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Corporate Information

Board of Directors

Mr. K. M. Gupta, Managing Director
Mrs. Kamlesh Kumari – Director (Commercial & Administration)
Mr. Rajeev Taneja, Director – New Business Promotion
Dr. A. K. Doshi, Independent Director
Mr. Mahabir Prasad, Independent Director

Company Secretary

Mr. Raghuvansh Mani

Auditors

M/s. A. S. Patwa & Co.
Chartered Accountants
B-545, 1st Floor,
Nehru Ground, NIT
Faridabad – 121001(Haryana)
Tel : 0129-2416545

Bankers

State Bank of India, Overseas Branch, New Delhi.
Punjab National Bank, Sansad Marg, New Delhi.

Registrar and Share Transfer Agent

M/s. Beetal Financial & Computer Services (P) Ltd.
Beetal House, 3rd Floor,
99, Madangir, Behind Local Shopping Centre,
New Delhi - 110062
Tel: 011-29961281
Fax: 011-29961284

Shares Listed at

Bombay Stock Exchange Limited, Mumbai

National Stock Exchange of India Limited, Mumbai

Units –**Unit - I**

Rammashraya, KH – 43, Sector – 45,

Mewla Maharajpur,

Faridabad – 121003, Haryana

Unit - II

Evinix Consolidated

(Unit of Evinix Industries Limited)

14/3, Main Mathura Road,

Faridabad – 121003, Haryana

Unit - III

Plot No. 138, NSEZ,

Main Dadri Road,

Noida – 201305, U.P.

Registered Office

Rammashraya, KH-43, Sector-45,

Mewla Maharajpur,

Faridabad - 121003, Haryana, India

e-mail : evinix@evinix.in

DIRECTORS' REPORT

Dear Members & colleagues,

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Statement of Accounts on the performance of the company for the financial year ended 31st March 2011.

FINANCIAL RESULTS

Rs in lacs		
Particulars	Year Ended March 31,2011	Year Ended March 31, 2010
Total Income	22469.36	16574.41
Profit before Depreciation and Interest	1563.88	1726.94
Finance Cost	966.85	771.09
Depreciation	231.07	235.67
Provision for Tax *Including FBT	37.00	51.41
Profit from Operations	365.95	720.19
Deferred Tax	65.49	(62.32)
Profit after Tax	263.46	731.10
Prior Year Adjustment	4.45	4.45
Add: Surplus of last Year	3783.40	3056.76
Surplus available for appropriation	3884.58	3783.40
Appropriations		
General Reserve	0.00	0.00
Proposed Dividend on Equity Shares	0.00	0.00
Surplus Carried to Balance Sheet	3884.58	3783.40
Surplus available for appropriation	3884.58	3783.40

PERFORMANCE OF YOUR COMPANY

Your Company is engaged in fashion accessories, apparels and fabric products. These product basket is such that all or one segment are always winning businesses across India & our traditional markets. The Company is growing on a consistent basis and year 2010-11 was not an exception to the same. The Gross income from operation was Rs. 20679.51 lacs in comparison to Rs. 16033.40 lacs during the previous year. Profit after Tax during the year decreased from Rs. 731.10 Lacs to Rs. 263.46 Lacs during the previous year.

The Operating profit was lower due to increase in input costs as available across various raw material categories, higher lease rentals on expanded retail space and prolonged pressure on realized prices as well discounting to help recessionary markets in Europe & USA. This year has been year of high cost of money, i.e extended credits to buyer has also added to reduced profits.

DIVIDEND

Your Directors are of the view that in the current phase of expansion and the large opportunities of further growth available to the company, there will be a need to conserve the funds. Hence, your directors do not recommend dividend for the year financial year ended March 31, 2011.

CAPITAL STRUCTURE:

The authorised capital of the Company is Rs. 20,00,00,000/- comprising of 20,00,00,000 Equity shares having face value of Rs. 1 out of which the issued, subscribed and paid up capital is Rs. 10,70,00,000/- comprising of 10,70,00,000 Equity shares having face value of Rs. 1/- per share.

DIRECTORS

In accordance with the Provisions of the Companies Act, 1956, and the Articles of Association of the Company Dr. Ajeet Kumar Doshi and Mr. Mahabir Prasad Additional Directors of the company are being offered for regularization.

A brief note in terms of the requirement of the Corporate Governance on the aforesaid Director has been included at Part – I of Annexure – II.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Members of the Board confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation;
2. Prudent accounting policies have been selected and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2011 and of the Profit of the Company for financial year ended 31st March 2011;
3. Proper and sufficient care has been taken 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;
4. Annual accounts have been prepared on a going concern basis.

REGISTRAR AND SHARE TRANSFER AGENT

Beetal Financial & Computer Services Private Limited is continued to act as Registrars and Share Transfer Agents as common agency both for physical and dematerialized shares as required under Securities Contract (Regulation) Act, 1956.

The detail of RTA forms part of the Corporate Governance Report.

CORPORATE GOVERNANCE

As required under Clause 49 of the Listing Agreement, a Report on Corporate Governance along with Certificate on Corporate Governance confirming compliances with the conditions of Corporate Governance obtained from the Statutory Auditors of the Company is annexed to this Report. **(Part - 2 of Annexure - II)**

MANAGEMENT DISCUSSION AND ANALYSIS

The detailed review of operations, performance and future outlook of the Company is given separately under the head "Management Discussion and Analysis". **(Part – 1 of Annexure - II)**

LISTING AT STOCK EXCHANGE

The Equity Shares of the Company continue to be listed on Bombay Stock Exchange and National Stock Exchange. The Annual Listing Fees for the year 2011-12 have been paid to the Stock Exchanges.

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

Information in accordance with the provisions of Section 217(1)(e) of Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the statement annexed (Annexure – I) hereto and forms part of this report.

PUBLIC DEPOSITS

The Company has neither invited/ nor accepted any deposits during the year within the meaning of Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

PERSONNEL

Employee relations continued to be cordial during the year March 31, 2011. Your Company continued its thrust on Human Resource Department. Your Company has initiated various customized training programs viz. personality development, development of inter personal skills, communication skills, public speaking etc. for its employees that enhance both personal, as well as career growth of the employees. These programs are conducted round the year by professional trainers as well as by the human resource department of the Company. Your Company has also encouraged its employees to attend seminars and discussions conducted by professional institutions and trade bodies. The Board wishes to place on record its appreciation to all the

employees in the Company for their sustained efforts and immense contribution to the high level of performance and growth of the business during the year.

PARTICULARS OF EMPLOYEES

As required by the provisions of section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended, the name and other particular of the employee is set out in the Annexure I (Annexure to the Director's Report)

AUDITORS & AUDITORS' OBSERVATIONS

M/s. A.S. Patwa & Co., Chartered Accountants, the Statutory Auditors of the Company, retire at the forthcoming Annual General Meeting of the Company and have expressed their reluctance to continue, if appointed. M/s. Doggar & Company, Chartered Accountants, New Delhi have been shortlisted by the Board of Directors of the Company to take over as the Statutory Auditors of the Company for the financial Year 2011-12 .Your Directors recommend their re-appointment.

Observations in the Auditors' Report are dealt with in Notes to Accounts at appropriate places and being self-explanatory need no further explanation.

APPRECIATION

Your Director place on record their sincere gratitude to the continuing patronage of our valued customers, bankers and financial institutions, business associates, shareholders, suppliers and other statutory authorities who have extended their valuable sustained support and encouragement to your Company. Your Directors look forward to all of your continued support and undertaking in the years to come.

Your Managing Director, K. M. Gupta place special thanks to all of you associated with your company specially his colleagues, associates, bankers, statutory & regulatory authorities who have helped him in founding, promoting, steering your company to it's present position in this special categories of specially Fashion accessories.

Your directors wish to place on record, their sincere appreciation to the dedication and commitment of its employees for the growth of the Company. Which has understandably, been significant for the Company's success in meeting Targets during testing times as this year.

For and on behalf of the Board

Sd/-

sd/-

Date: August 19, 2011

(K.M. Gupta)

(Kamlesh Kumari)

Place: FARIDABAD

Managing Director

Director (Commercial & Administration)

ANNEXURE - I

ANNEXURE TO THE DIRECTORS' REPORT

I. Statement of particulars pursuant to Companies (Disclosure of Particulars in the Report of Directors) Rules 1988.

1. Conservation of Energy

- a. Energy conservation measures taken : During the period under review, the company has saved energy in production process by optimizing the resources.
- b. Additional investments and proposals, if any, being implemented for reduction of consumption of energy. : NIL
- c. Impact of measures at (a) & (b) above for reduction of Energy consumption and consequent impact on the cost of production of goods. : All efforts will result in economy of resources and cost cutting.
- d. Total Energy Consumption and Energy Consumption per unit of production. : Given in the below mentioned chart:

A. POWER AND FUEL CONSUMPTION (Rs. in Lacs)

Sl. No.	PARTICULARS	CURRENT YEAR 2010-2011	PREVIOUS YEAR 2009-2010
1.	Electricity		
a.	Purchased		
	Units (Nos.)	284114	737617
	Total Amount (Rs.)	1599369	3855857
	Rate/Unit (Rs.)	5.66	5.23
b.	Own Generation		
i)	Through Diesel		
	Quantity (Ltr.)	96000	147703
	Total Amount (Rs.)	3615360	4927680
	Average Rate (Rs.)	37.66	33.36
	Generate (Units) (Nos.)	N.A.	1119160
	Unit per-ltr of Diesel oil (Nos.)	N.A.	7.58
	Cost/Unit (Rs.)	N.A.	5.52
ii)	Through Steam Turbine	N.A.	N.A.
2.	Coal	N.A.	N.A.
3.	Diesel (Excluding use on Generation of Electricity)		
	Quantity (Ltrs)	31275	41575
	Total amount (Rs.)	1108699	1345788
	Average Rate (Rs.)	35.45	32.37
4.	Others/Internal generation	N.A.	N.A.

B. CONSUMPTION PER UNIT OF PRODUCTION

SL.NO.	PARTICULARS	ACCESSORIES (PER PIECE)	
		CURRENT YEAR	PREVIOUS YEAR
		2010-2011	2009-2010
1	ELECTRICITY (Units)	0.63	0.63
2	COAL	N.A	N.A
3	OTHERS	N.A	N.A

II. TECHNOLOGY ABSORPTION : Efforts made in technology absorption as per Form-B of the Annexure to the Rules.**A. RESEARCH & DEVELOPMENT (R & D)**

1. Specific areas in which R&D : R & D work has already started and will
carried out by the Company. continue for sometime more.
2. Benefits derived as a result of : N.A
the above R&D
3. Future Plan of Action : The company is exploring new areas and
new range of products.
4. Expenditure on R&D : N.A.
 - a. Capital : NIL
 - b. Recurring : NIL
 - c. Total : NIL
 - d. Total R&D Expenditure as a : NIL
Percentage of total turnover

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief made towards : N.A
technology absorption,