

FOURTH

ANNUAL REPORT

2008-09

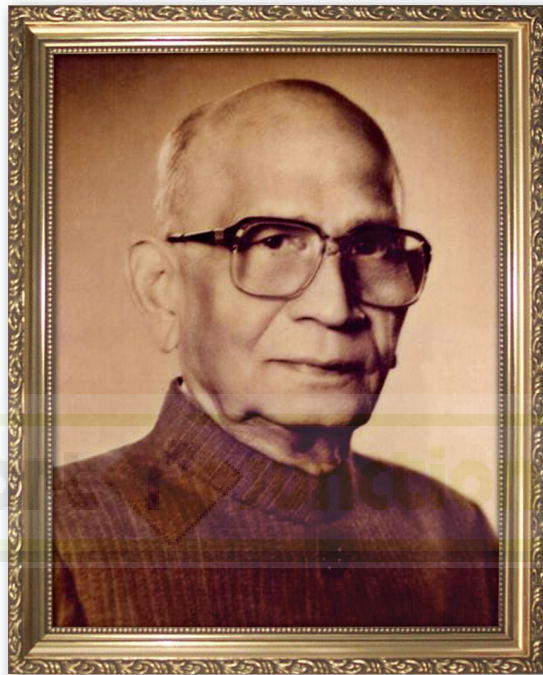


Report



.com





SHRI MADANLAL PATODIA
Chairman Emeritus

20.09.1915 ~ 12.12.2008

Founder of GTN Group of Companies under whose able and visionary leadership the Group has blossomed to a prominent position and carved out a niche for itself in the Indian and international markets for quality products.

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Chairman Emeritus
Shri Madanlal Patodia upto 12th December 2008

Board of Directors

Shri Madanlal Patodia Chairman upto 24th July 2008
B K Patodia Chairman & MD from 24th Oct. 08,
Vice Chairman & MD upto 23rd Oct. 08.

N K Bafna
C D Thakker
B L Singhal
R Rajagopalan
Prem Malik
Umang Patodia upto 28.01.2009

**General Manager &
Company Secretary** E K Balakrishnan

Bankers & Financial Institutions

Central Bank of India
State Bank of India
Export-Import Bank of India
State Bank of Travancore
Bank of India
Axis Bank Limited
IDBI Bank Limited

Auditors M/s. M S Jagannathan & Visvanathan,
[Chartered Accountants], Coimbatore

Legal Advisors M/s. Menon & Pai, Kochi

Registered Office VIII/911, Erumathala P O.,
Aluva 683 112, India.

Corporate Office 43, Mittal Chambers, 228 Nariman
Point, Mumbai 400 021, India.



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GTN TEXTILES LIMITED

NOTICE

NOTICE is hereby given that the **Fourth** Annual General Meeting of **GTN TEXTILES LIMITED** will be held at Oceanic Hall, Hotel Periyar, Aluva – 683 101 at 12.15 p.m on Friday, the 31st day of July 2009, to transact the following business.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2009 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors and the Auditors thereon.
- 2) To appoint a Director in place of Shri.Prem Malik, who retires by rotation and is eligible for reappointment.
- 3) To appoint a Director in place of Shri.B.L Singhal, who retires by rotation and is eligible for reappointment.
- 4) To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

5. Consent for Delisting of Company's Equity Shares from The Cochin Stock Exchange Limited (CSEL)

To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution.

“RESOLVED that in terms of SEBI (Delisting of Securities) Guidelines, 2003, as amended, and also Guidelines / Notifications issued / to be issued by SEBI from time to time and subject to the provisions of the Companies Act, 1956 (including any Statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter) and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as ‘the Board’, which term shall deem to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution),

consent is hereby accorded to the Board to de-list Company's Equity Shares from The Cochin Stock Exchange Ltd. (CSEL)”.

6. Approval to extend mortgage in favour of Working Capital Bankers on Second Charge basis

To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution.

“RESOLVED that the consent of the Company be and the same is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) for creating such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties of the Company wheresoever situate, both present and future and of conferring power to enter upon and to take possession of the assets of the Company in certain events, to or in favour of Central Bank of India, State Bank of India and State Bank of Travancore to secure on pari passu second charge basis:

- i) Short term loan of Rs 1500 lacs, Working Capital Term Loan of Rs 560 lacs and Enhanced working capital limits of Rs 120 lacs lent and advanced by Central Bank of India (CBI) to the Company;
- ii) Working Capital Term Loan of Rs 300 lacs, and enhanced working capital limits of Rs 120 lacs lent and advanced by State Bank of India (SBI) to the Company; and
- iii) Working Capital Term Loan of Rs 100 lacs, and enhanced working capital limits of Rs 120 lacs lent and advanced by State Bank of Travancore (SBT) to the Company.

By order of the Board
For **GTN Textiles Limited**

E K Balakrishnan
General Manager &
Company Secretary

Place : Kochi
Date : 7th June, 2009

NOTICE (Contd..)

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. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto and forms part of the Notice.
3. The Shares of the Company are listed and traded with Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE) and Cochin Stock Exchange Limited (CSEL) effective from 18.5.2006. The Company's Shares have also been admitted with the Depositories viz. NSDL and CDSL under ISIN No.INE302H01017.
4. The Company has already notified Closure of Register of Members and Share Transfer Books thereof from Saturday, the 25th July, 2009 to Friday, the 31st July, 2009 (both days inclusive).
5. Information in respect of Unclaimed Dividend when due for transfer to the said Fund with reference to dividend for the financial year ended 31st March, 2008 is given below:

Financial year Ended	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEPF
31.3.2006	28.7.2006	27.7.2013	26.8.2013
31.3.2007	26.7.2007	25.7.2014	24.8.2014
31.3.2008	25.7.2008	24.7.2015	23.8.2015

Shareholders who have not so far encashed the Dividend Warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Company. Also note that no claim shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid after a period of 7 (Seven) years from the date that they first became due for payment and no payment shall be made in respect of any such claim.

6. Consequent upon introduction of Section 109A of the Companies Act, 1956, Shareholders are entitled to

make nomination in respect of shares held by them in physical form.

7. Individual Shareholder(s) can avail of the facility of nomination. The nominee shall be a person in whom all rights of transfer and / or amount payable in respect of the shares shall vest in the event of the death of the Shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination form. The facility of nomination is not available to non-individual Shareholders such as Bodies-Corporate, Kartas of Hindu Undivided Families, Partnership Firms, Societies, Trust and holders of Power of Attorney. For further details please contact Company's Secretarial Department. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Share Transfer Agent, M/s.Integrated Enterprises (India) Limited.

REQUEST TO THE MEMBERS:

1. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company atleast 7 (Seven) days in advance, so as to enable the Company to keep the information ready.
2. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
3. Members are requested to inform immediately any change in their address to the Company's Share Transfer Agents.
4. All communications relating to shares are to be addressed to the Company's Share Transfer Agents M/s. Integrated Enterprises (India) Ltd., "Seema", 41/426, Rajaji Road, Near Abad Metro Hotel, Ernakulam – 682 035, Kerala; Tel. No. (0484) 2371494/ 2366099; Fax: (0484) 2384735; E Mail: yesbalu@iepindia.com or shaji@iepindia.com.
5. Members are requested to note that the Company's Equity shares are compulsorily traded in demat form for all investors, effective from 18th May, 2006. Members are requested to open Depository Account in their names with a Depository Participant to dematerialise their holdings. This would be necessary for facilitating the transfers of Company's Equity shares in all Stock Exchanges connected to the Depository System.

NOTICE (Contd..)**DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT / REGULARISATION
PURSUANT TO SECTION 257 OF THE ACT**

(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Shri. Prem Malik	Shri. B.L Singhal
Date of Birth	03.02.1942	15.04.1947
Date of appointment	17.12.2005	08.04.2005
Qualifications	Post Graduate, Punjab university	B.Com, FCA
Expertise in specific functional area	Shri Prem Malik, aged 67 years, is a Post Graduate from Punjab University and is having over 4 decades of experience in textiles and clothing. He had worked as Executive Director of main Board of M/S Mafatlal Fine Spinning & Manufacturing Company Limited. Presently, he is a Textile Consultant / Advisor and is Director on various Forums viz. Confederation of Indian Textile Industry, Cotton Textile Export Promotion Council, Synthetic Rayon Textile Export Promotion Council etc.	Shri B.L Singhal ,aged 62 years, is a graduate in Commerce and Fellow Member of the Institute of Chartered Accountants of India (ICAI).He is a Practicing Chartered Accountant and Senior Partner of M/S B.L Singhal & Co. Chartered Accountants,Kolkata. He has vast experience in Finance, Company Law matters besides proficiency in Accountancy.
Shareholding in the Company	Nil	12,130 Equity Shares of Rs 10/- each per share

Details of other Directorship:-

Name of Director	Name of the Company	Position held	Committee type	Membership status
Shri. Prem Malik	1) Spentex Industries Ltd	Director	1) Audit 2) Remuneration	Member Chairman
	2) Alder Trading Co.Pvt.Ltd	Director	None	None
Shri. B.L Singhal	1) Patspin India Ltd.	Director	1) Audit 2) Shareholders	Member Chairman
	2) GTN Industries Ltd	Director	1) Audit 2) Shareholders	Chairman Member
	3) Prime Textiles Limited	Director	1) Audit 2) Shareholders	Chairman Member
	4) GTN Enterprises Limited	Director	None	None
	5) ATL Textile Processors Ltd	Director	None	None
	6) M B Credit Pvt. Ltd	Director	None	None
	7) Priti Credit Pvt. Ltd	Director	None	None
	8) BLS Securities Pvt.Ltd	Director	None	None

By order of the Board
For **GTN Textiles Limited****E K Balakrishnan**
General Manager &
Company SecretaryPlace : Kochi
Date : 7th June, 2009

NOTICE (Contd..)

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

ITEM No.5

Presently, the Company's Equity Shares are listed on the following Stock Exchanges:

- i) Bombay Stock Exchange Limited (BSE)
- ii) National Stock Exchange of India Limited (NSE)
- iii) Cochin Stock Exchange Limited (CSEL)

As part of its cost reduction measures and in line with the Circular issued by SEBI for Voluntary Delisting of Company's Securities, your Company proposes Delisting of its Equity Shares from Cochin Stock Exchange Limited.

SEBI vide Circular SMD/Policy/Cir-7/2003 dated 17th February, 2003 issued Guidelines for Delisting of Securities. Pursuant to Clause 5.2 relating to Delisting of Securities (Voluntary) of a Listed Company, an EXIT opportunity need not be given in cases where securities continue to be listed in a Stock Exchange having nationwide terminals. Your Company's shares are listed and traded with Stock Exchanges having nationwide terminals viz. Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). Hence, the Company does not intend to give an EXIT opportunity to the Shareholders of this Region.

With the net working facilities of BSE and NSE, the Members of the Company have access to on-line dealings in the Company's Equity Shares across the Country. Trading volumes on Cochin Stock Exchange in the Company's Shares are very low. Further, the Company's Equity shares are compulsorily traded in demat form for all investors and hence Investors including the members located in the said Region are dealing with the securities of the Company only with BSE and NSE. The proposed Delisting of the Company's Equity Shares from Cochin Stock Exchange will not therefore, adversely affect any Investor including the members located in this Region. Company's Equity Shares will continue to be listed on BSE and NSE.

Your Directors recommend Members approval by way of a Special Resolution for Delisting Company's Equity Shares from Cochin Stock Exchange.

None of the Directors is in any way concerned or interested in the Resolution.

ITEM No.6

The Company has been sanctioned a short term loan of Rs 15 crores by Central Bank of India. The company's request for a working capital term loan of (WCTL) Rs 9.60 crores from Central Bank of India (Rs 5.60 crores), State Bank of India (Rs 3.00 crores) and State Bank of Travancore (Rs 1 crore) is pending and expected to receive approval shortly. Further, our request for renewed working capital facilities of Rs 3.60 crores, to be shared equally by Central Bank of India, State Bank of India and State Bank of Travancore is also expected to receive approval shortly. The said financial assistance are to be secured by second equitable mortgage on immovable and movables properties of the Company, present and future.

Hypothecation or mortgage does not amount to disposal of undertaking. The Board/Committee propose to extend equitable mortgage in favour of CBI, SBI & SBT for the above said financial assistance ranking pari passu in all respects with the existing mortgage on the Company's property and assets created in favour of Banks/Financial Institution for the loans granted by them to the company.

Copies of the sanction letters, request letter to Central Bank of India, State Bank of India and State Bank of Travancore are open for inspection at the Registered Office of the Company between 11.00 a.m and 2.00 p.m on any working day prior to the date of the meeting.

None of the Directors is interested or concerned in this resolution.

Your Directors recommend this resolution for approval.

By order of the Board
For **GTN Textiles Limited**

E K Balakrishnan
General Manager &
Company Secretary

Place : Kochi
Date : 7th June, 2009

GTN TEXTILES LIMITED

DIRECTORS' REPORT

To the Members,

CHAIRMAN EMERITUS

With profound grief, your Board informs the sad demise of our Chairman Emeritus, Shri Madanlal Patodia on 12th December, 2008 in Kolkata. Our Chairman, over four decades, has guided the destiny of GTN Group to its present eminence. The Board places on its record its deep appreciation for his sterling contribution to the success of the Group.

ANNUAL REPORT

Your Directors present the **FOURTH** Annual Report together with the Audited Statements of Account for the year ended 31st March, 2009.

FINANCIAL RESULTS

	(Rs. in lacs)	
	Year ended 31.3.2009	Year ended 31.3.2008
INCOME		
Net sales / Income from operations	9235	10950
Other income	4	199
Variation in Stock	283	562
Total	9522	11711
EXPENDITURE		
a) Cost of materials	5184	6513
b) Staff Cost	1381	1361
c) Power Cost	1092	1195
d) Other expenditure	1782	1514
Total	9439	10583
OPERATING PROFIT	83	1128
Interest	743	537
Profit before depreciation and taxation	(660)	591
Depreciation	686	619
PROFIT BEFORE TAX	(1346)	(28)
Provision for current tax	—	—
Provision for deferred tax	(327)	(131)
Provision for Fringe benefit tax	15	17
MAT for prior years	—	6
MAT credit entitlement of prior years	—	(36)
PROFIT AFTER TAX	(1034)	116
Balance brought forward from previous year	387	353
Transfer from General Reserve	647	—
Profit /loss available for appropriations	—	469
APPROPRIATIONS		
Proposed Dividend on Equity	—	70
Corporate Dividend Tax	—	12
Surplus/deficit carried to Balance Sheet	—	387
	—	469

DIVIDEND

As explained in detail under Performance Review, your company has incurred heavy loss for the year under review, and hence the Board is unable to recommend a Dividend.

PERFORMANCE REVIEW

The year under review witnessed a steep economic downturn following financial turmoil which emanated from USA. It has affected economies of advanced countries of E.U. and Japan also. Since these are India's major export markets, the global crisis severely affected India's external trade and the textile industry which contributes close to 13% of the country's foreign exchange earnings. The contraction in demand from export markets adversely affected working of textile mills in India.

As you know, your company has been predominantly export oriented for close to three decades and therefore, the performance of your company in the current year has to be viewed keeping this perspective in mind.

Various studies carried out by the Ministry of Textiles and CRISIL, which forecast surge in global demand, post abolition of export quotas w.e.f. 1st January, 2005 under WTO, encouraged Indian Textile Industry to venture into substantial expansion of capacities. In fact, the total amount of projects sanctioned under Technology Upgradation Fund Scheme were over Rs.1,55,704 crores as on 31st Dec. 2008, since its inception from April, 1999.

Your company had undertaken expansion and modernization projects with an outlay of Rs.61.33 crores during the last two financial years, which were completed by end June 2008.

The difficulties of your company were further compounded when KSEB introduced acute power cut from July 2008 which, combined with power interruptions, worked out to 30 per cent. Besides, KSEB also imposed thermal surcharge of 50 paise per unit. Further KSEB had fixed the specific quota based on previous year's consumption. The quota was inadequate and therefore the Company was required to purchase the additional power beyond allocated quotas by paying 2 to 3 times higher than the normal tariff. Due to power shortage and substantial increase in the cost of power, company had to shut down part of its production capacity during that period. It resulted in around 25% reduction in capacity utilization for the whole year and consequent increase in cost of production, besides severely affecting the sales, profitability and liquidity.

Under the circumstances, your company's turnover in the current year was lower at Rs.92.39 Crores as compared to Rs.111.49 Crores in the previous year, and the year ended by recording a loss of Rs.10.34 Crores. It may be mentioned that major portion of the loss amounting to Rs.3.64 Crores was due to cancellation of foreign exchange contracts for exports in view of cut-back in production on account of power cuts, besides lower sales realization due to recessionary trends in overseas markets as well. There were other factors like steep hike in cotton prices following unprecedented increase of 40% in Minimum Support Price (MSP), substantial reduction in the rate of Duty Drawback specially for Counts 60s and above by the Government of India w.e.f. 1st September, 2008.

DIRECTORS' REPORT (Contd..)

Therefore, as can be seen from the turn of the events, your company's operations were severely affected by external factors pertaining to the economy and industry which were much beyond the control of the management. Thus, due to the culmination of several adverse factors mentioned earlier, the company could not attain improvement in its performance in spite of increase in spindle capacity and other modernization measures as anticipated earlier.

Performance for the current FY 2009-10 will depend upon improvement in global economic conditions, stability in raw material prices, revival of demand in fine and superfine combed yarns, and continued availability of power in Kerala which was restored on 1st May 2009. With full capacity utilization, and resultant reduction in cost of production, the company can improve its performance during the current year.

DEBT REALIGNMENT

After experiencing escalating pressure on company's finances for the reasons mentioned above, and keeping in mind substantial long-term loan repayments falling due against the Expansion Projects recently implemented by your company, your company decided to approach the Financial Institutions/Banks with a Debt Realignment proposal, in order to overcome the liquidity problems. The institutions have been very helpful to the company during this critical period and have agreed to reschedule the term loan installments besides providing additional Short Term Loans. Also, RBI's timely announcement of guidelines to Financial Institutions to take a pragmatic view about Debt Restructuring has been encouraging and supportive.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- they 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 affairs of your Company at the end of the financial year and of the profit of the Company for that period;
- they 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 your Company and for preventing and detecting fraud and other irregularities.
- they have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Your Directors affirm their commitments to the Corporate Governance standards prescribed by the Securities and Exchange Board of India (SEBI). A Report on Corporate Governance with Management Discussion and Analysis as required under Clause 49 of the Listing Agreement is attached.

FIXED DEPOSITS

The Company had no unclaimed deposits outstanding as at the close of the financial year.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Shri Prem Malik and Shri B.L Singhal, Directors, retire from Office by rotation and are eligible for re-appointment.

Shri Umang Patodia, has resigned from the Board effective from 28.01.2009 due to his other pressing commitments. The Board places on record its profound appreciation for the valuable contribution from Shri Umang Patodia during his long tenure as Director of the company.

AUDITORS

M/s. M S Jagannathan & Visvanathan, Chartered Accountants, Coimbatore, Auditors of the Company will retire at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

DELISTING OF COMPANY'S EQUITY SHARES FROM COCHIN STOCK EXCHANGE LIMITED

As part of its cost reduction measures and in line with the Circular issued by SEBI for Voluntary Delisting of Company's Securities, your Company has proposed Delisting of its Equity Shares from Cochin Stock Exchange Limited. Your company will continue to be listed and traded with BSE and NSE.

PERSONNEL & INDUSTRIAL RELATIONS

Industrial Relations were cordial and satisfactory. A statement showing the particulars of Employees referred to in sub section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is given in Annexure I, forming Part of this Report.

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

The information required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are set out in Annexure II, attached hereto and forms part of this Report.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to Central Bank of India, State Bank of India, State Bank of Travancore, Bank of India, Axis Bank Limited, Export-Import Bank of India and IDBI Bank Limited and the concerned Departments of the State and Central Government, valuable Customers, Employees and Shareholders for their assistance, support and co-operation to the Company.

For and on behalf of the Board

B.K PATODIA
Chairman

Place : Kochi
Date : 7th June, 2009

ANNEXURE I TO THE DIRECTORS' REPORT

Particulars of Employees as required under Sub-section (2A) of Section 217 of the Companies Act, 1956 and the Rules made there under forming part of the Directors Report:

Sl. No	Name	Age yrs.	Designation	Nature of Duties	Remuneration (Rs.lacs)	Qualification	Experience held	Date of job commencement	Last employment held
A Employees who worked throughout the accounting year and whose remuneration aggregating Rs.24,00,000/- or more per year									
	Shri. B K Patodia	64	Chairman & Managing Director	Management of the affairs of the Company	52.13	B.E	44 years	19.12.2005	erstwhile GTN Textiles Limited now known as GTN Industries Limited
B Employees who worked during part of accounting year and whose remuneration aggregating Rs. 2,00,000/- or more per month.									
—None—									

Notes:

- Nature of Employment : Contractual
- The remuneration includes salary, Company's Contribution to Provident Fund and Superannuation funds, Gratuity fund, Medical Expenses and Leave Travel Assistance and other perquisites evaluated as per Income Tax Rules wherever necessary.
- Shri.B K Patodia is related to Shri.Umang Patodia (Director upto 28.01.09) of the company.

For and on behalf of the Board

B.K PATODIA
Chairman

Place : Kochi
Date : 7th June, 2009

ANNEXURE II TO THE DIRECTORS' REPORT

Information as per 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.

A. Conservation of Energy

- energy conservation measures taken.
- additional investments and proposals, if any, being implemented for reduction of consumption of energy
- impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.
- Total energy consumption and energy consumption per unit of production as prescribed in Form-A

	Year ended 31.3.2009	Year ended 31.3.2008
I. Power and fuel consumption		
1 Electricity		
a) Purchased (Units in lacs)	288.72	307.21
Total amount (Rs. In lacs)	1081.65	1105.89
Rate per unit (Rs.)	3.93	3.60
b) Own generation		
i) through Diesel Generator (units in lacs)	1.32	9.87
Total amount (Rs. in lacs)	10.41	89.22
Units per liter of diesel oil	3.64	3.60
Cost per unit (Rs.)	7.89	9.04
ii) through steam turbine/generator		
Units	Nil	Nil
Unit per liter of fuel oil/gas	Nil	Nil
Cost per unit (Rs.)	Nil	Nil
2 Coal	Nil	Nil
3 Furnace Oil	Nil	Nil
4 Others/internal generation	Nil	Nil

	Year ended 31.3.2009	Year ended 31.3.2008
II. Consumption per unit of production		
a) Electricity – Units per Kg. Yarn	11.44	11.95
b) Furnace Oil	Nil	Nil
c) Coal	Nil	Nil
d) Others	Nil	Nil

B. Technology Absorption

Efforts made in Technology Absorption as per Form B:

Indigenous technology alone is used and Research and Development are carried out by a separate Textile Research Association for Textile Units situated in Southern Region (SITRA).

C. Foreign Exchange Earnings & Outgo

- Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans

The company is presently exporting yarn and knitted fabric. Steps are being taken to explore new markets and product development.

- Total Foreign Exchange earned and used excluding capital goods, components & Spares:

Earned: Rs.6613.18 lacs (Previous year Rs.8091.50 lacs) (including shipping freight realisation and agents commission) Used: Rs.3862.31 lacs (Previous year Rs.3740.16 lacs)

For and on behalf of the Board

B.K PATODIA
Chairman

Place : Kochi
Date : 7th June, 2009