



Spun from T.T. Cotton

The Board of Directors



Chairman Dr. R.C. Jain (Sitting in centre) flanked by Shri V.R. Mehta & Smt. Jyoti Jain, Standing from left to right Shri Navratan Dugar, Dr. (Prof.) V.K. Kothari & Shri Sanjay Jain

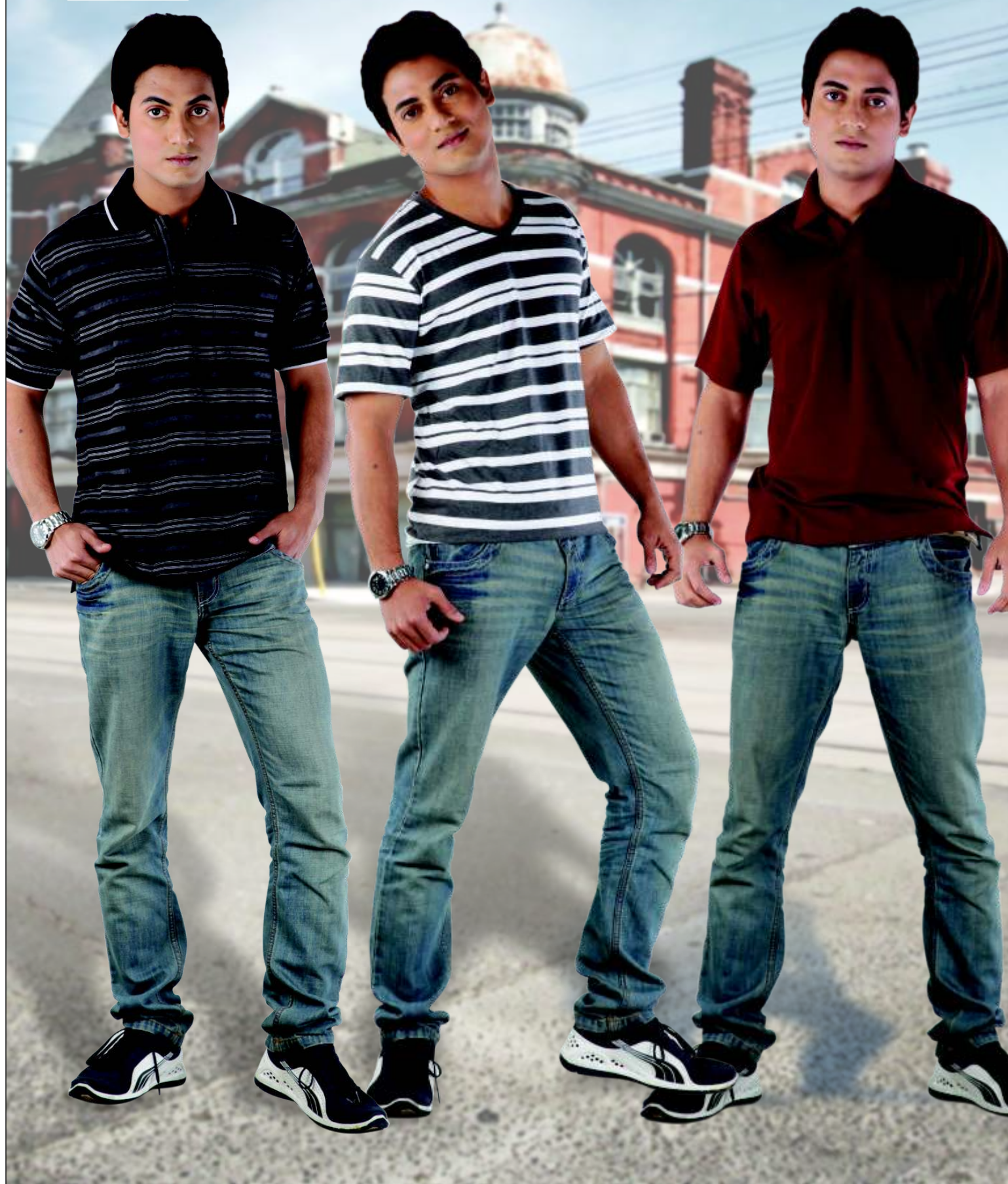


Director Shri V.R. Mehta and his wife Smt. Vimla Mehta honoured by the Philippines Parliament for their humanitarian activities by free provision of Jaipur foot for over 25 years in the Philippines.





COOL





Hare Krishna



Dr. Rikhab C. Jain,
(Chairman)

CHAIRMAN'S POLICY STATEMENT

In one word Business Philosophy of T T Group is “FAIR BUSINESS”, – Fair to all: Suppliers, Buyers, Dealers, Workers, Shareholders, Investors, Community and the Society at large.

Sources for drawing inspiration in founding basic principles of T T Group's business are found in Philosophies propounded by three great Saints, Philosophers and Mahatmas belonging to the Textile World: The Most reverend Spinner in the World History known to mankind till date, Mahatma Gandhi, father of the nation; symbol of religious harmony and great humanist “Kabir” the weaver and the great Tamil Saint, Poet and Philosopher weaver: Thiru Valuvar. Thirukural the great epic book of wisdom serves us as a reference book for seeking day to day solutions of business problems. All the three guiding lights of humanity are nowhere in variance with Jainism, Hinduism, Buddhism or infact any religion.

In dealing with people we follow Vidur and Chanakya.

In business management techniques of modern day obviously we rely on my learnings as well as teachings at Indian Institute of Management, Calcutta / M.I.T. Our Managing Director Mr. Sanjay Jain has his sources in his studies at the Indian Institute of Management, Ahmedabad / Harvard Business School.

Regarding the choice of Technology to be used, we do not compromise. It is always the best of the world, “State of the Art” technology. We do quick updating and remain in tune with the latest innovations. Our source of strength in the field is renowned Textile Technologist - Dr. V. K. Kothari, formerly heading Textile Dept. of world's prestigious seat of learning, Indian Institute of Technology, (IIT) Delhi.

As for consumers, we wish to deliver them more than value for their money. We are here to serve them. We are because of them. We wish them to enjoy new recipies, new delights in their satisfaction. We do not follow trends, instead we set trends. Mrs. Jyoti Jain, a National Institute of Fashion Technology (NIFT) graduate is always at hand to deal with them liberally. All her dealers, agents and customers are more than happy with her.

Renowned Management and Finance Experts Shri Navratan Dugar and Shri V R Mehta are our leading rule setters in the realm of Finance & accounting and corporate governance. In Finance, Manufacturing, Law, Corporate governance we have a dedicated team of Executives, Engineers, Company Secretaries, Chartered Accountants, Human Engineers (HRD) to deliver fruits and achieve corporate goals.

Today Textile Industry is a “Focus Industry” in India. It is once again a Sun Rise Industry. Textile Manufacturing is shifting from America & Europe to Asia – China, India, Bangladesh, Pakistan, Turkey etc. Timely cotton revolution in India has made India's position unique in competitive edge in world trading of cotton and its products- Yarn, Fabric, Textiles, Knitwear Garments and Home Textiles. T T group is essentially an only “Cotton” company. It handles Cotton, Cotton yarn, Cotton fabrics and Cotton garments. Realising the global potential T T is already on the world Cotton scene and is ready to play world cup in Cotton. We wish to enjoy fruits of Cotton. We wish to ensure no one remains devoid of Cotton Garments and that too with assurance to satisfaction to one's heart's content.

Our Company's policy is not to speculate, not to gamble, not to undertake high risk deals. Slow but steady growth is our motto. Our Company does not interfere with free play of share & securities market.



Business Philosophy

1. Management's job is not only to manage company profitably but to ensure its steady growth as well.
2. Quick decision making, speedy implementation, harmonized, teamwork, deliver success.
3. Our objective is to serve Customers to their satisfaction. We strive to enable them taste new delights in quality and service. We make them break their own parameters of satisfaction.
4. Investors are owners of the company. Safeguarding their interest is the prime duty of the management.
5. What is the best today, will not be so tomorrow and will be definitely rejected day after. Hence continuous quality upgradation can only retain customers.
6. Let none be harmed by our dealings with them. We need not make money out of their weaknesses. Instead let buyer and seller both mutually help each other make profit.
7. Knowledge input is the best quotient of profit. For future growth, knowledge sourcing and knowledge management is the first requirement.
8. Ways of the world never remain the same. Keep changing and you never live out.
9. Wisdom attracts money, lack of it may cause loss of money.
10. Indians have now realised their potentials in the global scenario. Every crown there is for them, but only if they try.
11. India traditionally ranks first in the world of nations in respect of the wealth of knowledge. Putting this wealth into action will certainly yield rich monetary rewards as well.
12. We do not compete, we try to co-exist. Cooperation is our motto.
13. Big fish eats up small fishes and yet the ocean is always full of small fishes.
14. No one can drink all the waters of seven oceans, so none can monopolise for ever.
15. Purity of means is more important than the ends. Come what may, great souls will never pick up means not ordained by ethics, morality and one's religion.
16. You earn money, you may lose it anytime, but if you tend to earn goodwill and integrity, money will never leave you.



Krishna has done everything, He will do everything

*We are just tools in his hands. He showers upon us
his choicest blessings That's our reward, our life, our report*

~> Hare Krishna <~





Company Information

| | |
|--|---|
| BOARD OF DIRECTORS | T.T. LIMITED |
| | Dr. Rikhab C. Jain (Chairman) |
| | Shri V.R. Mehta |
| | Shri Navratan Dugar |
| | Shri Sanjay Kumar Jain (Managing Director) |
| | Dr. (Prof.) V.K. Kothari |
| | Smt. Jyoti Jain, (Jt. Managing Director) |
| Vice President (Finance) & Company Secretary | Shri Sunil Mahnot |
| Statutory Auditors | DOOGAR & ASSOCIATES |
| Internal Auditors | R.S. Modi & Co. |
| Bankers | A.Consortium : ORIENTAL BANK OF COMMERCE PUNJAB NATIONAL BANK B.Others: STATE BANK OF MYSORE STATE BANK OF HYDERABAD STATE BANK OF INDIA |
| REGISTRAR & SHARE TRANSFER AGENTS | BEETAL FINANCIAL AND COMPUTER SERVICES PVT. LTD. 99, MADANGIR, BEHIND LOCAL SHOPPING CENTRE, DELHI - 110 062 Ph.: 011-29961281 Fax : 011-29961284 E-mail: beetal@beetalfinancial.com |
| Registered Office | T.T. GARMENT PARK, 879, Master Prithvi Nath Marg, Karol Bagh, New Delhi - 110 005 Phone : +91-11 - 45060708 Fax : +91-11 - 45060741, 23632283 E-mail : export@tttextiles.com Web site : www.tttextiles.com |
| Branches | Kolkata, Avinashi, Gajroula, Rajula |
| Mills/Factories | Gajroula (Uttar Pradesh), Avinashi, Distt. Tirupur (Tamil Nadu), Rajula, (Pipavav Port, Gujarat) |
| Share Holders' information visit | www.tttextiles.com. |



DIRECTORS' REPORT

Your Directors have pleasure in presenting the 32nd (Thirty Second) Annual Report of the Company together with the Audited Accounts for the year ended March 31, 2011.

FINANCIAL RESULT

| | 2010-2011 (Rs. In lakh) | 2009-2010 (Rs. In lakh) |
|---|----------------------------|----------------------------|
| Sales | 48662.65 | 35360.33 |
| Profit before interest, Depreciation, and Tax | 5866.17 | 3467.72 |
| Financial Charges | 2341.00 | 1908.97 |
| Depreciation | 1128.14 | 955.58 |
| Provision for Income Tax/Deferred Tax | 817.58 | (-) 444.09 |
| Profit / Loss after Tax | 1579.45 | 1047.25 |
| Balance brought forward from previous year | (-) 254.59 | (-) 1301.84 |
| TOTAL | 1324.86 | (-) 254.59 |
| Appropriation | | |
| Dividend & Distribution Tax | 250.68 | NIL |
| Transferred to General Reserve | 700.00 | NIL |
| Balance Carried forward | 374.18 | (-) 254.59 |
| TOTAL | 1324.86 | (-) 254.59 |

DIVIDENDS

Your Directors have pleasure to recommend dividend @ 10% (Re 1 per share) for the year 2010-11 (Rs. NIL for 2009-10).

REVIEW OF OPERATIONS

The year 2010-11 was the best year ever for your company. Its turnover grew from Rs.354 crore to Rs.487 crore i.e. a 38 % increase. Its profit before deferred taxes went up by 297%. Your company was able to use its strengths to leverage the turn round in the global economy and make the most of it. There was an unprecedented rise in raw cotton prices due to a demand-supply mismatch arising from crop failures in Pakistan/China, which had a cascading impact on the entire textile chain. The integrated nature of the company made it benefit from the same and post an all time high net profit of Rs.15.79 crores.

Your company has shifted emphasis in this year and will keep doing so, in future as well, from commodity based Fibre to more value added segments of the textile chain. In line with having a more balanced and stable product portfolio and a balanced market between domestic and exports - the Company has entered into an agreement to sell its ginning/oil undertaking in Gondal, Gujarat for Rs 18.75 crores and invest Rs 150 crores into yarn, fabric and garments Production. It also plans to sell its other ginning factory based in Rajula to exit the volatile commodity type cotton fibre business in total and focus on more stable value added business.

The Company has increased turnover of its knitwear segment by 50% this year despite the very difficult situation in the market due to all time high rise in yarn prices resulting in lower to flat growth rates in consumption. The Company doubled its advertisement budget and introduced many new products in the kids and ladies segment of inner and casual wear. It also launched online shopping through its website www.ttgarments.com.

The major steps taken by the Company in this year were:

- Greater emphasis on domestic sales both in absolute terms and as a percentage of total turnover.
- More focus on value added products like innerwear and casual wear.
- Brand building through electronic and print media to give boost to domestic sales.
- Reduced exposure to commodity business like raw cotton fibre
- Increasing internal capacity of fabric and other backward integrated segments to realize higher added value.
- Setting up exclusive "T T" shops to come closer to the final consumer and establish presence in the growing retailing business.
- Introduction of new, value added products by entering the premium segment of garments under brand name "COCO TREE" and organic products viz. "Green range".
- Tying up with all the major organized retail chains to establish presence in the fastest growing distribution channel.
- Introduced value added yarn like Organic and Recycled products. Your company is also in the process of getting Fair Trade Registration.

All these measures has made the Company achieve highest ever profitability and profit in both absolute and percentage terms.



The Company would have performed much better, but was inhibited due to sudden changes in Government policies. The Government suspended exports of yarn from December 1, 2010 to March 15, 2011 leading to a significant loss in export revenues. Export incentives were also removed on yarn during the year leading to lower margins. Further in March 2011 the Govt imposed excise duty on garments leading to loss of sales for March 2011 for that segment. However despite the above issues, the company was able to perform well.

It also completed the implementation of its ERP system. This marked a significant step towards more efficient system and internal controls of sales, purchases, inventory and finances.

FUTURE OUTLOOK

Cotton and yarn prices reached an all time high in a very short period. This has lead to shifting in demand to other fibres and also price elasticity of demand has come into play. The first quarter is going to be challenging as there is an expected correction in prices due to the Projected bumper crop of cotton in 2011-12 and slow down in demand due to high prices. Your company has brought down its inventory levels and is moving slowly and with due caution till things stabilise in the coming days

The strength of India as a country is growing in the global textiles world in the cotton segment. After a stagnant first quarter, high growth rates are expected as consumption picks up once prices settle down and consumers come back to the market to spruce up the dwindled pipeline inventory.

The Government had suspended the Textile Upgradation Fund (TUF) in May 2010, and reinstated the same in April 2011. This scheme is operative till March 2012. Your Company has chalked out a Rs 150 crore expansion plan to take advantage of the scheme. It is investing Rs 25 crore in a garment manufacture unit in Tirupur, Rs 100 crore in spinning facility in Rajula, Gujarat and Rs 15 crore in a PP yarn facility in Gajroula, UP and the balance Rs 10 crore for modernisation of existing facilities.

Your company also plans to double its advertisement budget in the coming year. It will leverage brand strength and focus on more value added products in its knitwear category to capitalise on the booming domestic demand.

We are confident that your Company is set to achieve new heights. We are glad that the management's policy of dynamic adaptability has paid dividends and set the path of strong and fast growth. Our emphasis on high margin business and focus on stable business portfolio can be expected to show positive results for the Company and its stake holders.

DIRECTORS

Shri V. R. Mehta and Smt. Jyoti Jain retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

DIRECTORS' 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 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 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

The Company is committed to maintain the highest standards of Corporate Governance and adherence to the Corporate Governance requirements set out by SEBI.

A separate report on Corporate Governance alongwith Auditor's Certificate on its compliance is annexed to this 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 is presented as a separate section forming part of 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.

Auditors observation in Clause (f) of Audit Report is explained in note no.B-7 to Schedule 15-Notes to Accounts

**PUBLIC DEPOSITS**

The company has not accepted deposits from public. 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

Information as per Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are given in the statement which forms a part of this report. However as per the provisions of section 219(I) (b) (iv) of the Companies Act, 1956, the report and accounts are being sent to all shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining a copy of the particulars may write to the Company's Registered Office.

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.

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. The Directors look forward to a bright future with confidence.

For and on behalf of the Board
Sd/-

(Dr. RIKHAB C. JAIN)
CHAIRMAN

Place: New Delhi
Date: 11.07.2011

Brief Profile of Directors to be Reappointed**Shri V. R. Mehta**

Shri Mehta aged 77 years has an experience of 55 years. He holds an Honours degree in Engineering.

Shri Mehta served the Government of India in the Ministry of Shipping & Transport and Railways.

Mr. Mehta has served for 14 years as a Senior Expert in the Asian Development Bank, Manila. Later he has been providing short-term consulting services to the World Bank, Washington and the African Development Bank, Abidjan/Tunis.

Mr. Mehta's experience covers a very wide range of spectrum including evaluation, funding and implementation of Infrastructure projects, Development Banking and Financial Management, General Management and Administration. Mr. Mehta has worked with multilateral development banks.

Some notable features of Mr. Mehta's work experience and background are:

- Was the founder Managing Director (then designated as Director-in Charge) of the Dredging Corporation of India;
- Was Joint Secretary, Government of India, Ministry of Shipping and Transport;
- Was Chief Administrative Officer and Chief Controller of Stores & Purchases in Indian Railways
- Was a member of the high-powered Expert Group of the Ministry of Environment & Forests, Government of India for central clearance of all infrastructure projects of the country.
- Was also a member of the Maritime Economists' Group of UK at the London School of Economics, London.

Mr. Mehta has also served or is serving as a Director on the Boards of some major public/private sector companies.

Mr. Mehta has also been active in social and humanitarian work. He is Executive President, Bhagwan Mahaveer Vikalang Sahayata Samiti, Jaipur and founder President of the Mahaveer Philippines Foundation, Manila, that are both devoted to free fitting of Jaipur Foot artificial limb to amputees.

Smt. Jyoti Jain

Smt. Jyoti Jain aged 40 years has 18 years experience in the Hosiery Industry. She is a Post Graduate in Marketing and Sales Management from NIFT Garments Technology.

She is looking after designing and marketing of garments business of the Company.