

CENTURY ENKA LIMITED



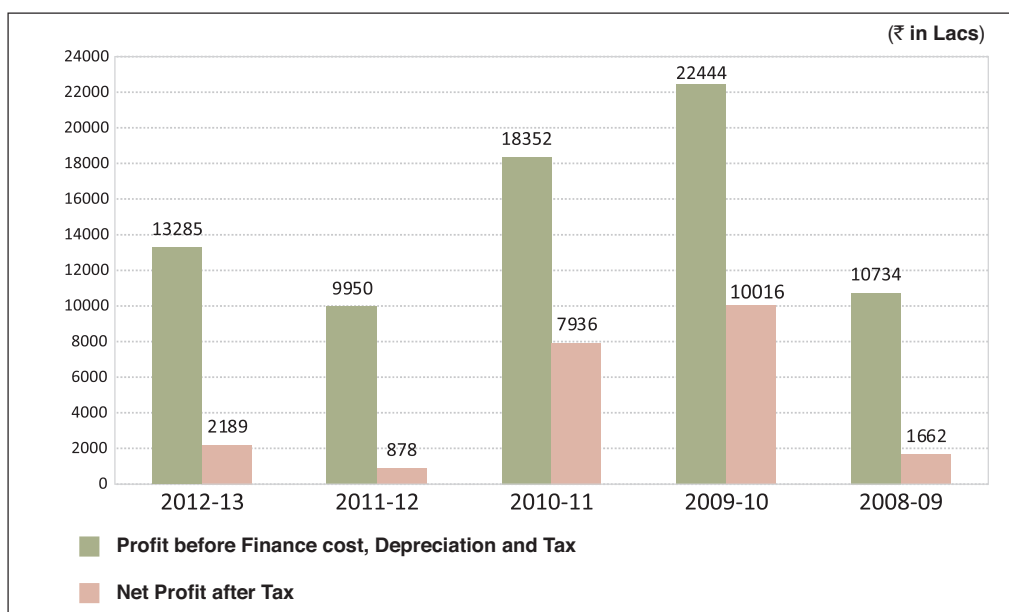
47th Annual Report 2012-2013

QUALITY driven!



Mr. B.K. Birla - Chairman

PROFIT





Forty Seventh Annual Report 2012-13

CENTURY ENKA LIMITED**BOARD OF DIRECTORS**

Mr. B. K. Birla (Chairman)
 Mr. R. A. Shah
 Mr. B. S. Mehta
 Mr. S. K. Jain
 Mr. G. M. Singhvi (Whole-time Director)

SECRETARY

Mr. C. B. Gagrani

AUDITORS

Messrs. Price Waterhouse

SOLICITORS

Messrs. Crawford Bayley & Co.

BANKERS

Bank of Maharashtra	HDFC Bank
State Bank of India	The Royal Bank of Scotland N.V.
Axis Bank	

HEAD OFFICE

'Bakhtawar', 7th Floor
 Nariman Point
 Mumbai-400 021.
 Tel. No. 022-4321 5300 / 2202 7375
 Fax No. 022-4321 5353 / 2287 3952

REGISTERED OFFICE

Century Arcade, 2nd Floor
 Narangi Baug Road
 Pune - 411 001.
 Tel. No. 020-2616 6511
 Fax No. 020-2616 6511

KOLKATA OFFICE

Birla Building, 8th Floor
 9/1, R. N. Mukherjee Road,
 Kolkata-700 001.
 Tel. No. 033-2243 6003

FACTORIES

Bhosari, Pune-411 026
 Tel. No. 020-66127300 / 27120423
 Fax No. 020-27120113

Raigad Processors
 Plot No. C-61, Part-A, MIDC Area,
 Mahad-402 309, Dist.: Raigad
 Tel. No. 02145-232136
 Fax No. 02145-232142

Rajashree Polyfil
 Rajashree Nagar, Post: Umalla-393120
 Dist.: Bharuch
 Tel. No. 02640-308555
 Fax No. 02640-308510

Konkan Synthetic Fibres
 Plot No. C-61, Part-B, MIDC Area
 Mahad-402 309, Dist.: Raigad
 Tel. No. 02145-232138
 Fax No. 02145-232360

SHARE TRANSFER AGENT**LINK INTIME INDIA PRIVATE LIMITED**

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400 078
 Tel. No.: 022-2594 6970; Fax No.: 022-2594 6969

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NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 47th Annual General Meeting of the Shareholders of CENTURY ENKA LIMITED will be held at Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411 002 on Saturday, the 13th July, 2013 at 12.30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To consider the Report of the Auditors and Directors and to receive, consider and adopt the Audited Statements of Accounts for the year ended 31st March, 2013.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. R. A. Shah who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. B. S. Mehta who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

AS SPECIAL RESOLUTION

“RESOLVED THAT subject to the provisions of Section 309 of the Companies Act, 1956 and Article 105 of the Articles of Association of the Company and within the limits stipulated in Section 309(4) of the Companies Act, 1956 (including any statutory modification, amendment, substitution or re-enactment thereof for the time being in force), the Company be and is hereby authorised to pay remuneration by way of commission to its Directors (including Alternate Directors), resident in India, other than the Directors in the whole-time employment of the Company in respect of each of the five financial years commencing from the 1st April, 2013 subject to an overall ceiling of 1% of the net profits of the Company for that financial year computed in accordance with the provisions of Section 198 of the Companies Act, 1956 or ₹ 20 lacs (Rupees twenty lacs only) in aggregate, whichever is lower.”

“RESOLVED FURTHER THAT the Board of Directors may, at its discretion, decide the exact amount to be disbursed each financial year by way of commission within the limits prescribed above and its allocation amongst the eligible Directors.”

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

AS SPECIAL RESOLUTION

“RESOLVED THAT pursuant to Articles 125 and 126 of the Articles of Association of the Company and provisions of Sections 198, 269, 309, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act,

1956 (including any statutory modification, amendment, substitution or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, the Company hereby approves the re-appointment of Mr. G.M. Singhvi as Whole-time Director of the Company for a period of 3 (three) years with effect from 16th May, 2013, upon the terms and subject to the conditions as set out hereunder, with further liberty to the Board of Directors to alter and vary the said terms and conditions from time to time, in such manner as may be agreed upon between the Board of Directors and Mr. G.M. Singhvi in the best interests of the Company but subject to the provisions contained in Schedule XIII to the Companies Act, 1956, as amended from time to time:

(a) Salary:

- (i) Basic Salary: ₹ 3,00,000/- per month.
- (ii) Entertainment Allowance: ₹ 2,50,000/- per month, with the authority to the Board of Directors/ Chairman of the Board of Directors to grant such annual increments in basic salary (total basic salary not exceeding ₹ 4,50,000/- per month) and entertainment allowance (total entertainment allowance not exceeding ₹ 5,00,000/- per month) from time to time as it may deem appropriate.
- (iii) House Rent Allowance @ 50% of basic salary.

(b) Perquisites / Amenities:

- (i) Expenses on electricity and water will be borne / reimbursed by the Company.
- (ii) Leave travel and medical expenses/allowances as per the Rules of the Company.
- (iii) Leave on full pay and allowances as per the Rules of the Company.
- (iv) Fees of the clubs subject to maximum of two clubs. This will not include admission or life membership fees.
- (v) Personal Accident Insurance as per the Company's Policy as applicable to Senior Executives of the Company.
- (vi) Company's contribution towards Provident Fund (12%) and Superannuation Fund (15%) as per the Rules applicable to Senior Executives of the Company.
- (vii) Gratuity as per the Rules/Policies of the Company.
- (viii) Ex-gratia as per the Rules/Policies of the Company not exceeding 15% of basic salary.
- (ix) Performance Allowance as may be approved by the Board of Directors/Chairman of the Board of Directors not exceeding 50% of basic salary.
- (x) A chauffeur driven car provided and maintained by the Company for use on the Company's business and personal use.



- (xi) Telephone, telefax and other communication facilities at residence as applicable to Senior Executives of the Company.”

Provided that where, in any financial year, the Company has no profit or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites as aforesaid to the Whole-time Director as and by way of minimum remuneration subject to the applicable provisions of Schedule XIII of the said Act.

“RESOLVED FURTHER THAT Mr. G. M. Singhvi shall have the powers and authorities to manage the affairs of the Company on a day-to-day basis subject to the superintendence, direction and control of the Board of Directors.”

“RESOLVED FURTHER THAT the aforesaid appointment may be terminated by either party giving to the other three months notice in writing.”

By Order of the Board

Place : Mumbai
Date : May 27, 2013

C.B. GAGRANI
Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Register of the Company will remain closed from Tuesday, the 2nd July, 2013 to Tuesday, the 9th July, 2013 both days inclusive on account of Annual General Meeting and Dividend payment.
3. The payment of dividend, if declared at the said meeting, will be made to those shareholders whose names shall appear on the Company's Register of Members on 9th July, 2013 or to their nominees. In respect of shareholding in dematerialised form, dividend will be paid to the beneficial owners as per details to be furnished by the Depositories for the purpose. Dividend Warrants will be dispatched or credit will be given under National Electronic Clearing Services (NECS) / Electronic Clearing Services (ECS) as the case may be on or after 17th July, 2013.
4. Members desirous of getting any information about the accounts and operations of the Company are requested to address their query to the Secretary at the Registered Office well in advance so that the same may reach him at least 10 days before the date of the meeting to enable the Management to keep the required information readily available at the meeting.
5. (i) The unclaimed dividend upto financial years 1994-95 have been transferred to the General Revenue Account of the Central Government in terms of the provisions of Section 205A of the Companies Act, 1956. Those shareholders who have so far not claimed their dividend for the financial years upto 1994-95 may claim their dividend from the Registrar of Companies, Maharashtra, Pune by submitting an application in the prescribed form.
(ii) Those members who have not encashed dividend warrant for the financial years 2005-06 to 2011-12 may return the time barred dividend warrant or write to the Company's Share Transfer Agent, M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078 for issue of duplicate dividend warrant.
(iii) Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for

the financial year 2005-06 and thereafter which remain unclaimed for a period of 7 (seven) years will be transferred to the Investor Education and Protection Fund (the Fund) constituted by the Central Government under Section 205C of the Companies Act, 1956. **Unclaimed Equity Dividend for the financial year 2005-06 will fall due for transfer to the said Fund on 1st August, 2013.**

As regards unclaimed dividends for the financial years 1995-96 to 2004-05, the same have already been transferred to the Investor Education and Protection Fund.

It may kindly be noted that once the unclaimed dividend is transferred to the abovesaid Fund of the Central Government, no claim shall lie in respect thereof.

6. Dividend in respect of shares held in dematerialized form shall be credited to the beneficial owner's bank account directly through NECS / ECS wherever NECS/ ECS facility is available subject to availability of bank account details / core banking account number and 9 digits code number. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may be intimated to the concerned Depository Participant immediately.

Shareholders holding shares in physical form and desirous of availing NECS / ECS facility, should provide the bank details / core banking account number and 9 digits code number in NECS / ECS Mandate Proforma. Shareholders who have already given their Bank details to avail NECS / ECS facility should furnish the same only if there is any change.

The NECS / ECS Mandate Proforma can be obtained from the Company's Share Transfer Agent, M/s. Link Intime India Private Limited at the address mentioned hereinbelow in Note 7 or can be downloaded from the Company's website www.centuryenka.com.

7. In terms of provisions of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders. The shareholders who are holding shares in physical form and are desirous of availing this facility may kindly write to the Company's **Share Transfer Agent, M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078** for nomination form quoting their folio



- number. Shareholders holding shares in dematerialised form, should write to their Depository Participant for the purpose.
8. Members who are holding shares in identical order of names in more than one folio, are requested to write to the Company's Share Transfer Agent at the address mentioned hereinabove in Note 7 to consolidate their holding in one folio.
9. Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agent at the address mentioned hereinabove in Note 7 quoting their folio number. Shareholders holding shares in dematerialized form, should intimate change of their address, if any, to their Depository Participant.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No. 6

Attention of the Shareholders is drawn to the Special Resolution passed for payment of commission to Directors in the 42nd Annual General Meeting held on 28th June, 2008. Under the said resolution, commission to Directors (including Alternate Director) resident in India, other than the Directors in whole time employment of the Company was to be paid for each of the five financial years commenced from 1st April, 2008, subject to overall ceiling of 1% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 1956 or ₹ 20 lacs (Rupees twenty lacs only) in aggregate whichever is lower for a financial year. The period of 5 financial years expired on 31st March, 2013.

There is a rapid change in Indian economy and business environment. Competition has increased. All the products of the Company compete with domestic and imported material. There is continuous threat of dumping of imported Nylon Tyre Cord Fabrics and Nylon Filament Yarn in the domestic market at a very cheap rate. There is over capacity in Polyester POY.

The Board Members of the Company comprises of outstanding professionals and the Company is being benefited by their expert advice/ guidance from time to time.

The Board, exercises appropriate control and provides strategic guidance to business of the Company. The Board has constituted various Committees of Directors, such as Audit Committee covering wide and varied functions of the Company including review of quarterly financial results with Statutory Auditors, review of internal audit reports and programme with Internal Auditors, effectiveness of internal control procedures and systems and their adequacy, risk management, follow-up of the outstanding issues and similar important issues. There are also Committees of Directors, such as, Shareholders/ Investors Grievance Committee, Share Transfer Committee and Remuneration Committee so that there is better compliance of corporate governance and monitoring of various functions by the Committees. Beside these, there are various compliance of SEBI/Stock Exchange Rules and Regulations, Code of Conducts, provisions of the Companies Act and other laws. All these activities need involvement and high degree of monitoring and supervisions by the Directors.

Section 309 of the Companies Act, 1956 permits payment of commission to Directors upto 1% of net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 1956. Within the permissible limit of 1% of net profits, the Board of Directors is seeking your consent for

payment of commission not exceeding ₹ 20 lacs (Rupees twenty lacs only) per annum in the aggregate with discretion to the Board of Directors to decide the amount to be disbursed in each financial year and its allocation among the eligible Directors. Section 309(4)(b) of the Companies Act, 1956 and Article 105 permits payment of such commission, with the consent of the shareholders accorded by a Special Resolution.

The Board, therefore, recommend this item of accompanying notice for approval of the members as a Special Resolution.

All the Directors of the Company except Whole-time Director, may be considered as interested or concerned in the resolution.

Item No. 7

Mr. G. M. Singhvi was re-appointed as Whole-time Director of the Company for a period of three years with effect from 16th May, 2010 and his re-appointment was also approved by the shareholders in the 44th Annual General Meeting held on 2nd July, 2010.

Mr. G. M. Singhvi is re-appointed as Whole-time Director with effect from 16th May, 2013 by the Board of Directors in its meeting held on 15th May, 2013 subject to the approval of the shareholders of the Company in the ensuing Annual General Meeting.

Mr. G. M. Singhvi's experience and performance eminently qualifies him for re-appointment as a Whole-time Director who will have the powers and authorities to manage the affairs of the Company on a day-to-day basis subject to superintendence, direction and control of the Board of Directors.

Accordingly, the resolution in item no. 7 of the notice, for approving the re-appointment of Mr. G. M. Singhvi as a Whole-time Director of the Company upon the terms and conditions as set out in the resolution, is being proposed for consideration of the shareholders. The said terms and conditions may be altered/changed by the Board of Directors in conformity with the Companies Act, 1956 (including any statutory modification, amendment, substitution or re-enactment thereof).

This explanatory statement together with the accompanied notice be treated as an abstract as required under Section 302 of the Companies Act, 1956 to be circulated to the members for the item no. 7.

The Board, therefore, commend item no.7 of the accompanying notice for approval of the shareholders.

None of the Directors, except Mr. G. M. Singhvi, is interested or concerned with the resolution.



DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013

Dear Shareholders,

Your Directors present the 47th Annual Report and Audited Statements of Accounts of the Company for the year ended 31st March, 2013.

The overall performance of the current year was satisfactory due to efficient management of energy cost, suspension of unviable operations and general improvement in operational efficiency.

FINANCIAL RESULTS

	(₹ / Lacs)	
	This Year	Previous Year
Net Sales / Income from Operations (Less Excise Duty)	155217	164951
Profit before Depreciation, Finance Cost, Exceptional Items and Tax	14788	9950
Add / (Less) :		
Depreciation	(7191)	(6743)
Finance Cost	(2946)	(3172)
Exceptional Items	(1503)	-
Taxation (Net)	(959)	843
Net Profit	2189	878
Add : Balance brought forward from previous year	22921	23401
Profit available for appropriation	25110	24279
Less : Dividend	1311	1093
Tax on Dividend	233	177
General Reserve	220	88
Balance carried forward to next year	23346	22921

DIVIDEND

We recommend a dividend at the rate of 60% (i.e. ₹ 6/- per Equity Share of ₹ 10/- each) for the year ended 31st March, 2013 (Previous year at the rate of 50% i.e. ₹ 5/- per Equity Share of ₹ 10/- each).

COURSE OF BUSINESS AND OUTLOOK

The Management's Discussion and Analysis Report, as required under Corporate Governance, is forming a part of this report and gives a reflection of the current state of business. It also deals with opportunities, challenges and the outlook of the Company.

In May 2012, your Company suspended unviable manufacturing operations at Mahad site. The Company has conducted a feasibility study and has now reached to the conclusion that present manufacturing operations at Mahad site cannot be made viable mainly due to high energy and other utility costs. Apart from this, high transportation cost, being away from market place and raw material sourcing centre vis-à-vis competitors who are mostly located around Surat and Silvassa. In view of the above, it is decided to close the operations at Mahad site.

Your Company, in view of falling margins in Polyester POY, is

restructuring its Polyester operations at Bharuch site to create dual facilities to manufacture Polyester POY as well Nylon Filament Yarn and of different types of lustres.

Your Company continues its focus on cost control, inventory management and productivity enhancement to improve margins.

EXPANSION & MODERNISATION

Your Company proposes to expand dipping facility of 15000 MT per annum Nylon Tyre Cord Fabric (NTCF) at Bharuch site to meet the increasing demand of dipped NTCF from tyre companies. In addition to that, the Company is also adding some balancing equipment to carry out debottlenecking of NTCF capacity. The total investment in dipping and debottlenecking is expected to be about ₹ 50 crores.

HUMAN RESOURCE DEVELOPMENT AND ENVIRONMENT

The report on Management's Discussion and Analysis includes observations on human resource development and environment. It is your Company's belief to cultivate competitive capability both functional and behavioural of its human resources and to facilitate that, your Company regularly organized training programmes.

Your Company's industrial relations continued to be harmonious during the year under review.

Your Directors would like to place on record their appreciation for the efforts undertaken by the employees to control cost and improve productivity.

Considerable emphasis is given by your Company on preservation of environment and to combat for and support ecology, plantations have been carried out in and around the surrounding area of the Company's plants.

All Plant sites of the Company are environment regulations compliant.

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

Particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in a separate statement attached hereto and forming part of the report.

CORPORATE GOVERNANCE

Your Company reaffirms its commitment to Corporate Governance and is fully compliant with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with Stock Exchanges. A separate section on compliance with the conditions of Corporate Governance and a Certificate from the firm of practicing Company Secretaries dated 15th May, 2013 in this regard is annexed hereto and forms a part of the Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956 and on the basis of explanation and compliance certificate given by the executives of the Company, and subject to disclosures in the Annual Accounts and also on the basis of discussions with the Statutory Auditors of the Company from time to time, we state as under :

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

DIRECTORS

Mr. G. M. Singhvi, Whole-time Director of your Company whose tenure of 3 (three) years comes to end on 15th May, 2013 has been reappointed by the Board of Directors in its Meeting held on that date for a period of 3 (three) years, commencing from 16th May, 2013 subject to approval of the shareholders of the Company at the forthcoming Annual General Meeting.

In accordance with Articles of Association of the Company, Mr. R. A. Shah and Mr. B. S. Mehta, Directors of the Company will retire by rotation and being eligible, offer themselves for re-appointment.

ANNEXURE TO THE DIRECTORS' REPORT

(Additional information given in terms of Notification 1029 of 31.12.1988 issued by the Department of Company affairs)

(A) CONSERVATION OF ENERGY

The Company is engaged in the continuous process of energy conservation through improved operational and maintenance practices :

a) Energy Conservation measures taken :

1. Modification of dryer vacuum systems and reduction of steam consumption.
2. Installation of latest technology energy efficient cablers.
3. Optimisation of compressors for low pressure application.
4. Optimisation of air consumption for chips blowing for transportation.
5. Optimisation of air consumption in air jet looms.

AUDITORS

Messrs. Price Waterhouse, the Auditors of the Company will retire from the office of the Auditors and being eligible offer themselves for re-appointment. Their remuneration for the current year is to be fixed by you.

COST AUDITORS

The Cost Audit Reports for the products Polyester and Nylon for the financial year ended 31st March, 2012 signed by M/s. N.I. Mehta & Co., Cost Auditors were due for filing on or before 31st January, 2013 and the same were filed with Ministry of Corporate Affairs on 31st January, 2013.

Your Company has also appointed M/s. N.I. Mehta & Co., Cost Auditors for conducting the cost account records for the products Polyester and Nylon for the financial year ended 31st March, 2013.

PARTICULARS OF EMPLOYEES

Pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of employees are set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all members of the Company. Any member, who is interested in obtaining such particulars about employees may write to the Company Secretary at the Registered Office of the Company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 15, 2013

B. K. BIRLA
G. M. SINGHVI
(Directors)

6. Installation of partitions in after treatment area.
7. Optimisation of air handling units by modification in ducting system, changing pulley size and coil replacement.
8. Optimisation in process conditions by reduction in air flow and temperature.
9. Stoppages of exhaust fans wherever not required.
10. Rationalisation of timers of lighting circuits in the entire plant.
11. Optimisation of steam flow for the process.
12. Stoppage of steam valves in the process during cooling cycle.
13. Revamping of hot insulations of steam lines in the plant.
14. Optimisation in power by relocating PTA unloading location to Poly area.



b) Additional Investment and Proposals, if any, being implemented / under study for conservation of energy.

1. Replacement of winder cooling fans with PVA fans.
2. Utilisation of process heat to generate chilled water through vapor absorption chiller.
3. Relocation of after treatment machines to reduce energy for hall conditioning.
4. Optimisation of steam consumption in spinning and conversion area.

c) Impact of Measures at (a) and (b) above for reduction of energy consumption and on the cost of production of goods :

The above measures have resulted in :

1. Reduction in consumption of electricity and fuel oils with consequent reduction in cost of production.
2. Reduction in steam consumption.

d) Total energy consumption and energy consumption per unit of production as per prescribed Form - A given hereafter.

(iv) Expenditure on R & D :

(₹ / Lacs)

		2012-13	2011-12
1.	Capital	(See Note Below)	
2.	Recurring	223	206
3.	Total	223	206
4.	Total R & D expenditure as a percentage of total income from operation (Net)	0.14%	0.12%

Note: The Company has spent ₹ 36 Lacs (Previous year ₹ 80 Lacs) and shown as normal Capital Expenditure, although it is also used for R & D activities.

b) Technology Absorption, Adaptation & Innovation

(i) Efforts in brief, made towards technology absorption, adaptation & innovation :

1. Technology upgrading of vacuum system of dryers.

(ii) Benefits derived as a result of above efforts :

1. Improvement in operating performance.

(iii) Future Plan of Action :

1. Use of solar energy.
2. Development of speciality products.

(iv) Information regarding imported technology :

[Imported during the last 5 years (from the beginning of the financial year)]

1. Technology Imported : NIL
2. Year of Import : Not applicable
3. Has the technology been fully absorbed : Not applicable

(B) TECHNOLOGY ABSORPTION

Efforts made in Technology absorption as per Form - B

a) Research & Development (R & D)

(i) Specific areas in which R & D is carried out by the company :

1. Productivity enhancement of spinning winding machines.
2. Development of new products.
3. Modifications in spinning machines to improve quality of the products.
4. Replacement of catalyst for improvement in polymer quality.
5. Installation of PLC/SCADA system for old spinning machines.
6. Modification of draw warper heating system.
7. Modification in quenching system for POY plant.
8. Use of indigenous solvent for preparation of spin finish oil.

(ii) Benefits derived as a result of the above R & D :

1. Reduction in operating and maintenance cost.
2. Improvement in quality, customer satisfaction and enlargement of market base.
3. Import substitution.

(iii) Future Plan of Action :

1. Modification in spinning machines for conversion from Polyester to Nylon Yarn.
2. Upgradation of draw warper to enhance productivity.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

The company continuously explores the export market for its various products. The company exported POY to Germany and Polymer using recycled waste to USA.

During the year export realisation was worth ₹ 845 Lacs (previous year ₹ 916 Lacs). The Company has also made Nylon Filament Yarn sale to domestic 100% EOU and SEZ units worth ₹ 57 Lacs during the year (previous year ₹ 225 Lacs).

2. Total foreign exchange used and earned is contained in Note 42(c), (d), (e) and (f) to the Financial Statements.



(PURSUANT TO SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956)

FORM - A (SEE RULE 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	Current Year 2012-13	Previous Year 2011-12		Current Year 2012-13	Previous Year 2011-12
A. POWER AND FUEL CONSUMPTION					
POWER					
1. ELECTRICITY			(iii) Purchased		
(a) Purchased			Units (Ton)	66445	62355
Units (KWH)	100757194	113764925	Total Amount (₹ in Lacs)	1186.19	1032.28
Total Amount (₹ in Lacs)	5784.78	7243.48	Cost per unit (₹)	1785	1655
Rate per Unit (₹)	5.74	6.37			
(b) Own Generation Through Co-Generation Power Plants			4. FURNACE OIL CONSUMPTION (For Steam)		
(i) Furnace Oil Based			Quantity (Kgs)	1432538	3775557
Units (KWH)	11581104	41372948	Total Amount (₹ in Lacs)	594.99	1392.09
Units per Litre of fuel oil	4.35	4.21	Rate/Unit (₹)	41.53	36.87
Cost per unit (₹)	9.65	8.67			
(ii) Natural Gas Based			5. OTHER FUEL (Used for process heating)		
Units (KWH)	73899368	61348460	(i) Furnace Oil		
Units per SCM of Natural Gas	4.23	4.21	Quantity (Kgs)	5228702	5387353
Cost per unit (₹)	7.41	6.68	Total Amount (₹ in Lacs)	2161.16	1986.64
			Rate/Unit (₹)	41.33	36.88
2. FUEL CONSUMPTION (For Own generation- Electricity)			(ii) Heat Purchase		
(i) Furnace Oil			Units (K.Cal in Lacs)	154571	180002
Quantity (Kgs)	2661916	9832106	Total Amount (₹ in Lacs)	475.10	452.11
Total Amount (₹ in Lacs)	1117.68	3589.06	Cost per unit (₹)	307.37	251.17
Rate/Unit (₹)	41.99	36.50			
(ii) Natural Gas Consumption			B. ENERGY CONSUMPTION PER UNIT OF PRODUCTION		
Quantity (SCM)	17486095	14561836	PRODUCTS (With Details) UNIT		
Total Amount (₹ in Lacs)	5472.69	4099.35	1. ELECTRICITY (Kwh/Ton of Product)		
Rate/Unit (₹)	31.30	28.15	(a) Synthetic Textile Yarns	1639	1844
			(b) Industrial Yarn / Fabric	3090	3387
3. STEAM			2. STEAM (Tons / Ton of Product)		
Steam Generation			(a) Synthetic Textile Yarns	1.3	1.8
(i) Own Generation Through Boiler			(b) Industrial Yarn / Fabric	2.2	2.2
Units (Ton)	18717	53165			
Units per Ton of fuel	13.07	14.08			
Cost per unit (₹)	3179	2618			
(ii) Own Generation Through Waste Heat recovery from Co-Generation Power Plants					
Units (Ton)	58556	58727			