FIFTH ANNUAL REPORT 2009-10





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Registered Office	Door No.VIII/911, Erumathala P O., Aluva 683 112, Kerala. India.		Balance Sheet Abstract	44
Corporate Office	43, Mittal Chambers, 228 Nariman Point, Mumbai 400 021, India.			

NOTICE

NOTICE is hereby given that the **Fifth** Annual General Meeting of **GTN TEXTILES LIMITED** will be held at Oceanic Hall, Hotel Periyar, Aluva – 683 101 at 1.00 p.m on Saturday, the 31st day of July 2010, to transact the following business.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010 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. R Rajagopalan, who retires by rotation and is eligible for reappointment.
- 3) To appoint a Director in place of Shri. C.D Thakker, 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 Appointment and Fixing of Remuneration of Managing Director

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

"RESOLVED that in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 and Rules there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded to the re-appointment of Shri B.K Patodia as "Managing Director" of the Company, for a period of five years with effect from 19.12.2010, on the terms and conditions including remuneration as are set out and approved by the Remuneration Committee / Board of Directors. The draft remuneration structure placed before this meeting is specifically sanctioned with liberty to the Board of Directors (hereinafter referred to the "Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and or remuneration and or agreement, subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Shri. B K Patodia".

"RESOLVED FURTHER that pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Act, the remuneration payable to Shri. B.K Patodia by way of salary, perquisites, commission and other allowance shall not in any event exceed 5% of the net profits of the Company in that financial year".

"RESOLVED FURTHER that in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Shri. B K Patodia, the remuneration, perquisites and other allowances shall be governed by the limits prescribed in Section II of Part II of Schedule XIII to the Act".

"RESOLVED FURTHER THAT Shri B K Patodia shall not be liable to retire by rotation."

AND

"RESOLVED FURTHER that the Board be and is hereby authorized to take all such steps as may be necessary proper or expedient to give effect to this resolution".

6) Approval to extend mortgage in favour of Term lenders on First 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 and Axis Bank Limited to secure on pari passu first charge basis:

- Rupee Term Ioan of Rs. 1500 lakhs (Rupees one thousand five hundred lakhs only) lent and advanced by Central Bank of India (CBI) to the Company and;
- ii) Rupee Term Loan of Rs.500 lakhs (Rupees five hundred lakhs only) lent and advanced by Axis Bank Limited (Axis Bank) to the Company.

By order of the Board For GTN Textiles Limited

Place : Kochi Date : 13th May, 2010 E K BALAKRISHNAN General Manager & Company Secretary

NOTES :

- 1. A Member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote on a poll 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 this Notice.
- 3. The Company has already notified Closure of Register of Members and Share Transfer Books thereof from Saturday, the 24th July, 2010 to Saturday, the 31st July, 2010 (both days inclusive).
- 4. Pursuant to Section 205A (5) of the Companies Act, 1956, as amended with effect from 31st October 1998, dividends for the financial year ended 31st March 1996 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the date of transfer of the same under Sub Section (1) of the said Section will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government established under Section 205C of the Act. 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, 2006 and thereafter, 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.

 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. 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 pavable 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:

- 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.
- 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.
- Members are requested to inform immediately any change in their address to the Company's Share Transfer Agents.
- 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.

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT / REGULARISATION PURSUANT TO SECTION 257 OF THE COMPANIES ACT, 1956 (In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Shri R Rajagopalan	Shri C.D Thakker
Date of Birth	21.07.1938	31.03.1938
Date of appointment	28.10.2005	17.12.2005
Qualifications	FCA, FCS	S.S.C
Expertise in specific functional area	Retired as Managing Director –Commercial & Secretary with M/s Widia (India) Ltd. Besides his proficiency in Finance, Accounts and Secretarial Functions, he was part of management team for finalization of many collaboration with other reputed European and American Companies. He was also associated with various Organizations and was the National President of the Institute of Company Secretaries of India (ICSI); President of Employers Federation of Southern India (EFSI) ; Chairman of Taxation and Finance Sub Committee of Confederation of Indian Industry (CII) ; Member of Southern Regional Council of CII ; Member of Engineering Export Promotion Council (EEPC); Greater Mysore Chamber of Industry (GMCI) etc.	He has over 42 years experience in procurement and trading of raw cotton. He is employed in Purav Trading Ltd in the capac- ity of 'President'.
Shareholding in the Company	Nil	11008 Equity shares of Rs 10 each

Details of other Directorship:-

Name of Director	Name of the Company	Position held	Committee type	Membership status Chairman Member	
Shri R Rajagopalan	1) MRO-TEK Limited	Director	 Audit Shareholders 		
	2) Karnavati Engineering Limited	Director	None	None	
	3) SAKSOFT Limited	Director	 Audit Shareholders 	Chairman Chairman	
	4) Patspin India Limited	Director	1) Audit 2) Remuneration	Member Member	
Shri C.D Thakker	None	None	None	None	

By Order of the Board For **GTN TEXTILES LIMITED**

Place : Kochi Date : 13th May, 2010 E K BALAKRISHNAN

General Manager & Company Secretary

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

ITEM No.5:

The present term of office of Shri B K Patodia as Managing Director will expire on 18th December, 2010. Subject to shareholders approval, the Board of Directors, at their meeting held on 13th May, 2010 have reappointed him for a further period of five years from the expiry date of his term on the remuneration determined by the Remuneration Committee of the Board of Directors.

Remuneration Committee constituted by the Board had met on 13.5.2010 and approved and recommended remuneration package of Shri. B.K Patodia , Managing Director for a period of three years, in accordance with Schedule XIII to the Companies Act, 1956.

In terms of Government of India, Ministry of Law, Justice and Company Affairs, Department of Company Affairs, Notification No.GSR36(E) dated 16th January 2002, where in any financial year, during the currency of the tenure of the managerial person, a company has no profits or its profits are inadequate, it may pay remuneration by way of Salary, Dearness Allowance, Perquisites and any other allowance in excess of Rs.2,00,000/-, per month but not exceeding Rs.4,00,000/- per month or exceeding Rs.4,00,000/- per month with prior approval of the Central Government, provided;

- payment of remuneration is approved by a resolution passed by the Remuneration Committee;
- the company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person;
- a special resolution has been passed at the general meeting of the company for payment of remuneration for a period not exceeding three years; and
- (iv) a statement along with notice calling the General Meeting referred to in Clause(iii) is given to the shareholders containing certain information as specified in the said notification.

Shri. B.K Patodia was drawing salary in the scale of Rs.320000-10000-340000 plus usual perquisites with effect from 01.04.2008. Under his able leadership, the company has recorded significant growth. Therefore, the Committee unanimously recommended to retain salary of Rs.320000/- per month in the scale of Rs.320000-10000-340000 plus usual perquisites for a period of three years from 01-04-2010 to 31-03-2013, as set out below:

a) Salary:

Rs.3,20,000/- per month in the Scale Rs.320000-10000-340000 effective from 1st April, 2010 for a period of three years.

b) Commission:

Subject to the overall limits laid down in Sections 198 and 309 of the Companies Act, 1956, such percentage of the Net Profit of the Company or such quantum as may be fixed by the Board of Directors for each financial year not exceeding 2% of the Net Profits of the Company, each year, restricted to an overall limit of Rs.42 lacs per annum.

c) Perquisites as follows:

(i) Housing: Rent free accommodation will be provided to the appointee for which actual amount of lease rental paid or payable by the Company or 10% of the salary, whichever is lower, shall be recovered. In case no accommodation is provided by the Company, House Rent Allowance, subject to a ceiling of 60% of the appointees salary shall be paid. In addition, the appointee shall be allowed Company owned furniture and fixtures, if required.

- (ii) The expenditure incurred by the appointee on gas, electricity and water shall be reimbursed by the Company.
- (iii) All Medical Expenses incurred by the appointee for self and his family shall be reimbursed.
- (iv) Leave Travel Concession for the appointee and his family will be allowed once in a year as per the Rules of the Company.
- (v) Fees of Clubs : Subject to a maximum of 2 Clubs. This will not include admission and life membership fees.
- (vi) Personal Accident Insurance : As per Rules of the Company.
- (vii) Contribution to Provident Fund, Superannuation or Annuity Fund to the extent the same are not taxable under the Income-Tax Act.
- (viii) Gratuity : As per the provisions of the Payment of Gratuity Act or as per the Gratuity Scheme of the Company, whichever is higher.
- (ix) Provision of Car with driver and telephone at the residence for use of Company's business.
- (x) Encashment of Leave as per Rules of the Company.
- Overall Remuneration:

d)

The aggregate of salary, commission and perquisites in any financial year shall not exceed the limits prescribed from time to time under Section 198, 309, and other applicable provisions of the Act read with Schedule XIII to the said Act, as may for the time being in force.

e) Minimum Remuneration:

In case of loss or inadequacy of profits in any financial year during the currency of tenure of his service, the payment of salary, commission and perquisites shall be governed by the limits prescribed under the Section II of Part II of Schedule XIII to the Act.

Pursuant to the provisions of Section 269 read with Schedule XIII of the Companies Act, 1956, the approval of the members in general meeting is required to be obtained with regard to the remuneration as set out in Item No.5 of the accompanying notice.

Further more, approval of the members in general meeting by way of a special resolution is required to be obtained for payment of minimum remuneration, by way of salary and perquisites and allowances as specified above in the event of absence or inadequacy of profits in any financial year during the tenure of Shri B.K Patodia ,Managing Director of the Company.

Shri. B K Patodia is deemed to be interested in the resolution mentioned in Item no.5 of the Notice.

None of the other directors of the company is in any way concerned or interested in the resolution.

Information required to be disclosed in terms of Notification No. GSR 36(E) dated 16.1.2002 of Schedule XIII to the Companies Act, 1956:-

I. General Information:

i) Nature of the industry:

Textile Industry – the company is mainly engaged in manufacture and exports of cotton yarn in the segment of medium, fine and superfine combed yarns.

- Date or expected date of commencement of Commercial Production:
 It is an established Company and the Commercial production at its Aluva Plant commenced in 1964.
- iii) In case of new companies, expected date of commercial activities as per Project approved by financial institutions appearing in the prospectus. Not applicable.
- iv) Financial Performance: (Rs. In lacs)

Particulars	07-08	08-09	09-10
Sales	10950	9819	12305
Other Income	199	4	9
Variation in Stock	562	283	(987)
Operating Profit	1128	83	1115
Interest	537	743	758
PBDT	591	(660)	357
Profit Before Tax	(28)	(1346)	(321)
Profit After Tax	116	(1034)	(218)
Amount of Equity Dividend Paid	70		
Rate of Dividend Declared (%)	6%		

The Effective Capital of the company based on the Audited Accounts for the Year Ended 31.3.2010 is Rs. 84 crores.

The Company has not made any default in the repayments of its dues (including Public Deposits) or interest payments thereon. The Company has not issued any debentures.

 v) Export Performance and Net Foreign Exchange Contributions: (Rs. in Lacs)

Financial Year	Export Turnover
2006-2007	9783
2007-2008	8644
2008-2009	7237
2009-2010	5834

The Company does not have any Foreign Exchange Collaboration.

vi) Foreign Investments or Collaborators, if any. The Company does not have any foreign investments or collaborators.

II. Information about the appointee: Shri. B.K Patodia

Vide Item No.5 of the Notice of this Annual General Meeting of the company, the approval of the members is being sought for appointment of Shri. B.K Patodia as Managing Director for a period of 3 years w.e.f. 19.12.2010 as well as fixing of remuneration for a period of 3 years effective from1st April 2010. Shri. B.K Patodia is a Citizen of India, 65 years of age. He holds Engineering Degree from Birla Institute of Science and Technology, Pilani and has over 4 decades of experience in Textile Industry, Yarn marketing and Cotton Trade. He was the Chairman of Indian Cotton Mills Federation (ICMF); Southern India Mills Association (SIMA); and The Cotton Textile Export Promotion Council (TEXPROCIL) and is member of various Committees.

The Company's operations are managed by Shri.B K Patodia as well as implementation of all policy matters under the guidance of the Board of Directors, besides directly handling other crucial areas, such as raw material procurement and export of yarn. Shri.B K Patodia is holding the position of Managing Director of GTN Textiles Limited, since 1966.

During the financial year 2009-2010, he was paid the following remuneration:

(Rs. in lacs)

Salary	Perquisites		Total	ĺ
34.56	3.11	Superannuation 10.61	48.28	_

Pecuniary Relationship: The Company had not entered into any transaction of material in nature with any of the related parties which were in conflict with the interest of the company. Further, all transactions with the related parties were in the ordinary course of business and at arms length.

Other Information:

The Directors Report and the Management Discussion and Analysis forming part of the Annual Report mention in detail "other information" as required under Schedule XIII as per the notification no. GSR 36(E) dated 16.01.2002.

None of the other Directors of the company is in any way concerned or interested in the resolution mentioned in Item No.5 of the notice.

Your Directors recommend this resolution for approval.

ITEM No.6:

Ш.

The Company have been sanctioned a Term Loan of Rs.500 Lakhs by Axis Bank Limited. As per request of the Company, Central Bank of India have restructured financial assistance of Rs.1500 Lakhs sanctioned by them to the company. These financial assistances are to be secured by equitable mortgage by way of pari passu first charge basis on immovable 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 and Axis Bank 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 from Central Bank of India and Axis Bank Limited 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 : 13th May ,2010

DIRECTORS' REPORT

(Rs. in lacs)

To the Members,

ANNUAL REPORT

Your Directors present the **FIFTH** Annual Report together with the Audited Statements of Account for the year ended 31st March, 2010.

FINANCIAL RESULTS

	Year ended	Year ended
	31.3.2010	31.3.2009
INCOME		
Net sales / Income from operations	12305	9819
Other operating income (Insurance Claim)	192	—
Other income	9	4
Variation in Stock	(987)	283
Total	11519	10106
EXPENDITURE		
a) Cost of materials	6411	5452
b) Staff Cost	1483	1381
c) Power Cost	1131	1092
d) Other expenditure	1379	2098
Total	10404	10023
OPERATING PROFIT	1115	83
Interest	758	743
Profit before depreciation and taxation	357	(660)
Depreciation	678	686
PROFIT BEFORE TAX	(321)	(1346)
Provision for current tax	_	—
Provision for deferred tax	(103)	(327)
Provision for Fringe benefit tax	_	15
PROFIT AFTER TAX	(218)	(1034)
Balance brought forward from previous	_	387
year Transfer from General Reserve	010	647
	218	647
Profit /loss available for appropriations		

DIVIDEND

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

PERFORMANCE REVIEW

The adverse effect of the global financial crisis, which impacted most of the advanced economies of the world, spilled over in the year under review. As such, the operational performance of your company continued to be affected during the first half of the year. However, from the third quarter there was a revival in demand for textile products, leading to slow but definite improvement in capacity utilization and financial performance of your company, in the second half of the year. As a result, the turnover has substantially increased to Rs.123.05 crores as compared to Rs.98.19 crores of the previous year. Consequently, there has been a total turnaround from a meager operating profit of Rs.0.83 crores to Rs.11.15 crores in the year under review. However, due to the adverse working of the company during first half of the year as mentioned earlier, the year under review still ended with substantially lower loss at Rs.3.21 crores as against Rs.13.46 crores in the earlier year.

In the current financial year 2010-11, besides recovery in global economic environment, domestic demand for textile products has been very strong giving the much needed positive thrust to the textile industry.

From 1st April 2010, Kerala State Electricity Board has put certain restrictions on power consumption and also levied fuel surcharge, which has led to increase in power cost. Besides, the government has done away with certain incentives available to Textile Industry i.e. 7.67% DEPB, 4% Duty Draw Back and 2% interest subvention. Inspite of above, due to improved market conditions and higher sales realization, your company is hopeful of showing better performance in the year 2010-11 as well.

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;
- (b) 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;
- (c) 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.
- (d) they have prepared the annual accounts on a going concern basis.

DIRECTORS' REPORT (Contd..)

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 R Rajagopalan and Shri C.D Thakker, Directors, retire from Office by rotation and are eligible for re-appointment.

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.

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

Place : Kochi, Date : 13th May, 2010 B K PATODIA Chairman

ANNEXURE I TO THE DIRECTORS' REPORT

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

SI.	Name	Age	Designation	Nature of	Remuneration	Qualification	Experience	Date of job	Last employment
No		yrs.		Duties	(Rs.lacs)		held	comencement	
Α	Employees	s who v	vorked throug	hout the accounting	year and whose i	remuneration ag	ggregating Rs.24	,00,000/- or more pe	r year
	Shri.	65	Chairman	Management of	48.28	B.E	45 years	19.12.2005	erstwhile GTN Textiles
	ВК		& Managing	the affairs of the					Limited now known as
	Patodia		Director	Company					GTN Industries Limited
В	B Employees who worked during part of accounting year and whose remuneration aggregating Rs. 2,00,000/- or more per month.								
	None								

Notes:

- 1. Nature of Employment : Contractual
- 2. The remuneration includes salary, Company's Contribution to Provident Fund and Superannuation funds, Gratuity fund, Medical Expenses and Leave Travel Assistance and other perquisites.

For and on behalf of the Board

B.K PATODIA Chairman

Date : 13th May, 2010

Place : Kochi,

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. The Company is making all round efforts for the conservation of energy. To reduce the energy cost, energy efficient equipments were used and the effect of the same has been felt.
- additional investments and proposals, if any, being implemented for reduction of consumption of energy
- c) 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 given below

		Year ended	Year ended
		31.3.2010	31.3.2009
1.	Power and fuel consumption		
	1. Electricity		
	a) Purchased (Units in lacs)	326.50	288.72
	Total amount (Rs. In lacs)	1125.70	1081.65
	Rate per unit (Rs.)	3.45	3.75
	b) Own generation		
	i) through Diesel Generator	0.50	1.32
	(units in lacs)		
	Total amount (Rs. in lacs)	4.93	10.41
	Units per liter of diesel oil	3.47	3.64
	Cost per unit (Rs.)	9.86	7.89
	ii) through steam turbine/ generator		
	Units	Nil	Nil
	Unit per liter of fuel oil / gas	Nil	Nil
	Cost per unit (Rs.)	Nil	Nil

		Year ended	Year ended
		31.3.2010	31.3.2009
	2. Coal	Nil	Nil
	3. Furnace Oil	Nil	Nil
	4. Others/internal generation	Nil	Nil
I.	Consumption per unit of production		
	a) Electricity – Units per Kg. Yarn	8.92	11.44
	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.

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

Earned: Rs.5816.30 lacs (Previous year Rs.6613.18 lacs) (including shipping freight realisation and agents commission) Used: Rs.3211.85 lacs (Previous year Rs.3862.31 lacs)

For and on behalf of the Board

Place : Kochi, Date : 13th May, 2010 B.K PATODIA Chairman