`gi W`j Yf] W]h]cb.

fVW: :] YX`UggYhg`X]gdcgYX`c` Xi f]b[`H\Y`mYUfZ]b`ci f`cd]b]cbZ`Xc`bchVt`bgh]h H`gi VghUb]U`dUfhcZ`H\Y` I YX`UggYhg`cZ`H\Y`7ca dUbm]UbX`gi W`X]gdcgU`UgZ]b`ci f`cd]b]cbZ`bchU` YVWVX`H\Y`[c]b[`Vt`bWfb`ghU] g`cZ`H\Y`7ca dUbm]

(ii) In respect of inventories:

fUE: 5g`YI d`U]bYX`tc`i gZ`H\Y`]bj Ybhc`f]Yg`\Uj Y`VYYb`d\ng]WV`mj Yf] YX`VmH\Y`a UbU[Ya YbhXi f]b[`H\Y`mYUf"

(b) In our opinion and according to the information and explanation given to us, the procedures of physical j Yf] W]h]cb`cZ]bj Ybhc`fmZc`ck YX`VmH\Y`a UbU[Ya YbhUf`fYUgcbUV`Y`UbX`UXYeI`Uh`]b`fY`U]cb`tc`H\Y`g]nY`cZ` the Company and the nature of its business;

(c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories.

(iii) In respect of loans taken / granted:

(a) According to the information and explanation given to us, the Company has taken unsecured loans from two companies and twenty seven parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount due during the year is Rs. 21,47,48,140 and the year end balance is Rs. 19,29,89,207.

(b) According to the information and explanation given to us, the Company has not granted loans to the Companies, fa gZ`X]fYVt`c`fg`UbX`H\Y`c`H\Y`f`dUfh]Yg`Vt`j YfYX`]b`H\Y`fY[]ghYf`a U]b]U]bYX`i bXYf`GYV]cb`' \$%`cZ`H\Y`7ca dUb]Yg` Act, 1956.

(c) In our opinion the terms and conditions on which the loan has been taken by the company are not prima facie prejudicial to the interest of the company.

(d) The Company is regular in repaying principal amount and interest as stipulated.

(iv) 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 nature of it's business for the purchase of Inventory and Fixed assets and sale of goods. During the course of our audit, we have not observed any continuing failure to correct measure weaknesses in such internal controls.

(v) In respect of register maintained under Section 301 of the Companies Act, 1956:

(a) Based on the information and explanations given to us, the transaction pertaining to contracts and arrangements that need to be entered in to a register in pursuance of Section 301 of the Companies Act, 1956 have been so entered.

(b) According to information and explanation given to us, the transactions made in pursuance of such contract or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs.5,00,000/- or more in respect of any party have been made at prices which are reasonable having regards to the prevailing market prices.

(vi) The Company has not accepted any deposit as referred to in Section 58 and 58AA of the Companies Act, 1956. We are informed that no order relating to the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vii) In our opinion, the internal audit functions carried out during the year by the Internal Auditor have been commensurate with the size of the Company and nature of it's business.

(viii) As informed to us, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the products of the Company.

(ix) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is regular in depositing undisputed statutory dues with the appropriate authorities. There are no statutory disputed dues as at 31 March 2009.

fI E: H\Y`7ca dUbm]XcYg`bch\Uj Y`UbmiUWV`a i`UH\X`cggYg`Uh`H\Y`YbX`cZ`H\Y` bUbV]U`mYUf`UbX`\Ug`bch]bW`ffYX`W]g\`cggYg`Xi f]b[`H\Y` bUbV]U`Vt`j YfYX`Vmci f`Ui X]h]UbX`H\Y`]a`a YX]Uh`midfYVWVX]b[` bUbV]U`mYUf"

(xi) Based on our audit procedures and the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to bank.

(xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

११]]]कः ह\Y'7ca dUbm]g' bchU'b]X\]'# 'a i hi U' VYbY hZi bX'# 'gcVYm'

(xiv) In our opinion the Company is not a dealer or trader in shares, securities, debentures and other investments. All the Investments made by the Company are in the name of the Company.

(xv) The Company has given guarantee of Rs. 700,00,000/- for loans taken by its Subsidiary Vedanta Creations Ltd. from The Hongkong and Shanghai Banking Corporation Limited.

(xvi) In our opinion and according to the explanation given, overall basis the term loan were applied for the purpose for which they were raised.

(xvii) Based on the information and explanation given to us and over all examination of Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment and vice versa.

(xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Act.

(xix) The Company has not issued any debentures.

११ I E' K Y' \ Uj Y' j Yf] YX' h\Y' YbX' i gY' cZ'a cbYmfU]gYX' Vm di V']W]ggi Y' Xi f] b[' h\Y' mYUf' UbX' h\Y' gUa Y']g' X]gWc gYX']b' bchY' g' hc' h\Y' bUbVU' ghUHYa YbHg' fBchY' 6! * 'cZ' h\Y' GmYXi 'Y' &&E'

(xxi) To the best of our knowledge and belief and according to the information and explanation given to us no fraud on or by the Company has been noticed or reported during the course of our audit.

For **Rajendra K.Gupta & Associates**
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No: 9939

Place: Mumbai
Date: 29 June 2009

Balance Sheet as at March 31, 2009

Particulars	Schedules	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	135,600,000	135,600,000
Reserves & Surplus	2	811,217,189	803,967,030
Loan Funds			
Secured Loans	3	263,669,971	164,624,586
Unsecured Loans	4	192,989,207	165,670,101
Deferred Tax Liabilities (Refer Note B-7 of the Schedule 22)		10,159,506	12,023,421
		<u>1,413,635,874</u>	<u>1,281,885,138</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	200,816,511	163,635,207
Less: Depreciation		(40,076,315)	(24,192,653)
Net Block		<u>160,740,196</u>	<u>139,442,554</u>
Capital work-in-progress		55,000,000	81,288,127
		<u>215,740,196</u>	<u>220,730,681</u>
Investments			
	6	7,527,400	7,527,400
Current Assets, Loans and Advances			
Inventories	7	370,852,252	292,322,091
Sundry Debtors	8	356,722,330	390,482,808
Cash and Bank Balances	9	539,564,440	558,909,662
Loans and Advances	10	103,410,768	81,628,965
		<u>1,370,549,790</u>	<u>1,323,343,525</u>
Less: Current Liabilities and Provisions			
Current Liabilities	11	187,555,760	272,385,282
Provisions	12	1,375,059	9,880,390
		<u>188,930,819</u>	<u>282,265,672</u>
Net Current Assets			
		<u>1,181,618,971</u>	<u>1,041,077,853</u>
Miscellaneous Expenses to the extent not k f]Hb'c 'cf UX' ghYX	13	8,749,307	12,549,204
		<u>1,413,635,874</u>	<u>1,281,885,138</u>
Notes to Accounts	22		

The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Venugopal Bang Chairman
Brijgopal Bang Managing Director
Kavita Lunawat Company Secretary

Place : Mumbai
Date : 29 June 2009

Place : Mumbai
Date : 29 June 2009

Dfc h'UbX@cgg'5Wti bh'Zcf'h'Y'nYUf'YbXYX'A UfW' '%&\$\$-

Particulars	Schedule	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
INCOME			
Sales	14	1,373,416,227	1,203,890,582
Other income	15	75,210,035	29,314,678
Increase in inventories	16	25,765,155	113,392,954
		1,474,391,417	1,346,598,214
EXPENDITURE			
Trade Purchases	17	541,857,016	630,383,620
Raw Material Consumption	18	516,443,685	349,743,726
Employee Compensation	19	107,716,878	64,510,602
Manufacturing, Administrative, & Selling Expenses	20	239,879,342	110,541,524
Depreciation & Amortisation		19,568,449	14,680,599
Finance Expenses	21	46,060,363	38,487,716
		1,471,525,733	1,208,347,787
Dfc h'6YZcfY'HUI ž9l hfU'CFX]bUfmiUbX'Df]cf'DYf]cX' h'Ya g		2,865,684	138,250,427
Provisions Current Tax		525,000	45,000,000
Deferred Tax		(1,863,914)	2,737,653
: f]b[Y'6YbY hg'HUI		750,000	850,000
Dfc h'UZhf'HUI 'UbX'VYZcfY'9l hfU'CFX]bUfmiUbX'Df]cf'DYf]cX' h'Ya g		3,454,598	89,662,774
Prior period adjustments (net)		(3,795,561)	2,002,962
BYh'Dfc h		7,250,159	87,659,812
Dfc h'Ug'dYf''Ugh'6U'UbW'G'YYh		131,192,262	43,532,450
Dfc h'7Uff]YX'Zcfk UfX'hc'6U'UbW'G'YYh.		138,442,421	131,192,262
Earning per Share - Basic and Diluted (Refer Note B-10 of Schedule 22)		0.54	8.38
Notes to accounts	22		

H'Y'gW'YXi 'Yg'fYZffYX'hc'UVcj Y'Zcfa 'Ub']bH[fU'dUfhcZ'h'Y'Dfc h'UbX@cgg'5Wti bh'

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Venugopal Bang
Chairman

Brijgopal Bang
Managing Director

Kavita Lunawat
Company Secretary

Place : Mumbai
Date : 29 June 2009

Place : Mumbai
Date : 29 June 2009

Cash Flow Statement as at March 31, 2009

Particulars	2008-2009 Amount (Rs.)	2007-2008 Amount (Rs.)
A. 7Ug\` ck `Zfca `CdYfUhb[`5Vmj]hYg		
BYhdfc h'VYZcfY`HJ Uhcb	2,865,684	138,250,427
Adjustments for:		
Depreciation	15,889,962	11,073,105
Amortisation	3,678,487	3,607,494
fDfc H:#`cgg`cb`gU'Y`cZ:]l YX`5ggYhg	10,450	135,043
Gi bXfm6U`UbWg`K f]hYb`c	(882,595)	(407,212)
Vat Refund	-	(284,825)
9 V`Ub[Y`fUHY` i Vh Uhcb`[U]b`f@cgg`	7,719,963	(2,507,688)
Interest income	(53,788,516)	(6,776,384)
Dividend income	(2,200)	(214,470)
Interest expense	35,584,651	38,487,716
CdYfUhb[`dfc h'VYZcfY`K cf_]b[`7Ud]HJ`W`Ub[Yg	11075886	181,363,206
Decrease / (Increase) in sundry debtors	33,760,478	(213,732,818)
Decrease / (Increase) in inventories	(78,530,161)	(165,614,013)
Decrease/(Increase) loans and advances	(21,450,299)	19,007,993
Increase / (Decrease) in current liabilities	(84,284,378)	165,798,338
Cash generated from operations	(139,428,474)	(13,177,294)
Direct taxes paid	(13,577,376)	(44,860,853)
Net Cash from Operating Activities	(153,005,850)	(58,038,147)
B. 7Ug\` ck g`Zfca `bj Yghb[`UMj]hYg		
Purchase of Fixed Assets	(37,222,055)	(36,545,068)
Capital work-in-progress	26,288,127	(81,288,127)
Receipt from sale of assets	24,000	479,654
Investment	-	1,250,010
Misc. Expenditure (Capitalised)	-	(38,203,898)
Interest received	53,788,516	6,776,384
Dividends received	2,200	214,470
Net Cash from Investing Activities	42,880,788	(147,316,575)
C. 7Ug\` ck g`Zfca `:]bUbVyb[`5Vmj]hYg		
Proceeds from issuance of share capital	-	37,600,000
Unsecured Loans	27,319,106	28,659,391
7Uf`c`Ub` bUbW	(311,319)	(1,002,263)
Proceeds from long-term borrowings	(15,723,500)	(10,664,400)
Proceeds from working capital borrowing	115,080,204	67,848,025
Share premium received (Net of share issue expenses)	-	668,971,842
Interest paid	(35,584,651)	(38,487,716)
Net cash from Financing Activities	90,779,840	752,924,879
Net increase in cash and cash equivalents (A + B + C)	(19,345,222)	547,570,157
Cash and cash equivalents at the beginning of the year	558,909,662	11,339,505
Cash and cash equivalents at the end of the year	539,564,440	558,909,662

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Place : Mumbai
Date : 29 June 2009

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Venugopal Bang **Brijgopal Bang** **Kavita Lunawat**
Chairman Managing Director Company Secretary

Place : Mumbai
Date : 29 June 2009

Schedules forming part of Balance Sheet as at 31 March 2009

Particulars	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
Schedule 1 : Share Capital		
Authorised		
160,00,000 Equity Shares of Rs. 10/- each (Previous year 160,00,000 Equity Shares of Rs. 10/- each)	<u>160,000,000</u>	<u>160,000,000</u>
Issued, Subscribed & Paid up		
1,35,60,000 Equity Shares of Rs. 10/- each fully paid up (Previous year 1,35,60,000 equity shares of Rs. 10/- each fully paid up (of the above 85,05,480 shares of Rs. 10/- each are allotted as fully paid by way of bonus shares in earlier years) (of the above 7,51,740 shares of Rs. 10/- each are allotted as fully paid pursuant to an agreement without payments being received in cash)	<u>135,600,000</u>	<u>135,600,000</u>
	<u>135,600,000</u>	<u>135,600,000</u>
Schedule 2 : Reserves & Surplus		
Securities Premium Account		
Balance as per last account :	672,774,768	4,894,700
Add : Addition during the year	-	719,400,000
	<u>672,774,768</u>	<u>724,294,700</u>
Less : Application towards Share Issue Expenses	-	51,519,932
	<u>672,774,768</u>	<u>672,774,768</u>
Dividend Reserve	<u>138,442,421</u>	<u>131,192,262</u>
	<u>811,217,189</u>	<u>803,967,030</u>
Schedule 3 : Secured Loans		
Cash / Export Credit with ING Vysya Bank Ltd. (Secured against hypothecation of inventories, book debts and personal gaurantee of some directors)	95,094,678	95,975,701
Factoring Credit from The Hongkong and Shanghai Banking Corporation Ltd.	38,188,070	43,012,170
Term Loan with ING Vysya Bank Ltd. (Secured by equitable mortgage of land and building and hypothication of plant and machinery at Banglore factory units and personel gaurantee of some directors) [Amount due within a year Rs. 94,34,100 (PY 1,25,78,800)]	9,434,100	25,157,600
Buyers Credit (Secured by equitable mortgage of land and building and hypothecation of plant and machinery at Banglore factory units, inventories, book debts and personal gaurantee of some directors)	120,785,327	-
HDFC Bank Car Loan (Secured against hypothecation of Car)	167,796	479,115
	<u>263,669,971</u>	<u>164,624,586</u>
Schedule 4 : Unsecured Loans		
From Promoters & Promoter Group	164,316,668	111,960,793
From Directors	28,672,539	10,697,138
From Others	-	43,012,170
	<u>192,989,207</u>	<u>165,670,101</u>

Schedules forming part of Balance Sheet as at 31 March 2009

Schedule 5 : Fixed Assets

(Figures in Rupees)

Particulars	Gross Block			Depreciation			Net Block			
	As at 1/4/2008	Addition	Deduction	As at 31/3/2009	Up to 1/4/2008	For the year	Depreciation Adjustment	Up to 31/3/2009	As at 31/3/2009	As at 31/3/2008
A. Assets										
Plant & Machinery	69,228,063	4,546,284	40,750	73,733,597	7,951,410	3,586,949	6,300	11,532,059	62,201,538	61,276,654
C W'Yei Jda Ybh	3,243,085	1,347,512	-	4,590,597	733,849	382,509	-	1,116,358	3,474,239	2,509,236
Furniture	25,799,718	12,624,330	-	38,424,048	4,887,965	5,052,804	-	9,940,769	28,483,279	20,911,753
Computer system	11,483,028	3,912,214	-	15,395,241	3,788,684	3,666,500	-	7,455,184	7,940,057	7,694,344
Vehicles	5,846,288	740,143	-	6,586,431	2,577,358	581,800	-	3,159,158	3,427,273	3,268,930
Factory Building	45,986,276	2,048,858	-	48,035,134	4,224,904	1,406,886	-	5,631,790	42,403,344	41,761,372
Land	612,068	-	-	612,068	-	-	-	-	612,068	612,068
Building	132,270	-	-	132,270	5,582	2,065	-	7,647	124,623	126,688
Lease Building Improvement	1,304,411	12,002,714	-	13,307,125	22,901	1,210,449	-	1,233,350	12,073,775	1,281,510
Total	163,635,207	37,222,055	40,750	200,816,511	24,192,653	15,889,962	6,300	40,076,315	160,740,196	139,442,554
B. Capital work-in-progress									55,000,000	
								(PY)	(81,288,127)	
Previous year 07-08	127,896,713	36,545,068	806,573	163,635,207	13,311,424	11,073,105	191,876	24,192,653	139,442,554	114,585,290

Schedules forming part of Balance Sheet as at 31 March 2009

Particulars	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
Schedule 6 : Investments		
Long Term Investments (At cost)		
a) Investment in non trade securities - Unquoted		
1000 Equity shares of Saraswat Co-op. Bank Ltd., (of Rs. 10 Each fully paid up.)	10,000	10,000
b) Investment in Subsidiary Company - Unquoted		
284750 (Previous Year 284750) fully paid equity shares of Vedanta Creations Ltd. (of Rs. 10 each fully paid up)	7,517,400	7,517,400
	<u>7,527,400</u>	<u>7,527,400</u>
Schedule 7 : Inventories		
Raw materials and components	146,920,166	94,155,162
Work-in-progress	11,884,454	7,431,783
Finished goods	105,933,675	59,727,767
Trade goods	106,113,956	131,007,379
	<u>370,852,252</u>	<u>292,322,091</u>
Schedule 8 : Sundry Debtors		
(Unsecured and considered good)	-	
Debts outstanding for a period exceeding six months	56,482,986	39,763,613
Other Debts	300,239,344	350,719,195
[Included in sundry debtors are due from companies under same management, Vedanta Creations Ltd., Rs. 25,92,730/- (Previous Year : Nil)]		
	<u>356,722,330</u>	<u>390,482,808</u>
Schedule 9 : Cash and Bank Balances		
Cash on hand	3,173,073	832,818
Balances with scheduled banks: in Current Account	2,034,782	5,421,817
in Fixed Deposit Account	534,356,585	550,155,027
in Public Issue Escrow Account	-	2,500,000
	<u>539,564,440</u>	<u>558,909,662</u>
Schedule 10 : Loans and Advances		
(Unsecured and considered good)		
Advances recoverable in cash or in kind or for value to be received.	13,813,525	12,739,647
5Xj UbWg'rc'GtU	688,719	666,504
Balance with cutsoms, excise etc..	3,513,191	2,721,029
VAT Credit Receivable	241,244	3,112
Advance Tax & T.D.S. (Net of provisions)	22,447,659	728,205
Advances towards purchase of goods / services	40,598,244	48,202,762
Deposits	22,108,186	16,567,706
	<u>103,410,768</u>	<u>81,628,965</u>

Schedules forming part of Balance Sheet as at 31 March 2009

Particulars	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
Schedule 11 : Current Liabilities		
Sundry creditors		
Creditors for goods	107,061,479	176,486,059
Creditors for others	65,158,706	64,706,534
Subsidiary Company	-	19,635,188
Advances from buyer's	4,630,764	4,519,351
Sundry Deposits	4,536,815	-
Interest accrued but not due on loans	758,595	-
Duties & Taxes	5,409,401	7,038,151
	<u>187,555,760</u>	<u>272,385,283</u>
Schedule 12 : Provisions		
Provision for taxation (Net of advance payments)	9,196	9,154,360
Dfcj]g]cb`Zcf: f]b[Y`6YbY h`HUI `fbYhcZUXj UbW`dUna Ybhgk	194,690	100,000
Provision for gratuity	1,171,173	626,030
	<u>1,375,059</u>	<u>9,880,390</u>
Schedule 13 : Miscellaneous Expenditures		
Brand Development Expenses	7,360,409	10,273,455
Pre-operative expenses of new project	1,388,899	2,275,750
	<u>8,749,307</u>	<u>12,549,204</u>

Particulars

Particulars	2008-2009 Rupees	2007-2008 Rupees
Schedule 14 : Sales		
Domestic Sales		
- Trade Goods	510,926,159	594,262,569
- Manufactured goods	506,748,364	298,810,451
Export Sales		
- Trade Goods	9,261,630	8,387,105
- Manufactured goods	341,105,767	286,926,254
	<u>1,368,041,920</u>	<u>1,188,386,379</u>
Less : Inter Department Transfer :	30,048,726	-
Net Sales :	<u>1,337,993,194</u>	<u>1,188,386,379</u>
- Jobwork Charges / Scrap Sales	35,423,032	15,504,203
Total Sales	<u>1,373,416,227</u>	<u>1,203,890,582</u>
Schedule 15 : Other Income		
Interest on Deposits (CY TDS Rs. 1,22,64,298 PY Rs. 13,92,324)	54,141,598	6,776,384
Rent / Hire Charges Received (CY TDS 16,44,358, PY Rs. 15,42,772)	6,478,200	6,240,000
Dividend	2,200	214,470
Duty Drawback	13,316,486	15,391,787
Other Income	35,876	284,825
Interest Other (CY TDS 72,735, PY Nil)	353,082	-
Miscellaneous Income	882,594	407,212
	<u>75,210,035</u>	<u>29,314,678</u>
Schedule 16 : Increase in Inventories		
Inventories at beginning of the year		
- Trade goods	131,007,379	49,957,462
- Work-in-progress	7,431,783	4,254,725
- Finished goods	59,727,769	30,561,788
	<u>198,166,931</u>	<u>84,773,975</u>
	(A)	
Inventories at closing of the year		
- Trade goods	106,113,956	131,007,379
- Work-in-progress	11,884,454	7,431,783
- Finished goods	105,933,675	59,727,767
	<u>223,932,086</u>	<u>198,166,929</u>
	(B)	
	<u>25,765,155</u>	<u>113,392,954</u>
	(A - B)	
Schedule 17 : Trade Purchases		
Trade Purchases	450,431,151	556,626,606
Jobwork Charges	121,474,591	73,757,014
Purchases :	<u>571,905,742</u>	<u>630,383,620</u>
Less : Inter Department Transfer :	30,048,726	-
Net Purchase	<u>541,857,016</u>	<u>630,383,620</u>
Schedule 18 : Raw Material Consumption		
Opening Stock - Raw materials	94,155,162	41,934,103
Add : Purchases - Raw materials	569,208,689	401,964,785
Less : Closing Stock - Raw materials	146,920,166	94,155,162
	<u>516,443,685</u>	<u>349,743,726</u>

GWYXi `Yg`Zcfa]b[`dUfhcZ`Dfc h`UbX`@cgg`5Wt`i bhZcf`h`Y`mYUf`YbXYX`'`%A UfW`&\$\$-

Particulars	2008-2009 Rupees	2007-2008 Rupees
Schedule 19 : Employee Compensation		
Salaries, wages, and bonus	94,748,040	55,955,599
Contribution to Provident Fund	8,016,103	4,857,925
Gratuity Expenses	545,143	260,817
K cf_a Yb`UbX`gtU `k`Y`ZJFY`YI dYbgYg	4,407,591	3,436,261
	<u>107,716,878</u>	<u>64,510,602</u>
Schedule 20 : Manufacturing, Administrative & Selling Expenses		
Power & Fuel	9,015,549	5,659,994
Freight and forwarding charges	23,431,881	16,679,761
Rent	27,271,174	18,055,352
Rates & Taxes	8,455,457	6,514,511
Insurance Charges	2,313,781	1,641,198
Repairs & Maintenance		
- Plant & Machinery	3,138,720	834,975
- Building	1,647,341	152,125
- Other	6,807,657	1,528,680
Advertising	20,630,245	1,431,722
Sales Promotion	1,570,287	778,969
Brokerage & Sales Commission	40,772,514	19,538,954
Travelling expenses	7,217,526	4,135,326
Conveyance expenses	1,231,991	745,947
Communication Cost	3,208,886	2,425,601
Printing & Stationary	2,802,797	2,374,826
Legal, Professional and Consultancy fees	7,919,661	5,479,259
Directors Sitting Fees	90,000	-
Remuneration to Managing Director	2,400,000	1,220,000
Auditor's remuneration		
- Audit fee	80,000	75,000
- Tax Audit fee	50,000	25,000
9l W`Ub[`Y`8] `YfYbW`fBYtL	37,514,016	(12,617,884)
Donation	40,000	-
@cgg`cb`gU`Y`cZ `I`YX`5ggYhg	10,450	135,043
Courier & Postage	4,474,201	2,329,219
Vehical Expenses	798,690	698,802
Packing Material Expenses	927,584	2,340,721
Cut Pack, Forwarding & Labour Charges	-	9,916,571
Transportation for factory workers	3,529,922	2,946,727
Washing Charges	6,691,243	4,564,082
Factory Maintenance	-	1,987,349
Security & Service Charges	3,517,740	1,763,014
Miscellaneous Expenses	12,320,029	7,180,681
	<u>239,879,342</u>	<u>110,541,524</u>
Schedule 21 : Finance Expenses		
Interest		
- On term loans	2,798,932	4,488,329
- On working capital loan	15,187,500	12,212,754
- On Others	17,598,219	15,767,765
Bank Charges	10,475,712	6,018,868
	<u>46,060,363</u>	<u>38,487,716</u>

SCHEDULE 22

NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of Financial Statements

The Company's financial statements are prepared under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of Companies Act, 1956. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in previous year.

2. Use of Estimate

The financial statements are prepared on an accrual basis. Actual results could differ from those reported. Actual results could also included to the extent they relate to the period till such assets are ready to be put to use. Financing costs not of the respective accounting standard.

3. Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition. Fixed assets also included to the extent they relate to the period till such assets are ready to be put to use. Financing costs not of the respective accounting standard.

Depreciation

Fixed assets in Mumbai have been continued depreciated by following written down value method.

Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there are impairment indicators. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the carrying amount of the asset is compared with the present value of the estimated future cash flows expected to be received from the asset.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii. A previously recognised impairment loss is increased or decreased based on reassessment of recoverable amount. If the carrying amount of an asset is increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

4. Intangible Assets

Intangible assets are recognized if identifiable and separable. The carrying amount of an intangible asset that is not available for sale is tested for impairment annually, or more frequently if events or changes in circumstances indicate that there is no indication that the asset is impaired.

5. Leases

Where the Company is the lessee

Leases for which the lease term is equal to or greater than 12 months, or the lease contains an option that is reasonably certain to be exercised, are classified as finance leases. Finance leases are recognized at the commencement date at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Finance charges are charged to income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases for which the lease term is less than 12 months and does not contain a purchase option are classified as operating leases. Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

Where the Company is the lessor

5ggYhg'gi V'YVh'hc'cdYfUhb['YUgYg'UFY]bWm XYX']b' I YX' UggYhg''@YUgY']bVt'a Y']g' fYVt[b]gYX']b' h'Y' Dfc' h'UbX' @cgg' Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in h'Y' Dfc' h'UbX' @cgg' 5Wt'i bh' -b]h]U' X]fYVh'Vt'ghg'gi W' Ug' Y' U' Vt'ghz'Vfc_YfU[Y' Vt'ghz'YH'W'UFY' fYVt[b]gYX']a' a YX]UH' m in the P&L Account.

6. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

7. Investments

b] Ygha Ybthg' h'Uh'UFY' fYUX']mfYU']gUV' Y' UbX']bhYbXYX' hc' VY' \Y' X' Zcf' bch'a' cfY' h'Ub' U' nYUf' UFY' WUgg] YX' Ug' W' ffYbh]bj Ygha Ybthg' 5'' c'h' Yf']bj Ygha Ybthg'UFY' WUgg] YX' Ug' cb[! h'Yfa']bj Ygha Ybthg' 7i ffYbh]bj Ygha Ybthg'UFY' WUff]YX' Uh'ck Yf' of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, less provision for diminution in value other than temporary.

8. Inventories

Inventories are valued at lower of cost or net realisable value. Cost is determined on the following basis:

- i) F'Uk' 'a' UH'Yf]U'g'UbX' 'a' Ubi ZUMi fYX' b]g' YX' [ccXg'UFY' j' U' i YX' Uh'Vt'gh' 7cgh]g' XYh'Yfa']bYX' Vmi g]b['Uj' YfU[Y' Vt'gh' method.
- ii) Trade Goods are valued at cost on FIFO basis.

9. Revenue Recognition

F'Yj' Ybi' Y']g' fYVt[b]gYX' hc' h'Y' Yl' h'Ybh'h'Uh']h']g' d'fc' VUV' Y' h'Uh' h'Y' YVt' bca']WVYbY' hg' k']'' ck' hc' h'Y' Vt'a' d'UbmiUbX' h'Y' revenue can be reliably measured.

- (i) Sale of goods
 - F'Yj' Ybi' Y']g' fYVt[b]gYX' k' \Yb' h'Y' g] [b] W'bh'f]g' _UbX' fYk' UfXg' cZ' ck' bYfg' \d' cZ' h'Y' [ccXg' \Uj' Y' d'UggYX' hc' h'Y' buyer. Sales revenue is net of sales returns, discounts and rebates.
- (ii) Interest
 - Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (iii) Dividends
 - Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of schedule VI of the Companies Act, 1956.

10. Foreign Exchange Transaction

- (a) Transaction denominated in foreign currencies is normally recorded at the exchange rate prevailing at the time of the transaction.
- (b) Monetary items denominated in foreign currency as at the balance sheet date are translated at the year end exchange rate.

fVt' DfYa']i' a' 'cb' Zcfk' UfX' Vt'j' Yf' Vt'bh'f'U'Vg']b' fYgd'YVh'cZ']a' d'cfhcZ' fUk' 'a' UH'Yf]U']g' W' Uf[YX' hc' d'fc' h' / 'cgg' U'Wt'i bh' c] Yf' h'Y' d'Yf]cX' cZ' Vt'bh'f'U'Vg' Yl' W' dh]b' fYgd'YVh'cZ']UV']mZcf' U'Vt'i']f]b[' I YX' UggYhg']b' k' \]W' WUgY' h'Y' X'] YfYbW' are adjusted in carrying cost of the same.

9a d' c'n'Y' VYbY' hg

J'' F'Yh]fYa' Ybh'VYbY' hg']b' h'Y' Zcfa' 'cZ' Dfcj']XYbh: i bX']g' U'XY' bYX' Vt'bh'f]Vi' h]cb' g'W' Ya' Y' UbX' h'Y' Vt'bh'f]Vi' h]cbg' UFY' W' Uf[YX' hc' h'Y' Dfc' h'UbX' @cgg' 5Wt'i bh' cZ' h'Y' n'YUf' k' \Yb' h'Y' Vt'bh'f]Vi' h]cbg' hc' h'Y' g' h'U' h'cf]m'Uf' Y' Xi' Y'']'' ; f'U' h']m']UV']m'UFY' XY' bYX' VYbY' hc' V'] [U]h]cbg' UbX' UFY' d'fcj']YX' Zcf' cb' h'Y' VUg]g' cZ' Ub' U'W' Uf]U' j' U' i U]h]cb' cb' d'fc' Y'V'X' i' b]h'W'YX']h'a' Y' h'cX' 'a' UXY' Uh' h'Y' YbX' cZ' YU'W' b'Ub'W'U' n'YUf''

12. Current Tax and Deferred Tax

f]k' D'fcj']g]cb' Zcf' W' ffYbh'U']g'a' UXY' UZ'Yf' h'U']b[]b'hc' Vt'bg]XYfU]cb' VYbY' hg' U'Xa']gg]V' Y' i' bXYf' h'Y' d'fcj']g]cb' cZ' h'Y' Income Tax Act, 1961.

8ZYffYX`hU`fYgi`h]b[`Zfca`h]a`b[`X]`YfYbW`VYHk`YYb`h`Y`Vcc_`UbX`hU`UV`Y`dfc`h]g`UWw`i`bhYX`Zcf`i`g]b[`h`Y` tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.

13. Earning per share

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and diluted equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

14. Cash Flow Statement

7Ug\`ck`ghU`hYa`Ybh]g`fYdcf`hYX`i`g]b[`h`Y`]bX]fYV`a`Yh`cX`Ug`gdYV`YX`]b`h`Y`5Ww`i`bh]b[`ghU`bXUfX`f5Gh`z`E7Ug\` Flow Statement' issued by The Institute of Chartered Accountants of India.

15. Provision, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation Ug`U`fYgi`hcZ`dUgh`Yj`Ybh]g`UbX`]h]g`dfc`VUV`Y`h`Uh`h`YfY`k`]`VY`Ub`ci`h`ck`cZ`fYgci`fWg`7`cbh]b[`Ybh`]UV`]h]Yg`UfY`bch`fYVw`[`b]nYX`Vi`h`UfY`X]gVw`cgYX`]b`h`Y`bchYg`7`cbh]b[`Ybh`UggYhg`UfY`bY]h`Yf`fYVw`[`b]nYX`bcf`X]gVw`cgYX`]b`h`Y`bUbVU` statements.

B. NOTES ON ACCOUNTS:

1. DfYj]ci g`mYUf` [i fY`Ug`VYYb`fY[fci dYXz`fYUffUb[YX`UbX`fYghUH`X`k` \YbYj Yf`bYWggUfnt

2. Segment Reporting:
a. Primary Segment:

The company is primarily engaged in single business segment of manufacturing and marketing of textile and textile products and is managed as one business unit.

b. Secondary Segment (By Geographical Segment):

(Figures in Rs)

Particulars	India	Outside India	Total
Sales	102,30,48,830	35,03,67,397	137,34,16,227
	(90,85,77,223)	(29,53,13,359)	(120,38,90,582)
*Segment Assets	32,68,91,492	2,98,30,838	35,67,22,330
	(35,74,99,831)	(3,29,82,977)	(39,04,82,808)

fI] [i fYg`]b`VfUW`Yh`bX`]W`h`dfYj]ci g`mYUf`fY` [i fYgk

*Segment Assets from outside India represents receivables from Export Sales. In view of the interwoven / intermix nature of business and manufacturing facility, other information is not ascertainable.

3. Operating Lease Arrangements:
a. As lessee:

Rental expenses of Rs. 2,72,71,174 (P.Y. Rs. 1,80,55,352) in respect of obligation under operating leases have VYYb`fYVt`[b]nYX`]b`h`Y`dfc` h`UbX`cgg`UW`ti`bH`

At balance sheet date, minimum lease payments under non-cancelable operating leases fall due as follows:

(Figures in Rs)

	31.03.2009	31.03.2008
Due not later than one year	1,55,90,847	1,48,00,097
gi`Y`UH`f`h`Ub`cbY`nYUf`Vi`hbch`UH`f`h`Ub`j`Y`nYUfg	1,65,68,539	2,90,94,829
@UH`f`h`Ub`j`Y`nYUfg	NIL	NIL

H`Y`UV`cj`Y` [i fYg`]b`W`XY.

i. Lease rentals calculated based on estimated date of commencement of lease in cases where the agreements / MOU's have been entered into but the date of commencement of lease is dependent on the date of construction/renovation of premises and based on the commitment for delivery by lessors.

ii. Lease rentals do not include common maintenance charges, tax payable, if any.

iii. The Company has not entered under any operating lease agreement which is not-cancelable more than j`Y`nYUfg"

b. As lessor:

FYbHU`b`W`ta`Y`fYVt`[b]nYX`]b`h`Y`dfc` h`/`@`cgg`UW`ti`bh`Xi`f]b[`h`Y`nYUf`Fg`"*(`z`+,`z`&\$`\$`#`!`f`DFYj]ci g`M`Uf`Rs.62,40,000) relating lease arrangements. .

("" 9a d`cmYY`VYbY`hd`Ub.

The Company provides for gratuity expenses on the basis of actuarial valuation. The Company does not have any fund for gratuity liability and same is accounted for as provisions.

H`Y`Zc`ck`]b[`h`UV`Yg`gi`a`a`Uf]Yg`h`Y`Vt`a`dcbYb`hg`c`Z`b`Y`h`VYbY`h`#`YI`dYbgYg`fYVt`[b]nYX`]b`h`Y`Dfc`h`/`@`cgg`5W`ti`bh`and Balance Sheet for the respective plan.

fUE`9`dYbgYg`fYVt`[b]nYX`]b`Dfc`h`/`@`cgg`5W`ti`bh`Zc`f`h`Y`nYUf`YbXYX`" %`A`UfW`&\$`\$`-.

(Figures in Rs.)

	2008-2009	2007-2008
Current service cost	5,67,643	2,94,759
Interest cost	45,319	28,720
Actuarial (gains) / losses	(88,119)	(86,349)
Past service cost	-	-
Net expenses	5,23,763	2,37,129

(b) Net Asset / (Liability) recognized in the Balance Sheet as at 31 March 2009:

(Figures in Rs.)

	As at 31 March 2009	As at 31 March 2008
8Y bYX VYbY hcV][U]cb	11,71,173	6,47,410
Fair value of plan assets	-	-
Less : Unrecognized past service cost	-	-
Net Assets / (Liability)	(11,71,173)	(6,47,410)

7\Ub[Yg]b' dFYgYbhj Ui Y'cZXY bYX VYbY hcV][U]cb UfY Ug Zc`ck]b[.

(Figures in Rs.)

	2008-2009	2007-2008
CdYb]b['XY bYX VYbY hcV][U]cb	6,47,410	4,10,281
Current service cost	5,67,643	2,94,759
Interest cost	45,319	28,720
6YbY hdU]X	-	-
Actuarial (gains) / Losses	(89,199)	(86,349)
7`cg]b['XY bYX VYbY hcV][U]cb	11,71,173	6,47,410

(d) The principal actuarial assumptions used in determining gratuity liability is as follows:

(Figures in Rs.)

	31 March 2009	31 March 2008
Discount rate	7%	8%
Mortality table	Indian Assured Lives Mortality (1994-96) (Modi-YXEI`h]a U]Y	
Employee turnover	2%	2%

5. Contingent Liabilities

(Figures in Rs.)

Particulars	31.03.2009	31.03.2008
Bank Guarantees	96,58,910	96,58,910
Letter of credit	5,25,57,488	12,09,21,313
Export Obligation	6,60,84,641	5,47,50,078
Corporate Guarantee	7,00,00,000	7,00,00,000
Total	19,83,01,039	25,53,30,301

6. Details of IPO Proceeds Utilization

(Figures in Rs.)

Particulars	31.03.2009	31.03.2008
Net Issue Proceeds	72,45,00,000	72,45,00,000
Utilization of Funds :		
General Corporate purpose	10,16,75,000	9,37,26,491
Setting up of Retail Stores & Brand Building	8,67,77,376	3,82,28,577
Setting up of Manufacturing Unit	25,000	25,000
Share Issue Expenses	5,15,19,932	5,15,19,932
Total	23,99,97,308	18,35,00,000

The balance unutilized proceeds are kept in Fixed Deposit with Scheduled Bank.

13. Information on Related Party Disclosure

	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or their relatives	Total
Sales	2,795,791	-	-	47,175	2,842,966
Purchase	569,102	-	-	38,519,117	39,088,219
Loans (taken)	-	-	38,520,000	19,100,000	57,620,000
Loans taken from directors	-	18,785,000	-	-	18,785,000
Loan repaid	-	2,120,000	2,180,000	25,773,203	30,073,203
Interest	-	1,460,907	4,281,900	1,107,625	6,850,432
Salary	-	2,400,000	360,000	-	2,760,000

Names of related parties

Subsidiary Vedanta Creations Ltd.

Key Management Personnel

- 1 Shri Venugopal Bang Chairman
- 2 Shri Brijgopal Bang Managing Director

Relatives of Key Management Personnel

- 1 Shri Balaram Bang Father of Shri Venugopal Bang & Brijgopal Bang
- 2 Smt. Radhadevi Bang Mother of Shri Venugopal Bang & Brijgopal Bang
- 3 Smt. Taradevi Bang Wife of Shri Venugopal Bang
- 4 Shri Raghvendra Bang Son of Shri Venugopal Bang
- 5 Shri Giridhar Gopal Bang Brother of Shri Venugopal Bang & Brijgopal Bang
- 6 Shri Raj Gopal Bang Brother of Shri Venugopal Bang & Brijgopal Bang
- 7 Shri Nand Gopal Bang Brother of Shri Venugopal Bang & Brijgopal Bang

Enterprises owned or their relatives

- 1 Bodywave Fashions (I) Pvt. Ltd.
- 2 Bang Data Forms Pvt. Ltd.
- 3 Ramkumar Venugopal Investment (I) Pvt. Ltd.
- 4 Ramchandar Shivnarayan
- 5 Adhitya Impex

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Place : Mumbai
Date : 29 June 2009

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Venugopal Bang Chairman
Brijgopal Bang Managing Director
Kavita Lunawat Company Secretary

Place : Mumbai
Date : 29 June 2009

INFORMATION PURSUANT TO SCHEDULE VI OF THE COMPANIES ACT, 1956

1	Earnings in foreign currency	2008-2009	2007-2008
	Exports at F.O.B. Value	350,367,397	295,313,359
2	Expenditure in foreign currency		
	Travelling	432,777	1,055,353
3	Value of imports calculated on CIF basis		
	Raw materials	647,006,065	709,270,588
	Capital goods	-	10,008,656
		647,006,065	719,279,244

4 Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956

4.1 Licensed Capacity, Installed Capacity and Actual Production

Class of Goods	Unit	Licensed Capacity		Installed Capacity		Actual Production	
		08-09	07-08	08-09	07-08	08-09	07-08
Radymade garment	Pcs	N.A.	N.A.	1677600	1195000	* 1071434	* 816810

* Does not include the garment manufactured no. of 17,94,701 pcs on job work basis from outsiders.

5.2 Quantitative and Value of opening stock, Purchase, Production, sales and closing stock as per sheet attached

5.3 Consumption of raw materials and components

	Unit	2008-2009		2007-2008	
		Qty.	Value	Qty	Value
Fabrics	Mtr.	4,082,195	394,127,873	3,023,506	263,233,220

and nature, each being less than 10% in value of the total.

5.4 Imported and indigenous raw materials

	2008-2009		% of total Consumption	2007-2008		% of total Consumption
		Value			Value	
Fabrics						
Imported	2,624,755	244,431,141	64.30	1902985	159,275,070	62.94
Indigenous	1,457,440	149,696,732	35.70	1120521	103,958,150	37.06
	4,082,195	394,127,873	100	3,023,506	263,233,220	100
Accessories						
Imported	-	11,436,334	11.56	-	10,586,434	14.97
Indigenous	-	87,470,106	88.44	-	60,150,453	85.03
		98,906,440	100		70,736,887	100

Financial Year : 2008-2009
Additional information pursuant to the provisions of para 3 & 4 of part II of Schedule VI of the Companies Act.
A) Opening stock, purchases, sales & closing stock of Manufacturing Goods.

Particulars	Unit	Opening Stock		Purchase		Consumption		Production	Sales		Closing Stock	
		Qty/pcs	Amount	Qty/pcs	Amount	Qty/pcs	Amount		Qty/pcs	Amount	Qty/pcs	Amount
Cotton Fabrics	MTR	918,860 (450,579)	74,355,243 (35,130,667)	4,489,470 (3,564,888)	441,934,023 (310,194,666)	4,082,196 (3,023,506)	394,127,874 (263,233,220)	-	90,850 (73,102)	7,438,788 (9,750,701)	1,235,284.42 918,859.66	119,416,563.23 (74,355,243)
Accessories		-	26,487,756 (11,037,718)	-	127,274,666 (103,223,032)	-	98,906,440 (70,736,887)	-	-	10,962,341 (3,432,233)	-	39,388,058 (27,231,701)
Labour charges (Garments)		-	-	-	91,331,877 (53,391,874)	-	91,331,877 (53,391,874)	-	-	10,310,164	-	-
Readymade Shirts & Trousers	PCS	268,421 (176,902)	60,471,712 (30,582,231)	319,569 (18,092)	51,016,096 (4,020,518)	-	-	2,620,557 (1,943,733)	2,779,983 (1,870,306)	849,136,184 (585,275,997)	428,564 (268,421)	107,226,215 (59,727,767)
CM Receipts & Scrap Sales		-	-	-	-	-	-	-	-	25,112,868 (15,504,203)	-	-
Total			161,314,711		711,556,661		584,366,191			902,960,345		266,030,837
Previous year			(76,750,616)		(470,830,090)		(387,361,981)			(613,963,134)		(161,314,711)

B) Opening stock, purchases, sales & closing stock of Trade Goods.

Particulars	Unit	Opening Stock		Purchase		Consumption		Production	Sales		Closing Stock	
		Qty/pcs	Amount	Qty/pcs	Amount	Qty/pcs	Amount		Qty/pcs	Amount	Qty/pcs	Amount
Cotton Fabric	MTR	1,659,801 (839,636)	130,942,729 (49,957,462)	4,829,900 (7,108,621)	399,415,055 (530,728,278)				5,098,204 (6,288,457)	501,423,249 (579,937,082)	1,391,497 (1,659,801)	104,756,767 (130,942,729)
Cotton Yarn	KGS	-	-	(119,300)	(7,832,503)				(119,300)	(6,987,521)	-	-
Precious Stons & Dimonds	CTS	-	-	(28.11)	(1,703,822)				(28.11)	(1,831,610)	-	-
Gold	GMS	74.67	64,649.00	(100,000)	(888,570)				(925.33)	(1,171,235)	74.67 (74.67)	64,649 (64,649)
Total			131,007,378		399,415,055					501,423,249		104,821,416
Previous year			(49,957,462)		(541,153,173)					(589,927,448)		(131,007,378)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1 REGISTRATION DETAILS

Registration No.:	L51900MH1992PLC067013	State Code	11
Balance Sheet Date :	31 March 2009		

2 CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. LACS)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

3 POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. LACS)

Total Liabilities	14,136.36	Total Assets	14,136.36
Sources of Funds			
Paid up Capital	1,356.00	Reserves & Surplus	8,112.17
Secured Loans	2,636.70	Unsecured Loans	1,929.89
Application of Funds			
Net Fixed Assets	2,157.40	Investments	75.27
Net Current Assets	11,816.19	Misc. Expenditures	87.49

4 PERFORMANCE OF THE COMPANY (AMOUNT IN RS. LACS)

Total Income	14,743.91	Total Expenditure	14,715.26
Earning per share (Rs.)	0.54	Dividend	NIL

5 GENERAL NAMES OF THE THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

(AS PER MONETARY TERMS)

Item Code No.	52084230	62052000	52052190
Product Description	Cotton Fabrics	Readymade Garments	Cotton Yarn

As per our report of even date
For Rajendra K Gupta & Associates
 Chartered Accountants

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Rajendra Kumar Gupta
 Partner
 Membership No.: 9939

Venugopal Bang
 Chairman

Brijgopal Bang
 Managing Director

Kavita Lunawat
 Company Secretary

Place : Mumbai
 Date : 29 June 2009

Place : Mumbai
 Date : 29 June 2009

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANY

1. Name of the Subsidiary Company	Vedanta Creations Limited (formerly known as Vedanta Creations Private Limited)
2. Financial Year ended on	31/03/2009
3. Date on which it became the Subsidiary of the Company	3rd November 2006
4. Shares of the Subsidiary held by the Company as on the above date	
(a) Number and face value	284750 Equity Shares of Rs. 10/- each
(b) Extent of Holding	100%
5. Particulars of the transactions entered into by the Holding Company with the Subsidiary Company as far as it concerns the members of the Holding Company and is dealt with in account of Holding Company:	
(a) Particulars of the transactions entered into by the Holding Company with the Subsidiary Company as far as it concerns the members of the Holding Company and is dealt with in account of Holding Company:	Nil
(b) Particulars of the transactions entered into by the Holding Company with the Subsidiary Company as far as it concerns the members of the Holding Company and is dealt with in account of Holding Company:	Nil
(c) Particulars of the transactions entered into by the Holding Company with the Subsidiary Company as far as it concerns the members of the Holding Company and is not dealt with in account of Holding Company:	Dfç hFg" (+&* @Mç
(d) Particulars of the transactions entered into by the Holding Company with the Subsidiary Company as far as it concerns the members of the Holding Company and is not dealt with in account of Holding Company:	Dfç hFg" + (%- % @Mç
7. Changes in the Holding Company's interest in the Subsidiary	Not Applicable.
8. Material Changes which have occurred between the end of the financial year and the date of the statement:	} Not applicable.
(a) its investments	
(b) moneys lent by the Subsidiary Company	
(c) the money borrowed by it for any purpose other than that of meeting current liabilities	

As per our report of even date
For Rajendra K Gupta & Associates
 Chartered Accountants

Rajendra Kumar Gupta
 Partner
 Membership No.: 9939

Place : Mumbai
 Date : 29 June 2009

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Venugopal Bang **Brijgopal Bang** **Kavita Lunawat**
 Chairman Managing Director Company Secretary

Place : Mumbai
 Date : 29 June 2009

Consolidated Auditors Report

To,
The Board of Directors
Bang Overseas Limited

1. We have audited the attached Consolidated Balance Sheet of Bang Overseas Limited ('the Company') and its subsidiary Vedanta Creations Limited (the Company and its Subsidiary Constitute 'the Group') as at March 31, 2009 and also the Consolidated Profit and Loss Account of the Company and its Subsidiary for the period ending on that date. We have also audited the Consolidated Cash Flow Statement of the Company and its Subsidiary for the period ending on that date. We have also audited the Consolidated Statement of Financial Position of the Company and its Subsidiary as at March 31, 2009 and also the Consolidated Statement of Financial Position of the Company and its Subsidiary for the period ending on that date. We have also audited the Consolidated Statement of Financial Position of the Company and its Subsidiary as at March 31, 2009 and also the Consolidated Statement of Financial Position of the Company and its Subsidiary for the period ending on that date.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
 3. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard-21 - Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India;
- (*) We have also audited the attached Consolidated Financial Statements of the Company and its Subsidiary for the period ending on that date. We are of the opinion that the attached Consolidated Financial Statements gives a true and fair view in conformity with the accounting principles generally accepted in India:
1. The Consolidated Balance Sheet of the Company and its Subsidiary as at March 31, 2009 and also the Consolidated Profit and Loss Account of the Company and its Subsidiary for the period ending on that date;
2. The Consolidated Cash Flow Statement of the Company and its Subsidiary for the period ending on that date;
- and
3. The Consolidated Statement of Financial Position of the Company and its Subsidiary as at March 31, 2009 and also the Consolidated Statement of Financial Position of the Company and its Subsidiary for the period ending on that date.

For Rajendra K. Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No: 9939

Place: Mumbai
Date: 29 June 2009

Consolidated Balance Sheet as at March 31, 2009

Particulars	Schedules	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	135,600,000	135,600,000
Reserves & Surplus	2	893,508,462	881,531,503
Loan Funds			
Secured Loans	3	283,075,828	178,052,174
Unsecured Loans	4	192,989,207	200,746,136
Deferred Tax Liabilities (Refer Note B-6 of the Schedule 22)		10,153,880	12,069,093
		<u>1,515,327,377</u>	<u>1,407,998,906</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	204,544,473	167,810,995
Less: Depreciation		42,041,791	25,996,831
Net Block		<u>162,502,682</u>	<u>141,814,164</u>
Capital work-in-progress		55,000,000	81,288,127
		<u>217,502,682</u>	<u>223,102,291</u>
Investments	6	10,000	10,000
Current Assets, Loans and Advances			
Inventories	7	403,629,494	355,646,938
Sundry Debtors	8	435,022,564	475,674,819
Cash and Bank Balances	9	555,855,856	567,422,053
Loans and Advances	10	107,856,759	82,809,248
		<u>1,502,364,673</u>	<u>1,481,553,058</u>
Less: Current Liabilities and Provisions			
Current Liabilities	11	211,292,924	294,736,087
Provisions	12	2,006,361	14,479,561
		<u>213,299,285</u>	<u>309,215,648</u>
Net Current Assets		<u>1,289,065,387</u>	<u>1,172,337,410</u>
Miscellaneous Expenses to the extent not k f]Hb'c 'cf'UX' ghYX	13	8,749,307	12,549,204
		<u>1,515,327,377</u>	<u>1,407,998,906</u>
Notes to Accounts	22		

The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Venugopal Bang **Brijgopal Bang** **Kavita Lunawat**
Chairman Managing Director Company Secretary

Place : Mumbai
Date : 29 June 2009

Place : Mumbai
Date : 29 June 2009

7cbgc`]XUHYX`Dfc h`UbX`@cgg`5Wti bhZcf`h`Y`nYUf`YbXYX`A`UfW`'`%ž&\$\$-

Particulars	Schedules	Year ended 31.03.2009 (Rupees)	Year ended 31.03.2008 (Rupees)
INCOME			
Sales		1,652,409,066	1,458,530,293
Other income	15	76,018,098	29,289,691
Increase in inventories	16	(4,782,448)	145,379,235
		<u>1,723,644,715</u>	<u>1,633,199,219</u>
EXPENDITURE			
Trade Purchases	17	760,597,558	859,983,424
Raw Material Consumption	18	516,443,685	349,743,726
Employee Compensation	19	112,184,077	67,118,965
Manufacturing, Administrative, & Selling Expenses	20	251,191,342	118,914,662
Depreciation & Amortisation		20,142,903	15,227,732
Finance Expenses	21	52,963,966	42,057,381
		<u>1,713,523,531</u>	<u>1,453,045,890</u>
Dfc h`6YzcfY`HUI`ž9l`fU`CfX]bUfmiUbX`Df]cf`DYf]cX`#Ya`g		10,121,184	180,153,329
Provisions : - Current Tax		3,025,000	59,420,000
- Deferred Tax		(1,915,212)	2,767,908
! : f]b[Y`6YbY`hg`HUI		830,000	930,000
- Provisions for Doubtful Debts			100,000
Dfc h`UZhf`HUI`UbX`VYZcfY`9l`fU`CfX]bUfmiUbX`Df]cf`DYf]cX`#Ya`g		<u>8,181,396</u>	<u>116,935,421</u>
Prior period adjustments		<u>(3,795,561)</u>	<u>2,002,962</u>
BYhDfc`h`		<u>11,976,957</u>	<u>114,932,459</u>
Dfc h`Ug`dYf`Ugh`6U`UbW`G`YYh		205,383,963	90,166,679
Dfc h`7Uff]YX`Zcfk`UfX`hc`6U`UbW`G`YYh.		<u>217,360,921</u>	<u>205,099,138</u>
Earning per Share - Basic and Diluted (Refer Note B-7 of Schedule 22)		0.89	11.01
Notes to accounts	22		

H`Y`gW`YXi`Yg`fYZffYX`hc`UVcj`Y`Zcfa`Ub`]bhY[`fU`dUfhcZ`h`Y`Dfc`h`UbX`@cgg`5Wti`bh`

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Venugopal Bang Chairman
Brijgopal Bang Managing Director
Kavita Lunawat Company Secretary

Place : Mumbai
Date : 29 June 2009

Place : Mumbai
Date : 29 June 2009

Consolidated Cash Flow Statement as at March 31, 2009

Particulars	2008-2009 Amount (Rs.)	2007-2008 Amount (Rs.)
A. 7Ug\` ck `Zfca `CdYfUhb[`5VMj]hYg		
BYhdfc hVYZcfY`HJ Ujcb	10,121,185	180,438,154
Adjustments for:		
Depreciation	16,464,416	11,620,238
Amortisation	3,678,487	3,607,494
fDfc H:#`cgg`cb`gU`cZ:]I YX`5ggYhg	(111,332)	135,041
Gi bXfm6U`UbWg`K f]Hb`c	(882,595)	(402,290)
Vat Refund	-	(284,825)
9I W`Ub[Y`fUHY` i VM Ujcb[U]b	8,625,023	(2,492,252)
Interest income	(54,459,592)	(6,945,624)
Dividend income	(2,200)	(214,470)
6UX`8YVhg`K f]Hb`c	-	55,304
Interest expense	41,451,933	41,363,677
CdYfUhb[`dfc hVYZcfY`K cf_]b[`7Ud]HJ`W`Ub[Yg	24,885,325	226,880,447
Decrease / (Increase) in sundry debtors	50,054,564	(170,869,804)
Decrease / (Increase) in inventories	(47,982,557)	(197,600,294)
Decrease/(Increase) loans and advances	(5,486,700)	3,460,835
Increase / (Decrease) in current liabilities	(102,533,205)	173,785,569
Cash generated from operations	(81,062,573)	35,656,753
Direct taxes paid	(20,624,423)	(66,013,522)
Net Cash from Operating Activities	(101,686,996)	(30,356,769)
B. 7Ug\` ck g`Zfca `bj Ygh]b[`UMj]hYg		
Purchase of Fixed Assets	(37,353,043)	(37,677,794)
Capital work-in-progress	26,288,127	(81,288,127)
Receipt from sale of assets	311,440	479,654
Investment	-	1,251,010
Misc. Expenditure (Capitalised)	-	(38,203,898)
Interest received	54,459,592	6,945,624
Dividends received	2,200	214,470
Net Cash from Investing Activities	43,708,317	(148,279,060)
C. 7Ug\` ck g`Zfca `:]bUbVb[`5VMj]hYg		
Proceeds from issuance of share capital	-	37,600,000
Unsecured Loans	(7,756,929)	50,959,980
7Uf`cUb` bUbW	(311,319)	(1,002,263)
Proceeds from long-term borrowings	(15,723,500)	(10,664,400)
Proceeds from working capital borrowing	111,656,164	28,008,685
Share premium received (Net of share issue expenses)	-	668,971,842
Interest paid	(41,451,933)	(41,363,677)
Net cash from Financing Activities	46,412,483	732,510,167
Net increase in cash and cash equivalents (A + B + C)	(11,566,196)	553,874,338
Cash and cash equivalents at the beginning of the year	567,422,053	13,547,715
Cash and cash equivalents at the end of the year	555,855,857	567,422,053

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Place : Mumbai
Date : 29 June 2009

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Venugopal Bang **Brijgopal Bang** **Kavita Lunawat**
Chairman Managing Director Company Secretary

Place : Mumbai
Date : 29 June 2009

Schedules forming part of Consolidated Accounts as at 31 March 2009

Particulars	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
Schedule 1 : Share Capital		
Authorised		
160,00,000 Equity Shares of Rs. 10/- each (Previous year 160,00,000 Equity Shares of Rs. 10/- each)	<u>160,000,000</u>	<u>160,000,000</u>
Issued, Subscribed & Paid up		
1,35,60,000 Equity Shares of Rs. 10/- each fully paid up (Previous year 1,35,60,000 equity shares of Rs. 10/- each fully paid up) (of the above 85,05,480 shares of Rs. 10/- each are allotted as fully paid by way of bonus shares in earlier years) (of the above 7,51,740 shares of Rs. 10/- each are allotted as fully paid pursuant to an agreement without payments being received in cash)	<u>135,600,000</u>	<u>135,600,000</u>
	<u>135,600,000</u>	<u>135,600,000</u>
Schedule 2 : Reserves & Surplus		
Capital Reserve on Consolidation	24,347,600	24,347,600
General Reserve	4,915,173	4,915,173
Securities Premium Account		
Balance as per last account :	675,902,268	8,022,200
Add : Addition during the year	-	719,400,000
	<u>675,902,268</u>	<u>727,422,200</u>
Less : Application towards Share Issue Expenses	-	51,519,932
	<u>675,902,268</u>	<u>675,902,268</u>
Dfc h/ 'cgg'5Wti bh	217,360,921	205,383,962
@Ygg'. '9'ja]bUh]cb'cZdfc hcb'Wtbgc`]XUh]cb	<u>29,017,500</u>	<u>29,017,500</u>
	<u>893,508,462</u>	<u>881,531,503</u>
Schedule 3 : Secured Loans		
Cash / Export Credit with ING Vysya Bank Ltd. & The HSBC Ltd. (Secured against hypothecation of inventories, book debts and personal gaurantee of some directors)	105,098,226	109,403,289
Factoring Credit from The Hongkong and Shanghai Banking Corporation	47,590,380	-
Term Loan with ING Vysya Bank Ltd. (Secured by equitable mortgage of land and building and hypothecation of plant and machinery at Banglore factory units and personal gaurantee of some directors) [Amount due within a year Rs. 94,34,100 (PY 1,25,78,800)]	9,434,100	43,012,170
Buyers credit (Secured by equitable mortgage of land and building and hypothecation of plant and machinery at Banglore factory units, inventories, book debts and personal gaurantee of some directors)	120,785,327	-
HDFC Bank Car Loan (Secured against hypothecation of Car)	167,796	479,115
	<u>283,075,828</u>	<u>152,894,574</u>
Schedule 4 : Unsecured Loans		
From Promoters & Promoter Group	164,316,668	147,036,828
From Directors	28,672,539	10,697,138
From Others	-	43,012,170
	<u>192,989,207</u>	<u>200,746,136</u>

Schedules forming part of Consolidated Accounts as at 31 March 2009

Schedule 5 : Fixed Assets

(Figures in Rupees)

Particulars	Gross Block			Depreciation			Net Block			
	As at 1/4/2008	Addition	Deduction	As at 31/03/09	Up to 01/04/08	For the year	Depreciation adjustment	Up to 31/03/2009	As at 31/03/2009	As at 31/03/2008
A. Assets										
Plant & Machinery	69,228,063	4,546,284	40,750	73,733,597	7,951,410	3,586,949	6,300	11,532,059	62,201,538	61,276,654
C W'Yei Jda Ybh	3,907,444	1,401,840	-	5,309,284	991,066	446,688	-	1,437,754	3,871,530	2,916,318
Furniture	26,033,496	12,624,330	-	38,657,826	5,016,825	5,066,112	-	10,082,937	28,574,889	21,016,671
Computer system	12,374,870	3,988,874	-	16,363,743	4,450,929	3,772,101	-	8,223,030	8,140,713	7,923,941
Vehicles	8,232,098	740,143	578,815	8,393,426	3,333,213	973,166	413,155	3,893,224	4,500,202	4,898,884
Factory Building	45,986,276	2,048,858	-	48,035,134	4,224,904	1,406,886	-	5,631,790	42,403,344	41,761,372
Land	612,068	-	-	612,068	-	-	-	-	612,068	612,068
Building	132,270	-	-	132,270	5,582	2,065	-	7,647	124,623	126,688
Lease Building Improvement	1,304,411	12,002,714	-	13,307,125	22,901	1,210,449	-	1,233,350	12,073,775	1,281,510
Total	167,810,996	37,353,043	619,565	204,544,473	25,996,830	16,464,416	419,455	42,041,791	162,502,682	141,814,615
B. Capital work-in-progress										
Previous year 07 - 08	130,915,033	37,702,537	806,573	167,810,996	14,568,469	11,620,238	191,876	25,996,831	141,814,165	114,585,290

Schedules forming part of Consolidated Accounts as at 31 March 2009

Particulars	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
Schedule 6 : Investments		
Long Term Investments (At cost)		
a) Investment in non trade securities - Unquoted		
1000 Equity shares of Saraswat Co-op. Bank Ltd., (of Rs. 10 Each fully paid up.)	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
Schedule 7 : Inventories		
[fBj'fU_YbZ'J U'i YX / '7Yfh] YX 'Vmi h\Y'A UbU[Ya Yb h		
Raw materials and components	146,920,166	94,155,162
Work-in-progress	11,884,454	7,431,783
Finished goods	105,933,675	59,727,767
Tarde goods	138,891,199	194,332,226
	<u>403,629,494</u>	<u>355,646,938</u>
Schedule 8 : Sundry Debtors		
(Unsecured and considered good)		
Debts outstanding for a period exceeding six months	66,974,024	43,317,362
Other Debts	368,148,540	432,457,457
	<u>435,122,564</u>	<u>475,774,819</u>
Less: Provision for Doubtful Debts	100,000	100,000
[Included in sundry debtors are due from companies under same management, Vedanta Creations Ltd., Rs. 25,92,730/- (Previous Year : Nil)		
	<u>435,022,564</u>	<u>475,674,819</u>
Schedule 9 : Cash and Bank Balances		
Cash on hand	3,454,845	966,231
Balances with scheduled banks : in Current Account	13,007,186	5,600,795
in Fixed Deposit Account	539,393,825	558,355,027
in Public Issue Escrow Account	-	2,500,000
	<u>555,855,856</u>	<u>567,422,053</u>
Schedule 10 : Loans and Advances		
(Unsecured and considered good)		
Advances recoverable in cash or in kind or for value to be received.	16,697,754	13,010,716
5Xj UbWg'hc'GHU	688,719	666,504
Balance with cutsoms, excise etc..	3,513,191	2,721,029
VAT Credit Receivable	241,244	3,112
Advance Tax & T.D.S. (Net of provisions)	23,109,029	729,027
Advances towards purchase of goods / services	40,598,244	48,202,762
Deposits	23,008,579	17,476,099
	<u>107,856,759</u>	<u>82,809,248</u>

Schedules forming part of Consolidated Accounts as at 31 March 2009

Particulars	As at 31.03.2009 Rupees	As at 31.03.2008 Rupees
Schedule 11 : Current Liabilities		
Sundry creditors		
Creditors for goods	128,081,401	216,103,630
Creditors for others	67,875,949	67,074,955
Advances from buyer's	4,630,764	4,519,351
Sundry Deposits	4,536,815	-
Interest accrued but not due on loans	758,595	-
Duties & Taxes	5,409,401	7,038,151
	<u>211,292,924</u>	<u>294,736,087</u>
Schedule 12 : Provisions		
Provision for taxation (Net of advance payments)	635,498	13,753,531
Dfcj]g]cb `Zcf` : f]b[Y`6YbY hHUI `fbYhcZUXj UbWV`dUna Ybhtk	199,690	100,000
Provision for gratuity	1,171,173	626,030
	<u>2,006,361</u>	<u>14,479,561</u>
Schedule 13 : Miscellaneous Expenditures		
Brand Development Expenses	7,360,409	10,273,455
Pre-operative expenses of new project	1,388,899	2,275,750
	<u>8,749,307</u>	<u>12,549,204</u>

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Particulars	2008-2009 Rupees	2007-2008 Rupees
Schedule 14 : Sales		
Domestic Sales		
- Trade Goods	789,918,998	849,260,198
- Manufactured goods	506,748,364	298,810,451
Export Sales		
- Trade Goods	9,261,630	8,387,105
- Manufactured goods	341,105,767	286,926,254
	1,647,034,760	1,443,384,008
Less : Inter Department Transfer :	30,048,726	357,918
Net Sales :	1,616,986,034	1,443,026,090
- Jobwork Charges / Scrap Sales	35,423,032	15,504,203
Total Sales	1,652,409,066	1,458,530,293
 Schedule 15 : Other Income		
Interest on Deposits (CY TDS Rs. 1,24,25,668 PY Rs. 13,92,324)	54,812,674	6,945,624
Rent / Hire Charges Received (CY TDS 16,44,358, PY Rs. 15,42,772)	6,478,200	6,240,000
Dividend	2,200	214,470
Duty Drawback	13,331,691	15,391,787
Other Income	157,657	90,598
Interest Other (CY TDS 72,735, PY Nil)	353,082	-
Miscellaneous Income	882,594	407,212
	76,018,098	29,289,691
 Schedule 16 : Increase in Inventories		
Inventories at beginning of the year		
- Trade goods	194,332,225	81,296,028
- Work-in-progress	7,431,783	4,254,725
- Finished goods	59,727,769	30,561,788
	-	-
	(A) 261,491,777	116,112,541
Inventories at closing of the year		
- Trade goods	138,891,199	194,332,226
- Work-in-progress	11,884,454	7,431,783
- Finished goods	105,933,675	59,727,767
	-	-
	(B) 256,709,328	261,491,776
	(A - B) (4,782,448)	145,379,235
 Schedule 17 : Trade Purchases		
Trade Purchases	669,171,693	786,584,328
Jobwork Charges	121,474,591	73,757,014
Purchases :	790,646,284	860,341,342
Less : Inter Department Transfer :	30,048,726	357,918
Net Purchase	760,597,558	859,983,424
 Schedule 18 : Raw Material Consumption		
Opening Stock - Raw materials	94,155,162	41,934,103
Add : Purchases - Raw materials	569,208,689	401,964,785
Less : Closing Stock - Raw materials	146,920,166	94,155,162
	516,443,685	349,743,726

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Particulars	2008-2009 Rupees	2007-2008 Rupees
Schedule 19 : Employee Compensation		
Salaries, wages, and bonus	98,962,977	58,557,559
Contribution to Provident Fund	8,163,653	4,857,925
Gratuity Expenses	545,143	260,817
K cf_a Yb`UbX`gtU` `k`Y`ZJFY`YI`dYbgYg	4,512,303	3,442,664
	<u>112,184,077</u>	<u>67,118,965</u>
Schedule 20 : Manufacturing, Administrative & Selling Expenses		
Power & Fuel	9,322,910	5,968,460
Freight and forwarding charges	24,929,243	18,127,001
Rent	29,538,944	19,504,145
Rates & Taxes	8,455,457	6,514,511
Insurance Charges	2,474,986	1,812,980
Repairs & Maintenance		
- Plant & Machinery	3,138,720	834,975
- Building	1,647,341	152,125
- Other	6,926,578	1,884,723
Advertising	20,630,245	1,431,722
Sales Promotion	1,756,967	933,710
Brokerage & Sales Commission	41,689,358	21,095,030
Travelling expenses	7,676,280	5,330,133
Conveyance expenses	1,470,592	794,067
Communication Cost	3,420,942	2,688,616
Printing & Stationary	2,999,639	2,575,572
Legal, Professional and Consultancy fees	7,973,561	5,518,845
Directors Sitting Fees	90,000	-
Remuneration to Managing Director	2,520,000	1,340,000
Auditor's remuneration		
- Audit fee	110,000	95,000
- Tax Audit fee	70,000	35,000
9l`W`Ub[`Y`8]`YfYbW`fBYtL	40,354,130	(12,602,447)
Donation	40,000	-
@cgg`cb`gJY`cZ`I`YX`5ggYtg	10,450	135,043
Courier & Postage	4,474,201	2,329,219
Vehical Expenses	964,743	860,773
Packing Material Expenses	2,260,387	3,025,863
Cut Pack, Forwarding & Labour Charges	-	9,916,571
Transportation for factory workers	3,529,922	2,946,727
Washing Charges	6,691,243	4,564,082
Factory Maintenance	-	1,987,349
Security & Service Charges	3,517,740	1,763,014
Miscellaneous Expenses	12,506,762	7,351,854
	<u>251,191,342</u>	<u>118,914,662</u>
Schedule 21 : Finance Expenses		
Interest		
- On term loans	2,798,932	4,488,329
- On working capital loan	17,349,343	12,940,250
- On Others	21,303,659	17,916,230
Bank Charges	11,512,033	6,712,572
	<u>52,963,966</u>	<u>42,057,381</u>

SCHEDULE 22

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF CONSOLIDATION:

1. Basis of preparation of Financial Statements

The Company's financial statements are prepared under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of Companies Act, 1956. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in previous year.

2. Principles of Consolidation

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, if any.

3. Use of Estimate

The financial statements of the Company and its subsidiaries are prepared using estimates and assumptions. Actual results could differ from those estimates and assumptions.

4. Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition. Financing costs not directly attributable to the acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation

Fixed assets in Mumbai have been continued depreciated by following written down value method.

Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there are impairment indicators. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the carrying amount of the asset is compared with the present value of the cash flows expected to be derived from the asset.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii. A previously recognised impairment loss is increased or decreased based on reassessment of recoverable amount. If the carrying amount of the asset is increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

5. Intangible Assets

Intangible assets are amortized over their useful life, generally not exceeding 5 years. The recoverable amount of an intangible asset that is not impaired is determined as the higher of its carrying amount and its fair value less costs to sell.

6. Leases

Where the Company is the lessee

Leases are classified as finance leases whenever the terms of the lease agreement provide that substantially all the risks and rewards of ownership are transferred to the lessee. Finance leases are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease. The carrying amount of the lease liability is reduced by the interest expense. Finance charges are charged to income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease item, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

@YUgYg'k \YFY'h'Y'Yggcf'Y' YVMj' Y'mfYU]bg'gi' VghUbh]U'mU'h'Y'f]g_g'UbX'VYbY' hg'cZ'ck bYfg\]d'cZ'h'Y'YUgYX'h'Yfa'z' UfY'WUgg] YX'Ug'cdYfU]b['YUgYg' C'dYfU]b['YUgY'dUha' Ybhg'UfY'fYVt[b]nYX'Ug'Ub'YI'dYbgY']b'h'Y'Dfc' h'UbX'@cgg' account on a straight-line basis over the lease term.

Where the Company is the lessor

5ggYhg'gi' V'YVh'hc'cdYfU]b['YUgYg'UfY']bVM'XYX']b' 'I'YX'UggYhg'@YUgY']bVt'a'Y']g'fYVt[b]gYX']b'h'Y'Dfc' h'UbX'@cgg' Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in h'Y'Dfc' h'UbX'@cgg'5Wt'i' bh']b]h]U'X]fYVh'Vt'ghg'gi' V\ U'g'Y[U'Vt'ghz'Vfc_YfU[Y'Vt'ghz'YH'UfY'fYVt[b]gYX']a' a'YX]U'h'm' in the P&L Account.

7. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

8. Investments

bj'Ygha'Ybhg'h'Uh'UfY'fYUX]m'fYU']gU'V'Y'UbX']bhYbXYX'hc'VY'\Y'X'Zc'f'bc'h'a'cfY'h'Ub'U'nYUf'UfY'WUgg] YX'Ug'W'ffYbh']bj'Ygha'Ybhg'5'c'h'Yf']bj'Ygha'Ybhg'UfY'WUgg] YX'Ug'cb[!h'Yfa']bj'Ygha'Ybhg'7'i'ffYbh']bj'Ygha'Ybhg'UfY'WUff]YX'Uh'ck'Yf' of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, less provision for diminution in value other than temporary.

9. Inventories

Inventories are valued at lower of cost or net realisable value. Cost is determined on the following basis:

i) F'Uk'a'UHYf]U'g'UbX'a'Ubi'ZUM'i'fYX']b]g'YX' [ccXg'UfY']U'i'YX'Uh'Vt'gh'7'cgh']g'XYH'Yfa']bYX'Vmi'g]b['Uj'YfU[Y'Vt'gh' method.

ii) Trade Goods are valued at cost on FIFO basis.

10. Revenue Recognition

FYj'Ybi'Y']g'fYVt[b]gYX'hc'h'Y'YI'h'bh'h'Uh]h']g'dfc'VUV'Y'h'Uh'h'Y'YVt'bca']WYbY' hg'k']'ck'hc'h'Y'Vt'a' dUbmUbX'h'Y' revenue can be reliably measured.

(i) Sale of goods

FYj'Ybi'Y']g'fYVt[b]gYX'k' \Yb'h'Y'g] [b] WUb'h'f]g_g'UbX'fYk'UfXg'cZ'ck bYfg\]d'cZ'h'Y' [ccXg'\Uj'Y'dUggYX'hc'h'Y' buyer. Sales revenue is net of sales returns, discounts and rebates.

(ii) Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of schedule VI of the Companies Act, 1956.

11. Foreign Exchange Transaction

(a) Transaction denominated in foreign currencies is normally recorded at the exchange rate prevailing at the time of the transaction.

(b) Monetary items denominated in foreign currency as at the balance sheet date are translated at the year end exchange rate.

fV\ DfYa']i' a']cb'Zc'fk'UfX'Vt'j'Yf'Vt'bh'fU'Vg']b'fYgd'YVh'cZ']a' dcf'h'cZ'fUk']a' U'h'f]U']g'W'Uf[YX'hc'dfc' h']cgg'U'Wt'i' bh' c]Yf'h'Y'dYf]cX'cZ'Vt'bh'fU'Vg'YI'W'dh']b'fYgd'YVh'cZ']U'V']m'Zc'f'U'Wt'i']f]b['I'YX'UggYhg'z']b'k' \]W'WU'gY'h'Y'X']YfYb'W' are adjusted in carrying cost of the same.

9a d'cn'Y'VYbY' hg'

(a) For parent company

]m' FYh'fYa'Ybh'VYbY' hg']b'h'Y'Zc'fa'cZ'Dfc']XYbh'i' b]X']g'U'XY' bYX'Vt'bh'f]Vi' h]cb'g'W'Ya'Y'UbX'h'Y'Vt'bh'f]Vi' h]cbg' UfY'W'Uf[YX'hc'h'Y'Dfc' h'UbX'@cgg'5Wt'i' bh'cZ'h'Y'nYUf'k' \Yb'h'Y'Vt'bh'f]Vi' h]cbg'hc'h'Y'gh'U'i' hc'fm'U'i' h'c'f]m' are due.

ii. Since non of the employees have completed a continuous period of 5 years as stipulated under payment of Gratuity Act 1972, no provision for the Gratuity has been made

(b) For subsidiary company

i. Since non of the employees have completed a continuous period of 5 years as stipulated under payment of Gratuity Act 1972, no provision for the Gratuity has been made

ii. Since non of the employees have completed a continuous period of 5 years as stipulated under payment of Gratuity Act 1972, no provision for the Gratuity has been made

13. Current Tax and Deferred Tax

The Company has provided for current tax and deferred tax in accordance with the provisions of the Income Tax Act, 1961.

The tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.

14. Earning per share

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and diluted equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

15. Cash Flow Statement

The Cash Flow Statement is prepared in accordance with the provisions of the Companies Act, 2013 and the Cash Flow Statement issued by The Institute of Chartered Accountants of India.

16. Provision, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation arising from a past event and it is probable that an outflow of resources will be required to settle the obligation. Contingent liability is a liability that arises from a past event and its existence at the reporting date depends on the occurrence or non-occurrence of one or more uncertain future events wholly or partly controlled by another entity. Contingent asset is an asset that arises from a past event and its existence at the reporting date depends on the occurrence or non-occurrence of one or more uncertain future events wholly or partly controlled by another entity.

B. NOTES ON ACCOUNTS:

1. The Company has provided for current tax and deferred tax in accordance with the provisions of the Income Tax Act, 1961.

2. Segment Reporting:

a. Primary Segment:

The company is primarily engaged in single business segment of manufacturing and marketing of textile and textile products and is managed as one business unit.

b. Secondary Segment (By Geographical Segment):

(Figures in Rs)

Particulars	India	Outside India	Total
Sales	102,30,48,830	35,03,67,397	137,34,16,227
	(90,85,77,223)	(29,53,13,359)	(120,38,90,582)
*Segment Assets	32,68,91,492	2,98,30,838	35,67,22,330
	(35,74,99,831)	(3,29,82,977)	(39,04,82,808)

The Company has provided for current tax and deferred tax in accordance with the provisions of the Income Tax Act, 1961.

* Segment Assets from outside India represents receivables from Export Sales. In view of the interwoven / intermix nature of business and manufacturing facility, other information is not ascertainable. The subsidiary company Vedanta Creations Ltd. is in marketing of textile products only in India.

3. Operating Lease Arrangements:

a. As lessee:

Rental expenses of Rs. 2,95,38,944 (P.Y. Rs. 1,95,04,145) in respect of obligation under operating leases have been provided for in the financial statements.

At balance sheet date, minimum lease payments under non-cancelable operating leases fall due as follows:

(Figures in Rs)

	31.03.2009	31.03.2008
Due not later than one year	1,55,90,847	1,48,00,097
8i Y`UHf`h\Ub`cbY`mYUf`Vi`hbch`UHf`h\Ub` j Y`mYUfg	1,65,68,539	2,90,94,829
@UHf`h\Ub` j Y`mYUfg	NIL	NIL

There is no non-cancelable operating lease more than a year in Subsidiary Company.

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- Lease rentals calculated based on estimated date of commencement of lease in cases where the agreements / MOU's have been entered into but the date of commencement of lease is dependent on the date of construction/ renovation of premises and based on the commitment for delivery by lessors.
- Lease rentals do not include common maintenance charges, tax payable, if any.

]]` H\Y`7ca`dUbm`Ug`bch`Ybh`fYX`i`bXYf`Ubmcd`YU`h`b` `YUg`Y`U` fY`Ya`Ybh`k` \`V` `]g`bch`W`b`W`UV`Y`a`cf`Y`h\Ub` j`Y` years.

b. As lessor:

FYb`H`U` `b`V`a`Y`f`Y`V`[`b`n`Y`X` `]b`h`Y` `d`f`c` h`/` `@`c`g`g` `U`W`i` bh`Xi`f`]b`[` `h`Y` `m`Y`U`f` `F`g`" `*` (`Z`+, `z`&`\$`\$`#`!` `f`d`f`Y` `]c`i`g` `M`Y`U`f` `Rs.62,40,000) relating lease arrangements. .

(" 9a`d`cm`Y`Y`b`Y` h`d`Ub`.

The Company provides for gratuity expenses on the basis of actuarial valuation. The Company does not have any fund for gratuity liability and same is accounted for as provisions.

H\Y`Z`c`ck`]b`[` `H`U`V`Y`g`gi` a`a`U`f`]Y`g`h`Y` `W`ta`d`cb`Y`b`rg`c`Z`b`Y`h`V`Y`b`Y` h`#`Y`I`d`Y`b`g`Y`g`f`Y`V`[`b`n`Y`X` `]b`h`Y` `D`f`c` h`/` `@`c`g`g` `5`W`i` bh` and Balance Sheet for the respective plan.

f`U`E` `9`I`d`Y`b`g`Y`g`f`Y`V`[`b`n`Y`X` `]b` `D`f`c` h`/` `@`c`g`g` `5`W`i` bh`Z`c`f`h`Y` `m`Y`U`f` `Y`b`X`Y`X`" `%`A`U`f`W` `&`\$`\$`-`.

(Figures in Rs.)

	2008-2009	2007-2008
Current service cost	5,67,643	2,94,759
Interest cost	45,319	28,720
Actuarial (gains) / losses	(88,119)	(86,349)
Past service cost	-	-
Net expenses	5,23,763	2,37,129

(b) Net Asset / (Liability) recognized in the Balance Sheet as at 31 March 2009:

(Figures in Rs.)

	As at 31 March 2009	As at 31 March 2008
8Y`b`Y`X` `V`Y`b`Y` `h`c`V`][`U`h`]c`b`	11,71,173	6,47,410
Fair value of plan assets	-	-
Less : Unrecognized past service cost	-	-
Net Assets / (Liability)	(11,71,173)	(6,47,410)

f`U`E` `7` \`U`b`[`Y`g`]b`d`f`Y`g`Y`b`h`j`U`i`Y` `c`Z`X`Y` `b`Y`X` `V`Y`b`Y` `h`c`V`][`U`h`]c`b` `U`f`Y` `U`g` `Z`c`ck`]b`[`.

(Figures in Rs.)

	2008-2009	2007-2008
Cd`Y`b`]b`[` `X`Y` `b`Y`X` `V`Y`b`Y` `h`c`V`][`U`h`]c`b`	6,47,410	4,10,281
Current service cost	5,67,643	2,94,759
Interest cost	45,319	28,720
6Y`b`Y` `h`d`U`]X`	-	-
Actuarial (gains) / Losses	(89,199)	(86,349)
7`cg`]b`[` `X`Y` `b`Y`X` `V`Y`b`Y` `h`c`V`][`U`h`]c`b`	11,71,173	6,47,410

(d) The principal actuarial assumptions used in determining gratuity liability is as follows:

(Figures in Rs.)

	31 March 2009	31 March 2008
Discount rate	7%	8%
Mortality table	Indian Assured Lives Mortality f% - (! - * E fA cX] YXEI `hja UH	
Employee turnover	2%	2%

5. Contingent Liabilities

(Figures in Rs.)

Particulars	31.03.2009	31.03.2008
Bank Guarantees	96,58,910	96,58,910
Letter of credit	5,41,49,038	15,31,46,443
Export Obligation	6,60,84,641	5,47,50,078
Corporate Guarantee	7,00,00,000	7,00,00,000
Total	19,98,92,589	28,75,55,431

6. Details of Deferred Tax assets and liabilities:

þ j]Yk `cZh Y 5Wti bh]b[`GhUbXUFX &&]ggi YX Vm-bgh]hi hY `cZ7\UfhYfYX 5Wti bhUbg`cZ-þX]Uzh Y g] b] WbhVta dcbYbh UbX`WUgg] W]h]cb`cZXYZffYX`HUI ``]UV`]m#UggYhcb`UWti bhicZ]ja]b[`X] YfYbW`Vta df]gYgcZh Y Zc`ck]b[.

(Figures in Rs.)

Particulars	31.03.2009	31.03.2008
Deferred Tax Liabilities		
Cb`UWti bhicZ] YfYbW`]b`HUI `UbX`6cc_`8YdfYV]U]h]cb	1,24,80,081	1,07,12,033
On account of expenditure charged @ 100% in the tax computation i.e. Pre-operative Expenditure	-	26,72,973
Total	1,24,80,081	133,85,006
Deferred Tax Assets		
On account of expenditure charged @ 100% in the books and amortised in computation	9,90,144	-
Expenditures disallowed u/s 43B	13,36,057	13,15,913
Deferred Tax Liabilities (Net)	1,01,53,880	1,20,69,093

7. Earning per Share (EPS)

(Figures in Rs.)

Particulars	31.03.2009	31.03.2008
BYhDfc h#f@cggL	1,19,76,958	11,52,17,284
Weighted Average number of shares outstanding at the end of the year	1,35,60,000	104,66,521
E.P.S. (Basic & Diluted)	0.89	11.01

8. Information on Related Party Disclosure

	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or controlled by key management personnel or their relatives	Total
Sales	-	-	152,146	152,146
Purchase	-	-	68,162,441	68,162,441
Loans (taken)	-	43,820,000	25,000,000	68,820,000
Loans taken from directors	19,585,000	-	-	19,585,000
Loan repaid	22,380,071	22,560,979	31,996,028	76,937,078
Interest	3,098,999	5,790,372	1,305,319	10,194,690
Salary	2,520,000	360,000	-	2,880,000
Rent	-	36,000	-	36,000

Key Management Personnel

1	Shri Venugopal Bang	Chairman
2	Shri Brijgopal Bang	Managing Director
3	Shri Raghavendra Bang	Director
4	Shri Purshottam Bang	Director

Relatives of Key Management Personnel

1	Shri Balaram Bang	Father of Shri Venugopal Bang & Brijgopal Bang
2	Smt. Radhadevi Bang	Mother of Shri Venugopal Bang & Brijgopal Bang
3	Smt. Taradevi Bang	Wife of Shri Venugopal Bang
4	Shri Raghvendra Bang	Son of Shri Venugopal Bang
5	Shri Giridhar Gopal Bang	Brother of Shri Venugopal Bang & Brijgopal Bang
6	Shri Raj Gopal Bang	Brother of Shri Venugopal Bang & Brijgopal Bang
7	Shri Nand Gopal Bang	Brother of Shri Venugopal Bang & Brijgopal Bang
8	Shri Arvindkumar Bang	Brother of Shri Purshottam Bang
9	Shri Sharadkumar Bang	Brother of Shri Purshottam Bang
10	Shri Harshvardhan Bang	Brother of Shri Raghavendra Bang

Enterprises owned or controlled by key management personnel or their relatives

1	Bodywave Fashions (I) Pvt. Ltd.
2	Bang Data Forms Pvt. Ltd.
3	Ramkumar Venugopal Investment (I) Pvt. Ltd.
4	Ramchandar Shivnarayan
5	Adhitya Impex

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Place : Mumbai
Date : 29 June 2009

For and on behalf of Board of Directors
BANG OVERSEAS LTD.

Venugopal Bang **Brijgopal Bang** **Kavita Lunawat**
Chairman Managing Director Company Secretary

Place : Mumbai
Date : 29 June 2009

Directors' Report

Dear Members,

Your Directors have pleasure in presenting their 8th Annual Report of the Company for the year ended 31st March, 2009.

Financial Results:

(Rs. In lacs)

Description	Year Ended 31.03.09	Year Ended 31.03.08
Sales	2789.93	2549.98
Other Income	8.08	2.59
Less: Total Expenditure	2661.04	2096.47
Earnings before Interest, Depreciation and Tax (EBIDT)	136.97	456.1
Less: Interest	58.67	28.76
Earning Before Depreciation And Tax (EBDT)	78.30	427.34
Less: Depreciation	5.74	5.47
Profit before Tax (PBT)	72.56	421.87
Less: Tax Provision (Current, Deferred, FBT and Earlier Year adjustment)	25.29	146.30
Profit after Tax (PAT)	47.27	275.57

Operations:

During the year under review the Company has achieved total sales of Rs. 2789.93 lacs compared to Rs. 2549.98 lacs in the previous year achieving a growth of 9.41%. The Net Profit before tax was lower due to pressure on margins as a consequence of recessionary economic conditions in India. The Net Profit after tax reduced by 82.85% at Rs. 47.27 lacs as compared to Rs. 275.57 lacs in the previous year. Witnessing a global recovery and recovery in Indian markets as well, the Company expects better margin and profitability in the coming years.

Dividend and transfer to Reserves

In order to conserve financial resources, your directors propose to plough back the profits for its operations and do not recommend any dividend for the year under review. No amount is proposed to be transferred to reserves.

The register of members and share transfer books will remain closed from 24th September, 2009 to 29th September, 2009 both days inclusive. The Annual General Meeting of the Company will be held on 29th September, 2009.

Conversion into Public Limited Company:

During the financial year 2008-09, the Company was converted into a Public Limited Company by filing Statement in lieu of prospectus with Registrar of Companies.

Directors:

Your Directors continue to be on the Board and as per the provisions of the Companies Act, 1956, Mr. Brijgopal Bang and Mr. Venugopal Bang, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. Your Directors recommend their re-appointment as Directors of the Company.

Auditors:

M/s. Rajendra K Gupta & Associates., Chartered Accountants, Mumbai, the statutory auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The Company has duly received communication from the proposed statutory auditors that their appointment if made shall be within the limits prescribed under section 224 of the Companies Act, 1956 and they do not suffer any disqualifications as laid down in Section 226 of the Act.

Auditors' Report:

The Auditors' Report does not contain any reservation, qualification or adverse remarks and hence, does not call for any comments under Section 217 of the Companies Act, 1956.

Particulars of Employees:

There are no employees drawing remuneration more than the limit prescribed in Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars in the Report of Board of Directors) Rules, 1988. Thus the Board is unable to furnish the prescribed details in this report.

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

Public Deposits:

Your Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956.

Energy Conservation, Technology Absorption and Foreign Exchange:

The information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, is as follows:

Conservation of Energy

The operations of the company are not energy intensive. However measures are taken to reduce energy consumption by purchasing and using energy efficient equipment.

Research and Development

Considering the current business activities of the company, information under this heading is not applicable.

Technology Absorption, Adaptation and Innovation

The company endeavors to use modern technology to carry out its operations.

Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings : Nil

Foreign Exchange Outgo : Rs. 7,53,86,793/-

Directors' Responsibility Statement:

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, Directors of the Company confirm that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with the proper explanations relating to material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for the preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis.

Secretarial Compliance Certificate:

Pursuant to Section 383A of the Companies Act, 1956, a certificate from M/s. Kothari H & Associates, a firm of Company Secretary in Whole Time Practice, regarding status on compliance of the provisions of the Companies Act, 1956 by the Company has been annexed along with this report.

Acknowledgement:

Your Directors acknowledge with gratitude and wish to place on record, their deep appreciation of the continued support and cooperation received by the Company from the various Government authorities, Shareholders, Bankers, and Business Associates of the Company. Your Directors place on record their deep appreciation of the dedication and commitment of your Company's employees at all levels and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors

Venugopal Bang
Director

Brijgopal Bang
Director

Place: Mumbai

Date: 29th July, 2009

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

COMPLIANCE CERTIFICATE

To,

The Members,
VEDANTA CREATIONS LIMITED,
(Formerly known as Vedanta Creations Private Limited)
50, Kewal Industrial Estate,
Senapati Bapat Marg,
Lower Parel (W), Mumbai - 400 013

We have examined the registers, records, books and papers of VEDANTA CREATIONS LIMITED, (the Company) as particularly required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2009(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 thereunder and all entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being converted into as Public Limited Company has the minimum prescribed paid-up capital and its number of members are 7 (Seven) and the Company during the year under scrutiny:
 - (i) has not invited public to subscribe for its shares or debentures; and
 - (ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. The Board of Directors met on the every quarter interval in respect of which meetings notices were given and the proceedings were recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March 2008 was held on 15th September, 2008 after giving due notice to the members of the Company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
7. The Company had held two Extra Ordinary General Meetings on 15th May, 2008 and 20th June 2008 after giving due notice to the members of the Company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
8. As per explanation and information, the Company has not given any loan under section 295 of the Act.
9. The Company has duly entered into contracts, which are falling within the purview of Section 297 of the Act.
10. The Company has made the necessary entries in the register maintained under Section 301 of the Act.
11. As there was one instance falling within the purview of Section 314 of the Act, the Company has obtained necessary approval from the Board of directors, and members for this purpose.
12. The Company has not issued any duplicate certificates during the financial year.
13. During the financial year;
 - a. The Company has endorsed Share Certificate after the transfer of shares and there was no allotment or transmission of securities during the year.
 - b. The Company has not deposited any amount in a separate bank account as no dividend was declared.
 - c. The Company has not posted warrants to any member of the Company as no dividend was declared.
 - d. There was no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued which have remained unclaimed or unpaid for a period of seven years be transferred to Investor Education and Protection Fund.
 - e. The Company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is proper constituted. There was confirmation of additional director during the financial year.
15. The Company is not appointed any Managing Director/ Whole Time Director/ under Section 269 of the Act.
16. The Company has not appointed any sole selling agents during the financial year.

Vedanta Creations Limited

(formerly known as Vedanta Creations Private Limited)

17. The Company has complied with the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.
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 thereunder.
19. The Company has not issued equity shares, and did not issued debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. 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 not invited/ accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company during the financial year ending is within the borrowed limits as per section 293(1)(d) of the Act.
25. The Company has complied with the provision of Section 372A of the Act with regard to loans given, investment made, or guarantee given or securities provided to other body corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum of Association 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 of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has altered the provisions of the Memorandum of Association with respect to name of the Company by converting the status of the Company from Private to Public during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the company during the year under scrutiny.
30. The Company has altered its Articles of Association during the financial year so as to bring the same in line with Public Limited Company.
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year in terms of Section 418 of the Act as the said Section is not applicable to the Company.

FOR KOTHARI H. & ASSOCIATES

Company Secretaries

Hitesh Kothari

(Proprietor)

C. P. No. 5502

Place: Mumbai

Date: 29th July, 2009

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

Annexure – A
Registers as maintained by the Company

1. Register of members under Section 150
2. Register of Share Transfers
3. Register of particulars of contracts in which directors are interested under Section 301
4. Register of directors, managing director, manager and secretary under Section 303.
5. Register of director's shareholding under Section 307.
6. Minutes book of General Meetings and Board Meetings under Section 193.
7. Register of Director's Attendance
8. Register of Investment under Section 49
9. Register of Interoperate Investment, loan & Guarantee under Section 372A.

FOR KOTHARI H. & ASSOCIATES
Company Secretaries

Hitesh Kothari
(Proprietor)
C. P. No. 5502

Place: Mumbai
Date: 29th July, 2009

Annexure – B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2009.

Sr. No.	Form No./Return	Filed under Section	For	Date of filing	Whether filed within prescribed time Yes/ No	If delay in filing whether requisite additional fee paid Yes/ No
1.	Balance Sheet as on 31.03.2008	220	Annual Requirement	02-02-2009	No	Yes
2.	Annual Return made for the Financial year 2007-08	159	Annual Requirement	23-03-2009	No	Yes
3.	Compliance Certificate	383A	Annual Requirement	23-10-2008	No	Yes
4.	Intimation of Appointment of Auditor	224(1A)	Annual Requirement	03-11-2008	No	Yes
5.	Form 23	192	Intimation of DIN by The Company To the ROC	08-07-2008	No	Yes
6.	Form 62	44	Filing of Statement in lieu of Prospectus as per Schedule VI	09-07-2008	Yes	N.A.
7.	Form 32	260	Appointment of Nominee Director	30-01-2009	No	Yes

FOR KOTHARI H. & ASSOCIATES
Company Secretaries

Hitesh Kothari
(Proprietor)
C. P. N o. 5502

Place: Mumbai
Date: 29th July, 2009

AUDITOR'S REPORT

To,
The Members of
Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

We have audited the attached Balance Sheet of Vedanta Creations Limited as at March 31, 2009, and also the Profit and Loss account and the Cash Flow statement annexed thereto for the year ended on that date. 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.

1. We have conducted our audit in accordance with the 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.
2. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
3. Further to our comments in the Annexure referred to in paragraph 3 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; Proper returns adequate for the purpose of our Audit have been received from the branches not visited by us.
 - (c) The Balance Sheet and the Profit and Loss Account and Cash flow dealt with in this report are in agreement with the books of accounts; and with the returns received from the branches
 - (d) In our opinion, the Balance Sheet and the Profit and Loss Account and cash flow dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956, and
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956 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 March 31, 2009;
 - (ii) in the case of the Profit and Loss Account, of the Profit for the year ended on that date;
 - (iii) in the case of Cash Flow statement of the cash flows for the year ended on that date.

For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No. 9939

Place: Mumbai
Date: 27 June, 2009

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 3 of our report of the even date)

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) In our opinion, the fixed assets register have been physically verified by the management at reasonable intervals, having regards to the size of the company and the nature of its assets. No material discrepancies between the book records and the physical inventory are noticed.
- (c) In our opinion, during the year no substantial parts of fixed assets have been disposed of by the company.
- (ii) (a) The inventory report of the company has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventory followed by the management were found reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) on the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stocks and the book records were not material in relation to the operations of the company.
- (iii) (a) The company has not granted any loans, secured or unsecured, to companies, firm or other parties listed in the Register maintained Under Section 301 of the Companies Act, 1956 Paragraphs (iii) (f) and (g) of the Order are not applicable.
- (b) The company has taken unsecured loans from sixteen parties in the register maintained U/S 301 of the Companies Act, 1956. The maximum amount due during the year is Rs. 4,73,93,344 /- and year end balance is NIL.
- (c) In our opinion, the terms and conditions on which loan has been taken are not prima facie prejudicial to the interest of the company.
- (d) The company has regular in repaying principal amount and interest as stipulated.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Companies and the nature of it's business for the purchase of inventory, fixed assets and for sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across to have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
- (v) (a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that Section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time
- (vi) The company has not accepted deposit from public in accordance with the Provision of Section 58A of the Companies Act, 1956.
- (vii) The company has an internal audit system commensurate with the size and nature of business.
- (viii) The Central Government has not prescribed the maintenance of cost records U/S 209(i)(d) of the Companies Act, 1956 of the company.
- (ix) (a) According to the records of the Company, and explanation given to us the company is regular in depositing with appropriate authorities undisputed statutory dues and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us and the records of the Company examined by the management of the company, there are no undisputed amount payable in respect of income tax, sales tax, custom duty and excise duty outstanding for a period for more than 6 months as at 31st March 2009.
- (x) There are no accumulated losses of the company. The company has not incurred any cash loss during financial year under audit and in the immediately preceding previous year.
- (xi) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to a Bank.

Vedanta Creations Limited

(formerly known as Vedanta Creations Private Limited)

- (xii) The company has not granted any loans or advances on the basis of security by way of pledge of share, debentures and other securities. Hence this clause is not applicable.
- (xiii) The Provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the company.
- (xiv) In our opinion, the Company is not a dealer or trader in shares, securities debentures and other investments.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The company has obtained short term loan from The Hongkong And Shanghai Banking Corporation Limited amounting to Rs. 1 Crore during the year.
- (xvii) Based on the information and explanation given to us and on an overall examination of Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
- (xviii) The Company has not made any preferential allotment during the year.
- (xix) The company has not issued any debentures during the year.
- (xx) No money has been raised by way of public issue directly by the company during the financial year, hence this clause is not applicable;
- (xxi) According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xxii) On the basis of share holding, the company is a subsidiary company of Bang Overseas Ltd. and all the acts and rules as per Company Law for subsidiary company automatically implies on them irrespective of their previous status.

For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No. 9939

Place: Mumbai

Date: 27 June, 2009

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

Balance Sheet as at March 31, 2009

Particulars	Schedules	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
SOURCES OF FUNDS			
Shareholder's Funds			
Share Capital	1	2,847,500	2,847,500
Reserves & Surplus	2	86,961,173	82,234,374
Loan Funds			
Secured Loan	3	19,405,857	13,427,588
Unsecured Loan	4	-	35,076,035
Deferred Tax Liability/(Asset) (Refer Note B4 of the Schedule 17)		(5,626)	45,672
		<u>109,208,904</u>	<u>133,631,169</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	3,727,962	4,175,789
Less: Depreciation		1,965,476	1,804,178
Net Block		<u>1,762,486</u>	<u>2,371,611</u>
Current Assets, Loans and Advances			
Inventories	6	32,777,243	63,324,847
Sundry Debtors	7	78,300,234	85,192,011
Cash and Bank Balances	8	16,291,417	8,512,391
Loans and Advances	9	4,445,991	20,815,472
		<u>131,814,884</u>	<u>177,844,721</u>
Less: Current Liabilities and Provisions			
Current Liabilities	10	23,737,165	41,985,992
Provisions	11	631,302	4,599,171
		<u>24,368,467</u>	<u>46,585,163</u>
Net Current Assets		<u>107,446,418</u>	<u>131,259,558</u>
		<u>109,208,904</u>	<u>133,631,169</u>
Notes on Accounts	17		

The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Place : Mumbai
Date : 27 June 2009

For and on behalf of Board of Directors
VEDANTA CREATIONS LTD.

Venugopal Bang **Brijgopal Bang**
Director Director

Place : Mumbai
Date : 27 June 2009

Profit and Loss Account For the Year Ended March 31, 2009

Particulars	Schedules	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
INCOME			
Sales		278,992,839	254,997,629
Other Income	12	808,062	259,838
Increase / (Decrease) in inventories	13	(30,547,603)	31,986,281
		249,253,298	287,243,748
EXPENDITURE			
Trade Purchases		218,740,542	229,957,722
Employee Compensation	14	4,467,199	2,608,363
Administrative & Selling Expenses	15	11,312,000	8,373,138
Depreciation		574,454	547,133
Finance Expenses	16	6,903,603	3,569,665
		241,997,798	245,056,021
Profit Before Tax, Extra Ordinary Item and Prior Period Items		7,255,501	42,187,727
Provisions: Current Tax		2,500,000	14,420,000
Deferred Tax		(51,298)	30,255
Provisions for Doubtful Debts		-	100,000
Fringe Benefit Tax		80,000	80,000
Profit after Tax available for Appropriation		4,726,799	27,557,472
Profit Brought Forward		74,191,701	46,634,229
		78,918,500	74,191,701
Less: Transferred to General Reserves		-	-
Balance transferred to Balance Sheet		78,918,500	74,191,701
Earning per Share - Basic and Diluted		16.60	96.78
(Refer Note B-6 of the Schedule 17)			
Notes on Accounts	17		

The schedules referred to above form an integral part of the Profit and Loss Account.

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Place : Mumbai
Date : 27 June 2009

For and on behalf of Board of Directors
VEDANTA CREATIONS LTD.

Venugopal Bang **Brijgopal Bang**
Director Director

Place : Mumbai
Date : 27 June 2009

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

Cash Flow Statement as at March 31, 2009

Particulars	2008-2009 Amount (Rs.)	2007-2008 Amount (Rs.)
A. Cash flow from Operating Activities		
Net profit before taxation	7,255,501	42,187,727
Adjustments for:		
Depreciation	574,454	547,133
(Profit) / Loss on sale of Fixed Assets	(121,782)	-
Profit on Sale of Investments	-	(2)
Sundry Balances Written off	-	4,922
Exchange rate fluctuation loss	905,061	15,437
Interest income	(671,076)	(169,240)
Bad Debts Written Off	-	55,304
Interest expense	5,867,282	2,875,961
Operating profit before Working Capital changes	13,809,440	45,517,242
Decrease / (Increase) in sundry debtors	16,294,086	(149,156)
Decrease / (Increase) in inventories	30,547,604	(31,986,281)
Decrease/(Increase) loans and advances	15,963,599	(15,547,158)
Increase / (Decrease) in current liabilities	(18,248,827)	7,987,231
Cash generated from operations	58,365,902	5,821,878
Direct taxes paid	(7,047,047)	(21,152,669)
Net Cash from Operating Activities	51,318,855	(15,330,791)
B. Cash flows from Investing activities		
Purchase of Fixed Assets	(130,988)	(1,132,726)
Receipt from sale of assets	287,440	-
Sale/maturity of investment	-	1,000
Interest received	671,076	169,240
Net Cash from Investing Activities	827,528	(962,486)
C. Cash flows from Financing Activities		
Unsecured Loans	(35,076,035)	22,300,589
Proceeds from working capital borrowing	(3,424,040)	3,172,830
Interest paid	(5,867,282)	(2,875,961)
Net cash from Financing Activities	(44,367,357)	22,597,458
Net increase in cash and cash equivalents (A + B + C)	7,779,026	6,304,181
Cash and cash equivalents at the beginning of the year	8,512,391	2,208,210
Cash and cash equivalents at the end of the year	16,291,417	8,512,391

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Place : Mumbai
Date : 27 June 2009

For and on behalf of Board of Directors
VEDANTA CREATIONS LTD.

Venugopal Bang **Brijgopal Bang**
Director Director

Place : Mumbai
Date : 27 June 2009

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

Schedules forming part of Balance Sheet as at 31 March 2009

Particulars	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
Schedule 1 : Share Capital		
Authorised		
10,00,000 Equity Shares of Rs. 10 each (Previous Year 10,00,000 Equity Shares of Rs. 10 each)	<u>10,000,000</u>	<u>10,000,000</u>
Issued, Subscribed & Paid Up		
2,84,750 Equity Shares of Rs. 10 each fully paid (Previous Year 2,84,750 shares @ 10 each) (of the above 2,00,000 shares of Rs. 10 each were allotted as bonus shares in earlier years)	<u>2,847,500</u>	<u>2,847,500</u>
	<u>2,847,500</u>	<u>2,847,500</u>
Schedule 2 : Reserves & Surplus		
Share Premium Account		
Balance as per last account	<u>3,127,500</u>	<u>3,127,500</u>
	<u>3,127,500</u>	<u>3,127,500</u>
General Reserve		
	<u>4,915,173</u>	<u>4,915,173</u>
Profit and Loss Account		
	<u>78,918,500</u>	<u>74,191,701</u>
	<u>86,961,173</u>	<u>82,234,374</u>
Schedule 3 : Secured Loan		
Short Term Loan from The Hongkong and Shanghai Banking Corporation Limited.	<u>10,003,548</u>	<u>13,427,588</u>
Receivable Factoring Loan from The Hongkong and Shanghai Banking Corporation Limited. (Secured on Hypothecation of Stock, Book Debts and personal gaurantee of some directors)	<u>9,402,309</u>	<u>-</u>
	<u>19,405,857</u>	<u>13,427,588</u>
Schedule 4 : Unsecured Loan		
From Promoters & Promoter Group	<u>-</u>	<u>35,076,035</u>

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

Schedules forming part of Balance Sheet as at 31 March 2009

Schedule 5 - Fixed Assets

Particulars	Gross Block			Depreciation			Net Block			
	as at 1/4/2008	Addition	Deduction	as on 31/3/2009	up to 1/4/2008	for the Year	Depreciation Adjustment	up to 31/3/2009	as on 31/3/2009	as on 31/3/2008
Office Equipment	664,359	54,328	-	718,687	257,217	63,742	-	320,959	397,728	407,142
Furniture & Fixture	154,561	-	-	154,561	81,035	13,308	-	94,343	60,218	73,526
Electric Installation	79,217	-	-	79,217	47,825	437	-	48,262	30,955	31,392
Computer System	891,842	76,660	-	968,502	662,245	105,601	-	767,846	200,656	229,597
Vehicles	2,385,810	-	578,815	1,806,995	755,855	391,366	413,155	734,066	1,072,929	1,629,954
Previous year 07-08	3,018,320	1,157,469	-	4,175,789	1,257,045	547,133	-	1,804,178	2,371,611	2,371,611
	4,175,789	130,988	578,815	3,727,962	1,804,177	574,454	413,155	1,965,476	1,762,486	2,371,611

Schedules forming part of Balance Sheet as at 31 March 2009

Particulars	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
Schedule 6 : Inventories		
(As taken, valued & certified by the management)		
Trade Goods	32,777,243	63,324,847
	32,777,243	63,324,847
Schedule 7 : Sundry Debtors		
(Unsecured and considered good)		
Debts outstanding for a period exceeding six months	10,491,038	3,553,749
Other Debtors	67,909,196	81,738,262
	78,400,234	85,292,011
Less: Provision for Doubtful Debts	100,000	100,000
	78,300,234	85,192,011
Schedule 8 : Cash & Bank Balances		
Cash on hand	281,772	133,413
Balances with Scheduled banks in current accounts	10,972,404	178,978
: in Fixed Deposit Account	5,037,240	8,200,000
	16,291,417	8,512,391
Schedule 9 : Loans & Advances		
(Unsecured and considered good)		
Advances recoverable in cash or in kind or value to be received	2,884,228	271,069
Receivable from Parent Company	-	19,635,188
Advance Tax & TDS (Net of provision)	661,370	822
Deposits	900,393	908,393
	4,445,991	20,815,472
Schedule 10 : Current Liabilities		
Sundry creditors for goods	21,019,922	39,617,571
Liabilities for expenses	2,717,242	2,368,421
	23,737,165	41,985,992
Schedule 11 : Provisions		
Provision for taxation (net of advance payment)	626,302	4,599,171
Provision for Fringe Benefit Tax (net of advance payment)	5,000	-
	631,302	4,599,171
Schedule 12 : Other Income		
Interest on F.D. Accrued (CY : TDS Rs. 161370/- PY : Nil)	671,076	-
Duty Drawback	15,205	-
Miscellaneous income	-	90,598
Excess Claim received on theft of Vehicle	121,782	-
Sales Commission Received	-	169,240
	808,062	259,838
Schedule 13 : Increase / (Decrease) in Stock		
Opening Stock	63,324,846	31,338,566
Less: Closing Stock	32,777,243	63,324,847
	(30,547,603)	31,986,281

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

Schedules forming part of Balance Sheet as at 31 March 2009

Particulars	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
Schedule 14 : Employee Compensation		
Salary, Wages and bonus	4,214,937	2,601,960
Contribution to Provident Fund	147,550	-
Staff Welfare Expenses	104,712	6,403
	4,467,199	2,608,363
Schedule 15 : Administrative, Selling & General Expenses		
Electricity Charges	307,361	308,466
Freight, Forwarding, Transport Charges & Octroi Charges	1,497,362	1,447,242
Rent, Rate & Taxes	2,267,770	1,448,793
Insurance expenses	161,205	171,782
Repairs & Maintenance Charges (Others)	118,920	356,043
Sales Promotion Expenses	186,680	154,741
Brokerage and commission	916,844	1,556,076
Travelling Expenses	458,754	1,194,807
Conveyance Expenses	238,601	48,120
Postage & Communication Expenses	212,056	263,015
Printing and stationary	196,842	200,746
Legal & Professional expenses	53,900	39,586
Directors Remuneration	120,000	120,000
Auditor's remuneration		
- Audit Fees	30,000	20,000
- Tax Audit Fees	20,000	10,000
Exchange Difference (net)	2,840,114	15,437
Vehicle expenses	166,053	161,971
Packing Material Expenses	1,332,803	685,142
Bad Debts	-	55,304
Miscellaneous Expenses	186,733	115,869
	11,312,000	8,373,140
Schedule 16 : Finance Expenses		
- On working capital loan	2,161,842	727,496
- On others	3,705,440	2,148,465
Bank Charges	1,036,320	693,704
	6,903,603	3,569,665

SCHEDULE 17
NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of Financial Statements

The financial statements have been prepared to comply in all material respects with the standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which impairment is made and revaluation is carried out and derivative instruments. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in previous year.

2. Use of Estimate

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

3. Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use, net of VAT recoverable. Financing costs relating to construction of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Financing costs not relating to construction of fixed assets are charged to the income statement.

Depreciation

Depreciation on the fixed assets has been provided for on written down value method at the rates prescribed and in the manner specified in Schedule XIV to the Companies Act, 1956.

Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there are impairment indicators. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the WACC.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii. A previously recognised impairment loss is increased or decreased based on reassessment of recoverable amount, which is carried out if the change is significant. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

4. Intangible Assets

Intangible assets include miscellaneous expenditures that are capitalized if specific criteria are met and are amortised over their useful life, generally not exceeding 5 years. The recoverable amount of an intangible asset that is not available for use or is being amortized over a period exceeding 5 years should be reviewed at least at each financial year end even if there is no indication that the asset is impaired.

5. Leases

Where the Company is the lessee

Finance leases, where substantially all the risks and benefits incidental to ownership of the leased item, are transferred to the company, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

Vedanta Creations Limited

(formerly known as Vedanta Creations Private Limited)

Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the P&L Account.

6. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

7. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, less provision for diminution in value other than temporary.

8. Inventories

Inventories are valued at lower of cost or net realisable value determined on FIFO basis.

9. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

(i) Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales revenue is net of sales returns, discounts and rebates.

(ii) Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of schedule VI of the Companies Act, 1956.

10. Foreign Exchange Transaction

(a) Transaction denominated in foreign currencies is normally recorded at the exchange rate prevailing at the time of the transaction.

(b) Monetary items denominated in foreign currency as at the balance sheet date are translated at the year end exchange rate.

(c) Premium on forward cover contracts in respect of import of raw material is charged to profit & loss account over the period of contracts except in respect of liability for acquiring fixed assets, in which case the difference are adjusted in carrying cost of the same.

11. Employee benefits

i. Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the statutory authority are due.

ii. Since non of the employees have completed a continuous period of 5 years as stipulated under payment of Gratuity Act 1972, no provision for the Gratuity has been made.

12. Current Tax and Deferred Tax

(i) Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.

(ii) Deferred tax resulting from timing difference between the book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.

13. Earning per share

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

EPS is computed using the weighted average number of equity and diluted equity equivalent shares outstanding during the year except where the results would be anti-dilutive

14. Cash Flow Statement

Cash flow statement is reported using the indirect method as specified in the Accounting standard (AS)-3, 'Cash Flow Statement' issued by The Institute of Chartered Accountants of India.

15. Provision, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimation in measurement is 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 the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

B. NOTES ON ACCOUNTS:

1. Previous year figure has been regrouped, rearranged and restated whenever necessary.

2. Segment Reporting:

The Company operates in only one reportable segment that is trading of textile in India. Therefore no separate disclosure of segment wise information is required.

3. Contingent Liabilities

(Rs.)

Particulars	31.03.2009	31.03.2008
Letter of credit	15,91,550	3,22,25,130
Total	15,91,550	3,22,25,130

4. Details of Deferred Tax assets and liabilities:

In view of the Accounting Standard 22 issued by Institute of Chartered Accountants of India, the significant component and classification of deferred tax liability/asset on account of timing difference comprises of the following:

(Rs.)

Particulars	31.03.2009	31.03.2008
Deferred Tax Liabilities / (Assets)		
On account of difference in Tax and Book Depreciation	(5,626)	45,672

5. In the opinion of the Board, sundry debtors, loans and advances and other current assets and unsecured loans are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities is adequate and not in excess of the amount reasonably necessary. Some balances are subject to confirmation and reconciliation.

6. Earning per Share (EPS)

Particulars	31.03.2009	31.03.2008
Net Profit /(Loss)	47,26,799	2,75,57,472
Weighted Average no. of shares outstanding at the end of the year	2,84,750	2,84,750
E.P.S. (Basic & Diluted)	16.60	96.78

7. Managerial Remuneration

Particulars	31.03.2009	31.03.2008
Managerial Remuneration for directors	1,20,000	1,20,000

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

8. Information on Related Party Disclosure

	Holding Company	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
Sales	569,102	-	-	104,971	674,073
Purchase	2,795,791	-	-	29,643,324	32,439,115
Loans (taken)	-	-	5,300,000	5,900,000	11,200,000
Loans taken from directors	-	800,000	-	-	800,000
Loan repaid	-	20,260,071	20,380,979	6,222,825	46,863,875
Interest	-	1,638,092	1,508,472	197,694	3,344,258
Salary	-	120,000	-	-	120,000
Rent	-	-	36,000	-	36,000

Names of related parties

Holding Company: Bang Overseas Limited

Key Management Personnel

1	Shri Venugopal Bang	Director
2	Shri Brijgopal Bang	Director
3	Shri Raghavendra Bang	Director
4	Shri Purshottam Bang	Director

Relatives of Key Management Personnel

1	Shri Balaram Bang	Father of Shri Venugopal Bang & Brijgopal Bang
2	Shri Raghvendra Bang	Son of Shri Venugopal Bang
3	Shri Giridhar Gopal Bang	Brother of Shri Venugopal Bang & Brijgopal Bang
4	Shri Raj Gopal Bang	Brother of Shri Venugopal Bang & Brijgopal Bang
5	Shri Harshavardhan Bang	Son of Shri Venugopal Bang
6	Shri Arvindkumar Bang	Brother of Shri Purshottam Bang
7	Shri Sharadkumar Bang	Brother of Shri Purshottam Bang

Enterprises owned or significantly influenced by key management personnel or their relatives

1	Bang Data Forms Pvt. Ltd.
2	Ramkumar Venugopal Investment (I) Pvt. Ltd.
3	Ramchandar Shivnarayan
4	Adithya Impex
5	Shree Balaji Fabrics

9. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence discloses, if any relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given. The supplies to the Company are mainly import of fabric.
10. Addition information pursuant to the provisions of Part II of the Schedule VI of the Companies Act 1956.
- i) Quantitative information.
- a) Installed Capacity NA
- b) Purchase / Production, Consumption / Sales: As per annexure "A" attached.

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(formerly known as Vedanta Creations Private Limited)

ii) Value of imported and indigenous Raw Material consumed during the year

Description	Current year		Previous year	
Imported	NIL	NIL	NIL	NIL
Indigenous				
Fabrics	NIL	NIL	NIL	NIL
Trims	NIL	NIL	NIL	NIL

iii) C.I.F Value of imports, Expenditure and Earning in Foreign exchange.

Particulars	Current Year	Previous Year
C I F Value of Imports (Fabric)	Rs. 7,53,86,793	Rs. 3,26,26,924
Foreign Travelling Expenses	NIL	Rs. 1,96,945
CIF Value of Exports (Fabric)	NIL	NIL

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Place : Mumbai
Date : 27 June 2009

For and on behalf of Board of Directors
VEDANTA CREATIONS LTD.

Venugopal Bang **Brijgopal Bang**
Director Director

Place : Mumbai
Date : 27 June 2009

ANNEXURE - " A " OF NOTES OF ACCOUNTS

Additional information pursuant to the provisions of para 3 & 4 of part II of Schedule VI of the Companies Act.

A) Opening stock, purchases, sales & closing stock of Trade Goods.

Particulars	Unit	Opening Stock		Purchase (Net)		Sales (Net)		Closing Stock (FIFO)	
		Qty/pcs	Amount	Qty/pcs	Amount	Qty/pcs	Amount	Qty/pcs	Amount
Cotton Fabric	MTR	755,818	63,201,512	2,449,048	218,740,542	2,897,875	278,992,839	306,991	32,653,909
		(418,871)	(31,215,232)	(2,705,561)	(229,957,722)	(2,408,613)	(258,358,150)	(755,818)	(63,201,513)
Readymade Shirts	PCS	400	123,334	-	-	-	-	400	123,334
			(123,334)	-	-	-	-		(123,334)
Total			63,324,846		218,740,542		278,992,839		32,777,243

Vedanta Creations Limited
(formerly known as Vedanta Creations Private Limited)

**ANNEXURE (TO THE SCHEDULE N (ITEM 15), ATTACHED TO THE BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH, 2009)**

BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.	U 18101 MH 2001 PLC 133052	State Code	11
Balance Sheet date:	31st March 2009		

II. CAPITAL RAISED DURING THE YEAR (Amount Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amt. Rs. Thousands)

Total Liabilities	109204	Total Assets	109204
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SOURCES OF FUNDS

Paid up Capital	2848	Reserves & Surplus	86961
Secured Loans	19406	Unsecured Loans	0
Deferred tax/(Assets)	(6)		

APPLICATION OF FUNDS

Net Fixed Assets	1763	Investments	0
Net Current Assets	107446		
Accumulated Losses	NIL		

IV. PERFORMANCE OF COMPANY (Amount Rs. Thousands)

Sales & Other Income	249253	Total Expenditure	241998
Profit/(Loss) Before Tax	7255	Profit/(Loss)After Tax	4727
Earning Per Share in Rs.	16.60	Dividend	NIL

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF

COMPANY (As per Monetary Terms):

Item Code No.	Product Description
(ITC Code) 5208	Fabrics

As per our report of even date
For Rajendra K Gupta & Associates
Chartered Accountants

Rajendra Kumar Gupta
Partner
Membership No.: 9939

Place : Mumbai
Date : 27 June 2009

For and on behalf of Board of Directors
VEDANTA CREATIONS LTD.

Venugopal Bang **Brijgopal Bang**
Director Director

Place : Mumbai
Date : 27 June 2009



BANG OVERSEAS Ltd.

Regd. Office : Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai-400 023.

PROXY FORM

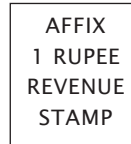
I/We.....
of..... being member/members
of Bang Overseas Limited hereby appoint
.....of
or failing him.....of
as my / our proxy to vote for me / us and on my / our behalf at the Seventeenth Annual General Meeting of the company
will be held on Wednesday, 30th September 2009 at 10:00 A.M. at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road,
Mumbai - 400 002 and at every adjournment thereof.

Signed thisday of..... 2009

Member's Folio Number

Client ID and DP ID

No. of shares held



SIGNATURE



BANG OVERSEAS Ltd.

Regd. Office : Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai-400 023.

ATTENDANCE SLIP

(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the Seventeenth Annual General Meeting of the company will be held on Wednesday,
30th September, 2009 at 10:00 A.M. at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai - 400 002
and at every adjournment thereof.

Name of the Member Attending (In Block Letters)

Name of the Proxy (To be filled-in if the Proxy form has been duly deposited with the Company)

Signature of the Member / Proxy

Member's Folio Number

Client ID and DP ID

No. of shares held



Registered Office : Masjid Manor, 11nd Floor, 16 Homi Modi Street, Fort, Mumbai - 400 023, India.

Corporate Office : 144, Kewal Industrial Estate, 1st Floor, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013, India

Manufacturing Unit 1 : 51/1 and 1/1 Kallabalu Village, Jigani Hobli, Anekal Taluka, Bangalore.

Manufacturing Unit 2 : 19/2, Basapura Village, Begur Hobli, Bangalore South Taluka, Bangalore - 560 068.

