



Arvind

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Arvind International Limited

21st Annual Report & Accounts 2011-2012

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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. BAJRANG AGARWAL | Additional Director (w.e.f 06.06.2012) |
| 6. Mr. MANOJ KUMAR BANKA | Director (Upto 30.05.2012) |

BANKERS:

State Bank of India

STATUTORY AUDITORS:

M/s. N. C. Banerjee & Company
2, Ganesh Chandra Avenue
Kolkata – 700 013, West Bengal

COMPANY SECRETARY:

Miss Neha Chaudhry

REGISTERED OFFICE:

15, Ganesh Chandra Avenue,
2nd Floor, Kolkata – 700 013, West Bengal
Phone : 91- 33- 3257 3873
Fax : 91- 33- 2211 8014

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 PRIVATE
LIMITED**

D-511, Bagaree Market, 5th Floor
71, BRB Basu Road, Kolkata – 700 001
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 Twenty First Annual General Meeting of the members of **ARVIND INTERNATIONAL LIMITED** will be held at Somany Conference Hall, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata -700 001, on Friday, 28th Day of September, 2012 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, 2012 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. Manish Lohia, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

II. SPECIAL BUSINESS:

4. To consider and to pass with or without modifications the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Bajrang Agarwal, who was appointed as an Additional Director at the meeting of Board of Directors held on 06.06.2012 and who holds office up to the date of the ensuing Annual General Meeting be and is hereby appointed as a Director of the Company.”

By Order of the Board

For Arvind International Ltd.

ARVIND BAJORIA

Managing Director

Registered Office:

15, Ganesh Chandra Avenue, 2nd Floor

Kolkata-700 013

Dated: 6th June, 2012

**Arvind***Sleeping is Sheer Bliss***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, 22nd September 2012 to Friday, 28th September 2012 (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. Manish Lohia	Mr. Bajrang Agarwal
Date of Birth	16/12/1966	11/04/1954
Date of appointment	16/03/2010	06/06/2012
Qualifications	Chartered Accountant	B.Com(Hons.) LLB & FCA
Expertise in specific functional areas	Business with wide managerial exposure	Service with wide managerial exposure
Directorship in other Public Limited Companies	Rausheena Udyog Ltd.	MCS Ltd.
Chairmanship/Membership of Committees in other Public Limited Companies	Nil	Nil

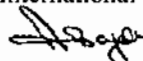
EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 ITEM No. 4

Mr. Bajrang Agarwal was appointed as an Additional Director of the Company by the Board of Directors with effect from 06.06.2012, pursuant to Section 260 of the Companies Act, 1956 read with Article No. 93 of the Articles of Association of the Company. Mr. Bajrang Agarwal holds office up to the date of ensuing Annual General Meeting. The Company has received a notice from a member u/s 257 of the Act along with requisite deposit of Rs. 500/- proposing the candidature of Mr. Bajrang Agarwal for the office of Director.

None of the Directors of the Company except Mr. Bajrang Agarwal is concerned or interested in this resolution. The Directors recommend the resolution for the approval of members in the interest of the company

By Order of the Board
For Arvind International Ltd.

Registered Office:
15, Ganesh Chandra Avenue, 2nd Floor
Kolkata-700 013
Dated: 6th June, 2012


ARVIND BAJORIA
Managing Director

DIRECTOR'S REPORT

To,

The Members

Arvind International Ltd.

Dear Members

Your Directors have the pleasure in presenting the Twenty First Annual Report on the business and operations of your Company, together with the Audited Financial Statements for the year ended 31st March, 2012.

FINANCIAL PERFORMANCE

The performance of the Company, on standalone basis, for the financial year ended 31st March, 2012 is summarized as below:

Particulars	(Rs. In Thousands)	
	Year Ended	
	31.03.2012	31.03.2011
Turnover/ Income from Operations	785541	1173905
Other Income	7708	1382
Total Income	793249	1175287
Less: Expenditure	756673	1143600
Less: Depreciation	5042	5069
Less: Interest	18572	17072
Profit/ (Loss) Before Tax	12962	9546
Less: Provision for Tax (Incl. FBT)	2900	1850
Profit/ (Loss) before Deferred Tax Adjustments	10062	7696
(Add)/Less: Deferred Tax	921	1.00
Profit/ (Loss) After Taxation	9141	7697
Prior Period Adjustments	(5280)	(6400)
Extraordinary items	0.00	0.00
Profit/ (Loss) after Extraordinary items	3862	1297
Profit/ (Loss) brought forward from previous year	(21007)	(22304)
Balance Carried over to Balance Sheet	(17145)	(21007)

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 stronger in years to come. Due to sleek and less margin the company is gradually coming out of trading activity and not focusing on the same.

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 as there are carry forward losses.

RIGHT ISSUE

During the year under review, the company has issued 84,12,540 Equity shares of Rs. 10/- each for cash at a price of Rs. 13.50 each including a premium of Rs 3.50 per Equity Shares aggregating to an amount of Rs. 1135.69 Lacs to the equity shareholders of the company on rights basis and it was fully subscribed and hence successful. The above shares were duly listed on BSE and also admitted to the depository System of National Security Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

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. Manish Lohia 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.

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 2011-12 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 2012 and of the profit of the Company for the year ended on that date.



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- 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.

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, 2012 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.

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



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reliability. As such, a Customized ERP Module called "IN SYNC" has already been developed & substantially implemented at manufacturing facilities and offices of the Company, and the same has been working successfully.

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: 6th June, 2012

**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, 2012.

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	NIL
Total Value of Import	12576	6625.92

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

PARTICULARS	Current Year (2011-12)	Previous Year (2010-11)
A. POWER AND FUEL CONSUMPTION		
1. ELECTRICITY		
(a) Purchased		
- Unit (in thousand)	162.53	133.56