



**Spun from T.T. Cotton**



## The Board of Directors



Chairman Dr. R.C. Jain (Sitting in centre) flanked by Shri V.R. Mehta & Smt. Jyoti Jain, Standing from left to right Shri Navratan Dugar, Dr. (Prof.) V.K. Kothari & Shri Sanjay Jain



Director Shri V.R. Mehta and his wife Smt. Vimla Mehta honoured by the Philippines Parliament for their humanitarian activities by free provision of Jaipur foot for over 25 years in the Philippines.

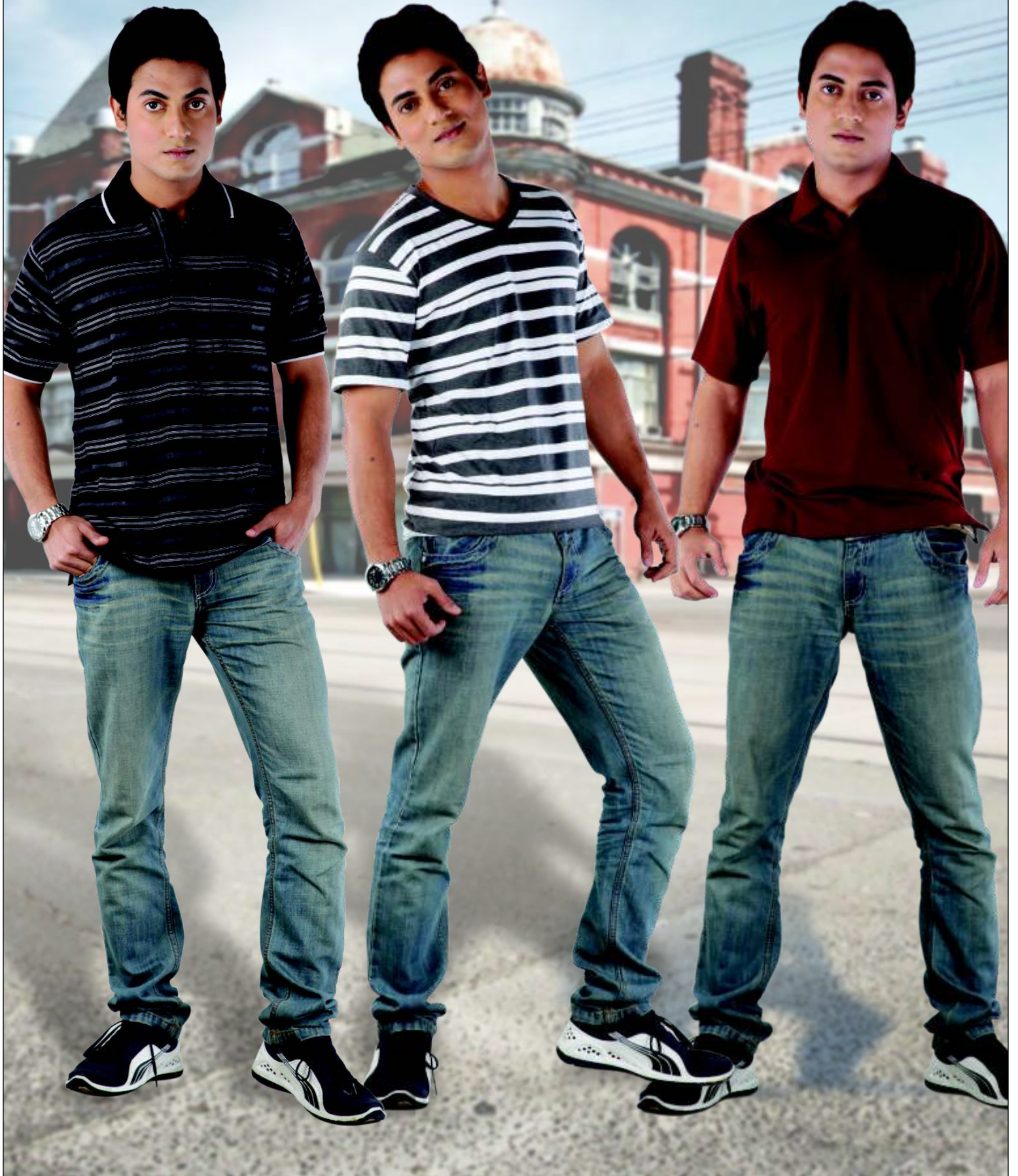








COOL





*Jhare Krishna*



Dr. Rikhab C. Jain,  
(Chairman)

## CHAIRMAN'S POLICY STATEMENT

In one word Business Philosophy of T T Group is "FAIR BUSINESS", – Fair to all: Suppliers, Buyers, Dealers, Workers, Shareholders, Investors, Community and the Society at large.

Sources for drawing inspiration in founding basic principles of T T Group's business are found in Philosophies propounded by three great Saints, Philosophers and Mahatmas belonging to the Textile World: The Most reverend Spinner in the World History known to mankind till date, Mahatma Gandhi, father of the nation; symbol of religious harmony and great humanist "Kabir" the weaver and the great Tamil Saint, Poet and Philosopher weaver: Thiru Valuvar. Thirukural the great epic book of wisdom serves us as a reference book for seeking day to day solutions of business problems. All the three guiding lights of humanity are nowhere in variance with Jainism, Hinduism, Buddhism or infact any religion.

In dealing with people we follow Vidur and Chanakya.

In business management techniques of modern day obviously we rely on my learnings as well as teachings at Indian Institute of Management, Calcutta / M.I.T. Our Managing Director Mr. Sanjay Jain has his sources in his studies at the Indian Institute of Management, Ahmedabad / Harvard Business School.

Regarding the choice of Technology to be used, we do not compromise. It is always the best of the world, "State of the Art" technology. We do quick updating and remain in tune with the latest innovations. Our source of strength in the field is renowned Textile Technologist - Dr. V. K. Kothari, formerly heading Textile Dept. of world's prestigious seat of learning, Indian Institute of Technology, (IIT) Delhi.

As for consumers, we wish to deliver them more than value for their money. We are here to serve them. We are because of them. We wish them to enjoy new recipies, new delights in their satisfaction. We do not follow trends, instead we set trends. Mrs. Jyoti Jain, a National Institute of Fashion Technology (NIFT) graduate is always at hand to deal with them liberally. All her dealers, agents and customers are more than happy with her.

Renowned Management and Finance Experts Shri Navratan Dugar and Shri V R Mehta are our leading rule setters in the realm of Finance & accounting and corporate governance. In Finance, Manufacturing, Law, Corporate governance we have a dedicated team of Executives, Engineers, Company Secretaries, Chartered Accountants, Human Engineers (HRD) to deliver fruits and achieve corporate goals.

Today Textile Industry is a "Focus Industry" in India. It is once again a Sun Rise Industry. Textile Manufacturing is shifting from America & Europe to Asia – China, India, Bangladesh, Pakistan, Turkey etc. Timely cotton revolution in India has made India's position unique in competitive edge in world trading of cotton and its products- Yarn, Fabric, Textiles, Knitwear Garments and Home Textiles. T T group is essentially an only "Cotton" company. It handles Cotton, Cotton yarn, Cotton fabrics and Cotton garments. Realising the global potential T T is already on the world Cotton scene and is ready to play world cup in Cotton. We wish to enjoy fruits of Cotton. We wish to ensure no one remains devoid of Cotton Garments and that too with assurance to satisfaction to one's heart's content.

Our Company's policy is not to speculate, not to gamble, not to undertake high risk deals. Slow but steady growth is our motto. Our Company does not interfere with free play of share & securities market.



## Business Philosophy

1. Management's job is not only to manage company profitably but to ensure its steady growth as well.
2. Quick decision making, speedy implementation, harmonized, teamwork, deliver success.
3. Our objective is to serve Customers to their satisfaction. We strive to enable them taste new delights in quality and service. We make them break their own parameters of satisfaction.
4. Investors are owners of the company. Safeguarding their interest is the prime duty of the management.
5. What is the best today, will not be so tomorrow and will be definitely rejected day after. Hence continuous quality upgradation can only retain customers.
6. Let none be harmed by our dealings with them. We need not make money out of their weaknesses. Instead let buyer and seller both mutually help each other make profit.
7. Knowledge input is the best quotient of profit. For future growth, knowledge sourcing and knowledge management is the first requirement.
8. Ways of the world never remain the same. Keep changing and you never live out.
9. Wisdom attracts money, lack of it may cause loss of money.
10. Indians have now realised their potentials in the global scenario. Every crown there is for them, but only if they try.
11. India traditionally ranks first in the world of nations in respect of the wealth of knowledge. Putting this wealth into action will certainly yield rich monetary rewards as well.
12. We do not compete, we try to co-exist. Cooperation is our motto.
13. Big fish eats up small fishes and yet the ocean is always full of small fishes.
14. No one can drink all the waters of seven oceans, so none can monopolise for ever.
15. Purity of means is more important than the ends. Come what may, great souls will never pick up means not ordained by ethics, morality and one's religion.
16. You earn money, you may loose it anytime, but if you tend to earn goodwill and integrity, money will never leave you.



*Krishna has done everything, He will do everything*

*We are just tools in his hands. He showers upon us  
his choicest blessings That's our reward, our life, our report*

~> Hare Krishna <~





## Company Information

BOARD OF DIRECTORS	<b>T.T. LIMITED</b> Dr. Rikhab C. Jain (Chairman) Shri V.R. Mehta Shri Navratan Dugar Shri Sanjay Kumar Jain (Managing Director) Dr. (Prof.) V.K. Kothari Smt. Jyoti Jain, (Jt. Managing Director)
Vice President (Finance) & Company Secretary	Shri Sunil Mahnot
Statutory Auditors	DOOGAR & ASSOCIATES
Internal Auditors	R.S. Modi & Co.
Bankers	A. Consortium : ORIENTAL BANK OF COMMERCE PUNJAB NATIONAL BANK B. Others: STATE BANK OF MYSORE STATE BANK OF HYDERABAD STATE BANK OF INDIA
REGISTRAR & SHARE TRANSFER AGENTS	BEETAL FINANCIAL AND COMPUTER SERVICES PVT. LTD. 99, MADANGIR, BEHIND LOCAL SHOPPING CENTRE, DELHI - 110 062 Ph.: 011-29961281 Fax : 011-29961284 E-mail: beetal@beetalfinancial.com
Registered Office	T.T. GARMENT PARK, 879, Master Prithvi Nath Marg, Karol Bagh, New Delhi - 110 005 Phone : +91-11 - 45060708 Fax : +91-11 - 45060741, 23632283 E-mail : export@tttextiles.com Web site : www.tttextiles.com
Branches	Kolkata, Avinashi, Gajroula, Rajula
Mills/Factories	Gajroula (Uttar Pradesh), Avinashi, Distt. Tirupur (Tamil Nadu), Rajula, (Pipavav Port, Gujarat)
Share Holders' information visit	www.tttextiles.com.





## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 32<sup>nd</sup> (Thirty Second) Annual Report of the Company together with the Audited Accounts for the year ended March 31, 2011.

### FINANCIAL RESULT

	2010-2011 (Rs. In lakh)	2009-2010 (Rs. In lakh)
Sales	48662.65	35360.33
Profit before interest, Depreciation, and Tax	5866.17	3467.72
Financial Charges	2341.00	1908.97
Depreciation	1128.14	955.58
Provision for Income Tax/Deferred Tax	817.58	(-) 444.09
Profit / Loss after Tax	1579.45	1047.25
Balance brought forward from previous year	(-) 254.59	(-) 1301.84
<b>TOTAL</b>	<b>1324.86</b>	<b>(-) 254.59</b>
Appropriation		
Dividend & Distribution Tax	250.68	NIL
Transferred to General Reserve	700.00	NIL
Balance Carried forward	374.18	(-) 254.59
<b>TOTAL</b>	<b>1324.86</b>	<b>(-) 254.59</b>

### DIVIDENDS

Your Directors have pleasure to recommend dividend @ 10% ( Re 1 per share) for the year 2010-11 (Rs. NIL for 2009-10).

### REVIEW OF OPERATIONS

The year 2010-11 was the best year ever for your company. Its turnover grew from Rs.354 crore to Rs.487 crore i.e. a 38 % increase. Its profit before deferred taxes went up by 297%. Your company was able to use its strengths to leverage the turn round in the global economy and make the most of it. There was an unprecedented rise in raw cotton prices due to a demand-supply mismatch arising from crop failures in Pakistan/China, which had a cascading impact on the entire textile chain. The integrated nature of the company made it benefit from the same and post an all time high net profit of Rs.15.79 crores.

Your company has shifted emphasis in this year and will keep doing so, in future as well, from commodity based Fibre to more value added segments of the textile chain. In line with having a more balanced and stable product portfolio and a balanced market between domestic and exports - the Company has entered into an agreement to sell its ginning/oil undertaking in Gondal, Gujarat for Rs 18.75 crores and invest Rs 150 crores into yarn, fabric and garments Production. It also plans to sell its other ginning factory based in Rajula to exit the volatile commodity type cotton fibre business in total and focus on more stable value added business.

The Company has increased turnover of its knitwear segment by 50% this year despite the very difficult situation in the market due to all time high rise in yarn prices resulting in lower to flat growth rates in consumption. The Company doubled its advertisement budget and introduced many new products in the kids and ladies segment of inner and casual wear. It also launched online shopping through its website [www.ttgarmments.com](http://www.ttgarmments.com).

The major steps taken by the Company in this year were:

- Greater emphasis on domestic sales both in absolute terms and as a percentage of total turnover.
- More focus on value added products like innerwear and casual wear.
- Brand building through electronic and print media to give boost to domestic sales.
- Reduced exposure to commodity business like raw cotton fibre
- Increasing internal capacity of fabric and other backward integrated segments to realize higher added value.
- Setting up exclusive "T T" shops to come closer to the final consumer and establish presence in the growing retailing business.
- Introduction of new, value added products by entering the premium segment of garments under brand name "COCO TREE" and organic products viz. "Green range".
- Tying up with all the major organized retail chains to establish presence in the fastest growing distribution channel.
- Introduced value added yarn like Organic and Recycled products. Your company is also in the process of getting Fair Trade Registration.

All these measures has made the Company achieve highest ever profitability and profit in both absolute and percentage terms.





The Company would have performed much better, but was inhibited due to sudden changes in Government policies. The Government suspended exports of yarn from December 1, 2010 to March 15, 2011 leading to a significant loss in export revenues. Export incentives were also removed on yarn during the year leading to lower margins. Further in March 2011 the Govt imposed excise duty on garments leading to loss of sales for March 2011 for that segment. However despite the above issues, the company was able to perform well.

It also completed the implementation of its ERP system. This marked a significant step towards more efficient system and internal controls of sales, purchases, inventory and finances.

#### FUTURE OUTLOOK

Cotton and yarn prices reached an all time high in a very short period. This has led to shifting in demand to other fibres and also price elasticity of demand has come into play. The first quarter is going to be challenging as there is an expected correction in prices due to the Projected bumper crop of cotton in 2011-12 and slow down in demand due to high prices. Your company has brought down its inventory levels and is moving slowly and with due caution till things stabilise in the coming days

The strength of India as a country is growing in the global textiles world in the cotton segment. After a stagnant first quarter, high growth rates are expected as consumption picks up once prices settle down and consumers come back to the market to spruce up the dwindled pipeline inventory.

The Government had suspended the Textile Upgradation Fund (TUF) in May 2010, and reinstated the same in April 2011. This scheme is operative till March 2012. Your Company has chalked out a Rs 150 crore expansion plan to take advantage of the scheme. It is investing Rs 25 crore in a garment manufacture unit in Tirupur, Rs 100 crore in spinning facility in Rajula, Gujarat and Rs 15 crore in a PP yarn facility in Gajroula, UP and the balance Rs 10 crore for modernisation of existing facilities.

Your company also plans to double its advertisement budget in the coming year. It will leverage brand strength and focus on more value added products in its knitwear category to capitalise on the booming domestic demand.

We are confident that your Company is set to achieve new heights. We are glad that the management's policy of dynamic adaptability has paid dividends and set the path of strong and fast growth. Our emphasis on high margin business and focus on stable business portfolio can be expected to show positive results for the Company and its stake holders.

#### DIRECTORS

Shri V. R. Mehta and Smt. Jyoti Jain retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors report as under:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- iii) that the directors 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 preventing and detecting fraud and other irregularities.
- iv) that the Directors have prepared the annual accounts on a going concern basis.

#### CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adherence to the Corporate Governance requirements set out by SEBI.

A separate report on Corporate Governance alongwith Auditor's Certificate on its compliance is annexed to this report.

#### MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the stock exchanges is presented as a separate section forming part of this report.

#### AUDITORS AND THEIR OBSERVATIONS

M/s Doogar & Associates, Chartered Accountants, who have been the Statutory Auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment.

Auditors observation in Clause (f) of Audit Report is explained in note no.B-7 to Schedule 15-Notes to Accounts

**PUBLIC DEPOSITS**

The company has not accepted deposits from public. The information as per directions of Reserve Bank of India is given below:

- |  |     |
|--|-----|
| i) Total number of depositors whose deposits have not been claimed or paid by the company after the date on which the deposit become due | Nil |
| ii) Total amount due to the depositors and remaining unclaimed or unpaid   | Nil |

**PERSONNEL**

Information as per Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are given in the statement which forms a part of this report. However as per the provisions of section 219(1) (b) (iv) of the Companies Act, 1956, the report and accounts are being sent to all shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining a copy of the particulars may write to the Company's Registered Office.

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

The information required to be furnished under section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 relating to Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo is annexed herewith and forming part of this report.

**ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation of the services rendered by the employees of the Company. They are grateful to shareholders, banks, financial institutions, depositors, customers and suppliers of the company for their continued valued support. The Directors look forward to a bright future with confidence.

For and on behalf of the Board

Sd/-

**(Dr. RIKHAB C. JAIN)**  
**CHAIRMAN**

Place: New Delhi  
Date: 11.07.2011

**Brief Profile of Directors to be Reappointed****Shri V. R. Mehta**

Shri Mehta aged 77 years has an experience of 55 years. He holds an Honours degree in Engineering.

Shri Mehta served the Government of India in the Ministry of Shipping & Transport and Railways.

Mr. Mehta has served for 14 years as a Senior Expert in the Asian Development Bank, Manila. Later he has been providing short-term consulting services to the World Bank, Washington and the African Development Bank, Abidjan/Tunis.

Mr. Mehta's experience covers a very wide range of spectrum including evaluation, funding and implementation of Infrastructure projects, Development Banking and Financial Management, General Management and Administration. Mr. Mehta has worked with multilateral development banks.

Some notable features of Mr. Mehta's work experience and background are:

- Was the founder Managing Director (then designated as Director-in Charge) of the Dredging Corporation of India;
- Was Joint Secretary, Government of India, Ministry of Shipping and Transport;
- Was Chief Administrative Officer and Chief Controller of Stores & Purchases in Indian Railways
- Was a member of the high-powered Expert Group of the Ministry of Environment & Forests, Government of India for central clearance of all infrastructure projects of the country.
- Was also a member of the Maritime Economists' Group of UK at the London School of Economics, London.

Mr. Mehta has also served or is serving as a Director on the Boards of some major public/private sector companies.

Mr. Mehta has also been active in social and humanitarian work. He is Executive President, Bhagwan Mahaveer Vikalang Sahayata Samiti, Jaipur and founder President of the Mahaveer Philippines Foundation, Manila, that are both devoted to free fitting of Jaipur Foot artificial limb to amputees.

**Smt. Jyoti Jain**

Smt. Jyoti Jain aged 40 years has 18 years experience in the Hosiery Industry. She is a Post Graduate in Marketing and Sales Management from NIFT Garments Technology.

She is looking after designing and marketing of garments business of the Company.





## ANNEXURE TO THE DIRECTORS' REPORT

Information pursuant to the Companies (Disclosure of Particulars) in the Report of the Board of Directors Rules, 1988.

## A. CONSERVATION OF ENERGY :

- a) Energy Conservation measures taken : In spinning mill energy cost represents the second major cost after the cost of raw material. The company has, therefore, always been conscious of the need to conserve energy. The company is continuously identifying the scope for improving end use efficiency by evaluating the techno-economic viability of various energy conservation measures.
- b) Additional investments and proposals that have been taken are:
- i) Due to abnormal increase in HSD prices, company has decided to utilise maximum extent electricity supplied by Grid instead of own generation.
- ii) Company has installed three nos Wind Mill in Tamil Nadu for meeting power requirement of its spinning unit at Avinashi, Dist: Coimbatore.
- iii) Company continuously upgrading its plant and machineries so that energy requirement of per unit production can be minimised.
- c) Impact of the measures of (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods.  
The impact of the measures taken above is that the same would result in reduction in energy consumption in future years to come.
- d) Total energy consumptions, energy consumption per unit of production:

	2010 - 2011	2009- 2010
A Power and fuel consumption		
1) Electricity (KWH)		
a) Purchased (Units)	33370002	26691740
Total Amount (Rs)	149749298	109134399
Rate per unit (Rs)	4.49	4.09
b) Own Generation		
Through Diesel Generator		
Units	3792483	1337570
Units per Ltr. Of Diesel Oil	3.59	3.60
Cost/Unit	11.24	10.01
2) Coal	Not used	Not used
3) Furnace Oil	Not used	Not used
B. Consumption per unit (Yarn in Kg) of production/Electricity	4.03	3.81

## A. RESEARCH AND DEVELOPMENT

- a) Specific, areas on which R & D carried out by the Company : Research and Development has been carried out for quality improvement.
- b) Benefits derived as a result of the above R & D: The company was able to improve the quality of its on going product.
- c) Future plan of action: Continuous efforts are being made for quality improvement.
- d) Expenditure on R&D: The Company is not maintaining separate account for the expenditure incurred on R&D.

## B. TECHNOLOGY ABSORPTION:

The technology developed as a result of R & D activity was properly absorbed which has resulted in product improvement and cost reduction. We have not made any import of technology so far.

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review your company has exported goods worth Rs.28040.45 lakh. The details of foreign exchange earnings and outgo are given in the Notes to the accounts which forms a part of the Annual Report.

Place: New Delhi  
Date: 11.07.2011

For and on behalf of the Board  
Sd/  
(Dr. RIKHAB C. JAIN)  
CHAIRMAN

**CORPORATE GOVERNANCE REPORT FOR THE YEAR 2010-2011**

(As required under Clause 49 of the listing agreement entered into with the Stock Exchange)

**1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and meet stakeholders' aspirations and societal expectations.

The Company firmly believes in good Corporate Governance. The Company, while conducting its business has been upholding the core values of T.T.'s i.e. transparency, integrity, honesty, accountability and compliance of laws. The company continuously endeavours to improve on these aspects on an ongoing basis.

**2. BOARD OF DIRECTORS:**

The Board of Directors comprises a Chairman, 2 Executive Directors and 3 non-Executive Directors. During the year 5 Board Meetings were held. The composition of Board of Directors and their attendance at the meeting during the year and at the last Annual General Meeting as also number of other Directorships/Memberships of Committees are as follows:

Name of Director	Category of Directorships	No. of Board meetings attended	Attendance last AGM	No. of other Directorship	Committee Membership	
					Member	Chairman
1 Dr. RIKHAB C. JAIN	CHAIRMAN	5	YES	1	1	—
2 SHRI V. R. MEHTA	NON-EXECUTIVE	5	YES	2	2	—
3 SHRI NAVRATAN DUGAR	NON-EXECUTIVE	5	YES	NIL	1	1
4 SHRI SANJAY KR JAIN	EXECUTIVE	5	NO	1	1	—
5 SMT. JYOTI JAIN	EXECUTIVE	5	YES	NIL	—	—
6 DR. (PROF.) V. K. KOTHARI	NON-EXECUTIVE	4	YES	NIL	1	2

**3. AUDIT COMMITTEE:**

The members of the committee are well versed in finance, accounts and company law matters and general business practices.

The composition of the Audit Committee is as under:

- |                                  |                              |
|----------------------------------|------------------------------|
| A. Shri Navratan Dugar, Chairman | B. Dr. (Prof.) V. K. Kothari |
| C. Shri V.R. Mehta               | D. Shri Sanjay Kumar Jain    |

The Primary function of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities by reviewing the financial reports and other financial information provided by the Company to any Govt. body or to the investors or the public; the Company's system of risk management and Internal controls regarding finance, accounting and legal compliances that Management and the Board have established.

The terms of reference of the Audit Committee include:

- To review financial statements and pre publication announcements before submission to the Board.
- To ensure Compliance of Internal Control Systems and action taken on internal audit reports.
- To apprise the Board on the impact of accounting policies, accounting standard and legislation.
- To hold periodical discussions with statutory auditors on the scope and content of the audit.
- To review the company's financial and risk management policies.

During the financial year 2010-11 four Audit Committee Meetings were held on 29.05.2010, 07.08.2010, 22.10.2010 and 29.01.2011.

**4. REMUNERATION OF DIRECTORS:**

The remuneration of Executive Directors is decided by the Board of Directors as per the remuneration policy of the company within the ceiling fixed by the shareholders. The company has no pecuniary relationship or transaction with its non-executive Directors other than payment of sitting fees to them for attending Board and Committee Meetings. Given below are the details of actual payments made to the Directors for the period 1.04.2010 to 31.03.2011.





Name of Directors	Business relationship with the Company	Remuneration paid / payable from 1.4.2010 to 31.3.2011		
		Sitting Fees	Salary & Perks	Total
Dr. RIKHAB C. JAIN	CHAIRMAN	—	3870511	3870511
SHRI V.R. MEHTA	NONE	45000	—	45000
SHRI NAVRATAN DUGAR	NONE	45000	—	45000
SHRI SANJAY KR. JAIN	MANAGING DIRECTOR	—	5160000	5160000
SMT. JYOTI JAIN	Jt. MANAGING DIRECTOR	—	3096000	3096000
DR. (PROF.) V.K. KOTHARI	NONE	35000	—	35000

#### 5. SHAREHOLDER'S / INVESTOR'S GRIEVANCE COMMITTEE:

The Shareholder's/Investor's Grievance Committee consists of three Directors. Dr (Prof.) V. K. Kothari, Director heads this Committee and Shri V.R. Mehta and Shri R.C. Jain are other members. The Committee meets at frequent intervals to consider, inter alia, share transfer, shareholder's complaints etc. Shri Sunil Mahnot, Company Secretary is the compliance officer.

#### 6. GENERAL BODY MEETINGS :

Location and time where last three Annual General Meetings were held are given below:

FINANCIAL YEAR	DATE	TIME	VENUE
2007-2008	24.09.2008	11 A.M.	Siri Fort Auditorium, New Delhi.
2008-2009	30.09.2009	11 A.M.	Siri Fort Auditorium, New Delhi.
2009-2010	01.09.2010	11 A.M.	Siri Fort Auditorium, New Delhi.

During the year Company has taken approval from Shareholders through Postal Ballot for disposal of its Ginning Factory and Oil Mill located at Gondal and Rajula (Gujarat). Resolution was approved by Shareholders with 99.95% votes in favour of the resolution.

No special resolutions on matter requiring postal ballot are placed for shareholder's approval at this meeting.

#### 7. DISCLOSURES:

There are no materially significant related party transactions which may have potential conflict with the interest of the company at large. However, attention is drawn to point No. 14 of schedule 15B to the accounts.

#### 8. MEANS OF COMMUNICATION:

The quarterly, half yearly and full year results are published in national news papers and the company is also providing regular information to the Stock Exchanges as per the requirements of the Listing Agreements. SEBI/Stock Exchanges has never imposed any penalty on the Company for violation of any law/agreement.

#### 9. LEGAL COMPLIANCE & REPORTING:

As required under Clause 49 of the Listing Agreement, the Board periodically reviews compliances of various laws applicable to the Company.

#### 10. GENERAL SHAREHOLDER INFORMATION

##### A ANNUAL GENERAL MEETING

Date and Time : 28th September, 2011 at 11 A.M.  
Venue : Talkatora Indoor Stadium, New Delhi.

##### B FINANCIAL CALENDAR

The Company follows April-March as its financial year. The results for every quarter beginning from April are declared within 45 days of the close of quarter except for the last quarter for which the results are declared before 31st May as permitted under the listing agreement.

##### C DATE OF BOOK CLOSURE

23rd September 2011 to 28th September, 2011 (both days inclusive)

##### D LISTING ON STOCK EXCHANGES

The Company's shares are listed on The National Stock Exchange of India Ltd (NSE) and Bombay Stock Exchange Ltd (BSE). Stock code at the NSE is TTL and BSE is 514142.

Demat ISIN Number in NSDL & CDSL is – INE 592B01016



## E MARKET PRICE DATA

The monthly high and low quotations of shares traded on the Stock Exchange, Mumbai is as follows:

Month		BSE		Sensex	
		High (Rs)	Low (Rs)	High	Low
April	2010	17.90	13.45	18047.86	17276.80
May	2010	19.80	15.55	17536.86	15960.15
June	2010	24.60	16.70	17919.62	16318.39
July	2010	33.00	23.60	18237.56	17395.58
August	2010	43.50	31.85	18475.27	17819.99
September	2010	41.65	35.00	20267.98	18027.12
October	2010	45.20	36.20	20854.55	19768.96
November	2010	46.50	35.65	21108.64	18954.82
December	2010	39.40	26.60	20552.03	19074.57
January	2011	40.05	33.00	20664.80	18038.48
February	2011	36.60	29.00	18690.97	17295.62
March	2011	33.45	28.00	19575.16	17792.17

## F REGISTRAR AND SHARE TRANSFER AGENTS

M/S BEETAL FINANCIAL & COMPUTER SERVICES PVT LIMITED  
 99, MADANGIR, BEHIND LOCAL SHOPPING CENTRE, NEW DELHI 110062.  
 Telephone no(s) 011-29961281, Fax : 011-29961284  
 E-mail [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)

Applications for transfer of shares held in physical form are received at the Regd. Office of the Company as well at the office of the Registrar and Share Transfer Agents of the Company. All valid transfers are processed and effected within 15 days from the date of receipt.

Shares held in the dematerialised form are electronically traded by Depository Participants and the Registrar and Share Transfer Agents of the Company periodically receive from the Depository Participants the beneficially holdings so as to enable them to update their records and to send all corporate communications.

## G. Distribution of Share holding (as on 31st March, 2011)

Numbers of Equity Shares Held	Shareholders		Share amount	
	Numbers	% age to Total	Rs.	% age
1 to 500	22563	89.53	36983060	17.2030
501 to 1000	1480	5.87	11969220	5.5676
1001 to 2000	613	2.43	9404620	4.3746
2001 to 3000	195	0.77	4998080	2.3249
3001 to 4000	76	0.30	2730420	1.2701
4001 to 5000	72	0.29	3464750	1.6117
5001 to 10000	125	0.50	9292590	4.3225
10001 & above	77	0.31	136137760	63.3256
<b>TOTAL</b>	<b>25201</b>	<b>100</b>	<b>214980500</b>	<b>100</b>

## H DEMATERIALISATION OF SHARES AND LIQUIDITY

About 86.57% of the shares have been dematerialized as on 31<sup>st</sup> March 2011 representing 18610409 shares and balance shares are held in physical form.

## I SECRETARIAL AUDIT

A qualified practicing Company Secretary carried out a Secretarial Audit on quarterly basis to reconcile the total Share Capital with National Securities Depository Limited (NSDL), Central Depository Services Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with total number of shares in physical forms and total number of dematerialized shares held with NSDL & CDSL.

## J PLANT LOCATIONS:

Company's Plants are located at Gajroula (U.P.), Avinashi Distt. Tirupur (T.N.), and Rajula (Gujarat)



**K ADDRESS FOR CORRESPONDENCE:**

For any assistance regarding dematerialisation of shares, shares transfer, transmissions, change of address or any other query relating to shares, please write to:

T T LIMITED 879, Master Prithvi Nath Marg, Karol Bagh, New Delhi 110005. Ph.: 45060708/Fax: 45060741/E mail: [investors@tttextiles.com](mailto:investors@tttextiles.com)

OR

M/S Beetal Financial & Computer Services Pvt Limited, 99, Madangir, Behind Local Shopping Centre, New Delhi 110062., Telephone No(S) 011-29961281, Fax : 011-29961284, E-Mail : [Beetal@Beetalfinancial.Com](mailto:Beetal@Beetalfinancial.Com)

**AUDITOR'S CERTIFICATE**

To  
The Members of  
T T Limited

We have examined the compliance of conditions of Corporate Governance by T T Limited, for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above- mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Company have maintained the records of investor grievances and certify that as at 31<sup>st</sup> March, 2011 there were no investor grievances remaining unattended/pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi  
Date: 11.07.2011

For DOOGAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 000561N

(MUKESH GOYAL)  
Managing Partner  
M. No. : 081810



Chairman Dr. Rikhab C. Jain distributing hand padded tricycle to handicapped peoples at Delhi Centre of Bhagwan Mahavir Viklang Sahayata Samiti (BMVSS). Also in picture, our Director Shri V. R. Mehta , Executive President of BMVSS



## Management Discussions and Analysis

### OVERVIEW OF INDIAN TEXTILE INDUSTRY

The textile and clothing sector is the backbone of the Indian Economy. It contributes about 14 percent to industrial production, 4 percent to GDP and about 16 percent to exports. It is the 2nd largest employment provider after agriculture. Exports constitute 1/3rd of the industry while the balance 2/3rd is the domestic industry.

India holds a place of pre-eminence in cotton textiles and it is:-

- 2nd largest producer of Raw Cotton Fibre.
- 2nd Largest Producer of Cotton Yarn
- 2nd Largest producer of Silk
- Largest producer of Jute.
- 2nd Largest exporter of Raw Cotton Fibre
- Largest exporter of Cotton Yarn
- 4th Largest producer of synthetic fibre / yarn

However, the core strength of Indian raw cotton fibre until recently was vanishing due to uncontrolled export of cotton fibre leading to unprecedented shortage in the country. Now Government of India has restricted Cotton Fibre exports to a safe level from the point of smooth year long continuous supplies to domestic textile industry. This has led to fibre security in the country and acts as a big incentive for the value added industry to grow to take advantage of the availability of local cotton.

Indian domestic consumption of textiles is growing at a fast phase of 15-20% annually. Hence the importance of this segment is growing and there is great potential for Companies with a good domestic distribution network and brand equity. Hence in future companies need to have more balanced presence in both exports and domestic market to reduce uncertainties and have balanced growth.

### GOVERNMENT POLICY

Over years the Textile Upgradation Fund (TUF) scheme of the Government where it provides interest subsidy of upto 5% and capital subsidy of upto 10% has led to big investments in the industry. In particular the spinning industry has become world class and is the largest exporter in the world. The Government had suspended the scheme from May, 2010 suddenly however the same has been reinstated in April 2011 till the end of March 2012. Its not clear in what form and how the scheme would be re-introduced after the end of the current scheme and hence industry is trying to plan investments within this period.

The Government had suddenly in April 2010 removed all export incentives (drawback/DEPB) on cotton yarn. This has impacted the offered prices in international market making yarn to that extent more expensive. This incentive was just a refund of taxes which was abruptly removed by Government. The same is expected to be reinstated very soon in 2011.

Interest subvention of 2% was being provided on working capital for exports. The same was removed from April 2010 and its not expected to be restored in near future.

Excise duty was imposed on branded garments in the Union Budget 2011. This gave a severe setback to the domestic industry which was already reeling under very high yarn prices and other input cost rise. This has burdened the consumer more and has had a short term impact on consumption.

Government is very keen to increase textile exports. Its target of USD 50 billion by 2012 has fallen short significantly due to recession and many bottlenecks which could not be effectively be removed. The Government has planned a major skill upgradation program to improve availability of skilled labour for the industry. National Skill Development Corporation has been formed under whose aegis many projects shall be undertaken.

### COTTON PRICES

Since mid 2009, there was a rebound in consumption of textile products after a prolonged period of recession. This led to an increase in consumption of cotton based textiles and an increase in prices from a low level reached in 2008-9. This coupled with a failure in crop in Pakistan and China in 2010-11 led to an unprecedented increase in prices. Cotlook Index which was hovering around 60-70 cents/lbs, spurred up over a span of one year to levels of upto 225 cents/lbs in early 2011.

In India also prices increased from Rs 23000/candy in October 2009 to Rs 65000/candy in March 2011.

Such a steep increase in prices was unprecedented and it shook the whole textile economy. Consumption shifted to other fibres like polyester, however they also went up steeply leading to slow down in demand across the world in textiles. Further farmers are expected to sow a much larger crop across the world. This expectation and slowdown in demand is expected to lead to correction in cotton prices to a more reasonable level.

### FUTURE OUTLOOK

India's place as a supplier of cotton textiles has got further cemented this year. Its surplus cotton crop and the Govt policy to allow only surplus cotton exports has provided a fiber security to the country's value added industry. This coupled with TUF scheme is going to lead to major capacity expansions both for exports and the domestic market.

India's textile production is expected to increase from USD 70 billion to USD 220 billion by 2020. This will need major investments to the tune of USD 68 billion till 2020 and means huge opportunities for the industry.

Its relative advantage in cotton based textiles in terms of cost will lead to expansion of global markets, a trend noticed this year already. The same is expected to continue in the medium to long term. China as a country is getting expensive, hence business is expected to shift to India. However India would have to face threat from low cost countries like Bangladesh, Pakistan, Vietnam, Cambodia etc. As per report of leading textile consultant, Technopak - India has the potential to increase its share in world trade from 4.5% to 8% and reach USD 80 billion in 2020 from the current USD 23.5 billion.



India's biggest advantage will come from its home market. The fast rate of growth in GDP, and in specific in Tier 2/3 towns disposable income is going to see a mass increase in per capita consumption of fibre plus more value added quality products will be in demand. In India still more than 50% of the garments comes from the unorganised sector - however this share is shrinking over the years as brand preference is growing in India. This coupled with actual growth of 10% -15% in market, will provide branded organised players a growth opportunity of 25%. As per Technopak, domestic industry is expected to grow from Rs. 2.18 lac crores to Rs.6.56 lac crores in 2020.

In view of the above projection, the medium to long term potential seems very good and robust. Your company is based on the above focussing on domestic sales of knitwear under its brand TT and strengthen its base in cotton yarn where India is a leader in the global market. The Company has planned a Rs 150 crores expansion plan to avail of the prevailing TUF scheme and preparing itself for the increasing demand from within India and globally.

#### NATIONAL FIBRE POLICY

The Ministry of Textiles formulated a draft National Fibre Policy incorporating inputs from all the major stakeholders. The Policy has been designed with a decadal perspective (2010-20) and seeks to place India firmly on the world fibre map by strengthening the existing policy framework and providing institutional and technological support for rapid fibre growth in the country in the coming decade.

The National Fibre Policy has the following aims and objectives:

- Augmenting investment and providing support on both fiscal and non-fiscal front to increase fibre availability in the country and facilitate high growth and competitiveness of the textile sector;
- Focusing on improving quality of the fibre produced in India;
- Devising means to augmenting remuneration of all the stakeholders within the fibre eco-system;
- Correcting fiscal anomalies and policy limitations that are currently present in the fibre eco-system in order to ensure balanced growth of the textile industry;
- Providing assistance for building capacity in both industry segment and human capital required for processing the expected surge in the fibre production;
- Supporting modernisation and technological up-gradation of various segments of the industry, to increase its competitiveness;
- Addressing the problem of infrastructure bottlenecks.

#### RISK MANAGEMENT

Your company has set up a risk management committee of senior executives to lay down procedure to mitigate various business risks.

#### INTERNAL CONTROL SYSTEM

The Company maintains a system of internal control including suitable monitoring procedures. Comprehensive internal Audit is also carried out by independent internal auditors to ensure compliance and identify weaknesses in the system. Findings of the Internal Auditors are regularly reviewed by the Audit Committee. Further the Company has now in place an ERP system of Microsoft, Navision.

#### HUMAN RESOURCES DEVELOPMENT

"An organization is only as good as the people within" is an axiom, which the company understands and appreciates deeply. The Company continues to emphasize on its commitment to acquiring, developing and enhancing its human potential. Recruitment and retention of intellectual capital is a key management exercise. The Company's human capital constitutes a diverse pool of knowledge a judicious mix of youth, imaginations, risk – taking ability and seasoned experience.

#### CORPORATE SOCIAL RESPONSIBILITY

TT LIMITED is well aware about its community and social responsibilities.

In addition to various Employees benefit and schemes like Merit Scholarship for employees children, Education grants etc., your Company is operating various social welfare schemes such as dispensaries, maternity hospital, preventive health care by organizing medical camps from time to time.

In the field of sports your company is sponsoring Table Tennis, Veteran Cricket, Lal Bahadur Shastri Hockey Tournament and Basket Ball tournament. Your company is regular donor to Sri Venkateswara Nithya Annadanam Trust, Tirupathi. Further regular donation from your company as well as from T.T. Charitable Trust keeps flowing to various NGO's.

One of your Company's Director Shri V. R. Mehta is actively involved in Bhagwan Mahaveer Viklang Sahayata Samiti and is fully devoted to help disabled persons in team with his brother Padmashri D. R. Mehta. During the year Shri V.R. Mehta had been honoured by the Philippines Parliament for his humanitarian activities by free provision of Jaipur foot over 25 years in the Philippines.

Your Company is also spearheading Eco friendly initiatives and campaigning for green clean fuel. Wind Mills are being continuously added to reduce carbon emission based power by clean and green power. Your mill in Tirupur is 100% on clean and green power generated by Company's Wind Mills.



## AUDITORS' REPORT

To The members of T.T. Ltd.

We have audited the attached Balance Sheet of T.T. Ltd. as at 31<sup>st</sup> March, 2011 and also the Profit & Loss account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on 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 reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 (as modified by 2004 Amendment order) issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the Annexure referred to 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 purposes for our audit.
- b) In our opinion, proper books of accounts as required by law, have been kept by the company so far as appears from our examination of these books.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement, 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 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) *The Company has continued to consider Plant & Machinery at Spinning Units as continuous process plant with in the meaning of footnote No. 7 to the schedule xiv, as amended, of the Companies Act, 1956 and has accordingly provided depreciation. This being a technical matter, we have not formed an independent opinion on such classification and are therefore unable to comment thereon (Refer Note no. B-7 to Schedule 15- Notes on Accounts);*
- g) *Subject to para (f) above and it's consequent impact on the profit for the year, in our opinion and to the best of our information and explanation given to us, the said accounts, read with the Accounting Policies and notes thereon, give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:*
  - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011.
  - ii) In the case of Profit & 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.

Place: New Delhi  
Date: 25.05.2011

For DOOGAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 000561N

(MUKESH GOYAL)  
Managing Partner  
M. No. : 081810





## ANNEXURE TO AUDITORS' REPORT

(Annexure referred to in our report of even date)

- i.
  - (a) The Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Management has physically verified fixed assets during the year no discrepancies have been noticed on such verification as compared to book records.
  - (c) Fixed assets disposed off during the year were not significant and therefore do not affect the going concern assumption.
- ii.
  - (a) The inventory, except material lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
  - (b) The procedures for the physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies, if any, noticed on physical verification of inventory as compared to books records were not material and have been properly dealt with the books of accounts.
- iii.
  - (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly para 4 clause iii (b) to (d) of the Companies (Auditor's Report) (Amendment) Order, 2004. are not applicable.
  - (b) As explain by the Company has taken unsecured loan from two parties covered in the register to be maintained under section 301 of the Companies Act, 1956, The maximum amount involved during the year in this respect was Rs.1006.32 Lakhs and the year-end balance of loan from such entities was Rs.484.16 Lakhs.
  - (c) In our opinion, the rate of interest and other terms and conditions of unsecured loan taken by the company, are prima-facie not prejudicial to the interest of the company.
  - (d) Payments of principal amount are also regular where required.
- iv. In our opinion, and according to the information and explanations given to us during the course of audit, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. We did not observe any major weakness in internal control during the course of our audit.
- v.
  - (a) Based upon the audit procedures applied by us and according to the informations and explanations given to us, we are of the opinion that the transactions required to be entered into the register maintained under section 301 of the Companies Act, 1956 have been entered therein.
  - (b) In our opinion, and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements in the register maintained under section 301 of the Act and aggregating during the year to Rupees Five Lakhs or more in respect of each party have been made at prices which are reasonable having regard to market prices for such transactions, prevailing at the relevant time, where such market prices are available.
- vi. The Company has accepted deposits from public. In respect of outstanding deposits, in our opinion Company has complied with the provisions of section 58A and 58AA or any other relevant provisions of the Act, and the Companies (Acceptance of Deposits) Rules, 1975.
- vii. In our opinion, the Company has an internal audit system, commensurate with the size and nature of its business.
- viii. We have broadly reviewed the Cost Accounting records, including the books of account maintained by the company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 209(1) (d) the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We are however, not required to make a detailed examination of such books and records.



- ix. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues which have been generally regularly deposited during the year with the appropriate Authorities. According to the information and explanations given to us and as per the books of accounts and records examined by us, there are no arrears of undisputed statutory dues outstanding as on date of balance sheet for a period exceeding six months from the date they became payable.
- (b) According to the information and explanations given to us and as per the books and records examined by us there are no dues of Income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess that have not been deposited on account of any dispute except the following dues of Income tax along with the forum where dispute is pending:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount Rates	Forum where Dispute is Pending
Income Tax , 1961	Income Tax	11,85,758	Assessment Year 03-04	CIT Appeal

- x. The company is not having accumulated losses as at 31<sup>st</sup> March 2011. The company has not incurred cash loss during the current year and the immediately preceding financial year.
- xi. According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted in repayment of dues to any financial institution or bank.
- xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The Company does not fall within the category of chit fund/ Nidhi/ Mutual Benefit/ Society and hence the related reporting requirements are not applicable.
- xiv. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments and hence the related reporting requirements are not applicable.
- xv. The Company has provided 'default guarantee' to the financial institutions and banks in respect of loans sanctioned by them. The terms and conditions are not, prima facie, prejudicial to the interest of the Company.
- xvi. In our opinion, and according to the information and explanations given to us, the term loans raised during the year by the company have been applied for the purpose for which the said loans were obtained, where such end use has been stipulated by the lender.
- xvii. According to the information and explanations given to us and as per the books and records examined by us, as on the date of balance sheet, the funds raised by the company on short term basis have not been applied for long term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and Companies to be covered in the registered maintained under section 301 of the Companies Act, 1956.
- xix. The Company did not have any outstanding debenture during the year.
- xx. The company has not raised any money by public issue during the year.
- xxi. Based on our examination of the books and records of the Company and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Place: New Delhi  
Date: 25.05.2011

For DOOGAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn No: 000561N

(MUKESH GOYAL)  
Managing Partner  
M. No. : 081810



## BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULE		Current Year Rs.		Previous Year Rs.
<b>I. SOURCES OF FUNDS</b>					
Shareholders' Funds					
Share Capital	1	214,980,500		214,980,500	
Reserve & Surplus	2	<u>613,872,357</u>	828,852,857	518,314,537	733,295,037
<b>LOAN FUNDS</b>					
Secured Loans	3	2,198,751,861		2,234,242,920	
Unsecured Loans	4	<u>147,139,382</u>	2,345,891,243	169,876,374	2,404,119,294
Deferred Tax Liability			37,348,748		—
Total			<u>3,212,092,848</u>		<u>3,137,414,331</u>
<b>II APPLICATION OF FUNDS</b>					
<b>FIXED ASSETS</b>					
Gross Block	5	2,604,985,809		2,565,230,057	
Less: Depreciation		<u>617,689,628</u>		<u>(501,335,353)</u>	
Net Block		1,987,296,181		2,063,894,704	
Capital work in progress		<u>19,595,645</u>	2,006,891,826	<u>29,056</u>	2,063,923,760
Investments	6		47,400		45,400
Deferred Tax Assets			—		44,408,718
Current Assets, Loans & Advances	7				
i) Inventories		678,195,420		491,007,343	
ii) Sundry Debtors		339,993,210		287,210,370	
iii) Cash & Bank Balances		37,463,470		16,584,761	
iv) Loans & Advances		343,598,394		405,465,761	
Total (a)		<u>1,399,250,494</u>		<u>1,200,268,235</u>	
Less: Current liabilities & Provisions	8				
i) Liabilities		122,963,695		185,667,709	
ii) Provisions		<u>71,133,177</u>		<u>11,022,725</u>	
Total (b)		<u>194,096,872</u>		<u>196,690,434</u>	
Net Current Assets (a-b)			1,205,153,622		1,003,577,801
Profit & Loss Account					25,458,652
Total			<u>3,212,092,848</u>		<u>3,137,414,331</u>

NOTES ON ACCOUNTS 15

For and on behalf of the Board

for Doogar & Associates  
Chartered Accountants  
Firm Regn. No. 000561N(Dr. Rikhab C. Jain)  
Chairman(Sanjay kr. Jain)  
Managing Director(Mukesh Goyal)  
Managing Partner  
M. No. 081810(Sunil Mahnot)  
Vice President (Finance) &  
Company SecretaryPlace: New Delhi  
Date: 25.05.2011



## PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	SCHEDULE	Current Year Rs.	Previous Year Rs.
<b>INCOME</b>			
Gross Turnover		4,894,316,490	3,562,310,044
Less : Interdivisional Sales`		27,335,248	26,276,704
Less : Excise Duty		716,157	—
Net Turnover	9	4,866,265,085	3,536,033,340
Other Income	10	38,779,607	6,606,778
Increase (Decrease) in Stock	11	120,652,144	127,580,408
<b>TOTAL</b>		<b>5,025,696,836</b>	<b>3,670,220,526</b>
<b>EXPENDITURE</b>			
Material	12	3,628,926,504	2,689,847,224
Manufacturing, Personnel, Administrative & Selling Expenses etc.	13	810,153,784	633,601,728
Financial Expenses	14	234,099,765	190,897,462
Depreciation on Fixed Assets		124,674,238	107,751,710
Less : Transferred from Revaluation Reserve		11,859,911	12,193,458
		<b>4,785,994,380</b>	<b>3,609,904,666</b>
<b>PROFIT/LOSS</b>			
Profit/(Loss) Before Tax		239,702,456	60,315,860
Provision for Tax			
- Income Tax for the Year (MAT)		42,568,484	1,337,457
- MAT Credit Entitlement		(42,568,484)	(1,337,457)
- Deferred Tax Assets/(Liability)		(81,757,466)	44,408,718
Profit /Loss After Taxation		157,944,990	104,724,578
Add: Balance B/F from Previous Year		(25,458,652)	(130,183,230)
		<b>132,486,338</b>	<b>(25,458,652)</b>
<b>APPROPRIATION</b>			
Dividend		21,498,050	—
Dividend Distribution Tax		3,570,557	—
Trf to General Reserve		70,000,000	—
Balance Carried to Balance Sheet		37,417,731	(25,458,652)
		<b>132,486,338</b>	<b>(25,458,652)</b>
<b>Earning per Share (equity shares, par value Rs. 10 each)</b>			
Basic		7.35	4.87
Diluted		7.35	4.87

Notes on Accounts :

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for Doogar & Associates  
Chartered Accountants  
Firm Regn. No. 000561N

for and on behalf of the Board

(Mukesh Goyal)  
Managing Partner  
M. No. 081810

(Dr. Rikhab C. Jain)  
Chairman

(Sanjay kr. Jain)  
Managing Director

Place: New Delhi  
Date: 25.05.2011

(Sunil Mahnot)  
Vice President (Finance)  
& Company Secretary





## SCHEDULE- 1

SHARE CAPITAL  
EQUITY SHARE CAPITAL  
AUTHORISED

3,00,00,000 Equity Shares of Rs. 10/- each

ISSUED, SUBSCRIBED & PAID UP  
21498050 Equity Shares of Rs. 10/- each

	Current Year Rs.	Previous Year Rs.
	<u>300,000,000</u>	<u>300,000,000</u>
	<u>214,980,500</u>	<u>214,980,500</u>
	<u>214,980,500</u>	<u>214,980,500</u>

Note : 1) Of the above equity shares 1,24,000 have been issued as fully paid up bonus shares by capitalisation of reserves.

## SCHEDULE - 2

## RESERVES &amp; SURPLUS

(A) Capital Reserve

(B) Shares Premium Account

(C) Revaluation Reserve :

Opening Balance

Add : During the year

Less : Transferred to Profit &amp; Loss Account

(D) General Reserve :

Opening Balance

Add: Transfer from Profit &amp; Loss Account

(E) Profit &amp; Loss Account

Opening balance

Add. Transfer from Profit &amp; Loss Account

Less: Transfer to General Reserve Account

	Current Year Rs.	Previous Year Rs.
(A) Capital Reserve	17,494,200	17,494,200
(B) Shares Premium Account	160,244,950	160,244,950
(C) Revaluation Reserve :		
Opening Balance	340,575,387	352,768,845
Add : During the year	—	—
Less : Transferred to Profit & Loss Account	<u>11,859,911</u>	<u>12,193,458</u>
	328,715,476	340,575,387
(D) General Reserve :		
Opening Balance	—	—
Add: Transfer from Profit & Loss Account	<u>70,000,000</u>	—
	70,000,000	—
(E) Profit & Loss Account		
Opening balance	—	—
Add. Transfer from Profit & Loss Account	107,417,731	—
Less: Transfer to General Reserve Account	<u>70,000,000</u>	—
	37,417,731	—
	<u>613,872,357</u>	<u>518,314,537</u>





**SCHEDULE - 3**  
SECURED LOAN

	Current Year Rs.	Previous Year Rs.
A. TERM LOAN :		
Rupee Loan from		
: OBC	831,022,259	1,012,431,988
: IDBI	—	3,169,508
: PNB	62,437,174	64,221,366
: SBM	<u>263,035,700</u>	<u>338,492,635</u>
	1,156,495,133	1,418,315,497
B. WORKING CAPITAL LOAN :		
From Banks	1,042,256,728	815,896,923
C. OTHER LOANS :		
From Banks	—	—
From others	—	30,500
	<u>2,198,751,861</u>	<u>2,234,242,920</u>

Note : Term Loan

- Rupees Term Loan from Oriental Bank of Commerce (OBC), Punjab National Bank (PNB), State Bank of Mysore (SBM) are secured by pari-passu charge on Company's immovable & moveable assets located at Gajroula, Avinashi, Gondal and Rajula units of the company.
- Working capital loans :  
The working capital loans from consortium of banks i.e., OBC, & PNB are secured by hypothecation of raw material, work in process, packing material, finished goods and book debt and second charge over Fixed Assets at Gajroula, Avinashi, Gondal and Rajula.

All aforesaid Loans at Serial No. 1 and 2 are further secured by personal guarantee of Dr. Rikhab C. Jain, Chairman of the company.

- The term loans repayable with in next 12 months are Rs. 3058.66 Lacs (Previous year RS. 914.13 Lacs)

**SCHEDULE - 4**

	Current Year Rs.	Previous Year Rs.
UNSECURED LOANS		
Fixed Deposits	50,922,776	3,493,162
Others Loans		
-From Director	48,416,606	100,632,207
-From Others	<u>47,800,000</u>	<u>65,751,005</u>
	<u>147,139,382</u>	<u>169,876,374</u>





SCHEDULE : 5 : FIXED ASSETS										(AMOUNT RS.)			
PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTIZATION					NET BLOCK		
	COST AS ON 01.04.2010	ADDITION DURING THE YEAR	REVALUATION/ADJD.	SALE/ADJD. DURING THE YEAR	COST AS AT 31.03.2011	DEPRECIATION UP TO 31-3-10	DEPRECIATION FOR THE YEAR	AMORTIZATION	DEPRECIATION WRITTEN BACK	DEPRECIATION UPTO 31.03.2011	W.D.V. AS ON 31.03.2011	W.D.V. AS ON 31.03.2010	
TANGIBLE ASSETS													
FREEHOLD LAND	192,987,102	3,246,545	0	0	196,233,647	0	0	0	0	0	196,233,647	192,987,102	
LEASEHOLD LAND	4,395,000	500,000	0	0	4,895,000	0	0	0	0	0	4,895,000	4,395,000	
BUILDING	728,912,023	20,635,846	0	0	749,547,869	85,067,175	25,906,638	0	0	110,973,813	638,574,056	643,844,848	
PLANT & MACHINERY	1,318,191,868	16,228,411	0	9,439,252	1,324,981,027	313,122,812	80,600,912	0	4,286,252	389,437,472	935,543,555	1,005,069,056	
FURNITURE & FIXTURE	13,612,834	1,196,607	0	10,500	14,798,941	11,775,757	578,901	0	0	12,354,658	2,444,283	1,837,076	
ELECTRIC INSTALLATION	75,574,897	1,287,546	0	91,500	76,770,943	30,975,464	4,057,874	0	0	35,033,338	41,737,605	44,599,433	
OFFICE EQUIPMENT	14,826,472	1,093,578	0	0	15,920,050	9,375,763	616,630	0	0	9,992,393	5,927,657	5,450,709	
VEHICLES	23,705,765	11,091,804	0	6,867,027	27,930,542	18,468,474	3,195,104	0	4,033,711	17,629,867	10,300,675	5,237,291	
WIND MILL	186,884,748	0	0	0	186,884,748	30,363,689	8,409,814	0	0	38,773,503	148,111,245	156,521,059	
SUB TOTAL	2,559,090,709	55,280,337	0	16,408,279	2,597,962,767	499,149,134	123,365,873	0	8,319,963	614,195,044	1,983,767,723	2,059,941,574	
INTANGIBLE ASSETS													
SOFTWARE	6,139,348	883,694	0	0	7,023,042	2,186,218	0	1,308,366	0	3,494,584	3,528,458	3,953,130	
SUB TOTAL	6,139,348	883,694	0	0	7,023,042	2,186,218	0	1,308,366	0	3,494,584	3,528,458	3,953,130	
Capital Work in Progress	0	0	0	0	0						1,987,296,181	2,063,894,704	
GRAND TOTAL	2,565,230,057	56,164,031	0	16,408,279	2,604,985,809	501,335,353	123,365,872	1,308,366	8,319,963	617,689,628	2,006,891,826	2,063,923,760	
PREVIOUS YEAR	2,062,766,048	503,947,656	0	1,483,648	2,565,230,057	394,516,481	106,523,840	1,227,870	932,839	501,335,353	2,063,894,704	1,668,249,567	



PARTICULARS

SCHEDULE - 6

INVESTMENTS

Short Term in nature, Non Trade

Quoted Shares (Valued at cost)

100 Equity Shares of P.G. Foils Ltd (Fully paid up)

Unquoted Shares (Valued at cost)

200 Equity Shares of West Bengal Hosiery Park Infrastructure Ltd.

In Convertible Debentures Quoted, Fully Paid up

10 Gujarat Ambuja Protiens Ltd. (Fully Convertible)

15 Seamless Steels & Alloy Ltd. (Partly Convertible)

In others

1 Bond ICICI Deep Discount Bond of Rs. 1000/-

National Saving Certificate

(Pledged with Govt. Authority)

	Current Year Rs.	Previous Year Rs.
	2,900	2,900
	2,000	—
	2,500	2,500
	3,000	3,000
	1,000	1,000
	36,000	3,6000
	<u>47,400</u>	<u>45,400</u>

PARTICULARS

SCHEDULE - 7

CURRENT ASSETS, LOANS & ADVANCES

CURRENT ASSETS:

Inventories (As per inventories taken, valued and certified by the management)

Finished Goods (at Cost)

Raw Material (at Cost)

Work in Progress

Stores & Spares

SUNDRY DEBTORS

(a) Due for a period exceeding six month

(i) Debt considered good in respect of which the company is fully secured

(ii) Debts considered good for which the company hold no security other than the debtor's personal security and

(iii) Debts considered doubtful or bad

(b) Other Debts

(i) Debts considered good in respect of which the company is fully secured

(ii) Debts considered good for which the company hold no security other than the debtor's personal security and

(iii) Debts considered doubtful or bad

Less : Provision for doubtful debts

	Current Year Rs.	Previous Year Rs.
	327,221,287	219,887,345
	291,299,962	231,506,446
	43,107,677	29,789,475
	16,566,494	9,824,077
	678,195,420	491,007,343
	—	—
	29,631,775	20,276,516
	2,431,168	2,431,168
	—	—
	310,361,435	266,933,854
	—	—
	2,431,168	2,431,168
	339,993,210	287,210,370





PARTICULARS	Current Year Rs.	Previous Year Rs.
<b>CASH &amp; BANK BALANCES :</b>		
-Cash in hand	1,351,864	787,919
-Balance with Scheduled Banks in:		
-Current Accounts	27,998,718	8,270,197
-Export Earners Foreign Currency Account	865,079	184,421
-Fixed Deposit/Margin Money Account	7,247,809	7,342,224
	<u>37,463,470</u>	<u>16,584,761</u>
<b>LOANS &amp; ADVANCES</b> (Unsecured Considered Good Unless otherwise stated) Recoverable in Cash or in kind or for value to be received		
Advanced (inclusive of Capital advances of Rs. 16495000 (Previous Year Rs. 17,666,350)	220,270,673	346,684,308
Key Men Insurance Policy	1,525,313	1,525,313
MAT Credit Entitlement	58,813,983	16,245,499
Advance Income Tax	36,421,763	10,866,440
Security Deposits	26,566,662	30,144,201
	<u>343,598,394</u>	<u>405,465,761</u>
	<u>1,399,250,494</u>	<u>1,200,268,235</u>
<b>SCHEDULE - 8 : CURRENT LIABILITIES</b>		
Sundry Creditors:		
For Goods		
Total outstanding due of Micro & Small Enterprises (Refer Note No. 9 to Notes to Accounts)	—	—
Total outstanding due of creditors other than Micro & Small Enterprises (Net of Advances)	3,507,332	38,776,980
For Expenses	30,688,080	69,654,568
Advanced from Customers	38,644,434	5,753,319
For other	6,004,639	3,833,263
L/C with Bank	8,780,225	38,927,047
Book Overdraft	35,338,985	28,722,532
	<u>122,963,695</u>	<u>185,667,709</u>
Provisions		
For Taxation	42,568,484	3,826,164
Proposed Dividend	21,498,050	—
Dividend Distribution Tax	3,570,557	—
Excise Duty Payable	719,910	—
For Gratuity	2,776,176	11,022,725
	<u>71,133,177</u>	<u>11,022,725</u>
	<u>194,096,872</u>	<u>196,690,434</u>
<b>SCHEDULE - 9 : TURNOVER</b>		
Export Sales	2,804,045,830	2,299,091,697
Interdivisional Sale (Electricity wind power)	27,335,248	26,276,704
Domestic Sales	2,015,812,052	1,019,846,930
Export Incentives	30,580,966	194,648,547
	<u>4,877,774,096</u>	<u>3,539,863,878</u>
Less: Deffered Trade Discount	10,792,854	3,830,538
Less: Excise Duty	716,157	—
<b>NET TURNOVER</b>	<u>4,866,265,085</u>	<u>3,536,033,340</u>



**SCHEDULE - 10 :**

**OTHER INCOME**

	Current Year Rs.	Previous Year Rs.
Rent Received	162,910	249,049
Bale Pressing/ Knitting Charges	49,970	38,984
Interest Received	455,631	792,344
Profit on Sale of Investments	—	61,278
Discount Received	7,624,676	273,540
Claim Received	13,376,466	4,238,991
Profit on sales of Assets	1,053,363	682,901
Foreign Exchange Gain (Net)	15,871,493	—
Misc. Receipts	185,098	269,691
	<u>38,779,607</u>	<u>6,606,778</u>

**SCHEDULE - 11 :**

**INCREASE/DECREASE IN STOCKS**

Opening Stock			
-Finished Goods	210,100,882		110,217,699
-Stock in Process	29,789,475		8,173,648
-Waste Material	9,786,463	249,676,820	3,705,065
Less : Closing Stock			
-Finished Goods	296,334,387		210,100,882
-Stock in Process	43,107,677		29,789,475
-Waste Material	30,886,900	370,328,964	9,786,463
Increase / (Decrease) in Stock		<u>120,652,144</u>	<u>249,676,820</u>

**SCHEDULE - 12 :**

**MATERIAL**

**Consumption of Material:**

Opening Stock	231,506,446	103,147,378
Add : Purchases	3,688,720,020	2,818,206,292
	3,920,226,466	2,921,353,670
Less : Closing Stock	291,299,962	231,506,446
	<u>3,628,926,504</u>	<u>2,689,847,224</u>

**SCHEDULE - 13 :**

**MANUFACTURING, PERSONNEL, ADMINISTRATIVE AND SELLING EXPENSES ETC.**

**A MANUFACTURING EXPENSES**

Testing Charges	549,655	59,069
Processing, Knitting, Bleaching & Dyeing	92,561,899	83,817,318
Consumable Stores	21,386,904	17,856,505
Power, Fuel & Electricity Charges	202,928,380	150,540,533
Wind Mill O & M Expenses (Outsource)	3,669,013	2,984,096
Repairs & Maintenance :		
— Building	1,128,163	434,746
— Plant & Machinery	3,553,768	5,030,492
— Others	3,840,814	982,031
Total A	<u>329,618,596</u>	<u>261,704,790</u>

**B PAYMENT TO AND PROVISIONS FOR EMPLOYEES**

Salaries, Wages & Bonus	100,018,360	75,981,662
Contribution to Provident Funds and Other Funds	10,163,632	8,412,253
Workmen & Staff Welfare Expenses	3,398,619	1,954,561
Total B	<u>113,580,611</u>	<u>86,348,476</u>



## SCHEDULE - 13 :

	Current Year Rs.		Previous Year Rs.
<b>C ADMINISTRATIVE &amp; OTHER EXPENSES</b>			
Rent (Including Lease Rent)	500,124		426,982
Rates & Taxes	525,744		1,189,481
Telephone, Postage	3,304,717		3,027,423
Electricity & Water Charges	1,973,269		1,391,233
Insurance	7,156,049		9,232,832
Printing & Stationary	1,456,877		1,864,154
Conveyance Expenses	1,693,251		326,021
Travelling -Directors	3,022,423	3,188,897	
-Others	2,062,861	2,891,171	6,080,068
Trade Subscription	635,851		369,238
Audit Fees & Expenses	809,700		668,070
Legal & Professional Charges	6,893,633		2,452,380
Export Expenses	998,099		1,003,500
Managerial Remuneration	11,550,511		9,406,431
Director Sitting Fees	125,000		100,000
Office Expenses	2,044,597		1,459,819
Misc Expenses	3,508,803		2,189,228
Donation	8,552,984		436,401
Loss on sale of fixed assets	1,917,641		3,710
Bad Debts W/Off	3,728,222		189,979
Foreign Exchange Loss (Net)	—		23,470,875
Prior Period Expenses	97,499		3,355,731
Excise Duty	719,910		—
<b>TOTAL C</b>	<b>63,277,765</b>		<b>68,643,556</b>
<b>D. Selling expenses</b>			
Packing Material Consumed	59,623,319		50,286,125
Freight on Sales (including freight discount)	79,219,339		84,713,510
Cash Discount	12,300,579		3,961,526
Sale Promotion	5,156,032		4,116,920
Cartage	4,859,382		3,063,550
Advertisement & Publicity	47,562,773		23,789,358
Royalty, Brokerage & Commission on sales	93,409,565		44,746,583
Vehicle Operating Expenses	1,048,473		1,653,181
Export Weighment Charges	—		510,242
Export Weight Shortage & Quality Claims	497,350		63,911
<b>Total D</b>	<b>303,676,812</b>		<b>216,904,906</b>
<b>TOTAL (A+B+C+D)</b>	<b>810,153,784</b>		<b>633,601,728</b>

## SCHEDULE - 14:

## FINANCIAL CHARGES

Interest on Term Loan	93,544,142	94,191,520
Interest on working Capital Loan	106,435,849	68,031,192
Other Interest	18,321,169	20,647,646
Bank & Other Finance Charges	15,798,605	8,027,104
	<u>234,099,765</u>	<u>190,897,462</u>

**SCHEDULE - 15****A. SIGNIFICANT ACCOUNTING POLICIES:****1. ACCOUNTING CONCEPTS**

The accompanying financial statements are prepared in accordance with generally accepted accounting principles in India ("GAAP"), under the historical cost convention, on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standard) Rules, 2006 and the provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year

**2. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

**3. REVENUE RECOGNITION**

a) Sales are recognised upon despatch of goods from factory/depot against the firm orders.

b) Income from conversion charges is recognised as and when the products are ready for despatch in packed condition.

c) Income from investment is accounted when right to receive of such income is established.

d) For other incomes, the company follows the accrual basis of accounting except:

— Interest on late payment from customers.

— Where there is no reasonable certainty regarding the amount and / or its collectivity.

e) Power generated by windmills in Tamilnadu is consumed by spinning mill located at Avinashi and is accounted at TNEB rates after deduction of units for wheeling power as per the Power Purchase Agreement signed with TNEB.

f) Insurance and other claims are recognized in accounts on lodgement to the extent these are measurable with reasonable certainty of acceptance. Excess/Short fall is adjusted in the year of receipt.

**4. FIXED ASSETS, INTANGIBLE ASSETS & BORROWING COST**

a) Fixed Assets are stated at their original cost, adjusted by revaluation of certain land and building less provision for impairment losses, if any, depreciation, amortisation and adjustments on account of foreign exchange fluctuations in respect of changes in rupee liability of foreign currency loans used for acquisition of fixed assets.

b) Borrowing costs eligible for capitalisation, incurred in respect of acquisition / construction of a qualifying asset, till the asset is substantially ready for use, are capitalised as part of the cost of that asset.

c) Pre – operative, trail run and incidental expenses relating to the projects are carried forward to be capitalised and apportioned to various assets on commissioning of the project.

d) Intangible assets are recognized on the basis of reorganization criteria as set out in the AS- 26- "Intangible Assets"

**5. DEPRECIATION & AMORTISATION**

Depreciation for the period has been accounted at the rate specified in schedule XIV of the Companies Act, 1956, on the following basis:

a) On Plant and Machinery acquired on or after 02.04.1987 on straight line method.

b) On other assets of spinning units at Gajroula, Avinashi and Rajula and on windmill in Tamilnadu on straight line method & at other units on written down value method value as on 31.12.1987, under written down method.

c) Assets costing up to Rs 5,000 are fully depreciated in the year of purchase.

d) An Intangible asset is amortised over a period of five years.



#### 6. INVENTORY

Inventories are valued at lower of cost, computed on a weighted average basis, and estimated net realisable value, after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. Finished goods and work-in-progress include costs of conversion and other costs in bringing the inventories to their present location and condition.

#### 7. INVESTMENTS

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management. The current investments are stated at lower of cost or market value.

#### 8. EMPLOYEE BENEFITS

The company's employee benefits primarily cover provident fund and gratuity. Provident fund is defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to profit and loss account in the year in which they accrue.

Contribution to Gratuity Fund is accounted on accrual basis. Liability for gratuity is funded through the LIC and charged against revenue. Liabilities for leave encashment are accounted for on accrual basis and are not carried forward.

#### 9. FOREIGN CURRENCY TRANSACTIONS

a) Foreign currency assets and liabilities are translated at exchange rates prevailing on the last working day of accounting year.

b) Gain or loss on the restatement of foreign currency transactions or on cancellation of forward contract if any, is reflected in the profit & loss account.

c) Exchange differences in respect of liabilities incurred to acquire fixed assets are recognised in profit & loss account.

#### 10. TAX ON INCOME

a) Minimum Alternative Tax: - Provision for Taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of Income Tax Act, 1951. However, where the tax is computed in accordance with the provision of Section 115 JAA of the Income Tax Act, 1961, as Minimum Alternate Tax (MAT), it is charged off to the Profit & Loss Account in the relevant year. Further in accordance with the Guidance Note on Accounting for Credit available in respect of Minimum Alternative Tax (MAT) under the Income Tax, issued by the Council of the Institute of Chartered Accountants of India, MAT credit is recognised as an asset under the head "Loans & Advances" based on the convincing evidence that the company will pay normal Income tax during the specified period.

b) Deferred Tax: - Deferred tax is provided on timing differences between tax and accounting treatments that originate in one period and are expected to be reversed or settled in subsequent periods. Deferred tax assets and liabilities are measured using the enacted / substantively enacted tax rate for continuing operations. Adjustment of deferred tax liability attributable to change in tax rate is shown in the profit and loss account as a part of the deferred tax adjustment for the year.

#### 11. IMPAIRMENT OF ASSETS

Assets are reviewed for impairment whenever events for changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount being the higher of the assets net selling price and its value in use. Value in use is based on the present value of the estimated future cash flows relating to the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separate identifiable cash flows (i.e. cash generating units).

Previously recognised impairment losses, relating to assets other than goodwill, are reversed where the recoverable amount increases because of a favourable change in the estimates used to determine the recoverable amount since the last impairment was recognized. A reversal of the asset's impairment loss is limited to its carrying amount that would have been determined (net of depreciation), had no impairment loss been recognised in prior years.

#### 12. EARNING PER SHARE

Basic earning per share calculated by divided in the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all diluted potential equity shares.

#### 13. INTERIM FINANCIAL REPORTING

Quarterly financial results are published in accordance with the requirement of listing agreement with stock exchanges. The recognition and measurement principle as laid down in the Accounting Standard (AS)-25 "Interim Financial Reporting" have been followed in the preparation of these results.



#### 14. PROVISIONS AND CONTINGENT LIABILITIES

Provision are recognised for present obligations, of uncertain timing or amount, arising as a result of past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where it is not probable that an outflow of resources embodying economic benefit will be required or the amount can not be estimated reliably, the obligation is disclosed as a contingent liability unless the probability of outflow of resources embodying economic benefit is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

#### B. NOTES TO THE ACCOUNTS:

Particulars	Current Year (Rs. in lakhs)	Previous Year (Rs. in lakhs)
1. Contingent Liabilities not provided for in respect of		
a) Guarantees given by Banks	Nil	NIL
b) Export Bills discounted with banks under Irrevocable Letter of Credit	4,094.84	4,476.17
c) Income Tax liability not acknowledged and contested	15.86	15.86

2. Contract remaining to be executed on capital account is Rs. 1,218.49 lakhs (Previous year Rs. 937.45 lakhs) net of advances Rs. 164.95 Lakhs (Previous year Rs. 151.29 Lakhs).

3. The company had contracted to sale Plant & Machinery of its plant location at Avinashi via Memorandum of Understanding (MOU) dated 06.12.2006. However the customer defaulted on the delivery terms and conditions and hence the company had to dispose balance machinery at a discount.

As per terms of MOU the company has filed a claim against the customer for the loss suffered amounting Rs.160.69 lakhs and interest amounting to Rs.45.61 lakhs in the year 2008-09. The management is confident that a sum of Rs. 94.63 lakhs, shown as recoverable (pending settlement), will be realised in due course.

4. a) Income Tax Assessments have been completed up to assessment year 2008-09 except for the Assessment year 2003-04 where the department has raised demand of Rs. 15.86 lakhs and for Assessment Year 2008-09 where the department has disallowed expenditure of Rs 36.52 Lakhs(with NIL Demand), which are being contested. Assessment for the year 2009-10 is in progress, liability if any over and above the existing provisions will be provided only on completion of the assessments .The management foresees that existing provisions are sufficient for the same.

b) Erstwhile T.T. Finance Ltd. (Since amalgamated with the Company) has paid Income tax demand of Rs. 8.05 lakhs, pertaining to the assessment year 1992-1993. The company has contested the same and ITAT has quashed the demand. In appeal effect, the company has found an apparent mistake of not allowing credit of tax paid and hence filed a rectification application under section 154, which is pending.

c) In accordance with the company's policy a sum of Rs.5,88,13,983 (Previous year Rs. 1,62,45,499) including Rs.4,25,68,484 (Previous year Rs.13,37,457) for the year has been shown as MAT credit entitlement under loan & advances.

5. Sales Tax assessments in different states have been completed up to the assessment year 2007-08. Liability if any, arising out of remaining Sales Tax Assessments, which are in progress at various stages, will be provided only on the final assessment. However, management foresees no significant liability on this account.

6. In the opinion of the Management, the value on realisation of current assets, loan and advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provision for all known liabilities has been made.

7. Consistent with its past policy, the company has on the basis of technical opinion continued to treat plant and machinery of spinning units at Gajroula, Avinashi & Rajula as continuous process plant.

8. Trade creditors include outstanding dues of small scale industries Rs.35.89 lakhs (Previous year Rs. 22.78 lakhs) .The above information regarding small scale industrial undertakings has been determined to the extent such parties have been identified by the company, on the basis of information available with them. This has been relied upon by the Auditors.

9. Disclosure in accordance with section 22 of Micro, small and Medium Enterprises Development Act, 2006





Sr. No.	Particulars	As At 31.03.2011	As At 31.03.2010
a.	Principal amount remaining unpaid	Nil	Nil
b.	Interest due thereon	Nil	Nil
c.	Interest paid by the company in terms of Section 16	Nil	Nil
d.	Interest due and payable for the period of delay in payment	Nil	Nil
e.	Interest accrued and remaining unpaid	Nil	Nil
f.	Interest remaining due and payable even in succeeding years.	Nil	Nil

This information as required to be disclosed under the Micro, small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company and has been relied upon by the auditors

10. As on date of Balance Sheet the company has gross exposure in the form of Plain Vanilla Forward Contracts for the purpose of hedging export sales amounting to NIL (Previous Year US \$ 2.02 million).

11. a) Some of the debit and credit balances appearing under the head Fixed Deposits, Current Liabilities, Sundry Debtors and Loans & Advances are subject to confirmation / reconciliation.

b) Previous year figures have been regrouped or rearranged wherever considered necessary.

#### 12. EMPLOYEE BENEFITS

As per Accounting Standard 15 "Employee Benefit" the disclosure of Employee Benefit, as defined in Accounting Standard are given below:-

##### Defined Benefit Plan

The employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined, using Projected Unit Credit Method, which recognized each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensation absences is recognized in same manner as gratuity.

a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Particulars	Gratuity(Funded)	
	2010-11	2009-10
Defined Benefit Obligation at the beginning of the year	1,01,21,416	83,51,100
Current Service Cost	19,16,442	15,87,452
Current Interest Cost	8,09,713	6,26,333
Actuarial (gain)/loss	2,87,409	1,69,821
Less: Benefits Paid	(6,17,187)	(6,13,289)
Defined Benefit Obligation at the end of the year	1,37,94,699	1,01,21,416

b) Reconciliation of opening and closing balances of Fair value of the plan assets

Particulars	Gratuity(Funded)	
	2010-11	2009-10
Fair Value of Plan Assets at beginning of the year	29,24,855	16,13,691
Expected Return on Plan Assets	2,63,237	1,45,232
Actuarial (gain)/loss	(2,48,943)	2,79,221
Contributions	86,96,561	15,00,000
Less: Benefits Paid	(6,17,187)	(6,13,289)
Fair Value of Plan Assets at end of the year	1,10,18,523	29,24,855



c) Reconciliation of Present Value of obligations and Fair Value of Plan Assets

Particulars	Gratuity(Funded)	
	2010-11	2009-10
Fair Value of Plan Assets at end of the year	1,10,18,523	29,24,855
Present value of defined Benefit Obligation at the end of the year	1,37,94,699	1,01,21,416
Liability/(Assets) recognized in the Balance Sheet.	27,76,176	71,96,561

(d) Expense recognized during the year

Particulars	Gratuity(Funded)	
	2010-11	2009-10
Current Service Cost	19,16,442	15,87,452
Past Service Cost	12,76,906	-
Current Interest Cost	8,09,713	6,26,333
Expected Return on Plan Asset	(2,63,237)	(1,45,232)
Actuarial (gain)/loss	5,36,352	(1,09,401)
Net cost recognized in Profit & Loss A/c	42,76,176	19,59,152

(e) Assumptions used to determine the defined benefit obligation

Particulars	Gratuity(Funded)	
	2010-11	2009-10
Mortality table (LIC)	LIC (1994-96)	LIC (1994-96)
Discount Rate (p a)	7.50%	7.50%
Estimated rate of return on plan assets (p a)	9.00%	9.00%
Expected rate of increase in salary (p a)	5.00%	5.00%

The expected of rate in increase in salary considered in actuarial valuation is based on consideration of inflation, seniority, promotion, accretion, and other relevant factors including supply and demand in the employment market. The above information is certified by actuary.

13. SEGMENT INFORMATION

The Company operate under single business segment "Textiles". Company deals in four product i.e. cotton, yarn, fabric and made-ups. There is not other reportable segment.

Company sells cotton in domestic as well as in overseas market. Yarn, covers bought out yarn as well as production of basic cotton yarn over a very wide range of counts, which besides being primarily exported, is also marketed in Domestic Market. Fabric includes both bought out fabric as well as the value added activities relating to knitting, dyeing and processing. Textile Made-ups, made under licence of renowned brand "T.T".

PRODUCT WISE SALES DETAIL:

(Rs. in lakhs)

PRODUCT SALES	TEXTILES				POWER	AGRO COMM.	TOTAL
	COTTON	YARN	FABRIC	KNITWEAR & OTHER MADE-UP	WIND POWER		
EXPORTS	131.03 (370.94)	26,800.44 (20,765.52)	590.00 (NIL)	NIL (NIL)	NIL (NIL)	518.98 (1827.08)	28,040.45 (22,963.54)
DOMESTIC	4,103.01 (2,343.64)	1,747.34 (683.28)	3,132.66 (2,259.26)	8,084.94 (5,602.21)	273.35 (262.76)	827.09 (29.38)	18,168.39 (11,180.53)
TOTAL	4,234.04 (2714.58)	28,547.78 (21448.8)	3,722.66 (2259.26)	8,084.94 (5602.21)	273.35 (262.76)	1,346.07 (1856.46)	46,208.84 (34144.07)

Figures in Bracket\*( ) \* represent previous year



## 14. RELATED PARTY TRANSACTIONS

The information regarding related parties has been determined on the basis of criteria specified in AS-18 "Related Party Disclosures" and to the extent such parties have been identified by the company, on the basis of information available with them. This has been relied upon by the auditors.

Names of related parties and description of relationship:

- |  |  |
|--|--|
| 1. Holding Company                       | Nil  |
| 2. Subsidiaries Company                  | Nil  |
| 3. Fellow Subsidiaries                   | Nil  |
| 4. Associates                            | Nil  |
| 5. Key Management Personnel              | Dr. Rikhab C. Jain<br>Mr. Sanjay Jain<br>Mrs. Jyoti Jain |
| 6. Relatives of Key Management Personnel | Nil  |

## a) Transactions with Related Parties

Key Management Personnel		
Particulars	Current Year (Rs. in lakhs)	Previous Year (Rs. in lakhs)
Remuneration Paid	72.00	58.68
Perquisites	43.51	35.38
Contribution to Provident & other funds	5.76	4.56
Royalty	531.00	168.33
Interest	99.24	92.69
Outstanding As on 31.03.2011		
a) Amount Receivable	NIL	NIL
b) Amount Payable	9.60	7.85
c) Unsecured Loans	484.16	1006.32
d) Corporate Guarantee issued	33,665	38,086

## 15. EARNING PER SHARE (EPS)

	Year Ending 31.03.2011	Year Ending 31.03.2010
a) Weighted average number of shares at the beginning and end of the year	21,498,050	21,498,050
b) Net profit after tax available for equity shareholder (rupees)	157,944,990	104,724,578
c) Basic and diluted earning per share (rupees)	7.35	4.87

## 16. DEFERRED TAXES

Deferred taxes arise because of difference in treatment between financial accounting and tax accounting, as "Timing difference". The tax effect of these timing differences is recorded as "deferred tax assets" (generally items that can be used as a tax deduction or credit in future periods) and "deferred tax liabilities" (generally items for which the Company has received a tax deduction, but have not yet been recorded in the statement of income).

The principal components of the net deferred tax balance are as follows:

	As at 31-03-2011 (Rs. in Lakhs)	As at 31-03-2010 (Rs. in Lakhs)
Deferred tax liabilities		
Depreciation	1,802.67	1,676.82
Deferred tax assets		
Loss to be carry forward	1,413.09	2,120.90
Provision for doubtful debts	7.51	—
Provision for Gratuity	8.58	—
Net deferred tax liability / (assets)	373.49	(444.08)



Recognition of deferred tax assets has been restricted to the extent of deferred tax available. Based on schedule of reversal of timing differences giving rise to deferred tax liabilities, the management believes there is requisite degree of virtual certainty that the deferred tax assets, to the extent recognised, would be realised

#### 17. AUDIT FEES AND OTHER EXPENSES

	Current Year (Rs. in lakhs)	Previous Year (Rs. in lakhs)
a) Audit Fees*	6.62	5.52
b) Certification fee	1.28	0.42
c) Reimbursement of Expenses	0.20	0.75

\* Inclusive of Service Tax

#### 18. DETAILS OF REMUNERATION AND PERQUISITES OF MANAGERIAL PERSONNEL :

	Current Year (Rs. in lakhs)	Previous Year (Rs. in lakhs)
Salary	72.00	58.68
Other perquisites	43.51	35.38
Contribution to Provident & other funds	5.76	4.56
Total	121.27	98.62

The above exclude provision for gratuity, which is determined on overall basis for the company. As no commission is payable to the managing director, the computation of net profit in accordance with section 309(5) read with section 349 of the Company Act, 1956 has not been given.

#### 19. ADDITIONAL INFORMATION PURSUANT TO SCHEDULE VI TO THE COMPANIES ACT, 1956:

(A) Break-up of expenditure on employees who are in receipt of or were entitled to receive remuneration amounting in aggregate to Rs.24 laks or more per annum or Rs.200,000/- per month if employed for part of the year

	Current Year (Rs. in lakhs)	Previous Year (Rs. in lakhs)
Salaries & Perquisites	121.27	98.62
No. of Employees	3	3

(B) INSTALLED CAPACITY	Yarn	Fabric	Ginning	Power
Basis	Spindles*	Kilogram	Metric Tonne	Mega Watt
Capacity	58,224 (55,824)	20 lakhs (20 lakhs)	60,000 (60,000)	3.75 (3.75)
Actual Production: Current Year	92,07,768Kg. (82,71,386 Kg.)	8,44,849 Kg. (7,22,670 Kg.)	2769 M.T. (1,220 M.T.)	73,53,696 Units (80,94,672 Units)

\*As certified by the Management. Since the company installation can technically be considered as multipurpose plants, their capacity is variable in line with process improvements and the product mix adopted from time to time. The figures given in relation to installed capacities are therefore, approximate and refer to an assumed product mix. Figures in Bracket \* ( ) \* represent previous year.

(C) VALUE OF IMPORTS	Current Year (Rs. in lakhs)	Previous Year (Rs. in lakhs)
Capital Goods	NIL	NIL
Store, Spares & Consumables	126.81	55.68
Raw material	NIL	1158.87



## INFORMATION IN RESPECT OF GOODS MANUFACTURED &amp; PURCHASED

<b>(D) COTTON</b>	<b>31.03.2011 Qty. in Kgs.</b>	<b>31.03.2010 Qty. in Kgs.</b>	<b>31.03.2011 Amt. Rs in lacs</b>	<b>31.03.2010 Amt. Rs in lacs</b>
Opening Stock	25,82,583	19,91,424	2,208.10	1,334.25
Purchase	1,29,46,368	1,24,31,053	14,198.99	8,229.25
Production	27,68,978	12,19,666	—	—
	1,82,97,929	1,56,42,143	—	—
Sales	31,14,390	12,43,677	4234.04	1,211.92
Consumed Stock	1,34,89,825	1,18,15,883	—	—
Closing Stock	16,93,714	25,82,583	2,713.56	2,208.10

<b>E) YARN</b>	<b>31.03.2011 Qty. in Kgs.</b>	<b>31.3.2010 Qty. in Kgs.</b>	<b>31.03.2011 Amt. Rs in lacs</b>	<b>31.03.2010 Amt. Rs in lacs</b>
Opening Stock	1,03,077	1,70,870	164.92	181.12
Purchase	73,50,202	93,39,100	13,001.61	12,402.07
Production	92,07,768	82,71,386	—	—
	1,66,61,047	1,77,81,356	—	—
Sales	1,43,01,263	1,59,90,113	28,547.78	21,445.10
Consumed Stock	18,53,876	16,88,166	—	—
Closing Stock	5,05,908	1,03,077	1493.65	164.92

<b>F) FABRIC</b>	<b>31.03.2011 Qty. in Kgs.</b>	<b>31.3.2010 Qty. in Kgs.</b>	<b>31.03.2011 Amt. Rs in lacs</b>	<b>31.03.2010 Amt. Rs in lacs</b>
Opening Stock	3,15,521	1,59,916	583.71	223.88
Purchase	3,68,189	6,55,481	817.77	910.44
Production	1,952,521	16,76,798	—	—
	26,36,231	24,92,195	—	—
Sales	15,00,804	12,28,108	3,722.66	2,259.26
Consumed Stock	8,35,170	9,48,566	—	—
Closing Stock	3,00,257	3,15,521	601.05	583.71

<b>G) KNITWEAR</b>	<b>31.03.2011 Qty in units</b>	<b>31.03.2010 Qty. in units</b>	<b>31.03.2011 Amt. Rs. in lacs</b>	<b>31.03.2010 Amt. Rs. in lacs</b>
Opening Stock	3,89,822	1,30,082	877.10	350.22
Purchase	12,84,468	12,44,818	3,653.42	2,257.47
Production	9,44,208	12,27,919	—	—
	26,18,498	26,02,819	—	—
Sales	23,37,182	22,12,997	8,084.94	5,602.21
Closing Stock (1 unit = 10 pcs)	2,81,316	3,89,822	964.41	877.10

<b>H) RAW MATERIAL CONSUMED</b>	<b>31.03.2011 Qty. in Kgs</b>	<b>31.03.2010 Qty. in Kgs</b>
Kapas	89,54,337	36,83,138
Cotton	1,34,89,825	1,18,15,882
Yarn	18,53,876	16,88,165



I) Value of Cotton Consumed	2010-2011		2009-2010	
	Amt. Rs. in lakhs	% of Consumption	Amt. Rs. in lakhs	% of Consumption
Imported	—	—	1,178.58	15.06
Indigenous	12248.44	100.00	6,643.43	84.94
TOTAL	12248.44	100.00	7,822.01	100.00

J) EXPENDITURE IN FOREIGN CURRENCY	31.03-2011 Amt. Rs. in lakhs	31.03-2010 Amt. Rs. in lakhs
Agency Commission	315.76	175.72
Travelling Expenditure	13.39	15.74
TOTAL	329.15	191.46

K) EARNING IN FOREIGN CURRENCY	31.03-2011 Amt. Rs. in lakhs	31.03-2010 Amt. Rs. in lakhs
Export Goods calculated on CIF basis	28,040.45	22,990.92
TOTAL	28,040.45	22,990.92

**SIGNED FOR IDENTIFICATION SCHEDULE 1 TO 15**

As per our report of even date attached.

For DOOGAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No.: 000561N

for and on behalf of the Board

**(Mukesh Goyal)**  
Managing Partner  
M.No. 081810

**(Dr. Rikhab C. Jain)**  
Chairman

**(Sanjay kr. Jain)**  
Managing Director

**(Sunil Mahnot)**  
Vice President (Finance) &  
Company Secretary

Place: New Delhi  
Date: 25.05.2011







## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

## PARTICULARS

	AS AT 31-3-2011 Rs. in Thousand	AS AT 31-3-2010 Rs. in Thousand
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss Before tax & Extraordinary Items	239703	60316
Adjustment for :		
Depreciation	112814	95558
Interest Expenses	217846	182870
Profit / Loss on sale of Assets	864	-679
Profit / Loss on sale of Investments	0	-335
Provision on fall of Investment	0	0
Preliminary Expenses written off		0
Dividend Income		0
	331524	277414
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	571227	337730
Trade & Other Receivables	76037	-66200
Inventories	-187188	-267079
Trade Payables	-66404	-16369
	393672	-11918
<b>CASH GENERATED FROM OPERATIONS</b>	393672	-11918
Direct taxes Paid/Refund	29381	0
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	364291	-11918
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	-75731	-193863
Capital Advance	1171	33241
Sale of fixed Assets	7,224	1230
Sale of Investments	-2	918
	-67338	-158475
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	-67338	-158475
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/Decrease in Share Capital	0	0
Increase/Decrease in Deposits	-22737	97152
Increase/Decrease in Term Borrowing	-261850	-73422
Increase in Bank Borrowing for working capital	226359	335547
Dividend income	0	0.4
Interest Paid	-217846	-182870
Right Issue Expenses Paid	0	0
Dividend / Tax Paid	0	176405.4
	-276074	176405.4
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	-276074	176405.4
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	20879	6012.4
CASH & CASH EQUIVALENTS (Opening Balance)	16584	10571.6
CASH & CASH EQUIVALENTS (Closing Balance)	37463	16584

As per our report of even date attached.

FOR DOOGAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn No: 000561N

(MUKESH GOYAL)  
Managing Partner  
M.No. 081810

Place: New Delhi  
Date: 25-05-2011

for and on behalf of the Board

(Dr. Rikhab C. Jain)  
Chairman

(Sanjay kr. Jain)  
Managing Director

(Sunil Mahnot)  
Vice President (Finance) &  
Company Secretary

**BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE**

1.	Registration Details Registration No. 9241 Registration Sheet Date	State Code 55 31-03-2011
2.	Capital Raised during the Year (Amount in Rs. Thousands) Public Issue NIL Bonus Issue NIL	Right Issue NIL Private Placement NIL
3.	Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand) Total Liabilities 3212093 Source of Funds Paid up Capital 214981 Secured Loans 2198752 Deferred Tax Liability 37349 Application of Funds Net Fixed Assets 2006892 Net Current Assets 1205154	Total Assets 3212093  Reserves & Surplus 613872 Unsecured Loans 147139  Investments 47
4.	Performance of Company (Amount in Rs. Thousands) Turnover 4866265 Profit/Loss Before Tax 239702 Earning Per Share (in Rs.) 7.35	Total Expenditure 4785994 Profit/Loss After Tax 157945 Dividend Rate (%) 10
5.	Generic Name of Four principal products/services of the Company (as per monetary terms) Item Code No. Product Description  Item Code No. Product Description  Item Code No. Product Description  Item Code No. Product Description	5201.00 Raw Cotton  5205.11 Cotton Yarn Grey  6002.92 Cotton Fabric  6101.00 Under Garments



## T T LIMITED

### NOTICE

NOTICE is hereby given that the 32nd (Thirty Second) Annual General Meeting of the Members of the Company will be held on Wednesday the 28<sup>th</sup> September 2011 at 11.00 a.m. at Talkatora Indoor Stadium, New Delhi to transact the following business:

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date and reports of the Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Shri V R Mehta who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Smt. Jyoti Jain who retires by rotation and being eligible, offers herself for reappointment.
5. To appoint Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

#### SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:

"RESOLVED that pursuant to section 198, 269, 309 and other applicable provisions (if any) of the Companies Act, 1956 read with schedule XIII to the said Act, the consent of the company be and is hereby accorded to the reappointment of Smt. Jyoti Jain as Jt. Managing Director of Company for a period of 5 years with effect from 1st April, 2011.

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any financial year, during the currency of Smt. Jyoti Jain as Jt. Managing Director, the company has no profit or its profits are inadequate, the company shall pay to her remuneration by way of salary and allowances as specified in Section II of part II of Schedule XIII to the Companies Act, 1956 or such limits as may be prescribed by Central Government from time to time, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such acts, deeds, matters and things as may be deemed necessary or expedient for giving effect to this resolution."

7. To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:

"RESOLVED THAT in supersession of resolution passed by the members at their meeting held on 30<sup>th</sup> Sep. 2005 consent be and is hereby accorded to the Board of Directors of the Company pursuant to Section 293 (1) (d) and any other applicable provisions of the Companies Act, 1956 for borrowing from time to time either from the company's Bank or any other Bank, Financial Institution or any other lending Institutions on such terms and conditions as may be considered suitable by the Board of Directors any sum of sums of money which together with the money already borrowed by the company (apart from temporary loans obtained from the bankers of the company in the ordinary course of business) shall not exceed in the aggregate at any time Rs. 5,00,00,00,000/- (Rupees Five hundred crores) irrespective of the fact that such aggregate amount of borrowing outstanding at any one time may exceed the aggregate of the paid up share capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose."

Place : New Delhi  
Date : 11.07.2011

BY ORDER OF THE BOARD

Sd/-

Regd. Office :  
T T Garment Park  
879, Master Prithvi Nath Marg  
Opp: Ajmal Khan Park  
Karol Bagh, New Delhi 110005

(SUNIL MAHNOT)  
Vice President (finance) &  
Company Secretary

#### NOTES :

- i) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- ii) Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 is given below and forms part of the notice.
- iii) Shareholders of erstwhile T.T. Finance Ltd who have not got exchanged their share certificates are advised to surrender Share Certificate for exchange with certificates of T.T. Limited.



- iv) Members are requested to notify the change in their address and such communications be addressed to the Registered Office of the Company or the Registrars and Share Transfer Agents of the Company. Members whose shareholdings are in Demat form are requested to send the intimation for change of address to their respective depository participant
- v) As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their own copies of Annual Report to the Meeting.
- vi) The Register of Member and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> September, 2011 to 28th September, 2011 (both days inclusive).
- vii) The ministry of Corporate Affairs has taken "Green Initiative in the corporate Governance" by allowing paperless Compliances by the companies through electronic mode.  
Share holders are requested to send their email id and mobile number to enable us to serve you better.

EXPLANATORY STATEMENT:

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956:

ITEM NO. 6

Smt Jyoti Jain aged 40 years has 18 years experience in the Hosiery Industry. She is a post graduate in marketing and sales management from NIFT Garment Technology.

The Board of Directors has reappointed Smt. Jyoti Jain as Jt. Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2011 subject to approval of shareholders.

The material terms of the agreement entered into by the company with Smt. Jyoti Jain, inter alia are as follows:-

- A. Salary: Rs.6.00 lakh per month with such revision as may be approved by the Board from time to time.
- B. Commission: Not exceeding 1% of the Net Profit in an accounting year as may be decided by the Board from time to time.
- C. Perquisites And Allowances : In addition to salary Smt. Jyoti Jain shall be entitled to perquisites and allowances like accommodation or House Rent Allowance in lieu thereof, medical reimbursement, children education allowance, leave travel allowance for self and family, club fees, premium for medical insurance, retirement benefits etc. In accordance with the company's rules in force or as may be approved by the Board from time to time provided that aggregate value of such perquisites shall not exceed Rs.6.00 lakh per month.

In addition to the above, she will also be entitled to the following benefits as may be approved by the Board from time to time:

- i) Company maintained car with driver;
- ii) Telephone / mobile at residence.
- iii) Company's contribution to Provident Fund and Superannuation Fund;
- iv) Payment of Gratuity and retirement benefits and
- v) Encashment of Leave

- D. The total remuneration including perquisites shall not exceed the limits specified in schedule XIII to the Companies Act, 1956.

The Board is of the opinion that her appointment would be in the interest of your company.

Shri Rikhab C. Jain, Chairman Mrs. Jyoti Jain and Shri Sanjay Kumar Jain, Managing Director may be deemed to be interested in the resolution. Other Directors are not interested in the resolution.

The Board recommends that the resolution be passed.

ITEM NO. 7

At the Annual General Meeting held on 30<sup>th</sup> September, 2005 the Board of Directors of the Company was authorised to borrow monies from time to time, in excess of the paid-up capital of the Company and its free reserves subject to a maximum limit of Rs.200 Crores. The Board considers that the said limit of Rs.200 Crores is not sufficient to meet the present financial requirements of the Company in view of its proposed expansion programme. Hence, the Board of Directors recommend that the said limit be increased to Rs.500 Crores.

None of the Directors is concerned of interested in the resolution.

The Board recommends that the resolution be passed.



T T LIMITED

**FORM OF PROXY**

**Registered Office:**  
879, Master Prithvi Nath Marg,  
Opp. Ajmal Khan Park,  
Karol Bagh, New Delhi-100 005

Folio No. \_\_\_\_\_

DP ID Client ID No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/members of the above named Company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the Thirty Second Annual General Meeting of the Company held on Wednesday 28th Sep. 2011 at 11.00 a.m. at Talkatora Indoor Stadium New Delhi - 110 001 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011



Mobile No. \_\_\_\_\_ E-mail \_\_\_\_\_

**NOTE:** This proxy form, in order to be effective and valid, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.



T T LIMITED

**ATTENDANCE SLIP**

**Registered Office:**  
879, Master Prithvi Nath Marg,  
Opp. Ajmal Khan Park,  
Karol Bagh, New Delhi-100 005

Folio No. \_\_\_\_\_

DP ID Client ID No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

**32nd Annual General Meeting of the Company held on Wed. 28th Sep. 2011 at 11.00 a.m. at Talkatora Indoor Stadium, New Delhi - 1.**  
I hereby record my presence at the Thirty Second Annual General Meeting of the Company held at Wednesday 28th Sep. 2011 at 11.00 a.m. at Talkatora Indoor Stadium New Delhi - 110 001.

Name of the shareholder/proxy (in block letters) \_\_\_\_\_

Mobile No. : \_\_\_\_\_ E-Mail : \_\_\_\_\_

Signature of the Shareholder/Proxy \_\_\_\_\_

**NOTE:** Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over to the Company officials at the entrance of the meeting hall.

**REGRET: NO GIFT/SNACKS COUPON**

**IMPORTANT**  
Shareholders/Proxyholders attending the Annual General Meeting of the Company may please note that for various legal and other restrictions neither gift coupon nor any snaks coupon would be distributed. This being advised to avoid inconvenience.

**BANK ACCOUNT PARTICULARS / NECS MANDATE FORM**

Folio No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

I/We \_\_\_\_\_ do hereby authorise T.T. Limited to

- Print the following details on my/our dividend Warrant
  - Credit my dividend directly to my Bank account by National Electronic Clearing Service (NECS)
- (\* Strike out whichever is not applicable)

**Particulars of Bank Account:**

A. Bank Name : \_\_\_\_\_  
B. Branch Name : \_\_\_\_\_

Address with PIN Code  
(for NECS Mandate only)

C. 9 Digit Code Number of the Bank and Branch (as appearing on the MICR Cheque) : \_\_\_\_\_

D. Account Type (Saving / Current / NRE / NRO) : \_\_\_\_\_

E. Account No. (as appearing on the Cheque Book) : \_\_\_\_\_

I/We shall not hold the Company responsible if the NECS could not be implemented or the Bank discontinues the NECS, for any reason.

**MAIL TO**

T.T. LTD.  
879, Master Prithvi Nath Marg,  
Opp. Ajmal Khan Park,  
Karol Bagh, New Delhi-100 005

Signature of the Shareholder

Mobile No. \_\_\_\_\_ E-mail \_\_\_\_\_

**NOTE :** Please attach the photocopy of a cheque or blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the 9 digit code number.

In case you are holding shares in demat form, kindly advise your Depository Participant to take note of your Bank Account particulars / NECS mandate.



## TT LIMITED

All Shareholders of

TT Limited

Dear Shareholder,

The ministry of Corporate Affairs has taken "Green Initiative in the corporate Governance" by allowing paperless Compliances by the companies through electronic mode.

In accordance with the recent Circular No. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 of MCA, Companies can now send various notices / documents (including notice calling AGM, Audited Financial Results, Directors Report, Auditor's Report etc.) to their shareholders through electronic mode to the registered email address of the shareholders.

You are therefore requested to send us your email id and mobile number in below format to enable us to serve you better.

You can also visit our website [www.tttextiles.com](http://www.tttextiles.com) and download Annual Report, Notices, Proxy Form etc.

**Lets's be part of "Green Initiative" of Government of India**

Thanking You

**Cordially Yours  
For TT Limited**

**Sunil Mahnot  
Vice President (Finance ) & Company Secretary**



**Company Secretary  
TT Limited  
New Delhi**

**Reg.:- Electronic Communication between Company and Shareholder.**

I am glad to note the option given by the "Ministry of Corporate affairs" (MCA) regarding E-communication and hereby opt to receive all notice / documents (including notice calling AGM, Audited Financial Results, Directors Report, Auditor's Report etc.) through Electronics mode. Please note my particulars as under:-

Name :

Folio No./ DPID & Client ID :

Email ID :

Mobile No. :

Signature:

Name of Shareholder