

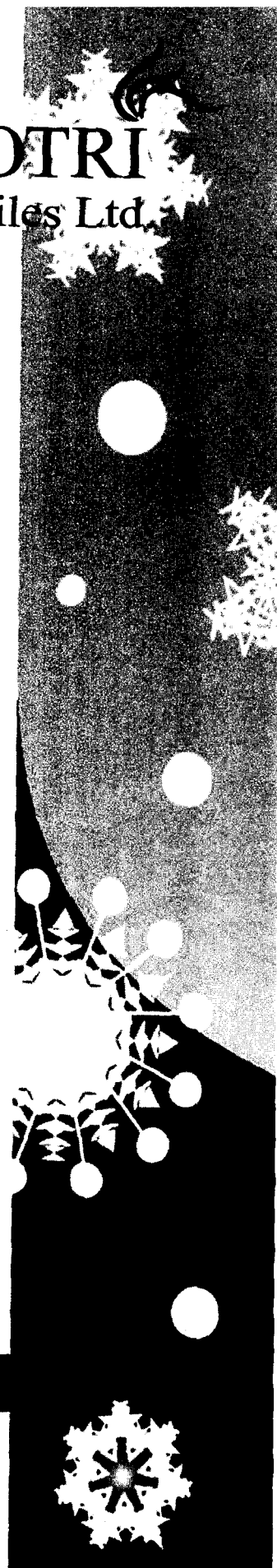
tibrē
SHIRTS & TROUSERS
CRAFTED FOR COMFORT

GANGOTRI
Textiles Ltd.



21st

Annual Report 2009 - 2010



BOARD OF DIRECTORS

Sri. MANOJ KUMAR TIBREWAL
MANAGING DIRECTOR

Sri. MOHANLAL TIBREWAL
EXECUTIVE DIRECTOR

Sri. ULLAS R SANGHVI
DIRECTOR

Sri. J.B.SIVAKUMAR
NOMINEE DIRECTOR

Sri. R.P. JOSHUA
NOMINEE DIRECTOR

COMPANY SECRETARY
Sri. MAXIM JOSEPH

AUDITORS

M/S THAKKER & SANGHANI
CHARTERED ACCOUNTANTS
39, EAST PONNURANGAM ROAD
R.S. PURAM
COIMBATORE - 641 002

BANKERS

STATE BANK OF INDIA
STATE BANK OF HYDERABAD
STATE BANK OF INDORE
STATE BANK OF MYSORE
STATE BANK OF TRAVANCORE
SYNDICATE BANK
UNITED BANK OF INDIA
CANARA BANK
CORPORATION BANK
IDBI BANK LTD

REGISTERED OFFICE
OLD NO 42, NEW NO 35
ROBERTSON ROAD
R.S.PURAM
COIMBATORE - 641 002

**REGISTRAR AND SHARE
TRANSFER AGENTS**
M/S. S.K.D.C CONSULTANTS LTD
KANAPATHY TOWERS, 3rd FLOOR,
1391/A1, SATHY ROAD,
GANAPATHY,
COIMBATORE - 641 006

CONTENTS

Notice to Shareholders	2
Directors' Report	5
Management Discussion & Analysis Report	9
Corporate Governance Report	11
Auditor's Report	17
Accounts	20-34
Cash Flow Statement	35

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twenty First Annual General Meeting of the Company will be held on **Wednesday, the 8th day of September, 2010 at 3.30 PM** at the Conference Hall, Shree Coimbatore Gujarati Samaj, 662, Mettupalayam Road, Post Box No 1164, R.S. Puram, Coimbatore - 641 002 to transact the following business :

A G E N D A

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, Profit & Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at that date and the Auditor's Report thereon.
2. To appoint a Director in the place of Sri Ullas R Sanghvi, a Director who retires by rotation and being eligible seeks re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution.

RESOLVED that in accordance with the provisions of Section 198, 269, 309 and 311 and other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time read with Schedule XIII of the Companies Act, 1956 and such other approvals as may be necessary, consent of the Company be and is hereby accorded for the payment of remuneration to Sri. Manoj Kumar Tibrewal, Managing Director of the Company for the period from 1-4-2010 to 31-3-2012 as recommended by the Remuneration Committee as detailed hereunder.

REMUNERATION

- a) 5 % of the Net Profits of the Company computed under the relevant provisions of the Companies Act, 1956.
- b) Perquisites : The Managing Director shall not be entitled to any perquisites over and above the salary stated above.

Provisions of Company's car with driver for the use of Company's business and telephone facility at his residence will not be considered as perquisites. However personal long distance calls shall be billed by the company to the Managing Director.

Provided that in case of absence or inadequacy of profit in any one year, the Managing Director shall be paid remuneration equivalent to the ceiling amount applicable to the company in terms of paragraph 1(A) of Section II of Part II of Schedule XIII of the Companies Act, 1956 as amended from time to time.

The Managing Director during his tenure as such Managing Director shall not be liable to retire by rotation.

5. To consider and if thought fit, to pass, with or without modification the following resolution as a Special Resolution in terms of section 314 (1) and other related provision of the Companies Act, 1956.

RESOLVED that in accordance with the provisions of Section 314 (1) and other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time Mr. Mayank Tibrewal, son of Sri. Manoj Kumar Tibrewal, Managing Director be and is hereby appointed as Manager – Operation with effect from 1-4-2010 on a revised remuneration of Rs 40,000/- per month (Rupees forty thousand only) subject to approval of the Shareholders and the Central Government and any such other approvals as may be necessary for the time being in force and that he may be entitled to all other allowances being provided to other Employees of the Company.

6. To consider and if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution.

RESOLVED that pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals as may be necessary, the consent of the company be and is hereby accorded to the Board of Directors of the company to sell, lease, transfer and /or otherwise dispose off the Company's undertaking comprising of the Weaving & Processing Unit located at SIPCOT Industrial Growth Center, Perundurai, Erode District (Unit 8) and Ring Spinning Units situated at Pushpatur Village, Udampalpet Taluk, Dindigul District (Unit 4 and Unit 9) and/or any other unit that may be found not viable or any part of its Assets and Liabilities as a going concern on such terms & conditions and in such form and in such manner as the Board of Directors of the Company may decide in the interest of the company with full power and authority to the Board of Directors to do all such acts and things as may be necessary to implement this resolution.

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

Subject No 4 of the Agenda

Sri. Manoj Kumar Tibrewal was appointed as Managing Director of the Company for a period of five years from 1-4-2007 to 31-3-2012 and his appointment was approved by the Shareholders in the 17th Annual General Meeting held on 30-9-2006. At that time the Remuneration Committee had recommended payment of remuneration to the Managing Director for a period of three years from 1-4-2007 to 31-3-2010 as set out Resolution No 4 of the Agenda. In order to pay remuneration to the Managing Director for the remaining period of two years from 1-4-2010 to 31-3-2012 the approval of the Shareholders is necessary. The Board of Directors have also in their meeting held on 29-1-2010 decided to pay the same remuneration to the Managing Director for the period from 1-4-2010 to 31-3-2012 and have recommended the same to the Remuneration Committee as required by the amended Schedule XIII of the Companies Act, 1956. The Remuneration Committee, after considering the various aspects, have recommended the remuneration as stated in the body of the Resolution No 4.

The Board is therefore placing the resolution before you for the payment of remuneration to Sri. Manoj Kumar Tibrewal, Managing Director for the period from 1-4-2010 to 31-3-2012.

Minimum Remuneration

The resolution also provides for the payment of minimum remuneration to the Managing Director in case of absence or inadequacy of Profit in any one year as stipulated as the ceiling amount prescribed in terms of Paragraph 1(A) of Section II of Part II of Schedule XIII of the Companies Act, 1956 as amended from time to time.

Sri. Manoj Kumar Tibrewal may be deemed to be interested or concerned in the resolution to the extent of benefits accruing to him by way of remuneration and perquisites and Sri. Mohanlal Tibrewal being the elder brother of Sri. Manoj Kumar Tibrewal may also be deemed to be interested or concerned in the resolution

Subject No 5 of the Agenda

Mr. Mayank Tibrewal was appointed as a Management Trainee on a remuneration of Rs 15,000 /- per month with effect from 1-10-2005. His appointment was approved by the Shareholders in the 16th Annual General Meeting held on 24-9-2005. As per the terms of appointment, he shall not be entitled to any other allowances or benefits or amenities or facilities over and above the aforesaid sum of Rs 15,000/- and it is open to the Board of Directors to review the remuneration at the end of one year and to re-fix the remuneration subject to such approvals as may be necessary based on the quantum of remuneration.

Section 314 (1) of the Companies Act provides that a relative of a Director can be appointed with a remuneration of less than Rs 20,000/- per month with the approval of the Shareholders in General Body Meeting by means of a Special Resolution. If the remuneration payable exceeds Rs 20,000/- per month, Central Government's approval is required to be obtained..

Considering his involvement in the day-to-day affairs of the Company, the Board of Directors at their meeting held on 29-1-2010 have decided to re-fix the remuneration payable to Mr. Mayank Tibrewal at Rs 40,000/- per month (Rupees forty thousand only) with effect from 1-4-2010 subject to deduction of contribution to Provident Fund and other Statutory contribution and have recommended the same to the Remuneration Committee as required by the amended Schedule XIII of the Companies Act, 1956. The Remuneration Committee, after considering the various aspects have recommended the remuneration as stated in the body of the resolution No 5.

None of the Directors of the Company except the Managing Director is concerned or interested in the subject matter of the Resolution

Subject No 6 of the Agenda

In view of the prevailing adverse condition in the Industry, the Company had opted for Corporate Debt Restructuring Scheme. The Corporate Debt Restructuring Empowered Group has approved the Corporate Debt Restructuring Scheme on 26-12-2008 with cut-off date being 1-7-2008. and the same has been communicated to the Company by the Corporate Debt Restructuring Cell. According to the approved scheme, the outstanding loan has been segregated into 1) Debt Component amounting to Rs 299.81 crores and 2) Instrument component of Rs 75.00 crores, out of which Rs 5.00 crores to be converted into Equity at a price to be worked out as per the SEBI Guideline and Rs 70.00 crores to be converted in to 6.5 % Redeemable Cumulative Preferences Shares of Rs 100 /- each towards conversion of loans. Besides, an amount of Rs 7.20 crores brought in to company by Promoters / Associates and kept as un-secured loan to be converted in to Equity at a price to be worked out as per SEBI Guidelines.

The repayment schedule has fallen due with effect from 1-4-2010. The scenario in the Textile Industry though improved but is not sufficient enough to meet all financial commitment and the industry has been very badly affected due to continuous recession. In fact the Textile Industry is passing through one of its difficult times for the following reasons.

1. Increase in Raw Material price to the extent of 50%
2. Scheduled and Un-scheduled power cuts to the extent of 50% and Peak hour restriction on the supply.
3. Over competition in sale of Readymade Garments and Fabrics.
4. Increase in Interest Cost by 100% (net off subsidy).
5. Delay in receiving Interest Subsidy.

In view of the reasons stated above, the company is not in a position to repay the loan / interest on due dates. The financial position of the company is slowly improving as the company is taking all its efforts to improve its performance. The Lenders are insisting to sell one or more units of the company for the repayment of the loan. It is therefore thought fit to sell, lease, transfer or dispose of one or more units and repay the loans.

Section 293(1)(a) of the Companies Act, 1956 provides that the Board of Directors shall not without the consent of the company in General Meeting sell, lease, transfer or dispose of the whole or substantially the whole of the undertakings of the company. Therefore the above Ordinary resolution is brought before you for your approval to enable the company to implement the same as and when such situation arises.

None of the Directors is interested or concerned in the subject matter of the resolution.

NOTE :

1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member.

2) The Register of Members and Share Transfer Books of the Company will remain closed from 1-9-2010 to 8-9-2010 (both days inclusive)

3) Proxies, in order to be effective must be received at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

4) Members are requested to note change of address of the Registrar and Share Transfer Agents of the Company viz M/s SKDC Consultants Ltd with effect from 1-4-2010 as shown below.

New Address with effect from 1-4-2010

M/s. SKDC Consultants Limited
Kanapathy Towers, 3rd Floor
1391 / A1, Sathy Road, Ganapathy,
Coimbatore - 641 006
Phone No : 0422 – 6549995, 2539835, 2539836
Fax No : 0422 – 2539837

5) During the Financial Year 2009-10, unclaimed dividend amounting to Rs 93,524/- declared for the Financial Year 2001-02 has been transferred to Investors' Education & Protection Fund. Shareholders who have not encashed the dividend warrants for the year 2002-03, 2003-04, 2004-05, are requested to write to the company for encashment.

6) The particulars of Directors retiring by rotation eligible for re-appointment and seeking re-appointment pursuant to Clause 49 of the Listing Agreement is furnished hereunder.

Name of the Director	Sri. Ullas R Sanghvi
Date of Appointment	7-5-2009
Expertise in specific functional area	He is a Chartered Accountant and has got vast knowledge in Accounts. He has also got vast knowledge in Software Development.
List of other Directorship held	NIL
Chairman / Member of Committees of Other companies in which he is a Director	NIL

By order of the Board
For GANGOTRI TEXTILES LIMITED

**Coimbatore
19.5.2010**

**MANOJ KUMAR TIBREWAL
MANAGING DIRECTOR**

DIRECTORS' REPORT TO SHAREHOLDERS

Ladies and Gentlemen,

Your Directors present the Twenty First Annual Report of the Company along with the audited statement of accounts for the year ended 31st March 2010.

FINANCIAL RESULTS

Rupees in Lakhs

PARTICULARS	31.03.2010	31.03.2009
Sales Turnover	14,294.03	12,027.44
Profit/ (loss) before interest, depreciation and tax	992.29	(1,395.80)
Less: Interest	2,760.18	3,817.69
Depreciation	1,801.17	1,798.58
Net loss for the year	(3,569.06)	(7,012.07)
Add: Loss brought forward from previous year	(3,641.47)	---
Taxes of prior years	---	0.70
Prior year adjustment - income	---	0.89
Investment Fluctuation Reserve reversed	0.23	---
Less: Taxes of prior years	(0.33)	---
Investment fluctuation reserve	---	(0.23)
Profit / Loss available for Appropriation	(7,210.63)	(7,010.70)
APPROPRIATIONS:		
Provision for Taxation Wealth Tax	0.50	0.50
Provision for Taxation - FBT	---	12.00
Provision for Deferred Tax withdrawn	(326.67)	(2,090.96)
Deficit carried over to Balance Sheet	(6,884.46)	(4,932.24)
	(7,210.63)	(7,010.70)

PERFORMANCE

The performance during the year under review, the conditions prevailing in the industry in general, and the troubles and turmoil that the Company has been undergoing for the past 2 to 3 years are all matters covered by Management Discussion and Analysis which forms part of the Board Report. However, your Directors wish to state that while the year under review was better compared to the situation obtaining in 2008-09, still the level of working and the level of profitability is not sufficient not only to put the company out of red but also to service the existing loss. Your Directors are exploring the possibilities of restructuring loans in consultation with the Bankers and other lenders.

DIVIDEND

In view of the huge loss, your Directors are not in a position to recommend any dividend whatsoever.

PROJECT

The project which the Company undertook has been completed excepting Ring Spinning Unit where some items of machinery are yet to be purchased and installed. The

whole project has been delayed not only due to suppliers' equipments but also because of absolute dearth of funds which the Company is experiencing as a result whereof even if the suppliers were in a position to deliver, the Company was forced to defer the deliveries.

PROSPECTS

The prospects of the Spinning Industry appear to have improved but the improvement is yet to be seen in real terms in so far as the cloth market is concerned. The cloth prices which were good for about three months, in the year 2010, have suddenly dropped and at the moment, they are not remunerative.

With these circumstances prevailing in the industry in general and the financial constraints of the Company is facing, in particular, the Company can come out of the present difficult situation only if a major restructuring is done by bringing down the liabilities to sustainable level. For this, hiving off of some of the units may be inevitable and as and when any decision is taken, the shareholders will be approached for their permission as required by law.

FINANCE

The Company has been undergoing a very difficult period in view of the huge losses that it has incurred and at the same time it has also incurred capital expenditure. Because the Company was not able to service the debts even to the extent of interest, the first CDR Scheme was put in place and it was expected that by this time situation would have improved and the Company will be able to meet its commitments. However, such a situation is not to be. The Company has been having discussions with the bankers for second CDR Scheme or modification of the terms contained in the first CDR Scheme itself. At this point in time, the CDR Empowered Group has agreed for deferment of payment of all principal for a period of 18 months within which period the Company is expected to hive off of some of its units which will fetch monies in, in order to reduce the debt burden to sustainable levels. Every effort is being made towards this end and as has been stated, as and when any final decision is taken, which cannot be taken without the consultation and approval of the banks, the shareholders will also be approached for sanction of such hive off.

DEPOSITS

There are no fixed deposits outstanding as on 31st March 2010 remain unclaimed or unpaid. The Company has complied with all the requirements of Section 58A of the Companies Act, 1956 and all the rules thereunder in so far as the deposits which were in existence during the earlier previous year is concerned.

LISTING

The Company's shares are listed both in National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. The Company has paid listing fee to both the Exchanges. The Company has already applied for de-listing of its Equity Shares in 1) The Calcutta Stock Exchange Association Ltd and 2) Coimbatore Stock Exchange Ltd and the order for de-listing is still awaited from them.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of the requirement of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm:

- i. that in the preparation of Annual Accounts, the applicable Accounting Standards have been followed;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgements 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 accounting year (namely March 31, 2010) and of the profit of the Company for that year;

- iii. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- iv. that the Directors have prepared the Annual Accounts on a going concern basis.

DIRECTORS

Mr.A.S.Ravichandran, who was appointed as a Director has resigned during the year. Mr. R.P. Joshua, the Nominee Director of the Lending Banks has been appointed as Nominee Director with effect from 30-10-2009. Mr. Ullas R Sanghvi is retiring by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

AUDITORS

M/s. Thakker & Sanghani, Chartered Accountants, retire at the ensuing Annual General Meeting and they have given necessary Certificate in terms of Section 224 (1) (b) by the Companies Act, 1956. They are entitled to reappointment.

GENERAL

There are no employees falling under Section 217 (2A) of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors wish to thank and record their appreciation to all the Bankers of the Company for their valuable financial support extended to the Company as also for the valuable advice and guidance given by them for putting the Corporate Debt Restructuring Scheme in place. But for their co-operation this would not have been possible. Your Directors also wish to thank the suppliers and all others who have extended their valuable support during times of turbulence. Last but not the least, your Directors express their heartfelt thanks for the employees at all levels who have stood by the Company in these testing times.

By order of the Board
For **GANGOTRI TEXTILES LIMITED**

MANOJ KUMAR TIBREWAL
Managing Director

Coimbatore
19-05-2010

MOHANLAL TIBREWAL
Executive Director

ANNEXURE TO THE DIRECTORS' REPORT

Information pursuant to the Companies (Disclosure of particulars in the Report of Board of Directors)

Rules, 1988

FORM A

(See Rule 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	CURRENT YEAR 2009 - 2010	PREVIOUS YEAR 2008 - 2009
A) Power and Fuel Consumption		
1 Electricity		
a) Purchased Unit (KWH)	3,24,94,980	2,95,38,578
Total Amount (in Lakhs)	1,444.97	1,361.19
Rate / Unit (Rs.)	4.45	4.61
b) Own Generation		
Through Diesel Generator- Cotton Yarn		
Unit (KWH)	13,85,809	3,51,922
Units / Ltr of Diesel of Oil	3.57	3.19
Cost / Unit	9.77	11.41
c) Own Generation		
Through Diesel Generator- Fabrics		
Unit(KWH)	21,92,209	6,51,772
Units/Ltr of Diesel of Oil	3.77	3.64
Cost/Unit	8.85	9.72
d) Own Generation		
Through Diesel Generator (Garments)		
Units	24,712	15,158
Units/Ltr of Diesel	2.84	2.89
Cost/Unit	12.25	10.89
e) Own Generation Thro Windmill		
Units	2,17,33,589	1,76,78,098
Cost/Unit	3.36	4.18
2 Fuel Consumption		
b) Furnance Oil (Garments)		
Quantity (Kilo Litre)	80	70
Total Cost (in Lakhs)	20.11	21.39
Average Rate	25.14	30.57
B) Consumption per unit of production standards (if any)		
Products- Cotton Yarn (Kgs)	89,94,051	92,27,157
Consumption (units)	2.33	1.96
Products- Garments (Kgs)	2,06,741	1,81,304
Consumption (units)	0.96	0.96
Products- Fabrics (Mtrs)	88,16,100	70,37,507
Consumption (units)	1.69	1.75

FORM B
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

Research and Development (R & D)

- I. No research and development is pursued in-house. However, Research and Development is carried out by Southern India Textile Research Association (SITRA), of which company is a member. Suitable measures suggested by SITRA are adopted.
- II. Benefits derived as a result of the above are,
 - (a) Improvement in production efficiency and product quality
 - (b) Higher market shares for company's product
 - (c) Effective realisation of indigenous technology
- III. Existing arrangements being comfortable for the company, same may be continued for future operations as well.
- IV. There is no expenditure on R & D.

Technology absorption, adoption and innovation

- (a) There is no technology development at spinning sector. Spinning technology developed by textile machinery sector alone adopted at the spinning sector.
- (b) Spinning technology developed by textile machinery sector and absorbed and adopted by the company has the positive effect on product improvement, cost reduction, product development, and import substitution.
- (c) Indigenous technology alone used.

Foreign Exchange Earnings and Outgo

Rs. In lakh

Foreign Exchange Earnings and Outgo	Current Year 2009-2010	Previous Year 2008-2009
1 Foreign exchange earned through Direct Export	117.43	-
2 Expenditure in Foreign Currency	-	-
a. On Business Travel	-	-
b. On Capital Goods	25.62	-
c. On Stores & Spares	166.27	11.64
d. On Raw materials	-	-

For and on behalf of the Board of

GANGOTRI TEXTILES LIMITED

MANOJ KUMAR TIBREWAL
Managing Director

Coimbatore
19.5.2010

MOHANLAL TIBREWAL
Executive Director

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is engaged in Textiles starting from recycling of waste, Open End Spinning, Ring Spinning, Weaving Processing and Garments. The Company's garments are being continued to be marketed under the brand name of 'Tibre', 'Fugo' and 'E Gen'.

In so far as the structure of the industry is concerned, all types of participants excepting at micro level are present. However, as is the case, in many industries in India, the unorganized sector also is a major participant. This sector consists of units of various sizes.

OPPORTUNITIES AND THREATS

The Company undertook major projects for establishment of a state of art the weaving and processing unit at Perundurai, establishment of a new state of art Ring Spinning unit at Pushpathur and establishment of 3 Wind Mills. Unfortunately this project by hindsight has become the undoing of the Company. The weaving and processing unit at Perundurai is almost completed and is in commercial production. The cloth that is being made here has been well accepted by the market and is being well received. However, it is not breaking even in view of the high investments involved therein. The original plan was to make it a viable one. But, the time over run and the higher rate of interest on borrowed funds have contributed for a steep escalation in the cost of the project. Added to that,

while in the recent over a past six months or more, the market for Ring Spun Yarn has improved considerably both movement-wise and price-wise, the same is not the case in regard to cloth. The margins are also not that very comfortable taking into consideration the fact that the cost of Dyes and Chemicals which are being used in a big way in processing have gone up steeply as the result of the international rise in crude prices.

The original three Open End Spinning units are doing normal. However, the cotton waste market has become unpredictable and the desired quantities do not come on time and if this situation continues, for certain counts the prices of yarn will become economical. In order to make the units more profitable it would be necessary for the Company to spend substantial further amounts on capital expenditure in the form of balancing machinery. However, this does not seem to be possible and this aspect is discussed under the captioned head "finance".

The third division of which great expectations were placed is the Garmenting Division. Here, at the retail outlet level we have to face stiff competition with highly popular brands like; Louis Phillippe, Allen Solly, Van Heusen, Peter England, Park Avenue and the like. To compete among these brands by itself is an uphill task. However all efforts are being made to tap retailers who have locations at vantage points to see that we achieve better sales turnover of the garments made by the Company.

FINANCIAL PERFORMANCE AND ANALYSIS

Rs. in Lakhs

PARTICULARS	2009 - 2010	2008 - 2009	Change Increase (+) Decrease(-)	%
Turnover	14,294	12,027	2,267	19
Other Income	195	1,008	-813	- 81
Gross Revenue	14,489	13,035	1,454	11
PBIDT	992	-1,396	2,388	171
Interest	2,760	3,818	-1,058	- 28
PBDT	-1,768	-5,214	3,446	66
Depreciation	1,801	1,799	2	0.0 1
Net Profit	-3,569	-7,013	-3,444	49
Provision for Taxation	0.50	12.5	-12	96
Deferred Tax	- 327	-2,091	1,764	84
Distribution of Profits		-		

SEGMENTWISE OR PRODUCTWISE PERFORMANCE

As has been stated already the Company continues to manufacture yarn, cloth and garments. The situation prevailing in all these products have been fully explained and the Company continues to work at levels which are below the break even point. It is not predictable as to when the industry

will return to the robust condition. We can only hope that the efforts which have been taken and with the possibility of global economic crisis getting solved, the position of the industry will also improve.