BOARD OF DIRECTORS

Shri Prem Ratan Damani
Chairman & Managing Director

Shri Navratan Damani
Joint Managing Director

Shri J. P. Singhal
Executive Director

Shri E.A.K. Faizullabhoy

Shri Kiranbhai J Shah

Shri S.K. Somany

GENERAL MANAGER

Shri J.M. Adhia

SOLICITORS

M/s. Mulla & Mulla and Craigie Blunt and Caroe

AUDITORS

M/s. Mittal & Associates

Chartered Accountants

BANKERS

Bank of India

MILLS & REGISTERED OFFICE

Fatehchand Damani Nagar,

Station Road,

Solapur – 413 001

LISTED AT

The Stock Exchange – Mumbai.

NOTICE

NOTICE is hereby given that the Hundred and Third Annual General Meeting of the Shareholders of **THE JAMSHRI RANJITSINGHJI SPG. & WVG. MILLS CO. LTD.**, will be held at the Company's Registered office at Fatehchand Damani Nagar, Station Road, Solapur – 413 001, on Saturday the 6th day of August, 2011 at 12.30 P.M.(S.T.) to transact the following business;

1) To receive and adopt the Directors' Report and Audited Balance Sheet as at 31st March,2011.

2) To Appoint a Director in place of Shri S. K. Somany, who retires by rotation but, being eligible, offers himself for reappointment.

3) To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

4) To consider and if thought fit to pass with or without modifications , the following Resolution as a Special Resolution

"RESOLVED THAT pursuant to Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act,1956 and (Subject to the approval of the Shareholders in the General Meeting) and the Central Government, the approval of the Company be and is hereby accorded to the appointment of Shri N. R. Damani as the Joint Managing Director of the Company for a further period of 5 years with effect from 1st October,2011, on the following terms and conditions :

I. SALARY	:	Rs. 45000/-(Rupees Forty Five Thousand only) Per month
II. COMMISSION	:	One per cent of the net profits of the Company, subject to a ceiling of 50% of the salary or Rs.2,70,000/- per annum, whichever is less.
III. PERQUISITIES	:	The Joint Managing Director, Shri N.R. Damani shall also be entitled to the perquisites listed below, subject to the condition that the perquisites listed under part 'A' shall be limited to the annual salary or Rs.8,10,000/- per annum whichever is less.
PART – A		
(i) HOUSING	:	House Rent allowance @30% of the salary. The expenditure incurred on gas, electricity, water and furnishings will be valued as per the Income Tax Rules 1962 which will be subject to a ceiling of 10% of the salary.
(ii) MEDICAL REIMBURSEMENT	:	Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary per year or three months' salary over a period of three years.
(iii) LEAVE TRAVEL CONCESSION	:	For self, wife and dependant children once a year to and from any place subject to the condition that only actual fares and no hotel expenses etc. will be allowed.
(iv) PERSONAL ACCIDENT INSURANCE	:	Of an amount, the annual premium of which shall not exceed Rs. 4000/- per annum.
(v) CLUB FEES	:	Fess of Clubs, subject to maximum of two clubs provided no life membership fee or admission fees is paid
PART - B		
(i) COMPANY'S CONTRIBUTION TOWARDS PROVIDENT FUND/ SUPERANNUATION FUND AND PENSION	:	As per Rules of the Company, but not exceeding 25% of the salary as laid down under the Income-Tax Rules, 1962.
(ii) GRATUITY	:	Not exceeding one-half month's salary for each completed year of service.
PART - C		
(i) CAR	:	Free use of Car with driver for the Company's business.
(ii) TELEPHONE	:	Free Telephone facility at residence.
OTHER PERQUISITES	:	
(i) LEAVE	:	One full pay and allowance as per Rules of the Company but not exceeding one month's leave for every 11 months of service subject to condition that leave accumulated but not availed of will not be allowed to be encashed.
(ii) ENTERTAINMENT	:	Reimbursement of all entertainment and all other expenses actually and properly incurred for the business of the Company which will not be treated as an item of remuneration for the purpose of the Companies Act,1956.

MINIMUM REMUNERATION : Where in any financial year during the tenure of Mr.N.R. Damani as the Joint Managing Director, if the Company has no profit or the profits are inadequate then there will be no reduction in the remuneration by way of salary and perquisites.

Place : Mumbai
Date : 12th May,2011

By Order of the Board of Directors

P.R DAMANI
CHAIRMAN

NOTES:

(a) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item No. 4 set out in the Notice is annexed hereto.

(b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE , MUST BE DELIVERED AT THE REGISTERED/CORPORATE OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

(c) Members are requested to note that the Company's equity shares are under compulsory demat trading for all investors, subject to the provisions of SEBI Circular No. 21/99 dated July 8, 1999. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience.

(d) The Register of Members and Shares Transfer Books in respect of Equity Shares of the Company will remain closed from 04/07/2011 to 11/07/2011 (both days inclusive).

(e) Members holding shares in physical form are requested to immediately notify change in their address, to the Registrar and Transfer Agent of the Company, viz. Computech Sharecap Ltd. 147, Mahatma Gandhi Road, 3rd Floor, Opp. Jehangir Art Gallery, Fort, Mumbai – 400023. quoting their Folio Numbers.

(f) Shareholders seeking any information with regard to Accounts are requested to write to the Company early so as to enable the management to keep the information ready.

(g) The Company has implemented the "Green Initiative" as per Circular Nos.17/211 dated April 21, 2011 and 18/2011 dated April 29,2011 issued by the ministry of Corporate Affairs(MCA) to enable electronic delivery of notices/ documents and annual reports to shareholders. Henceforth, the email addresses indicated in your respective Depository participant (DP) accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered email address for serving notices/documents including those covered under Section 219 of the Companies Act,1956. The other requirements of the aforesaid MCA circular will be duly complied with. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with Depository Participants . Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned in (e) above quoting their folio number(s).

ANNEXURE TO NOTICE - EXPLANATORY STATEMENT

In conformity with the provisions of the Section 173 of the Companies Act,1956, the following explanatory statement sets out all the material facts relating to Item No.4 mentioned in the accompanying Notice dated 12th May, 2011.

BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT OR RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENTS.

ITEM 2

Shri S. K. Somany

Shri S.K. Somany is an Industrialist with a wide experience of more than 55 years in textile industry. He is Chairman of Soma Textiles & Industries Ltd. and has advised our Company on many occasions. His presence on the Board of Company is an asset. He is Chairman of the Audit Committee Constituted by the Board of Directors of the Company and Member of the Shareholder/ Investors Grievances Committee. The Board considers that the Company would be benefited from his experience and knowledge and recommends his re-appointment as Director on the Board of Company under item No.2 of the Agenda of accompanying Notice of 103rd Annual General Meeting of the Members of the Company.

ITEM 4

Shri N.R. Damani

i) Name : Shri N.R. DAMANI
ii) Age : 62 Years
iii) Qualification : B.Com.
iv) Experience : Textiles

Shri N.R. Damani is holding directorship in 7 Companies. He was appointed as the Joint Managing Director for a period of 5 years which term will expire on 30th September, 2011. Shri N.R. Damani is an Industrialist with vast and varied experience and he has been closely associated with textile industry for a long time. He has devoted time and energy for the growth of the Company. As

a result of his stewardship the Company has launched and successfully completed modernization and expansion programmes. Because of his deft and efficient handling of the affairs, the Company has been able to achieve changes in product mix to cater to the changing consumer's tastes.

In the circumstances the Board at its meeting held on 12th May,2011 decided to continue to avail of the services of Shri N.R.Damani and reappoint him as the Joint Managing Director for a further period of 5 years w.e.f. 1st October, 2011 at the revised level of remuneration.

I. SALARY	:	Rs. 45000/-(Rupees Forty Five Thousand only) Per month
II. COMMISSION	:	One per cent of the net profits of the Company, subject to a ceiling of 50% of the salary or Rs.2,70,000/- per annum, whichever is less.
III. PERQUISITES	:	The Joint Managing Director, Shri N.R. Damani shall also be entitled to the perquisites listed below, subject to the condition that the perquisites listed under part 'A' shall be limited to the annual salary or Rs.8,10,000/- per annum whichever is less.
PART – A		
(i) HOUSING	:	House Rent allowance @30% of the salary. The expenditure incurred on gas, electricity, water and furnishings will be valued as per the Income Tax Rules 1962 which will be subject to a ceiling of 10% of the salary.
(ii) MEDICAL REIMBURSEMENT	:	Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary per year or three months' salary over a period of three years.
(iii) LEAVE TRAVEL CONCESSION	:	For self, wife and dependant children once a year to and from any place subject to the condition that only actual fares and no hotel expenses etc. will be allowed.
(iv) PERSONAL ACCIDENT INSURANCE	:	Of an amount, the annual premium of which shall not exceed Rs. 4000/- per annum.
(v) CLUB FEES	:	Fess of Clubs, subject to maximum of two clubs provided no life membership fee or admission fees is paid
PART - B		
(i) COMPANY'S CONTRIBUTION TOWARDS PROVIDENT FUND/ SUPERANNUATION FUND AND PENSION	:	As per Rules of the Company, but not exceeding 25% of the salary as laid down under the Income-Tax Rules, 1962.
(ii) GRATUITY	:	Not exceeding one-half month's salary for each completed year of service.
PART - C		
(i) CAR	:	Free use of Car with driver for the Company's business.
(ii) TELEPHONE	:	Free Telephone facility at residence.
OTHER PERQUISITES	:	
(i) LEAVE	:	One full pay and allowance as per Rules of the Company but not exceeding one month's leave for every 11 months of service subject to condition that leave accumulated but not availed of will not be allowed to be encashed.
(ii) ENTERTAINMENT	:	Reimbursement of all entertainment and all other expenses actually and properly incurred for the business of the Company which will not be treated as an item of remuneration for the purpose of the Companies Act,1956.
MINIMUM REMUNERATION	:	Where in any financial year during the tenure of Mr.N.R. Damani as the Joint Managing Director, if the Company has no profit or the profits are inadequate then there will be no reduction in the remuneration by way of salary and perquisites.

None of the Directors is in any way interested or concerned with the Special Resolution except Shri N.R. Damani himself, Shri P.R. Damani is interested as his brother though he has no pecuniary interest. Directors commend the Special Resolution to your approval.

This may be treated as an abstract u/s. 302 of the Companies Act,1956.

ONE HUNDRED & THIRD REPORT OF THE DIRECTORS

We present our Annual Report of the Company with the audited statement of accounts for the year ended 31st March,2011.

1. **FINANCIAL RESULTS**

	THIS YEAR	PREVIOUS YEAR
Gross Profit/(Loss)	8,72,04,578	5,07,28,342
ADDITIONS/DEDUCTIONS		
Depreciation	29,15,672	35,22,252
Profit/(Loss) after taxation	8,42,88,906	4,72,06,090
: Balance brought forward	(9,68,35,846)	(14,40,41,936)
Profit/(Loss) dealt with as under	(1,25,46,940)	(9,68,35,846)
Surplus/(Deficit) carried to Balance Sheet	(1,25,46,940)	(9,68,35,846)

2. **DIVIDEND**

In view of accumulated loss the Directors are unable to recommend any dividend.

3. **RESPONSIBILITY STATEMENT**

As stipulated in Section 217(2AA) of Companies Act.1956 your Directors subscribe to the "Directors' Responsibility Statement" and confirm as under :

i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii) that the Directors have selected such accounting policies and applied them consistently and made judgement 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 the period;

iii) that the Directors have taken proper and sufficient care of 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.

4. **WORKING**

The working during the year was satisfactory. The high Cotton prices during the year helped in increasing the consumption of blended yarn. Our products being blended yarn thus fetched better realization.

5. **CORPORATE GOVERNANCE**

A separate report on Corporate Governance is enclosed as a part of this Annual Report of the Company. A certificate from Auditors of the Company regarding compliance of Corporate Governance as stipulated under clause 49 of the Listing Agreement is annexed to the report on Corporate Governance.

6. **CURRENT OUTLOOK**

Current Volatility in commodity market may adversely affect the margins. However continuous efforts for improvement in quality and efficiency are expected to nullify the effect of volatility to some extent.

Government's emphasis to increase power generation will enable your company to receive uninterrupted power supply without fluctuation in voltage. This will be helpful in increasing the production and reducing the cost.

7. **DIRECTORS**

Under Articles 146 of the Articles of Association of the Company, Shri S.K. Somany retires by rotation and is eligible for reappointment.

8. **INSURANCE**

Your Company's Buildings, Plant and Machinery, Tool, Electrical installations, Stock in Process, Finished Goods and Raw Materials have been adequately insured.

9. **PUBLIC DEPOSITS**

The Company has not taken any Fixed Deposit from the Public.

10. **AUDITORS' REPORT**

Auditors' Report do not call for any specific response u/s. 217(3) of the Companies Act,1956.

11. AUDITORS

You are requested to appoint the Auditors to hold office from conclusion of the meeting till the conclusion of the next Annual General Meeting and fix their remuneration. The retiring Auditors, M/s. Mittal & Associates, Chartered Accountants being eligible offer themselves for reappointment.

12. COST AUDITORS

The Company has appointed Shri S.V. Vhatte and Associates, Cost Accountants for conducting the Cost Audit of the Textiles for the financial year ended March, 2012.

13. PARTICULARS OF EMPLOYEES

There is no Employee in receipt of remuneration exceeding Rs.2,00,000/- p.m. or part thereof or Rs.24,00,000/- p.a. Accordingly no particulars are furnished u/s. 217(2A) of the Companies Act.

14. ACKNOWLEDGEMENTS

Your Directors place on record the timely assistance and cooperation given to the Company by the Bank of India. Your Directors also place on record their appreciation of contribution made by the employees at all levels for the operations of the Company during the year under review.

15. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EARNING AND OUTGO

Information pursuant to Section 217(i)(e) of the Companies (Disclosure of Particulars in the report of Board of Directors) Rules 1988 is given in the annexure.

For and on behalf of the Board

Place : MUMBAI
Date : 12h May,2011

P.R DAMANI
CHAIRMAN

ANNEXURE "A" TO DIRECTORS REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY

a. ENERGY CONSERVATION MEASURES TAKEN.

i) POWER FACTOR IS MAINTAINED NEARER TO UNITY.
ii) INSTALLATION OF ELECTRONICS CHALKS.
iii) COMPRESSOR ELEMENT CHANGED TO GIVE HIGHER CFM WITH SAME INPUT.
iv) TOP ARM DRAFTING IS CHANGED FROM PNUMETIC TO SPRING LOADED.
v) APFC PANEL WITH TWO ADITIONAL CAPACITORS ARE INSTALLED.

b. ADDITIONAL INVESTMENT AND PROPOSAL IF ANY BEING IMPLEMENTED FOR REDUCTION IN CONSUMPTION OF ENERGY.

i) ELECTRONIC CHALKS TO BE FITTED ON BALANCE TUBE LIGHTS.
ii) TO CHANGE TOP ARM DRAFTING SPINDLE SPEED FRAME .
iii) TO CHANGE THE ELEMENT ON COMPRESSORS.

c. IMPACT OF MEASURES AT (a) AND (b) ABOVE FOR REDUCTION OF ENERGY CONSUMPTION AND ON THE COST OF PRODUCTION OF GOODS.

i) THE POWER FACTOR IMPROVEMENT HAS SAVED THE ENERGY RESULTING IN LOWER POWER COST.
ii) INSTALLATION OF ELECTRIC CHALKS HAVE REDUCED ENERGY CONSUMPTION.
iii) THE CHANGE OF COMPRESSOR ELEMENT HAS SAVED CONSIDERABLE ENERGY.
iv) TOP ARM PNUMETIC DRAFTING WAS CONSUMING COMPRESSED AIR, CHANGING THE SAME TO SPRING LOADING HAS SAVED THE SAME..
v) APFC UNIT IS CONTROLLING AND MAINTAINING POWER FACTOR TO DESIRED LEVEL THROUGHOUT THE DAY.

d. TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF THE PRODUCTION : FORM - "A" ENCLOSED.

B. TECHNOLOGY ABSORPTION.

e. EFFORTS MADE IN TECHNOLOGY ABSORPTION : FORM - "B" ENCLOSED.

C. FOREIGN EXCHANGE EARNING AND OUTGO. (RS. IN LACS)

i)	FOREIGN CURRENCY EARNED	NIL
ii)	FOREIGN CURRENCY USED.	NIL

NOTES : FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

FORM "A"

A. POWER AND FUEL CONSUMPTION

	CURRENT YEAR 1.4.2010 - 31.03.2011	PREVIOUS YEAR 1.4.2009 - 31.03.2010
1. Electricity		
a) Purchased		
Unit (kwh) in lakhs	121.16	119.88
Total Amount (Rs. in lakhs)	566.44	498.51
Rate/Unit (Rs.)	4.68	4.16
b) Own generation through Diesel Generator		
Units (KWH) in lakhs	0.00	0.00
Total Cost (Rs. in lakhs)	0.00	0.00
Cost/Unit (Rs.)	0.00	0.00
2. Coal		
Quantity in M. Tons	0.00	0.00
Total Cost (Rs. in lakhs)	0.00	0.00
Average Rate (Rs./M.Tons)	0.00	0.00
Other Fuels		
3. Quantity in M. Tons	0.00	0.00
Total Cost (Rs. in lakhs)	0.00	0.00
Average Rate (Rs./M.Tons)	0.00	0.00
B. CONSUMPTION PER UNIT OF PRODUCTION		
1. Electricity (Units)		
per kg of yarn	0.00	3.60
per linear metre of fabric	0.00	0.00
2. Fuels (Rs.)		
per kg of yarn	0.00	0.00
per linear metre of fabric	0.00	0.00

FORM - B

DISCLOSURE OF PARTICULARS WITH RESPECT OF TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R & D)

1. **SPECIFIC AREAS IN WHICH R & D CARRIED OUT BY THE COMPANY.**
   - i) MODIFICATION OF BEARING & HOUSING ON SPEED FRAME.
   - ii) MODIFICATION OF WORM ASSEMBLY ON SPEED FRAME.
2. **BENEFIT DERIVED AS A RESULT OF THE ABOVE R & D.**
   PRODUCT DEVELOPMENT / IMPROVEMENT
   - i) INCREASE IN PRODUCTIVITY AND CONSISTENT QUALITY.
   - ii) REDUCTION IN MACHINE BREAKDOWN DUE TO IMPROVED CLEANING OF MACHINES.
3. **IMPORT SUBSTITUTION**
   NIL
4. **FURTHER PLAN OF ACTION:**
   - i) TO STUDY THE CAUSE OF END BREAKAGES AT BOTTOM POSITION ON RING FRAMES AND FIND OUT SOLUTION TO CONTROL THE SAME.
5. **EXPENDITURE ON R & D.** **(RS. IN LACS)**

a) CAPITAL	NIL
b) RECURRING	2.87
c) TOTAL	2.87
d) TOTAL R & D EXPENDITURE AS A PERCENTAGE OF TOTAL TURNOVER	0.05

TECHNOLOGY ABSORPTION, ADOPTION AND INOVATION

EFFORTS IN BRIEF MADE TOWARDS TECHNOLOGY ABSORPTION ADOPTION AND INOVATION AND BENEFITS AS A RESULT THEREOF.

i) EFFORTS FOR ESTABLISHING PRODUCTIVITY OF FANCY YARN IN PROGRESS.

AUDITORS' REPORT

To the Members of
The Jamshri Ranjitsinghji Spinning & Weaving Mills Company Limited

We have audited the attached Balance Sheet of **The Jamshri Ranjitsinghji Spinning & Weaving Mills Company Limited** as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, as amended by companies (Auditor's Report) (Amendment) Order, 2004 (the Order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

(i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

(ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;

(iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

(iv) In our opinion, the Balance Sheet, Profit and Loss Account and the 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. *Related party transactions referred to in note no. 12 of Notes to Account are as disclosed by the Company, we are unable to confirm that the list is an exhaustive compilation of all the related parties as defined in Accounting Standard 18. For disclosures as per Accounting Standard 17 refer note no 7 of Notes to Account.*

(v) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

(vi) We draw attention to Note No. 8 in respect of unutilized Cenvat credit amounting to Rs. 100.60 lacs appearing in the books, we are informed that the management is actively considering available alternatives for utilizing this balance.

(vii) We report that in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and *read with note no. 15 of Notes to Accounts* give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;

(b) in the case of the Profit and Loss Account, of the profit for the year ended on that date and ;

(c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of
MITTAL & ASSOCIATES
Chartered Accountants
F.R. No. : 106456W

M. MEHTA
Partner
M.No: 42990

Place: Mumbai
Date: May 12, 2011

Annexure to the Auditors' Report

Referred to in paragraph 3 of our report of even date,

(i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) A substantial portion of the Fixed Assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. To the best of our knowledge, no material discrepancies were noticed on such verification.

(c) In our opinion, no substantial part of the fixed assets has been disposed off during the year.

(ii) (a) As explained to us, physically verification has been conducted by the management at reasonable intervals in respect of finished goods.

(b) The procedure of physical verification by the management, in our opinion is reasonable and adequate in relation to the size of the company and the nature of its business.

(c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of the stocks as compared to book records.

(iii) (a) As informed, the company has not taken any loans, secured, and unsecured loan from companies, firms or other parties listed in the register maintained under section 301.

(b) As informed, the company has not granted any loans, secured, or unsecured to companies, firms and other party listed in the register maintained under section 301 of the Companies Act, 1956 during the year. Accordingly, sub-clause (f) and (g) are not applicable.

(iv) In our opinion and according to the information and explanation given to us, there is adequate internal control system 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. During the course of audit, no major weakness has been noticed in the internal control system in respect of these areas.

(v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) According to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of Sections 58A, 58AA of the Act and the rules framed there under.

(vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.

(viii) The Central Government under Section 209(1)(d) of the Companies Act, 1956, has prescribed the maintenance of cost records. On a prima facie examination, such records are duly maintained. We have not, however, made a detailed examination of the same.

(ix) (a) According to the records of the Company, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities.

According to the information and explanations given to us, undisputed dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth-tax, Service tax, Sales-tax, Customs duty, Excise duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. Lacs)	Period to which amount relates	Due Date	Date of Payment
Maharashtra Value Added Tax Act	Value Added Tax	0.19	2006-2007	Various dates	Not yet paid
Textile Committee cess payable	Cess	1.50	October 06 to May 07	Various dates	Not yet paid

(b) According to the information and explanations given to us, there are no Income tax, Wealth tax, Service tax, Custom duty, Excise duty and cess which have not been deposited on account of any dispute.

(x) The accumulated losses at the end of financial year do not exceed the net worth of the company. The company has earned cash profit during the year and in the immediately preceding year.

(xi) In our opinion and according to the information and explanations given to us, the company has no dues to financial institution, or debenture holders.

(xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other similar securities.

(xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.

(xv) In our opinion, and according to the information and explanation given to us, the company has not given any guarantee for the loans taken by others from banks or financial institutions during the year.

(xvi) In our opinion and as per the information and explanation given to us that fresh Cash Credit has been obtained during the year having maximum limits of Rs. 35.00 lacs, which are secured by hypothecation of stocks of Raw materials/Finished goods.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that funds raised on short-term funds have not been used for long-term application.

(xviii) The company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Act. Accordingly, the question of reporting on whether the price at which such shares have been issued is prejudicial to the interest of the company does not arise.

(xix) According to the information and explanations given to us, the company has not issued debentures during the year.

(xx) According to the information and explanations given to us, no public issues have been made during the year.

(xxi) Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For and on behalf of
MITTAL & ASSOCIATES
Chartered Accountants
F. R. NO. : 106456W

M. MEHTA
Partner
M.No: 42990

Place: Mumbai
Date: May 12, 2011

MANAGEMENT DISCUSSION AND ANALYSIS

A) INDUSTRY STRUCTURE AND DEVELOPMENT :

The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Currently, it contributes about 14 percent to industrial production, 4 percent to the GDP and 17 percent to the country's export earning. It provides direct employment to over 35 million people, which includes a substantial number of SC/ST and women.

In the domestic market, the unorganized sector continuous to play a competitive role due to significant cost advantages. However innovation, technology and good management capabilities will play a key role in success of industry players.

B) OPPORTUNITIES AND THREATS

India's strong performance and growth in the textile sector is aided by several key advantages that the country enjoys, in terms of availability of adequate raw material, large market demand, presence of supporting industries and supporting policy initiatives from the government.

C) RISKS AND CONCERNS

The Textiles sector is largely fragmented. It is also hampered by a shortage of trained and specialized human capital, weak labour laws, frail logistics and supply chain system. Besides that, the volatility in the raw material prices, higher interest cost, high labour cost, increase in energy cost are some of the major challenges the textile industry is facing.

Increasing energy costs and intense competition are some of the immediate risks and concerns to be addressed by more effective Power management and increasing production of high value products.

D) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded, protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

E) FINANCIAL AND OPERATIONAL PERFORMANCE

Please refer Director's Report.

F) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT.

The Company has always recognized the manpower as its asset and that the people had been the driving force for the growth and expansion of the Company. Industrial relations during the year were cordial and peaceful.

The Company has taken a number of new initiatives, to improve efficiencies and reduce costs.

G) CAUTIONARY STATEMENT

Certain statements in the "Management Discussion and Analysis" section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors' envisage in terms of future performance and outlook.

Statement in this report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable laws or regulations. These statements are based on certain assumptions and expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials cost & availability, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations.

Corporate Governance

1. PHILOSOPHY ON CODE OF GOVERNANCE

The philosophy underlying Corporate Governance seeks to create a system of "Checks and balances" based on transparency, ensuring integrity, clarity and consistency in the dealings of the Company with all its stakeholders. Good Governance ensures that the best corporate practices are followed by a Company. Implementation of the good governance indicates not only compliance of the laws and regulations of the land but also indicates the values, practices and culture of the organization.

2. Board of Directors

i. The Board consists of 6 Directors. 1 is Managing Director, 1 is Joint Managing Director 1 is Executive Director and 3 are Non-Executive Directors. Out of 6 Directors, 3 Directors are independent Directors.

The details of the Board of Directors of the Company are given below:

Name	Date of Appointment	Category	No. of Board Meetings attended	Last AGM	No. of other Directorship in public limited companies	Outside Committee Membership@	Outside Committee Chairmanship@
Shri P.R. Damani	21/07/1966	Promoter/ Managing Director	4	Yes	4	1	–
Shri N.R. Damani	02/05/1978	Promoter/ Joint Managing Director	4	Yes	2	–	–
Shri E.A.K. Faizullabhoy	20/12/1982	Non Executive Independent Director	3	No	–	–	–
Shri S.K. Somany	29/07/1988	Non Executive Independent Director	4	Yes	5	2	4
Shri Kiranbhai J Shah	09/10/1984	Non Executive Independent Director	4	No	–	–	–
Shri J.P. Singhal	31/07/2003	Executive Director	NIL	Yes	–	–	–

Though Shri E.A.K. Faizullabhoy is a partner of the Company's solicitor firm, and since the Company has no transactions with the firm for the past three years, in the opinion of the management he is an independent director.

@ Only two committees of the Board namely the Audit Committee and the Shareholders/Investor Grievance Committee are considered.

RESPONSIBILITIES

The Board of Directors' responsibilities inter alia include review of:

* Strategy and business plans
* Annual operating and capital expenditure budget
* Investment and exposure limits
* Business risk analysis and control
* Senior executive appointment
* Compliance with statutory / regulatory requirements and review of major legal issues
* Adoption of quarterly results / annual results
* Transaction pertaining to purchase, disposal of property, major provisions and write offs.

BOARD MEETINGS

The meetings of the Board of Directors' are scheduled well in advance and the folder containing the agenda for the meeting with detailed review of all aspects of the Company business, including performance of the Company, employee relations, details of investment, capital expenditure, etc. is circulated to all the directors. It also highlights important matters discussed at the shareholders grievance committee. Four Board meetings were held during the period 1st April 2010 to 31st March 2011. They were held on 24th May, 2010, 26th July, 2010, 26th October, 2010, 27th January 2011.

Details of Director re-appointed during the year:

Name of Director	**Shri Kiranbhai J. Shah**
Age	74 Years
Date of Appointment	09/10/1984
Expertise in specific functional areas	Trade & Business
Qualification	Graduate
No. of Equity Shares Held	Nil
List of Outside Company Directorships held in Public Limited Companies.	None
Chairman/ Member of the Committees of Directors of other Companies in which he/she is a Director. @	None

@ Only two committees of the Board namely the Audit Committee and the Shareholders/ Investor Grievance Committee are considered.

3. **REMUNERATION OF DIRECTORS**

Name of the Director	Salary	Perquisite	Sitting Fees	Total	No. of Shares
Shri P.R. Damani	Rs.5,37,600	Rs.1,74,782	——	Rs.7,12,382	1043090
Shri N.R. Damani	Rs.3,36,000	Rs.1,08,362	——	Rs.4,44,362	641607
Shri E.A.K. Faizullabhoy	——	——	Rs.2,250	Rs.2,250	1565
Shri S.K. Somany	——	——	Rs.3,000	Rs.3,000	100
Shri Kiranbhai J Shah	——	——	Rs.3,000	Rs.3,000	Nil
Shri J.P. Singhal	Rs.1,68,000	Rs.10,000	——	Rs.1,78,000	1088

4. **AUDIT COMMITTEE**

i. The Audit Committee of the Board of Directors was formed by the Board on 30th July,2002 and Committee comprises of 3 members. The functions of the Committee are as specified in Clause 49 of the Listing Agreement entered with Stock Exchanges in which the Company's shares are listed. These include overseeing of Company's financial reporting process, recommending the appointment and removal of external auditors, reviewing the quarterly and annual financial statement, financial management policies, adequacy of internal control system , internal audit function including discussing significant findings, reviewing reasons for default into payment and related parties transactions.

In the absence of a full time Company Secretary, Mr. A.K. Mohta - the Compliance Officer of the company is acting as Secretary to the Audit Committee.

There were four meetings held during the period under review on 24th May,2010, 26th July,2010, 26th October,2010 and 27th January,2011. The attendance of members for the meetings is as follows:

ii & iii.

Name of the Member	Designation	No. of meeting attended
Shri S.K. Somany	Chairman	Four
Shri Kiranbhai J Shah	Member	Four
Shri N.R. Damani	Member	Four

Shri S. K. Somany has financial management expertise because of his considerable experience in the textile industry.

5. **REMUNERATION COMMITTEE**

i. **Brief description of terms of reference**

Remuneration Committee was constituted on 25th October,2002 and it reviews and approves the annual salaries, performance commission, service agreements and other employment conditions for Managing/Executive directors.

ii. **Composition, name of members and Chairperson**

Committee comprises of Shri E.A.K. Faizullabhoy, Chairman and Shri S.K. Somany, Member. During 1st April,2010 to 31st March,2011. One meeting of Remuneration Committee on 22nd April, 2010 was held.

iii. **Attendance during the year**

Name of the Member	Designation	No. of meeting attended
Shri E.A.K. Faizullabhoy	Chairman	One
Shri S.K. Somany	Member	One

iv. **Remuneration policy**

The Managing / Executive Directors are paid remuneration as per the Agreements entered between them and the Company. These Agreements are placed for approval before the Board and the shareholders and such other authorities as may be necessary. The remuneration structure of the Managing / Executive Directors comprises of salary, commission, perquisites and allowances, contributions to provident fund and gratuity. However no commission is paid due to inadequacy of profits. The non-executive directors do not draw any remuneration from the Company except sitting fees. The details of remuneration to directors is furnished in paragraph 3 above. Presently the Company does not have a scheme for grant of Stock option either to Managing Director/Executive Director or to the employees.

6. SHAREHOLDER/INVESTOR GRIEVANCE COMMITTEE

i.	Name of non-executive director heading the committee	: Shri Kiranbhai J. Shah
ii.	Name & designation of Compliance officer	: Shri A.K. Mohta, Finance Manager
iii.	Number of shareholders' complaints received so far	: One
iv.	Number of complaint/s resolved to the satisfaction of the shareholders	: One
v.	Number of pending complaints	: Nil

The Investor Grievances Committee was constituted on 25th October,2002 to specifically look into the redressal of shareholder and investor complaints like transfer of shares, non-receipt of dividends, non-receipt of Annual Reports, etc. There were Four meetings held during the period under review on 24th May,2010, 26thJuly,2010, 26th October,2010 and 27th January,2011. The attendance of members for the meetings is as follows:

Name of the Member	Designation	No. of meeting attended
Shri Kiranbhai J. Shah	Chairman	Four
Shri N.R. Damani	Member	Four

7. GENERAL BODY MEETING

i. Location and time of General Meetings held in last 3 years

Year	AGM/EGM	Location	Date	Time
2009-2010	AGM	Fatehchand Damani Nagar, Station Road, SOLAPUR - 413 001.	15th July,2010	04.30 p.m.
2008-2009	AGM	Fatehchand Damani Nagar, Station Road, SOLAPUR - 413 001.	26th September,2009	12.30 p.m.
2007-2008	AGM	Fatehchand Damani Nagar, Station Road, SOLAPUR - 413 001.	20th October,2008	12.30 p.m.

ii The following Special Resolutions were passed in the previous 3 AGMs

Subject matter of Resolution	Date of AGM
Re-appointment of Executive Director, Appointment of Auditors & Right Issue	20.10.2008
———	26.09.2009
Re-appointment of Managing Director	15.07.2010

iii No Special Resolution was passed by Postal Ballot during the year 2010-11

8. DISCLOSURES

i. There were no materially significant related party transaction with the promoters, Directors, etc. that may have potential conflict with the interests of the Company at large. The details of the transaction with related parties are given in Clause No. 12 of the Notes forming part of the Accounts.

ii. There were no non-compliance by the Company & no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter relating to the capital markets during the last three years.

iii. The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement .

9. CEO / CFO Certification.

The Joint Managing Director (CFO) furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal control as required under Clause 49 of the Listing Agreement.

10. Means of Communication

i. The Company publishes Quarterly & Half Yearly results in the prescribed form within the prescribed time.

ii. The results were forthwith sent to the Stock Exchanges where shares are listed and also published in the Free Press Journal, Navshakti in Mumbai and Vishwa Samachar at Solapur.

iii. The Company does not have a website where results or official news are displayed.

iv. No presentations were made to Institutional Investors or analyst during the year.

v. Management discussion and analysis form part of the Annual Report.

11. GENERAL SHAREHOLDER INFORMATION

i. ANNUAL GENERAL MEETING

Date and Time	:	06/08/2011
Venue	:	Fatehchand Damani Nagar, Station Road, Solapur-413001.

ii. Financial Year : 2010-2011
iii. Book Closure Date : 04/07/2011 to 11/07/2011
iv. Dividend Payment Date : Not Applicable
v. Listing of Equity Shares on : The Stock Exchange, Mumbai
vi. Stock Code : 502901 The Stock Exchange, Mumbai
Demat ISIN Nos. in NSDL & CDSL for Equity Shares INE462D01018 Mumbai

vii & viii. Market Price Data & Bse Sensex

Month	Stock Price Data of the Company		BSE INDEX	
	Highest	Lowest	Highest	Lowest
April,2010	19.70	14.46	18047.86	17276.80
May, 2010	18.15	14.00	18047.86	15960.15
June, 2010	22.05	17.85	17919.62	16318.39
July, 2010	28.00	18.30	18237.56	17395.58
August, 2010	27.95	21.40	18475.27	17819.99
September, 2010	30.00	23.00	20267.98	18027.12
October, 2010	34.00	23.60	20854.55	19768.96
November, 2010	36.15	26.90	21108.64	18954.82
December, 2010	30.35	23.95	20552.03	19074.57
January,2011	29.50	20.65	20664.80	18038.48
February,2011	27.40	17.50	18690.97	17295.62
March, 2011	27.90	22.75	19575.16	17792.17

ix. Registrar & Transfer Agents : Computech Sharecap Ltd., 147, Mahatma Gandhi Road, 3rd Floor, Opp. Jehangir Art Gallary,Fort, Mumbai - 400 023. Telephone : 22635000-01-02-03

x. Share Transfer System :

Application for transfer of shares held in physical form are received at the office of Registrar & Share transfer agent of the Company. Presently, the share transfers instrument which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company has as per SEBI guidelines, also offered the facility of transfer of shares under dematerialization cum transfer. Under the system, after the share transfer is effected, an option letter is sent to the transferee indicating the details of the transferred shares and requesting him in case he wishes to dematerialize the shares, to approach Depository Participant (DP) with the option letter. The DP, based on the option letter, generates a Dematerialization request and sends the same to the Company along with the option letter issued by the Company. On receipt of the same, the Company dematerializes the shares. In case the transferee does not wish to dematerialize the shares, he need not exercise the option and the Company dispatches the shares certificate/ s to the shareholder.

xi. Distribution of Shareholding as on 31st March,2011

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholdings
Upto 2500	8880	99.25%	1171407	16.74%
2501-5000	39	0.44%	138201	1.97%
5001-10000	14	0.16%	96180	1.37%
10001-20000	4	0.04%	52125	0.74%
20001-30000	2	0.02%	49224	0.70%
30001-40000	2	0.02%	64148	0.92%
40001-50000	0	0.00%	0	0.00%
50001-100000	1	0.01%	64092	0.92%
100001 & above	5	0.06%	5364187	76.64%
Total	8947	100.000	6999564	100.000

xii. Dematerialization of equity shares & Liquidity:

Nearly 90.43% of total equity shares capital is held in dematerialized form with NSDL and CDSL.

xiii. Category of Shareholdings as on 31st March,2011.

Category	No. of Shares	% of total Shares
Promoters & their relatives	5242009	74.89
Mutual Funds & UTI	200	00.00
Banks/FIs/Insurance Co.	161666	02.31
(Central/State Govt. Institutions / Non-Government Institutions)	100	0.00
Foreign Institutional Investors	41216	00.59
Private Corporate Bodies	188104	02.69
NRIs/OCBs	1366269	19.52
Indian Public	6999564	100.00
Total		

xiv. Financial Calendars (Provisional)

Quarter	Release Date (Tentative and subject to change)
1st Quarter ending 30th June	30-07-2011
2nd Quarter ending 30th September	29-10-2011
3rd Quarter ending 31st December	30-01-2012
4th Quarter ending 31st March	29-05-2012

For 2010-2011, Company does not have any proposal for postal ballot.

xv. There are no Outstanding GDRs/ADRs/Warrants or Convertible instruments.

xvi. Plant Location : Fatehchand Damani Nagar, Station Road, Solapur – 413 001.

xvii. Address for Communication : The Jamshri Ranjitsinghji Spg. & Wvg. Mills Co.Ltd.
Fatehchand Damani Nagar, Station Road, SOLAPUR - 413 001.

NON MANDATORY REQUIREMENTS

The Board

All the Independent Directors (3) are holding office for more than 9 years.

Remuneration Committee:

Details are given under the heading "Remuneration Committee".

Shareholders' rights

The quarterly financial results, after they are taken on record by the Board of Directors, are forthwith sent to Bombay Stock Exchange Ltd. The results, in the prescribed Proforma, are published in the following newspapers, viz., "Free Press Journal and Navshakti" in Mumbai and "Vishwa Samachar" at Solapur.

Therefore, the results were not separately circulated to all Shareholders.

Whistle Blower Policy

The Company has a whistle blower mechanism wherein the employees are free to report violation of laws, rules regulation or unethical conduct to their immediate Supervisor or such other person as may be notified by the Management to the workgroups. The confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practices.

Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct

As required by the amended clause 49 of the Listing Agreement the Board of Directors of the Company have adopted a code of conduct for all Board Members and Senior Management of the Company. The members of the Board of Directors and Senior Management of the Company have affirmed compliance of the said code during the period under review.

For The Jamshri Ranjitsinghji
Spg & Wvg Mills Company Ltd.

Mumbai
Date: 12/05/2011

P. R. Damani
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
The Jamshri Ranjitsinghji Spinning & Weaving Mills Company Limited

We have examined the compliance of conditions of Corporate Governance by The Jamshri Ranjitsinghji Spinning & Weaving Mills Company Limited, for the year ended March 31, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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 the above mentioned Listing Agreement, except for the following:

1. In the absence of a full time Company Secretary, the Compliance Office of the Company is acting as a secretary to the Audit Committee.
2. Related party Transactions referred to in paragraph 8 (i) – "Disclosures" are as disclosed by the Company, we are unable to confirm that the list is an exhaustive compilation of all the related parties as defined in Accounting Standard 18.

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

For and on behalf of
MITTAL & ASSOCIATES
Firm Reg. No.:- 106456W
Chartered Accountants

Place: Mumbai
Date: 12th May 2011

M. MEHTA
Partner
M. No.:- 42990

THE JAMSHRI RANJITSINGHJI SPG. & WVG. MILLS CO. LTD.

BALANCE SHEET AS ON 31ST MARCH 2011

PARTICULARS	SCHEDULE NO.	RS.	31-Mar-11 RS.	RS.	31-Mar-10 RS.
I SOURCES OF FUNDS					
SHARE CAPITAL	(A)		69,934,810		69,934,810
SECURED LOANS	(B)		12,162,211		12,404,222
Total			82,097,021		82,339,032
II APPLICATION OF FUNDS					
FIXED ASSETS					
GROSS BLOCK	(C)		255,945,233		254,362,518
LESS :- DEPRECIATION & IMPAIRMENT			231,254,294		228,338,622
NET BLOCK			24,690,939		26,023,896
INVESTMENTS	(D)		312,500		312,500
CURRENT ASSETS,LOANS & ADVANCES	(E)	93,103,852		83,063,995	
LESS:-CURRENT LIABILITIES & PROVISIONS	(F)	48,557,210		123,897,205	
			44,546,642		(40,833,210)
PROFIT & LOSS ACCOUNT			12,546,940		96,835,846
Total			82,097,021		82,339,032
NOTES TO ACCOUNTS	(G)				

AS PER OUR REPORT OF EVEN DATE

For MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.NO: 106456W

M MEHTA
PARTNER
MEMBERSHIP NO.: 42990

PLACE : MUMBAI
DATE :- 12th May, 2011

P. R. DAMANI
CHAIRMAN & MANAGING DIRECTOR

KIRANBHAI. J. SHAH
DIRECTOR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

PARTICULARS	SCHEDULE NO.	31-Mar-11 RS.	31-Mar-10 RS.
INCOME			
SALES		503,259,854	387,755,836
OTHER INCOME	I	1,744,239	12,575,044
PROFIT/(LOSS) ON SALE OF CONSTRUCTION	II	13,735,315	2,545,847
TOTAL	(A)	518,739,408	402,876,727
EXPENDITURE			
RAW MATERIAL CONSUMPTION	III	320,731,975	255,440,580
STOCK (INCREASE) / DECREASE	IV	(9,795,811)	(1,735,255)
EMPLOYEE COST	V	24,057,345	18,248,852
OTHER MANUFACTURING EXPENSES	VI	75,588,431	67,893,225
SALES EXPENSES & OBLIGATION	VII	6,629,080	14,746,029
ADMINISTRATIVE EXPENSES	VIII	9,334,881	7,829,558
TOTAL	(B)	426,545,901	362,422,989
GROSS MARGIN	(A-B)	92,193,507	40,453,738
INTEREST & FINANCE CHARGES	IX	4,988,929	6,737,700
DEPRECIATION		2,915,672	3,522,252
IMPAIRMENT		0	1,249,465
		7,904,601	11,509,417
PROFIT / (LOSS) BEFORE PRIOR PERIOD ,TAXATION AND EXTRAORDINARY ITEMS		84,288,906	28,944,321
ADD: PRIOR PERIOD (EXPENSES) / INCOME		0	18,261,769
PROFIT / (LOSS) BEFORE TAXATION		84,288,906	47,206,090
PROFIT / (LOSS) AFTER TAXATION		84,288,906	47,206,090
ADD :- ACCUMULATED LOSS AS PER LAST BALANCE SHEET		(96,835,846)	(144,041,936)
ACCUMULATED PROFIT / (LOSS) CARRIED TO BALANCE SHEET		(12,546,940)	(96,835,846)
EARNINGS PER SHARE (NOTE -14)			
BASIC (Rs.)		12.04	6.74
DILUTED (Rs.)		12.04	6.74
NOTES TO ACCOUNTS	(G)		

AS PER OUR REPORT OF EVEN DATE

For MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.NO: 106456W

M MEHTA
PARTNER
MEMBERSHIP NO.: 42990

PLACE : MUMBAI
DATE :- 12th May, 2011

P. R. DAMANI
CHAIRMAN & MANAGING DIRECTOR

KIRANBHAI. J. SHAH
DIRECTOR

SCHEDULES "A" TO "G" FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH 2011

	RS.	31-Mar-11 RS.	RS.	31-Mar-10 RS.
SCHEDULE- " A "				
SHARE CAPITAL				
AUTHORISED				
75,00,000 EQUITY SHARES OF RS. 10/- EACH		75,000,000		75,000,000
2,50,000 PREFERENCE SHARES OF RS. 100/- EACH		25,000,000		25,000,000
		100,000,000		100,000,000
ISSUED :-				
69,99,564(PY:69,99,564) EQUITY SHARES OF RS. 10/- EACH		69,995,640		69,995,640
SUBSCRIBED & PAID UP :-				
69,99,564 (PY: 69,99,564) EQUITY SHARES OF RS. 10/- EACH		69,995,640		69,995,640
LESS :- ALLOTMENT MONEY IN ARREARS	12,030		12,030	
CALL MONEY IN ARREARS	48,800	60,830	48,800	60,830
		69,934,810		69,934,810
OUT OF THE ABOVE :-				
(A) 14,95,900 EQUITY SHARES ARE ALLOTED AS FULLY PAID UP BONUS SHARES OUT OF GENERAL RESERVE.				
SCHEDULE- " B "				
SECURED LOANS:-				
WORKING CAPITAL LOAN				
LOAN FROM NON SCHEDULE BANK				
VYAPARI SAHAKARI BANK MARYADIT		**12,162,211**		12,364,789
(SECURED BY WAY OF HYPOTHECATION OF STOCKS OF RAW MATERIALS/ FINISHED GOODS)				
(MAX. BAL DURING 2010-11 AMOUNTING TO RS. 1,58,51,032/-)				
VYAPARI SAHAKARI BANK MARYADIT (O. D. A/C)		0		39,433
(SECURED BY WAY OF FIXED DEPOSIT OF RS.1 LAC WITH VYAPARI SAHAKARI BANK MARYADIT)		**12,162,211**		12,404,222
(MAX. BAL DURING 2010-11 AMOUNTING TO RS.62,140/-)				

SCHEDULE-C

FIXED ASSETS AS ON 31ST MARCH, 2011

Assets	GROSS BLOCK				DEPRECIATION				NETBLOCK	
	As on 01.04.2010 (Rs)	Addition & Transfer Impaired (Rs)	Sales & Transfer (Rs)	As on 31.03.2011 (Rs)	Up to 01.04.2010 (Rs)	Deduction Transfer & Adjustment (Rs)	Provided During the Period (Rs)	Up to 31.03.2011 (Rs)	As on 31.03.2011 (Rs)	As on 31.03.2010 (Rs)
Free Hold Land	28,629			28,629	0		0	0	28,629	28,629
Building & Ownership block	52,054,272			52,054,272	40,781,184		1,071,874	41,853,058	10,201,214	11,273,088
Plant & Machinery	186,182,650	1,582,715		187,765,365	176,255,240		1,059,523	177,314,763	10,450,602	9,927,410
Electrical Installation	9,078,011			9,078,011	6,428,750		428,828	6,857,578	2,220,433	2,649,261
Laboratory Equipment	3,395,064			3,395,064	2,393,825		160,852	2,554,677	840,387	1,001,239
Furniture & Office Equipments	3,051,285			3,051,285	1,911,044		194,595	2,105,639	945,646	1,140,241
Vehicles	572,607			572,607	568,579		0	568,579	4,028	4,028
	254,362,518	1,582,715		255,945,233	228,338,622		2,915,672	231,254,294	24,690,939	26,023,896
PREVIOUS YEAR	256,045,763	453,558	2,136,803	254,362,518	225,703,707	887,338	3,522,253	228,338,622	26,023,896	

SCHEDULES "A" TO "F" FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH 2011

	RS.	31-Mar-11 RS.	RS.	31-Mar-10 RS.
SCHEDULE -" D "				
INVESTMENTS				
UNQUOTED:				
LONG TERM (AT COST):				
NON TRADE INVESTMENT(FULLY PAID):		312,500		312,500
VYAPARI SAHAKARI BANK MARYADIT				
12500 (PY. 7500) EQUITY SHARES OF RS. 25/- EACH FULLY PAID				
		312,500		312,500
SCHEDULE - "E "				
CURRENT ASSETS, LOANS AND ADVANCES				
CURRENT ASSETS:-				
INVENTORIES				
(AT LOWER OF COST OR NET REALISABLE VALUE (NOTE NO. 1(vii)))				
(AS VALUED AND CERTIFIED BY THE MANAGING DIRECTOR)				
RAW MATERIAL		17,979,872		5,742,710
MATERIAL IN PROCESS		12,715,893		7,889,978
FINISHED GOODS & WASTE		5,826,704		856,808
FLATS AND SHOPS GODOWN		0		2,218,133
		36,522,469		16,707,629
SUNDRY DEBTORS (UNSECURED) :-				
DEBTS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS				
CONSIDERED GOOD	194,778		1,098,104	
CONSIDERED DOUBTFUL	2,109,081	2,303,859	2,109,081	3,207,185
LESS :- PROVISION FOR DOUBTFUL DEBTS		2,109,081		2,109,081
		194,778		1,098,104
DEBTS OUTSTANDING FOR A PERIOD LESS THAN SIX MONTHS				
CONSIDERED GOOD		16,573,705		3,350,000
		16,768,483		4,448,104
CASH & BANK BALANCE :-				
CASH ON HAND		54,537		48,159
WITH SCHEDULED BANK :-				
ON CURRENT ACCOUNTS		3,649,597		226,108
		3,704,134		274,267
FIXED DEPOSITS (SCHEDULE BANK):				
FIXED DEPOSIT WITH VYAPARI SAHAKARI BANK MARYADIT		0		100,000
		0		100,000
(SECURED AGAINST VYAPARI SAHAKARI BANK MARYADIT				
OVERDRAFT ACCOUNT)				
		3,704,134		374,267
TOTAL				

SCHEDULES "A" TO "F" FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH 2011

	RS.	31-Mar-11 RS.	RS.	31-Mar-10 RS.
LOANS AND ADVANCES				
ADVANCES :-				
(UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)				
ADVANCE RECOVERABLE IN CASH OR KIND OR FOR VALUE		1,197,110		344,103
TO BE RECEIVED		23,244,762		54,590,841
BALANCES WITH GOVT BODIES	1,000,000		1,000,000	
BALANCES WITH OTHER BODIES	1,000,000	Nil	1,000,000	Nil
LESS :- PROVISION FOR DOUBTFUL ADVANCES		91,320		156,785
PREPAID EXPENSES				
TRADE ADVANCES	1,037,556		304,472	
CONSIDERED GOOD	152,752		152,752	
CONSIDERED DOUBTFUL				
	1,190,308		457,224	
LESS :- PROVISION FOR DOUBTFUL ADVANCES	152,752	1,037,556	152,752	304,472
TAX DEDUCTED AT SOURCE		267,710		270,157
OTHER DEPOSITS		10,270,308		5,867,637
TOTAL		36,108,766		61,533,995
GRAND TOTAL		93,103,852		83,063,995
SCHEDULE- " F "				
CURRENT LIABILITIES & PROVISIONS :-				
CURRENT LIABILITIES:-				
SUNDRY CREDITORS		31,314,194		74,259,063
BILLS ACCEPTANCES		0		29,973,770
OTHER LIABILITIES		407,206		15,277,308
ADVANCES RECEIVED AGAINST SALE		10,000,000		0
TOTAL		41,721,400		119,510,141
PROVISIONS				
PROVISION FOR GRATUITY		5,634,130		4,005,614
PROVISION FOR LEAVE ENCASHMENT		1,201,680		381,450
TOTAL		6,835,810		4,387,064
GRAND TOTAL		48,557,210		123,897,205

SCHEDULE "I" TO "X" AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	31-Mar-11 RS.	31-Mar-10 RS.
SCHEDULE- " I "		
OTHER INCOME		
	22,917	6,250
DIVIDEND	0	11,878,589
PROVISION / LIABILITIES WRITTEN BACK	1,721,322	690,205
MISCELLANEOUS INCOME	1,744,239	12,575,044
SCHEDULE - " II "		
PROFT / LOSS FROM CONSTRUCTION		
	16,460,300	5,032,000
SALES/TRANSFER OF SHOPS / FLATS	0	0
ADD : CONSTRUCTION WORK IN PROGRESS		2,218,133
ADD : CLOSING STOCK -FLATS & SHOPS	16,460,300	7,250,133
	506,852	487,405
LESS :- COST OF CONSTRUCTION	2,218,133	4,216,881
LESS :- OPENING STOCK-FLATS & SHOPS	13,735,315	2,545,847
(NOTE -7)		
SCHEDULE- " III "		
CONSUMPTION OF RAW MATERIALS		
	5,742,710	3,520,637
STOCK AT COMMENCEMENT	332,969,137	257,662,653
ADD :- PURCHASES	338,711,847	261,183,290
	17,979,872	5,742,710
LESS :- STOCK AT CLOSE	320,731,975	255,440,580
SCHEDULE- " IV "		
(INCREASE)/DECREASE IN STOCK		
OPENING STOCK :		
	856,808	11,513
YARN & WASTE	7,889,978	7,000,018
MATERIAL IN PROCESS	8,746,786	7,011,531
CLOSING STOCK :		
	5,826,704	856,808
YARN & WASTE	12,715,893	7,889,978
MATERIAL IN PROCESS	18,542,597	8,746,786
	(9,795,811)	(1,735,255)
(INCREASE) / DECREASE IN STOCK		

SCHEDULE "I" TO "X" AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

		31-Mar-11 RS.		31-Mar-10 RS.
SCHEDULE- " V "				
EMPLOYEES COSTS :				
SALARIES & WAGES, BONUS		18,873,639		15,751,071
CONTRIBUTION / PROVISION TO & FOR PROVIDENT & OTHER FUNDS.		3,634,229		2,058,399
WELFARE EXPENSES		1,549,477		439,382
		24,057,345		18,248,852
SCHEDULE- " VI "				
OTHER MANUFACTURING EXPENSES				
STORE SPARES & DOUBLING CHARGES		13,504,115		12,212,201
POWER & FUEL		56,644,237		49,850,926
INSURANCE		266,518		309,435
REPAIRS TO PLANT		3,691,650		4,281,854
REPAIRS TO BUILDING		291,854		248,722
RATES & TAXES		1,190,057		990,087
		75,588,431		67,893,225
SCHEDULE- " VII "				
SALES EXPENSES :				
SALES EXPENSES		3,618,222		402,131
BROKERAGE		0		3,070
SALES TAX (VAT)		3,010,858		14,340,828
		6,629,080		14,746,029
SCHEDULE- " VIII "				
ADMINISTRATIVE EXPENSES :				
PRINTING , STATIONERY, POSTAGE, TELEPHONE		1,008,391		1,158,492
&ADVERTISEMENT				
PROFESSIONAL & LEGAL CHARGES		793,596		979,910
AUDITORS REMUNERATION				
AUDIT FEES	110,300		111,386	
OUT OF POCKET EXPENSES	7,580	117,880	6,054	117,440
TAX AUDIT FEES		6,618		7,170
COST AUDIT FEES		15,000		15,000
CONCURRENT AUDIT FEES		66,183		82,725
DIRECTORS FEES		8,250		6,750
MANAGERIAL REMUNERATION		1,334,744		1,117,560
CONVEYANCE		172,544		142,662
DIRECTORS TRAVELLING				
FOREIGN	367,621		0	
DOMESTIC	177,301	544,922	255,258	255,258
OTHERS TRAVELLING				
FOREIGN	0		0	
DOMESTIC	372,593	372,593	209,214	209,214
MOTOR CAR EXPENSES		788,124		939,874

SCHEDULE "I" TO "X" AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	31-Mar-11 RS.	31-Mar-10 RS.
SCHEDULE- " VIII "		
ADMINISTRATIVE EXPENSES : (Contd.)		
OTHER REPAIRS (MAFATLAL HOUSE)	1,805,400	0
SUNDRY BALANCES WRITTEN OFF	(14,549)	154,991
SOCIAL RESPONSIBILITY EXPENSES	0	81,828
BOARDING & LODGING	37,132	514,441
OFFICE EXPENSES	278,628	258,634
DIRECTORS ENTERTAINMENT EXPENSES	335,210	284,008
MAINTENANCE & SECURITY CHARGES	1,018,097	731,294
BANK COMMISSION	44,170	79,841
SUBSCRIPTION & PERIODICAL	56,377	39,216
MISCELLANEOUS EXPENSES	545,572	653,250
	9,334,881	7,829,558
SCHEDULE- "IX "		
INTEREST & FINANCE CHARGES :		
BANK & OTHER INTEREST	6,490,749	7,044,241
LESS :- INTEREST RECEIVED	1,501,820	306,541
(TDS Rs.86,253/- PREVIOUS YEAR RS. 1,03,919/-)	4,988,929	6,737,700
SCHEDULE- " X "		
MANAGERIAL REMUNERATION :		
i) SALARY	1,164,000	1,008,000
ii) CONTRIBUTION TO PROVIDENT FUND	111,600	97,200
iii) OTHER PERQUISITES	59,144	12,360
	1,334,744	1,117,560
COMPUTATION OF COMMISSION		
PROFIT BEFORE TAX AS PER PROFIT AND LOSS ACCOUNT	84,288,906	47,206,090
ADD:-		
A) MANAGERIAL REMUNERATION	1,334,744	1,117,560
B) DIRECTORS FEES	8,250	6,750
C) LOSS ON IMPAIRMENT OF FIXED ASSETS	0	1,249,465
D) DEPRECIATION CHARGED TO PROFIT & LOSS ACCOUNT	2,911,445	3,522,252
	88,543,345	53,102,117
LESS :-	2,911,445	3,522,252
A) DEPRECIATION CHARGEABLE UNDER SECTION 350	0	0
B) PROFIT ON SALE OF ASSETS / LAND	96,835,846	144,041,936
C) BROUGHT FORWARD LOSS	(11,203,946)	(94,462,071)
	NIL	NIL
COMMISSION PAYABLE TO MANAGING DIRECTORS FOR THE YEAR UNDER THE AGREEMENT @ 1% OF THE PROFIT	NIL	NIL
RESTRICTED TO 50 % OF THE SALARY FOR THE YEAR AS PER TERMS AND CONDITIONS OF THE AGREEMENT		

Notes to Accounts

1. **Significant Accounting Policies:**

I) Fixed assets:

Fixed assets are stated at cost of acquisition or construction, including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

II) Depreciation:

A) The company provides depreciation on plant & machinery, electrical installations and laboratory equipment on straight line method and on other assets on written down value method as per Schedule XIV of the Companies Act, 1956.

B) The company provides depreciation as per provisions of Section 205(2)(b) of the Companies Act, 1956 on straight line method on the assets acquired upto 31st March 1987, at the rate adopted till that date in accordance with circular no.1/86 dated 21st May 1986 issued by the Department of Company Affairs and on assets acquired there after at the rates as per Schedule XIV of the Companies Act, 1956.

III) Sales:

Sales (domestic) are recognized on dispatch of products and are stated net of returns, and are inclusive of Excise Duty and Sales Tax / VAT.

IV) Income From Construction:

Real estate income is accounted for, on completion of construction/sale.

V) Research and Development:

Revenue expenses relating to research and development activity is charged to profit & loss account. Capital expenditure incurred for research and development is capitalised.

VI) Investments:

Long-term investments are carried at cost. However provision for diminution in value is made to recognize a decline other than temporary in the value of investments. Current investments are stated at cost or fair value whichever is lower.

VII) Valuation of Inventories :

Inventories are valued at lower of costs and net realizable value. Cost is ascertained in respect of:-

i) Raw materials on first-in-first-out basis.

ii) Stores, spares and colour chemicals on first-in-first-out basis.

iii) Material in progress on the basis of cost of raw materials issued, direct labour and appropriate factory overheads and with reasonable estimates, where necessary, upto the stage of completion.

iv) Finished goods on the basis of cost of raw material, direct labour and appropriate factory overheads and with reasonable estimates, where necessary.

v) Construction work in progress at the costs incurred upto the stage of completion.

vi) Flats and shops at the construction costs and related overheads.

VIII) Employee Benefits:

a. **Defined contribution plan :**

Company's contribution paid/payable during the year towards Provident Fund, Employees Pension Fund, ESIC and Labour Welfare fund being charged to profit and loss account.

b. **Defined benefit plan:**

Company's liability towards gratuity and leave encashment are based on actuarial valuation using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the statement of profit and loss account as income or expense.

IX) Taxation:

Income tax expense comprises of current tax, deferred tax charge or credit and fringe benefit tax. Provision for current tax is made with reference to taxable income computed for the accounting year, for which the financial statements are prepared by applying the tax rates as applicable. Deferred tax charge reflects the impact of current year timing differences between taxable income and accounting income. The deferred tax charge or credit is recognized using prevailing enacted or substantively enacted tax rates. Deferred tax assets are recognized only to

the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits. Deferred tax assets / liabilities are reviewed as at each Balance Sheet date based on developments during the year and available case laws, to reassess realization / liabilities.

x) Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Previously recognized impairment loss is further provided or reversed depending on the changes in circumstances.

xi) Contingencies / Provisions:

Provision is recognized when the company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

2. Contingent Liabilities:

	2010-2011 Rs.in lacs	2009-2010 Rs.in lacs
VAT/CST Interest	10.40	NIL
INCOME TAX	19.40	NIL

3. Debtors and creditors are subject to confirmation. In case where purchases from/ sales to the same party, the net is taken.

4. In the opinion of the board, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amounts considered reasonably necessary.

5. Financial Assistance from Vyapari Sahakari Bank Maryadit taken during the year is secured by hypothecation of stock of Raw material / Work in Progress and Finished goods.

6. (a) The company has made Net Profit of Rs. 842.88 lacs during the year and as at 31st March 2011, the accumulated losses amount to Rs. 125.46 lacs resulting in a positive net worth of Rs. 573.87 lacs (previous year negative worth of Rs. 269.01 lacs).

(b) The company has been declared sick by the Board for Industrial and Financial Reconstruction vide order dated 15.09.2005 u/s 3(1)(o) of the Act. BIFR has sanctioned the rehabilitation scheme submitted by operating agency Bank of India on 12-08-2008 and rehabilitation scheme is under implementation.

7. The company has two business segments viz. Textile products and Construction. The figures pertaining to the construction business have been disclosed separately in the financial statements of the company with the requirements of AS 17 - Segmental Reporting. The other figures in the financial statements pertain to the textile business.

Particulars	2010-2011			2009-2010		
	Textile	Construction	Total	Textile	Construction	Total
REVENUE						
External	503259854	16460300	519720154	387755836	5032000	392787836
Less : Internal Segment Adjustment	0	0	0	0	0	0
Total Revenue	503259854	16460300	519720154	387755836	5032000	392787836
RESULTS	70553591	13735315	84288906	44599413	2545847	47145260
OTHER INFORMATION						
Segment Assets	89015852	4088000	93103852	79174536	3889459	83063995
Segment Liabilities	48557210	0	48557210	123897205	0	123897205

8. The Company has opted to avail benefit under Central Excise Notification No.30/2004 for non-payment of excise duty on yarn produced and correspondingly will not claim credit on inputs w.e.f 1st July 2006. No provision has been made for the unutilised Cenvat credit amounting to Rs. 100.60 Lacs including Rs.47.96 lacs of previous year and Rs.52.63 lacs of the earlier years demand set aside by the competent Authorities and fresh adjudication is pending. The Company is actively considering available alternatives for utilizing this balance.

9. In pursuance to Accounting Standard -28 issued by the Institute of Chartered Accountants of India, the company has assessed no impairment of assets as on 31st March 2011, hence no provision has been made in the books of accounts.

10. Interest received include interest receivable of Rs. 4,84,652/- from Gira Agencies Distributor is for earlier years.

11. The company has old basement godown cost of which is Nil in the books of account and it is sold for Rs. 60 Lacs during the year.

12 a. LIST OF RELATED PARTIES:

A) ASSOCIATES / JOINT VENTURES:

SR. NO.	PARTICULARS
1.	DAMANI TEXTILES CO
2.	MR. P R DAMANI (MANAGING DIRECTOR)
3.	MR. J P SINGHAL (EXECUTIVE DIRECTOR)
4.	MR. N R DAMANI (JOINT MANAGING DIRECTOR)

WE CONFIRM THAT THE FOLLOWING ARE THE KEY MANAGEMENT PERSONNEL OF THE COMPANY:

B) KEY MANAGEMENT PERSONNEL:

SR. NO.	PARTICULARS
1.	SHRI J.M.ADHIA
2.	SHRI A.K. MOHTA

12 b. Related party disclosures enterprises in which the promoter directors are interested.

Sr. No.	Name of the related party	Transaction	Amount (Rs. In lacs)	Balance due to related parties (Rs. In lacs)
1	Mr P R Damani (Managing Director)	Remuneration	7.12 (5.13)	5.13 (5.16)
2	Mr J P Singhal (Executive Director)	Remuneration	1. 78 (1.78)	1.78 (1.44)
3	Mr N R Damani (Joint ManagingDirector)	Remuneration	4.44 (4.26)	4.26 (4.26)

12 c. Key Management Personnel disclosure

Sr. No.	Name of the Key Management	Transaction	Amount (Rs. In lacs)	Balance due to related parties (Rs. In lacs)
1	Mr. J.M. Adhia (General Manager)	Salary	8.46 (7.64)	7.64 (7.26)
2	Mr A . K. Mohta (Finance Manager)	Salary	6.09 (5.72)	5.72 (5.59)

Figures in brackets represent previous year's figures.

13. Provision for taxation :

(a) Current tax: In view of the carried forward losses the company has no taxable income. The company is not liable for MAT, as it is a sick company declared by BIFR.

(b) Deferred Tax (AS 22): In view of the carried forward losses the company has deferred tax assets. However, as a matter of prudence the same has not been recognized in the financial statements since the management is not certain that sufficient taxable income will be available in the future against which such deferred tax assets could be adjusted.

14. Employee Defined Benefits:-

(As per Actuarial Valuation as on March 31, 2011)

		Gratuity		Leave Encashment	
		Mar-11 Rs.	Mar-10 Rs.	Mar-11 Rs.	Mar-10 Rs.
(i)	Expenses recognized during the year ended March 31, 2011(included in Schedule of Profit & Loss Account)				
	1. Current Service Cost	438556	329534	263190	259050
	2. Interest Cost	291968	267108	26091	72882
	3. Expected return on plan assets	-	-	-	-
	4. Actuarial Loss / (Gain)	1123402	58852	598102	(883642)
	5. Total Expense	1853926	655494	887383	(551710)
(ii)	Net Asset / (Liability) recognized in the Balance Sheet as at March 31, 2011				
	1. Present Value Defined Benefit obligation	5634130	4005614	1201680	381450
	2. Fair value of plan assets	-	-	-	
	3. Funded status (Surplus / (Deficit))	(5634130)	(4005614)	(1201680)	(381450)
	4. Net asset / (Liability)	(5634130)	(4005614)	(1201680)	(381450)
(iii)	Change in obligation during the year ended March 31, 2011				
	1. Present value of Defined Benefit Obligation at the beginning of the year	4005614	3772756	381450	1010370
	2. Current Service Cost	438556	329534	263190	259050
	3. Interest Cost	291968	267108	26091	72882
	4. Settlement Cost	-	-	-	-
	5. Past Service Cost	-	-	-	-
	6. Employee Contributions	-	-	-	-
	7. Actuarial (Gains) / Losses	1123402	58852	598102	(883642)
	8. Benefit Payments	(225410)	(422636)	(67153)	(77210)
	9. Present value of Defined Benefit Obligation at the end of the year	5634130	4005614	1201680	381450
(iv)	Change in Assets during the year ended March 31, 2011	-	-	-	-
	Actuarial Assumptions:				
	1. Discount Rate	8.00 %	7.50%	8.00 %	7.50%
	2. Expected rate of return on plan assets	-	-	-	-
	3. Expected rate of salary increase	4.00%	4.00%	4.00%	4.00%
	4. Mortality Pre-retirement	LIC (1994-96) ULT	LIC (1994-96) ULT	LIC (1994-96) ULT	LIC (1994-96) ULT
	5. Withdrawal rates	0.80%	0.80%	0.80%	0.80%

15. The company is in the process of appointing a full time company secretary by the provision of section 383A of the Companies Act 1956. In the absence of the company secretary, these financials statement have not been authenticated by a whole time company secretary u/s 215 of the Companies Act, 1956

16. EARNING PER SHARE:

	2010-2011	2009-2010
NUMERATOR- PROFIT / (LOSS)	84288906	47206090
DENOMINATOR – WEIGHTED AVERAGE NUMBER OF SHARES	69,99,564	69,99,564
BASIC EARNINGS PER SHARE	12.04	6.74
DILUTED EARNINGS PER SHARE	12.04	6.74

17. Statutory information in the case of manufacturing companies as certified by the management.

I. A. Opening stock of finished goods

		This Year		Previous Year	
	Units	Qty.	Value Rs.	Qty.	Value Rs.
Yarn	Kgs	5932	784596	0	0
Waste	Kgs	3766	72212	463	11513
Total			856808		11513

B. Production .

		This Year	Previous Year
	Units	Quantity	Quantity
Yarn	Kgs	3358529	3325965
Waste	Kgs	96624	90910
Total		3455153	3416875

C. Purchases of finished goods.

		This Year		Previous Year	
	Units	Qty	Value Rs.	Qty	Value Rs.
	NIL	NIL	NIL	NIL	NIL

D. Closing stock of finished goods.

		This Year		Previous Year	
	Units	Qty	Value Rs.	Qty	Value Rs.
Yarn	Kgs	31704	5820678	5932	784596
Waste	Kgs	2983	6026	3766	72212
Total		34687	5826704	9698	856808

E. Total sales.

		This Year		Previous Year	
	Units	Qty.	Value Rs.	Qty.	Value Rs.
Yarn	Kgs	3332757	500036169	3320033	385301574
Waste	Kgs	97407	3223685	87607	2454262
Total		3430164	503259854	3407640	387755836

II. Consumption of materials.

		This Year		Previous Year	
	Unit	Qty	Value Rs.	Qty	Value Rs.
Synthetic Fibres	Kgs	3461571	329278475	3421778	255440579
Total			329278475		255440579

III. –A. licensed capacity :

	This Year	Previous Year
Spindles	67048	67048
Looms	511	511

B. Installed capacity :

Spindles	25200	25200
Looms	Nil	Nil

IV. A. CIF value of imports :

(purchase price taken where c.i.f. value is not available)

	This Year	Previous Year
Stores, components & spare parts-	Nil	Nil

B. Value of imported and indigenous materials consumed :

1. Material

	This Year		Previous Year	
	Value Rs.	%	Value Rs.	%
Imported	Nil	Nil	Nil	Nil
Indigenous	329278475	100.00	255440579	100.00
Total	329278475	100.00	255440579	100.00

2. Stores, components, spare parts, printing & processing :

	This Year		Previous Year	
	Value Rs.	%	Value Rs.	%
Imported	Nil	Nil	Nil	Nil
Indigenous	13504115	100.00	12212201	100.00
Total	13504115	100.00	12212201	100.00

C. Earning in foreign exchange

	This Year (Rs.in lacs)	Previous Year (Rs.in lacs)
Export of goods f.o.b.	Nil	Nil

D Expenditure in foreign currency :

Directors Traveling expenses	367621	Nil

18. No confirmation has been received from the enterprises regarding Micro, Small and Medium enterprises, as defined in the Micro, Small, Medium enterprises Development Act, 2006, to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

19. The previous year figures have been regrouped wherever necessary.

I.	**REGISTRATION DETAILS**			
	REGISTRATION NO.	258		
	STATE CODE	11		
	BALANCE SHEET DATE	31	03	2011
		DATE	MONTH	YEAR
II	**CAPITAL RAISED DURING THE YEAR**			
	PUBLIC ISSUE	...		
	RIGHT ISSUE	...		
	BONUS ISSUE	...		
	PRIVATE PLACEMENT	...		
III	**POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS**			
	TOTAL LIABILITIES	82097021.00		
	TOTAL ASSETS	82097021.00		
	SOURCES OF FUNDS			
	PAID UP CAPTIAL	69934810.00		
	RESERVES & SURPLUS	0.00		
	SECURED LOANS	12162211.00		
	UNSECURED LOANS	0.00		
	APPLICATION OF FUNDS			
	NET FIXED ASSETS	24690939.00		
	NET CURRENT ASSETS	44546642.00		
	MISCELLANEOUS EXPENDITURE	0.00		
	ACCUMULATED LOSSES	12546940.00		
IV	**PERFORMANCE OF THE COMPANY**			
	TURNOVER	518739408.00		
	TOTAL EXPENDITURES	434450502.00		
	PROFIT/LOSS BEFORE TAX	84288906.00		
	PROFIT/LOSS AFTER TAX	84288906.00		
	EARNING PER SHARE	12.04		
	DIVIDEND RATE%	0.00		
V	**GENERAL NAMES OF THREE PRINCIPAL PRODUCTS OF THE COMPANY**			
	(AS PER MONETARY TERMS)			
	ITEM CODE NO (ITC CODE)	551341		
	PRODUCT DESCRIPTION	CLOTH		
	ITEM CODE NO (ITC CODE)	551120		
	PRODUCT DESCRIPTION	YARN		
	ITEM CODE NO (ITC CODE)	0		
	PRODUCT DESCRIPTION	0		

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

	Year Ended 31st March 2011		Year Ended 31st March 2010	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
A. Cash Flow From Operating Activities				
Net Profit/ (Loss) Before Tax		84,288,906		47,206,090
Adjustments for:				
Depreciation	2,915,672		3,522,252	
Loss/(Profit)On sale Of Fixed Assets (Net)			-	
Dividend Received	(22,917)		(6,250)	
Interest Charged	6,490,749		7,044,241	
Interest Received	(1,501,820)		(306,541)	
Interest liabilities written back	-		(11,422,836)	
Provision for Gratuity / Leave encashment	2,448,746		(396,062)	
Right Share Issue Exps	-		-	
Loss on impairment of Fixed Assets	-		1,249,465	
		10,330,430		(315,731)
Operating Profit/(Loss) Before Working Capital Changes.		94,619,336		46,890,359
Adjustments for:				
Trade & Other Receivables	12,875,343		(23,899,067)	
Inventories	(19,814,840)		(1,958,580)	
Trade Payables	(77,788,741)		(5,685,439)	
		(84,728,238)		(31,543,086)
Cash Generated / (utilised) From Operations.		9,891,098		15,347,273
Direct Taxes (Paid)/ Received	2,968		195,998	
		2,968		195,998
Net Cash Generated / (utilised) From Operating Activity		9,894,066		15,543,271
B. Cash Flow From Investing Activity				
Purchase Of Fixed Assets	(1,582,715)		(453,558)	
Sale Of Fixed Assets			-	
Sale /(Purchase) Of Investments	-		(125,000)	
Interest Received	1,728,882		344,124	
Dividend Received	22,917		6,250	
Net Cash Used In Investing Activities.		169,084		(228,184)
C. Cash Flow From Financing Activity				
Proceeds From Share Issue (Net of Exps)	0		0	
Proceeds/(Repayments) From/ Of Borrowings (Net)	(242,012)		9,225,891	
Interest Paid	(6,490,749)		(25,944,241)	
Net Cash Used In Financing Activities.		(6,732,761)		(16,718,350)
Net Increase/(Decrease) In Cash & Cash Equivalents(A+B+C)		3,330,389		(1,403,262)
Cash & cash Equivalents Opening Balance		374,267		1,777,529
(Deposit of Rs. 1000000/- with Banker as a security for OD A/c)		-		-
		374,267		1,777,529
Cash & Cash Equivalents Closing Balance		3,704,134		374,267
(Deposit of Rs. 100000/- with Banker as a security for OD A/c)		-		-
		3,704,134		374,267

Note:-

1) The above Cash Flow Statement has been prepared under the " indirect method" as set out in the Accounting Standard 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
2) Previous year's figures have been regrouped wherever necessary.
3) Cash Out Flows are shown in brackets

AS PER OUR REPORT OF EVEN DATE
For MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.NO: 106456W

M MEHTA
PARTNER
MEMBERSHIP NO.: 42990
PLACE : MUMBAI
DATE :- 12th May, 2011

P. R. DAMANI
CHAIRMAN & MANAGING DIRECTOR

KIRANBHAI. J. SHAH
DIRECTOR

THE JAMSHRI RANJITSINGHJI SPG. & WVG. MILLS CO. LTD.

Registered Office : Fatehchand Damani Nagar, Station Road, Solapur - 413 001.

PROXY FORM

DP*	Proxy No. :
CLIENT ID*	Regd Folio No. :
	No of Shares :

I/We _____ of _____

Members of The Jamshri Ranjitsinghji Spg. & Wvg. Mills Co. Ltd. hereby appoint Shri/Smt _____ him/her proxy to vote for me/us on my behalf at the Hundred and Third Annual General Meeting of the Company to be held at 12.30 P.M. on 6th August, 2011 at the Registered Office of the Company at Fatehchand Damani Nagar Station Road, Solapur - 413 001, and if any adjournment thereof.

Signed this _____ ,2011

Affix Revenue Stamp

Signature of Members/Proxy

*Applicable for investor holding shares in electronic form.

NOTE :

1. The Proxy Form should be signed across the stamp as per specimen signature(s) registered with the Company.
2. The Proxy Form duly completed must reach the Registered Ofice of the Company not later than Forty-eight hours before the time of the meeting.

THE JAMSHRI RANJITSINGHJI SPG. & WVG. MILLS CO. LTD.

Registered Office : Fatehchand Damani Nagar, Station Road, Solapur - 413 001.

ATTENDENCE SLIP

(Please present this slip at the entrance of the Meeting Hall)

I/We hereby record my presence at the Hundred and Third Annual General Meeting of THE JAMSHRI RANJITSINGHJI SPG & WVG MILLS CO. LTD. held at 12.30 P.M. on 6th August, 2011 at the Registered Office of the Company at Fatehchand Damani Nagar, Station Road, Solapur - 413 001.

Signature of the shareholders or proxy

Regd. Folio no. ..... No. of shares held. .....

DP.ID*

Client ID*

*Applicable for investor holding shares in electronic form.