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Arvind International Limited

BOARD OF DIRECTORS:

1. Mr. ARVIND BAJORIA	Managing Director
2. Mrs. ANUPAMA BAJORIA	Director
3. Mr. RAJIV CHAMARIA	Director
4. Mr. MANISH LOHIA	Director
5. Mr. MANOJ KUMAR AGARWAL	Director

BANKERS:

State Bank of India

STATUTORY AUDITORS:

M/s. N. C. Banerjee & Company
2, Ganesh Chandra Avenue
Kolkata 700013, West Bengal

COMPANY SECRETARY:

Miss Neha Chaudhry

REGISTERED OFFICE:

15, Ganesh Chandra Avenue,
2nd Floor, Kolkata 700013, West Bengal
Phone : 91- 33- 3257 3873
Fax : 91 33 2211 8014

ADMINISTRATIVE OFFICE:

131-134, Vrindavan Vihar,
D.C.M. Ajmer Road
Jaipur 302019, Rajasthan
Phone: 91-141-326 7846

WORKS:

E 95-96 & G- 76-78,
RIICO Industrial Area
Bagru Extension, Bagru
Jaipur- 303007, Rajasthan
Phone: 91-141-3247460

**REGISTRAR & SHARE
TRANSFER AGENT :**

NICHE TECHNOLOGIES PVT. LTD.

D-511, Bagree Market, 5th Floor
71, BRB Basu Road, Kolkata 700001
Phone : 91 33 22357270 / 7271
Fax : 91 33 2215 6823
EMAIL: nichetechpl@nichetechpl.com

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NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of **ARVIND INTERNATIONAL LIMITED** will be held at Somany Conference Hall, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata -700001, on Friday, 30th Day of September, 2011 at 10:30 A.M. to transact the following business:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2011 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajiv Chamaria, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

By Order of the Board

ARVIND BAJORIA

Managing Director

Registered Office:

15, Ganesh Chandra Avenue,

Kolkata-700013

Dated: 20th May, 2011



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NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 24th September 2011 to Friday, 30th September 2011 (both days inclusive).
3. Members are requested to kindly notify any change in their mailing addresses immediately to the Share Transfer Agents of the Company.
4. Members, who are holding shares in identical order of names in more than one account, are requested to intimate the Company, the ledger folio of such accounts together with the Share Certificate(s) to enable the Company to consolidate all holdings into one account. The Share Certificates will be returned to the members after making the necessary endorsements in due course.
5. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least ten days in advance, so as to enable the Company to keep the information ready.
6. Members are requested to kindly bring their copies of the Report and Attendance slips to the meeting.
7. Any change of address of the members may please be notified to the Registrars and Share Transfer Agents of the Company quoting their registered folio.
8. Pursuant to clause 49 of the Listing Agreement, Details of Director seeking appointment/reappointment in the Forthcoming AGM are given below:

Name of the Director	Mr. Rajiv Chamaria
Date of Birth	06/06/1965
Date of appointment	27/09/04
Qualifications	B.com
Expertise in specific functional areas	Business with wide experience
Directorship in other Public Limited Companies	Tasati Tea Ltd. Supriya Tea Ltd. RNT Finance Ltd. Subir Udyog Ltd. Mas Manors Development Ltd. Gujrat Metalic Coal & Cook Ltd.
Chairmanship/Membership of Committees in other Public Limited Companies	Chairman-Audit Committee & Member Share Transfer Committee of GMCCCL

By Order of the Board

ARVIND BAJORIA
Managing Director

Registered Office:
15, Ganesh Chandra Avenue,
Kolkata-700013
Dated: 20th May, 2011



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DIRECTOR'S REPORT

To,
The Members
Arvind International Ltd.

Dear Members

Your Directors have the pleasure in presenting the Twentieth Annual Report on the business and operations of your Company, together with the Audited Financial Statements for the year ended March 31, 2011.

FINANCIAL PERFORMANCE

The performance of the Company, on standalone basis, for the financial year ended March 31, 2011 is summarized as below:

Particulars	(Rs. In Thousands)	
	Year Ended	
	31.03.2011	31.03.2010
Turnover/ Income from Operations	1173905	220919
Other Income	1382	935
Total Income	1175287	221854
Less: Expenditure	1143600	197642
Less: Depreciation	5069	5104
Less: Interest	17072	12216
Profit/ (Loss) Before Tax	9546	6892
Less: Provision for Tax (Incl. FBT)	1850	0.00
Profit/ (Loss) before Deferred Tax Adjustments	7696	6892
(Add)/Less: Deferred Tax	1.00	160
Profit/ (Loss) After Taxation	7697	7052
Prior Period Adjustments	(6400)	(5000)
Extraordinary items	0.00	0.00
Profit/ (Loss) after Extraordinary items	1297	2052
Profit/ (Loss) brought forward from previous year	(22304)	(24356)
Balance Carried over to Balance Sheet	(21007)	(22304)

During the year under review your company maintained growth in terms of Performance in manufacturing sector.

The financial year under review has resulted into recovery of previous year losses which has been possible due to better product mix, focused marketing efforts and strategical plans of the management.

It also started trading activity to increase the top line and to strengthen the bottom line so that the company is able to become more strong in years to come.

The operational performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report which forms a part of this Directors' Report.

DIVIDEND

The Board of Directors did not recommend any dividend for the year under review.

RIGHT ISSUE

The Company has proposed to bring Right Issue aggregating to an amount of 1135.69 lacs to the equity shareholders on rights basis. Further, the board of Directors of the Company at its meeting held on March 22, 2011 approved the issue price at Rs. 13.50/- per equity share, the shareholders will be entitled to receive rights entitlement under the proposed Rights issue of Shares in the ratio of 6 equity for every 5 equity share held in the company.

PUBLIC DEPOSITS

The Company has not accepted any Deposit within the meaning of Section 58A of the Companies Act, 1956.

DIRECTORS

In accordance with the provisions of Section 255, 256 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Rajiv Chamaria retires by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The Board recommends their re-appointment. None of the Directors of the Company are disqualified for being appointed as Directors as specified in Sec. 274(1)(g) of the Companies Act, 1956.

Mr. Manish Lohia and Mr. Manoj Kumar Agarwal were appointed as Additional Director on 16.03.2010 and were confirmed as Directors in the last Annual General Meeting of the company held on 25.09.2010.

A brief resume of expertise and details of other directorships of appointed/reappointed Directors is attached along with Notice of the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 217(2AA) read with section 292A of the Companies Act, 1956, we the Directors of Arvind International Limited, state in respect of financial year 2010-11 that:

- i) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) 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 the affairs of the Company as at 31st March 2011 and of the profit of the Company for the year ended on that date.
- iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the directors have prepared the annual accounts on a going concern basis.



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AUDITORS

M/s. N.C. Banerjee & Co., Chartered Accountants, the Auditors of the Company retire at the end of the ensuing Annual general meeting and are eligible for re-appointment. The Company has received the Certificate from them that their re-appointment, if made, would be within the limits prescribed u/s 224(1B) of the Companies Act, 1956.

The Board recommends their Re-appointment.

AUDITORS' REPORT

The Notes to the Accounts which to be read with the Auditors' Report are self explanatory and therefore do not call for any further clarifications under section 217(3) of the Companies Act, 1956.

PARTICULARS OF CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE EARNING AND OUTGO

The information related to conservation of energy, as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is annexed and forms part of this report.

PARTICULARS OF EMPLOYEES

Disclosure about particulars of employees in relation to sub section (2A) of section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and forming part of Director's report for the year ended March 31, 2011 is not applicable to this company as there was no employee drawing remuneration in excess of Prescribed in this regard.

CASH FLOW STATEMENT

As required under Clause 32 of the Listing Agreement with the Stock Exchanges in India, a Cash Flow Statement, as prepared in accordance with the Accounting Standard on Cash Flow Statement (AS-3) issued by the Institute of Chartered Accountant of India, is given along with Balance Sheet and Profit and Loss Account.

LISTING

The Securities of your Company are listed at Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited. The Company has paid the Annual Listing Fees to both the Stock Exchanges up to date and has been generally regular in complying with the provisions of the Listing Agreements.

The Application for delisting of shares in Ahmedabad Stock Exchange which was pending has been approved and the securities have been delisted with effect from 31.03.2011. The application for delisting of securities which was pending with Calcutta Stock Exchange Limited has been withdrawn.

INFORMATION TECHNOLOGY

Your Company believes that Information Technology is the backbone of any industry in today's business world. The Company has taken it as a tool to improve productivity, efficiency and reliability. As such, a Customized ERP Module called "IN SYNC" has already been developed & substantially implemented at manufacturing facilities and offices of the Company, the full effects of which have started coming.

CORPORATE GOVERNANCE AND COMPLIANCE CERTIFICATE

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report forms a part of this Annual Report. The Company is in full compliance with the requirements and disclosures that has to be made in this regard.

A Certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to this Report on Corporate Governance.

INDUSTRIAL RELATIONS

Arvind International Ltd. believes in building teams across the business and functions with the aim to share knowledge and experience. Cross functional team work with clear objectives to solve the issues and create value for the Company. The Company fosters to open dialogue among the employees with the belief that the people, who communicate continuously and openly, build trust and mutual respect.

ACKNOWLEDGEMENT

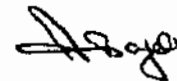
The Directors would like to express their appreciation for the assistance and co-operation received from the Banks and Government Authorities.

The Directors are also thankful to the Shareholders for their continued support to the Company.

The Company maintained healthy, cordial and harmonious industrial relations at all level. Despite competition, the enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the fore-front of the industry.

Your Company continued to receive co-operation & unstinted support from the distributors, retailers, stockists, suppliers and others associated with the Company as its trading partners. The Directors wish to place on record their appreciation for the same and your company will continue in its endeavour to build and nurture strong links with trade, based on mutuality, respect and cooperation with each other and consistent with consumers interests.

For and on Behalf of the Board of Directors



Arvind Bajoria
Managing Director

Place: Kolkata
Dated: 20.05.2011

ANNEXURE TO DIRECTORS' REPORT

Information under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2011.

A. CONSERVATION OF ENERGY

- (a) Energy Conservation measures taken: The Company is making continuous efforts to improve energy efficiency by close monitoring of additional parameters resulting in general improvement in energy consumption across business.
- (b) The manufacturing units of the Company are well planned and adequately equipped for ensuring optimum energy utilization.
- (c) Additional investments and proposals are being implemented for reduction of consumption of energy. The efforts to conserve energy on other areas are in progress.
- (d) Impact of above measures: More efficient utilization of power & reduction in energy consumption.
- (e) Total energy consumption and energy consumption per unit of production : As per Form 'A' annexed

B. TECHNOLOGY ABSORPTION

- (a) Efforts made in technology absorption: As per Form 'B' annexed.

C. FOREIGN EXCHANGE EARNING AND OUTGO

- (a) Total foreign exchange earned and used:

	Current Year	Previous year (Rs. In Thousand)
Total foreign exchange earnings	NIL	NIL
Total foreign exchange outgo	NIL	45.72
Total Value of Import	6625.92	12495.27

FORM A
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSUMPTION OF ENERGY

PARTICULARS	Current Year (2010-11)	Previous Year (2009-10)
A. POWER AND FUEL CONSUMPTION		
1. ELECTRICITY		
(a) Purchased - Unit (in thousand)	133.56	130.57
- Total Amount (Rs. In thousand)	681.69	697.26
- Rate (Rs./Unit)	5.10	5.34

(b)	Own Generation - Cost (Rs./Unit)	8.59	10.11
B:	CONSUMPTION PER UNIT OF PRODUCTION		
1.	ELECTRICITY (UNIT/KG)		
	- PRODUCT		
	-P.U.Foam	0.22	0.32

FORM B:

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION, RESEARCH AND DEVELOPMENT (R & D)

The future course of action for carrying out research & development will be as under:

1. **SPECIFIC AREAS IN WHICH R & D PROPOSED TO BE CARRIED OUT BY COMPANY:**
The R & D activities of the company have been directed towards improvement in the existing product range as well as to develop new products. Continuous efforts have been made to achieve the above.
2. **BENEFITS DERIVED:**
With the introduction of R & D activities, the Company has been able to improve the quality of its products, reduce the cost and has improved environmental conditions.
3. **FUTURE PLAN OF ACTION:**
With the object of attainment of better future and growth, new products will be developed and launched.
4. **EXPENDITURE ON R & D:**
 - (a) Capital (if any)
 - (b) Total R & D Expenditure as a Percentage of total turnover : N.A.

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

1. **EFFORTS MADE:**
Continuous efforts are made for improvement in the existing production process and products.
2. **BENEFITS:**
The Company has been able to improve the quality of its products.

REPORT ON CORPORATE GOVERNANCE

In compliance with Corporate Governance requirements as prescribed by SEBI and inculcated in Clause 49 of the Listing Agreement with Stock Exchanges, the Company's Report on Corporate Governance for the year ended 31st March, 2011 is set out below for information to stakeholders and investors of the Company.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Arvind International Ltd. has always been committed itself to benchmark with global standard in all areas including appropriate standards for good Corporate Governance. Corporate Governance has indeed assumed greater significance as the world has moved towards closer integration and free trade.

The Company's Corporate Governance Policies are essentially aimed at ensuring transparency in all dealings and hence seeks to focus on enhancement of long term shareholder value without compromising on integrity, social obligations and regulatory compliances. Your Company has continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies and prudent business plans, thereby ensuring that the Company pursues policies and procedures to satisfy its legal and ethical responsibilities.

BOARD OF DIRECTORS

The Board of Directors guide, direct and oversee the management and protect long term interests of stakeholders, employees and society at large. The Board also ensures compliance of the applicable provisions, code of ethical standards and accurate financial reporting.

Composition of the Board

The Board of Directors of your Company consists of 5 Directors of which 4 Directors are Non-executive (including 3 Independent Directors), constituting about 80% of the total strength of the Board. The Independent Directors are eminent professionals with wide range of knowledge and experience in business, industry and finance. None of the Directors on the Board is a member of more than ten committees and Chairman of more than five committees across all the companies in which he/she is a Director.

The composition of the Board and other relevant details relating to Directors are as:

Name of Director	Category	Directorship in Other companies	No of Board Meeting held during the year	Attendance At Board Meeting	Attendance at Last AGM
Arvind Bajoria	Promoter & Executive	Nil	20	20	YES
Anupama Bajoria	Promoter & Non-Executive	Nil	20	17	YES
Rajiv Chamaria	Independent & Non-Executive	5	20	18	YES
Manish Lohia	Independent & Non-Executive	1	20	12	YES
Manoj Kr Agarwal	Independent & Non-Executive	2	20	14	NO

Notes:

1. Mr. Arvind Bajoria and Mrs. Anupama Bajoria are related to each other.
2. Directorship held by Directors, as above, do not include any alternative directorships, if held, directorships in foreign companies, section 25 companies and private limited companies.

Details of Directorships in Other Companies are as:

S. No.	Name of Director	Directorship in other Companies
1.	Mr. Rajiv Chamaria	- Tasati Tea Ltd. - Supriya Tea Ltd. - RNT Finance Ltd. - Subir Udyog Ltd. - Mas Manors Development Ltd. - Gujrat Metallic Coal & Cook Ltd.
2.	Mr. Manoj Kumar Agarwal	- Mathura Marketing Ltd. - Longiew Tea Co. Ltd.
3.	Mr. Manish Lohia	- Rausheena Udyog Ltd.



Board Meetings :

During the year 2010-11, 20 meetings of Board of Directors were held with a time gap of not more than 4 months between any two meetings. The dates on which the said meetings were held were: 07.04.2010, 29.05.2010, 29.06.2010, 26.07.2010, 30.07.2010, 13.09.2010, 29.09.2010, 22.10.2010, 30.10.2010, 01.11.2010, 09.11.2010, 13.11.2010, 18.11.2010, 18.12.2010, 22.12.2010, 11.01.2011, 18.01.2011, 31.01.2011, 02.02.2011, 15.02.2011

Information supplied to the Board

The Board has complete access to all information with the company. Inter alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of Board Meeting and is tabled in the course of Board Meeting:-

1. Review of annual operating plans of business, capital budget, updates.
2. Quarterly results of the company.
3. Significant development in the human resources and industrial relations front.
4. Non compliance of any regulatory or statutory provision or listing requirements as well as share holders services, such as delay in share transfer and other grievances.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the company prepared by the company as well as steps taken by the company to rectify instances of non-compliances.

Brief details of Director seeking Re-appointment

The brief details of Director retiring by rotation and seeking re-appointment u/s 257 of the Companies Act, 1956, are appended to the notice convening the Twentieth Annual General Meeting.

Board Committees

The Board has constituted three committees:

- a. Audit Committee
- b. Shareholders'/ Investors' Grievance Committee
- c. Remuneration Committee

These are briefly enumerated as under:

Audit Committee

Constitution

The Audit Committee seeks to ensure both corporate governance and provides assistance to the Board of Directors in fulfilling the Board's overall responsibilities. The Audit Committee of the

Company is constituted, caring with the provisions of clause 49 of the Listing Agreement entered into with the Stock Exchanges read with section 292A of the Companies Act, 1956.

Composition

The Audit Committee comprised of three members viz. Mr. Rajiv Chamaria, Mr. Manoj Kumar Agarwal and Mrs. Anupama Bajoria. Excepting Mrs. Anupama Bajoria, being Non-executive Promoter Director, all other members are Independent Non-executive Directors. Mr. Rajiv Chamaria is the Chairman of the Audit Committee. The Company Secretary acts as Secretary to the Committee. All the members of the committee possess good knowledge of finance, accounts and basic elements of Company Law.

Terms of Reference

The terms of reference of the Audit Committee are in accordance with all the terms listed in Clause 49 (II) (D) and (E) of the Listing Agreement and Section 292A of the Companies Act, 1956 and are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and replacement/removal of statutory auditor and fixation of audit fee.
- Reviewing with Management, the annual financial statements before submission to the Board for approval, focusing primarily on:
 - ✓ Matters required to be included in the Directors' Responsibility Statement included in the report of the Board of Directors.
 - ✓ Any changes in accounting policies and practices thereof and reasons for the same.
 - ✓ Qualifications in draft audit report.
 - ✓ Compliance with listing and other legal requirements concerning financial statements.
 - ✓ Disclosure of related party transactions.
- Discussion with internal auditors on any significant findings and follow up thereon.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Periodic review of Risk Assessment and minimizations procedure.

The Audit Committee has the following powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal and professional advice.

Audit Committee Meetings

During the financial year 2010-11, 4 meetings of the Audit Committee were held. The dates of said meeting were: 29.05.2010, 30.07.2010, 30.10.2010 and 02.02.2011.

Attendance of the Members of the Audit Committee at meetings held during the year 2010-11 are as follows:

Name of Member	No. of Meetings held during the year	No. of meetings attended
Mr. Rajiv Chamaria	4	4
Mrs. Anupama Bajoria	4	3
Mr. Manoj Kumar Agarwal	4	4

Shareholders'/Investors' Grievance Committee**Constitution**

The Shareholders'/Investors' Grievance Committee is constituted in line with the relevant provisions of clauses of the Listing Agreement entered into with the Stock Exchanges to overview the performance of the Registrar and Share Transfer Agent and to recommend measures for overall improvement in the Quality of Investor services particularly with reference to redressal of Investor Grievance, if any.

Composition

The Shareholders'/Investors' Grievance Committee is comprised of three members viz. Mr. Rajiv Chamaria, Mr. Manish Lohia and Mrs. Anupama Bajoria. Excepting Mrs. Anupama Bajoria, being Non-executive Promoter Director, all other members are Independent Non-executive Directors. Mr. Manish Lohia was elected as the Chairman of the Shareholders'/Investors' Grievance Committee.

Terms of Reference

The Shareholders'/Investors' Grievance Committee specifically looks into various issues of the Shareholders such as registration of transfer of shares, issue of share certificates, redressal of shareholders' complaints etc. The committee has been delegated by the Board to approve transfer/transmission of shares and to deal with all the matters related thereto.

Meetings

In order to expedite the working of the committee, the members of the committee meet regularly as and when it is required. During the year 2010-11, 7 meetings of the committee were held. The dates of the said meeting were: 30.04.2010, 30.11.2010, 15.12.2010, 31.01.2011, 28.02.2011, 15.03.2011, and 31.03.2011

Attendance of the Members of the Shareholders'/Investors' Grievance Committee at the meetings held during the year 2010-11 are as follows:

Name of Member	No. of Meetings held during the year	No. of meetings attended
Mr. Rajiv Chamaria	7	7
Mrs. Anupama Bajoria	7	6
Mr. Manish Lohia	7	7

Remuneration Committee**Constitution**

The Remuneration Committee has been constituted in order to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders.

Composition

The Remuneration Committee comprised of three members viz. Mr. Rajiv Chamaria, Mr. Manoj Kumar Agarwal and Mrs. Anupama Bajoria. Mr. Rajiv Chamaria is the Chairman of the Remuneration Committee

Terms of Reference

The Board of Directors had constituted the Remuneration Committee with a view to-

- Fixing up remuneration payable to the Director.
- Determining the remuneration policy of the Company.
- Reviewing the performance of the employees and their compensation packages.

Meetings

In order to expedite the working of the committee, the members of the committee meet regularly as



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and when it is required. During the year 2010-11, 2 meetings of the committee were held.

The dates of the said meeting were: 01.11.2010, 13.11.2010

Attendance of the Members of the Remuneration Committee at the meetings held during the year 2010-11 are as follows:

Name of Member	No. of Meetings held during the year	No. of meetings Attended
Mr. Rajiv Chamaria	2	2
Mrs. Anupama Bajoria	2	2
Mr. Manoj Kumar Agarwal	2	2

COMPLIANCE OFFICER

Miss. Neha Chaudhry, Company Secretary is the Compliance Officer of the Company for complying with the requirements of the Listing Agreement entered into with the Stock Exchanges.

GENERALBODY MEETINGS

a. The details of Annual General Meetings held in the last three years are as under:

AGM	Day Date & Time	Venue	Details of Special Resolution Passed
17th	Saturday 27.09.2008 10:00 A.M.	Jhajharia Committee Room, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata-700001	1
18th	Tuesday 29.09.2009 10:00 A.M.	Jhajharia Committee Room, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata-700001	1
19th	Saturday 25.09.2010 10:30 A.M.	Jhajharia Committee Room 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata-700001	None

- b. One Special resolution was passed through postal ballot on 27.12.2010 for further issue of shares under Section 81 (1A) of the Companies act, 1956.

The result of Postal ballot was declared on 30.12.2010 and resolution was passed by requisite majority. Practicing Company Secretary Mr. Babulal Patni conducted the postal ballot exercise.

BOARD PROCEDURES

The Board Meetings of the Company are convened in the manner as per provision of the Act. Sufficient notice in writing is given to all the Directors for the Board Meeting and/or Committee Meetings. All important matters concerning the working of the company along with requisite details are placed before the Board enabling them to deliberate duty at the meetings.

COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

Management Discussion and Analysis Report

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussion on various matters specified under clause 49 (IV) (F) of the Listing Agreement.

Disclosures:

a. Related Party Transactions

During the year, the Company had entered into transactions with related party as disclosed in the notes to Accounts, which are not likely to have a conflict with the interest of the Company.

b. Penalties imposed on the Company by Stock Exchanges or SEBI or any statutory authority

No penalties have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority or any matter related to Capital Market transaction during the last three years.

c. Disclosure of Risk Management

The company has laid down the procedures to inform the members of the Board about the risk assessment and minimization procedures. The Board and Audit Committee periodically review these procedures to ensure that executive management controls risk through properly defined framework.

Code of Conduct

The Company has adopted the code of conduct and ethics for directors and senior management. The code has been circulated to all the members of the Board and senior management and they have affirmed compliance with the same.



Disclosure of Accounting Treatment

The company has complied with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

Means of Communication

The Quarterly and Annual Financial Results are regularly submitted to the Stock Exchanges, published in the newspapers and are displayed on the Company's website i.e. www.arvindinternational.com to comply with the provisions of the listing agreement.

The financial results are published in "Echo of India" newspaper in English language and in "Arthik Lipi" being Bengali Newspaper. The official news releases on significant developments about the Company are also displayed on the Company's website.

General Shareholder Information

Annual General Meeting

Day	:	Friday
Date	:	30.09.2011
Time	:	10:30 A.M.
Venue	:	Somany Conference Hall, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata-700001

Financial Calendar

Financial Year	:	01st April, 2010 to 31st March, 2011
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Book Closure

Closure of Register of Member and Share Transfer Books	:	24.09.2011 to 30.09.2011
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Listing

The Equity Shares of the Company are presently listed with the following two Stock Exchanges:

- Bombay Stock Exchange Limited
- Calcutta Stock Exchange Limited

The Company's Equity Shares are actively traded on the above Stock Exchanges.

Other Details

The ISIN for the Company's Equity Shares is INE512C01012

The Stock Exchange Codes are as follows;

Bombay Stock Exchange Limited (BSE)	:	524760
Calcutta Stock Exchange Limited	:	11056

Stock Market Price Data

The Monthly High and Low Quotations on Bombay Stock Exchange for the year 2010-11 were as follows;

Month	BSE High	BSE Low
April, 2010	8.88	7.15
May, 2010	8.55	6.66
June, 2010	8.04	6.50
July, 2010	9.64	6.69
August, 2010	13.53	10.12
September, 2010	31.41	12.17
October, 2010	34.55	23.35
November, 2010	43.75	29.40
December, 2010	34.25	19.55
January, 2011	24.50	16.00
February, 2011	16.70	10.35
March, 2011	15.66	9.86

The above data has been taken from the website of Bombay Stock Exchange Limited.

Share Transfer System

Presently, the shares in physical form are transferred within a period of 10-12 days from the date of receipt, subject to the documents being valid and complete in all respects.

Address for Correspondence for Share Transfer and Related Matters

For Shares held in Physical Form:

The Company's Registrar and Share Transfer Agent

M/s. Niche Technologies Private Limited
D-511, Bagree Market, 5th Floor,
71, BRB Basu Road,
Kolkata-700 001

For Shares held in demat form:

To the respective Depository Participant (DP)

Distribution of Shareholding as on 31.03.2011

Shareholder Range	No. of Shareholders	% of Shareholders	No. of Shares 1	% to total
Upto 500	5039	81.59	779286	11.1161
501-1000	477	7.72	416226	5.9372
1001-5000	491	7.95	1256989	17.9302
5001-10000	80	1.29	619960	8.8434
10001-50000	76	1.23	1540693	21.9771
50001-100000	8	0.12	636880	9.0847
100001 and Above	5	0.08	1760416	25.1113
Total	6176	100.00	7010450	100.00

Categories of Shareholders as on 31.03.2011

	No. of Shares	Percentage
A. Promoter Holding		
Indian Promoter	2051416	29.262
Foreign Promoter	NIL	N.A.
Sub Total	2051416	29.262
B. Public Holding		
Institutions	NIL	N.A.
Body Corporate	954446	13.615
Individual	3530080	50.354
NRI/OCB's	52569	0.75
Clearing Members	421939	6.019
Sub Total	4959034	70.738
Total Share Holding	7010450	100

Dematerialization of Shares and Liquidity

More than 90% of total equity share capital is held in dematerialized form upto 31.03.2011 with NSDL/ CDSL. The shares of company are listed on BSE and Calcutta Stock exchange, which provides sufficient liquidity to the investors.

Plant Locations : E-95-96, G-76-78,
RIICO Industrial Area,
Bagru Extension, Bagru,
Jaipur-303 007

Address for Correspondence

Registered Office : 15, Ganesh Chandra Avenue,
2nd Floor,
Kolkata- 700 013

Corporate Office : 131-134, Vrindavan Vihar,
DCM, Ajmer Road,
Jaipur-302 019

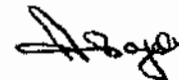
Dedicated E-mail ID for Investors

In terms of clause 47(F) of the Listing Agreement, the Company has created an exclusive e-mail id for redressal of Investor complaints i.e.: investor@arvindinternational.com

COMPLIANCE CERTIFICATE

Compliance Certificate for Corporate Governance from Statutory Auditors of the Company is annexed herewith.

For and on Behalf of the Board of Directors



Arvind Bajoria
Managing Director

Place: Kolkata
Dated: 20.05.2011



The Management Discussion & Analysis Report has been included in adherence to the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India. The report herein presents the Industry Overview, SWOT Analysis, Initiatives by the Company and overall outlook of the Company for the future. This outlook is based on the assessment of the current environment which may vary due to economic and other developments in the universal arena, in the month to come.

INDUSTRY STRUCTURE AND DEVELOPMENTS

In past few years the Polyurethane industry in India was believed to be in its infancy but due to the changing dimensions of the corporate giants and their expansion plans, the whole of the PU Foam industry is moving gradually to a boom in India. Although this industry is characterized by the fact that the per capita consumption is among the lowest in the world, as compared to developed and developing countries, but the recent steps taken in liberalizing the Indian economy and overall improvement in business environment has given a positive impetus to the PU Foam industry. Also the high growth phase of the Indian economy has reflected a steady improvement in infrastructure thereby creating an ample demand of products of the PU Foam Industry and this industry is registering double digit growth.

India will consume 1 kg of polyurethane (PU) per capita by 2020 at 1200,000 tpa, as per a conservative estimate by the chairman of the Indian Polyurethane Association (IPUA). Current per capita PU consumption in India is about 200 grams. The 1 kg per capita target will be possible, depending mainly on easing bureaucracy by the government that will speed up some of the processes and make it easy to set up factories and help to build infrastructure, as well as initiatives by the industry. At annual consumption levels of 180,000 tons of Polyurethane (PU) in 2007, India has just about 1.5% share of the global PU consumption of 11.25 mln tons. In the last few years PU has grown at over 15% pa, and is expected to continue to be robust at an average rate of 15%. PU consumption in 2012 could reach more than 350,000 tons and could possibly touch 400,000 tons.

Recent government reforms of the banking sector in India allow an environment where people feel more confident about investing. There is a classic trend in India's rising wealth and it's distribution, where availability of wealth is not only because of foreign investment, but mainly because of domestic entrepreneurs and businesses that are creating their own wealth within the economy. Increased consumer spending power of India's evolving middleclass is fuelling the demand growth for foam products. India has a population of over one billion people, of which it is estimated less than 10% sleep on foam based mattress. Hence there exists a good growth potential growth for PU foam in India. However, the dominance of natural bedding products, at times subsidized or protected by import duties on substitute materials, has also hindered the market penetration of PU foams at times. The Indian bedding market is substantial and dominated by low cost coir (coconut fibre), latex and cotton mattresses, but people are increasingly looking to upgrade to higher quality products made from or incorporating PU foam. As their wealth increases, the comfort of PU foam mattresses is also becoming increasingly important along with rising standards of living in India.



COMPANY'S PERFORMANCE AND OUTLOOK

The Company's products find wide usage in varied industries like automobile, garments, mattresses, electronics, packaging, leather, shoes, transport, furniture, hospitality etc. The booming Indian economy, the growth of the infrastructure segment, the increased amount of disposable income in the hands of the consumers had added to the demand picking up, creating in its wake bigger markets, volumes and realizations. The Company is constantly striving to provide quality products. The Company's products have been well established in the market over the years and our brand "Arvind" has a substantial recall value, creating an edge over other competitors. The Company is planning and endeavoring to increase its sales by implementing better policies. Your Company's endeavor to provide high quality products aiming to grant full value of money to the customer, are expected to take place.

The Company has taken measures expected to yield positive results in the coming financial years. With the increased production capacity, the future outlook of the company should be considered very positive leading to expanded top line. The profitability however, will have to reckon with several factors such as competition in the domestic and export market, exchange rate fluctuations and overall global economic developments within and outside the country. From the last few years company has taken a number of initiatives to re-structure and re-engineer the operations to enable the company to compete better in the profound competitive regime.

The strength of the brand, the enhanced product range, excellent distribution network, loyalty of customers and consumers, the booming market conditions- all such factors are expected to act as synergies having potential of propelling the working of the Company in the years to come by.

MARKETING AND PROSPECTS

Proximity of the Company's manufacturing units to the most potential market in the northern part of the country greatly helped the company to compete effectively with other established producers of the country.

The company is now focusing its attention to the fast growing segment of low-value items with higher demand in volumes and better margin prospects. With this view, the Company has introduced two new products in last year are Ecstasy and Desire, the demands of which is expected to grow further. The Company has also installed some advance equipment for production of value added products like Fire retardant Foam, Peeled Foam, etc which will bring a change in the customer's profile.

RISK & CONCERN

The Company is facing various risks internally and externally. The external business risks include fluctuation in raw material prices, entry of new manufacturers, introduction of advanced technology



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by existing manufacturers of Polyurethane products and shortage in the flow of raw material. The internal risk consists of operational efficiency and ability to withstand marketing competition.

We cushion this spirit of entrepreneurship by formulating strong risk management policy to anticipate potential downsides and build mitigation plans and the company is guarding itself against these risks by laying down appropriate strategy for product positioning, which is supplemented by business plans, review mechanism and action plans.

Foam production in India is still fragmented and localized, with many small players, while transport infrastructure and distances involved makes it difficult for regional producers to expand. The market still requires a lot of development in terms of appropriate products, logistics and technical and marketing expertise. Standards in foam production vary widely among the small players, and need to be regulated. PU foam mattresses in India are generally restricted to low and medium density foams that contains lots of fillers. Indian PU market is very price sensitive in relation to alternative, value added products. Hence better understanding of the technical issues around efficient, consistent production of good quality foams is also required.

SWOT ANALYSIS

1. STRENGTHS

- The Company has most strategically located plant with varied and advanced production techniques being adopted.
- The Company's products have been very well established in the market over the years having their reach to every class of customers.
- The Company has an excellent customer base and an efficient Dealer/ Distribution network.

2. WEAKNESS

The products of the Company are raw material intensive, constituting about 80% of its cost of production, so the profitability of the company depends mostly on the movement of the prices and availability of the raw material.

3. OPPORTUNITIES

- Due to expansion of the manufacturing base of the company, there will be substantial increase in demand of Company's products.
- There are opportunities to explore geographical insights of the country.
- There are opportunities to increase distribution network for better penetration.
- There are opportunities to increase sale of different range of products manufactured by the company by way of association/ tie-ups with retail outlets, super market, retail stores, marts etc.

4. THREATS

- The cost of Marketing, Advertising and after sale services are on an increasing trend.
- Due to stiff competition, prices are continuously reducing and if the costs are not controlled then it may prove to be a threat and margins will be under pressure.
- There are no entry barriers and hence, the new manufacturers may pose a threat to the Company in short and medium term by fragmenting the market that company has created.
- The company is also dependent on imported raw material. Due to increased amount of competition, the company is open not only to normal risks of price fluctuation but also in fluctuations of exchange rates and other related items.
- Negative changes in Govt. Policies.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate system of management supervised internal controls, which aimed to achieve efficiency in operations, optimum utilization of resources, effective monitoring and compliance with all applicable laws.

The company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly. The Company has continued its efforts to align all its process and control with global best practices.

An Audit Committee of the Board of Directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards as well as reasons for change in accounting policies and practices.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Financial Statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

In order to achieve substantial growth, Arvind International Limited manages a lean organization structure. The Company has an experienced and motivated team of professionals. For the benefit of the Company, it is necessary to empower the skills of their personnel. Looking to this, the Company provides appropriate training and conducting development programmes to improve the skills and efficiency of their employees. The Company's human resource activities are focused on building talent to meet future challenges.



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AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE CODE

To the Members of

Arvind International Ltd.

We have examined the compliance of conditions of Corporate Governance by Arvind International Limited, the company for the year ended on 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the conditions of the Corporate Governance is the responsibility of the company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the 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 representation made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the 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 as per record maintained by the Company and produced for our examination, there was no Investors' complaints remaining pending as on 31st March, 2011.

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 N C Banerjee & Co.

(Chartered Accountants)

(FRN 0302081E)

(B. Basu)

Partner

Place: Kolkata

Dated: 20.05.2011

Membership No. 12748



I, Arvind Bajoria, Managing Director and Chief Financial Officer of Arvind International Limited, to the best of my knowledge and belief, Certify that:

- 1) We have reviewed the balance sheet as at 31st March 2011 and profit & loss account, and all its schedules and notes on accounts, as well as the cash flow statements and the director's report for the year ended on that date.
- 2) Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or does not contain any statements that might be misleading;
- 3) Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the year presented in this report and are in compliance with the existing accounting standards and/or applicable laws and regulations;
- 4) To the best of our knowledge and belief, no transactions entered into by the company during the aforesaid year are fraudulent, illegal or violative of the company's code of conduct.
- 5) We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the company, and we have
 - i. Evaluated the effectiveness of the company's disclosure, controls and procedures over financial reporting; and
 - ii. Disclosed in this report any change in company's internal control over financial reporting that occurred during the company's most recent accounting period that may have materially affected, or is reasonably likely to affect, its internal control over financial reporting.
- 6) We have disclosed based on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of Directors -
 - i. all deficiencies in the design or operation of internal controls, which could adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors, any material weakness in internal control over financial reporting including any corrective actions with regard to such deficiencies, if any;
 - iii. all significant changes in internal controls during the year covered by this report, if any;
 - iv. all significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statements;
 - v. no instances of significant fraud of which we are aware, involving management or other employees who have significant role in the company's internal controls.
- 7) We further declare that all board members and senior management personnel have affirmed compliance with the code of conduct (since its adoption) during the year under review.

Mr. Arvind Bajoria

(Managing Director & Chief Financial Officer)

Place: Kolkata

Date: 20th May, 2011

AUDITORS' REPORT

TO THE MEMBERS

M/S ARVIND INTERNATIONAL LIMITED

15, GANESH CHANDRA AVENUE,

KOLKATA - 700 013.

1. We have audited the attached Balance Sheet of M/s. Arvind International Limited as at 31st March, 2011, the Profit & Loss Account and Cash flow statement 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.
2. 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 mis-statement. 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.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order 2004 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 paragraph 4 and 5 of the said order, to the extent applicable.
4. 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 purpose 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.



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- iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable.
- v) On the basis of written representations received from the directors as on 31st March, 2011 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 director in terms of clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Notes to Accounts given in Schedule No. 17 annexed to accounts give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:-
- 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 the case of Cash flow statement, of the cash flows for the year ended on that date.

For N. C. Banerjee & Co.,

Chartered Accountants

FR No. 302081E

(B. Basu)

Partner

Membership No. 12748

Dated: 20.05.2011

Place: 2, Ganesh Chandra Avenue,

Kolkata - 700 013

Annexure referred to in Paragraph 3 of our report of even date on account of Arvind International Limited for the year ended 31st March, 2011.

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
b) The management has physically verified the Fixed Assets during the year and according to the information no material discrepancies were noticed on such verification.
2. a) Physical verification of inventories, excepting material lying with third parties, have been made by the Management at reasonable intervals. In our opinion the frequency of verification was reasonable.
b) The procedures of physical verification of inventories followed by the management found to be are reasonable and adequate in relation to the size of the company and the nature of its business.
c) The discrepancies noticed on physical verification of stocks as compared to book records, were not material and have been properly dealt with in the books of accounts.
3. a) As informed to us, no loans and advances in the nature of loans, secured or unsecured, have been granted by the company to any party, firm or company covered in the register maintained under Section 301 of Companies Act, 1956.
b) As informed to us the company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
c) In this year company received a sum of Rupees Two Crore only as Share Warrant Deposit Money from Directors and Other persons known to the management of the company based on the consent of the members of the company under the provision of section 81 (1A) of the Companies Act 1956, But due to non- availability of the permission from SEBI the issue of Share Warrants had to be abandoned and the money so received has been shown under Unsecured Loan (repayable on demand) Consent Letter of the parties, agreeing to this have been obtained.
4. According to the information and explanations given to us there is an adequate Internal Control system commensurate with the size of the company and the nature of its business, for purchase of inventory, fixed assets and for the sale of goods and services, we observed no major weakness in internal control system.
5. From our examination of books of accounts and records of the company and in the manner, information and explanations were given to us, we find that there were transactions of purchase of goods and materials and sale of goods and materials and services that need to be recorded in the register maintained under section 301 of the Companies Act, 1956, have been

duly entered in the Register maintained U/s. 301 of the Companies Act, 1956. The transactions exceeding Rs. five lacs, in our opinion, were in accordance with the prevailing market price.

6. The company has not accepted any deposits from public and hence the provisions of the Sections 58A and 58AA of the Companies Act, 1956 are not applicable to the Company.
7. The Internal Audit System, as prevailing, commensurates with the size of the company and nature of its business.
8. To the best of our Knowledge, and according to information & explanation given to us, the Central Government has not yet made it compulsory for the company to maintain cost records for its products under section 209(1)(d) of the Companies Act, 1956.
9. (a) According to the records of the company, we observed that the company was generally regular in depositing undisputed statutory dues including Investors Education and Protection Fund, Income Tax, Sales Tax, Excise Duty, Service Tax and other statutory dues applicable to it with the appropriate authorities during the year under review. Some delays were noticed in payments of Employees Provident Fund and Employees State Insurance. The Central Government has not yet prescribed the amount of cess for Rehabilitation and Revival Fund under section 441A of the Companies Act, 1956.
- (b) According to the information and explanations given to us no undisputed amount payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, cess and other material statutory dues were in arrear as at 31st March 2010 for a period of more than six months from the date they become payable.
- (c) We were informed that the following statutory dues have not been deposited on account of disputes pending before the following authorities:-

Sl. No.	Name of the Statute	Nature of dues	Amount (Rs. in Lacs)	Period to which the amount Relates	Forum where disputes is pending
01.	RST Act	Sales Tax	1.35	F.Y.2001-02	Additional Commissioner (Appeals)

10. The company has been registered for more than 5 years and accumulated loss including



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Misc. Expenditure not written off at the end of the financial year 2010-2011 amounted to Rs. 262.86 lacs which does not exceed the fifty percent of net worth of the company. No cash loss was incurred by the company during the Current financial year or immediately preceding financial year.

11. The company has not defaulted in repayment of dues to any financial institution and no debenture was issued by the company.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the company do not attract any provision of special statute applicable to chit fund and Nidhi / Mutual benefit fund/ Societies.
14. There was no dealing or trading in shares, securities, debenture or other investments, effected by the company during this year.
15. According to the information and explanations given to us the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
17. In our opinion and according to the information and explanations given to us, funds raised on short term basis has not been used for long term investment.
18. The company has not issued any debenture during the year under review.
19. The company has not raised any money through public issue during the year.
20. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across any instance of fraud on or by the company, noticed or reported during the year.

For N. C. Banerjee & Co.
Chartered Accountants
FR No. 302081E

(B. Basu)
Partner

Membership No. 12748

Dated : 20.05.2011

Place : 2, Ganesh Chandra Avenue,
Kolkata - 700 013.



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BALANCE SHEET AS ON 31st MARCH 2011

SOURCES OF FUNDS :	SCHEDULES	(Figures in Thousand)	
		31st March, 2011 AMT (RS.)	31st March, 2010 AMT (RS.)
SHAREHOLDERS FUNDS			
Share Capital	1	70,104.50	70,104.50
Reserves & Surplus	2	19,400.40	19,400.40
		89,504.90	89,504.90
LOAN FUNDS			
Secured Loans	3	1,11,884.19	1,14,241.36
Unsecured Loans	4	33,193.43	8,507.64
Deferred Tax Liability (Net)		7,789.58	7,790.57
	TOTAL	2,42,372.10	2,20,044.47
APPLICATIONS OF FUNDS :			
FIXED ASSETS	5		
Gross Block		93,419.69	94,942.78
Less: Depreciation		40,638.17	36,711.69
Net Block		52,781.52	58,231.10
Capital work in Progress		14,069.39	9,278.11
INVESTMENTS	6	4,863.79	4,863.79
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories(At Cost)	7	5,95,666.63	68,610.65
Sundry Debtors	8	52,015.30	59,029.90
Cash & Bank Balances	9	6,611.93	7,957.30
Loans and Advances	10	61,826.02	53,518.77
		7,16,119.88	1,89,116.62
LESS:CURRENT LIABILITIES & PROVISIONS			
Liabilities	11	5,68,643.86	74,278.15
Provisions		3,105.00	1,150.62
NET CURRENT ASSETS		1,44,371.02	1,13,687.85
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	12	5,280.00	11,680.00
PROFIT & LOSS ACCOUNT ('PROFIT') BROUGHT FORWARD		21,006.38	22,303.62
	TOTAL	2,42,372.10	2,20,044.47
NOTES TO THE ACCOUNTS	17		
BALANCE SHEET ABSTRACT AND BUSINESS PROFILE	18		

As per our report of even date
For N. C. BANERJEE & CO
Chartered Accountants
FR No. 302081E

B BASU
Partner
Membership No. : 12748
Place : Kolkata
Date : 20.05.2011

NEHA CHAUDHARY
(Company Secretary)

ANUPAMA BAJORIA
(Director)

ARVIND BAJORIA
(Managing Director)

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

	(Figures in Thousand)	
	31st March, 2011	31st March, 2010
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Extra- ordinary Items	9,546.24	6,892.06
Adjustment for :-		
Depreciation	5,068.66	5,103.99
Dividend Received	(9.59)	(2.86)
Interest Paid (Net)	15,726.13	11,300.08
(Profit) / Loss on sale of Fixed Asstes	(26.43)	384.02
CASH GENERATED FROM OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	30,305.01	23,677.29
Adjustments for :-		
Trade and Other Receivables (Increased)	7,014.60	(771.33)
Inventories (Increased)	(5,27,055.96)	(36,388.19)
Loans & Advances Receivable (Increased)	(8,307.26)	10,603.36
Trade Payables (Increased)	4,94,365.71	23,039.01
Provisions (Increased)	1,954.38	14.02
TOTAL CASH GENERATING FROM OPERATIONS	(1,723.52)	20,174.16
Interest Paid (Net of Receipt)	(15,726.13)	(11,300.08)
Income Tax	(1,850.00)	-
Cash flow Before Extra - Ordinary Items	(19,299.65)	8,874.08
NET CASH INFLOW FROM OPERATING ACTIVITIES	(19,299.65)	8,874.08
B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Invetsments		112.40
Addition to Fixed Assets (Net)	(5,097.94)	(5,847.21)
Sale of Assets	714.00	280.00
Dividend / Other Income Received	9.59	2.86



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NET CASH FLOW USED IN INVESTING ACTIVITIES	(4,374.35)	(5,451.95)
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Borrowings	22,328.62	1,099.49
NET CASH FLOW FROM FINANCING ACTIVITIES	22,328.62	1,099.49
D) NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents (Opening Balance)	7,957.30	3,435.67
Exclusive of Accrued Interest on Bank Deposits		
Cash and Cash Equivalents (Closing Balance)	6,611.93	7,957.30
Exclusive of Accrued Interest on Bank Deposits		

For N. C. BANERJEE & CO

Chartered Accountants

FR No. 302081E

B BASU

Partner

Membership No. : 12748

Place : Kolkata

Date : 20.05.2011

NEHA CHAUDHARY

(Company Secretary)

ANUPAMA BAJORIA

(Director)

ARVIND BAJORIA

(Managing Director)

SCHEDULES

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST.MARCH.2011
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

	(Figures in Thousand)	
	31.03.2011	31.03.2010
	Amount (Rs.)	Amount (Rs.)
SCHEDULE - 1 : SHARE CAPITAL		
AUTHORISED :		
200,00,000 Equity Shares of Rs.10/- each	2,00,000.00	1,25,000.00
(Previous Year: 125.00.000 Equity Shares of Rs. 10/- each)		
ISSUED,SUBSCRIBED AND PAID-UP :		
70,10,450 Equity Shares of Rs.10/- each fully called and paid - up		
Comprising of 11,25,000 equity Shares of Rs.10/- each	70,104.50	70,104.50
issued as fully paidup pursuant to the order of Hon'ble Calcutta High Court as per the Scheme of Merger	70,104.50	70,104.50
SCHEDULE - 2 : RESERVES & SURPLUS		
Security Premium Account	19,400.40	19,400.40
(Balance B / F from Earlier Year)		
	19,400.40	19,400.40
SCHEDULE - 3 : SECURED LOANS		
Long Term Loans:		
Term Loan from Scheduled Banks :-		
State Bank of India (FITL)	5,171.31	11,380.00
State Bank of India (WCTL - I)	13,226.22	15,062.16
State Bank of India (WCTL - II)	26,426.97	31,729.00
Interest Accrued and Due	-	811.00
	44,824.50	58,982.16
Car Loan from Scheduled Banks	1,527.20	2,407.33
Short Term Loans:		
Cash Credit Limits from Scheduled Banks		
State Bank of India(Kolkata)	65,532.49	52,851.87
	1,11,884.19	1,14,241.36
SCHEDULE - 4 : UNSECURED LOANS		
From Body Corporates & Others	33,193.43	8,507.64
	33,193.43	8,507.64



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SCHEDULE-5: FIXED ASSETS (Rs. In Rupees) (Figures in Thousands)

Description of Assets	Gross-Block			Depreciation			Net-Block		
	As on 01.04.10	Add during the year	Total upto 31.03.11	As on 01.04.10	Add during the year	Total upto 31.03.11	As on 31.03.11	Add during the year	Total upto 31.03.11
Factory Land	1847.35	0.00	1847.35	0.00	0.00	0.00	1847.35	0.00	1847.35
Factory Building	25256.83	0.00	25256.83	10872.50	843.58	11716.08	13540.75	0.00	14384.33
Office Building & Road	2926.60	0.00	2926.60	693.55	47.79	741.26	2185.34	0.00	2233.04
Labour Quarter	337.89	0.00	337.89	75.77	5.51	81.28	256.61	0.00	262.12
Store Room	169.55	0.00	169.55	27.29	2.62	29.91	130.64	0.00	133.26
Plant & Machinery	34366.84	0.00	34366.84	10315.77	1632.42	11948.19	22418.65	0.00	24051.07
Chilling Plants	1619.47	0.00	1619.47	881.73	76.92	958.65	660.82	0.00	737.74
Boiler	306.00	0.00	306.00	15.13	14.54	29.67	276.33	0.00	290.87
Paint Roller Machine	69.23	0.00	69.23	30.47	3.29	33.75	35.48	0.00	38.76
Sewing Machine	6.33	0.00	6.33	2.45	0.30	2.75	3.58	0.00	3.89
Edge Tape Sewing Machine	359.10	0.00	359.10	57.39	17.06	74.45	284.65	0.00	301.71
Pillow Moulders	133.23	0.00	133.23	88.50	6.33	94.83	38.40	0.00	44.73
Drilling Apparatus	53.50	0.00	53.50	32.47	2.54	35.01	18.49	0.00	21.03
Transformer	101.82	0.00	101.82	75.15	4.84	79.98	21.84	0.00	26.67
Chemicals Tanks	4060.32	0.00	4060.32	2656.12	192.87	2848.99	1211.33	0.00	1404.20
Fire Fighting Equipment	319.64	0.00	319.64	181.20	15.18	196.38	123.26	0.00	138.44
Generator Set	770.47	0.00	770.47	519.53	36.60	556.12	214.35	0.00	250.95
Packing Equipments	336.16	0.00	336.16	62.39	15.97	78.36	257.80	0.00	273.77
Laboratory Equipments	508.20	0.00	508.20	213.26	24.14	237.40	270.80	0.00	294.94
Weighing Machine	266.06	0.00	266.06	92.55	12.64	105.19	160.87	0.00	173.50
Elect.Installation	4583.25	0.00	4583.25	2476.62	217.70	2694.32	1888.93	0.00	2106.63
Furniture & Fixture	1790.25	0.00	1790.25	978.00	113.32	1091.32	698.93	0.00	812.26
Office Equipment	2169.03	180.93	2349.96	601.91	107.85	709.77	1640.19	0.00	1567.12
Computer	7229.06	125.73	7354.79	3797.48	1175.77	4973.25	2381.54	0.00	3451.58
Motor Vehicles	5363.30	0.00	5363.30	1964.24	498.81	2463.05	2212.67	1142.18	3399.06
Cycles	2.30	0.00	2.30	0.22	0.16	0.38	1.92	0.00	2.08
TOTAL Rs.	94942.78	306.66	95249.44	36711.69	5068.66	41780.35	52781.52	1142.18	58231.10
Previous Year	95353.54	336.45	95690.00	31690.88	5103.99	36711.69	58231.10	83.18	63662.66
CAPITAL W/P	9278.11	4791.28	14069.39	0.00	0.00	0.00	14069.39	0.00	9278.11



SCHEDULE - 6 : LONG TERM, NON TRADE INVESTMENTS (Valued at cost)

	Face Value (Rs)		Qty. (Nos.)		(Figures in Thousand)	
	C Yr.	P Yr.	C Yr.	P Yr.	31.03.2011	31.03.2010
					Amount (Rs.)	Amount (Rs.)
EQUITY SHARES (QUOTED)						
Gujarat Metallic Coal & Coke Ltd.	100.00	10.00	240	2400	9.60	9.60
Colgate Palmolive Ltd.	1.00	1.00	83	83	8.26	8.26
Gujarat Nre Coke Ltd. - Equity Share	10.00	10.00	1,120	1,120	8.00	8.00
Gujarat Nre Coke Ltd.- B. Equity Share (Bonus)	10.00	-	112	-	-	-
Agro Tech Foods Ltd.	10.00	10.00	8	8	2.77	2.77
Golden Tobacco Ltd.	10.00	10.00	540	540	126.63	126.63
The South Indian bank Limited	1.00	10.00	16,750	1,675	130.20	130.20
					285.46	285.46
Mutual Fund (Quoted)						
Morgan Stanley Growth fund	10.00	10.00	5,500	5,500	49.50	49.50
Others (Unquoted)						
Rohit Polyproduct Pvt Ltd	10.00	10.00	11240	11240	-	-
Kaizen Organics Pvt. Ltd.	100.00	100.00	10	10	1.00	1.00
Asthavinayak Enterprises Pvt Ltd	10.00	10.00	1,80,000	1,80,000	4,500.00	4,500.00
					4,501.00	4,501.00
Gold Coin					27.83	27.83
					4,863.79	4,863.79
Aggregate Book Value of Quoted Investments					285.46	285.46
Aggregate Market Value of Quoted Investments (as on 31.03.11)					570.15	557.40

Investments includes bonus shares received for which there was no change in the cost of investment.

SCHEDULE - 7 : INVENTORIES

Valued and Certified by the Management
(Vide Note V of Part A of Schedule 17)

Stock of Raw Materials	58,058.79	49,489.76
Stock in Process	13,449.87	14,428.23
Stock of Finished Goods (including Coke for resale Rs. 522061353.00)	5,24,157.97	4,692.67
	5,95,666.63	68,610.66



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SCHEDULE - 8 : SUNDRY DEBTORS

(Unsecured, Considered Good)

Debts outstanding for a period exceeding six months	2,739.30	16,792.86
Other Debts	49,276.00	42,237.04
Amount due from Parties in which directors are interested as director	52,015.30	59,029.90

Rs. 3,14,750/- (maximum amount due at any time during the year Rs. 2,81,63,762/-)

SCHEDULE - 9 : CASH & BANK BALANCES

Cash in hand	1,886.23	1,011.43
(Certified by Management)		
Balance with Scheduled Banks (Net)		
In Current Account	725.70	945.87
In Fixed Deposit	4,000.00	6,000.00
	6,611.93	7,957.30

SCHEDULE - 10 : LOANS AND ADVANCES

(Unsecured, Considered Good)

Loan & Advances recoverable in cash or in kind or value to be received or pending adjustment

i) Advance to Suppliers	1,507.03	2,562.25
ii) Security & Other Deposits including Accrued Interest	665.70	625.13
iii) Advance to Staff & others	31,885.36	33,347.83
iv) Prepaid Expenses	1,749.88	2,252.88
v) Deposit with Govt. Depts and Authorities.	25,463.35	13,623.61
vi) Advance Income Tax & Income Tax Deducted at Source	554.70	1,107.07
	61,826.02	53,518.77

SCHEDULE - 11 : CURRENT LIABILITIES & PROVISIONS

CURRENT LIABILITIES :

Sundry Creditors	5,45,014.35	39,816.50
Advances from Customers	10,251.73	3,825.63
Other Liabilities	11,006.17	28,064.41
Deferred Sales Tax Liabilities	2,371.61	2,571.61
	5,68,643.86	74,278.15

PROVISIONS :

Provision for Income Tax 2010-11 (MAT)	1,850.00	-
Provision for Gratuity	999.33	836.46
Provision for Bonus	255.67	314.16
	3,105.00	1,150.62

SCHEDULE - 12 : MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Defferment of Interest on Term Loan payable to bank	11,680.00	11,680.00
Less : Deferred Revenue Expenditure	6,400.00	-
	5,280.00	11,680.00

SCHEDULE - 13 : OTHER INCOME

Dividend Income	9.59	2.86
Interest Income (TDS Rs. 63708/- Prev. Year 51487/-)	1,345.82	915.63
Profit / (Loss) on Sale of Fixed Assets	26.43	(384.02)
Foreign Exchange Gain on payments against Import	-	376.46
Freight	-	23.62
	1,381.84	934.55

SCHEDULE - 14 : INCREASE/(DECREASE) IN STOCKS

Closing Stock	5,95,666.62	68,610.66
Less:Opening Stock	68,610.66	32,222.47
	5,27,055.96	36,388.19

SCHEDULE - 15 : MANUFACTURING EXPENSES

Power & Fuel	893.41	697.26
Factory Wages	1,141.60	1,544.95
Lab. Consumables	-	7.45
Repair & Maintenance :		
Plant & Machinaries	59.07	283.05
Factory Buildings	149.21	166.18
Water Charges	27.49	27.18



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Quilting Charges & Job Work	942.55	1,136.99
Stitching Charges	684.76	728.41
	3,898.09	4,591.46

**SCHEDULE - 16 : ADMINISTRATIVE ,
SELLING & OTHER EXPENSES**

Administrative Expenses

Salaries & Bonus	7,101.69	6,366.92
P.F & ESIC	263.23	292.29
Staff Welfare Expenses	154.78	143.51
Printing & Stationary	117.55	307.48
Travelling & Conveyance	1,406.94	1,130.11
Rent	10.00	175.00
General Expenses	770.54	615.37
Rates & Taxes	399.55	528.17
Listing Fees	243.44	31.45
ROC Fees (Incd.Rs. 375000/- Fees for Increase in Auth Capital)	380.60	53.43
Membership & Subscription	12.35	27.50
Service Charges	27.58	78.69
Professional & Consultancy Charges	1,347.16	504.48
Postage & Courier Charges	182.18	128.55
Vehicle Running Expenses	511.68	306.94
Insurance Charges	251.76	343.09
Telephone Expenses	381.10	340.45
Internet Expenses	124.05	148.86
Repairs & Maintance Expenses - Others	259.10	177.47
Audit Fees & Tax Audit Fees	30.00	25.00
Internal Audit Fees	20.00	20.00
Sundry Balance Written off	0.26	30.00
Prior Period Exceptional Item Ajustments	-	5,900.00
Testing Expenses	15.37	21.62
Security Charges	21.36	186.03
Bank , L/c & Other Financial Charges	2,123.21	633.65
Advertisement	364.54	1,087.69
Freight Outwards	848.18	636.78
Sales Promotion Expenses	285.72	570.08
Discount & Rate Difference	321.61	343.80
	17,975.53	21,154.41

SCHEDULE 17:

A. SIGNIFICANT ACCOUNTING POLICIES

- I. Accounting conventions:** The financial statements are prepared under historical cost conventions. These Statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 1956.
- II. Revenue recognition:** Revenue in respect of sales of finished goods is recognized at the point of dispatch of finished goods to customers. Sales are exclusive of excise duty and sales tax.
- III. Fixed Assets:** All fixed assets are stated at cost. The cost of fixed assets comprise purchase price / cost of construction and any directly attributable cost in bringing the assets to working conditions for its intended use.
- IV. Depreciation:** Depreciation is provided on straight-line method on pro-rata basis at the rate prescribed in the schedule XIV of the companies Act, 1956.
- V. Inventories are valued on FIFO basis as stated below :-**
 - a) Raw materials, packing materials components and consumables are valued at lower of cost or net realizable value.
 - b) Finished goods and work in progress are valued at standard cost or realizable value whichever is lower excluding Excise duty.
 - c) Stock on consignment is valued at lower of cost or net realizable value.
- VI. Investments:** Investments in shares are permanent in nature and hence are valued at cost, unless there is diminution in value which is Permanent in nature.
- VII. Foreign exchange transactions:** Exchange gain/loss on transaction concluded during the period is recognized as gain or loss on the basis of actual payment made/received. Exchange differences on liabilities arising on purchases from outside India and standing at the year end is charged or credited to the profit & Loss A/c
- VIII. Indirect taxes:** Excise duty & Sales Tax on finished goods at factory is accounted for as and when the materials are cleared.
- IX. Employee's Benefits:**
 - (a) Contributions payable under employees Provident Fund Act 1952 are accounted for on accrual Basis and charged to Profit & Loss account as expenses for the year. It is a defined contribution plan.
 - (b) Provisions for Leave Encashment are made on actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. It is a non funded Defined Benefit Obligation
- X. Miscellaneous Expenditure:** Preliminary expenses, share/debenture issue expenses and Deferred Revenue Expenditure are amortized over a period decided appropriate by the management, not exceeding ten years.
- XI. Impairment of assets:** At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. The impairment includes excess of book value over the present value of estimated future cash flows expected to arise from the continuing use of an assets and from the disposal at the end of its useful life. If such an indication exists in carrying amount of the asset, being the higher than the asset's fair value. The excess of the asset's carrying value over its recoverable value is expensed in account.



(B) Notes to the Accounts

- 1) Contingent Liabilities not provided for in respect of:-
 - a) Disputed demand from commercial Tax Authority Rs 1.35 lacs for financial year 2001-02 (Previous year Rs 1.35 lacs) is under appeal with Deputy Tax Officer, Commercial Taxes Spl-4, Jaipur
 - b) Estimated amount of Contract remaining to be executed on Capital A/C : Nil (Previous Year Nil)

 - 2 (i) Secured loans from State Bank of India as Cash Credit and Term Loan facilities are secured by an equitable mortgage of company's immovable property situated at E 95-96 and G 76 to 78 at RIICO Industrial Area, Bagru, Jaipur, Rajasthan, hypothecation of all movables properties both present and future, and a first charge by way of hypothecation of Stocks of Raw Materials , Stock in Process, Finished Goods , Consumable Stores and Spares and all other Current assets in favour of Bank. Further, entire credit facilities are also secured by Fixed deposits of Rs 40 lacs in favour of Bank. The credit facilities are also guaranteed by Managing Director, and one director of the company.
 - ii) Working Capital Term Loan (WCTL I & II) from State Bank of India are being repaid in monthly installments as per repayment schedule of the Bank to be repaid in full within 31-12-2013
 - iii) Funded Interest, Term Loan (FITL) from State Bank of India is being repaid in installment as per repayment schedule of the Bank to be repaid in full within 30-06-2011
 - iv) Car loans, secured by hypothecation of cars for which loans were obtained from Kotak Mahindra Prime Ltd. & HDFC Bank Ltd. are being repaid in installment to be repaid within 01.07.2012 & 07.09.2011 respectively.
-
- 3) In the year 2006-07, the existing credit facility has been restructured and was converted into WCTL (Working Capital Term Loan) & FITL (Funded Interest Term Loan). The Deferred Interest as converted into FITL aggregating to 222.30 Lacs is being amortised over a period of 4 and half years starting from July 2007, based on payments thereon.

4) . As per Accounting Standard 15 Related to Employees Benefit following disclosures are given :-

(A) The Company regularly considers its Liability (including post employment benefit) for employees as defined benefit obligation. Provision for gratuity are made on actuarial valuation of the present value of defined benefit obligations made at intervals not exceeding three years. However with a view that the amounts recognised in the financial statement do not differ materially from the amounts that is determined at the balance sheet date, the most recent valuation is reviewed at the balance sheet date and updated to reflect any material transaction and other material changes in circumstances between the date of valuation and balance Sheet date

Particulars	(Rs. In Lacs)			
	2010-2011		2009-2010	
	Gratuity	Leave	Gratuity	Leave
	Non Funded	Encashment Non Funded	Non Funded	Encashment Non Funded

B) Amount recognized in the Profit & loss Accounts as follows

	2010-2011		2009-2010	
1) Current Service cost	1.93	-	1.50	-
2) Interest cost	-	-	-	-
3) Expected return on Plan assets	-	-	-	-
4) Net Acturial loss/(Gains) on DBO	-	-	-	-
5) Total expenses recognised in the statement of Profit & Loss	1.93	-	1.50	-

C) Reconciliation of opening and closing balance of the present value of the obligation.

1) Opening DBO	8.36	0.85	7.19	0.85
2) Current service cost.	1.93	-	1.50	-
3) Interest cost.	-	-	-	-
4) Actuarial (gains)/losses.	-	-	-	-
5) Benefit paid.	(0.30)	-	(0.33)	-
Closing Balance DBO	9.99	0.85	8.36	0.85

- 5) Disclosure of Sundry Creditor under Current Liability in regard to the amounts due to entities covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006). In this respect, company at the time of negotiating the transaction of purchases, required the suppliers to inform whether any suppliers of goods on credit was coming under the provision of the Micro, Small and Medium Enterprises Development Act 2006, but no information in this matter was received from any such Vendors, as a result following information required to be furnished under the provisions of MSMED Act, 2006 could not be furnished

	31-03-2011	31-03-2010
a) The Principal amount & Interest Due	-	-
b) Interest Paid under MSMED Act, 2006	-	-
c) Interest due other than (b) Above	-	-
d) interest Accrued but unpaid	-	-
e) interest due & payable till actual payment	-	-

6) The company has not received any information from any of its suppliers (Creditors) of their status of being a Small Scale Industrial (SSI) unit. Hence the amount, if any due to any such

unit as on date of balance sheet is not ascertainable

- 7) As per approval of Remuneration Committee the Managing Director was paid the following remuneration in accordance with Section II of Part II of Schedule XIII of the companies Act, 1956

	2010-11	2009-10
	Rs in Lacs	Rs in Lacs
Salary (Basic, HRA & CCA)	6.51	6.51

Following non-executive Directors were paid meeting fees for attending Board Meeting :-

Mr. Rajiv Chamaria	Rs.3000
Mr. Manish Lohia	Rs.3000
Mr. Monoj Agarwal	Rs.1500
	<u>Rs. 7500</u>

- 8) Additional Information pursuant to the provisions of part II Schedule VI of the Companies Act 1956, to the extent applicable to the company, are given as " Annexure to Schedule 17 of this notes on Accounts
- 9) No person was employed by the company either throughout the year or for a part of the year unde review, whose remuneration for the year in aggregate was not less than Rs 24,00,000/- or Rs 2,00,000 per month when employed for any part of the Finacial Year.
- 10) In the current year the company was engaged in manufacturing of P.U.Foam and allied items and also trading in coal & coke, the segmentwise compositions according to Accounting Standard 17 of the Companies Accounting Standard rules 2006 as applicable is shown below (Entire business effected during this year were within India).

	Manufacturing		Rupees in Lac			
	of Foam		Trading		Total	
	CY	PY	CY	PY	CY	PY
Total Revenue	2290.50	2218.53	9462.36	-	11752.86	2218.53
Operating Profit	215.10	191.08	51.08	-	266.18	191.08
Interest Expenses	170.72	122.16	-	-	170.72	122.16
Provision for Current Tax	14.95	0.00	3.55	-	18.50	0.00
Provision for Deferred Tax	-0.01	-1.60	-	-	-0.01	-1.60
Profit after Tax	29.44	70.52	47.53	-	76.97	70.52
Segment Assets	2339.15	2614.90	5490.56	-	7829.71	2614.90
Segment Liability	834.08	754.29	5083.41	-	5917.49	754.29
Depreciation for the Year	50.69	51.04	-	-	50.69	51.04
Capital Expenditure	668.51	675.09	-	-	668.51	675.09

(B) Notes to the Accounts

A. Relationships

i) Enterprises in which Key Management personnel have significant Influence :

- a) Arvind Coir Foam Private Limited (ACFPL)
- b) Asthavinayak Enterprises Private Limited.(AEPL)
- c) Arvind Bajoria (AB)
- d) Anupama Bajoria (ANB)
- e) Ramesh Chandra Bajoria (RCB)
- f) Sharda Bajoria (SB)
- g) Ruchika Bajoria (RB)

ii) Key Management Personnel: Sri Arvind Bajoria Managing Director

B. The following transactions were carried out with the related parties in ordinary course of business :

(Rupees in Lac)	ACFPL Rs	AEPL Rs	AB Rs	ANB Rs	RCB Rs	SB Rs	RB Rs
Sales effected	323.42	222.18	-	-	-	-	-
	(50.93)	(12.90)	-	-	-	-	-
Purchases	162.97	204.49	-	-	-	-	-
	(410.09)	(467.16)	-	-	-	-	-
Receivables	1.99	1.15	-	-	-	-	-
	(Nil)	(Nil)	-	-	-	-	-
Payables	Nil	Nil	1.52	-	-	-	-
	(100.19)	(94.43)	(7.97)	-	(18.00)	(18.40)	-
Loans / Advances	-	-	120.00	50.00	-	-	-
	-	-	-	-	-	-	-

12) Deferred Tax Liability as on 31.03.2011 (on basis of WDV of Fixed Assets)

	Rs in Lacs	
	upto 31.03.11	upto 31.03.10
In respect of timing difference on account of Depreciation (unabsorbed)	262.09	252.12
Income Tax at The Current Rate	77.91	77.90
Less: Provisions for Deferred Tax Liability b/f	77.90	79.50
Deferred Tax Liability debited(-)/credited(+)	(-)0.01	(-)1.60

13) Previous year Figures have been regrouped and/or rearranged wherever found necessary.

As per our report of even date

For N. C. BANERJEE & CO

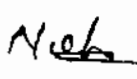
Chartered Accountants

FR No. 302081E



B BASU

Partner



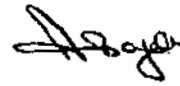
NEHA CHAUDHARY

(Company Secretary)



ANUPAMA BAJORIA

(Director)



ARVIND BAJORIA

(Managing Director)

Membership No. : 12748

Place : Kolkata

Date : 20/05/2011



Arvind

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ANNEXURE 17(ii) For the Period Ended 31.03.2011

a) Particulars of Capacity and Production

Description	Unit	Installed Capacity		Actual Production	
		2010-11	2009-10	2010-11	2009-10
P.U.Foam	M.T.	4200	4200.00	318.13	388.90
Rebonded Foam	M.T.	600	600.00	82.90	105.01
Mattress & other Rubber Foam Product	Pcs			15540	140202

b) Particular of Stocks and Sales

Description	Unit	Stocks				Sales	
		Opening		Closing		2010-11	2009-10
		2010-11	2009-10	2010-11	2009-10		
FINISHED GOODS							
P.U.Foam	M.T.	8.97	13.92	10.83	8.97	316.27	382.05
Rebonded Foam	M.T.	2.53	1.63	2.83	2.53	82.60	104.10
Mattress & other Rubber Foam Product	Pcs	1025	969	386	1025	16179	140146
Amount in Rs. Lac		46.93	38.59	20.97	46.93	886.80	1,811.08
WORK IN PROCESS							
P.U.Foam in process	M.T.	73.76	61.95	23.98	73.76	-	-
Rebonded Foam Block & Other	M.T.	-	-	27.26	-	-	-
Amount in Rs. Lac		144.28	62.46	134.50	144.28	-	-
OTHERS							
Amount in Rs. Lac						1,389.88	398.10
TOTAL		191.21	101.05	155.46	191.21	2,276.68	2,209.19

C) Particulars of Raw Materials Consumed/Disposed off

Description	Unit	2010-11		2009-10	
		Quantity M.T.	Value Rs. In Lac	Quantity M.T.	Value Rs. In Lac
Toluene Di Isocynate & Polyol	M.T.	445.84	400.74	363.86	383.04
Misc. Chemicals	M.T.	451.16	139.80	247.94	83.13
Rebonded & Other Foam	M.T.	237.34	159.78	375.97	246.06
Packing Material			24.13		45.70
Bare Sheets	Nos	0	0.00	113000	736.80
Others			1044.08		314.40
TOTAL			1768.53		1809.12

d) Other Additional Information

	Current Period		Previous Years	
	Rs. in Lac		Rs. in Lac	
i) Expenditure in foreign currency				
Technical know how & assistance fee	Nil		Nil	
Travelling	0		0.46	
ii) CIF Value of Imports				
Raw Materials	0		124.95	
Spare Parts	0		0	
Capital Goods	0		0	
iii) Earnings in Foreign Exchange				
	Nil		Nil	
iv) Value of imported /indigenous Raw Materials and stores & spares consumed				
	2010-11		2009-2010	
	Rs. in Lac		Rs. in Lac	
Imported (out of opening stock in hand)	66.26	4%	124.95	7%
Indigenous	1702.27	96%	1684.17	93%
TOTAL	1768.53	100%	1809.12	100%
b) Stores and Spares				
Imported	0.00	0%	0.00	0%
Indigenous	0.00	0%	0.00	0%
	0.00	0%	0.00	0%

Notes

The stock of raw materials as on 31.03.2011 includes stock lying at bonded warehouse of Rs. 21 Lacs.

Trading Division	Current Period		Previous Years	
	Quantity	Value	Quantity	Value
Coke and Coal	(M T)	Rs. in Lac	(M T)	Rs. in Lac
Opening Stock	-	-	-	-
Purchase	127984	14631.8	-	-
Sales	102354	9462.36	-	-
Closing Stock	25630	5220.61	-	-

SCHEDULE-18
**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956
 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**
I. Registration Details

Registration No.	051709
State Code No.	021
Balance Sheet Date	31.03.2011

II. Capital raised during the year **Rs. in Thousand**

Public issue	-----
Right issue	-----
Bonus issue	-----
Private placement	-----

III Position of Mobilization and Deployment of Funds **Rs in '000**

Total Liabilities	2,42,372
Total Assets	2,42,372

Source of Fund

Paid up Capital	70,105
Reserve & Surplus	19,400
Secured Loans	1,11,884
Unsecured Loans	33,193
Deferred Tax Liabilities	7,790

Application of Fund

Net Fixed Assets	52,782
Capital works in progress	14,069
Investments	4,864
Net Current Assets	1,44,371
Misc. Expenditure	5,280
Accumulated Loss	21,006



Arvind

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Performance of Company

Total Income	17,02,342
(Including Other Income)	
Total Expenditure	16,92,796
Profit/Loss before Tax	9,546
Profit/Loss after Tax	7,697
Earning Per Share in Rs. (Basic & Diluted)	1.10
Dividend	NIL

Generic Names of Principal Product

Services of Company (as per monetary terms)

Product Description	Item Code NO.
Polyurethane Foam	392113

For N. C. BANERJEE & CO
Chartered Accountants

B BASU
Partner

Neha Chaudhary
(Company Secretary)

Anupama Bajoria
(Director)

Arvind Bajoria
(Managing Director)

Membership No. : 12748

Place : Kolkata

Date : 20/05/2011

ARVIND INTERNATIONAL LIMITED
Regd. Off : 15, Ganesh Chandra Avenue
Kolkata-700013

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Meeting)

I hereby record my presence at the 20th Annual General Meeting of the Company to be held at the Somani Conference Hall , 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata-700001 on Friday, 30th September, 2011 at 10.30 A.M.

1. Name of Shareholder/proxy.....
(In Block Letters)

2. Folio No. DP ID _____ No. of shares held.....
Client ID

Signature of shareholder/proxy

ARVIND INTERNATIONAL LIMITED
Regd. Off: 15, Ganesh Chandra Avenue Kolkata-700013

PROXY FORM

I/We of
..... being a member(s) of Arvind International Limited, hereby appoint

..... of or failing him/her
..... of as my /our proxy to attend and vote for
me/us and on my/our behalf at the 20th Annual General meeting of the Company to be held at the
Somany conference Hall, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata-700001 on Friday,
30th September, 2011 at 10.30 A.M. and at any adjournment thereof, if any.

Signed this day of 2011

Folio No. DP ID _____ No. of shares held.....
Client ID

Affix
Re. 1.00
Revenue
Stamp

Signature of shareholder/proxy

Note : The proxy must be deposited at the Registered office of the company, not less than 48 hours before the time for holding the aforesaid meeting. A proxy need not be a member of the company.