

IT'S TIME

Sangam (India) Limited | Annual Report 2010-11



Forward-looking Statements

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words like ‘plans’, ‘expects’, ‘anticipates’, ‘believes’, ‘intends’, ‘estimates’, or other similar expressions as they relate to Company or its business are intended to identify such forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company’s actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements, on the basis of any new information, future event, subsequent development or otherwise.

What’s inside?

Sangam at a Glance –	2
It’s time –	5
Figures and trends –	6
Chairman’s Review –	8
Think Brands –	11
Think Young –	13
Think Elegance –	15
Think Ahead –	17
Management Discussion and Analysis –	18
Director’s Report –	26
Corporate Governance –	31
Financial Section –	37



GOOD CLOTHES

OPEN ALL DOORS.

- Thomas Fuller

SANGAM

AT A GLANCE

Established in 1984, by Shri RP Soni, a first generation entrepreneur and a technocrat

We are among the leading textiles companies in India with presence in PV (polyester viscose) dyed yarn and fabrics

With 25 per cent market share in India, we are the leaders in PV dyed yarn segment



Products portfolio

Yarns
Woven fabrics
Denim
Home furnishings
Wind power

Geographical presence

Corporate office :
Mumbai, Maharashtra

Registered office

Bhilwara, Rajasthan

Manufacturing facilities

Biliya, Bhilwara
Sareri, Bhilwara
Atun, Bhilwara

Brands

- Sangam
- Sangam Yarns
- Anmol
- Laurel

People

~6500 employees as on 31.03.2011

Marketing network

100 dealers and 1000 retailers across the country


Listings

Our shares are listed on the Bombay Stock Exchange (Stock code – 514234) and National Stock Exchange (Stock code – SANGAMIND).



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India has steadily climbed up the ladder to emerge as the seventh largest as well as second fastest growing economy in the world. In the past decade, the per capita income in the country has increased. More than 50 per cent of the country's population is below 25 years of age and more than 70 per cent are aged below 40 years. More than 40 per cent of Indians are aged below 15 years. India is young, vibrant and full of energy. And the energy is evident in the way they are dressing.

According to a recent survey, Indians are the best dressed in office across the world. The Indians are getting career-oriented and the impact is visible on the clothing. The offices are getting strictly formal, with suits ruling the boardrooms from Mondays to Thursdays. The evenings are getting younger with informal jackets and trousers. Denims have evolved from a style statement to compulsory attire, between the aspiring as well as the achievers. The women-wear segment is also undergoing transitional phase, with the western wear gaining increased acceptance with young and old alike.

In India, apparel is the second largest retail category (behind food and groceries), representing 10 per cent of the \$37 billion retail market. It is expected to grow 12-15 per cent per year as disposable income grows at rates higher than in China or the United States. Burgeoning Indian middle class and increasing penetration of credit cards will drive apparel retail growth in the coming years.

Since 1984, we at Sangam, have steadily built a strong business model, developed synergistic business units and created a credible team. In the previous two years, we have completed our capacity expansion programmes and forayed into new product segments. Having built a respected brand among our dealers and suppliers, we have now initiated our foray into direct retailing space. The future is here and looks highly promising. We are as usual, dressed for the occasion.

It's time...



FIGURES AND TRENDS

Operational highlights

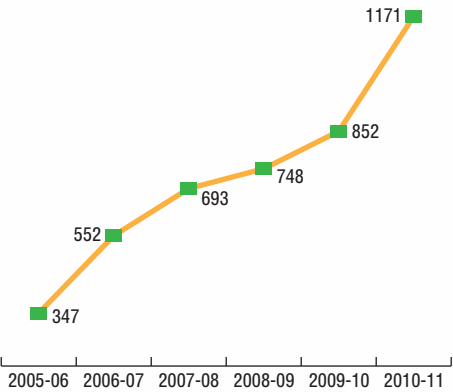
- Total yarn production increased by 7.61 per cent to 50,098 tonnes in 2010-11 from 46,554 tonnes in 2009-10
- Total fabrics production increased by 22.63 per cent to 34.89 mn metres in 2010-11, as against 28.46 mn metres in 2009-10
- On its first full year of production, the company's denim unit contributed 12 per cent to the total revenues
- The company initiated its brand building campaign by signing leading actor, Sunil Shetty and young cricketer, Virat Kohli as Brand Ambassadors for Sangam Suitings

Financial highlights

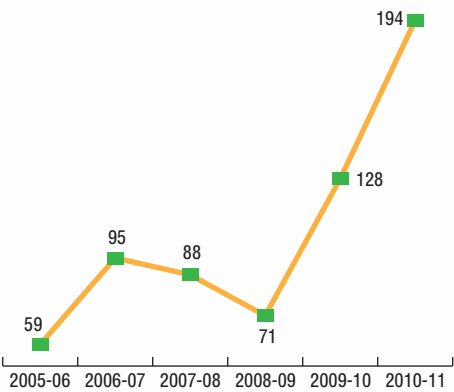
- Net sales up by 37.46 per cent at Rs 1,171.52 crore
- Net profit increased by 229.78 per cent to Rs. 56.59 crore
- EBIDTA up 51.56 per cent to Rs. 194 crore
- EBIDTA margin to 16.56 per cent from 15.11 per cent

Financial trends

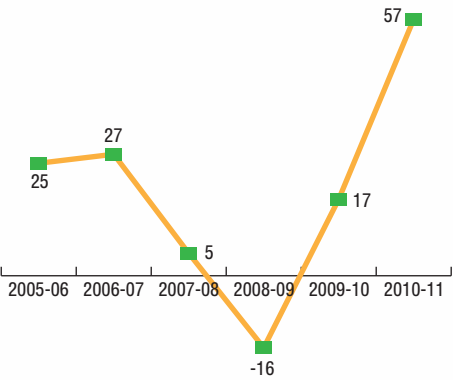
Revenue (Rs. cr)



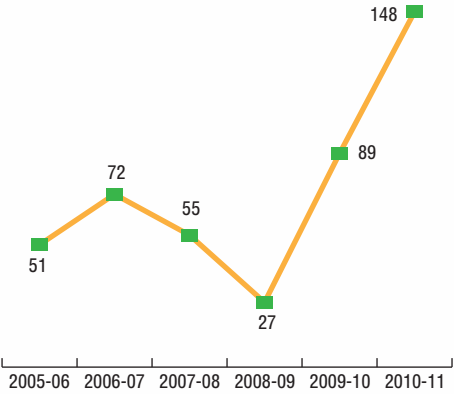
EBIDTA (Rs. cr)



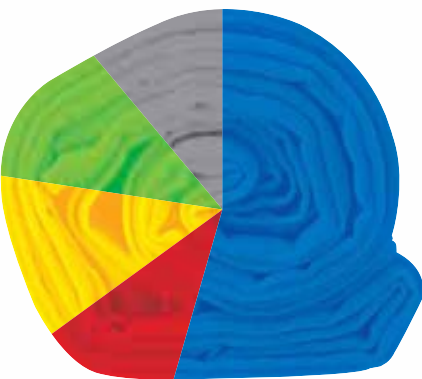
PAT (Rs. cr)



Cash Profit (Rs. cr)



Segmental revenue break-up



- PV Yarn 54%
- Cotton Yarn 10%
- PV Fabric 14%
- Denims 12%
- Flocks and processed Fabrics & Others 10%

Geographical revenue break-up



- Domestic Sales 78%
- Exports 22%

CHAIRMAN'S REVIEW

Mr. R. P. Soni, Chairman of the company, reviews the performance in 2010-11



Are you satisfied with the performance of your company in 2010-11?

During 2010-11, we continued to grow not only as suggested by our financial numbers but also in terms of customers, geographies of presence and product segments. My satisfaction emanates from the fact that we have, in the past few years, made sustained efforts to identify, address and mitigate key risks across our business verticals. Those efforts have started transpiring into numbers. During 2010-11, we breached Rs. 1,000 croremark in terms of our net sales registered a 37.46 per cent increase to Rs. 1,171.52 crore; while our net profit increased by 229.78 percent to Rs. 56.59 crore. What gives me immense satisfaction that the growth has been steady and robust each year, despite challenges relating to the economic pressures and volatile input cost.

The year witnessed volatility in the crude oil prices. How did it impact the company's margins?

The procurement prices of polyester staple fibre (PSF) remained volatile on account of direct linkage with international crude oil prices while VSF prices are closely linked to the international pulp prices. Thus it becomes a core business risk that we have managed to mitigate to large extent over the years, through increased economies, stricter cost controls and efficient inventory management. We have also built an integrated business model that has given us an edge to absorb increased input costs within diverse processes. Our foray into fabrics and branded garments have enabled us command better realisations that has led to improved margins despite volatility. In 2010-11, our EBITDA margins improved from 15.11 per cent to 16.56 per cent despite increase in the evide dependet average input cost.

Cotton prices are expected to remain northward-bound. That presents a huge advantage for the company going forward. Is the growth too dependent on cotton prices?

We believe that building a credible and robust business model can only sustain growth. We were among the fast movers to timely invest in capacities, create integrated business model and a diverse product range in anticipation of increasing demand. Having said that, I agree that in the previous few years, we have been benefited by the surging cotton prices. But that has not the sole reason for the company's growth. We always believed that an attractive market exists for the PV Fabrics in India owing to its diverse geographies, significant number of aspirers with limited income and increasing consumption trends in semi-urban and rural areas. Even in the absence of increased cotton prices, the growth would have been pretty much evident. However, increased cotton prices have just expanded the realm of the people and made growth a bit faster. Strong cotton prices have also increased our price competitiveness of blended yarn vis-a-vis cotton yarn. This helped us to post a 37.46 per cent growth in revenues in 2010-11.

What is the rationale of the company's expansion in denim segment?

Our foray in denim was a part of the larger picture. We have attuned our business model carefully to cater to the youth segment of the country, preferably the age group of 16 to 45 years. We feel that this is the segment that will drive the country's growth in the next two decades and therefore need to be sharply dressed for the occasion. We forayed into suiting fabrics on the same rationale. However, Suiting segment usually cater to age groups 25 and above in India. To tap the segment from 16 and above, it was evident to foray into denim, since for us it was a forward integration. However, our presence in PV and cotton yarns has provided

us a decisive edge to offer a wide range of denim fabrics and finishes. Having completed one full year of operations in denim segment, it was time to expand capacities for better economies and larger market share. As a result, we have embarked on an expansion programme for doubling the denim capacity. Moreover, for better integration, we are also investing in expansion of open-end cotton yarn, the major raw material for denim production. The expansions will be completed by December 2011.

The company is pursuing expansion programme in wake of economic uncertainties, despite rising cost of finance. Has that put pressure on the visibility of earnings for the future?

The sole reason for pursuing this expansion has been our ability to ensure a strong balance sheet. The company has decent surplus cash flows. The cost of finance is a concern and it will be a challenge for us to maintain the project timelines and reduce controllable costs. However, given our track record, I am confident on the team's abilities to deliver despite difficulties.

The company is focusing on building branded products. How is this strategy shaping up?

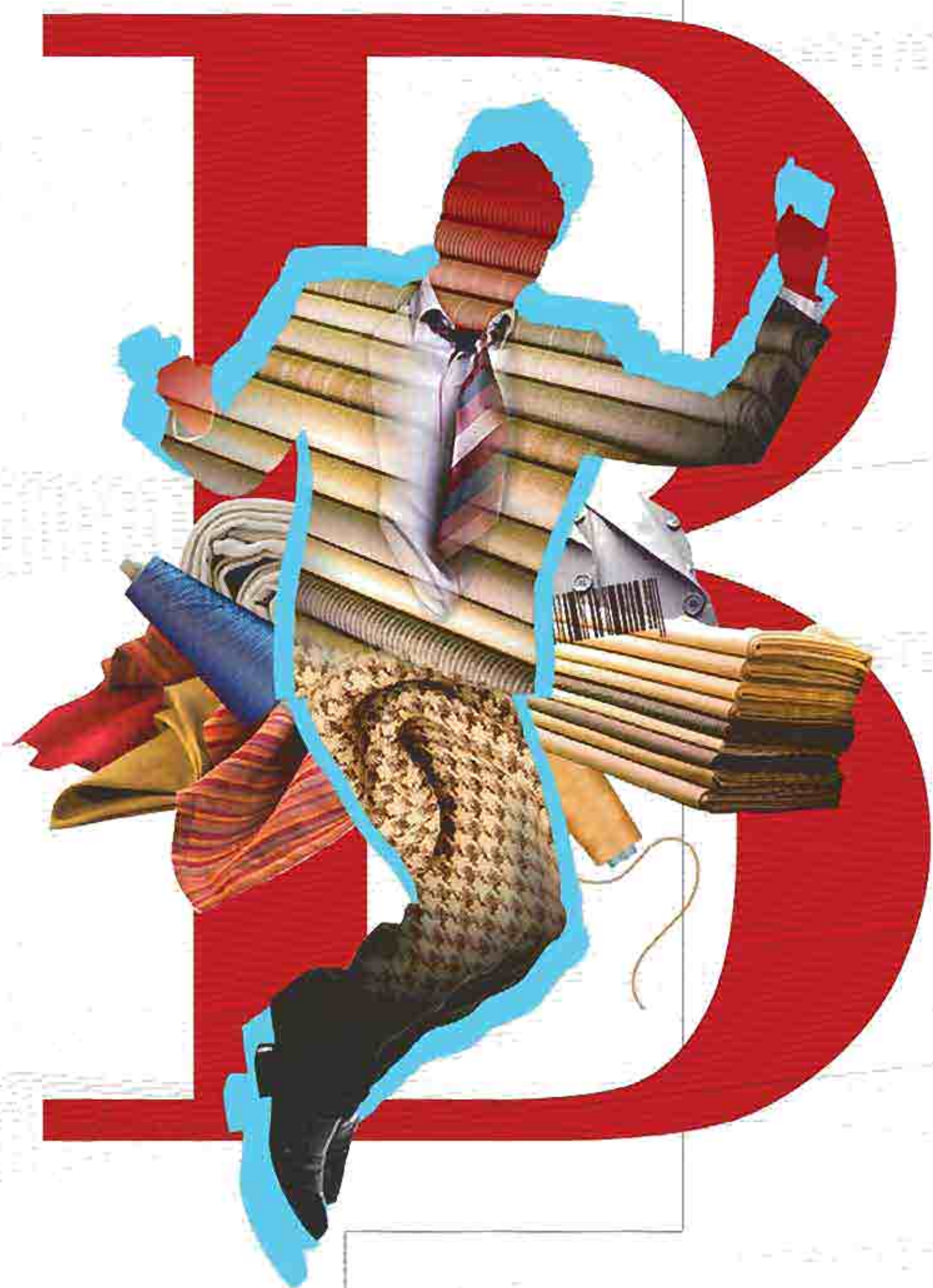
In the fabric space, we have stepped up branding initiatives in a big way. We have launched various sub-brands under the company's flagship brand 'SangamSuitings'. These were 'Savana', 'Lionvita', 'Cavier' and 'Wills & Scott'; all aiming at various customer segments. We feel that 'SangamSuitings', our suiting fabric brand will help us connect our product's value proposition with the aspirations of young consumers in India. Given the huge potential in the segment, we have also aligned ourselves with two of the credible youth icons in their respective fields – Mr. Sunil Shetty, a seasoned actor and Mr. Virat Kohli, an eminent young cricketer. Further, we have launched an exclusive wedding and festival collection of PV blended fabrics under the brand 'Linovita'. The brand was created to tap increased demand during the marriage season. We believe that the branding strategy would not only enable higher product recall among our customers but would also enable us strengthen our realisations going forward.

You have recently ventured into toll collection business as part of your infrastructure foray. What is the rationale behind this non-synergistic foray?

Unlike a textile company, toll projects don't demand continuous capital infusion. However, these toll projects provide sustained earnings. Since we have requisite experience in road projects through our subsidiary company and given that the project is located in proximity to our manufacturing unit in Bhilwara, Rajasthan, we chose to foray into this segment. We won the bid to collect toll from four centres. The toll contract awarded by NHAI is for a period of 12 months, from December 12, 2010. This division posted gross revenues of Rs 519.3 mn and a toll fee of Rs. 505 mn during the first three months of its operations. However, for all purposes, it would remain the non-core business for the company.

What is the outlook for 2011-12?

During 2011-12, we would witness the full impact of the initiatives taken on branding and product diversification during the previous year. We have embarked on a new phase of expansion programme, so the immediate challenge would be to manage the existing operations in wake of on-going expansion in the same units. Our foray into knitting alongwith the strengthening of capacities for existing products would further propel our growth going forward. However on the industry front, we feel the 2011-12 will continue to be a challenging year, given the input cost volatility and increasing cost of finance.

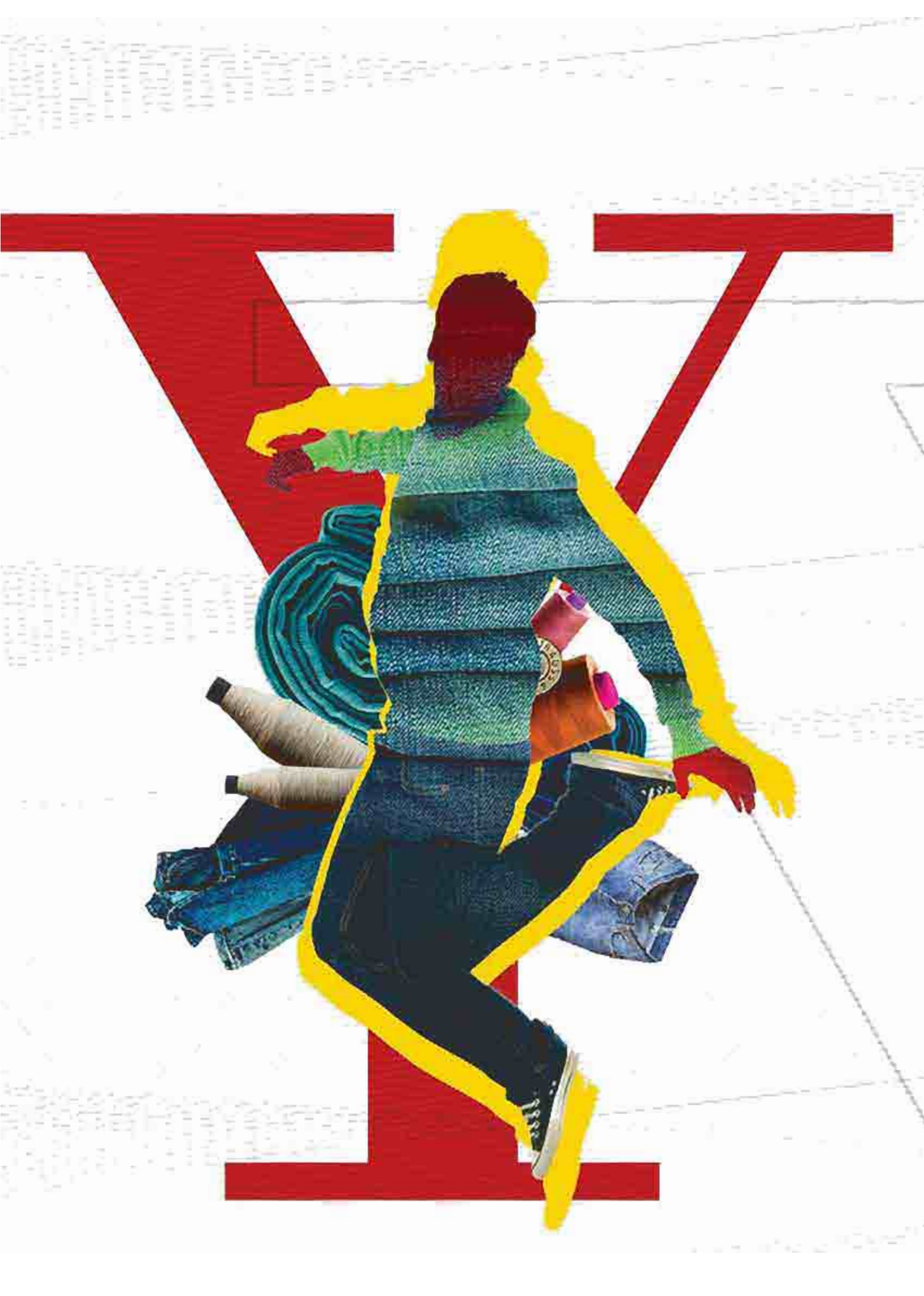


IT'S TIME TO THINK BRAND.

HAVING ESTABLISHED OUR LEADERSHIP IN PV YARN SEGMENT, IT WAS TIME FOR US TO REDEFINE OUR BUSINESS MODEL. WE HAD A CHOICE – EITHER TO REMAIN FOCUSED ON A VOLUME-DRIVEN PRODUCT SEGMENT OR TO DIVERSIFY OUR PRODUCT BASE TOWARDS THE VALUE ADDED PRODUCTS. WE CHOSE THE LATTER.

The opportunity was evident. Traditionally, suits have been limited to the elite and upper middle class sections of the Indian society. Prohibitive pricing was one of the core reasons for this, since as per our understanding, a huge potential existed in the suiting sphere. We initiated the steps to unlock this potential. PV fabrics are most commonly used in formal wear as they are not only affordable but also lend a rich feel and texture to the garment. They can sustain regular wear and tear and yet, don't fade away as cotton. As a result, lots of designers prefer this fabric. We ventured into PV Fabrics manufacturing in 90's. Since the convertors and buyers for producing apparels ultimately used most of our fabrics, we invested in state of the art suiting line.

The next challenge was to communicate the brand legacy. Since Suits are synonymous to aspirations, status symbol and success the world over; it was time to create a strong brand for the Suiting line. In 2010-11, we launched an extensive brand building campaign for Sangam Suitings. To appeal to the segment aged 25 years to 40 years, we chose two eminent youth icons in their respective fields – Sunil Shetty and Virat Kohli. The results have started to translate into numbers. Not only our suiting sales have witnessed an upward trend but also our brand recall has gone up significantly. However, we continue to strengthen our product quality each day, thereby remaining confident of the potential that the segment holds for us going forward.



IT'S TIME TO THINK YOUNG

AS A COMPANY, WE ARE STILL YOUNG. IT'S BEEN 27 YEARS SINCE OUR INCORPORATION AND WE HAVE ALREADY SURPASSED THE RS. 1,000 CRORE BENCHMARK. OUR EXUBERANCE TO THINK AFRESH COUPLED WITH THE RICH EXPERIENCE OF OUR TEAM ENABLES US TO BALANCE OUR AMBITION AND RESPONSIBILITIES WELL. SO BEING A YOUNG COMPANY, IT WAS VERY IMPORTANT TO FOCUS ON HARNESSING THE POTENTIAL CONSUMERISM OFFERED BY A YOUNG AND GROWING INDIA. AS A RESULT, WE CHOSE TO VENTURE INTO DENIM PRODUCTION.

A forward integration of sorts – we evolved from a cotton yarn producer to denim production. The opportunity was very evident. In Bhilwara, considered to be the fabric capital of India, there wasn't a single denim producer. The fabric was sourced from diverse parts of the country. As a result, within two years of setting up the denim capacity, the product segment contributes 12 per cent to our topline. Our ability to offer wide variety of finishes and washes has enabled us to emerge as a preferred supplier to our clients in a short time.

The potential had been unlocked and we anticipated the results in advance.

As a result, we doubled the capacity during 2010-11 to 16 mn meters. To ensure a seamless and continuous business operation, we also strengthened our backward integration for the segment by investing into capacity expansion for texturised and open-ended yarns. These will ensure that the products can be more affordable to the end consumer, yet can maintain healthy margins in events of downturn.



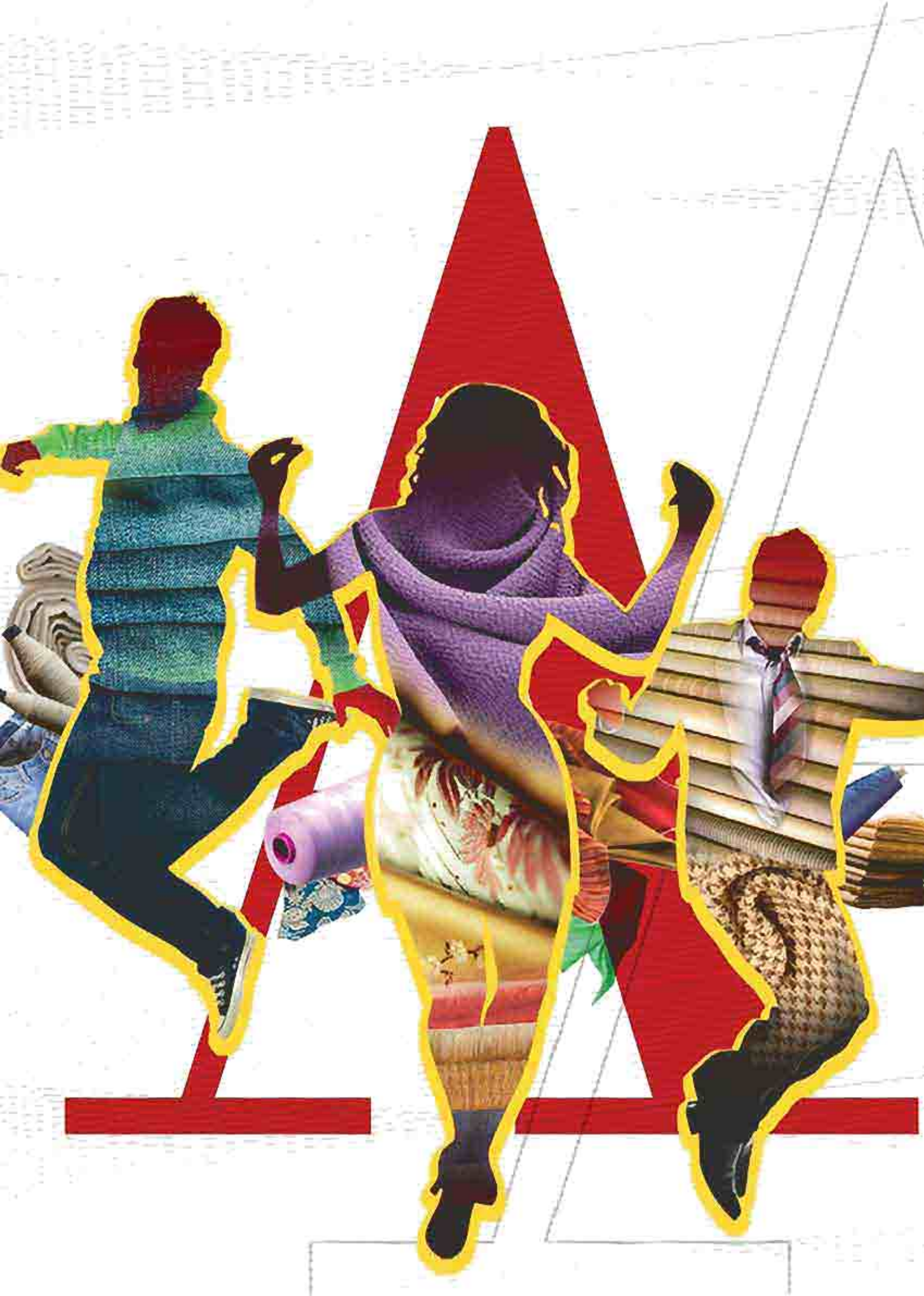
IT'S TIME TO THINK ELEGANCE

IT'S TIME TO THINK IN THE PAST TWO DECADE, THERE HAS BEEN REMARKABLE IN TERMS OF THE SURGE OF INDIAN WOMEN IN THE CORPORATE WORLD. THEY ARE NOT ONLY STEERING THE INDIAN COMPANIES THROUGH ECONOMIC CHALLENGES BUT HAVE ALSO EMERGED AS A SUBSTANTIAL FORCE IN THE GLOBAL CORPORATE ARENA. AT SANGAM, WE UNDERSTOOD THAT GREAT OCCASIONS DEMAND GREATER COMFORT. AS A RESULT, WE FOCUSED ON FORAYING INTO WOMEN WEAR SEGMENT.

Given the comfort, affordability and rich texturisation of PV Fabrics, it has emerged as a preferred trouser fabric for women the world over. We developed various finishes and processes to lend a huge variety to the fashion-conscious women. Since Indian women are highly value conscious, we ensured a wide range of fabrics catering to the formal as well as casual occasions at diverse price points.

Having achieved operational stability in the denim operations, we have widened our product range. Fancy denim is one such exciting product that will connect to the aspiring as well as young Indian women. Our ability to understand and produce creative patterns on the denim fabric has enabled us to carve a niche among the 15-40 years age group women. Going forward, we would introduce more processes and designs for the denim and aim to establish an in-house brand for the same.

Our foray into knitted segments would further enable us capitalise upon the demand for formal and casual women wear. The product segment would be a perfect fit for the PV fabrics as well as denim segment.





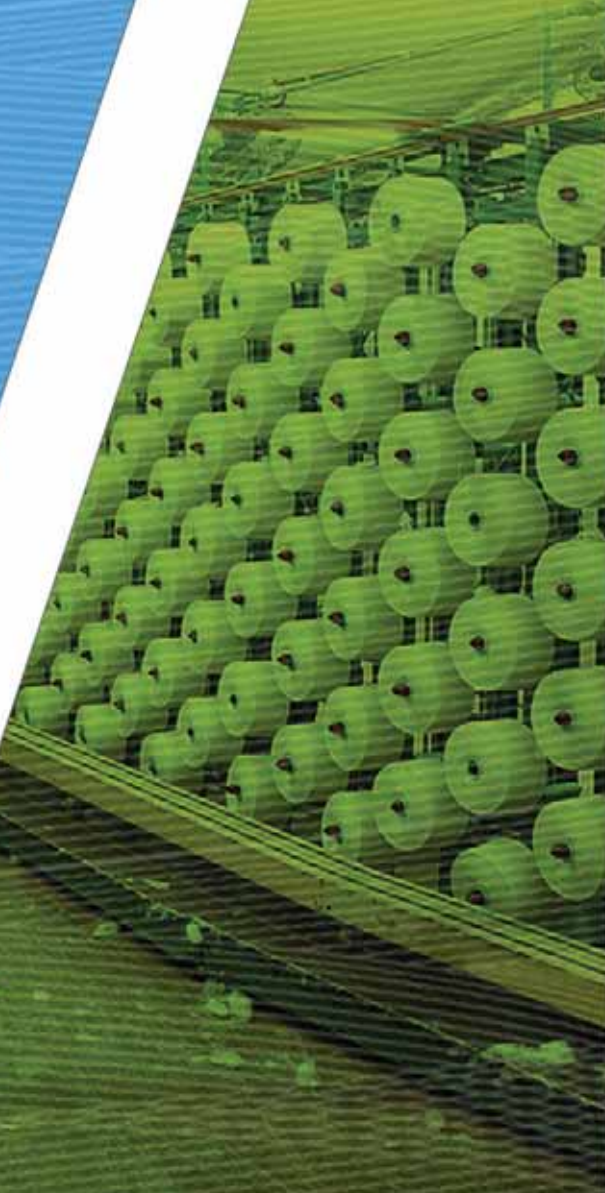
IT'S TIME TO THINK AHEAD

IN THE PREVIOUS TWO YEARS, COTTON PRICES HAVE INCREASED SUBSTANTIALLY RESULTING IN WIDER DEMAND FOR PV BASED FABRICS. THE TIMELY INVESTMENTS IN CAPACITIES AND QUALITY ENABLED US TO RIDE A WAVE OF UPTURN IN THE INDUSTRY WELL. OUR ABILITY TO PROVIDE MORE THAN 3000 SHADES BACKED WITH AN INTEGRATED BUSINESS MODEL, PROVIDED US WITH BETTER REALISATIONS AS WELL AS STRENGTHENED OUR MARGINS. WITH THE COTTON PRICES NOT YIELDING IN THE CURRENT YEAR TOO, WE FEEL THE REPLACEMENT DEMAND FOR PV YARN TO REMAIN STRONG. AS A RESULT, FOR PURSUING THE FUTURE, ONE SIMPLY CAN'T REST ON LAURELS AND ACHIEVEMENTS OF THE PAST. ONE HAS TO START PURSUING FOR THE NEXT.

With our existing capacities running at optimum levels, in 2010-11, we embarked on the next phase of capacity expansion. The programme involves not only strengthening of our existing segments of presence like denim and PV Yarns; but also foraying into a new product segment- Knitting. Since denims and knitwear go hand in hand, it will enable us utilise our existing distributor pipeline more efficiently. In addition, knitwear is increasingly being preferred on Fridays and the weekends, thereby highlighting a strong potential.

The expansion programme has already commenced and would cost the company Rs. 180 crore. The programme will complete by December 2011 and its full impact would translate into numbers by 2012-13. With the completion of our expansion, we would emerge as an integrated player to capitalise on the potential offered by a fast-growing young India. It's time to tighten that belt, facilitate empowerment and make change happen.

MANAGEMENT DISCUSSION AND ANALYSIS



ECONOMIC OVERVIEW

The global economy's inability to gain traction stems from the on-going uncertainty. The on-going European and U.S. sovereign debt issues have had a significant downside impact on the banking system and broader financial markets across the globe. Despite a higher inflation trajectory and turbulences such as the massive Japanese earthquake and tsunami, and social unrest across the Middle East, the global economy is expected to remain strong through 2013. According to the World Bank, global GDP after expanding 3.8 per cent in 2010, is projected to slow to 3.2 per cent in 2011 before firming to a 3.6 per cent in 2012 and 2013.

Meanwhile, in India, the economy is estimated to have grown 8.5 per cent in 2010-11 despite increased challenges such as a high inflation rate - averaging more than 9% compared to the previous year's average of 3.8% and rising costs of fund during the year. The Reserve Bank of India increased its key short-term lending rate, or Repo Rate, seven times from 5 per cent to 6.75 per cent to check the runaway increase in food prices. As per the revised estimates released by the Central Statistical Organisation (CSO), India's GDP at factor cost at constant prices registered an increase of 8.5 per cent in the year 2010-11, a shade lower than the advance estimates of 8.6 per cent.

The growth in India continues to driven by rising income levels that have increased discretionary expenses in both rural and urban India. While GDP growth has hit a soft patch - falling to a five-quarter low of 7.8% during January-April 2011, due to rising prices of food and commodities, India is expected to maintain the growth momentum as consumption and investments continue. The government in July pared its growth projection for 2011-12 to 8.6 per cent, down from 9 per cent. Further, RBI has forecast 8 per cent GDP growth in 2011-12, while most international agencies including the IMF, Fitch and Goldman Sachs have cut their India growth outlook to 7.7-8.2 per cent range.

Rise in Household Income

The latest National Sample Survey (NSS) says that the growth in real expenditure has more than offset the rise in food and commodity prices between 2004-05 and 2009-10 in both urban and rural households. People now spend a higher share of their incomes on personal and household care, garments, durables and services than five years ago. The average spending on food was down to 53.6% of total household expenditure in 2009-10 from 59.4% in 1999-2000. This shows that the overall affluence of the people has improved and the gains of the recent rapid growth reached rural areas as well.

Consumption story continues

Dun & Bradstreet in its economy outlook for FY12 expects the growth in private final consumption expenditure to have improved to 8.2% during 2010-11 from around 7.4% during FY10 with domestic demand conditions recuperating at a rapid pace. Further, growth momentum will continue in FY12 with the private final consumption expenditure (PFCE) growing by around 8.3%. It also expects a robust IIP growth of 9% despite rising cost of funds due to increased consumption in a buoyant job market.

Growth Drivers

Consumer demand, industrial production, domestic and foreign investments and international trade are broadly intact.

Average spending on food down to 53.6% of total household expenditure in 2009-10 from 59.4% in 1999-2000, showing increased overall affluence

Growth in private final consumption expenditure



MANAGEMENT DISCUSSION AND ANALYSIS (Cont.)

FY10: 7.4%

FY11: 8.2%

FY12*: 8.3%

*Projection

Source: Dun & Bradstreet

Global GDP projections

2010: 3.8%

2011: 3.2%

2012: 3.6%

2013: 3.6%

Source: World Bank

INDIAN TEXTILE SCENARIO

Industry Overview

- Provides direct employment to more than 35 million people, second only to agriculture
- Contributes about 14 per cent to industrial production
- Contributes 4 per cent to GDP
- Accounts for 17 per cent of export earnings
- Accounts for nearly 12 per cent of the country's total exports basket

Market size

- At current prices, the Indian textiles industry is valued at \$55 billion
- The export of textiles and clothing (T&C) aggregated to \$22.42 billion in 2009-10
- The Government fixed the target for 2010-11 at \$25.48 billion
- During April- September 2010, exports stood at \$11.26 billion

Production

During April- February 2011 cloth production increased 4.5 per cent y-o-y.

Export

- Textile exports during April-December 2010 increased 16.54 per cent in rupee terms at Rs 87,582.83 crore y-o-y
- In US dollar terms, the same rose 22.44 per cent at \$19,217.12 million

- Share of textile exports in total exports was 11.29 per cent during April-December, down from 12.34 per cent in the year-ago period

Investment trends

The textiles industry has attracted FDI worth \$956.97 million between April 2000 and March 2011, according to data released by the Department of Industrial Policy and Promotion (DIPP)

Projections

Domestic industry

FY10 Rs 3,680bn

FY20 Rs 10,320bn

(CAGR: 10.8%)

Exports

FY10 Rs 1,220bn

FY20 Rs 3,760bn

(CAGR: 12%)

India's share in global textile & apparel trade

FY10 4.5%

FY20 8.0%

Source: Technopak

Opportunity and challenges

In the domestic market, the organised textile industry, which accounts for only about one-sixth share now, is expected to increase its share rapidly to 40 per cent by 2020, thanks to fast changing consumer tastes, reduced regulation, and increasing competition. In the short term, though, the textile and garment industry is less upbeat than last year, mainly because of rising input costs that cannot be completely passed on to consumers, particularly in the mass market segment. Dun & Bradstreet survey profit expectations among textile companies are considerably down from last year. Only 61 respondents expected profits to increase this year, down from 82% last year. However, the demand is expected to increase rapidly due to rising incomes in both urban and rural areas and a changing lifestyle where a large chunk of consumers – read working youngsters – is brand conscious and splurges on aspirational products.

MMF to outgrow cotton

Within the textile industry, manmade fibre consumption is expected to grow at a faster clip than cotton yarn and its share in total yarn consumption is estimated to rise to 53 per cent by 2014-15 from 43 per cent in 2010-11. Manmade fibre is expected to grow 7 per cent CAGR between 2010 and 2014 compared to 5 per cent growth in cotton yarn, mainly due to increase in price differentials between cotton yarn and MMF yarn.

Cotton Prices rule high

International cotton prices went up sharply in 2010-11 to hit record peaks in March, before easing considerably. In the domestic market, Shankar-6 prices increased from Rs 30,000 a candy (356 kg) in September 2010 to Rs 63,000 during February-March, but it crashed to Rs 38,000 a candy by the end of June. But mills stock cotton for two-three months, and most mills were stuck with high cost cotton, even after cotton prices fell.

Advantage MMF industry

The high volatility of cotton prices—because of its dependence on climatic factors for production as well as the huge speculative investment the commodity has attracted in recent times—makes man-made fibre a comparatively safer industry.

Manufacturing capacity

Particulars	FY09	FY10	FY11
Installed Capacity (in spindles) at Biliya	96864	96864	96864
Installed Capacity (in spindles) at Sareri	97056	97056	97056
Fibre Dying capacity (In % of finished Production)	100%	100%	100%
Installed Capacity Rotors at Sareri	1684	1944	2464
Installed Capacity (in nos looms)	257	257	270
Power Plant (in MW) at Biliya	16	16	16
Power Plant (in MW) at Sareri	15	15	15
Wind mill (in MW) at Jaisalmer	5	5	5

Input cost on the rise

MMF prices depends on crude oil prices, which are also on the rise, as polyester staple fibre (PSF) and viscose staple fibre (VSF)—the key raw materials used to produce poly viscose (PV) yarn—are made from crude oil. And prices of nylon and polyester yarn have increased 30-40% in the first quarter of FY12, mostly due to high crude oil prices.

Still, the price competitiveness of the man-made fibre is set to improve vis-a-vis cotton yarn, which is considered more volatile. Also, demand for blended and polyester clothing is on the rise as the global slowdown has made consumers shift to more affordable options without compromising much on quality.

Company overview

Sangam (India) Ltd (SIL) is the largest player in the dyed poly viscose (PV) yarn market in India. At Bhilwara in Rajasthan, the company operates its state-of-the-art facilities to produce synthetic and blended dyed/grey spun yarn, cotton yarn and fabrics (synthetics blended, denim, knitted and flock fabrics). It also has facilities for fabric processing.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont.)

Financial performance

High volumes growth and better realisation across different product segments helped the company post robust growth. For the year ended March 31, 2011, the company posted a robust 37.46 per cent rise in net sales at Rs 1,171.52 crore compared to Rs 852.25 crore in the previous fiscal year. Net profit surged during the period under review by 229.78 per cent to Rs 56.59 crore compared to Rs 17.16 crore in the previous year. Despite increased output costs and a volatile currency market, the company improved its EBITDA margins to 16.56 per cent from 15.11 per cent last year as robust demand helped it pass on cost increases to customers.

Yarn Division

- **Locations:** Biliya and Sareri, Rajasthan
- **Products:** PV Yarn, PV-dyed yarn and cotton yarn
- **Capacities:** 96864 spindles in Biliya and 97056 in Sareri
- Contributes 64 per cent to the company's total revenue.

Rationale for presence

Sangam (India) is the largest player in the Indian PV yarn market, commanding a share of ~25%, and is the largest producer of blended dyed yarn in the country in a single location. Besides, it is a market leader in certain counts (2/15s count and 2/18s) where it is a price setter. And it is positioned to make the most of PV yarn's increasing presence in both Indian and global textile industry. The company started as a fabric manufacturer in 1984. It entered yarn manufacturing in 1995 as a backward integration move. Today, the company

Performance

Total yarn division accounted for 64.07% of the company's revenues in 2010-11. The company's total yarn production increased by 7.61 per cent, from 46554 tonnes in 2009-10 to 50098 tonnes in 2010-11. The PV yarns (including dyed) accounted for 75.54 per cent of the total production in 2010-11 as against 79.75 per cent in 2009-10. The production of manmade fibre yarns increased from 37126 tonnes in 2009-10 to 37842 tonnes in 2010-11. Cotton yarns accounted for 24.46 per cent of the company's total production in 2010-11 as against 20.25 per cent in 2009-10. Its total production

increased by 30.00 per cent, from 9428 tonnes in 2009-10 to 12256 tonnes in 2010-11

STRENGTHS

Product range

Sangam (India) has emerged as a preferred PV yarn supplier to top textile companies across the world, thanks to its ability to deliver large quantities with virtually any shade of colour. It has a colour bank of more than 5000 shades. The company produces 6-50 counts of yarns. Its product range also offers single ply, double ply, grindle, roving grindle, core spun, slub and other fancy yarns, making it a one-stop shop for its clients. Besides its regular varieties, the company has partnered various brands in introducing new varieties of man-made fibres, thereby adding considerable value to the products.

Quality

The company caters to a number highly quality conscious clientele in both domestic and international markets. To ensure production of superior quality yarns, Sangam (India) has employed latest technology across its units, uses good grades of raw materials has appointed qualified quality personnel to monitor the production process, backed by efficient tests in the labs.

The company procures quality raw materials from the best companies to ensure lower process losses and longer fibres. Sangam's units are equipped with world-class and advanced quality testing equipment like Wuster tester, evenness tester and hairyness tester – all of them ensure that the yarn produced is free of neps and other faults like low strength, colour-fading, low fibre strength, unevenness in colour, etc. Owing to its ability to offer consistent quality, the company's yarns command a premium at key markets. All its units are ISO 9001:2000 certified.

Research and development

The company has evolved from a product manufacturer into a solutions provider in yarns, owing to its enormous product knowledge and its ability to keep pace with the latest trends in the global industry. Textile is a dynamic industry where the constant need of comfort, affordability

and durability keeps evolving. This makes product cycles short and replacement cycles shorter. Sangam has research teams in its units constantly trying to develop new and value-added products and introduce colour shades to suit the end use of its customers. The units are equipped with world-class labs, complete with advanced equipment and qualified professionals to ensure fast turnaround of new products.

Technology

Sangam has two yarn-production units and both are equipped with latest machineries to ensure better capacity utilisation, greater flexibility, better quality and lower downtime, leading to greater efficiencies and lower production costs. New technology is a more of a necessity for the company than a comfort, due to its drive to constantly innovate and experiment.

Raw material management

Sangam procures polyester from Reliance Industries Limited and viscose from Grasim Industries' unit at Nagda. The procurement process is initiated with the proper production planning based on the expected delivery schedules for each month.

Cost control

Sangam (India) makes yarns used in 'affordable' fabrics and garments. Therefore, it's necessary to keep its costs under control. It has a real-time cost control system. The company has taken various measures to increase plant utilization as well as the speed and efficiency of machines, reduce waste, rationalize labour force, and optimize energy use, among others, to stay competitive and protect its margins.

Marketing and selling

The company has stepped up its branding initiatives in the fabric space. It recently launched its suiting fabric under the brand 'Sangam Suitings' instead of selling it as a plain vanilla product. We believe that the branding strategy will help the company command better realisations and establish its presence in the highly competitive fabric space in India. During the year, the company has entered into an endorsement agreement with Bollywood Star Suniel Shetty and youth-icon Cricketer Virat Kohli as brand ambassadors

to promote its 'ready to stitch suiting and shirting across the country under its brand Sangam Suiting's.

FABRICS DIVISION

(A) P/v Fabric

- **Location:** Atun, Rajasthan
- **Products:** PV fabrics, and processed fabrics
- **Capacity:** PV fabrics – 18 mn metres p.a. and Processed fabrics – 28 mn metres p.a.
- Contributed 16 per cent to the total revenues of the company.

Rationale for presence

Sangam (India) started as fabric manufacturer and it has now once again scaling up in this segment with a big push in denim and branded fabric space. The company mainly produces blended fabrics and denim, which have greater affordability and lower maintenance compared to cotton.

Performance

The company's total fabrics production stood at 34.89 mn metres as against 28.46 mn metres in 2009-10.

STRENGTHS

Product range

The company has emerged as a preferred supplier of fabrics on account of its colours, blends, textures and finishes. The company mainly manufactures woven fabrics, which are mainly used for suiting and trousers, and denim. It has the ability to blend various yarns to ensure the right texture, style and, above all, the right value-for-money products.

Quality

Quality is of paramount importance for the company's products. The company's fabrics are manufactured as per the quality requirements of its clients or with reference to the current trends. It has employed strict quality checks through its quality control department. Major tests are colour fastness test, light fastness test, rubbing fastness test, pilling test, residual shrinkage test, checking of cloth construction parameters and the comparison of the finished fabric with the customer's specifications.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont.)

Research and development

The R&D department in fabrics division ensures production of comfortable fabrics that are wearable, affordable and yet attractive to the prospective customers. The company has a fully equipped lab and well-qualified and experienced employees to ensure frequent product variations and introductions.

Technology

The company employs the best of its class machineries to ensure efficient and better quality of finished products. It has computerized design facility in its machines, enabling wider range of design executed with precision, ensuring wider choices and lower wastage.

Raw material management

The company considers each of its units as a profit centre. Therefore, all inter-unit sales are made on market prices. The fabric divisions largely acquire top class raw materials like polyester yarns, viscose yarn, cotton yarn and blended yarns from sister-units. But the purchasing is institutionalised and fabric divisions are free to acquire raw materials from other manufacturers if they get better price coupled with the same quality. The unit is proximate to its major raw material sources, ensuring uninterrupted supply at competitive prices.

Marketing and selling

The company's fabrics division accounted for 36 per cent of the company's total revenue for 2010-11 – 14 per cent from PV fabric; 12 per cent from denim, and 10% from flocks and processed fabrics (used for home furnishing).

The company largely sells its finished woven fabrics to the big garment companies in India and abroad for suiting and trousers. Sangam also has a retail presence, supplying its fabrics to over 100 dealers and 1,000 retail shops under its brands 'Sangam' and 'Anmol' across the country.

It has signed film actor Suniel Shetty and cricketer Virat Kohli as Brand Ambassadors for its premium suiting fabrics range, branded Sangam Suitings. It launched a TV campaign to promote the range with the first commercial aired on January 8, 2011.

(B) Denim Fabric

- **Unit:** Biliya, Rajasthan
- **Products:** denim fabric
- **Capacity:** 16 mn meters
- Contributed 12 per cent to the total revenues of the company.

The company ventured into denim in 2009 on account of increasing demand for the fabric. It is the only company in Bhilwara, Rajasthan to produce denims, resulting in a vast potential in terms of growth in the coming years. The company has doubled its denim fabric capacity to 16 mn meters in 2010-11 for Rs 35 cr. and its Rs 180-cr capex plan in the current fiscal is towards doubling this to 32 mn meters, along with adding capacities for texturised yarn and open-ended yarn. Consequently, revenue contribution from denim is expected to increase to 22% in 2012-13 from 12% in 2010-11. With the entire yarn requirement for its denim fabric division being met through in-house production of cotton yarn, it enjoys the benefits of backward integration.

(C) Home Furnishings Division

- **Location:** Atun, Rajasthan
- **Products:** woven and processed fabrics
- **Capacity:** Woven fabrics – 7.5 mn metres p.a.
- Contributed 2.25 per cent to the total revenues of the company.

SWOT ANALYSIS OF THE COMPANY

Strengths

- Integrated textiles manufacturer with a presence across the product value chain
- Cost-competitiveness on account of economies of scale and wide presence in the textile value chain
- Proximity to the raw material centres as well as consumption centres
- The largest manufacturer of PV dyed yarn in India with 25 per cent market share
- Strong R&D focus supporting new design introduction and product innovation

- About 75% of the gross block less than five years old
- Successful record in the timely and low cost implementation of expansion and modernization projects.
- Clientele include large and reputed customer brands within India and abroad
- Production flexibility for smaller to bigger size of lot from 600 kg to 100 mt size
- Coal linkage for major coal requirement
- Modern technology machines are less than 7 years

Weaknesses

- No presence yet in garments
- Lack of branding and comparatively small penetration in fabrics & home textile segment
- Major raw material prices are volatile – polyester depends on oil prices and viscose fibres are pulp

Opportunities

- Affordability and durability of PV fabrics opens a huge potential market for the company
- Volatility in cotton prices is creating huge demand for PV fabrics
- The great Indian retail revolution fuelling the demand for new customer segment fancy denim even in rural and semi-urban areas
- Growing fashion consciousness will widen the market for the company's products
- Plans to move in to technical textile market
- Partnering opportunities with foreign brand for garmenting

Threats

- High debt-equity ratio
- Fluctuation in forex market affects export demand Tight polities by the Reserve Bank of India may harden interest rates further
- Availability of cost-effective labour has become an issue due to NREGA
- Power cost is vulnerable to fluctuating coal prices

HUMAN RESOURCES

The Company recognizes that its employees are its principal assets and that its continued growth is dependent upon the ability to attract and retain quality people. The Company has established a full-fledged Human Resources Department, which is entrusted with the responsibility of retaining and developing the skills of all its employees. The Company also recognises the importance of providing training and development opportunities to its people to enhance their skills and experiences, which in turn enables the Company to achieve its business objectives. The industrial relations were cordial and the management thoroughly acknowledges the support from the employees at all levels.

INFORMATION & TECHNOLOGY

To use information technology (IT) extensively in its operations to achieve greater productivity and efficiency, The company has opted for a customized SAP solution for its various spheres of diverse activities of spinning, weaving and processing. The implementation of SAP has been completed.

INTERNAL CONTROL SYSTEM

The Company has an adequate system of internal controls to safeguard and protect from loss, unauthorized use or disposition of its assets. All transactions are properly authorized, recorded and reported to the management. The Company is following all the Accounting Standards for properly maintaining the books of accounts and reporting of financial statements. The Company has an Internal audit team and has also appointed external Internal auditors to review various areas of the operations of the Company. The audit reports are reviewed by the management and the Audit Committee of the Board periodically.



DIRECTORS' REPORT



Dear Shareholders,

The Board of Directors present the Annual Report of the Company together with the Audited Statements of Accounts for the financial year ended March 31, 2011.

FINANCIAL RESULTS

	(₹ in crore)	
	March 31, 2011	March 31, 2010
Net Turnover	1171.52	852.25
Profit before Tax & Depreciation	147.59	89.61
Depreciation	64.00	63.07
Provision for Doubtful Debts/Advances	0.30	0.30
Profit before Tax	83.29	26.24
Tax Expense - Current Tax	11.62	0.03
- Deferred Tax	15.08	9.05
Profit after Tax	56.59	17.15
Brought forward Profit	37.01	34.45
Proposed Dividend	5.91	3.94
Tax on Dividend	0.96	0.65
Transfer to General Reserve	30.00	10.00
Carried to Balance Sheet	56.73	37.01

OPERATIONAL RESULTS

Your company's performance witnessed significant improvement during the financial year. Turnover increased from ₹ 852.25 crore to ₹ 1171.52 crore, Net Profit grew to ₹ 56.59 crore compared ₹ 17.15 crore in the previous financial year ended 31 March 2010. Exports have increased from ₹ 189.65 crore to ₹ 249.21 crore on FOB value basis.

DIVIDEND

In view of the better overall performance, your directors are pleased to recommend for your approval, dividend of 15% on 3,94,21,559 equity shares for the financial year 2010-2011 aggregating to ₹ 5.91 crore, which is subject to approval at the forthcoming Annual General Meeting. The company would also pay corporate tax on dividend and dividend would be tax free in the hands of the shareholders.

EXPANSION AND DIVERSIFICATION

The Company is executing a capex plan of ₹ 180 crore in which the denim fabric capacity is being doubled. Apart from increasing the Open Ended Yarn capacity for captive consumption in manufacture of denim fabric. The company is also adding 7296 spindles, 6 Nos. Knitting Machines and 3 Nos. Texturising Machines. The capex is being funded by Rupee Term Loans of ₹ 135 crore and balance from internal accruals.

PUBLIC DEPOSITS

The company has not accepted any deposits from the general public within the meaning of Section 58 A of the Companies Act, 1956 and rules made thereunder.

DIRECTORS

In accordance with the Companies Act, 1956 and Articles of Association of the Company, Shri Ramavatar Jaju, Director of the Company retire by rotation and being eligible offer themselves for re-appointment at the ensuing annual general meeting.

During the year ICICI Venture Funds Management Company Limited (I-Venture) has withdrawn the nomination of Shri Sunay Mathure w.e.f. June 01, 2010. There after I-Venture nominated Shri K.S. Jangbahadur as a Director of the Company w.e.f. July 20, 2010. His nomination was withdrawn by I-Venture w.e.f. November 25, 2010. The Board places on record its appreciation for the valuable services rendered by Shri Sunay Mathure and Shri K.S. Jangbahadur during their tenure as Director of the Company.

The Company has appointed Dr. T.K. Mukhopadhyay as an Additional Director w.e.f. February 07 2011.

SUBSIDIARY COMPANY

The company has no subsidiary company.

PERSONNEL

The details of employees drawing remuneration in excess of monetary ceiling prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 during the financial year 2010-11 are enclosed as per Annexure-I.

AUDITORS

M/s R. Kabra & Company, Chartered Accountants, Mumbai and M/s BL Chordia & Company, Chartered Accountants, Bhilwara, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letters from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

AUDITORS' REPORT

As regards Auditors observations at para 4(f) of their report, the audit of accounts of Company's Joint Venture Company M/s Ketu Sangam Infrastructure (India) Ltd. was not completed at relevant point of time, hence the company incorporated their unaudited figures for the year ended 31st March, 2011 in note no. 12 (iii) of the notes to accounts. There is no material impact due to same on company's financials.

The relevant notes on account are self explanatory and therefore, do not call for any further comments.



DIRECTORS' REPORT (Contd.)



CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the stipulations set out in the Listing Agreement with the Stock Exchanges and have implemented all the prescribed requirements. Annexed reports on Corporate Governance and Management Discussion and Analysis as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges form part of this Annual Report. Certificate from the Auditors of the Company, confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed that:

1. In the preparation of the annual accounts for the year ended on March 31, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. 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 as at March 31, 2011 and of the profit of the Company for the year ended on that date;
3. The directors have taken proper and sufficient care 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; and
4. The directors have prepared the annual accounts of the company for the year ended on March 31, 2011 on a 'going concern' basis.

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

The information relating to energy, technology absorption and foreign exchange earnings and outgo required to be disclosed under The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure-II.

HUMAN RESOURCES MANAGEMENT AND INDUSTRIAL RELATIONS

The Company continues to focus on training its employees on a continuing basis, both on the job and through training programs. Relations with the staff members and the workmen continued to be cordial and satisfactory during the year under consideration.

ACKNOWLEDGEMENT

The Board of Directors place on record their appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government, Local Authorities for their strong support and valuable guidance. The Directors are thankful to the shareholders for their continued support to the Company. Your Directors also wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success.

By Order of the Board of Directors
For **Sangam (India) Limited**

Place : Bhilwara
Dated : April 27, 2011

R. P. Soni
Chairman



ANNEXURE TO THE DIRECTORS' REPORT



ANNEXURE - I

Particulars of employees as per section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2011

Sl. No	Name	Designation & nature of Duties	Remuneration Received (₹ in lacs)	Qualification	Age (years)	Experience (years)	Date of Commencement	Last Employment held
EMPLOYED THROUGH THE YEAR AND WERE IN RECEIPT OF REMUNERATION AGGREGATING TO NOT LESS THAN RS. 60,00,000 P.A.								
1	Shri S.N. Modani	Managing Director	123.93	M.Sc., MBA	47	22	01.03.1991	Manglam Cement Ltd.

Note: Remuneration includes commission, allowance, company's contributions to provident funds and value or perquisites etc.

ANNEXURE - II

INFORMATION REQUIRED UNDER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988, AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH 2011.

CONSERVATION OF ENERGY

(A) Energy Conservation measures taken

1. Installation of Energy Efficient Bearing work is going on (at present all sizes are not available on OEM) which will reduce 20-30% of friction losses in the Bearing.
2. Installation of Invertor on Carding for Doffer to reduce the friction loss.
3. Changed the air compressor line for energy efficiency.
4. Smaller size and energy efficient rings and spindles have been used in Ring Frames instead of bigger size rings and spindles.
5. Provided invertors in the suction fans of Auto Coner Winding Machines.
6. Provided Small Dia Energy Efficient Fan in the Machine wherever low current is required.
7. Installation of Servo/Constant Voltage Stabilizer for lighting load after assembling all wiring at Central location.
8. Installation of Energy Efficient Motor (EFF - 1) in TFO and other useful places like Fans, Humidification etc.
9. Use of Treated water at following areas for reduction of input water :-
Humidification Plant Air Washer, Cooling Towers, Gardening, Agriculture, Floor Washing, Ash quenching and Coal Spray etc.
10. Used High Temperature and high-speed grease (Synthox-HT) to reduce the overhauling consumption and reduce the bearing consumption also.
11. Installed Low dia meter pot type TFO instead of higher dia meter pot type TFO to save the energy upto 35%. With the help of all these conservation activities, we have saved substantial energy in the last year.
12. Redesigned 33 KV substation for reduction of losses.

(B) Additional investment and proposal being implemented for reduction of consumption of energy

Installation of High Efficiency Motors (IEC/Nema Standard)



ANNEXURE TO THE DIRECTORS' REPORT (Contd.)



FORM "A"

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

PARTICULARS		Current Year	Previous Year
A. POWER & FUEL CONSUMPTION			
1	ELECTRICITY		
(a)	Purchased		
	Units(Kwh)	113714810	72336067
	Total Amount(₹)	497165051	326384859
	Rate/Unit(₹)	4.37	4.51
(b)	Own Generation:		
(i)	Through Generators - Units	1234515	6962105
	Unit Per Litre of Fuel(Unit/Litres)	2.89	3.68
	Rate/Unit(₹)	10.67	6.13
(ii)	Through Thermal Power - Units	99527447	142097649
	Unit Per Kg of Coal	0.62	0.79
	(For Cogeneration of steam & power)		
	Cost Per Unit(₹)	4.43	3.98
2	COAL		
(a)	Coal (For Thermal Power)		
	Quantity(M.T.)	159911	179879
	Total Amount (₹)	440908339	565110988
	Average Rate/M.T.(₹)	2757	3142
(b)	Coal (For Steam Generation)		
	Quantity(M.T.)	11748	10936
	Total Amount (₹)	81092813	59477693
	Average Rate/M.T.(₹)	6903	5439
3	FURNACE OIL		
	Quantity(Litres)	265903	1675380
	Total Amount(₹)	7702438	35833680
	Average Rate(₹)	28.97	21.39
4	DIESEL		
	Quantity (Litres)	161152	216581
	Total Amount(₹)	5469230	6847334
	Average Rate (₹)	33.94	31.62
B. CONSUMPTION PER UNIT OF PRODUCTION			
(a)	Electricity Units :		
	Per kg of yarn	3.73	3.74
	Per meter of fabric	0.65	0.72
	Per kg of textile flock	0.65	0.77
	Per meter of flock fabric	0.56	0.51
	Per meter (job processing)	0.19	0.19
(b)	Coal :		
	Per kgs of textile flock	1.21	1.10
	Per meter of flock fabric	0.38	0.30
	Per meter (job processing)	0.35	0.32



ANNEXURE TO THE DIRECTORS' REPORT (Contd.)



FORM "B"

1. RESEARCH AND DEVELOPMENT (R&D).	<p>I) The research & development is carried out for new shades. The company has developed more than 500 new shades in Domestic/ Export market and well accepted by the customers.</p> <p>II) The Company has adopted new ISO version i.e. IS/ISO 9001:2000, in which stress on continuous development in product and increase productivity is given.</p> <p>III) The company has equipped its quality control department by a new generation uster tester PT7000, which enable to predict the source of faults, which facilitated to improve the quality of product. The company has a full range of testing equipments including hairiness tester and uster classimat.</p> <p>IV) The company concentrated on computer system for the development of new designs of fabrics as per customer's specification</p>
Benefits derived as results of above R&D	The Company has been continuously improving the quality of the product to meet out customer's satisfaction and also been able to increase productivity along with the product range.
Further Plan of action	Management is committed to install latest equipments to strengthen R&D activities.
Expenditure on R&D (Capital)	-
Expenditure on R&D (Recurring)	₹ 50 lacs
%age of turn over	0.04%
2. TECHNOLOGY ABSORPTION	N.A.
3. FOREIGN EXCHANGE EARNINGS AND OUTGO:	The Company exported P/V Yarn & Fabrics to various overseas customers in U.K., Italy, Belgium, Turkey, Indonesia, Nepal, Spain, Jordan, Egypt, Switzerland, Singapore, Poland, Nigeria, U.A.E., Syria, Ghana, South Africa, Iran, Korea and other countries. The company has given more stress on export of its product by improving its quality.

		₹ in Lacs
	2010-11	2009-10
a) Total Foreign Exchange used	2653.86	1765.44
b) Earning in Foreign Exchange	24920.79	18964.80

By Order of the Board of Directors
For **Sangam (India) Limited**

R. P Soni
Chairman

Place : Bhilwara
Dated : April 27, 2011



REPORT ON CORPORATE GOVERNANCE



1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The company believes in and practices good Corporate Governance. The company continuously endeavors to improve on these aspects on an ongoing basis. For creation of wealth for shareholders on a sustainable and long term basis and to maximize 'total returns to shareholder', being the core of the mandate from shareholders, it is imperative for the Management to institutionalize a 'Framework of Corporate Governance and Code of Practices' as an enabling methodology to strengthen decision-making processes and organization-wide compliance with core values of ethical integrity and reliability while enhancing effective, harmonious and transparent functioning amongst the Board of Directors, its Committees and the Executive Management to meet challenges and to make the best of opportunities in the years ahead.

2. BOARD OF DIRECTORS

Composition: There are 6 Directors on the Board of Company, comprising 2 Promoters and Executive Directors, 1 Promoter and Non-Executive Director and 3 Independent and Non-Executive Directors including 1 Additional Director. Composition of the Board of Directors of the Company as on 31st March 2011 was as under with details of other directorships and committee memberships: -

Name	Status	No. of other Directorship & committee Memberships	
		Other Directorships	Committee Memberships
Shri RP Soni	Promoters Non Executive Director/ Chairman	15	-
Shri SN Modani	Promoters Executive/ Managing Director	-	-
Shri VK Sodani	Promoter Executive Director	4	-
Shri Ramavatar Jaju	Independent Non Executive	6	-
Shri A Karati	Independent Non Executive	6	-
Shri T.K. Mukhopadhyay (w.e.f. February 07, 2011)	Independent Non Executive/ Additional Director	1	2

Note

- Other Directorships includes Private Limited Companies and Alternate Directorships.
- Only Audit Committee, Shareholders/Investors Grievance Committee are reckoned for committee membership purpose.

- The membership of Company's Directors on the Audit Committee and Shareholders/ Investors Grievance Committee are given below elsewhere in this report.

- Attendance at Board meetings during the year and last Annual General Meeting.

Four meetings of the Board were held during the financial year 2010-11 on 27.05.2010, 21.07.2010, 22.10.2010 and on 07.02.2011.

The last Annual General Meeting was held on 30th September 2010.

Sl. No.	Name of the Director	No. of Board Meetings attended	Whether attended Last AGM
1	Shri RP Soni	Three	Yes
2	Shri SN Modani	All	Yes
3	Shri VK Sodani	All	Yes
4	Shri Ramavatar Jaju	All	No
5	Shri A Karati	All	No
6	Shri T.K. Mukhopadhyay (w.e.f. February 07, 2011)	None	NA
7	Shri Sunay Mathure (Upto June 01, 2010)	One	NA
8	Shri K.S. Jangbahadur (Upto November 25, 2010)	Two	No

3. CODE OF CONDUCT

Sangam (India) Limited has laid down a code of conduct for all Board Members and senior management of the Company. All Board Members and designated senior management personnel have affirmed compliance with this code of conduct. The code of conduct is displayed on the website of the Company www.sangamgroup.com. A declaration to this effect, signed by the Managing Director of the Company is attached at the end of this report.

4. CEO/CFO CERTIFICATION

The Managing Director, Executive Director and Jt. President (Finance) & Company Secretary of the Company have certified to the Board as required under provision V of the clause 49 of the listing agreement covering all aspects enumerated therein.

5. AUDIT COMMITTEE

a. Terms of reference

The Audit Committee is to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their fees, to review and discuss with the auditors about internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal audit system, major accounting policies, practices and entries, compliances with accounting standards and Listing Agreement entered into with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, if any, to review the Company's financial and risk management policies and discuss with the



REPORT ON CORPORATE GOVERNANCE (Contd.)



Internal Auditors any significant findings for follow-up thereon, to review the quarterly, half-yearly and annual financial statements before they are submitted to the Board of Directors. The Committee also meets the operating management personnel and reviews the operations, new initiatives and performance of the business units. Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and taken note of.

The terms of reference covers all aspects as stipulated in revised clause 49 of the listing agreement.

b. Constitution

The terms of reference covered all the aspects stipulated by the SEBI guidelines and the Audit Committee has been mandated with the same terms of reference as specified in revised Clause 49 of the Listing Agreement with Stock Exchanges. The Chairman of the Committee is Shri Ramavatar Jaju, an Independent Director and all members have adequate financial knowledge.

c. Composition

The composition of the Audit Committee as on 31st March, 2011 is as follows:

Shri Ram Avatar Jaju	Chairman (Independent Director)
Shri A Karati	Member (Independent Director)
Shri R P Soni	Member (Promoter & Non-executive Director)

d Meetings and Attendance

The details of meetings held during the year, and the attendance thereat, are as follows:

Date of meetings - 4 meetings of the Committee of Board of the Company were held during the financial year 2010-11 on 27.05.2010, 21.07.2010, 22.10.2010 and on 07.02.2011.

Attendance

Name of the Director	No. of meetings attended
Shri RP Soni	Three
Shri Ram Avatar Jaju	All
Shri A Karati	All

- Shri Anil Jain, Jt. President (Finance) & Company Secretary is the Secretary to the Committee.
- Shri GC Jain, President attended all the meetings of the Committee as invitee to represent the finance function. Shri RM Sinduria represented the Internal Audit function. The Statutory Auditors of the company also attended the meetings. The Statutory Auditors of the company are invited to join Audit Committee meetings for discussions. The Audit Committee holds discussions with the Statutory Auditors and their report on the audit of the yearly accounts, the yearly audit plan, matters relating to compliance of accounting standards, their observations arising from the limited review report/annual audit of the Company's accounts and other related matters.

The Audit Committee during its four meetings reviewed with the management and the auditors (both external and internal) all issues, which are required to be reviewed by the audit Committee pursuant to the listing agreement with the Stock Exchanges as also the Companies Act, 1956. The Audit Committee has also reviewed the observations of the internal and statutory auditors in relation to all areas of operations of the company as also the internal control systems. In addition, the committee has been examining all areas associated with the taxation matters (direct and indirect) and has reviewed the measures initiated by the company for mitigating the risks. The Audit Committee has also reviewed the actions taken by the company on various observations and queries of the auditors.

6. REMUNERATION COMMITTEE

A Remuneration Committee is there to formulate and recommend to the Board a Compensation/remuneration structure for managing/ whole time directors. Non-executive directors are at present not paid commission over and above the sitting fees.

Committee consists of three directors namely: -

Shri Ram Avatar Jaju	Chairman
Shri Achintya Karati	Member
Shri R.P.Soni	Member

There was one meeting held of Remuneration Committee as on 27.05.2010. The Remuneration Policy of the Company is:

i. For Managing/Whole time Directors

The total remuneration, subject to shareholders approval, consists of:

- **A fixed component** - consisting of salary and perquisites; the perquisites and benefits are in line with the company rules for senior managerial personnel.
- **A variable component** - linked to performance of company as well as of the individual director - consisting of performance linked bonus, as may be determined by the Remuneration Committee, within the limits approved by the shareholders/ subject to Schedule XIII of the Companies Act, 1956.
- Commission payable to Managing Director not exceeding 1% of the net profits computed under section 198 (4) of the Companies Act, 1956 approved by the shareholders.

ii. For Non-executive Directors

Sitting Fees as permitted under the Companies Act, 1956 ₹ 10,000/- per meeting of the Board or its Committees plus reimbursement of actual travel and out-of-pocket expenses incurred for attending such meetings.



REPORT ON CORPORATE GOVERNANCE (Contd.)



The details of remuneration paid/payable to all the Directors for the year 2010-11 are as under:

a. Non-executive Director(s) (Sitting fees only)

Sr. No.	Name of the Directors	Sitting fees paid (in ₹)
1	Shri Ramavatar Jaju	120000
2	Shri Achintya Karati	120000
3	Shri R.P.Soni	90000
4	Shri Sunay Mathure	10000
5	Shri K.S. Jangbahadur	20000
6	Shri T.K. Mukhopadhyay	-
	Total	360000

b. Managing/Whole time Director

(₹ in lacs)

Particulars	Managing Director Shri S.N. Modani (₹)	Executive Director Shri V.K. Sodani (₹)
Salary	27.90	12.00
Commission	86.01	-
Other perquisites	10.02	5.87
Total	123.93	17.87

₹ Shri SN Modani is under contract of employment with the company for 5 years w.e.f. 01-10-2009. His appointment can be terminated by notice of six months by either side. There is no sitting fee payable to Managing Director.

Shri VK Sodani is under contract of employment with the company for 5 years w.e.f. 01-10-2007. His appointment can be terminated by notice of six months by either side. There is no sitting fee payable to Executive Director.

The company currently does not have any stock option scheme.

7. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

- The committee consists Shri Ramavatar Jaju as the Chairman. Shri RP Soni and Shri A. Karati are the other members.
- Shri Anil Jain, Jt. President (Finance) & Company Secretary who is the compliance officer for secretarial compliance is nominated as Compliance Officer for this purpose also.
- The Committee reviews the system of dealing with and responding to correspondence from the investors' viz.- shareholders. The details of complaint letters received from Stock Exchange(s), SEBI, Department of Company Affairs are also placed before this committee and it reviews the responses there to individually.
- During the year, 15 complaint letters were received from investors directly and were dealt with satisfactorily. There are no investor grievances pending for a period exceeding one month.

- There are no pending complaints as on 31st March 2011 at present.
- The Board had authorized Shri Anil Jain, Jt. President (Finance) & Company Secretary to approve all routine transfers and transmissions of shares. Presently, transfers, transmissions etc. are affected within 12-15 days (as against the stipulated norm of 15 days).
- As on March 31, 2011 there were no requests pending for transfer of shares.

8. GENERAL BODY MEETINGS

Details of location and time of holding the last three Annual General Meetings

General Body Meeting	Day, Date	Time	Venue
22nd AGM-2008	Tuesday, September 30, 2008	4.00 P.M.	Opp. Hr. Secondary School, Industrial Estate, Pur Road, Bhilwara-311001 (Raj.)
23rd AGM-2009	Wednesday, September 30, 2009	4.00 P.M.	
24th AGM-2010	Thursday, September 30, 2010	4.00 P.M.	

9. DISCLOSURES

There have been no materially significant related party transactions with the Company's Promoters, Directors, Management, Subscribers or relatives, which may have potential conflict with the interests of the Company at large except as given in Note No. 11 of notes to accounts under heading related party disclosure. The company has complied with the requirement of regulatory authorities on capital markets. There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the company by the stock exchange or SEBI or any other statutory authority on such matters, for the last three years.

10. MEANS OF COMMUNICATION

- The quarterly results are generally published in E.T. or Business Line or The Business Standard in English and Rajasthan Patrika and/or Dainik Bhaskar in Hindi. The quarterly results are also displayed on the Company's notice boards in all locations.
- A Management Discussion and Analysis report is enclosed separately as part of this Annual Report.



REPORT ON CORPORATE GOVERNANCE (Contd.)



11. GENERAL SHAREHOLDER INFORMATION

a. 25th Annual General Meeting	
- Date and Time	30.09.2011, 4.00 p.m.
- Venue	Opp. Hr. Sec. School, Industrial Estate, Pur Road Bhilwara-311001 (Raj)
b. Financial Calendar	
- Unaudited results for the quarter ending June 2011	July 2011
- Un-audited results for the quarter/half year ending September 2011	October 2011
- Un-audited results for the quarter ending December 2011	January 2012
- Audited results for the year ending March 31, 2012	May 2012
c. Book closure period	19.09.2011 to 30.09.2011 (both days inclusive)
d. Dividend payment date	Within 7 days of AGM (subject to AGM approval)
e. The listing fee has been paid up to date, to all the Stock Exchanges.	
f. Bombay Stock Exchange Ltd. (BSE)	
i. Scrip code	514234
ii. Scrip ID	SANGAM
Trading symbol at National Stock Exchange of India Ltd. (NSE)	SANGAMIND
Demat ISIN Numbers in NSDL & CDSL	INE495C01010

g. Stock Market Data

The reported high and low closing prices and volume of equity shares of Sangam traded during FY 2011 on BSE and NSE are set out in the following table:

Month	Bombay Stock Exchange Ltd. (BSE)				National Stock Exchange of India Ltd. (NSE)			
	Share Price (₹)		Sensex		Share Price (₹)		S&P CNX NIFTY	
	High	Low	High	Low	High	Low	High	Low
April, 2010	37.65	29.10	18047.86	17276.80	37.60	29.00	5399.65	5160.90
May, 2010	41.80	30.30	17536.86	15960.15	44.00	29.50	5278.70	4786.45
June, 2010	41.00	33.20	17919.62	16318.39	40.90	30.10	5366.75	4961.05
July, 2010	42.25	36.55	18237.56	17395.58	42.45	31.55	5477.50	5225.60
August, 2010	45.00	34.45	18475.27	17819.99	43.80	37.00	5549.80	5519.40
September, 2010	47.15	39.80	20267.98	18027.12	47.25	39.80	6073.50	5403.05
October, 2010	54.10	43.50	20854.55	19768.96	54.40	41.00	6284.10	5937.10
November, 2010	63.00	45.50	21108.64	18954.82	63.00	45.05	6338.50	5690.35
December, 2010	58.40	33.05	20552.03	19074.57	58.50	33.50	6147.30	5721.15
January, 2011	45.95	36.55	20664.80	18038.48	46.05	32.00	6181.05	5416.65
February, 2011	48.75	37.85	18690.97	17295.62	48.50	37.55	5599.25	5177.70
March, 2011	48.40	40.75	19575.16	17792.17	46.00	40.30	5872.00	5348.20



REPORT ON CORPORATE GOVERNANCE (Contd.)



h. Registrars and Transfer Agent

The Securities and Exchange Board of India (SEBI), by its circular dated 27-12-2002, directed that all share registry work in terms of both physical and electronics segments should be maintained at a single point either in-house or with a SEBI registered R & T Agent. In compliance with these directions, the company has appointed Bigshare Services Private Limited as its Registrars and Transfer Agent.

i. Share Transfer System

The Company's shares are traded in the Stock Exchanges compulsorily in Demat mode. Shares in physical mode, which are lodged for transfer are processed and returned to the shareholders within the stipulated time.

j. (i) Distribution of Share holding as on March 31, 2011

Category	Shareholders		Shareholding	
	Number	%age	Number of Shares	%age
Up to 500	10080	84.74	1640423	4.16
501-1000	957	8.05	805592	2.04
1001-2000	398	3.35	609184	1.55
2001-3000	135	1.13	346708	0.88
3001-4000	68	0.57	240062	0.61
4001-5000	51	0.43	238755	0.61
5001-10,000	81	0.68	595220	1.51
10,001 and above	125	1.05	34945615	88.64
Total	11895	100.00	39421559	100.00

(ii) Shareholding Pattern as on March 31, 2011

Category	No. of Shares held	% of Shareholding
Promoters holding		
(a) Individual Promoters	3169433	8.04
(b) Persons acting in Concerts	11414445	28.95
Others		
Mutual Funds and UTI	-	-
Banks, Financial Institution, Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	2066444	5.24
Foreign Institutional Investors (FIIs)	-	-
Private Corporate Bodies	16375064	41.54
Indian Public	6087910	15.44
NRI's / OCBs	292503	0.74
Trust	2000	0.01
Clearing Members	13760	0.04
Total	39421559	100.00

k. Dematerialization of shares and liquidity

Shares of the Company are traded in electronic form. SEBI has stipulated the shares of the Company for compulsory delivery in dematerialization form only, by all investors from December 2000. About 99.08% of the shares holdings have already been dematerialized. Shares of the Company are actively traded at Bombay Stock Exchange and National Stock Exchange and have reasonably good liquidity.

l. Registered Office

Opp. Higher Secondary School, Industrial Estate, Pur Road, Bhilwara - 311 001 (Raj.)

PLANT LOCATION

Spinning

- Vill. Biliya, Chittorgarh Road, Bhilwara - 311 001 (Raj.)
- 91 K.M. Stone, N.H.-79, Vill. Sareri, Dist. Bhilwara - 311 024 (Raj.)

Weaving, Flock and Processing

Vill. Atun, Chittorgarh Road, Bhilwara - 311 001 (Raj.)

Denim

Vill. Biliya, Chittorgarh Road, Bhilwara - 311 001 (Raj.)

m. Registrar and Share Transfer Agent

Bigshare Services Private Limited,
E-2, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka, Andheri (E),
Mumbai -400 072

E-mail: bigs@bigshareonline.com

Tel No's. : 022-28473747 / 3474, Fax No. 022-28475207

n. Address for Correspondence

All matters relating to Dividend, Annual Reports and other related matters

Company Secretary

Sangam (India) Limited

Opposite Higher Secondary School,

Industrial Estate, Pur Road, Bhilwara 311001 (Raj.)

Tel.: +91 1482-249071-75 Fax: +91 1482-249077

e-mail: secretarial@sangamgroup.com



REPORT ON CORPORATE GOVERNANCE (Contd.)



DECLARATION OF THE MANAGING DIRECTOR

I hereby declare that all Board Members and designated senior management have affirmed compliance with the code of conduct as laid down by the Board of Directors of the Company for the year ended 31st March, 2011.

Place : Bhilwara
Dated : April 27, 2011

S.N. Modani
Managing Director

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
The Members of
Sangam (India) Limited

We have examined the compliance of conditions of corporate governance by Sangam (India) Limited, for year ended 31 March 2011 as stipulated in clause 49 of the listing Agreement of the said company with stock exchange(s). The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per records maintained by the shareholders grievance committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For R.Kabra & Co.
Chartered Accountants
(Reg. No. 104502W)

(R.L. Kabra)
Partner
M. Ship No. 016216

Camp : Bhilwara
Date : April 27, 2011

For B.L.Chordia & Company
Chartered Accountants
(Reg. No. 000294C)

(B.L.Chordia)
Partner
M. Ship No. 010882

Place : Bhilwara
Date : April 27, 2011



AUDITORS' REPORT



TO THE MEMBERS,

- 1) We have audited the attached Balance Sheet of SANGAM (INDIA) LIMITED as at 31st March, 2011, the Profit & Loss Account and also the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) In accordance with the provisions of Section 227 of the Companies Act, 1956, we report that; as required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227 (4A) of The Companies Act, 1956 and on the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we give in the annexure, a statement on the matters specified in paragraph 4 & 5 of the said Order to the extent applicable to the company.
- 4) Further to our comments in the annexure referred to above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of accounts, as required by law, have been kept by the company, so far as appears from our examinations of those books;

- c. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion the Balance Sheet, Profit and Loss Account and the Cash Flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- e. On the basis of written representation received from the directors as on 31 March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March, 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- f. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon **subject to point no 12 III regarding amounts reflected in the financial statements of the jointly controlled entities are un-audited and based on management certifications** give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principals generally accepted in India:
 - i) In the case of Balance Sheet, of the state of affairs of the company as at 31 March, 2011;
 - ii) In the case of Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **R. Kabra & Co.**
Chartered Accountants
(Reg. No.104502W)

(**R.L. Kabra**)
Partner
M.Ship No. 016216

Camp: Bhilwara
Date: April 27, 2011

For **B. L. Chordia & Co.**
Chartered Accountants
(Reg. No.000294C)

(**B. L. Chordia**)
Partner
M.Ship No. 010882

Place: Bhilwara
Date: April 27, 2011



ANNEXURE TO THE AUDITORS' REPORT (Contd.)



ANNEXURE TO THE AUDITORS' REPORTS

(Referred to in our report of even date)

Annexure referred to in paragraph 3 of the Auditors' Report of even date to the members of Sangam (India) Limited for the year ended as on March 31, 2011.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- (i)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
 - b. As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification adopted by the company and no material discrepancies were noticed on such verification.
 - c. During the year the company has not disposed off any substantial parts of fixed assets.
- (ii)
 - a. As per the information and explanation given to us, the inventories (excluding stock, materials and work in progress, which are in transit) have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. In our opinion, and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on verification of inventory.
- (iii)
 - a. In our opinion and according to the information and explanation given to us, the company has not granted unsecured loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - b. The clause (iii) (b), (c), (d) of the order is not applicable to the company, as the company has not given any unsecured loan.
 - c. As per the information and explanations given to us, the company has taken unsecured loans from companies, firms or other parties covered in the register maintained under section 301 of the Act, the terms of which are not prima facie prejudicial to the interests of the company. The number of parties are two and the outstanding amount at the end of the year is ₹ 2000.00 lacs (maximum outstanding during the year was ₹ 2180.60 lacs), which is payable on demand.
- d. The interest free loans taken are not prejudicial to the interests of the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of inventory and fixed assets and for the sales of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v)
 - (a) In our opinion and according to the information and explanation given to us the particulars of or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
 - (b) As explained to us, transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the Shareholders/directors and the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
- (vii) In our opinion, the company has an internal audit system through internal control system, which is carried out by the internal audit department, the scope and coverage of which is commensurate with size & nature of the business of the company.
- (viii) The Central Government has prescribed maintenance of the cost records U/S 209(1)(d) of the Companies Act, 1956 in respect to the company's products. We have broadly reviewed the books of accounts & records maintained by the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made & maintained. We have however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (ix)
 - a. According to the information and explanations given to us and the records examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom-duty and excise duty, cess and other statutory dues with appropriate authorities wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding, as at 31st March 2011 for a period of more than 6 months from the date they became due.



ANNEXURE TO THE AUDITORS' REPORT (Contd.)



- b. According to the record of the company, the dues of sales-tax, income-tax, customs, wealth-tax, excise-duty, service tax which have not been deposited on account of disputes and the forum where the dispute is pending are given here-under:

DISPUTED MATTERS WITH THE FORUM

Name of the Statute	Nature of the dues	Amount (₹ in Lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income tax	21.00	Commissioner of Income Tax (Appeals)

- (x) The Company does not have any accumulated losses during the year and it has not incurred cash losses in current financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions and banks. There are no debenture holders of the company.
- (xii) Based on our examination of the records and the information and explanations given to us, the company has not granted any loans and/ or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund company or nidhi/ mutual benefit fund/society.
- (xiv) According to the information and explanations given to us, the company has maintained proper records of the transactions & contracts in respect of investments held by the company with timely entries and they are held in its own name.
- (xv) According to the information and explanations given to us, the term loans raised during the year have been applied for the purpose for which they were raised.

- (xvi) In our opinion and according to the information and explanation given to us, on an overall examination of the Balance Sheet and cash flow of the company during the year we report that no funds raised on short-term basis have been used for Long Term Investment.

- (xvii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

- (xviii) The Company has not issued debentures, so the question of security or charge created does not arise in respect of debentures issued.

- (xix) The company has not raised money through public issue during the year.

- (xx) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company noticed or reported during the year, nor we have been informed or such case by the management.

For **R. Kabra & Co.**
Chartered Accountants
(Reg. No.104502W)

(R.L. Kabra)
Partner
M.Ship No. 016216

Camp: Bhilwara
Date: April 27, 2011

For **B.L. Chordia & Co.**
Chartered Accountants
(Reg. No.000294C)

(B.L. Chordia)
Partner
M.Ship No. 010882

Place: Bhilwara
Date: April 27, 2011



BALANCE SHEET

AS AT 31st
MARCH, 2011



(Amount in ₹)

Particulars	Schedule	As at 31.03.2011	As at 31.03.2010
Source of Funds			
Share Capital	1	39,42,15,590	39,42,15,590
Reserves & Surplus	2	200,16,05,434	150,44,33,006
Loan Funds			
Secured Loans	3	672,96,68,080	670,78,58,748
Unsecured Loans	4	45,00,00,000	21,80,60,000
Deferred Tax Liability (Net)		49,47,52,932	34,39,05,932
		1007,02,42,036	916,84,73,276
Application of Funds			
Fixed Assets			
Gross Block	5	924,29,31,846	891,42,31,540
Less: Depreciation		385,70,09,167	327,01,41,618
Net Block		538,59,22,679	564,40,89,922
Capital Work in Progress		20,20,24,562	12,57,41,288
Investments	6	7,84,74,000	7,84,74,000
Current Assets, Loans & Advances			
Inventories	7	238,02,31,418	177,00,16,238
Sundry Debtors	8	159,37,88,805	130,56,01,515
Cash & Bank Balance	9	9,43,04,955	6,91,64,897
Loans And Advances	10	119,91,19,245	68,93,45,203
		526,74,44,423	383,41,27,853
Less: Current Liabilities & Provisions			
Current Liabilities	11	79,48,98,545	46,79,90,800
Provisions	12	6,87,25,083	4,59,68,987
		86,36,23,628	51,39,59,787
Net Current Assets		440,38,20,795	332,01,68,066
		1007,02,42,036	916,84,73,276
Notes to Accounts	19		

As per report of even date attached

For R. Kabra & Co.
Chartered Accountants
(Reg. No. 104502W)

(R.L. Kabra)
Partner
M.Ship No. 016216

For B.L. Chordia & Co.
Chartered Accountants
(Reg. No. 000294C)

(B.L. Chordia)
Partner
M.Ship No. 010882

For and on behalf of the Board

(R.P. Soni)
Chairman

(S.N. Modani)
Managing Director

(V.K. Sodani)
Executive Director

Camp:Bhilwara
Date: April 27,2011

Place:Bhilwara
Date: April 27,2011

(G.C. Jain)
President

(Anil Jain)
Jt.President (Fin.) & Secretary



PROFIT & LOSS ACCOUNT

FOR THE YEAR
ENDED 31st
MARCH, 2011



(Amount in ₹)

Particulars	Schedule	Year Ended 31.03.2011	Year Ended 31.03.2010
Income			
Gross Turnover	13	1183,92,54,254	854,98,25,680
Less : Excise Duty		12,40,05,993	2,73,46,556
Net Turnover		1171,52,48,261	852,24,79,124
Other Income	14	13,73,660	79,82,466
Variation in Inventories	15	43,15,33,308	1,12,78,927
		1214,81,55,229	854,17,40,517
Expenditure			
Materials	16	699,32,15,724	497,65,85,505
Payment to and Provisions for Employees	17	67,58,57,692	57,50,80,822
Operations and Other Expenses	18	300,31,43,349	209,39,69,841
		1067,22,16,765	764,56,36,168
Profit Before Depreciation & Taxation		147,59,38,464	89,61,04,349
Depreciation		64,00,23,953	63,07,48,006
Provision for Doubtful Debts/Advances		30,00,000	30,00,000
Profit Before Tax		83,29,14,511	26,23,56,343
Tax Expenses			
a) Current (Net of MAT Credit Entitlement)		11,61,70,000	—
b) Deferred		15,08,47,000	9,05,32,000
c) Tax of Earlier Years		—	2,99,586
Profit after Tax		56,58,97,511	17,15,24,757
Balance brought forward from earlier Years		37,00,80,055	34,45,24,285
Profit Available for appropriation		93,59,77,566	51,60,49,042
Appropriation			
Transfer to General Reserve		30,00,00,000	10,00,00,000
Dividend on Equity Shares		5,91,32,339	3,94,21,559
Tax on Dividend		95,92,744	65,47,428
Surplus Transferred to Balance sheet		56,72,52,483	37,00,80,055
Basic & Diluted EPS (in ₹)		14.36	4.35
Notes to Accounts	19		

As per report of even date attached

For R. Kabra & Co.
Chartered Accountants
(Reg. No. 104502W)

For B.L. Chordia & Co.
Chartered Accountants
(Reg. No. 000294C)

(R.L. Kabra)
Partner
M.Ship No. 016216

(B.L. Chordia)
Partner
M.Ship No. 010882

Camp:Bhilwara
Date: April 27,2011

Place:Bhilwara
Date: April 27,2011

For and on behalf of the Board

(R.P. Soni)
Chairman

(S.N. Modani)
Managing Director

(V.K. Sodani)
Executive Director

(G.C. Jain)
President

(Anil Jain)
Jt.President (Fin.)& Secretary



SCHEDULES

FORMING PART
OF BALANCE
SHEET



(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
01 Share Capital		
Authorised		
6,40,00,000 Equity Shares (Previous year 6,40,00,000) of ₹ 10/- each	64,00,00,000	64,00,00,000
1,85,00,000 Non-Cumulative Redeemable	18,50,00,000	18,50,00,000
Preference Shares (Previous year 1,85,00,000) of ₹ 10/- each		
	82,50,00,000	82,50,00,000
Issued,Subscribed and Paid up		
3,94,21,559 (Previous Year 3,94,21,559) Equity Shares of 10/-each fully paid up	39,42,15,590	39,42,15,590
	39,42,15,590	39,42,15,590

Note

Out of above Shares 8,20,900 Equity Shares of ₹ 10/- each at a premium of ₹ 20/- per share and 12,50,062 Equity shares of ₹ 10/- each at par were issued pursuant to scheme of amalgamations in earlier years without payment being received in cash.

02 Reserves & Surplus

	AS AT 01.04.2010	ADDITION	DEDUCTION	AS AT 31.03.2011	AS AT 31.03.2010
1. Capital Reserve	2,97,60,330	—	—	2,97,60,330	2,97,60,330
2. Share Premium	58,68,17,621	—	—	58,68,17,621	58,68,17,621
3. General Reserve	40,00,00,000	30,00,00,000	—	70,00,00,000	40,00,00,000
4. Preference Share Capital Redemption Reserve	11,77,75,000	—	—	11,77,75,000	11,77,75,000
5. Profit & Loss Account	37,00,80,055	19,71,72,428	—	56,72,52,483	37,00,80,055
	150,44,33,006	49,71,72,428	—	200,16,05,434	150,44,33,006



SCHEDULES

FORMING PART
OF BALANCE
SHEET (Contd.)



(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
03 Secured Loans		
Term Loans From Banks		
Rupee Loans	432,28,40,539	459,06,39,614
Foreign Currency Loans	3,17,10,600	5,52,96,520
Working Capital Loans From Banks		
Rupee Loans	232,43,08,726	205,50,90,551
Foreign Currency Loans	3,63,31,970	–
Car Hire Purchase Loan from others (against Hypothecation of Cars)	1,44,76,245	68,32,063
	672,96,68,080	670,78,58,748
04 Unsecured Loans		
Loan From Corporate Bodies	20,00,00,000	21,80,60,000
Loan from Banks (Guaranteed by two directors of the company)	25,00,00,000	–
	45,00,00,000	21,80,60,000

Notes to Schedule 3

- Except as stated below at Note No.4 & 6 all Rupee and Foreign Currency Term Loans from banks except car hire purchase loan are secured by a joint equitable mortgage by deposit of title deeds in respect of immovable properties and first hypothecation of the entire moveable properties of the company, both present and future (save and except book debts) subject to prior charges created/to be created in favour of bankers for securing working capital borrowing, ranking pari-passu with the charges created/to be created in favour of other participating institutions and banks. The above Term Loans are further secured by personal guarantee of two directors of the company.
- Except as stated below at Note No.4 & 5, Borrowings from Banks for working capital are secured by hypothecation of inventories and charge on book debts both present and future and second charge on all the immovable and movable fixed assets of the company. The above borrowing are further secured by personal guarantee of two directors of the company.
- Car hire purchase loans are secured by hypothecation of respective vehicle(s).
- Rupee Term Loan from Banks includes a loan of ₹ 2 Crores (Previous year ₹ 4.67 Crores) from a Bank which is secured by way of exclusive charge on all the fixed assets of wind power plant of the company installed at Jaiselmer (Rajasthan). The said term loan is further secured by personal guarantee of two directors of the company.
- Working capital loans from banks includes a short term loan of ₹ 11.09 crores from Kotak Mahindra Bank Ltd. Which is secured by pledge of 6,000 cotton Bales.
- Rupee Term loan from Bank includes a short term loan of ₹ 6 crores from IDBI Bank Ltd. Which is secured by escrow account of toll collection and subservient charges on the movable fixed assets and current assets and further secured by personal guarantee of two directors of the company.

Schedule 05 : FIXED ASSETS

Description	Gross Block				Depreciation			Net Block	
	As on 01/04/2010	Additions	Deduction	As on 31/03/2011	As on 01/04/2010	For the Year	Adjustments/ Deduction	As On 31/03/2011	As On 31/03/2010
(A) Tangible Assets									
Land (A) Lease Hold	54,25,727	—	—	54,25,727	4,58,705	71,488	—	5,30,193	49,67,022
(B) Free Hold	4,43,31,236	56,77,451	—	5,00,08,687	—	—	—	5,00,08,687	4,43,31,236
Factory Building	126,29,50,219	3,17,27,098	—	129,46,77,317	20,16,21,424	4,24,87,462	—	24,41,08,886	106,13,28,795
Office Building	87,98,498	—	—	87,98,498	14,83,409	1,43,415	—	16,26,824	73,15,089
Plant & Machinery	668,29,79,285	28,84,22,075	6,91,29,952	690,22,71,408	273,53,60,258	51,81,27,311	5,03,89,821	320,30,97,748	394,76,19,027
Wind Power Machines	21,57,56,197	—	—	21,57,56,197	6,00,18,291	1,13,91,927	—	7,14,10,218	15,57,37,906
Electric Installation	50,07,70,624	3,56,53,468	—	53,64,24,092	18,90,29,715	4,97,26,305	—	23,87,56,020	31,17,40,909
Water Supply Installation	2,58,41,487	2,82,840	—	2,61,24,327	68,07,607	8,28,677	—	76,36,284	1,90,33,880
Furniture & Fixture	4,05,08,150	23,23,133	75,000	4,27,56,283	1,85,71,855	25,34,236	49,631	2,10,56,460	2,19,36,295
Vehicle	4,91,91,759	2,16,22,813	63,22,997	6,44,91,575	1,70,91,357	44,05,288	27,15,457	1,87,81,188	3,21,00,402
Office Equipment	84,44,283	6,19,396	—	90,63,679	33,90,584	4,16,332	—	38,06,916	50,53,699
Computer	4,08,45,334	1,79,21,981	22,000	5,87,45,315	2,57,34,832	42,13,763	1,495	2,99,47,100	1,51,10,502
Total (A)	888,58,42,799	40,42,50,255	7,55,49,949	921,45,43,105	325,95,68,037	63,43,46,204	5,31,56,404	384,07,57,837	562,62,74,762
Previous Year	874,03,70,233	21,47,85,010	6,93,12,444	888,58,42,799	265,32,20,698	62,50,70,257	1,87,22,918	325,95,68,037	608,71,49,535

(B) Intangible Assets

Computer software	2,83,88,741	—	—	2,83,88,741	1,05,73,581	56,77,749	—	1,62,51,330	1,78,15,160
Total (B)	2,83,88,741	—	—	2,83,88,741	1,05,73,581	56,77,749	—	1,62,51,330	1,78,15,160
Previous Year	2,83,88,741	—	—	2,83,88,741	48,95,832	56,77,749	—	1,05,73,581	2,34,92,909
Total (A)+(B)	891,42,31,540	40,42,50,255	7,55,49,949	924,29,31,846	327,01,41,618	64,00,23,953	5,31,56,404	385,70,09,167	564,40,89,922
Total Previous Year	876,87,58,974	21,47,85,010	6,93,12,444	891,42,31,540	265,81,16,530	63,07,48,006	1,87,22,918	327,01,41,618	611,06,42,444
Capital Work in Progress								20,20,24,562	12,57,41,288

- ₹ 14,84,819 (Previous Year 20,75,196) Being Pre Operative expenses included in capital work in progress.
- ₹ 6,57,28,849 (Previous Year 3,09,02,423) being advance to suppliers of capital goods included in capital work in progress.

SCHEDULES

FORMING PART
OF BALANCE
SHEET (Contd.)





SCHEDULES

FORMING PART
OF BALANCE
SHEET (Contd.)



(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
06 Investments (Long Term)		
A.Quoted investments	—	—
B.Unquoted		
Equity Shares of ₹ 10/– each fully paid up		
Keti Sangam Infrastructure (India) Ltd.	7,80,60,000	7,80,60,000
780600 (Previous Year 780600) at premium of ₹ 90/– per share		
PKSS Infrastructure Pvt. Ltd.	39,000	39,000
3900 (Previous year 3900) at par		
Kalyan Sangam Infratech Ltd	3,75,000	3,75,000
37500 (Previous year 37500) at par		
	7,84,74,000	7,84,74,000
07 Inventories		
(As Taken, Valued and Certified by the management)		
Stores,Spares and Fuel	19,33,89,756	15,21,93,094
Raw Material	98,09,69,042	84,34,83,832
Work/Material in Process	42,04,39,861	30,84,64,726
Finished Goods	78,54,32,759	46,58,74,586
	238,02,31,418	177,00,16,238
08 Sundry Debtors		
(Unsecured, Considered good)		
Over Six Months	9,31,89,883	9,10,57,367
Others	152,28,73,754	123,39,28,650
	161,60,63,637	132,49,86,017
Less:Provision for Doubtful Debts	2,22,74,832	1,93,84,502
	159,37,88,805	130,56,01,515
09 Cash & Bank Balance		
Cash in Hand	63,15,038	20,75,462
Balance in Current Accounts	85,57,943	2,89,93,223
Balance in Fixed Deposits (Pledged with Bank & Govt Authorities)	7,94,31,974	3,80,96,212
	9,43,04,955	6,91,64,897
10 Loans And Advances		
(Unsecured,considered good)		
Advances recoverable in cash or in kind or for value to be received	85,81,01,538	53,82,54,831
Less:Provisions for doubtful Advance /deposits	59,32,055	59,32,055
	85,21,69,483	53,23,22,776
Advance tax,MAT credit receivable &TDS/refund Receivable (Net)	15,17,45,432	9,19,34,661
Balance with Central Excise	2,19,61,291	3,09,31,112
Security Deposits	17,32,43,039	3,41,56,654
	119,91,19,245	68,93,45,203



SCHEDULES

FORMING PART
OF BALANCE
SHEET (Contd.)



Particulars	(Amount in ₹)	
	As at 31.03.2011	As at 31.03.2010
11 Current Liabilities		
Sundry Creditors	47,93,36,191	29,06,73,979
Advance from Customers/Security Deposits	1,97,37,613	1,67,73,013
Unclaimed dividend *	32,77,373	26,71,515
* There is no over due amount to be credited to investor education & protection fund		
Accrued & other Liabilities	29,25,47,368	15,78,72,293
	79,48,98,545	46,79,90,800
12. Provisions		
Proposed dividend on Equity shares	5,91,32,339	3,94,21,559
Dividend Tax	95,92,744	65,47,428
	6,87,25,083	4,59,68,987



SCHEDULES

FORMING PART
OF PROFIT &
LOSS ACCOUNT



Particulars	(Amount in ₹)	
	Year Ended 31.03.2011	Year Ended 31.03.2010
13 Turnover		
Yarn	758,55,57,406	580,16,53,462
Fabrics	333,74,22,301	231,32,16,075
Waste	5,13,11,485	3,68,69,313
Others	3,63,38,264	–
Job charge	27,13,54,667	25,81,67,553
Electricity income	2,14,06,397	13,99,19,277
Toll Receipts	53,58,63,734	–
	1183,92,54,254	854,98,25,680
14 Other Income		
Miscellaneous receipt	13,73,660	79,82,466
	13,73,660	79,82,466
15 Variation in Inventories		
A.Closing Stock		
Finished Goods	78,54,32,759	46,58,74,586
Work/Material in process	42,04,39,861	30,84,64,726
Total (A)	120,58,72,620	77,43,39,312
B.Less: Opening Stock		
Finished Goods	46,58,74,586	51,08,90,726
Work/Material in Process	30,84,64,726	25,21,69,659
Total(B)	77,43,39,312	76,30,60,385
Variation in Inventories (A–B)	43,15,33,308	1,12,78,927
16 Materials		
Raw material		
Opening Stock	84,34,83,832	52,14,51,332
Add:Purchase	669,26,66,535	487,81,95,819
	753,61,50,367	539,96,47,151
Less:Closing Stock	98,09,69,042	84,34,83,832
Raw Material Consumed	655,51,81,325	455,61,63,319
Fabric Purchased	2,33,19,565	9,55,44,583
Handling & Others Expenses	1,45,10,445	1,24,70,027
Dyes & Chemicals Consumed	36,55,68,902	31,24,07,576
Other material Purchased	3,46,35,487	–
	699,32,15,724	497,65,85,505
17 Payment To And Provision For Employees		
Salaries,Wages and others allowances	61,99,99,651	52,80,43,335
Contribution to Provident & others Funds	4,37,68,469	3,61,04,402
Staff and Labour Welfare	1,20,89,572	1,09,33,085
	67,58,57,692	57,50,80,822



SCHEDULES

FORMING PART
OF PROFIT & LOSS
ACCOUNT (Contd.)



(Amount in ₹)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
18 Operations And Other Expenses		
A. Manufacturing Expenses		
Power and Fuel	104,25,60,681	101,56,82,781
Stores and Spares Consumed	22,08,44,711	17,41,39,141
Packing Material Consumed	11,38,00,359	9,46,15,864
Processing & Others Job Charges	10,05,25,541	2,70,85,800
Repairs To:Plant & Machinery	2,97,20,425	2,95,80,033
Building	62,55,387	50,53,107
Others	37,42,004	36,25,865
Toll Contract Fee	49,15,71,431	—
Other Manufacturing Expenses	5,40,71,096	1,34,07,790
Total(A)	206,30,91,635	136,31,90,381
B. Administrative Expenses		
Rent	22,43,187	22,72,232
Rates & Taxes	17,39,325	32,98,432
Payments to Auditors		
Audit Fees	6,61,800	5,25,000
Certification & Others Services	4,80,327	2,95,750
Out of Pocket Expenses	1,37,936	66,156
Cost Audit Fees	1,10,000	1,11,348
Insurance Premium	1,80,49,648	1,22,57,106
Director's Travelling	26,11,499	32,29,477
Travelling & Conveyance	2,02,15,876	1,44,74,848
Telephone,Telex and Postage	66,21,639	67,28,153
Director's Remuneration	1,41,79,773	77,86,168
Printing & stationary	54,46,056	47,91,472
Legal & Professionals charges	65,66,245	76,50,829
Vehicle Running & Maintenance	2,84,84,676	2,13,09,519
Directors' Sitting Fees	3,60,000	3,70,000
Miscellaneous Expenses	1,92,67,413	1,09,13,807
Charity & Donation	63,501	4,66,613
Total(B)	12,72,38,901	9,65,46,910
C. Financial Charges		
Interest & Commitment Charges on Loans	29,84,52,801	26,94,79,037
Interest to Bank and Others	24,41,18,467	18,81,26,715
Bank Charges	2,24,39,188	1,82,68,452
	56,50,10,456	47,58,74,204
Less:Interest Received	7,87,10,323	6,58,13,347
Total(C)	48,63,00,133	41,00,60,857



SCHEDULES

FORMING PART
OF PROFIT & LOSS
ACCOUNT (Contd.)



(Amount in ₹)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
D. Selling Expenses		
Sales Incentive, Commission and Brokerage	11,10,87,119	9,06,07,437
Rebates and Claims	7,13,511	77,68,303
Freight, Octroi and Other Selling Exp.	16,34,18,453	11,43,87,552
Total(D)	27,52,19,083	21,27,63,292
E. Others Expenses		
Earlier Year Income W/Off	4,07,60,179	—
Deferred Revenue Expenses	—	30,84,707
Loss on Sales of Fixed Assets(Net)	97,44,449	36,81,593
Equity Issue Expenses	—	27,75,478
Total(E)	5,05,04,628	95,41,778
F. Foreign Exchange Fluctuation		
Foreign Exchange Fluctuation Loss	7,88,969	18,66,623
Total(F)	7,88,969	18,66,623
Total (A+B+C+D+E+F)	300,31,43,349	209,39,69,841



SCHEDULES

FORMING PART
OF BALANCE
SHEET & PROFIT
& LOSS ACCOUNT



19 ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

- The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956.
- Accounting policies not specifically referred to otherwise, have been followed consistently and are in consonance with generally accepted accounting principles.

2. FIXED ASSETS

- Fixed assets are stated at cost, net of Cenvat/ VAT, if any, less accumulated depreciation. Cost includes freight, duties and other incidental expenses incurred till the commencement of commercial production. Incidental expenses include establishment expenses, interest on borrowed funds used for capital expenditure and other administrative expenses.
- Capital Work in Progress includes incidental expenses pending allocation/ apportionment in respect of the uninstalled/ incomplete fixed assets and advances to suppliers of Plant and machinery, equipment etc.
- Expenditure incurred on acquisition of intangibles are accounted for as Intangible Assets on completion, being identifiable non-monetary assets without physical substance at the acquisition cost and further expenses incurred in relation to expenses incurred in acquiring those intangible assets.

3. DEPRECIATION

- Depreciation on Fixed Assets has been provided on straight-line method at the rates and in the manner specified in schedule XIV of the Companies Act, 1956. The company has technically considered process house machinery, wind power project & thermal power plant as continuous process plant.

b) Intangible Assets

Intangible assets comprise of computer software. These intangible assets are amortised on straight line basis over a period of 5 years useful life, which in management's estimate represents the period during which economic benefits will be derived.

4. REVENUE RECOGNITION

- All revenues, costs, assets and liabilities are accounted for on accrual basis except where there is no reasonable certainty. Turnover is excluding Inter Division Sales & Sales-tax but inclusive of excise duty, export incentives and exchange fluctuations.
- Claim lodged with insurance companies are recognized as income on acceptance by the Insurance Company. The Excess / Shortfall of claims passed are adjusted in the year of receipt.

5. INVENTORIES

Inventories are valued at lower of cost or net realizable value, after providing for obsolescence and damages as follows:

a)	Raw Material, Packing Material & Stores and Spares	At cost, on FIFO/ weighted average basis.
b)	Finished goods	At cost, plus appropriate production overheads, including excise duty paid/ payable on such goods if applicable.
c)	Material in Process	At Cost, plus appropriate production overheads.

6. FOREIGN EXCHANGE TRANSACTION/TRANSLATION

- Monetary and Non-monetary items /transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contract are translated at the year end rate and those covered by forward exchange contract are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such differences are recognized over the life of the contract.
- Exchange differences in respect of monetary and non-monetary items are recognized as income or expense in the profit and loss account for the relevant year except otherwise disclosed in other notes.

7. RESEARCH AND DEVELOPMENT

Revenue expenditure on research and development is charged as an expense in the year in which they are incurred. Capital expenditure is shown as addition to fixed assets.

8. RETIREMENT BENEFITS

a) Defined Contribution Plan

The company contributes to Government Provident Fund Scheme. The Company's contribution paid/ payable under the scheme is recognized as an expense in the profit and loss account during the period in which the employee renders the related service.

b) Defined Benefit Plan

The Company's liabilities on account of gratuity and leave encashment are determined at the end of each financial year on the basis of actuarial Valuation as per requirements of Accounting Standard 15 (revised 2005) on "Employee Benefits".

9. BORROWING COSTS

Borrowing costs relating to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.



SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT & LOSS ACCOUNT (Contd.)



10. ACCOUNTING FOR TAXES ON INCOME

- a) Current tax has been provided as per the provision of Income Tax Act 1961.
- b) Tax expenses comprise of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax reflects the impact of current year timing differences between book profit and taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book profit and taxable income for the year is accounted for using the tax rates and laws that have been substantially enacted as of the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit entitlement. The company reviews the same at each Balance Sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income-tax during specified period.

11. IMPAIRMENT OF ASSETS (AS-28)

Factors giving rise any indication of any impairment of the carrying amount of the Company's assets are appraised at each Balance Sheet date to determine and provide/revert an impairment loss following accounting standard AS-28 for impairment of assets.

12. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

13. EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average

number of equity shares outstanding during the year is adjusted for events of preferential issue allotment of equity shares. For the purpose of calculating diluted earning per shares, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

14. JOINT VENTURE

The interest in Joint Venture/ jointly controlled operations is disclosed as per Accounting Standard-27, with no effect of the profits or losses and assets and liabilities thereof in the financial statements.

15. CASH FLOW STATEMENT

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

16. MISCELLANEOUS EXPENDITURE:

Miscellaneous Expenditure is debited fully in the year in which expenditure is incurred.

17. INVESTMENT:

Long term investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

18. SEGMENT REPORTING

The company has identified primary segments based on the products and secondary segments based on the geographical area.

The primary segments identified are as follows:

- I. Textile
- II. Toll Plaza

The secondary segments identified are as follows:

- a. Domestic
- b. Overseas

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities to the extent possible are allocated and which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "Unallocated revenue / expenses / assets / liabilities".



SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT & LOSS ACCOUNT (Contd.)



B) NOTES TO ACCOUNTS

1 (I) CONTINGENT LIABILITIES

- Outstanding Bank Guarantees ₹ 3067.07 lacs (previous year ₹ 1735.13 lacs)
- Estimated amounts of contracts (net of advances) remaining un-executed on Capital account ₹ 3806.87 lacs (previous year ₹ 1059.59 lacs).
- Demand for excise duty disputed by the company ₹ Nil. (previous year ₹ 3.89 lacs).
- Demand for income tax disputed by the company ₹ 21.00 lacs (previous year ₹ 21.00 lacs).

(II) OBLIGATIONS AND COMMITMENTS OUTSTANDING

In respect of capital goods imported at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the company has an export obligation of approximately ₹ 4440 lacs (previous year 13947 lacs), which is required to be met at different dates, before 31.03.2017. In the event of non-fulfillment of the export obligation, the company will be liable to pay customs duties and penalties, as applicable. The company is confident of meeting its export obligation.

- Debtors/Creditors are shown net of advances from/to Customers/Suppliers and are subject to confirmation.
- Dues to small-scale industrial undertakings and dues to micro enterprises and small enterprises

The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. Since the relevant information is not readily available, no disclosures have been made in the accounts. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of this Act is not expected to be material.

- Detail of pre operative expenses capitalised/deferred for capitalisation under the head Capital Work in Progress.

(₹ in Lacs)

PARTICULARS	Year Ended 31.03.2011	Year Ended 31.03.2010
Opening balance	20.75	2.79
Financial Charges	85.67	40.43
Administrative Expenses	5.83	8.80
Total amount	112.25	52.02
Less: Exp. Apportioned to fixed assets	97.40	31.27
Balance yet to be allocated	14.85	20.75

- During the year exchange fluctuation gain on export sales included in the sales is ₹ 406.11 lacs (Previous year ₹ 480.87 lacs)

- The provision for deferred tax liability as at March 31, 2011 comprises of the following.

(₹ in Lacs)

A) DEFERRED TAX LIABILITY	As at 31.03.2011	As at 31.03.2010
Related to Fixed Assets	5214.48	5431.27
Total (A)	5214.48	5431.27
B) DEFERRED TAX ASSETS		
Disallowance under Section 43 B	175.43	105.97
Provision for Bad & Doubtful debts	91.52	84.10
Brought Forward Losses	-	1802.14
Total (B)	266.95	1992.21
C) Deferred Tax Liability (Net) (A-B)	4947.53	3439.06

- Financial and Derivative Instruments (For Hedging Currency Risks) and Unhedged Foreign Currency Exposure

- Forward contract outstanding as at Balance Sheet Date.

PARTICULARS	CURRENCY	2011	2010	PURPOSE
Forward Exchange Contract	USD	\$ 230.64 lacs	\$ 146.84 lacs	Export
Forward Exchange Contract	Euro	€ 20.50 lacs	€ 5.00 lacs	Export
	Total INR (₹ in Lacs)	12014.16	7206.69	

There is no derivative contract for option which is outstanding as at 31.03.2011.

- Unhedged Foreign Currency Exposure: - \$ 7.11 Lacs (₹ 317.10 Lacs) (Previous Year \$12.31 Lacs, ₹ 552.97 Lacs). This relates to IDBI foreign currency loan.

- In the opinion of Management, there is no impairment of assets in accordance with accounting standard (AS-28) as on Balance sheet date.

- Out of the total outstanding of ₹ 622 Lacs towards the incentive receivable under the target plus scheme for the year 2005-06, an amount of ₹ 407.60 Lacs has been written off during the year towards outstanding balance in the target plus incentive account as the company considers that this amount is no longer receivable in view of Government Policy, after disposal of the total benefits actually received under the target plus scheme. The Company has however subjudged the decision.

- The advances recoverable includes a sum of ₹ 8.87 crores (previous year ₹ 18.27 crores) of insurance claim receivable on account of claims lodged on insurance companies due to fire and other losses suffered of company's various assets from time to time. The said claims are under active consideration of the insurance company.



SCHEDULES

FORMING PART
OF BALANCE
SHEET & PROFIT
& LOSS ACCOUNT
(Contd.)



11. Managing Director/ Whole time Director Remuneration

a) Computation of profit in accordance with section 309(3) and 198 of the Companies Act 1956.

(₹ in Lacs)

Particulars		Year Ended 31.03.2011	Year Ended 31.03.2010
Profit before Tax		8359.15	2653.56
Add	Directors Remuneration payable	141.80	77.86
	Directors Sitting Fees	3.60	3.70
	Depreciation as per Profit & Loss A/c	6400.24	6307.48
	Loss on Sale Of Fixed Assets (Net)	97.44	36.82
		15002.23	9079.42
Less	Bad & doubtful debts Written off	1.10	-
	Depreciation As Per Section 350	6400.24	6307.48
	Net Profit for Section 198 of the Companies Act 1956	8600.89	2771.94
Commission payable 1% on net profit of the Co.		86.01	27.72

b) Managing Director/ Whole time Director Remuneration

(₹ in Lacs)

PARTICULARS	Year Ended 31.03.2011	Year Ended 31.03.2010
Salary	39.90	32.82
Commission	86.01	27.72
Other Perquisites	15.89	17.32
Total amount	141.80	77.86

12. Interest in Joint Venture Company

The company has the following interest in its Joint Venture Companies:-

I. Ketu Sangam Infrastructure (India) Ltd (Country of Incorporation: India)

The Company is holding 7,80,600 (Previous Year 7,80,600) equity shares of ₹ 10 each at premium of ₹ 90 per equity share [26.02%

equity as on 31.03.11 (Previous Year 26.02%)] in the Joint Venture Company M/s. Ketu Sangam Infrastructure (India) Ltd. for execution of BOT Project at Aurangabad National Highway.

II. PKSS Infrastructure Pvt. Ltd./Kalyan Sangam Infratech Ltd. (Country of Incorporation: India)

The Company had originally participated in the joint venture for MCD toll collection project i.e. PKSS Infrastructure Pvt. Ltd. and for BOT Project at Thane- Bhiwadi i.e. Kalyan Sangam Infratech Ltd and the Company holds the investment of ₹ 39,000 in PKSS Infrastructure Pvt. Ltd. by way of 3,900 (Previous year 3,900) equity shares of ₹ 10 each [2.48% equity as on 31.03.11 (2.48% equity as on 31.03.10)] and ₹ 3.75 lacs in Kalyan Sangam Infratech Ltd. by way of 37,500 (Previous Year 37,500) equity shares of ₹ 10 each [0.75% equity as on 31.03.11 (0.79% equity as on 31.03.10)].

III. The Company's proportionate share in the assets, liabilities, income and expenses of its Joint Venture Company Ketu Sangam Infrastructure (India) Ltd is 26.02% (Previous Year 26.02%) of the below total:

BALANCE SHEET

(₹ in Lacs)

Particulars	FY 2011 (Unaudited)	FY 2010 (Audited)
Source Of Funds		
Equity Share Capital	924.00	958.80
Reserves & Surplus	5855.57	7046.06
Loan Funds		
Secured Loans	25230.16	20203.47
Deferred Tax Liability	6.20	6.20
	32015.93	28214.53

APPLICATION OF FUNDS

Fixed Assets		
Gross Block	118.44	110.30
Less: Accumulated Depreciation	26.46	12.47
Net Block	91.98	97.83
Cost of B.O.T Project	26040.60	27296.92
Current Assets, Loans & Advances		
Loans & Advances	4954.59	102.87
Cash & Bank Balance	991.64	819.19
	5946.23	922.06
Less: Current Liabilities & Provisions		
Sundry Creditors	50.78	90.42
Provisions & Payable	12.70	12.76
Net Current Assets	5882.75	818.88
Miscellaneous Expenditure (To the extent not W/off or adjusted)	0.60	0.90
	32015.93	28214.53



SCHEDULES

FORMING PART
OF BALANCE
SHEET & PROFIT
& LOSS ACCOUNT
(Contd.)



PROFIT & LOSS ACCOUNT

(₹ in Lacs)

Particulars	FY 2011 (Unaudited)	FY 2010 (Audited)
Income		
Toll Collection	2984.11	2506.99
	2984.11	2506.99
EXPENDITURE		
Toll Operating Expenses	538.94	134.98
Bank Interest	2365.05	2245.74
Cost of Project Written off	1256.31	1243.26
Depreciation	14.00	11.63
Preliminary Expenses Written off	0.30	0.30
Net Loss Before Tax	(1190.49)	(1128.92)
Provision For Taxation/ Deferred Tax	-	6.20
Net Loss After Tax	(1190.49)	(1135.12)

13. Segment information

Primary/ secondary segments:

- The risk-return profile of the Company's business is determined predominantly by the nature of its products and services. Accordingly, the business segments constitute the primary segments for disclosure of segment information.
- In respect of secondary segments information, the Company has identified its geographical segments as (i) domestic and (ii) overseas. The secondary segment information has been disclosed accordingly.

Segment composition:

The Company operates mainly in two segments i.e. Textile & Toll Plaza. The Company is also having Wind power plant and some miscellaneous activities operation which is included in Textile Segment. Toll plaza segment of the Company comprises of collection of user fees by the Company in accordance with the contracts entered into by the Company with the National Highways Authority of India.

Primary segment

(₹ in Lacs)

Particulars	Textile	Toll Plaza	Total
Revenue	Amount for current year		
External sales	111793	5359	117152
Total Revenue	111793	5359	117152
Result			
Segment result	12814	154	12968
Interest expense (Net)			4639
Profit/Loss Before Tax			8329
Less:-Tax Expenses			2670
Net profit			5659
Other information			
Segment assets	107496	1842	109338
Segment liabilities	8363	273	8636
Capital Employed	99133	1569	100702
Capital expenditure incurred during the year	4632	173	4805
Depreciation (included in segment expenses)	6399	1	6400

The company has commenced operation in toll segment in the current year only.



SCHEDULES

FORMING PART
OF BALANCE
SHEET & PROFIT
& LOSS ACCOUNT
(Contd.)



Secondary segment

(₹ in Lacs)

Revenue	31.03.2011	31.03.2010
Domestic	92716.71	65978.63
Export	25675.83	19519.63
Total	118392.54	85498.26

All the assets are located in India.

14. During the current year, the company has been awarded toll plazas for collection of user fee in lieu of transferring Central Government's user fee collection rights for the said toll plazas of the National Highway Authority of India for a period of one year. Under these agreements, the operator does not own the road, but gets toll collection rights.

15. i) Related Party Transactions

As per Accounting Standard (AS-18) on Related Party Disclosures issued by the ICAI, the disclosure of related parties as defined in the Accounting Standard is given below:

	Relationship
Enterprises over which Directors and Relatives of such personnel exercise significant influence	
Associate Company	
Sangam Infratech Ltd.	
Marigold Investments (P) Ltd.	
Sangam Business Credit Ltd.	
Sangam Suitings Pvt. Ltd.	
Mahalaxmi TMT Pvt. Ltd.	
Joint Venture	
Keti Sangam Infrastructure (India) Ltd.	
PKSS Infrastructure Pvt. Ltd.	
Kalyan Sangam Infratech Ltd.	
Key Management Personnel	
Shri R.P. Soni	
Shri S.N. Modani	
Shri V.K. Sodani	
Relative of Key Management Personnel	
Smt Radha Devi	Wife of Director Shri R.P. Soni
Ms. Antima Soni	Daughter of Director Shri R.P. Soni
Shri Anurag Soni	Son of Director Shri R.P. Soni
Shri Pranal Modani	Son of Director Shri S.N. Modani
Smt. Mamta Modani	Wife of Director Shri S.N. Modani
Smt. Archana Sodani	Wife of Director Shri V.K. Sodani
Smt. Anjana Thakur	Daughter of Director Shri R.P. Soni
Others	
Shri R.P. Soni HUF	



SCHEDULES

FORMING PART
OF BALANCE
SHEET & PROFIT
& LOSS ACCOUNT
(Contd.)



ii) Transactions during the year with related parties:

(₹ in Lacs)

Nature of Transaction	Salary		Insurance Premium		Rent		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
Key Management Personnel	141.80	77.86	13.40	13.40	-	-	155.20	91.26
Relatives of Key Management Personnel	4.80	4.04	-	-	3.00	3.00	7.80	7.04
Others	-	-	-	-	1.20	1.20	1.20	1.20
Total	146.60	81.90	13.40	13.40	4.20	4.20	164.20	99.50

(₹ in Lacs)

Nature of Transaction	Loan Taken		Interest Paid	
	2011	2010	2011	2010
Associate Company				
(i) Maximum Balance	2180.60	4835.85	2.08	102.19
(ii) Closing Balance	2000.00	2180.60	-	-

(₹ in Lacs)

Sale of Goods	2011	2010
	Associate Company	363.38 Nil

16. Disclosure pursuant to Accounting Standard - 15 (Revised) "Employee Benefits":

Defined Benefit Plans

The following tables set out the details of amount recognized in the financial statements in respect of Employee benefit schemes.

(₹ in Lacs)

Sr No	Particulars	As at 31st March, 2011		As at 31st March, 2010	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
I	Assumptions as at				
	Mortality	LIC(1994-96)Ult	LIC(1994-96)Ult	LIC(1994-96)Ult	LIC(1994-96)Ult
	Discount Rate	8.00%	8.00%	8.00%	8.00%
	Rate of increase in compensation	5.50%	5.50%	5.50%	5.50%
	Withdrawal rates	Upto Age 30 : 3% 31-44 : 2% 45 & above : 1%	Upto Age 30 : 3% 31-44 : 2% 45 & above : 1%	Upto Age 30 : 3% 31-44 : 2% 45 & above : 1%	Upto Age 30 : 3% 31-44 : 2% 45 & above : 1%
II	Changes in present value of obligations				
	PVO at beginning of period	291.75	113.42	201.98	83.74
	Interest cost	22.29	8.36	15.02	6.16
	Current Service Cost	108.31	72.91	83.90	58.50
	Benefits Paid	(26.19)	(17.89)	(28.41)	(13.40)
	Actuarial (gain)/ loss on obligation	16.40	(31.80)	19.25	(21.59)
	PVO at end of period	412.56	145.01	291.75	113.42



SCHEDULES

FORMING PART
OF BALANCE
SHEET & PROFIT
& LOSS ACCOUNT
(Contd.)



(₹ in Lacs)

Sr No	Particulars	As at 31st March, 2011		As at 31st March, 2010	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
III	Changes in fair value of plan assets				
	Fair Value of Plan Assets at beginning of period	169.73	51.84	161.96	45.62
	Expected Return on Plan Assets	20.44	5.25	14.66	4.31
	Contributions	128.75	27.82	21.48	15.33
	Benefit Paid	(26.19)	(17.89)	(28.41)	(13.40)
	Actuarial gain/ (loss) on plan assets	0.19	(0.14)	0.04	(0.02)
	Fair Value of Plan Assets at end of period	292.92	66.89	169.73	51.84
IV	Fair Value of Plan Assets				
	Fair Value of Plan Assets at beginning of period	169.73	51.84	161.96	45.62
	Actual Return on Plan Asset	20.64	5.12	14.70	4.29
	Contributions	128.75	27.82	21.48	15.33
	Benefit Paid	(26.19)	(17.89)	(28.41)	(13.40)
	Fair Value of Plan Assets at end of period	292.92	66.89	169.73	51.84
	Funded Status	(119.64)	(78.12)	(122.02)	(61.58)
	Excess of actual over estimated return on Plan Assets	0.19	(0.14)	0.04	(0.02)
V	Actuarial Gain/ (Loss) Recognized				
	Actuarial Gain/ (Loss) for the period (Obligation)	(16.40)	31.79	(19.25)	21.59
	Actuarial Gain/ (Loss) for the period (Plan Assets)	0.19	(0.14)	0.04	(0.02)
	Total Gain/ (Loss) for the period	(16.21)	31.66	(19.21)	21.57
	Actuarial Gain/ (Loss) recognized for the period	(16.21)	31.66	(19.21)	21.57
	Unrecognized Actuarial Gain/ (Loss) at end of period	-	-	-	-
VI	Amounts to be recognized in the balance sheet and statement of P&L a/c				
	PVO at end of period	412.56	145.01	291.75	113.42
	Fair Value of Plan Assets at end of period	292.92	66.89	169.73	51.84
	Funded Status	(119.64)	(78.12)	(122.02)	(61.58)
	Unrecognized Actuarial Gain/ (Loss)	-	-	-	-
	Net Asset/ (Liability) recognized in the balance sheet	(119.64)	(78.12)	(122.02)	(61.58)



SCHEDULES

FORMING PART
OF BALANCE
SHEET & PROFIT
& LOSS ACCOUNT
(Contd.)



(₹ in Lacs)

Sr No	Particulars	As at 31st March, 2011		As at 31st March, 2010	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
VII	Expense recognized in the statement of P & L A/c				
	Current Service Cost	108.31	72.91	83.90	58.50
	Interest Cost	22.29	8.36	15.02	6.16
	Expected Return on Plan Assets	(20.44)	(5.25)	(14.66)	(4.31)
	Net Actuarial (Gain)/ Loss recognized for the period	16.21	(31.66)	19.21	(21.57)
	Expense recognized in the statement of P & L A/c	126.37	44.36	103.47	38.79
VIII	Movements in the Liability recognized in Balance Sheet				
	Opening Net Liability	122.02	61.58	40.03	38.13
	Expenses as above	126.37	44.36	103.47	38.79
	Contribution Paid	(128.75)	(27.82)	(21.48)	(15.33)
	Closing Net Liability	119.64	78.12	122.02	61.58

17. Earning Per Share (EPS)

(₹ in Lacs)

	31.03.2011	31.03.2010
(A) Net Profit for the period attributable to Equity Share holders (Numerator used for calculation)	5658.98	1715.25
(B) Weighted average no. of Equity Shares outstanding during the year (Used as denominator for calculating EPS) (In Nos.)	39421559	39421559
Basic and Diluted Earning Per Share (₹)	14.36	4.35

18. Figures for the previous year have been re-grouped, rearranged and reclassified wherever considered necessary in correspondence with current year.

19. The quantitative and other details as required under Para 3 and 4 of Part II of the Schedule VI of the Companies Act, 1956 are annexed here to as per Annexure 'A'.

20. The detail as required under Part-IV of the schedule VI of the Companies Act, 1956 as amended are given as per Annexure-B.



ANNEXURE "A"



ADDITIONAL INFORMATION PURSUANT TO PROVISION OF PARAGRAPHS 3 & 4 OF PART II OF SECHEDULE VI OF THE COMPANIES ACT. 1956

	Particulars		2010-11	2009-10
1	Capacity & Production			
	A) Installed Capacity			
	i) SPINDLES	NOS	193920	193920
	ii) ROTORS	NOS	2464	1944
	iii) LOOMS	NOS	270	257
	iv) Processing of Fabric	MTRS.	28800000	28800000
	v) Manufacturing of Flock Fabric	MTRS.	7500000	7500000
	vi) Manufacturing of Textile Fabric	KGS.	337500	337500
	B) Production			
	i) Fabric	MTRS.	34899319	28459686
	ii) P/V Yarn	KGS.	37842293	37126354
	iii) Cotton Yarn	KGS.	12255495	9427709
	iv) Waste	KGS.	3063401	3177610
	v) Synthetic Fabric (Job Processing)	MTRS.	28358779	28248598
	vi) Flock Fabric	MTRS.	3064318	3754211
	vii) Textile Flock	KGS.	283320	311594
2	Materials			
	i) Yarn	KGS.	6177513	3711254
		AMT.	950252144	470751673
	ii) Man Made Fibre	KGS.	38616287	38566800
		AMT.	4092119089	3282388581
	iii) Cotton	KGS.	13809378	10409065
		AMT.	1377962770	680274883
	iv) Tow	KGS.	283660	294964
		AMT.	56757298	55510092
	v) Grey Fabric	MTRS.	3042737	3759010
		AMT.	92600469	79708117
	vi) Finish Fabric	MTRS.	105919	738754
		AMT.	23319565	95544583
	vii) Dyes & Chemicals	AMT.	365568902	312407576
	viii) Steel Scrap Purchased	KGS.	1623917	-
		AMT.	34635487	-



ANNEXURE "A" (Contd.)



	Particulars		2010-11	2009-10
3	Sales			
	i) P/V Yarn	KGS.	35790410	34688935
		AMT.	6422163073	5019770025
	ii) Fabric	MTRS.	34562624	27996761
		AMT.	3085873320	2035811566
	iii) Cotton Yarn	KGS.	6397344	6206979
		AMT.	1163394333	781883437
	iv) Waste	KGS.	3188176	2979918
		AMT.	51311485	36869313
	v) Synthetic Fabric (Job Processing)	MTRS.	16145190	16011676
		AMT.	224404544	209689208
	vi) Flock Fabric	MTRS.	2941043	3783614
		AMT.	277505322	305626740
	vii) Textile Flock	KGS.	38863	73050
		AMT.	5691062	5331250
	viii) Job Charges (others)	AMT.	15302720	14924864
	ix) Steel Scrap	KGS.	1623917	-
		AMT.	36338264	-
4	Closing Stock			
	i) P/V Yarn	KGS.	1777148	1453906
	ii) Cotton Yarn	KGS.	1132606	293615
	iii) Fabric (Finish)	MTRS.	2261523	2190599
	iv) Synthetic Fabric(Job Processing)	MTRS.	954643	675463
	v) Flock Fabric	MTRS.	215613	92328
5	Opening Stock			
	i) P/V Yarn	KGS.	1453906	2224713
	ii) Cotton Yarn	KGS.	293615	192524
	iii) Fabric (Finish)	MTRS.	2190599	2403598
	iv) Synthetic Fabric(Job Processing)	MTRS.	675463	604698
	v) Flock Fabric	MTRS.	92338	121731
6	Consumption of Raw Material			
	i) Imported	AMT.	149390861	58400925
	ii) Indigenous	AMT.	6843824863	4918184580



ANNEXURE "A" (Contd.)



	Particulars		2010-11	2009-10
7	Consumption of Store & Spares			
	i) Imported	AMT.	49538693	34385989
	ii) Indigenous	AMT.	171306018	139753152
8	CIF Value of Imports			
	i) Raw Material	AMT.	128798812	58731840
	ii) Capital Goods	AMT.	49325400	30392391
	iii) Store & Spares	AMT.	39080430	36650571
9	Expenditure in Foreign Currency			
	i) Travelling Expenses	AMT.	2967405	4408665
	ii) Other Expenses	AMT.	45213918	46360111
10	Earning in Foreign Currency			
	FOB Value of Exports	AMT.	2492078605	1896480059

Notes :

- 1 Yarn sales and consumption net of captive consumption 6747801 Kgs. (previous year 5866818 Kgs.)
- 2 Yarn Sales net of damaged and claimed with Insurance Company Nil . (previous year 461047 Kgs.)
- 3 Yarn Production includes purchase 118656 Kgs. (Previous year Nil)
- 4 Yarn production includes job done by others 254961 Kgs. (Previous year Nil)
- 5 Flock sales and consumption net of captive consumption 244457 Kgs.(Previous year 238544 Kgs.)
- 6 Synthetic fabric processing job income net of captive job work 11934409 Mtrs. (Previous year 12166157 Mtrs.)
- 7 Fabric production and sales includes job work for others 3784226 Mtrs (previous year 4314786 Mtrs.) and Sales net of captive job work 265771 Mtrs. (Previous year 567919 Mtrs.) and captive consumption Nil Mtrs. (previous year 108005 Mtrs.)
- 8 Fabric Production includes purchase 105919 Mtrs. (Previous year 738754 Mtrs.)
- 9 Fabric Production includes job done by others 3079036 Mtrs. (Previous year Nil)

As per our report of even date

For **R. Kabra & Co.**
Chartered Accountants
(Reg No. 104502W)

(R.L. Kabra)
Partner
M.Ship No. 016216

Camp: Bhilwara
Date: April 27, 2011

For **B.L. Chordia & Co.**
Chartered Accountants
(Reg No. 000294C)

(B.L. Chordia)
Partner
M.Ship No. 010882

Place: Bhilwara
Date: April 27, 2011

For and on behalf of the Board

(R.P. Soni)
Chairman

(G.C. Jain)
President

(S.N. Modani)
Managing Director

(Anil Jain)
Jt. President (Fin.) & Secretary

(V.K. Sodani)
Executive Director



ANNEXURE

"B"



DETAILS OF PARTICULARS AS REQUIRED UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956 IS AS UNDER BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE

1. Registration Details

Registration No.	3173	State Code No.	17
Balance Sheet As at	31.03.2011		

2. Capital Raised During The Year (Amount In ₹ Thousand)

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

3. Position Of Mobilization And Deployment Of Funds (Amount In ₹ Thousand)

Total Liabilities	10070242	Total Assets	10070242
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Sources Of Funds

Paid up Capital	394216	Secured Loans	6729668
Reserve & Surplus	2001605	Deferred Tax Liability	494753
Unsecured Loan	450000		

Application Of Funds

Net Fixed Assets	5587947	Investment	78474
Net Current Assets	4403821	Misc. Expenses	Nil
Accumulated Losses	Nil		

4. Performance Of Company (Amount In ₹ Thousand)

Turnover	12272161	Total Expenditure	11439246
Profit/Loss Before Tax	832915	Profit /Loss After Tax	565898
Earnings per Share	14.36	Dividend Rate	15%

5. Generic Names Of Three Principal Products/Services Of The Company

(as per monetary terms)			
Item Code No. (ITC Code)		5509	
Product description		Yarn	
Item Code No. (ITC Code)		5205	
Product description		Cotton Yarn	
Item Code No. (ITC Code)		5515	
Product description		Synthetic Fabrics	

As per our report of even date

For **R. Kabra & Co.**
Chartered Accountants
(Reg No. 104502W)

(R.L. Kabra)
Partner
M.Ship No. 016216

Camp: Bhilwara
Date: April 27, 2011

For **B.L. Chordia & Co.**
Chartered Accountants
(Reg No. 000294C)

(B.L. Chordia)
Partner
M.Ship No. 010882

Place: Bhilwara
Date: April 27, 2011

For and on behalf of the Board

(R.P. Soni)
Chairman

(G.C. Jain)
President

(S.N. Modani)
Managing Director

(Anil Jain)
Jt. President (Fin.) & Secretary

(V.K. Sodani)
Executive Director



CASH FLOW STATEMENT

FOR THE YEAR
ENDED 31st
MARCH, 2011



ANNEXED TO THE FINANCIAL STATEMENT

(₹ in Lacs)

	CURRENT YEAR	PREVIOUS YEAR
A Cash Flow from Operating Activities		
Net Profit before tax & extra ordinary Items	8,329.15	2,623.56
Depreciation	6,400.24	6,307.48
Interest	4,638.61	3,917.92
Deferred Revenue Expenses Written off	-	58.60
Provision for Doubtful Debts & advances	30.00	30.00
Profit/Loss on sale of fixed assets	97.44	36.82
Earlier Year income w/off	407.60	-
Operating Profit before working capital changes	19,903.04	12,974.38
Adjustment for:		
Inventories	(6,102.15)	(3,413.64)
Trade & Other Receivables	(7,411.51)	(2,519.04)
Trade & Other Payables	3,263.02	(404.92)
Cash Generated from Operations	9,652.40	6,636.78
Taxes Paid	1,759.81	263.60
Earlier Year income w/off	407.60	-
Net Cash Inflow /(Out Flow) from Operation	7,484.99	6,373.18
B Cash Flow from Investing Activities:		
Purchase of fixed assets	(4,805.34)	(2,875.18)
Sale of fixed assets	126.50	469.08
Purchase of investments	-	(307.00)
Sale of Investments	-	126.40
Net Cash Inflow/(Outflow) from investing Activities	(4,678.84)	(2,586.70)
C Cash flow from Financing Activities		
Proceeds from Long Term Borrowings (net)	(2,837.41)	(3,200.54)
Increased/Decreased in Unsecured Loans	2,319.40	(483.65)
Increased/Decreased in Short-term Borrowings	3,055.50	3,662.52
Interest Paid	(4,638.61)	(3,917.92)
Dividend paid (including tax on dividend)	(453.63)	(0.05)
Net Cash Inflow /(Out Flow) from Financing Activities	(2,554.75)	(3,939.64)
Net Increase/Decrease in cash & Cash equivalents	251.40	(153.16)
Cash and Cash equivalents as at 31.03.2010	691.65	844.81
Cash and Cash equivalents as at 31.03.2011	943.05	691.65

As per our report of even date annexed

For **R. Kabra & Co.**
Chartered Accountants
(Reg No. 104502W)

(R.L. Kabra)
Partner
M.Ship No. 016216

Camp: Bhilwara
Date: April 27, 2011

For **B.L. Chordia & Co.**
Chartered Accountants
(Reg No. 000294C)

(B.L. Chordia)
Partner
M.Ship No. 010882

Place: Bhilwara
Date: April 27, 2011

For and on behalf of the Board

(R.P. Soni)
Chairman

(G.C. Jain)
President

(S.N. Modani)
Managing Director

(Anil Jain)
Jt. President (Fin.) & Secretary

(V.K. Sodani)
Executive Director

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SANGAM (INDIA) LIMITED

Registered Office at Opp. Higher Secondary School, Industrial Estate, Pur Road, Bhilwara - 311 001 (Rajasthan)

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 25th ANNUAL GENERAL MEETING of the Members of "SANGAM (INDIA) LIMITED" will be held on Friday the 30th September, 2011 at 4.00 P.M. at its Registered Office at Opp. Higher Secondary School, Industrial Estate, Pur Road, Bhilwara - 311 001 (Raj.) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st., 2011, Profit & Loss Account for the year ended on that date and Directors' report together with Auditors' report thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri Ramavatar Jaju, who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint M/s R.Kabra & Company, Chartered Accountants and M/s B.L.Chordia & Company, Chartered Accountants, the retiring Auditors of the Company, as Joint Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

Resolved that Dr. Tapan Kumar Mukhopadhyay, who was appointed as an Additional Director by the Board of Directors of the Company on 7th February, 2011 and who holds the office as such upto the date of this Annual General Meeting and in respect of whom a notice under section 257 of the Companies Act, 1956 has been received from a members signifying his intention to propose Dr. Tapan Kumar Mukhopadhyay as a candidate for the office of Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation.

6. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification or re-enactment thereof, the Articles of Association of the company be and are hereby altered to the extent and in the manner set out hereunder:

i. The following definitions shall be deleted/removed in Article 1.

"Investor" shall mean The Western India Trustee and Executor Company Limited (India Advantage Fund -I)

"Subscription Agreement" shall mean the Subscription Agreement dated August 6, 2005 entered into between (i) the Investor; (ii) Swastik Coal Corporation (India) Limited; (iii) the

Promoters of the Company (as defined in the Subscription Agreement); and (iv) the Company, in respect of the subscription to Shares and Warrants of the Company by the Investor, as from time to time amended, supplemented or replaced or otherwise modified from time to time.

ii. The following Article 141 shall be deleted/removed:

Article 141. Subscription Agreement

The provisions of the Subscription Agreement shall be deemed to form part of these Articles. In the event of any inconsistency between the provisions of Article 1 to 140 and the provisions of the Subscription Agreement, the provisions of the Subscription Agreement shall prevail.

By Order of the Board of Directors

Date: 29.07.2011
Place: Bhilwara

(Anil Jain)
Jt. President (Finance)
& Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and such proxy need not be a member of the company. The instrument of proxy, in order to be effective, should be duly stamped, completed and signed and must be deposited at the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting.
2. The relevant explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of item No. 5 to Item No. 6 of the Notice set out above, is annexed hereto.
3. The company's Register of members and share transfer books shall remain closed from Monday the 19th September, 2011 to Friday the 30th September, 2011 (both days inclusive) to decide the entitlement of shareholders for the payment of dividend in accordance with the recommendation of the Board of Directors.
4. The Company has listed its Shares at:
 - (i) Bombay Stock Exchange Ltd., Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400 001.
 - (ii) The National Stock Exchange of India Limited, Trade World, Senapati Bapat Marg, Lower Parel, Mumbai-400 051.The listing fees of these Exchanges have been paid regularly.
5. All documents referred to in the accompanying notice are open for inspection at the registered office of the company in all working days except Saturday and holidays, between 11.00 A.M. to 1.00 P.M. up to the date of Annual General Meeting.



SANGAM (INDIA) LIMITED

Registered Office at Opp. Higher Secondary School, Industrial Estate, Pur Road, Bhilwara - 311 001 (Rajasthan)

6. Members are requested to notify immediately for the following:

- In respect of shares held in electronic/demat form, beneficial owners are requested to notify any change in their address, bank account, mandate etc. to their respective Depository Participant.
- Members holding shares in physical form are requested to notify any change in their address, Bank Account etc. to the Registrar and Transfer Agent.

7. Members desirous of making nomination as permitted under Section 109A of the Companies Act, 1956 in respect of the shares held by them in the company, can make the nomination in Form 2B.

8. A statement containing details of Appointee and Re-appointee Directors are attached herewith.

By Order of the Board of Directors

Date: 29.07.2011
Place: Bhilwara
(Anil Jain)
Jt. President (Finance)
& Company Secretary

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956.

ITEM NO. 5:

The Board of Directors of the Company has appointed Dr. Tapan Kumar Mukhopadhyay as an Additional Director of the Company on 7th February, 2011 pursuant to the provisions of Section 260 of the Companies Act, 1956 and in exercise of the authority vested by the Articles of Association, the term of office of Dr. Tapan Kumar Mukhopadhyay as an Additional Director expires at this AGM.

The company has received a notice under section 257 alongwith the requisite amount of deposit from a members of the company notifying his intention to propose the candidature of Dr. Tapan Kumar Mukhopadhyay as a Director of the Company. The resolution as set out in item no. 5 of the Notice will be placed before the meeting for the approval of the members.

None of the Directors except Dr. Tapan Kumar Mukhopadhyay is concerned or interested in the passing of the resolution.

ITEM NO. 6:

For generating equity resources on private placement basis by way of preferential issue for part financing the expansion and diversification programme of the Company, a Subscription Agreement (hereinafter referred to as "the Agreement") dated August 6, 2005 was entered into between The Western India Trustee and Executor Company Limited (India Advantage Fund-I) acting through its investment manager ICICI Venture Funds Management Company Limited (hereinafter referred to as "the Investor") and the Company; in respect of the subscription to shares and warrants of the Company by the Investor, the Articles of Association of the company were altered w.e.f. 3rd October, 2005 as per the terms and conditions of Agreement executed with the Investor.

Since the shareholding of the above investor has been disposed off by them, (acquired in terms of the said subscription agreement), the subscription agreement stands terminated as per the clauses of the same

In view of the same the existing clauses in the articles of association are redundant and hence the proposed deletion thereof.

The Board recommends the passing of this Special Resolution.

None of the Directors is personally interested or concerned in the passing of the resolution.

By Order of the Board

For **Sangam (India) Limited**

Date : July 29, 2010
Place : Bhilwara
(Anil Jain)
Jt. President (Finance) &
Company Secretary

Details of Directors seeking appointment/re-appointment/ in AGM fixed on 30th September, 2011 as per clause 49 of listing agreement

Name of Director	Dr. Tapan Kumar Mukhopadhyay (Appointee Director)	Shri Ramavatar Jaju (Re-appointee Director)
Date of Birth	03.09.1949	25.07.1949
Date of Appointment	07.02.2011	30.09.1999
Expertise in specific functional areas	Retd as Chief General Manager and Country Head (Administration & Premises) from IDBI BANK w.e.f.30-9-2009 after serving 30 years in the institution in different Senior Executive Positions including holding positions as Head of Project Finance, Project Management and Project Monitoring Depts.	Industrialist. 42 years experience in processing of pulses and 23 years experience in International Business.
Qualifications	B.Sc., M.Tech (Chemical Engg), PGDBM, Ph.D	B. Com.
List of outside Directorship held	Cybertech Systems & Software Ltd.	1. Adarsh Global Pvt. Ltd. 2. Adarsh International Ltd. 3. Jaju Agro Industries Pvt. Ltd. 4. Adarsh Pulses Pvt Ltd 5. Adarsh Commodities Pvt Ltd 6. MPSE Securities Ltd
Member of the Committee of the Board of Directors of other companies	Cybertech Systems & Software Ltd. Audit and Investors Grievance Committee	Nil



SANGAM (INDIA) LIMITED

Registered Office at Opp. Higher Secondary School, Industrial Estate, Pur Road, Bhilwara - 311 001 (Rajasthan)

ATTENDANCE SLIP

25th Annual General Meeting at the Regd. Office at Opp. Higher Secondary School, Industrial Estate, Pur Road, Bhilwara - 311 001, (Rajasthan) on Friday, the 30th September 2011 at 4:00 PM.

Name of the Member

Registered Folio No.

No. of Shares

Client ID No.

DP ID No.

Name of the Proxy

Signature of the Member or Proxy

Note: The Member/Proxy/Representative attending the 25th Annual General Meeting of the Company is requested to bring this slip duly filled in and present the same at the entrance to the Meeting.



SANGAM (INDIA) LIMITED

Registered Office at Opp. Higher Secondary School, Industrial Estate, Pur Road, Bhilwara - 311 001 (Rajasthan)

PROXY

I / We of in the District of being a member /members of the above named Company hereby appoint of in the District of or failing to him/ her of in the District of as my/ our proxy/proxies to vote for me/us on my/our behalf at the 25th Annual General Meeting of the Company to be held at Opp. Higher Secondary School, Industrial Estate; Pur Road; Bhilwara - 311001 (Rajasthan) on Friday, the 30th September, 2011 at 4:00 PM and at any adjournment thereof.

Registered Folio No

Client ID No

DP ID No.

No. of Shares

Affix
₹1/-
Revenue
Stamp

Signature of the Member

Note: This Proxy Form in order to be effective should be duly filled in, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting. The Proxy need not be a member of the Company.

Corporate Information

BOARD OF DIRECTORS

Shri R P Soni, *Chairman*
Shri S N Modani, *Managing Director*
Shri V K Sodani, *Executive Director*
Shri Ramavtar Jaju, *Director*
Shri A Karati, *Director*
Shri T K Mukhopadhyay, *Additional Director*

Management Team

Shri G C Jain	<i>President</i>
Shri S M Gupta	<i>President (Works)</i>
Shri Atul Rastogi	<i>President (Works)</i>
Shri Anil Jain	<i>Jt. President (Finance) & Company Secretary</i>
Shri Anil Sharma	<i>President (Works)</i>
Shri Sanjeev Joshi	<i>President (Domestic Marketing)</i>
Shri S K Bhandari	<i>Sr. Vice President (Commercial)</i>
Shri R S Laddha	<i>Sr. Vice President (Purchase)</i>
Shri L L Soni	<i>Vice President (Finance & Investor Relations)</i>
Shri Lalit Jain	<i>Sr. Vice President (Accounts)</i>
Shri P R Khator	<i>Sr. Vice President (Commercial)</i>
Shri S K Jain	<i>Vice President (Personnel)</i>
Shri Surendra Chandna	<i>Vice President (Works)</i>
Shri Chirag Bhatt	<i>Vice President (Denim)</i>
Shri S K Baghela	<i>Vice President (Technical)</i>
Shri Shivesh Gupta	<i>Vice President (Technical)</i>
Shri A S Choudhary	<i>Vice President (Technical)</i>
Shri M Bhanu Pratap	<i>Vice President (TPP)</i>
Shri N K Kavadia	<i>Vice President (Commercial)</i>
Shri M S Shekhawat	<i>Vice President (IT)</i>
Shri V K Bhatt	<i>Vice President (R & D)</i>
Shri Dilip Kumar Jain	<i>Vice President (Liaisoning)</i>
Shri R M Sinduria	<i>Vice President (Commercial)</i>
Shri S K Jain	<i>Vice President (Works)</i>
Shri B B Singh	<i>Vice President (Engineering)</i>
Shri J M Garg	<i>Vice President (Export Marketing)</i>

AUDITORS

M/S R Kabra & Co., Mumbai
M/S B L Chordia & Co., Bhilwara

BANKERS

State Bank of India
State Bank of Patiala
Bank of Baroda
State Bank of Hyderabad
Corporation Bank
Central Bank of India
IDBI Bank Ltd.
Oriental Bank of Commerce
State Bank of Bikaner & Jaipur
Dena Bank
Exim Bank

REGISTERED OFFICE

Opp Higher Secondary School,
Industrial Estate,
Pur Road, Bhilwara 311001
e-mail: secretarial@sangamgroup.com
Tel No.: 01482-241840, 242229
Fax: 01482-242386

PRINCIPAL & HEAD OFFICE

B/306-309, Dynasty Business Park
Andheri Kurla Road,
J.B Nagar Andheri(E)
Mumbai 400 059. INDIA
Tel No : +91-22- 2822 7861 – 64
Fax No.: +91-22- 2822 7865

WORKS

Spinning Unit I

Village Biliya, Chittorgarh Road,
Bhilwara – 311 001, Rajasthan

Spinning Unit II

91, Km Stone, N.H No. 79, Village Sareri
Distt : Bhilwara – 311 024, Rajasthan

Weaving, Flock & Processing Unit

Village Atun, Chittorgarh Road,
Bhilwara – 311 001, Rajasthan

Denim

Village Biliya, Chittorgarh Road
Bhilwara – 311 001, Rajasthan



Sangam India Limited

www.sangamgroup.com

