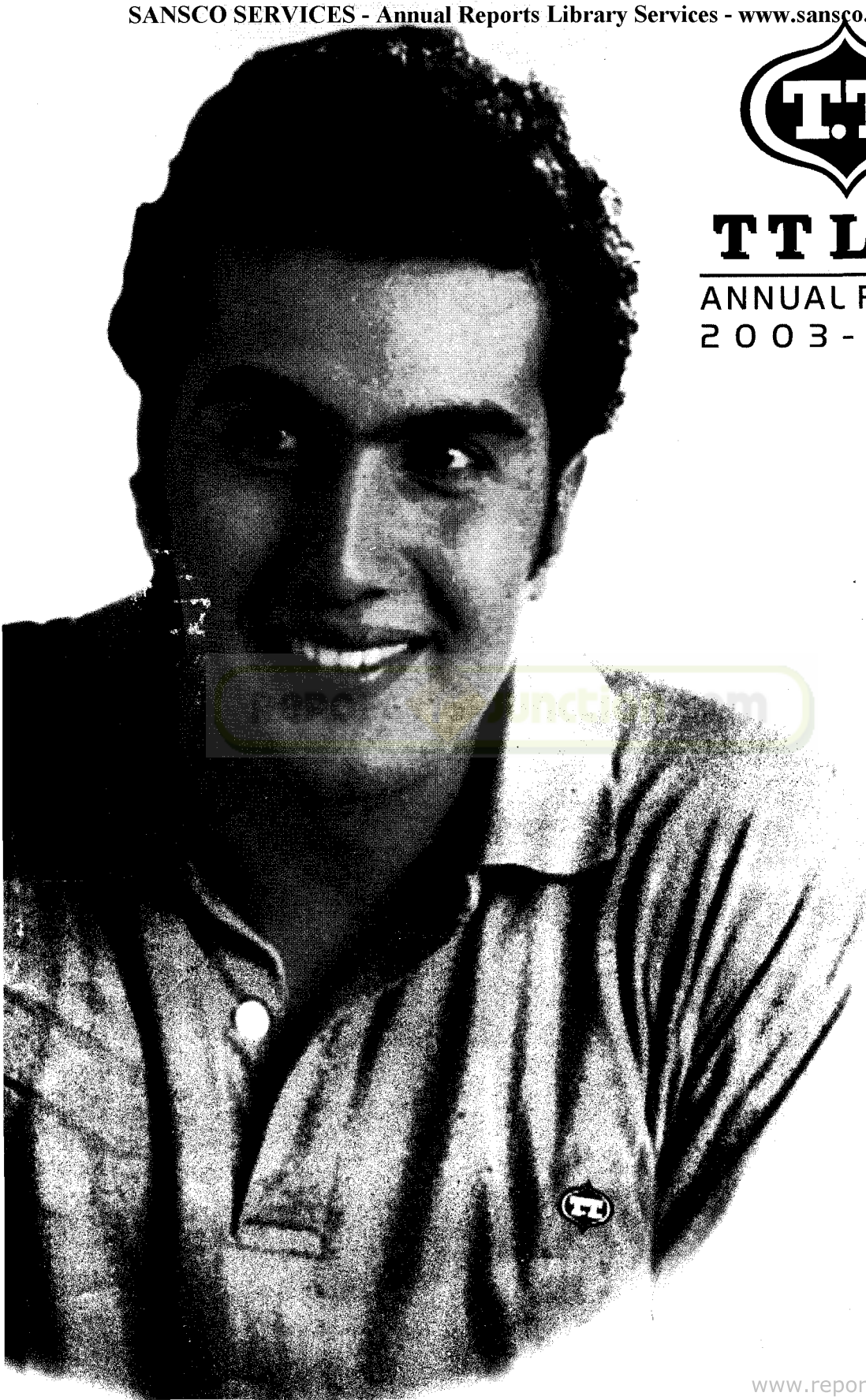
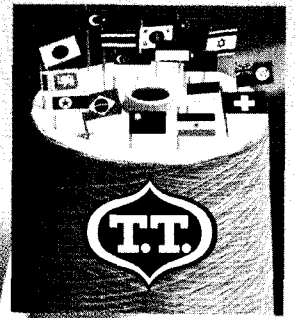




TT LTD.

ANNUAL REPORT
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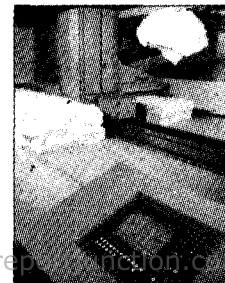




T T LIMITED

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| | |
|--|---|
| BOARD OF DIRECTORS | Shri Rikhab C. Jain (Chairman & Managing Director) Justice (Retd.) U.N. Bhachawat Shri Navratan Dugar Shri Sanjay Kumar Jain Smt. Jyoti Jain Dr. (Prof.) V.K. Kothari |
| COMPANY SECRETARY | Shri Sunil Mahnot |
| AUDITORS | DOOGAR & ASSOCIATES |
| INTERNAL AUDITORS | R.S. MODI & CO. |
| BANKERS | A.Consortium : ORIENTAL BANK OF COMMERCE PUNJAB NATIONAL BANK B.Others: INDUSIND BANK LTD. STATE BANK OF HYDERABAD |
| REGISTRAR & SHARE TRANSFER AGENTS | MAS SERVICES PVT LTD. AB-4, Safdarjung Enclave, New Delhi - 110 029 Ph.: 26104142, 26104292, 26104326 Fax : 011-26181081 |
| REGISTERED OFFICE | 879, Master Prithvi Nath Marg, T.T. Garment Park Karol Bagh, New Delhi - 110 005 Phone : 011-51545881-5 Fax : (0091-11) -23632283 Internet : ttld@eth.net or export@tttextiles.com Web site :http://www.tttextiles.com |
| BRANCHES | Kolkata, Tirupur, Noida |
| 100% E.O.U.'S | Gajroula (Uttar Pradesh) Avinashi (Tamil Nadu) |



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NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of the company will be held on Thursday the 30th September, 2004 at 11.00 a.m. at FICCI Auditorium, Tansen Marg, New Delhi – 110001 to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2004 and Profit & Loss Account for the year ended on that date and reports of the Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Smt. Jyoti Jain who retires by rotation and being eligible offers herself for reappointment.
4. To appoint a Director in place of Justice (Retd.) U N Bhachawat who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

Place: New Delhi

Date: 02-07-2004

By order of the Board

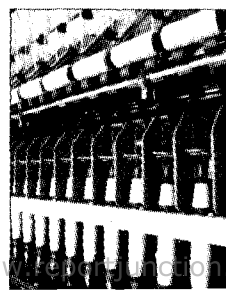
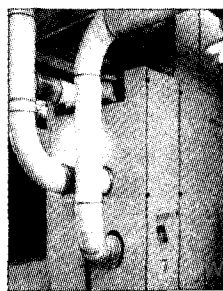
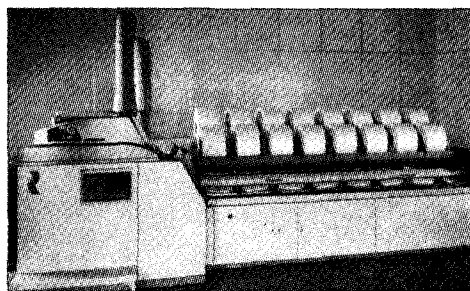
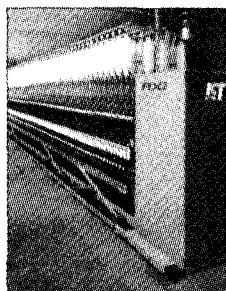
Sd/-

(SUNIL MAHNOT)**COMPANY SECRETARY****Regd Office:**

**879, Master Prithvi Nath Marg, T.T. Garment Park
Karol Bagh, New Delhi - 110 005**

NOTES :

- i) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- ii) Shareholders of erstwhile T.T. Finance Ltd. who have not got exchanged their share certificates are advised to surrender Share Certificate for exchange with certificates of the Company.
- iii) Members are requested to notify the change in their address and such communications be addressed to the Registered Office of the Company or the Registrars and Share Transfer Agents of the Company. Members whose shareholding are in Demat form are requested to send the intimation for change of address to their respective depository participant
- iv) As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their own copies of Annual Report to the Meeting.
- v) The Register of Member and Share Transfer Books of the Company will remain closed from 21st September 2004 to 30th September 2004 (both days inclusive).



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DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Fifth Annual Report of the Company together with the Audited Accounts for the year ended March 31, 2004.

FINANCIAL RESULTS

| | 2003-2004 (Rs. In lakh) | 2002-2003 (Rs. In lakh) |
|--|----------------------------|----------------------------|
| Sales | 14105.11 | 13546.35 |
| Profit before interest, Depreciation and Tax | 801.48 | 886.33 |
| Financial Charges | 308.55 | 392.03 |
| Depreciation | 294.70 | 251.02 |
| Loss on sale of certain Fixed Assets | - | 187.62 |
| Provision for Income Tax (Net) | 29.95 | 11.63 |
| Profit after Tax | 168.28 | 44.03 |
| Balance brought forward from previous year | 288.31 | 244.28 |
| TOTAL | 456.59 | 288.31 |

DIVIDENDS

Your Directors have pleasure to recommend a dividend @ 8% .

REVIEW OF OPERATIONS AND FUTURE OUTLOOK

During the year under view turnover of the company has gone up from Rs. 135 crore to Rs. 141 crore and profit after tax has increased from Rs. 0.44 crore to Rs. 1.68 crore.

During the year company has completed relocation of its knitting plant at Gajroula with most "state of art" "Mayer & Cie", German Knitting Machines, with latest quality control and climate control systems. With this, company has started fabric exports as well.

At Avanashi Unit, 1008 spindles were added during the year.

Garment manufacturing unit at Noida and Tirupur have been expanded and modernised during the year. Institutional Approval for latest 500 Garment Machines project having capacity of manufacturing 14000 pcs. garments per day has been received and land has been obtained at Noida and very shortly project implementation will be started.

From 1.1.2005, multi fibre agreement and quota regime will come to an end. Your company is well prepared with production and marketing facilities to ensure an impressive entry into the world garment market in Europe, USA, Canada and Japan.

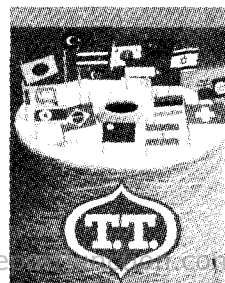
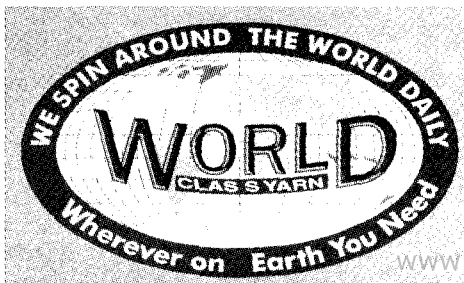
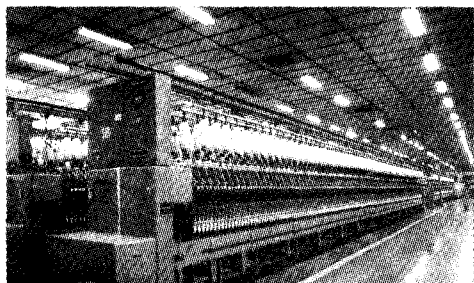
During the year under review, your company has also started export of cotton and during the current cotton season, substantial cotton export has been envisaged.

In coming year, your company intends to substantially increase turnover and business including global trading in textile related products both exports and imports.

Your company has been successful in reducing interest burden by proper financial planning and substituting high cost loan by low cost loans. In the present financial scenario, your company is continuously exploring alternate sources for further reducing financial cost.

Your company has now became fully integrated textile company with global presence. It is now handling from cotton fibre to yarn, fabric, garments, handloom products and even retailing. Your company has been emphasising direct retailing for quite sometime and wants to further intensively retail directly through dedicated outlets.

In view of immense opportunities opening up in the coming year and expectation of good cotton crop, your company is geared to do exceedingly well in the current year and the years to follow.



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DIRECTORS

Smt. Jyoti Jain and Justice (Retd.) U N Bhachawat retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors report as under :

- i) That in the preparation of the 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 financial year and of the profit or loss of the company for that period.
- iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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.

CORPORATE GOVERNANCE

A separate report on Corporate Governance alongwith Auditor's Certificate on its compliance is annexed to this report.

AUDITORS AND THEIR OBSERVATIONS

M/s Doogar & Associates, Chartered Accountants, who have been the Statutory Auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment.

PUBLIC DEPOSITS

The company has accepted deposits and the information as per directions of Reserve Bank of India is given below :

- i) Total number of depositors whose deposits have not been claimed or paid by the company after the date on which the deposit become due Nil
- ii) Total amount due to the depositors and remaining unclaimed or unpaid Nil

PERSONNEL

The particulars of employees, as required under section 217 (2A) of the Companies Act, 1956 are not given as no employee falls within ambit of this section.

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

The information required to be furnished under section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 relating to Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo is annexed herewith and forming part of this report.

DELISTING

In accordance with the approval granted by the shareholders, the company has got its equity shares delisted from the Delhi Stock Exchange. The company's equity shares shall continue to be listed on the Stock Exchange, Mumbai (BSE).

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation of the services rendered by the employees of the Company. They are grateful to shareholders, banks, financial institutions, depositors, customers and suppliers of the company for their continued valued support.

Place: New Delhi
Date: 02-07-2004

For and on behalf of the Board
Sd/-

(RIKHAB C. JAIN)
CHAIRMAN & MANAGING DIRECTOR



T T LIMITED

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ANNEXURE TO THE DIRECTORS' REPORT

Information pursuant to the Companies (Disclosure of Particulars) in the Report of the Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY :

- a) Energy Conservation measures taken : In spinning mill energy cost represents the second major cost after the cost of raw material. The company has, therefore, always been conscious of the need to conserve energy. The company is continuously identifying the scope for improving end use efficiency by evaluating the techno-economic viability of various energy conservation measures.
- b) Additional investments and proposals :
- Replacement of old D.G. Sets with latest model energy efficient D.G. Sets which reduce generation cost to a large extent as unit generation per litre increased substantially.
 - Company has installed energy efficient electronic tube lights inside factory which will substantially save energy cost to the company.
 - As Govt. has allowed import of HSD to 100% EOUs, the company is importing HSD for both spinning units which save energy cost to a large extent.
 - The company is also planning to set up a captive Power Plant of 2.5 MW at Gajroula.
- c) Impact of the measures of (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods.
- The impact of the measures taken above, would result in reduction in energy consumption in future years to come.
- d) Total energy consumptions, energy consumption per unit of production :

| A | Power and fuel consumption | 2003 - 2004 | 2002 - 2003 |
|----|---|-------------|-------------|
| 1) | Electricity (KWH) | | |
| a) | Purchased (Units) | 4425104.00 | 4655052.00 |
| | Total Amount (Rs) | 18295538.00 | 18426267.00 |
| | Rate per unit (Rs) | 4.13 | 3.95 |
| b) | Own Generation | | |
| | Through Diesel Generator | | |
| | Units | 11929384.00 | 9327234.00 |
| | Units per Ltr. Of Diesel Oil | 3.76 | 3.61 |
| | Cost/Unit | 3.97 | 4.05 |
| 2) | Coal | Not used | Not used |
| 3) | Furnace Oil | Not used | Not used |
| B. | Consumption per unit (Yarn in Kg) of production/Electricity | 4.03 | 3.63 |

A. RESEARCH AND DEVELOPMENT

- Specific, areas on which R & D carried out by the Company : Research and Development has been carried out for quality improvement.
- Benefits derived as a result of the above R & D : The company was able to improve the quality of its on going product.
- Future plan of action : Continuous efforts is being made for quality improvement.
- Expenditure on R & D : No separate account is being maintained by the Company for the expenditure incurred on R & D.

B. TECHNOLOGY ABSORPTION :

The technology developed as a result of R & D activity was properly absorbed which has resulted in product improvement and cost reduction. We have not made any import of technology so far.

- C. FOREIGN EXCHANGE EARNINGS AND OUTGO :** During the year under review your company has exported goods worth Rs.6796.42 lakh. The details of foreign exchange earnings and outgo are given in the Notes to the accounts which forms a part of the Annual Report.

For and on behalf of the Board

Place : New Delhi

Date : 02-07-2004

Sd/-

(RIKHAB C. JAIN)

CHAIRMAN & MANAGING DIRECTOR



T T LIMITED

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4. REMUNERATION OF DIRECTORS:

The remuneration of Executive Directors is decided by the Board of Directors as per the remuneration policy of the company within the ceiling fixed by the shareholders. The company has no pecuniary relationship or transaction with its non-executive Directors other than payment of sitting fees to them for attending Board and Committee Meetings. Given below are the details of actual payments made to the Directors for the period 1.04.2003 to 31.03.2004.

| Name of Directors | Business relationship with the Company | Remuneration paid / payable from 1.4.2003 to 31.3.2004 | | |
|--------------------------|--|--|----------------|---------|
| | | Sitting Fees | Salary & Perks | Total |
| SHRI RIKHAB C. JAIN | CHAIRMAN & MANAGING DIRECTOR | — | 2387270 | 2387270 |
| JUSTICE U N BHACHAWAT | NONE | 8000 | — | 8000 |
| SHRI NAVRATAN DUGAR | NONE | — | — | — |
| SHRI SANJAY KR. JAIN | EXECUTIVE DIRECTOR | — | 2064000 | 2064000 |
| SMT. JYOTI JAIN | EXECUTIVE DIRECTOR | — | 2064000 | 2064000 |
| DR. (PROF.) V.K. KOTHARI | NONE | 8000 | — | 8000 |

5. SHAREHOLDER'S / INVESTOR'S GRIEVANCE COMMITTEE:

The Board Constituted a Shareholder's/Investor's Grievance Committee in April 2001. The Committee consists of three Directors. Shri Rikhab C Jain, Chairman & Managing Director heads this Committee. The Committee meets at frequent intervals to consider, interalia, share transfer, shareholder's complaints etc. Shri Sunil Mahnot Company Secretary is the compliance officer.

6. GENERAL BODY MEETINGS :

Location and time where last three Annual General Meetings were held are given below:

| FINANCIAL YEAR | DATE | TIME | VENUE |
|----------------|-----------|---------|---|
| 2000-2001 | 29.9.2001 | 11 A.M. | FICCI Auditorium, Tansen Marg, New Delhi. |
| 2001-2002 | 29.9.2002 | 11 A.M. | FICCI Auditorium, Tansen Marg, New Delhi. |
| 2002-2003 | 29.9.2003 | 11 A.M. | FICCI Auditorium, Tansen Marg, New Delhi. |

No special resolutions were required to be put through postal ballot last year.

No special resolutions on matter requiring postal ballot are placed for shareholder's approval at this meeting.

7. DISCLOSURES:

There are no materially significant related party transactions which may have potential conflict with the interest of the company at large. However, attention is drawn to point No. 13 of schedule 14B to the accounts.

