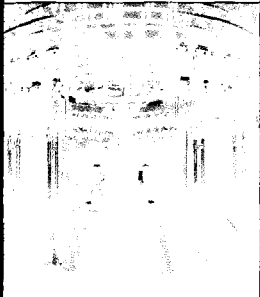
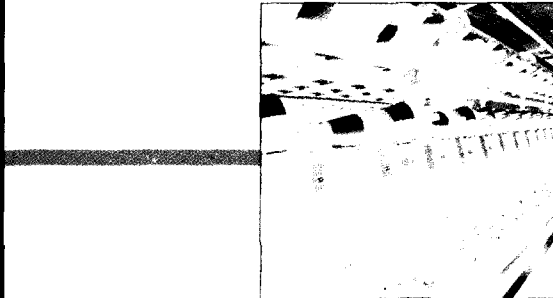




The Nahar Group



29th Annual Report 2008 - 2009

Report www.nahar.com



Nahar

SPINNING MILLS LIMITED

BOARD OF DIRECTORS

Sh. Jawahar Lal Oswal

Sh. Dinesh Oswal
 Sh. Kamal Oswal
 Sh. Dinesh Gogna
 Dr. (Mrs.) H.K. Bal
 Sh. Amarjeet Singh
 Dr. Om Parkash Sahn
 Prof. Kanwar Sain Maini
 Sh. Satish Kumar Sharma
 Dr. Suresh Kumar Singla

Chairman

Managing Director
 Director
 Director
 Director
 Director
 Director
 Director
 Director

FINANCE CONTROLLERS

Sh. Anil Garg & Sh. P. K. Vashishth

COMPANY SECRETARY

Sh. Brij Sharma

AUDITORS

M/s. Gupta Vigg & Co., Chartered Accountants
 101, Kismat Complex, G.T. Road, Miller Ganj, Ludhiana-141 003.

PRINCIPAL BANKERS : Punjab National Bank, State Bank of India
REGD. OFFICE : 373, Industrial Area- 'A', Ludhiana-141 003
WORKS : Industrial Area - 'A', Ludhiana (Punjab)
 Dhandari Kalan, G.T. Road, Ludhiana (Punjab)
 Village Simrai, Mandideep, Distt. Raisen (M.P.)
 Village Lalru, Distt. S.A.S. Nagar (Punjab)
 Village Jalalpur, Distt. S.A.S. Nagar (Punjab)
 Rishab Spinning Mills, Village Jodhan, Distt. Ludhiana
 Nahar Fibres, Jitwal Kalan, Malerkotla.

29th ANNUAL GENERAL MEETING

Day : Wednesday
 Date : 30th September, 2009
 Time : 10.00 A.M.
 Place : At the Premises of
 Nahar Industrial Enterprises
 Limited, Focal Point, Ludhiana

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NOTICE

Notice is hereby given that the **Twenty Ninth Annual General Meeting** of the members of **NAHAR SPINNING MILLS LIMITED** will be held on **Wednesday the 30th day of September, 2009 at 10.00 A.M.** at the premises of M/s Nahar Industrial Enterprises Limited, Focal Point, Ludhiana to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Sh. S.K. Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sh. Amarjeet Singh, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Sh. Jawahar Lal Oswal, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Sh. Dinesh Gogna, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint Auditors who shall hold Office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Gupta Vigg & Co., Chartered Accountants, the retiring Auditors of the company being eligible, offer themselves for re-appointment.
2. The Register of Members and Share Transfer Register of the Company shall remain closed from 23.09.2009 to 30.09.2009 (both days inclusive).
3. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members, whose names appear in the Register of members as on 30th Sept., 2009 or Register of beneficial owners, maintained by the Depositories at the close of 22nd Sept., 2009.
4. Pursuant to Section 205C of the Companies Act, 1956 all unclaimed dividends upto the financial year 2000-2001 have been transferred to Investor Education and Protection Fund. Further unpaid dividend for the year 2001-2002 is to be transferred to Investor Education and Protection Fund pursuant to section 205-C of the Companies Act, 1956 in November, 2009. Shareholders who have not encashed their dividend warrants relating to the said period are requested to claim the amount from the company at the earliest.

Further we may also inform that once the amount is deposited with Central Government, it cannot be claimed later on as per the Companies (Amendment) Act, 1999.

5. The bank account particulars of the members will be printed on the dividend warrants. Members holding shares in physical form are requested to immediately notify change in their address/Bank details to the Company's Share Transfer Agent M/s Alankit Assignments Limited or to the Company's Registered Office at 373, Industrial Area-A, Ludhiana - 141 003.

Members holding shares in electronic form are requested to notify change in their address/Bank details to their Depository Participants before 22nd Sept., 2009.

6. Since the Company's shares are in compulsory demat trading, to ensure better service and elimination of risk of holding shares in physical form, we request shareholders holding shares in physical form to dematerialise their shares at the earliest.
7. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form 2B)
8. Members seeking any information with regard to Annual Accounts at the time of meeting are requested to send their queries to the Company at least 7 days before the date of meeting so as to enable the management to keep the relevant information ready.
9. Members are requested to bring the copy of Annual Report alongwith them, at the meeting.

BY ORDER OF THE BOARD

PLACE : LUDHIANA
DATED: 30th July, 2009

BRIJ SHARMA
(Company Secretary)

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING. THE BLANK PROXY FORM IS ENCLOSED.



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10. The information required to be provided under clause 49 of the Listing Agreement entered into with the Stock Exchanges, regarding the Directors who are proposed to be appointed/re-appointed is given hereunder and form part of the notice.

Information pursuant to Corporate Governance Clause of the Listing Agreement regarding Director seeking appointment/re-appointment.

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below:

I. **Name** : Sh. S.K. Sharma
Age : 56 years
Qualification : M.B.A.
Expertise : Having experience of more than 28 years in Textile Industry.

Directorships/membership in the committee of the Board in other Companies:

Name of the Company	Committee	Status
1. Nahar Capital and Financial Services Ltd.	--	--
2. Nahar Poly Films Limited	--	--

II. **Name** : Sh. Amarjeet Singh
Age : 82 years
Qualification : LL.B
Expertise : Having 55 years experience in Taxation and Legal work.

Directorships/membership in the committee of the Board in other Companies:

Name of the company	Committee	Status
1. Oswal Woollen Mills Limited	--	--
2. Nahar Poly Films Limited	Audit Shareholders Grievance	Chairman Member
3. Nahar Capital and Financial Services Ltd.	Audit Shareholders Grievance	Member Chairman
4. Oswal Leasing Ltd.	--	--
5. Palam Motels Ltd.	--	--
6. Nagdevi Trading & Investment Co. Ltd.	--	--
7. Vanaik Investors Ltd.	--	--
8. J.L. Growth Fund Ltd.	--	--
9. Monte Carlo Fashion Ltd.	--	--
10. Ruchika Growth Fund Pvt. Ltd.	--	--
11. Nahar Growth Fund Pvt. Ltd.	--	--
12. Abhilash Growth Fund Pvt. Ltd.	--	--
13. Monica Growth Fund Pvt. Ltd.	--	--
14. Kulu Investment & Trdg. (P) Ltd.	--	--
15. Neha Credit & Investment (P) Ltd.	--	--

III. **Name** : Sh. Jawahar Lal Oswal
Age : 66 years
Qualification : Graduate
Expertise : Having 45 years business experience in the Textile and Woollen Industry.

Directorships/membership in the committee of the Board in other Companies:

Name of the company	Committee	Status
1. Oswal Woollen Mills Limited	--	--
2. Nahar Capital and Financial Services Ltd.	--	--
3. Nahar Poly Films Limited	--	--
4. Nahar Industrial Enterprises Ltd.	--	--
5. J.L. Growth Fund Limited	--	--
6. Atam Vallabh Financiers Ltd.	--	--
7. Girnar Investment Ltd.	--	--
8. Ludhiana Holding Limited	--	--
9. Vanaik Investors Ltd.	--	--
10. Vardhman Investments Ltd.	--	--
11. Palam Motels Limited	--	--
12. Sankheshwar Holding Co. Ltd.	--	--
13. Monte Carlo Fashions Ltd.	--	--
14. Nagdevi Trading & Inv. Co. Ltd.	--	--
15. Ruchika Growth Fund Pvt. Ltd.	--	--
16. Nahar Growth Fund Pvt. Ltd.	--	--
17. Abhilash Growth Fund Pvt. Ltd.	--	--
18. Monica Growth Fund Pvt. Ltd.	--	--
19. Neha Credit & Investment (P) Ltd.	--	--
20. Ogden Trading and Inv.Co.(P) Ltd.	--	--

IV. **Name** : Sh. Dinesh Gogna
Age : 56 years
Qualification : B.A. LL.B
Expertise : Having more than 32 years experience in Corporate Finance & Taxation.

Directorships/membership in the committee of the Board in other Companies:

Name of the company	Committee	Status
1. Oswal Woollen Mills Limited	Audit	Member
2. Nahar Poly Films Limited	Audit	Member
3. Nahar Industrial Enterprises Ltd.	Audit Shareholders Grievance	Member Chairman
4. Girnar Investment Ltd.	--	--
5. Oswal Leasing Ltd.	--	--
6. Nahar Capital and Financial Services Ltd.	--	--
7. Monte Carlo Fashions Ltd.	--	--
8. Cotton County Retail Ltd.	--	--
9. Crown Star Ltd. (UK)	--	--

BY ORDER OF THE BOARD

PLACE : LUDHIANA
DATED: 30th July, 2009

BRIJ SHARMA
(Company Secretary)



NAHAR SPINNING MILLS LIMITED

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Directors Report

Dear Members,

Your Directors have pleasure in presenting the **TWENTY NINTH ANNUAL REPORT** on the affairs of the company for the year ended 31st March, 2009.

FINANCIAL PERFORMANCE

Your Company's Financial Performance during the year is summarised below:

			(Rs. In lacs)
Particulars	Current Year	Previous Year	
PROFIT FOR THE YEAR BEFORE TAX & DEPRECIATION	5103.64	9674.60	
Less: Depreciation	7611.30	7690.57	
Provision for Taxation	40.00	390.00	
Provision for Deferred Tax	(826.00)	405.95	8486.52
Profit/Loss after tax	-1721.66	1188.08	
Adjustment of Income Tax of Earlier years	58.59	14.01	
Amount available for appropriation	- 1663.07	1202.09	
Transfer from General Reserve	2797.67	—	
	1134.60	1202.09	
APPROPRIATION			
Proposed Dividend	180.33	540.98	
Tax on Distributed profits	30.65	91.94	
Transfer to General Reserve	—	569.17	
Foreign Exchange contingent liability Reserve	923.62	—	
	1134.60	1202.09	

PERFORMANCE REVIEW

We would like to inform you as per the disclosure requirements of Accounting Standard AS17 issued by The Institute of Chartered Accountants of India, company's activities can be classified under two segments namely "Yarn Segment" and "Garment Segment". Before reviewing overall performance of the company we would like to brief you regarding the working performance of each Segment which is as under:-

YARN SEGMENT

We would like to inform you that year under review has been worst year for the spinning industry. Its operations were paralysed due to sharp increase in the prices of cotton as well as other input costs. The liquidity crunch, volatile Foreign Exchange Markets and Power crisis further aggravated the problems for the industry.

In spite of the above, Yarn Segment achieved a revenue of Rs. 893.82 crores showing an impressive increase of 9.59% over the previous year. Likewise the exports at Rs. 524.78 crores has also shown an increase of 11% over previous year. However the margins were severally affected and the segment could earn profit before interest and tax of Rs.5.55 crores only as against Rs.38.90 crores in the previous year.

GARMENT SEGMENT

The Garment Segment has also been severely affected because of the reasons stated in para above. The economic slow down in U.S. and European Union led to low orders from the overseas buyers thereby adversely affecting company's garment exports. Besides the stiff global competition also affected the margins and company has to supply the garments at bare minimum prices so as to remain in the global markets. All these factors severally affected the performance of the segment.



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In spite of the above, Garment Segment achieved a revenue of Rs.160.78 crores as against Rs.156.93 crores in the previous year. The segment profitability was impacted because of the reasons stated above and the company could earn a profit before interest and tax at Rs.8.19 crores showing a fall of 13.26% when compared with the previous year.

OVERALL PERFORMANCE

From the above, it is apparent that the year under review has been the worst year for the company. But in spite of several adverse factors, your company has been able to increase its topline to Rs.1000.38 crores showing an increase of 9.25% over the previous year. Likewise the exports at Rs.645.66 crores has also shown an increase of 10.24%. The continued excellent export performance has been recognised by the Ministry of Commerce and Industry by conferring the status of STAR TRADING HOUSE to the company. There is no doubt that company made progress in its topline as well as exports but its margins were severally impacted due to the reasons explained in the segment performance. The company though earned a gross profit of Rs. 92.43 crores but after providing for depreciation, interest and tax adjustment, suffered a loss of Rs.16.63 crores as against profit of Rs.12.03 crores in the previous year.

We would like to inform you even though the overall economy has started showing a sign of recovery but textile sector is still struggling. The high cotton prices along with other input cost continue to pose pressures on the company's bottom line. Your management is trying hard to meet the prevailing challenges by focusing its efforts on further reduction of cost and by improving operational efficiencies so as to remain globally competitive.

DIVIDEND

During the year under review, company's financial performance was severely impacted and the company suffered a loss of Rs.16.63 crores. The reasons for the adverse performance have already been explained in para above.

However having regard to the interest of shareholders and consistency in dividend policy, your Directors have decided to recommend a dividend @10% on paid up

equity share capital for the year ended 31st March, 2009 out of the accumulated profits of the company.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid out of the Reserves of the company to all those shareholders whose names shall appear in the Register of Members on 30th Sept., 2009 or Register of beneficial owners, maintained by the Depositories as at the close of 22nd Sept., 2009.

DIRECTORS

Pursuant to article 91 of the Articles of Association of the company Sh. S.K. Sharma, Sh. Amarjeet Singh, Sh. Jawahar Lal Oswal and Sh. Dinesh Gogna will be retiring by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

In terms of clause 49 of the Listing Agreement with the Stock Exchanges, the details of Directors to be appointed/re-appointed are contained in the accompanying Notice of the forthcoming Annual General Meeting.

CREDIT RATING

The Credit Rating Information Services of India Ltd. (CRISIL) has re-confirmed the credit rating "P1+" (Pronounced "P one plus") to the Company for short term loan upto Rs.23.50 Crores.

LISTING OF SECURITIES

The securities of the company are presently listed on the following Stock Exchanges:

- i. The Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai.
- ii. The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No.C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai

The Company has paid listing fee to both the Stock Exchanges for the financial year 2009-2010.

DEMATERIALISATION OF SECURITIES

As the members must be aware that company's securities are tradable compulsorily in electronic form w.e.f. 21st March, 2000. Your Company has already established connectivity with both the Depositories



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i.e. National Securities Depository Limited (NSDL) and Central Depository services (India) Limited (CDSL) to facilitate the holding and trading of securities in electronic form. As on date 93.55% of the share capital of the company has been dematerialised. The shareholders who have not gone in for dematerialisation of shares till date, are requested to opt for dematerialisation of the shares at the earliest.

Further as per SEBI circular no. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002, Company has appointed M/s Alankit Assignments Ltd. as Registrar for Share Transfer and Electronic Connectivity. Accordingly all the shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of Share Transfer, Demat/Remat, Change of Address etc. to our Registrar at below mentioned address:

M/s Alankit Assignments Limited

(Unit: Nahar Spinning Mills Limited)

Alankit House

2E/21, Jhandewalan Extension

New Delhi - 110 055

Telephone No. : (011) 23541234

Fax No. : (011) 41540064

E-mail address : rta@alankit.com

In case any query/complaint remains unresolved with our Registrar please write to Company Secretary at the Registered Office of the Company.

AUDIT COMMITTEE

Pursuant to Section 292 A(1) of the Companies Act, 1956, Company has already constituted Audit Committee consisting of Sh. Amarjeet Singh as Chairman, Sh. Dinesh Gogna and Dr. O.P. Sahni as members. The committee held four meeting during the year under review.

REPORT ON THE CORPORATE GOVERNANCE

Your Company continues to follow the principles of good Corporate Governance. The company has already constituted several committees of directors to

assist the Board in good Corporate Governance. The Corporate Governance Report alongwith the Auditors Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange, is attached herewith as Annexure-III.

ENVIRONMENT FRIENDLY CORPORATE ENTITY

As a responsible corporate entity, your company is sensitive to environment also and is contributing a bit to improve the ecological balance by introducing Organic Cotton yarns & Fair Trade Cotton Yarns certified by Control Union Certificate of Netherlands & F.L.O. of Germany. The company is Registered with Clean Development Mechanism (CDM) Executives Board and United Nations Framework Conventions on climate change (UNFCCC) Secretariat, Bonn, Germany.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors would like to assure the Members that the financial statements for the year under review, confirm in their entirety to the requirements of the Companies Act, 1956.

The Directors confirm :

- i) that in preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanations relating to material departures;
- ii) that they had 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 the company at the end of the financial year and of the profit or loss of the company for that period;
- iii) that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that they had prepared the Annual Accounts on a going concern basis.



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COST AUDITORS

The Company appointed M/s Ramanath Iyer & Co., Cost Accountants, New Delhi as Cost Auditors for the year 2008-2009. The Government of India, Ministry of Company Affairs, Cost Audit Branch, New Delhi have approved its appointment. The Cost Audit Report for the year ended 31st March, 2009 would be submitted to the Ministry of Corporate Affairs, Cost Audit Branch, in accordance with the requirements of Law.

AUDITORS

M/s Gupta Vigg & Co., the Auditors of your Company shall be retiring at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The company has obtained from auditors, a certificate as required under Section 224(1-B) of the Companies Act, 1956 to the effect that their reappointment, if made, would be within the limits specified in the said section.

The Audit Committee has recommended their re-appointment.

PUBLIC DEPOSITS

During the year the company has neither accepted nor intend to accept any Public deposit within the meaning of Section 58-A of the Companies Act, 1956 and the rules made there under. There are no outstanding/unclaimed deposit from the public.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 205-C of the Companies Act, 1956 the company has transferred an amount of Rs.10,14,984.82 (Rupees Ten lacs fourteen thousand nine hundred eighty four and paise eighty two only) being the amount of unclaimed Dividend for the year 2000-2001 and Rs. 88,42,934.76 (Rs. Eighty Eight lacs Fourty Two Thousand Nine Hundred Thirty Four and Paise Seventy Six only) being the amount of unclaimed Redemption amount of bonds to the Investor Education and Protection Fund.

PARTICULARS OF EMPLOYEES

Information regarding employees in accordance with Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules 1975 is given in Annexure - I and forms part of this report.

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

The detailed information as required under section 217(1)(e) of the companies Act, 1956 read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rules 1988, is enclosed as per Annexure-II and forms part of this report.

INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year and the excellent results were achieved with the whole hearted co-operation of employees at all levels.

ACKNOWLEDGEMENT

The Board of Directors of the company wish to place on record their thanks and appreciation to all workers, staff members and executives for their contribution to the operations of the company. The Directors are thankful to the Bankers, Financial Institutions for their continued support to the company. The Directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the Company.

FOR AND ON BEHALF OF THE BOARD

PLACE : LUDHIANA

JAWAHAR LAL OSWAL

DATED: 30th July, 2009

(Chairman)



NAHAR SPINNING MILLS LIMITED

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ANNEXURE-I

PARTICULARS OF EMPLOYEES AS PER THE PROVISIONS OF SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2009

Sr. No.	Name	Designation	Nature of duties	Remuneration (Amt.in Rs.)	Nature of Employment	Qualification	Experience in years	Date of Employment	Age (Years)	Last Employment held	%age of Equity Capital held
1.	Sh. Dinesh Oswal	Managing Director	Overall company's administration	35956835.00	Contractual	B.Com	24	01.01.1987	44	Oswal Woollen Mills Ltd.	0.066%

NOTES:

1. Remuneration includes salary, ex-gratia, leave encashment, monetary value of perquisites as per Income Tax Rules, employers contribution to provident fund and commission, where applicable.
2. Sh. Dinesh Oswal, is related to Sh. Jawahar Lal Oswal, Chairman and Sh. Kamal Oswal, Director of the Company.

ANNEXURE-II

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2009.

I. CONSERVATION OF ENERGY

a) Measures taken for conservation of energy

Energy conservation is an ongoing process in our organization. The company carries out continuous monitoring, planning, development and modification in our all units to conserve energy. The company always select latest machinery and equipment having low energy consumption. The company has taken following measures for energy conservation :

- i) Minimised the lighting load by replacement with electronic ballast with single tube light of high luminance and replacement of incandescent lamps with capacitive sodium vapour and LED lamps.
- ii) In S/Frame 4 KW suction motors are under gradual replacement by electronic stop motion for roving end.
- iii) Rationalization of Humidification Plant capacity to meet the required ambient conditions in the department.
- iv) Changing the V-Belts with cogged V-Belts to reduce friction.
- v) By conducting experiments on energy saving spindles tapes on two Ring Frames and will dis-pense with all the Conventional spindles tapes

with the latest energy saving spindle tapes if the results are found encouraging.

- vi) New Fluorescent tube lights of 3250 Lumens (Five Star) are used in place of Fluorescent tube lights which were of 2450 Lumens.
- vii) The company have modified the present Waste Recovery System in order to save electric energy.
- viii) The company have installed Automatic Variable Frequency Drive on Auto Coners' Suction Fans in order to save electric energy.
- ix) The company have converted Crosrol Tandem Card with High Speed LC-333 Cards in order to save electric energy.
- x) The company have replaced 300 KVAR Capacitors which had become derated with the passage of time.
- xi) The company have installed A.P.F.C. Relays on Capacitors for Automatic Control of Power Factor.
- xii) Modification of Plant is completed, which was carried due to increase its efficiency, hence save energy and give better environment.
- xiii) New LK 64 combers with state-of-art-technology are being introduced.



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- xiv) Energy saving voltage stabilizers for lighting load in all the three units has been incorporated.
- xv) Old LC - 100 cards and Crosroll Cards are being replaced by latest LC 333 Cards.
- xvi) New Zinser Speed Frames (4 Nos.) are incorporated.
- xvii) Old G 5/1 Ring Frames are to be replaced with new LR 6 Ring Frames with Auto Doffer and Link Coners.
- xviii) Old Savio ESPERO-L winders are to be replaced by latest Link Coners from Murata.

b) Additional investment & proposal for reduction of consumption of energy

- i) Installation of VFD Compressor for compressed air.
- ii) Installation of Automatic voltage control stabilizer for lighting system.
- iii) Modification is done for Yarn conditioning Machine's trolleys, which in turn results in increased production/doff.

c) Impact of measure, consequent to (a) and (b) above

With the measures adopted by the company, there is substantial saving in energy consumption there by reduction in cost of production.

d) Total energy consumption and energy consumption per unit of production per Form-A of the Annexure in the rules in respect of Industries specified in the schedule thereto

FORM A

	CURRENT YEAR 2008-2009	PREVIOUS YEAR 2007-2008
--	---------------------------	----------------------------

A. POWER & FUEL CONSUMPTION

1. Electricity

a) Purchased

Units (Kwh)	241043542.00	213414326.00
Total amount (Rs.)	1006399741.60	899104239.20
Rate per Unit (Rs.)	4.18	4.21

b) Own Generation

Through Diesel Generator

Units produced (KWH)	10279508.00	51176799.00
Total amount (Rs.)	72147367.74	254008625.00
Cost per unit (Rs.)	7.02	4.96

c) Own Generation through turbine

Units produced (KWH)	33283148.00	16733300.00
Total amount (Rs.)	111091791.00	33308207.00
Cost per Unit (Rs.)	3.34	1.99

2. Steam Coal

	Used in Boiler	Used in Boiler
Quantity (in Tonnes)	16057.00	—

Total Cost (Rs.)	57550290.00	—
Cost per unit (Rs.)	3584.12	—
3. Furnace Oil		
Quantity (in litres)	2149960.00	16496862.00
Total cost (Rs.)	50856936.00	331438827.00
Rate/Tonne (Rs.)	23654.83	20091.02
4. Other/Internal Generation		
Rice Husk (Qty. in tonnes)	24904.97	32776.37
Total Cost (Rs.)	88550715.00	92099685.00
Rate/Tonne (Rs.)	3555.54	2809.94

B. CONSUMPTION PER UNIT OF PRODUCTION

GARMENT UNIT

1. Rice husk used per Kg. of dyed cloth/Yarn	5.68	5.90
2. Electricity consumed per unit of Hosiery Garments Manufactured (From Fabric to Garment)	0.80	0.85

SPINNING UNIT (ALL)

Product Cotton/Synthetic Yarn	4.02	4.46
Electricity (Unit/Kg.)		

MERCERISING CUM DYEING UNIT (LALRU)

1. Electricity consumed per unit of Yarn/Cloth (Unit/Kg.)	3.66	3.33
2. Rice husk used per Kg. of Yarn/Cloth	1.51	2.31
3. Furnace Oil used per Kg. of Yarn (Ltr/Kg.)	0.02	0.08

II. TECHNOLOGY ABSORPTION

FORM B

A) Research & Development (R & D):

i) Specific areas in which Research and Development carried out by the Company.

The R&D efforts in the company are focused not only on productivity, quality improvement with waste reduction but also developing value added products like Multi Slub Yarn, Multi Count with Multi Slub Yarn and Multi Twist Yarn, 100% Organic cotton & Organic cotton blends, mélange yarn in different shades & blends for International & Domestic markets.

The company has the latest on line & off line testing and monitoring equipments from world renowned manufacturers to maintain the product consistency of raw material as well as finished products.

Company is able to procure the improved quality of raw material through R&D monitoring. Thus achieving customer satisfaction by consistently meeting their ever increasing expectation.

ii) Benefits derived as a result of above R & D:

The company has improved its product value and reduction in production cost. It has expanded its market to value added market segments and has been able to maintain its customer requirements.