

Company Information

BOARD OF DIRECTORS

Shri Vedprakash D. Chiripal *Chairman*
 Shri Brijmohan D. Chiripal *Managing Director*
 Shri Gautam C. Gandhi *Director*
 Shri Ambalal C. Patel *Director*

Shri Deepak J. Chiripal *Chief Executive Officer*

BANKERS

State Bank of India
 State Bank of Hyderabad
 Syndicate Bank
 Oriental Bank of Commerce
 State Bank of Travancore
 United Bank of India
 Karur Vysya Bank
 Bank of Maharashtra
 UCO Bank
 Dena Bank
 Laxmi Vilas Bank

REGISTERED OFFICE & PLANT

Survey No. 198/1, 203/2,
 Saijpur-Gopalpur, Pirana Road,
 Piplej, Ahmedabad - 382405

CORPORATE OFFICE

"Chiripal House",
 Shivranjani Cross Roads,
 Satellite, Ahmedabad - 380015.
 Tel : 91-079-26734660-2-3
 Fax : 91-079-26768656
 Email : cs.nel@chiripalgroup.com

COMMITTEES OF BOARD :-

AUDIT COMMITTEE

Shri Ambalal C. Patel *Chairman*
 Shri Vedprakash D. Chiripal *Member*
 Shri Gautam C. Gandhi *Member*

REMUNERATION COMMITTEE

Shri Ambalal C. Patel *Chairman*
 Shri Vedprakash D. Chiripal *Member*

SHAREHOLDERS GRIEVANCE COMMITTEE

Shri Gautam C. Gandhi *Chairman*
 Shri Vedprakash D. Chiripal *Member*
 Shri Ambalal C. Patel *Member*

AUDITORS

M/s J.T. Shah & Co.,
 Chartered Accountants,
 201/202, Lalita Complex,
 Nr. Mithakhali Cross Roads,
 Navrangpura, Ahmedabad - 380 009

REGISTRAR & TRANSFER AGENT

Datamatics Financial Services Ltd.
 Plot No. B5, Part B Cross Lane,
 MIDC, Andheri (E), Mumbai - 400 093
 Tel. No.: 022-66712150-51
 Fax No.: 022-66712176
 Email : investorqry@dfssl.com

CONTENTS	Page No.
Notice	1-4
Directors' Report	5-7
Annexure to Directors' Report	7-9
Management Discussion and Analysis Report	10-12
Corporate Governance	13-20
Auditors' Report	21-23
Balance-Sheet	24
Profit & Loss Account	25
Schedules forming part of Accounts	26-30
Note to Accounts	31-40
Balance-Sheet Abstract	41
Cash Flow Statement	42

NOTICE

Notice is hereby given that the **17th Annual General Meeting** of the Members of the Company will be held on **Friday, September 23, 2011** at 3.30 P.M. at the Registered Office of the Company situated at Survey No. 198/1, 203/2, Saijpur-Gopalpur, Pirana Road, Piplej, Ahmedabad-382405 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Gautam C. Gandhi, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint auditors M/s. J.T. Shah & Co., Chartered Accountants to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT:

- (a) That in accordance with the provisions of Section 13, 16 and 94 and other applicable provisions, if any, of the Companies act, 1956 or any amendment or re-enactment thereof and the enabling provisions of the Articles of Association of the Company and subject to such other approvals, consents, permissions and sanctions, if any, required from any authority, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors for consolidation of existing equity shares of the face value of Re. 1/- (Rupee One) each fully paid up in the Authorised Share Capital of the Company into Rs. 10/- each fully paid up and that 10 (Ten) equity shares of the face value of Re. 1/- (Rupee One) each fully paid up with effect from the Record Date to be determined by the Board of Directors of the Company (the term "the Board" shall be deemed to include any "Committee" thereof) for the purpose.
- (b) That the issued equity shares of the Company held by the members of the Company in the physical share certificate form be cancelled and in lieu thereof fresh share certificates be issued for the consolidated equity shares in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 and where members hold these equity shares in dematerialized form, the consolidated equity shares in lieu thereof be credited to the respective beneficiary accounts of the members with their respective depository participants.
- (c) That in consolidation of 10 equity shares of Re. 1/- (Rupee One) each fully paid up into one equity share of Rs. 10/- (Rupees Ten) each fully paid up, the Board shall not issue any fractional shares / certificates but the total number of the equity shares representing such fractions shall be transferred to a person or persons appointed by the Board as trustee / trustees for and on behalf of such fractional equity shareholders, who would, otherwise have been entitled to such fractional shares / certificates. The trustee shall be provided with details of the persons entitled for fractional shares / certificates so as to enable the trustees to distribute the sale proceeds to the persons entitled for the same and such sales be completed within stipulated period as may be prescribed, the shares vesting with the trust and after payment of all expenses of the sale, to distribute the net proceeds of such sale amongst the members / shareholders in proportion to their respective fractional entitlements thereto.
- (d) That for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts / deeds, matters and things and give such directions as may be necessary or expedient including forming of trust and to authorize the trustee / trustees to take delivery of fractional shares and to sell such fractional shares transferred to him / them and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company, be and is hereby amended, to incorporate therein the effect of the consolidation of equity shares and be read as follows:

- (V) The Authorised Share Capital of the Company is Rs. 50,00,00,000 (Rupees Fifty Crores) divided into 5,00,00,000 (Five Crore) Equity Shares of Rs. 10/- each."

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

"RESOLVED THAT in pursuance to the provisions of Section 198, 269, 309, 310, 317 and such other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals, permissions, sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, and pursuant to the approval of the remuneration committee of the Board and the Board of Directors at their meeting held on

August 5, 2011, approval of the members be and is hereby accorded to the re-appointment of Shri Brijmohan D. Chiripal as the Managing Director of the Company for a period of five years with effect from October 1, 2009 on a total remuneration of Rs. 5,00,000/- (Rupees Five Lakhs Only) plus perquisites of Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) and other terms and conditions of appointment will be as set out in the Agreement dated January 25, 2010 and revised Agreement dated August 5, 2011 entered into by the Company with Shri Brijmohan D. Chiripal."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary, alter, increase, enhance or widen the scope of remuneration and perquisites, to the extent specified in schedule XIII and other applicable provisions, if any, of the Act as amended from time to time."

"RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to the Managing Director the above remuneration as the minimum remuneration by way of salary subject to receipt of requisite approvals, if any."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director of the Company be and is hereby authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

By order of the Board of Directors

Date : August 5, 2011
Place : Ahmedabad

Vedprakash D. Chiripal
Chairman

NOTES:

1. (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (b) Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
- (c) In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
- (d) Members are requested to contact the Registrar and Transfer Agent for all the matters connected with the Company's shares at:
M/S. DATAMATICS FINANCIAL SERVICES LIMITED
Plot No. B – 5, Part 'B' Cross Lane, MIDC, Marol, Andheri (East), Mumbai – 400 093
Phone: 91-22-6671 2150-51
- (e) (i) Members holding shares in physical form are requested to notify the changes in address, if any, to the Registrar and Transfer Agent (RTA). Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their share certificates of their holdings into one folio.
- (ii) Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their mandate, nomination, power of attorney, change of address, etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's records.
2. The Statutory Registers are open for inspection at the registered office of the company on all working days except Sunday(s) and public holidays, between 10.30 a.m. to 12.30 p.m. upto the date of the meeting.
3. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of the Annual Report while attending the Annual General Meeting.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Book Closure: The Register of Members and Share Transfer Register shall remain closed for registering share transfer from Friday, September 16, 2011 to Monday, September 19, 2011 (both days inclusive).
6. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto and forms part of the notice.

By order of the Board of Directors

Date : August 5, 2011
Place : Ahmedabad

Vedprakash D. Chiripal
Chairman

EXPLANATORY STATEMENT

As required by Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out material facts relating to the business under item 4, 5 and 6 of the accompanying notice.

Item No. 4:

Presently the face value of Company's equity share is Re. 1/- (Rupee One) each. The present authorized share capital is Rs. 50,00,00,000 (Fifty Crores) divided into 50,00,00,000 (Fifty Crores) equity shares of Re. 1/- (Rupee One) each.

Having regard to the anticipated growth of the Company in future, it is proposed to reorganize the capital structure by consolidating the equity shares from Re. 1/- (Rupee One) to Rs. 10/- (Rupees Ten) each. The restructuring will help the Company to give a better picture of Earning Per Share (EPS) to the equity shareholders together and to enable them to take effective decision in the development of the Company.

The authority is sought to be given to the Board of Directors to fix the Record Date and to issue fresh equity share certificates of the denomination of Rs. 10/- (Rupees Ten) each. The restructuring will help the Company to give a better picture of Earning Per Share (EPS) to the equity shareholders of the Company and also in better servicing to shareholders.

The authority is sought to be given to Board of Directors to fix the Record Date and to issue fresh equity share certificates of the denomination of Rs. 10/- (Rupees Ten) each to the members in place of existing equity share certificates of Re. 1/- (Rupee One) each. In case of members having fractional shares not divisible by 10 will be transferred to a trust which will be formed by the Board for this purpose. All the fractional shares will be transferred as on record date. The trust will consolidate the fractional shares transferred to it and will sell the total shares. The proceeds of the total shares will be paid to the respective shareholders after deducting the expenses incurred in this regard, if any. The said resolution, if passed, will have the effect of allowing the Board to do all such matters and deeds as are necessary to give effect to the said matter.

The proposed resolution as set out in the notice is intended to give effect to the above proposal and seek approval of the shareholders of the Company for consolidation of share capital. The Directors of the Company are deemed to be interested in the said resolution to the extent of their shareholding in the Company.

Item No. 5:

Subsequent to the alteration in the Authorised Share Capital, the necessary alterations have to be made in Clause V of Memorandum of Association of the Company. Hence the Board recommends this resolution and sought the approval of shareholders of the Company for effecting the proposal of consolidation.

None of the Directors of the Company are concerned or interested in the proposed resolution.

Item No. 6:

The Board of Directors at their meeting held on August 5, 2011 has confirmed and re-appointed Shri Brijmohan D. Chiripal as the Managing Director of the Company subject to approval of shareholders as per the remuneration set out herewith. The re-appointment of Shri Brijmohan D. Chiripal as the Managing Director of the Company is for a period of five years with effect from October 1, 2009 at the remuneration as per the agreement dated January 25, 2010 and revised agreement dated August 5, 2011 entered into between the Company and Shri Brijmohan D. Chiripal. The brief details about the terms and conditions are set out herewith:

Salary: Rs. 5,00,000/- p.m.

Perquisites: Rs. 2,50,000/- p.m.

The perquisites and allowances payable to the aforesaid Managing Director shall include accommodation (furnished or otherwise) or house rent allowances in lieu thereof; house maintenance allowance together with re-imbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs; medical re-imbursement; leave travel concession for self and family including dependents; club fees, medical insurance and such other perquisites and / or allowances upto the amounts specified above, subject to an overall ceiling of remuneration stipulated in sections 198 and 309 of the Companies Act, 1956. The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any rules thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force). However the Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act and gratuity payable and encashment of leave at the end of the tenure as per the rules of the Company shall not be included in the computation of limits for the remuneration which includes salary, perquisites.

The above revised remuneration payable to Shri Brijmohan D. Chiripal, Managing Director of the Company has been approved by the Remuneration Committee of the Company.

The terms and conditions set out for the appointment and payment of remuneration herein and / or in the respective revised agreements may be altered and varied from time to time by the Board of Directors of the Company as it may, at its discretion deem fit. The Board is also entitled to revise the salary, perquisites and allowances payable to the Managing Director of the Company at any time.

Your Directors recommend the Special Resolution for your approval.

The respective agreements may be terminated by either party (the Company or the concerned Managing Director) by giving three months prior notice in writing.

The revised agreements entered into between the Company and Shri Brijmohan D. Chiripal incorporating the above particulars of remuneration are available for inspection at the Corporate Office of the Company on all working days excluding Saturdays and Sundays upto the date of the ensuing Annual General Meeting between 11.00 a.m. to 01.00 p.m.

The above may also be treated as an abstract of the terms of the contract / agreement between the Company and Shri Brijmohan D. Chiripal pursuant to Section 302 of the Companies Act, 1956.

Except Shri Vedprakash D. Chiripal and Shri Brijmohan D. Chiripal, none of the Directors' of the Company are concerned or interested in the said resolution.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the following information is furnished about the Directors proposed to be appointed / re-appointed vide Item No. 2 of the Notice dated August 5, 2011 convening the 17th Annual General Meeting of Nandan Exim Limited:

Name of Director	Brief Resume and Nature of Expertise in Functional Area	List of Directorship / Committee Memberships in other Public Companies as on March 31, 2011
Shri Gautam C. Gandhi	His educational qualification consists B.A. and LLB and he has more than fifty years of experience as a practicing advocate. His areas of specialization include conveyancing and bank loans.	Other Directorship: Sai Infosys Limited Committee positions held in Nandan Exim Limited: Chairman – Shareholders Grievance Committee Member – Audit Committee Committee Positions held in other Public Companies: Sai Infosys Limited – Member – Audit Committee

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 17th Annual Report and Audited Accounts for the financial year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS:

The financial performance of the company is summarized below:

	(Rs. in crores)	
FINANCIAL RESULTS	2010-11	2009-10
Sales	507.40	375.83
Profit Before Depreciation	51.39	40.92
Less: Depreciation	25.36	22.60
Profit After Depreciation	26.03	18.32
Less: Provision for Taxation	5.70	6.26
Less: Provision for Deferred Tax	2.85	0.44
Profit After Taxation	17.46	11.62
Less: Prior Period Items	0.02	—
Less: Short / (Excess) provision of Income Tax	0.11	0.04
Profit for the year	17.35	11.58
Appropriations / Adjustments	—	—
Balance of profit / (loss) brought forward	43.17	31.59
Interim Dividend	—	—
Proposed Final Dividend	—	—
Corporate Dividend Tax (including cess and surcharge)	—	—
General Reserves	—	—
Profit carried to Balance Sheet	60.52	43.17

PERFORMANCE:

The turnover for the financial year under review 2010-2011 were Rs. 507.40 crore as against Rs. 375.83 for the previous financial year registering an increase of 35%. The profit before tax (after interest and depreciation charges) during the year 2010-2011 was Rs. 26.03 crore as compared to previous years figure of Rs. 18.32 crore. The Net Profit during the year 2010-11 was Rs. 17.35 crore as compared to previous year figure of Rs. 11.58 crore thus achieving rise of 49%. Your Directors expect to improve the performance during the current year.

DIVIDEND:

During the year under review, the Board of Directors have not recommended any dividend in view of ploughing back the profits into ongoing projects considering the expansion plans of the Company and to conserve the resources.

DEPOSITORY SYSTEM:

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2011, 99.96 % of the Company's total paid-up Capital representing 455,324,150 shares are in dematerialized form. In view of the numerous advantages offered by the Depository System, the members holding shares in physical mode are advised to avail of the facility of dematerialization on either of the Depositories.

PUBLIC DEPOSIT:

Your Company has not accepted any deposit during the year under review u/s. 58A of the Companies Act, 1956.

COVERAGE OF ASSETS:

The adequate Insurance Cover for the existing Plant & Machineries, Building, Stock, etc. considering the various risk factors attached to the assets have been taken and insured the assets to take care of the unforeseen circumstances to safeguard the interest of the Company.

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI and Stock Exchanges. The Company has also implemented several best corporate governance practices as prevalent. The Report on Corporate Governance as stipulated under clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from Auditors of the Company, confirming compliance with conditions of corporate governance as stipulated under the aforesaid Clause 49 is annexed to this report. Further, a certificate from C.E.O. and declaration on Code of Conduct also forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY:

During the year 2010-11, Chiripal Group continued its Corporate Social Responsibility (CSR) initiatives in various fields. Activities in this area are set out in detail in the annexed CSR Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India is presented in a separate section forming part of the Annual Report.

DIRECTORS:

In terms of the provisions of the Companies Act, 1956, Shri Gautam C. Gandhi, Director of the Company who retires by rotation as per provisions of the Articles of Association during the year under review, offers himself for reappointment at the ensuing Annual General Meeting. Your Directors recommend his reappointment as Director of the Company.

A brief resume of the Director retiring by rotation at the ensuing Annual General Meeting, nature of expertise in specific functional areas and names of companies in which he holds directorships, chairmanships of Committees of the Board as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India forms part of the Annual Report.

PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 217(2A) of the Act, read with the Companies (Particulars of Employees) Rules, 1975 as amended the names and other particulars of employees are set out in the Annexure to the Directors Report. However, having regard to the provisions of Section 219(1)(b)(iv) of the Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

GROUP:

Pursuant to intimation received from the Promoters and names of the Promoters and entities comprising group as defined under the Monopolies and Restrictive Trade Practices (MRTP) Act, 1969 are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers), Regulations, 1997.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 and based on the information received from the Management and after due enquiry, your Directors state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the year ended on that date;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts of the Company have been prepared on a going concern basis.

AUDITORS AND AUDITORS' REPORT:

M/s. J.T. Shah & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office upto the conclusion of the ensuing Annual General Meeting and are eligible for appointment.

The Company has received letter from M/s. J.T. Shah & Co., Chartered Accountants, to the effect that their appointment, if made would be in conformity with the limits prescribed in Section 224(1B) of the Companies Act, 1956 and they are not disqualified for such appointment within the meaning of section 226 of the said Act. The Board recommends the re-appointment of M/s. J.T. Shah & Co., Chartered Accountants, as the Auditors of the Company for the current financial year 2011-12.

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

The particulars as required under section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure to this report.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for assistance and co-operation received from the Financial Institutions, Banks, Government Authorities, Customers, Vendors and Members / Shareholders, Regulatory Bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all the executives, staff and workers resulting in successful performance of the Company during the year.

For and on behalf of the Board

Place : Ahmedabad
Date : August 5, 2011

VEDPRAKASH D. CHIRIPAL
Chairman

ANNEXURE TO THE DIRECTORS' REPORT**ANNEXURE – 1**

Particulars pursuant to 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 Report of the Directors.

A. CONSERVATION OF ENERGY:**(a) ENERGY CONSERVATION:**

1. Discontinued use of HOC dryer which are air cooled and requires additional energy to cool the air and also amounted to pressure drop in the air generated through compressor and the same was replaced with refrigerated air dryer resulting into more energy efficient and less drop in the air pressure.
2. Added more number of transparent sheets in dyeing and sizing department so as to avoid use of light in day hours.
3. Turbo wind spin fitted for better air circulation and exhaust. This uses natural air for the exhaust thereby resulting in power saving.
4. Started educating staff members to switch off lights, fans and air conditioners while leaving the office.
5. As a continuous majors, added more capacitors to maintain power factor 96+.
6. Reduced PSI by two of air generation of compressor after studying the required level of pressure in looms which reduced power consumption by 100 unit daily.

WATER CONSERVATION

1. Strict monitoring of water use on dyeing, sizing and finishing by flow meter and also fixed up the norms of water flow dyeing style wise for proper control on water being used. This has considerably reduced load on borewell and effluent treatment plant.
2. Started complete reuse of water coming from finishing machine by using filtration devise. This reduced discharge of finishing water to ETP and use of the same in washing, dyeing and sizing. Apart from above, RO water discharge and cooling tower blowdown water in process.
3. New Dyeing style "True Blue " developed - This style introduced for the saving in water consumption. This does not require water in the post wash, so there is saving in water utilization.

All above reduced load on borewell as well as on ETP which reduced water consumption and treatment load of ETP.

(b) ADDITIONAL INVESTMENTS AND PROPOSALS

1. Given audit for energy conservation to M/s. Vadhvani Engineers Pvt. Ltd. who will study the complete supply and distribution system and will suggest for further scope of energy consumption.
2. Given audit work to M/s. Forbes Marshal for the audit of steam and air so as to improve the efficiency of boiler, power plant and also to improve the efficiency of air generation and distribution.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

In view of the measures taken, power consumption has reduced by about 500 units per day and water consumption by 50 K per day.

(d) Total Energy Consumption and energy consumption per Unit of Production:

I. POWER & FULES CONSUMPTION

Power and Fuel Consumption:	31.03.2011	31.03.2010
1. Electricity		
(a) Purchased		
Unit (kwh)	22521900	42900120
Total Amount	125755828	226571435
Rate / Unit (Rs.)	5.58	5.28
(b) Own Generation:		
i. Through Diesel Generator		
Unit (kwh)	NIL	NIL
Units per ltr of Fuel Oil / Gas	NIL	NIL
Cost / Unit (Rs.)	NIL	NIL
ii. Through Steam Turbine / Generator		
Unit (kwh)	12587969	NIL
Units per ltr of Fuel Oil / Gas	1.49	NIL
Cost / Unit (Rs.)	3.60	NIL
2. LIGNITE		
Quantity (Tones) / Day	148.89	62.83
Total Cost (Rs.)	125298450	49232035
Average Rate (Rs.)	2305.68	2146.72
3. COAL		
Quantity (Tones) / Day	53.82	4.31
Total Cost (Rs.)	70602125	6481140
Average Rate (Rs.)	3594.03	4121.01
4. FURNACE OIL (Used in Generation of Steam)		
Quantity (K. Litres)	NIL	NIL
Total Amount (Rs. in Lakhs)	NIL	NIL
Average Rate (Rs.)	NIL	NIL
5. OTHERS LSHS (Low Sulphur High Stock) (Used in Generation of Steam)		
Quantity (Tones)	NIL	NIL
Total Cost (Rs. Lakhs)	NIL	NIL
Rate / Unit (Rs.)	NIL	NIL

I. CONSUMPTION PER METER OF PRODUCTION:

	31.03.2011	31.03.2010
Electricity (KWH) Per Meter	0.57	0.80
Coal (Specified Quality)	0.31	0.04
Lignite (KG) Per Meter	1.07	0.65

B. TECHNOLOGY:**RESEARCH AND DEVELOPMENT (R & D)**

- (a) We are constantly focusing on developing new products by using multi slub yarn, multi count yarn , different type of lycra yarn, different color shade warp sheet so as to widen the product range and increase the customer base in Indian and International markets and for all segments of customers viz gents, ladies and children. We had developed comfort stretch fabric and also power stretch fabric to satisfy the needs of gents and ladies wear.

- (b) Started use of liquid indigo for shade consistency and deeper shade in line with market needs.
- (c) Warping creel assembly got modified in consultation with Jupiter India for better life of roller in warping.
- (d) The company is continuously focusing on optimization of different process parameters in yarn, warping, dyeing, sizing, weaving, finishing, inspection, and shade grouping so as to have consistency in the product and continuous improvement in the quality to enhance customer's satisfaction and better value of the product.
- (e) Market survey and research is being done regularly for updation in the product range, development of new products and better way of presentation of the fabrics and garments so as to enhance the brand image of the company in the market.
- (f) Dobby design which the company can not make inhouse got developed and produced outside on job basis , which added dobby design product in our range of quality.

1. Specific Area in which R & D is carried out by the Company

There is no Specific Area in which R & D is carried out by the Company.

2. Benefits derived as a result of the Above R & D

- (i) New development faster i.e 7-10 days, during the year added about 125 new products in the market with use of new yarn developed in different colors and also added various new Flat finish product, power stretch product and comfort stretch product in the market which resulted in enhancement of customer base both in Indian and International market.
- (ii) The company is matching and delivering customer's sample very fast so as to retain the customer and use the full capacity. It even got fabric woven outside on job basis to supply customers' requirements in time.
- (iii) Added dobby design product range in the product and satisfied the variable needs of consumers.

3. Future Plan of Action

- (i) To increase the spinning capacity by another 40 MT per day with multi slub and lycra attachment so as to increase company's capacity to produce high yield product.
- (ii) The company is planning to install mercerization M/C, coating machine in the company so as to fast deliver the value added quality product to its customers.
- (iii) Continuous focus on domestic and export market study for updation in the product range and increasing in the customer base.

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Efforts made towards Technology Absorption, Adaptation and Innovation:

The Company is using latest yarn testing and fabric testing equipment viz. Afis for cotton, Uster and Tensojet for yarn, stretch analyzer for stretch fabric for getting consistency in the quality of yarn and fabrics. We were able to control the variation in width, residual shrinkage and stretch % in stretch fabric.

The Company in consultation with suppliers has taken various trials for increasing the RPM of looms by some minor change and modification in the setting of looms parameters and finally able to increase the running RPM of looms to its designed RPM which will result in increase in productivity of looms.

Benefits derived:

Able to keep consistency in the feed of cotton and in process parameters of spinning so as to ensure consistency in the yarn quality and looms performances.

With the consistency in the stretch fabric parameters and quality not only able to deliver more quantity of stretch product in domestic as well as in export market but also able to reduce the complaints in stretch fabric to a large extent.

With the increase in running RPM and with inbuilt invertors in the looms company can run the looms at its optimum speed with changes in speed as per product requirement without waste of time.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a. The Company has taken various steps to increase exports of products during the year.
- b. Foreign exchange earning and outgo during the year:

(Rs. in crores)

Particulars	31.03.2011	31.03.2010
(a) Foreign Exchange Earnings:	56.85	62.11
(b) Foreign Exchange Outgo:	1.36	0.78

Total Foreign Exchange Used and Earned: As per Notes on Accounts