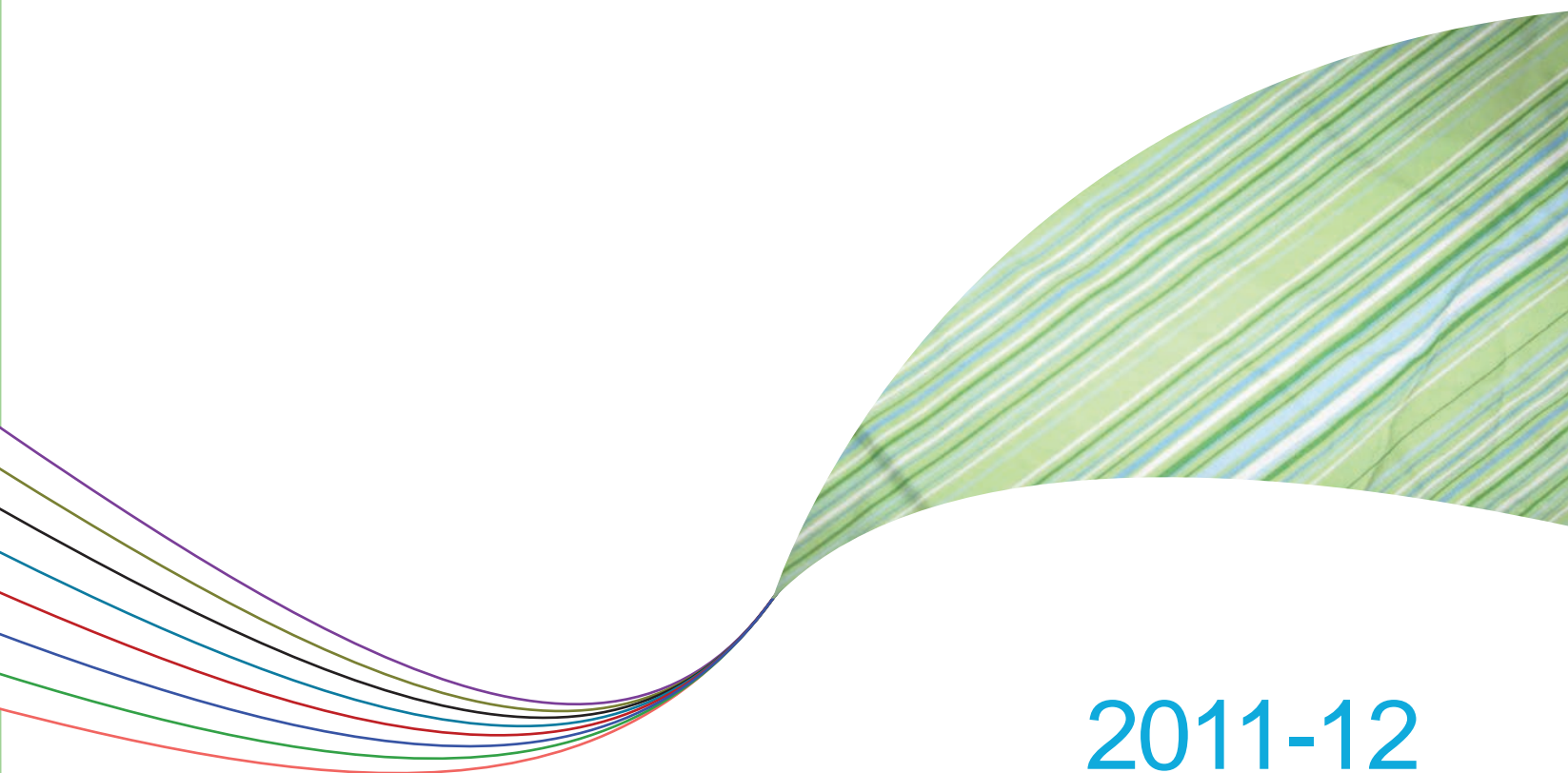


Growth Woven with Values



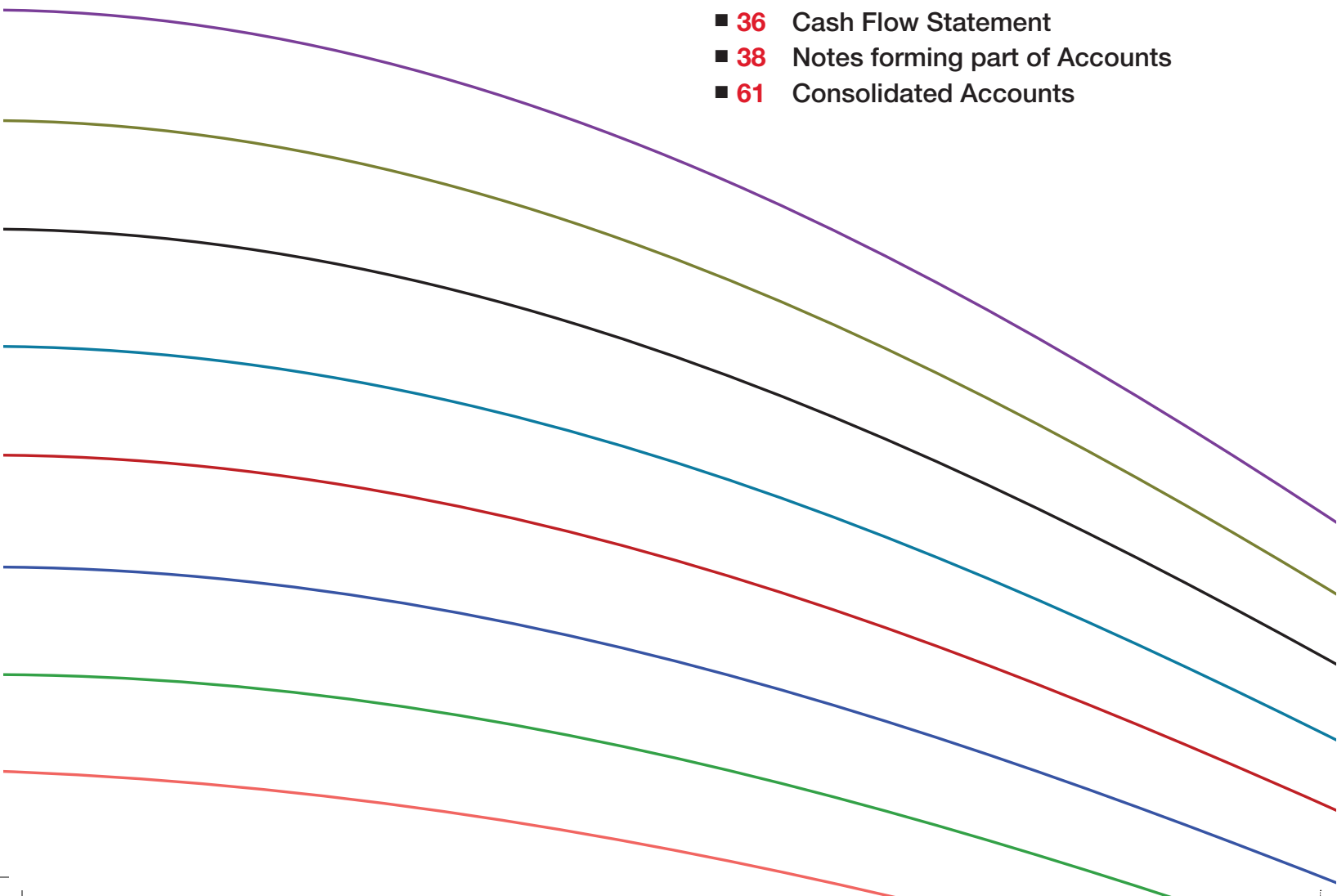
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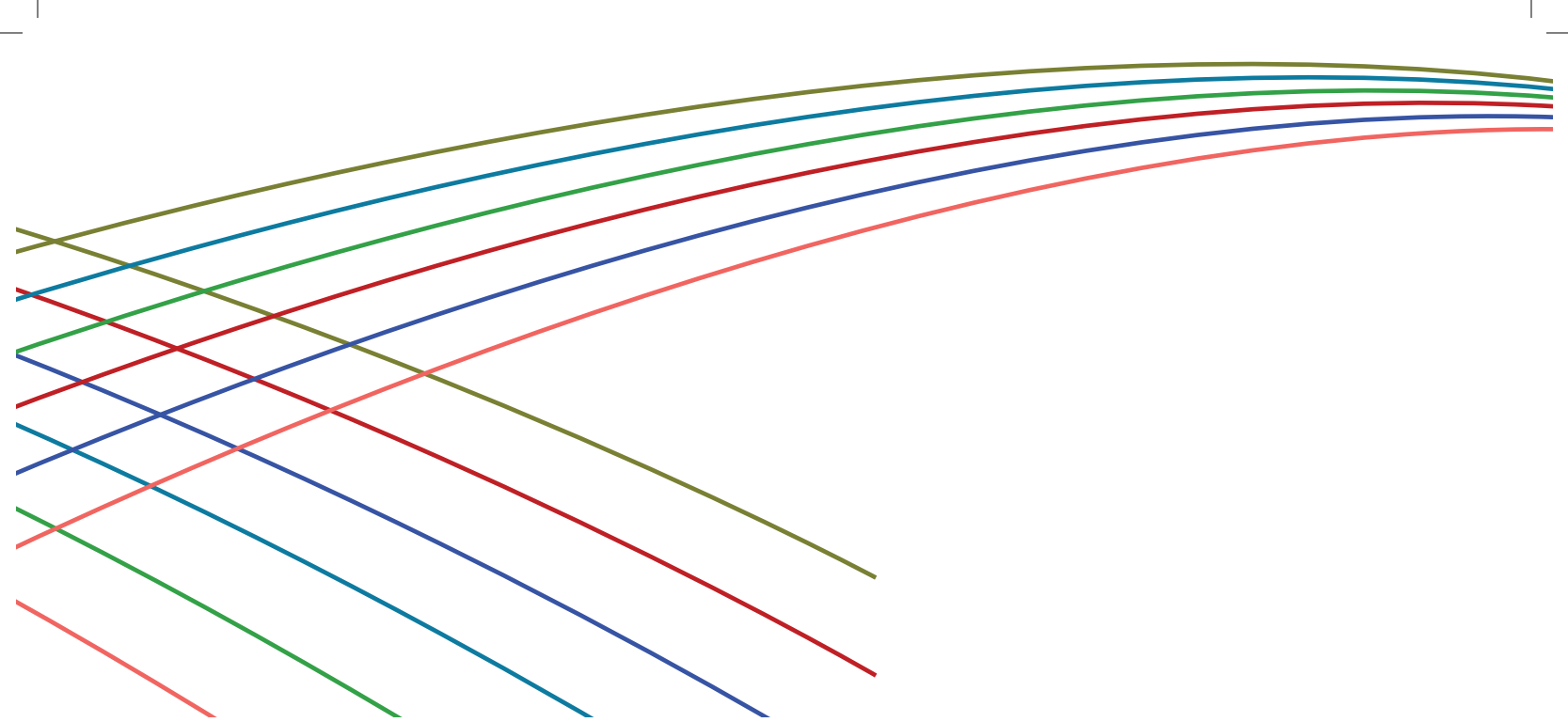
Annual Report

INDO COUNT
INDUSTRIES LIMITED



Contents

- **02** Chairman's Message
 - **04** Corporate Snapshot
 - **08** Corporate Information
 - **09** Notice
 - **16** Directors' Report
 - **20** Management Discussion and Analysis
 - **21** CEO / CFO Certificate
 - **22** Report on Corporate Governance
 - **31** Auditors' Report
 - **34** Balance Sheet
 - **35** Profit & Loss Account
 - **36** Cash Flow Statement
 - **38** Notes forming part of Accounts
 - **61** Consolidated Accounts
- 

An abstract graphic consisting of several curved lines in various colors (olive green, blue, green, red, dark blue, and pink) that sweep across the top of the page from left to right, creating a sense of movement and flow.

Man has woven fabric from cotton since times immemorial. Indeed, the fascinating textile process starts with spinning cotton into yarn, weaving yarn into fabric, dyeing and printing the fabric, and finally ends with a stitched Made Up. Textiles have come a long way since man first weaved cotton into fabric, and with the industrial revolution, the textile process was radically changed. It entered into a new era of rapid growth and expansion, giving rise to an industry that has been instrumental in defining progress and advancement of countries, cultures and economies.

At Indo Count, we are proud to be part of the textile industry, and of its glorious heritage and legacy. We have been spinning yarns, weaving fabrics and manufacturing textiles since 20 years. Brick by brick, we have been expanding our capacities and capabilities, thereby building steady growth.

At Indo Count, our core value is customer satisfaction and our unwavering focus on quality. Throughout the textile process – from cotton to made ups, our entire team, from manufacturing to marketing and from procurement to packaging, is committed to the core Indo Count values of customer satisfaction and quality. Like our yarns woven with strong fibres, our growth woven with values gives us a unique strength. It makes us resilient to recessionary phases, endure and overcome challenges, and grow. It is our values that have sustained and strengthened our growth.

At Indo Count, we have always pursued this philosophy.

An abstract graphic consisting of several straight lines in various colors (purple, olive green, black, blue, and red) that sweep across the bottom of the page from left to right, mirroring the style of the graphic at the top.

GROWTH WOVEN WITH VALUES

Chairman's Message

“The Company successfully established a USA subsidiary INDO COUNT GLOBAL INC., during the year. It has a large showroom on Fifth Avenue in New York and has Warehousing & EDI operations.”



Dear Shareholders,

It is my privilege to present to you the Annual Report of Indo Count Industries Ltd. for the year 2011-12. Indo Count reported Net Sales of ₹ 777 crores as against ₹ 690 crores in the previous year, a growth of 13% on a year-on-year basis.

The year started out as a year full of opportunities with promise of plenty and changed course during the year in a position of uncertainty and challenges aplenty. The globe went through several unforeseen challenges on political, social and economical front. Amidst these challenging circumstances, the Company recorded a satisfactory performance.

The Spinning Division did well considering these challenging circumstances. Steep fluctuations in cotton prices resulted in unstable yarn prices. The margins came under severe pressure due to a high input costs thereby resulting in losses in the Yarn Division.



The Home Textiles Division continues its impressive performance and steady growth. It is one of the preferred suppliers to major retailers in USA, Canada, UK, Australia, South America. The Company achieved high service levels and customer satisfaction. There is a great deal of scope for improvement through expansion of buyers' basket with new products aimed at the 'Top of Bed' as well as Sheet Set offerings.

The Company will be investing further in balancing equipments that will result in utilising completely the installed capacity. The Home Textiles Division contributed significantly to the sales during the year and is expected to grow in the coming years.

The Company successfully established a USA subsidiary by the name of INDO COUNT GLOBAL INC., during the year. It manages a US Showroom on Fifth Avenue in New York and has Warehouse & EDI operations, thus enabling your Company to cater to new customers who require local servicing capability.

I am glad to inform that with our continued performance in US Market, your Company has been recognised as the 4th largest Bed Linen supplier in USA. The Company is also recognised by our Government approved Export Council as the 3rd largest Bed Linen manufacturer supplier out of India.

We are committed as a Company to work hard and efficiently to deliver improved results in time to come. We are confident of improved results as the industry conditions are improving.

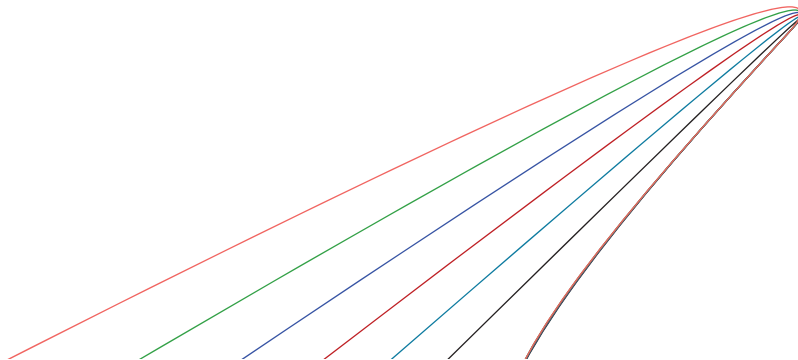
I take this opportunity to thank all our Bankers, Government of Maharashtra, Central Government, Customers, Suppliers, Employees and Stakeholders for their passionate involvement and contribution to our business initiatives and working resolutely to deliver value to our customers as always.

Thank you,

Anil Kumar Jain
Chairman & Managing Director

“The Company continues to be the third largest Bed Linen manufacturer supplier from India. Recently, the company was recognised as the fourth largest bed linen supplier into USA.”

Corporate Snapshot



THE COMPANY

Incorporated in 1988.

Commenced production in July 1991.

Listed on Mumbai and National Stock Exchanges.

Certified for ISO 9001 Systems.

Recognised Trading House under EXIM Policy.

Net Foreign Exchange earner for the country.



BUSINESS DIVISIONS

Spinning Division

- ◆ Latest machines from Rieter, Schlafhorst, Murata, Luwa, Volkman, Mayer & Cie.
- ◆ Advanced and sophisticated Quality Control instruments from Zellweger Uster.
- ◆ 100% combed and carded cotton yarn, single and doubled of counts ranging from Ne 20 to Ne 100.

Products Manufactured

- Combed & Cotton Grey / Dyed Yarns
- Knitted Grey Fabrics

Product Accreditations

Amongst the few mills in the world using 'Rieter Yarn' mark.

'Uster Analysed' certification signifying consistent high quality of yarn. OKO-TEX Certification indicating free from harmful substances.



Home Textile Division

- ♦ Built on a spacious 45 acre plot.
- ♦ First of its kind plant in Maharashtra.
- ♦ State of the art machinery imported from Benninger (Switzerland), Monforts (Germany), Osthoff (Germany).
- ♦ Air jet looms for wide width grey fabrics, processing (bleaching, mercerizing, dyeing, printing) capacity of 36 million meters per annum.
- ♦ Stitching facilities for made up : capable of producing a wide product range.

Products Manufactured

- Bed Sheet Sets
- Pillow Cases
- Duvet Covers
- Bed Skirts
- Comforters
- Window Covering
- Institutional Linen



Electronics Division

- ♦ Started in October 2004.
- ♦ Manufacture of Electronic goods.
- ♦ CTV/DVD/Air-Conditioners/Washing Machines/ Microwave/Mobile Hand Sets.



Corporate Snapshot

AWARDS, ACCOLADES

- ♦ Bronze Trophy for 4 consecutive years as highest exporter of Bed Linen from India for the year 2007-08, 2008-09, 2009-10 & 2010-11.
- ♦ Gold Trophy for Exports of other Made Up in the business in the year 2007-08.
- ♦ Silver Trophy for Exports of other Made Up in the business in the year 2008-09
- ♦ Gold Trophy for Special Achievement in export of Made Up in the business in the year 2009-10.





DID YOU KNOW?

We are the only integrated home textile manufacturing unit in Maharashtra.

- ♦ We are the PRIDE OF MAHARASHTRA as our unit was supported by the Maharashtra Government under the MEGA PROJECT.
- ♦ We came into existence in the year 1991. Our sale during the current year is equal to sales generated during the first 11 years of the operations of the company. 1:11.
- ♦ We received for Exports - LARGE SCALE INDUSTRIES AWARD from The Government of Maharashtra for 2010 - 11 performance.
- ♦ We received GOLD, SILVER AND BRONZE award from TEXPROCIL continuously for the last 5 years.

Corporate Information

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Anil Kumar Jain	Chairman & Managing Director
Mr. R. N. Gupta	Joint Managing Director
Mr. K. R. Lalpuria	Executive Director
Mr. Kamal Mitra	Director (Works)

INDEPENDENT DIRECTORS

Mr. R. Anand	Director
Mr. P. N. Shah	Director
Mr. Sushil Kumar Jiwrajka	Director
Mr. Dilip Thakkar	Director
Mr. Prem Malik	Director

NOMINEE DIRECTORS

Mr. C. P. Ravindranath	Director (Exim Bank Nominee up to 21 st April 2011)
Mr. Nadeem Panjetan	Director (Exim Bank - Nominee wef 21 st April 2011)
Mr. R. G. Kelkar	Director (Union Bank of India - Nominee up to 20 th Jan 2012)
Mr. Vijay Kumar Jain	Director (Union Bank of India - Nominee wef 20 th Jan 2012)

COMPANY SECRETARY

Mr. R. Sundaram	President Finance & Company Secretary
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AUDITORS

B. K. Shroff and Co., Chartered Accountants,
3/7-B, Asaf Ali Road, New Delhi - 110 00.

WORKING CAPITAL BANKERS

Union Bank of India
Bank of India
Bank of Baroda
Canara Bank

TERM LENDING BANKERS:

Exim Bank of India
Axis Bank of India
State Bank of India
State Bank of Patiala
State Bank of Hyderabad

REGISTERED OFFICE

Village : Alte, Taluka : Hatkanangale,
Dist. Kolhapur - 416 109, Maharashtra.

SPINNING AND ELECTRONIC UNITS

D-1, MIDC Industrial Area, Gokul Shirgaon,
Kolhapur - 416 234, Maharashtra.

HOME TEXTILE AND CONSUMER DURABLE GOODS UNITS

T - 3, Kagal - Hatkanangle, Five Star MIDC Area,
At post : Talandge,
Taluka : Hatkanangale,
Kolhapur - 416 216, Maharashtra.

HEAD OFFICE

301 & 1101, Arcadia,
Nariman Point, Mumbai - 400 021.

MARKETING OFFICE

23-25, Vardhaman Industrial Complex,
Gokul Nagar,
Thane (W) - 400 601.

DELHI OFFICE

506, Pragati Tower,
26, Rajendra Place,
New Delhi - 110 008.

KOLKATA OFFICE

1-B, Janki Shah Road,
Hastings, Kolkata - 700 022.