



T.T. Silver Bell Ceremony 2016

25 Years Public Listing at BSE Since 1990



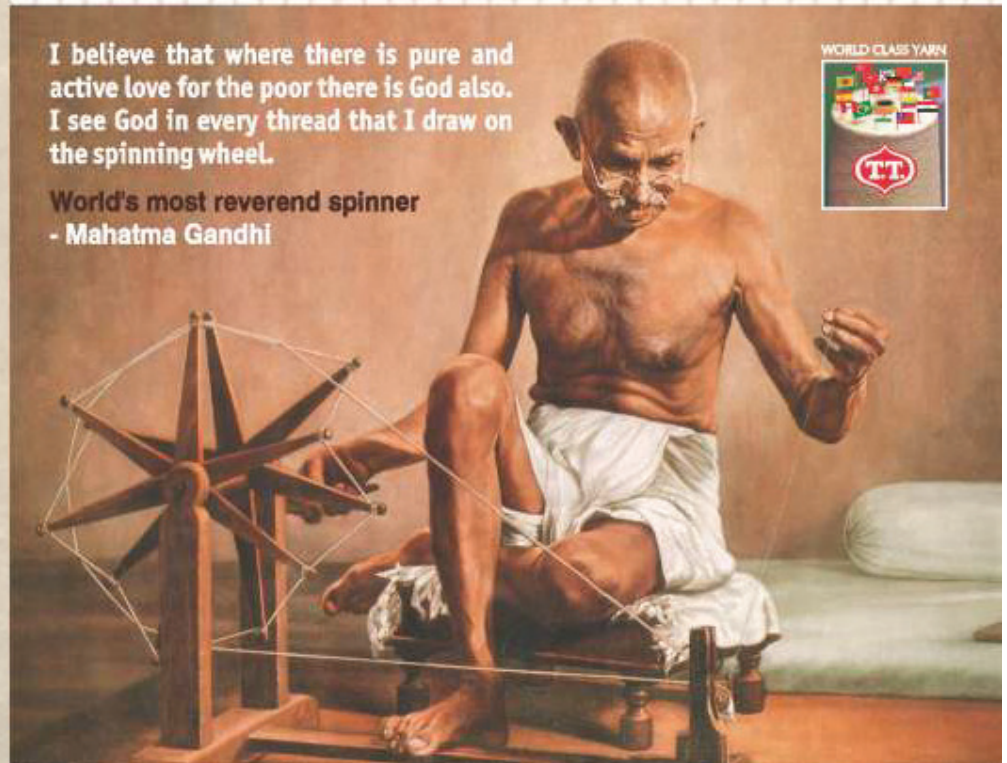
T T LIMITED

ANNUAL REPORT 2015-2016



I believe that where there is pure and active love for the poor there is God also. I see God in every thread that I draw on the spinning wheel.

World's most reverend spinner
- Mahatma Gandhi



OUR CUSTOMER POLICY (INSPIRED BY MAHATMA GANDHI)

A customer is the most important visitor to our Premises. He is not dependent on us. We are dependent on him. He is not an interruption in our work. He is the purpose of it. He is not an outsider to our business. He is a part of it. We are not doing him a favour by serving him. He is doing us a favour by giving us an opportunity to do so.

BUSINESS PHILOSOPHY: FAIR DEAL BUSINESS

- Fair to all Customers, Consumers, Suppliers, Buyers, Dealers, Workers, Community and Society at large.
- Customer's profit first, our's next.
- Quality first, profit next.
- Goodwill first, profit next.
- Excellence first, profit next.
- Best of the world technology first, profit next.
- India first, profit next.
- Employee's Welfare.



HIGHLIGHTS OF T.T. GROUP

- T.T. Group operating since 1947 is a vertically integrated front running Textile Company.
- T.T. Group sells Raw Cotton, Yarn, Fabric, Garments, Agricommodities & Animal Feed in more than 65 countries of the World .
- T.T. Ltd. was the first knitwear company to be listed in India.
- T.T. is a public owned corporation having production facilities at multiple locations in India.
- T.T. has a Fair Trade Policy & is well appreciated by all stake holders including Customers, Consumers, Suppliers, Buyers, Dealers, Workers, Community & Society at large.
- T.T. Group ensures legal, social compliance and follows all Govt. norms.
- T.T. is an ISO certified Company.
- T.T uses Wind Power for most of its power requirements (also it ensures pollution control initiatives).



2016



Silver Bell Ceremony 2016

Held on 24th February, 2016



Shri Rikhab C. Jain (Chairman)
Addressing the gathering



Shri Sanjay Jain
(Managing Director)



Smt. Jyoti Jain
(Joint Managing Director)



Shri Navratan Dugar
(Director)



Shri V.R. Mehta
(Director)



Shri Sunil Mahnot
(Director Finance & CFO)



Dr. (Prof.) V.K. Kothari
(Director)



Shri Mahesh C. Mehta
(Director)



Shri D.R. Mehta
(Ex. SEBI, Chairman) Chief Guest of the Occasion



**Company Information****T.T. LIMITED**

CIN NO.L18101DL1978PLC009241

BOARD OF DIRECTORS**Dr. Rikhab C. Jain (Chairman)**

Shri Sanjay Kumar Jain (Managing Director)

Smt. Jyoti Jain (Jt. Managing Director)

Shri V.R. Mehta

Shri Navratan Dugar

Dr. (Prof.) V.K. Kothari

Shri Mahesh C. Mehta

Shri Sunil Mahnot (Director Finance & CFO)

COMPANY SECRETARY

Miss Sheenu Jain

STATUTORY AUDITORS

DOOGAR & ASSOCIATES

INTERNAL AUDITORS

R.S. Modi & Co.

BANKERS

A. Consortium :

ORIENTAL BANK OF COMMERCE

PUNJAB NATIONAL BANK

B. Others:

INDIAN BANK, STATE BANK OF MYSORE

STATE BANK OF HYDERABAD, STATE BANK OF INDIA

LEGAL ADVISOR

Shilpi Jain Sharma, Advocate

**REGISTRAR & SHARE
TRANSFER AGENTS**

BEETAL FINANCIAL AND COMPUTER SERVICES PVT. LTD.

99, Madangir, Behind Local Shopping Centre, Delhi - 110 062

Ph.: 011-29961281, E-mail: beetal@beetalfinancial.com

REGISTERED OFFICE**T.T. GARMENT PARK**

879, Master Prithvi Nath Marg,

Karol Bagh, New Delhi - 110 005

Phone: 011-45060708, E-mail : newdelhi@ttlimited.co.in

Toll Free : 18001035681

Web site : www.ttlimited.co.in

CORPORATE IDENTIFICATION NO.

L18101DL1978PLC009241

BRANCHES

Kolkata, Avinashi, Gajroula, Rajula

MILLS/FACTORIESGajroula (Uttar Pradesh), Avinashi, Distt. Tirupur (Tamil Nadu),
Rajula, (Pipavav Port, Gujarat)**SHARE HOLDERS' INFORMATION**visit www.ttlimited.co.in investors@ttlimited.co.in



DIRECTOR'S REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 37th (Thirty Seventh) Annual Report of the Company together with the Audited Accounts for the year ended March 31, 2016.

FINANCIAL RESULTS

Sales / Income from operations
Profit before interest, Depreciation and Tax
Financial Charges
Depreciation
Provision for Income Tax / Deferred Tax
Profit / Loss after Tax
Balance brought forward from previous year
TOTAL
Appropriation:
CSR Expenditure
Dividend & Distribution Tax
Transferred to / from General Reserve
Balance Carried forward
TOTAL

2015-16 (Rs. In lakh)	2014-15 (Rs. In lakh)
69954.41	67919.11
5070.07	6111.72
3282.66	4012.60
1457.05	1483.64
114.96	211.17
215.40	404.31
280.30	408.97
495.70	813.28
—	25.02
129.37	257.96
100.00	250.00
266.33	280.30
495.70	813.28

2. DIVIDEND

Your Board recommend dividend @ 5% (Rs.0.50 per share of the face value of Rs. 10/- each) on the paid up Share Capital of the Company for the year ended 31st March, 2016.

3. REVIEW OF OPERATIONS

The year 2015-16 was one of the most difficult years. There was a clear mismatch in demand supply across the textile chain that lead to a very difficult scenario. Unlike 2008-09 and 2011-12 where fall in prices lead to slow down, here despite range bound cotton fibre prices, yarn and fabric prices slid down due to poor demand. The flat consumer demand for garments in India also provided no relief as brands struggled to maintain market share by aggressive promotions that hurt the bottom line.

There has been a lot of talk of Indian consumerism, however things are still yet to translate for the textile industry. The poor monsoons, weak rural demand, overall poor consumer sentiments lead to a poor consumer demand in India, which impacted demand across the chain. The slow and uncertain global economy could give no relief.

Internationally slowing down of China lead to poor cotton yarn off take and put pressure on mills to reduce prices to offload goods and for most part of the year had to sell below breakeven levels. Further the Central Government has totally withdrawn all incentives for yarn, and restricted it to the value added products which has further aggravated the spinning industry problems.

The Company restructured its wind mill portfolio by offloading its Tamil Nadu windmills which were suffering due to poor evacuation by the local electricity board and replaced it by a wind turbine in Gujarat with much better potential and more gains due to higher rates in the State.

However the silver lining has been the growth in volumes in all its business segments by 10 to 15%. The turnover moved marginally due to fall in prices from Rs.666 Crores to Rs.680 crores however we were able to make headway in a flat and slow market. This is expected to reap good fruits as margins improve in the coming year.

4. FUTURE OUTLOOK

As we enter the New Year we start with a lot of optimism. Global Growth is picking up and India has most probably seen its bottom. Textile and clothing demand is expected to pick up and the Company is well poised to take advantages of it. Green shoots are already visible as we have started the year with better demand and prices have moved by 5% and are still strong.

Company has no major expansion plans for 2016-17. It only proposes to do some balancing and modernization to improve margins. The Company wants to consolidate and reduce its leveraging to create a strong base for picking up new growth ideas for 2017-18.

With growth picking up domestically and inflation settling down, we expect consumers' demand to grow at a globe pace. The biggest hope is the expected good monsoons, which would give us a good cotton crop and kick start rural demand.

The Company's main focus this year is going to be its value added garments division, where many new products are being added and new markets / channels are being activated. Its new slogan - "Ache Lage, Ache Dikhe" has made a buzz in the market and has created a direct contact with consumer. Online sales and sales to institutional and large retail format customers is also growing. The Company is seeing good response to its casual wear range, which is helping it get out of the innerwear perception.

Another positive is the falling interest rate regime. This coupled with the repayment of debt would reduce the Company's interest burden and improve profitability.

We don't plan any expansion in yarn business, however we are focusing on better realisations/margins by selling more in domestic market and producing value added yarns like slub, compact and organic.



focused on the value added segment and domestic sales which will de-risk the business and bring in more stability to turnover and margins. We are confident of growing our brand in the garment segment and gaining market share in the years to come.

The market has turned the bottom of the curve and is slowly moving ahead. The worst is behind us, as we work towards a better future.

5. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As part of its initiatives under "corporate social responsibility" (CSR), the Company has contributed funds for the schemes of eradicating hunger and poverty, promotion of education and medical aid. The contributions in this regard have been made to the registered trust which is undertaking these schemes.

The Annual Report on CSR activities is annexed herewith as: Annexure B.

6. RISK MANAGEMENT

The Board of Directors in their meeting held on 11th November, 2014 had constituted Risk Management Committee of the Company. The committee has formulated Risk Management Policy of the Company which has been subsequently approved by the Board of Directors of the Company. The aim of risk management policy is to maximize opportunities in all activities and to minimize adversity. The policy includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

The Risk Management Policy may be accessed on the Company's website at the link <http://www.tttextiles.com/investor/corporate-news-announcements>

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal Audit functions reports to the Chairman of the Audit Committee and to Chairman and Managing Director of the Company.

The Internal Audit monitors and evaluates the efficiency and adequacy of Internal control systems in the company. It's compliances with operating systems, accounting procedure and policies at all locations of the Company.

8. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

9. RELATED PARTIES TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Management Personnel or other designated persons which may have potential conflict with interest of the Company at large.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Smt. Jyoti Jain (DIN: 01736336), retire by rotation at the ensuing Annual General Meeting and being eligible offer herself for reappointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149 (6) of the Companies Act, 2013 and Regulation of the Listing Agreement.

During year under review, Miss Bulbul Daga has resigned from the post of Company Secretaryship and Miss Sheenu Jain has been appointed as Company Secretary of the Company.

11. BOARD OF DIRECTORS MEETING

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

12. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3)(c) of the Companies Act, 2013, your Directors report as under:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) 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.
- c) 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.
- d) That the Directors have prepared the annual accounts on a going concern basis.
- e) That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- f) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



13. BOARD EVALUATION

Pursuant to the provisions of the Company's Act, 2013 and Regulation 17(10) of the Listing Agreement, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration committees. The evaluation was done by way of discussions on the performance of the Non-Independent Directors, Chairman and Board as a whole.

14. REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

15. PUBLIC DEPOSITS

Company is having outstanding Fixed Deposit as on 31.03.2016 amounting to Rs.53.18 Lakh which being repaid as and when due and the entire will be repaid before 31st March, 2017.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

The Company has not given any loan or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

17. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviours of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website www.ttlimited.co.in

18. AUDIT COMMITTEE DISCLOSURES

Composition

The Audit Committee consists of Shri Navratan Dugar, Independent Director, Shri V. R. Mehta, Independent Director, Dr. (Prof.) V. K. Kothari, Independent Director and Shri Sanjay Kumar Jain, Managing Director. Shri Navratan Dugar is the Chairman of the Committee and Ms. Sheenu Jain, is Secretary of the Committee. All the recommendations made by the Audit committee were accepted by the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company, which also incorporates a Whistle Blower Policy in terms of the Listing Agreement aims to provide a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism also provide for direct access to the Chairman / Chairman of the Audit Committee in exceptional cases. The policy of Vigil Mechanism and Whistle Blower Policy as approved by the Board may be accessed on the Company's website at the link: <http://www.tttextiles.com/investor/corporate-news-announcements>

19. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board of Directors and the designated employees have confirmed compliance with the code.

20. EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st March, 2016

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of companies (Management and Administration) Rules, 2014 for the financial year 2015-16 in Form No. MGT-9 is annexed hereto and form part of this report as Annexure – D.

21. AUDITORS AND AUDITORS' REPORTS:

a. Statutory Auditor:

At the Annual General Meeting held on 9th September, 2015 M/s Doogar & Associates, Chartered Accountants, New Delhi were appointed as Statutory Auditors of the Company to hold office till the conclusion of 37th Annual General Meeting of the Company. In terms of provisions of Section 139 (1) of the Companies Act, 2013, the appointment of Statutory Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Doogar & Associates, Chartered Accountant as Statutory Auditor is placed for ratification by the members.

Further, the Statutory Auditors of the Company have submitted Auditors' Report on the Accounts of the Company for the accounting year ended 31st March, 2016. This Auditors' Report is self-explanatory and requires no comments.

b. Secretarial Auditor

M/s DMK Associates, Company Secretary in Practice, were appointed as Secretarial Auditors of the Company by the Board of Directors of the Company in their meeting held on 13th May, 2015 for the financial year 2015-16.

The Secretarial Auditors of the Company have submitted their Report in form No. MR- 3 as required under Section 204 of the Companies Act, 2013 for the financial year ended 31st March, 2016. This Report is self explanatory and requires no comments. The Report forms part of this report as Annexure – C.

**c. Cost Auditor**

The Board of Directors has appointed M/s K. L. Jaisingh & Co., Cost Accountants, New Delhi as the Cost Auditors of the Company to conduct Cost Audit of the Accounts for the financial year ended 2016-17. However, as per provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Record and Audit) rules, 2014, the remuneration to be paid to the Cost Auditors is subject to ratification by members at the Annual General Meeting. Accordingly, the remuneration to be paid to K. L. Jaisingh & Co., Cost Accountants, New Delhi for the Financial Year 2016-17 is placed for ratification by the members.

22. AWARDS AND RECOGNITION

During Financial Year 2015-16, Company has got the following recognition and award :

- ✓ "T T" Brand has been awarded India's Most Promising Brand 2015 by World Consulting & Research Corporation Ltd.(WCRC) on 21st November 2015 at Grosvenor Square Hotel, London.
- ✓ Company has celebrated the completion of 25 years of public listing by ringing the Silver Bell in Bombay Stock Exchange on 24th February 2016.

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

Energy Conservation continues to be an area of major emphasis in our Company. Efforts made to optimize the energy cost while carrying out manufacturing operations.

The information required to be furnished under section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 2014 relating to Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo is **annexed "A" herewith** and forming part of this report.

24. PARTICULARS OF EMPLOYEES

Information as per Section 134 of the Companies Act, 2013 read with Companies (Particulars of Employees) Amendment Rules, 2011 are given in the statement which form a part of this report. However as per the provisions of section 136 of the Companies Act, 2013, 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.

25. INDUSTRIAL RELATIONS

During the year under review, your Company enjoyed cordial relationship with workers and employees at all level.

26. 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.

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

27. MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Agreement, 2015 with the stock exchanges is presented as a separate section forming part of this report.

28. GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

- a. Details relating to deposits covered under Chapter V of the Act.
- b. Issue of equity shares and differential rights as to dividend, voting or otherwise.
- c. Issue of Shares (including sweat equity shares) to employees of the Company under any scheme.
- d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- e. Company does not have any subsidiary.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

29. ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation of the services rendered by the employees of the Company. They are grateful to shareholders, bankers, depositors, customers and vendors of the company for their continued valued support. The Directors look forward to a bright future with confidence.

Place: New Delhi
Date: 11.05.2016

For and on behalf of the Board
Sd/-
(Dr. RIKHAB C. JAIN)
CHAIRMAN

**ANNEXURE "A" TO THE DIRECTORS REPORT**

Information pursuant to the Companies (Disclosure of Particulars) in the Report of the Board of Directors Rules, 2014.

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 that have been taken are:
 - i) Due to abnormal increase in HSD prices, company has decided to utilise maximum extent electricity supplied by Grid instead of own generation. More and more open access opportunities and third party power purchase are explored.
 - ii) Company has disposed off Wind Mills in Tamilnadu due to poor evacuation leading to high generation cost. During year, company has installed 2.1 MW latest technology Wind Turbine Generator in Gujarat with high generation.
 - iii) In order to save power, Company has replaced normal tube lights with LED lights.
 - iii) Company is planning to install Solar Power plants offline for captive consumption within each Spinning Mills. However we wait for competitive solar technology as present plant costs are uneconomical.
 - iv) Company continuously upgrading its plant and machineries so that energy requirement of per unit production can be minimised.
- 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 is that the same would result in reduction in energy consumption in future years and increase in productivity.
- d) Total energy consumptions, energy consumption per unit of production:

(A) Power and fuel consumption

	2015- 2016	2014- 2015
1) Electricity (KWH)		
a) Purchased (Units)	64075835	58494549
Total Amount (Rs)	473047181	358301651
Rate per unit (Rs)	7.38	6.13
b) Own Generation		
Through Diesel Generator		
Units	1956542	2991117
Units per Ltr. Of Diesel Oil	3.34	3.43
Cost/Unit	14.12	15.77
2) Coal	Not used	Not used
3) Furnace Oil	Not used	Not used
B. Consumption per unit (Yarn in Kg) of production / Electricity	3.86	3.89

(B) RESEARCH AND DEVELOPMENT

- a) Specific, areas on which R & D carried out by the Company: Research and Development has been carried out for quality improvement of company's products.
- b) Benefits derived as a result of the above R & D: The company was able to improve the quality of its products i.e. cotton yarn & ready made garments.
- c) Future plan of action: Continuous efforts are being made for quality improvement.
- d) Expenditure on R&D: The Company is not maintaining separate account for the expenditure incurred on R&D.

C. TECHNOLOGY ABSORPTION:

Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire Research & Development activities are directed to achieve the aforesaid goal.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review your Company has exported goods worth Rs.433 Crores. The details of foreign exchange earnings and outgo are given in the Notes to the accounts which form a part of the Annual Report.

For and on behalf of the Board

Sd/

(Dr. RIKHAB C. JAIN)
CHAIRMAN

Place: New Delhi
Date: 11.05.2016