

Company Information

BOARD OF DIRECTORS

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

Shri Deepak J. Chiripal *Chief Executive Officer*

BANKERS

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

REGISTERED OFFICE & PLANT

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

CORPORATE OFFICE

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

COMMITTEES OF BOARD :-

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

SHAREHOLDERS GRIEVANCE COMMITTEE

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

AUDITORS

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

REGISTRAR & TRANSFER AGENT

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

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

NOTICE

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

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

"RESOLVED THAT:

- (a) That in accordance with the provisions of Section 13, 16 and 94 and other applicable provisions, if any, of the Companies act, 1956 or any amendment or re-enactment thereof and the enabling provisions of the Articles of Association of the Company and subject to such other approvals, consents, permissions and sanctions, if any, required from any authority, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors for consolidation of existing equity shares of the face value of Re. 1/- (Rupee One) each fully paid up in the Authorised Share Capital of the Company into Rs. 10/- each fully paid up and that 10 (Ten) equity shares of the face value of Re. 1/- (Rupee One) each fully paid up with effect from the Record Date to be determined by the Board of Directors of the Company (the term "the Board" shall be deemed to include any "Committee" thereof) for the purpose.
 - (b) That the issued equity shares of the Company held by the members of the Company in the physical share certificate form be cancelled and in lieu thereof fresh share certificates be issued for the consolidated equity shares in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 and where members hold these equity shares in dematerialized form, the consolidated equity shares in lieu thereof be credited to the respective beneficiary accounts of the members with their respective depository participants.
 - (c) That in consolidation of 10 equity shares of Re. 1/- (Rupee One) each fully paid up into one equity share of Rs. 10/- (Rupees Ten) each fully paid up, the Board shall not issue any fractional shares / certificates but the total number of the equity shares representing such fractions shall be transferred to a person or persons appointed by the Board as trustee / trustees for and on behalf of such fractional equity shareholders, who would, otherwise have been entitled to such fractional shares / certificates. The trustee shall be provided with details of the persons entitled for fractional shares / certificates so as to enable the trustees to distribute the sale proceeds to the persons entitled for the same and such sales be completed within stipulated period as may be prescribed, the shares vesting with the trust and after payment of all expenses of the sale, to distribute the net proceeds of such sale amongst the members / shareholders in proportion to their respective fractional entitlements thereto.
 - (d) That for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts / deeds, matters and things and give such directions as may be necessary or expedient including forming of trust and to authorize the trustee / trustees to take delivery of fractional shares and to sell such fractional shares transferred to him / them and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**
"RESOLVED THAT pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company, be and is hereby amended, to incorporate therein the effect of the consolidation of equity shares and be read as follows:
(V) The Authorised Share Capital of the Company is Rs. 50,00,00,000 (Rupees Fifty Crores) divided into 5,00,00,000 (Five Crore) Equity Shares of Rs. 10/- each."

6. To consider and if thought fit to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**
"RESOLVED THAT in pursuance to the provisions of Section 198, 269, 309, 310, 317 and such other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals, permissions, sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, and pursuant to the approval of the remuneration committee of the Board and the Board of Directors at their meeting held on

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

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

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

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

By order of the Board of Directors

Date : August 5, 2011
Place : Ahmedabad

Vedprakash D. Chiripal
Chairman

NOTES:

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

By order of the Board of Directors

Date : August 5, 2011
Place : Ahmedabad

Vedprakash D. Chiripal
Chairman

EXPLANATORY STATEMENT

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

Item No. 4:

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

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

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

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

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

Item No. 5:

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

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

Item No. 6:

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

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

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

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

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

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

Your Directors recommend the Special Resolution for your approval.

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

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

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

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

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

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

DIRECTORS' REPORT

Dear Shareholders,

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

FINANCIAL HIGHLIGHTS:

The financial performance of the company is summarized below:

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

PERFORMANCE:

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

DIVIDEND:

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

DEPOSITORY SYSTEM:

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

PUBLIC DEPOSIT:

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

COVERAGE OF ASSETS:

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

CORPORATE GOVERNANCE:

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

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

CORPORATE SOCIAL RESPONSIBILITY:

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

MANAGEMENT DISCUSSION AND ANALYSIS:

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

DIRECTORS:

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

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

PARTICULARS OF EMPLOYEES:

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

GROUP:

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

DIRECTORS RESPONSIBILITY STATEMENT:

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

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

AUDITORS AND AUDITORS' REPORT:

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

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

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

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

ACKNOWLEDGEMENT:

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

For and on behalf of the Board

Place : Ahmedabad
Date : August 5, 2011

VEDPRAKASH D. CHIRIPAL
Chairman

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

Particulars pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Report of the Directors.

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

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

WATER CONSERVATION

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

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

(b) ADDITIONAL INVESTMENTS AND PROPOSALS

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

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

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

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

I. POWER & FUELS CONSUMPTION

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

I. CONSUMPTION PER METER OF PRODUCTION:

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

B. TECHNOLOGY:

RESEARCH AND DEVELOPMENT (R & D)

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

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

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

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

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

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

3. Future Plan of Action

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

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Efforts made towards Technology Absorption, Adaptation and Innovation:

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

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

Benefits derived:

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

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

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

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

(Rs. in crores)

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Indian Textile and Apparel Industry contribute significantly towards the Indian economy. It contributes for 14 % to the total industry production and nearly 4% to the country's Gross Domestic Production (GDP). The role of textile industry in India's GDP also includes a hike in the investment flow both in the domestic market and the export production of textiles. The worldwide trade of textiles and clothing has boosted up the GDP of India to such an extent as this sector has brought in a huge amount of revenue in the country. Apart from this, it provides direct employment to millions of people and is the second largest provider of employment after agriculture. Indian textile industry has a great presence in the economy of the country by way of contribution to industrial output, employment generation and export earning of the country. The close linkage of the industry to agriculture and the ancient culture and traditions of the country make the Indian textile sectors unique in comparison with the textile industry of other countries.

The growth figures have made the entire textile industry brim with unprecedented confidence and optimism. This growth target envisaged a fundamental shift in the textile scenario and has taken a trajectory of a very rapid growth.

INDUSTRY

The total production of denim fabrics in India, which was valued at Rs. 46 billion in 2005, of which the domestic market accounted for Rs. 30 billion and the rest was meant for exports leapfrogged to Rs. 78 billion in 2010 with Rs. 52 billion meant for domestic consumption and Rs. 26 billion worth was exported.

As per the estimates, denim fabric production value will nearly triple by the year 2020 to Rs. 220 billion vis-à-vis 2010 estimates and domestic market will also shoot up to touch a value of Rs. 140 billion and exports will garner around Rs. 80 billion.

The global market has grown consistently, decade after decade, at between 2 to 5 percent per annum, with the current global denim fabric market size estimated at five billion meters per year or approximately US \$ 13 billion and an adequate global capacity to feed this requirement estimated at around 6.6 billion meters per annum.

The Indian denim markets have grown at a CAGR of between 10-12 percent per year in the last decade. Against a capacity of just 35 million meters per annum churned out by three mills in 1987, denim fabric output has now touched 650 million meters rolled out by 26 mills and is forecasted to add 50 more million meters in 2011.

The domestic Indian apparel market which was estimated at US \$ 36 billion in 2010 is forecast to surge to \$ 61 billion in 2015 and \$ 100 billion by 2020. The main drivers for this growth are demographic, thanks to a 50 percent population which is between 15 – 35 years; increasing incomes which will lead to more disposable incomes and organized retail, whose current share is just 12 percent but is expected to augment to 22 percent by 2020.

Among other growth drivers are tier II & III towns and cities from where the real growth will emanate; advent of buying houses like Wal-Mart, H & M, Marks & Spencer and Gap; increasing garment exports; Bollywood icons and finally denim itself, mainly due to its attributes like comfort, low maintenance, durable, trendy and fashionable.

It is estimated that the Indian denim market to grow by 10 -12 percent over the next ten years and has the potential to grow from the current 600 million meters per annum to 1200 million meters in the same period. Volume – wise, the US & EU markets are forecast to grow between a negative one and five percent with emerging markets rising between an astounding 5 – 15 percent and overall growth rate is estimated at between 3 – 5 percent over the next decade.

SWOT ANALYSIS OF INDIAN TEXTILE INDUSTRY

Strengths:

- Indian Textile Industry is an independent and self reliant industry.
- Availability of low cost and skilled manpower provides competitive advantage to industry.
- India has great advantage in spinning sector and has a presence in all process of operation and value chain.
- Industry has large and diversified segments that provide wide variety of products.
- Growing economy and potential domestic and international market.
- Industry has manufacturing flexibility that helps to increase the productivity.

Weaknesses:

- Indian Textile Industry is highly fragmented industry.
- Industry is highly dependent on cotton.

- Lower productivity in various segments.
- Lack of technological development that affect the productivity and other activities in whole value chain.
- Higher indirect taxes, power and interest rates.

Opportunities:

- Growth rate of domestic textile industry is 6 – 8 % per annum.
- Large, Potential domestic and international market.
- Product development and diversification to cater global needs.
- Increased disposable income and purchasing power of indian customer opens new market development.
- Emerging retail industry and malls provide opportunities for the apparel, handicraft and other segments of the industry.
- Greater investment and FDI opportunities are available.

Threats:

- Competition from other developing countries.
- Continuous quality improvement is the need of the hour as there are different demand patterns all over the world.
- Geographical disadvantages.
- International labour and environmental laws.
- To balance the demand and supply.
- To make balance between price and quality.

FINANCIAL PERFORMANCE

During the year under review, the turnover achieved was Rs. 507.40 crores as compared to previous years turnover of Rs. 375.83 crores registering a growth of 35% over the previous year. The profit before depreciation and taxes stood at Rs. 51.39 crores for the year 2010-11 as compared to Rs. 40.92 crores during the year 2009-10 showing 25% over the previous year. The net profit for the year 2010-11 rose to 17.35 crores as compared to profit of Rs. 11.58 crores over the previous year. The cash profit during the year under review was achieved at Rs. 42.71 crores evidenced by effective management internal control, optimum utilization of resources and dedicated hard work of human resources. This is yet another successful period for Nandan Exim Limited which resulted in several key achievements.

OPERATIONAL REVIEW

Denim industry over-all remained in down stream which evidenced challenges during the year under review. There was a steep competition among denim players to achieve growth at every cost despite of raw material cost, changes in demand and supply, both domestic and international and low margin. The Company however made a strategy to cope up with such challenges by taking measures. The Company made a strategy plan for optimum utilization of its capacity by achieving highest utilization of fabric manufacturing by increasing the volume to get better realization. The company has also developed new area of exports market with volume as the company and its entire group is in textile business for more than three decades having wide valued customer in domestic and international market. Besides, the Company's aggressive marketing efforts, relentless focus on efficient improvement, accentuating the quality and cost control measures contributed towards improved performance during the year.

INTERNAL CONTROL SYSTEMS

The Company has well defined and institutionalized business processes with effective control systems to ensure that assets and interests of the Company are safeguarded. The Company has a dedicated task force working on budgetary controls, responsible for preparation of the budget, which is reviewed along with the performance on monthly basis and corrective actions, wherever needed to ensure compliance. Considering the size and nature of operations of the Company, the overall control systems are adequate to meet the need and the purpose. The Company has its own internal audit team comprising of qualified professionals to monitor and check the efficiency of the system and compliance. The Company has an internal audit function which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of risk management, control and governance process.

The management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and independent audit committee of the Board of Directors.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company always values its human resources and believes in unlimited potential of each employee and regularly reviews its policies and procedures, necessitated by the fast changing macro economic factors to make the organization high performing and successful. Industrial relations have continued to remain cordial in the plant of the Company without any disruptions of manufacturing activities.

RISK MANAGEMENT

Risk is attached to every thing including business. The factors affecting the risk differ from business to business. The Company, however, foresees various risks from competitors, unorganized sectors operating in the industry, fluctuation in foreign exchange rate, interest rate, commercial risk, changes in government regulations related to textile policy and decision of the management about the business which may effect over all profitability of the Company. However, the Company has framed such network so as to have minimum effect and to overcome such risk on the business of the Company.

RESEARCH & DEVELOPMENT, TECHNOLOGY DEVELOPMENT AND INNOVATION

Research & development (R & D), technology development and innovation continues to be an integral part of Company's agenda for achieving growth, business, profitability and sustainability. The Company continues to support improvements in manufacturing operations through the implementation of advanced process control. In refining R & D, the major technology focus is on maximizing desired product yields, enhancing recovery of higher value products and on increasing efficiency and reliability by using advanced tools. The Company will continue to create business value and competitive advantage by applying the right technology at right cost and at the right time to meet the current and future needs of the Company.

DISCLAIMER

Readers are cautioned that this discussion and analysis contains forward – looking statements that involve risks and uncertainties. When used in this discussion, certain words as 'believe', 'estimate', 'intend', 'will' and 'expected' and other similar expressions as they relate to the Company or its business are intended to identify such forward – looking statements. The Company undertakes no obligation to publicly update or revise any forward – looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward – looking statements. Readers are cautioned not to place undue reliance on these forward – looking statements that speak only as of their date. The following discussion and analysis should be read in conjunction with the Company's financial statements included therein and the notes thereto.

REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

Company's Philosophy on Corporate Governance:

Corporate Governance essentially is the system by which companies are directed and controlled by the Management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the Management. Corporate Governance is a way of life rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company.

The Corporate Governance philosophy of the Company has been further strengthened with the adoption of the Code of Conduct for prevention of Insider Trading and Code of Corporate Disclosure Practices. The Company through its Board and Committees endeavours to strike and deliver the highest governing standards for the benefit of its stakeholders.

In compliance with the disclosure requirements of Clause 49 of the Listing Agreement executed with stock exchanges, the details are set out below:

Board of Directors – Composition:

The current policy of the Board is to have an appropriate mix of Executive and Non-Executive Directors and is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges in which the Company's shares are listed. As on March 31, 2011, the constitution of the Board was:

Category of Directors	No. of Directors
Promoter – Executive	2
Independent & Non – Executive	2

None of the Directors of Board is a member of more than 10 Committees and no Director is the Chairman of more than 5 committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

Meeting is held:

The Board met 6 times on the following dates during the financial year 2010-11.

April 20, 2010	May 11, 2010	July 27, 2010
August 13, 2010	October 26, 2010	February 5, 2011

Board Procedure:

- The Company holds minimum of four Board Meetings every year which are mainly pre-scheduled after the end of each financial quarter. Apart from the four pre-scheduled Board Meetings, additional Board Meetings will be convened by giving appropriate notice at any time to address the specific needs of the Company. The Board may also approve permitted urgent matters by passing resolutions by circular.
- The meetings are usually held at the Company's Registered Office / Corporate Office located at Ahmedabad.
- All divisions / departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussions / approval / decision in the Board / Committee Meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board Meetings.
- The Board is given presentation covering Finance, Sales and Marketing and the major business segments and operation of the Company before taking on record the results of the Company for the preceding financial quarter at each of the pre-scheduled Board Meeting. The Board's annual agenda includes recommending dividend keeping in view the dividend policy, determining directors who shall retire by rotation and recommending appointment of Directors / Auditors, authentication of annual accounts and approving Directors Report, long term strategic plan for the Company and the principle issues that the Company expects to face in the future. Board Meetings also note and review functions of its Committees.
- The Chairman of the Board and the Company Secretary in consultation with other concerned persons in the senior management finalise the agenda papers for the Board Meetings.

Code of Conduct:

The Company has adopted the Code of Conduct for all the employees of the Company including the Whole-Time Directors. The Board has also approved a Code of Conduct for Non-Executive Directors. The Code of Conduct for the employees as well as Non-Executive Directors are posted on the Company's website.

Further, all the Board Members and Senior Management Personnel (as per Clause 49 of the Listing Agreement) have affirmed the compliance with the respective Code of Conduct. A declaration to this effect signed by the C.E.O. forms part of this report.

Category and Attendance of Directors:

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year 2010-11 and at the last Annual General Meeting (A.G.M.) as also the number of Directorships and Committee positions held by them in other Public Limited Companies as on March 31, 2011 are as follows:

Name of Directors	Status i.e. Executive, Non-Executive and Independent	Numbers of Board Meetings.		Number of Membership in other Boards or other Committees as a Member or Chairman		
		Held during the year	Attended During the Year	Other Directorship including NEL	Committee*	Whether attended last AGM
Shri Vedprakash D. Chiripal	Promoter, Executive (Chairman)	6	6	6	4	Yes
Shri Brijmohan D. Chiripal	Promoter - Executive Managing Director	6	6	3	—	Yes
Shri Gautam C. Gandhi	Non – Executive & Independent Director	6	6	2	2	Yes
Shri Ambalal C Patel	Non-Executive Director	6	6	13	10	Yes

* Audit Committee and Shareholders’ / Investors’ Grievance Committee have been considered for the Committee positions. Shri.Gautam C. Gandhi is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, has offered himself for reappointment. Relevant details pertaining to him have been provided along with the Notice of Annual General Meeting.

Shareholding of Non-Executive Directors as on March 31, 2011 are as under:

Name	No. of Shares held	%
Shri Ambalal C. Patel	10000	0.002
Shri Gautam C. Gandhi	Nil	Nil

2) BOARD COMMITTEES:

AUDIT COMMITTEE:

Meetings Held:

During the financial year 2010-11, 4 (four) Audit Committee meetings were held on the following dates:

May 11, 2010 August 13, 2010 October 26, 2010 February 5, 2011

Composition and Attendance:

Name of Director and Designation	Category / Status of Directorship	Meetings Attended
Shri. Ambalal C. Patel – Chairman	Non – Executive Independent Director	4
Shri. Vedprakash D. Chiripal – Member	Executive Promoter Director	4
Shri. Gautam C. Gandhi - Member	Non – Executive Independent Director	4

The composition of the Committee complied with the requirements of Clause 49 of Listing Agreement and Section 292A of the Companies Act, 1956.

Broad Terms of Reference:

The broad terms of reference as laid down by the board include the following requirement contained in the Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

- Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement to be included in the Boards Report in terms of Clause 2AA of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by management.
 - Significant adjustments made in the financial statements arising out of audit findings.

- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading of the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors, any significant finding and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and then reporting such matters to the Board.
- Discussing with Statutory Auditors before the audit commences about the nature and scope of audit as well as having post audit discussion to ascertain any area of concern.
- To look into the reason for substantial defaults in the payment to the deposition, debenture holders, share holders (in case of non-payment of declared dividends) and creditors.
- In addition to the above, all items listed in Clause 49(II)(D) of the Listing Agreement.

REMUNERATION COMMITTEE

The remuneration committee has been constituted to recommend / review the remuneration package of the Managing / Whole time Directors based on performance and defined criteria. The remuneration policy is framed towards rewarding performance based on review of achievements from time to time. The remuneration policy is also in consistency with the industrial scenario.

During the year under review, the remuneration committee has not met and no meeting were held.

- Composition of Remuneration Committee

Sr. No	Name of the Director	No. of meeting		Nature of Directorship
		held	attended	
1.	Shri Vedprakash D. Chiripal	0	0	Executive, Promoter group
2.	Shri Ambalal C. Patel –Chairman	0	0	Non-Executive, Independent

- Details of remuneration paid to directors for the year ended on March 31, 2011 are as follows:

Name of Director	Sitting Fees	Salaries & Perquisites	Commission (Rs)	Total (Rs)
Shri Brijmohan D. Chiripal	—	57,12,000	—	57,12,000
Shri Vedprakash D. Chiripal	—	—	—	—
Shri Gautam C. Gandhi	75,000	—	—	75,000
Shri Ambalal C. Patel	55,000	—	—	55,000

- Details of Shareholding of Directors as at March 31, 2011

Name of Directors	No. of shares held as on 31.03.2011	% of holding
Shri. Brijmohan D. Chiripal	4,82,50,000	10.59
Shri. Vedprakash D. Chiripal	1,50,50,000	3.30
Shri. Gautam C. Gandhi	Nil	Nil
Shri. Ambalal C. Patel	10,000	0.002

SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

1. The Company has constituted an investors relations committee comprising of 2 directors with chairman being a non-executive, non-promoter director.
2. The Committee looks into redressal of shareholders' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividend, etc. The Committee reviews the performance and recommends measures for overall improvement in quality of investor services.

- Composition of Shareholders / Investors Relations Committee

Sr. No.	Name of Director	Nature of Directorship	No. of Meetings Attended
1.	Shri. Gautam C. Gandhi	Non-Executive, Independent Director	4
2.	Shri. Vedprakash D. Chiripal	Executive, Promoter Director	4

During the year, the Company under review 4 meetings were held on 11.05.2010, 27.07.2010, 26.10.2010 and 05.02.2011.

During the year, the company had received 9 complaints which were resolved in time and no complaints are pending. The status of complaints is periodically reported to the Committee.

The Equity Shares of the Company are compulsorily traded in electronic form on the stock exchanges and hence the handling of physical transfer of shares is minimal. The Board has delegated powers for approving transfer and transmission of shares and issue of duplicate shares to Share Transfer Committee. There was no pending transfer of equity shares as at March 31, 2011.

SHARE TRANSFER SYSTEM:

The Company's Registrar and Share Transfer Agent is M/s. Datamatics Financial Services Limited, Mumbai. The shares lodged for physical transfer / transmission / transposition / rematerialisation are registered within the prescribed time period if the documents are complete in all respects. The shares in dematerialized form were admitted for trading with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

SUBSIDIARY COMPANY:

The Company has no subsidiary company.

DISCLOSURES:

- Basis of Related Party Transaction**
During the financial year 2010-2011, there were no materially significant transactions entered into between the Company and its promoters, directors or the management, subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large. For significant related party transactions refer to point no. 17 of the Notes on Accounts contained in financial statements in this Annual Report.
- Disclosure on accounting treatment in preparation of financial statement**
The company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.
- Details of non-compliance by the Company**
The Company has complied with all the requirements of regulatory authorities. No penalty / structures were imposed on the Company by Stock Exchange or SEBI or any statutory on any matter related to capital market during the last three years.
- Remuneration of Directors**
The disclosure on remuneration of Directors, pecuniary relationship or transactions with non-executive Directors, details of notice period, severance fees, number of shares held by Directors, etc. have been provided earlier under the head 'Remuneration Committee' in this Corporate Governance Report.
- Shareholders**
The information of Directors who are proposed to be appointed / re-appointed have been provided in Annexure to the notice of Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report have been separately given in this Annual Report as required under Clause 49 of the Listing Agreement.

DETAILS ON GENERAL BODY MEETINGS:

Location, date and time of General Meetings held during the last 3 years:

Annual General Meeting (AGM):

AGM / EGM	Date	Venue	Time	No. of special resolutions passed
16th AGM	17th September, 2010	Survey No. 198/1, 203/2, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405.	3.30 p.m.	1
15th AGM	25th September, 2009	Survey No. 198/1 , 203/2, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405	3.30 P. M.	Nil
14th AGM	19th December, 2008	Survey No. 198/1 , 203/2, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405	3.30 P. M.	1

During the year ended March 31, 2011 there have been no resolutions passed by the Company through Postal Ballot.

COMPLIANCE:

There has been no non-compliance of the provisions, requirements of Stock Exchanges, SEBI. No penalties / strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter relating to capital market.

POSTAL BALLOT:

The Company has not passed any resolution through postal ballot during the year under reference, none of the resolutions proposed for the ensuing Annual General Meeting need to be passed through Postal Ballot.

C.E.O. / C.F.O. CERTIFICATION:

The Chief Executive Officer (CEO) has certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO / CFO certification for the financial year ended March 31, 2011.

CODE OF CONDUCT:

The Board of Directors of the Company has laid down Code of Conduct for Directors and Senior Management personnel have affirmed compliance with the Code of Conduct for the year under review.

MEANS OF COMMUNICATION:

Half yearly report sent to each of shareholders	No
Quarterly Results	
Which newspapers normally published in	Business Standard, Financial Express, Indian Express and Economic Times
Any website, where displayed	www.chiripalgroup.com
Presentation made to Institutional Investors or to Analyst	No
Whether Management Discussion and Analysis Report is a Part of Annual Report or not	Yes

GENERAL INFORMATION FOR SHAREHOLDERS

- **ANNUAL GENERAL MEETING**

Date & Time	23.09.2011 at 3.30 p.m.
Venue	Registered Office : Survey No. 198/1, 203/2, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405
- **Calender Year** **(tentative & subject to change)**

(a) First Quarter Results	Last week of July 2011
(b) Second Quarter Results	Last week of October 2011
(c) Third Quarter Results	Last week of January 2012
(d) Fourth Quarter Results	Last week of April 2012
- **Date of Book Closure**

Friday, the 16th day of September, 2011 to Monday, the 19th day of September, 2011 (Both days Inclusive)
- **Dividend Payment Date**

N.A.
- **Listing on Stock Exchange**

The Bombay Stock Exchange Ltd. (BSE), Mumbai
The National Stock Exchange of India Limited (NSE), Mumbai
- **Stock Code**

1. Bombay Stock Exchange Limited	532641
2. The National Stock Exchange of India Limited	NANDAN
- **ISIN No. for NSDL and CDSL**

INE 875G01022

• **MARKET PRICE DATA:**

	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April, 2010	2.50	2.07	2.50	2.05
May, 2010	2.30	1.86	2.30	1.85
June, 2010	2.10	1.86	2.10	1.80
July, 2010	2.18	1.90	2.20	1.90
August, 2010	2.94	2.05	2.95	2.05
September, 2010	3.46	2.31	3.05	2.30
October, 2010	2.84	2.23	2.90	2.25
November, 2010	3.00	2.11	3.00	2.10
December, 2010	2.64	2.03	2.60	2.00
January, 2011	2.59	1.95	2.55	1.95
February, 2011	2.14	1.75	2.15	1.60
March, 2011	2.09	1.83	2.10	1.85

The Equity Shares of the Company has been listed at Bombay Stock Exchange Limited w.e.f. 13.06.2005 and National Stock Exchange Of India Limited w.e.f. 29.12.2005.

• **Distribution of Shareholding as of March 31, 2011:**

Sr. No.	Shares Range		Shares	% To Capital	No Of Holders	% To Total Holders
	From	To				
1	1	500	5405471	1.19	18754	35.73
2	501	1000	11392318	2.50	12318	23.47
3	1001	2000	14273287	3.13	8371	15.95
4	2001	3000	9460771	2.08	3485	6.64
5	3001	4000	7058201	1.55	1892	3.60
6	4001	5000	10622980	2.33	2184	4.16
7	5001	10000	23464922	5.15	3007	5.73
8	10001	50000	42964407	9.43	2055	3.92
9	50001	9999999999	330848207	72.64	418	0.80
	TOTAL		455490564	100.00	52484	100.00

• **Shareholding Pattern (As of March 31, 2011)**

Sr No.	Category	No. of Shares	% to Share Capital
A	Promoters Holding		
	Individuals / HUF	135941866	29.85
	Bodies Corporate	109460522	24.03
B	Non Promoter Holding		
	Financial Institution/Banks	0	0.00
	Bodies Corporate	42685628	9.37
	Indian Public	165578776	36.35
	Any Other (Non-Resident)	1823772	0.40
	Total	455490546	100.00

- **DEMATERIALISATION OF SHARES**

As on March 31, 2011, 99.96% shares were held in dematerialized form and balance 0.04% shares were held in physical form. The trading in the Company's Equity Shares is compulsory in dematerialized mode. In order to afford full liquidity and efficient transfer mechanism to the investor community, the Company has tied up with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Thus, the investors can exercise dematerialization and transfer actions through a recognized Depository Participant (DP) who is connected to NSDL or CDSL. Requests for dematerialization of physical shares are processed and completed within an average period of 15 days from the date of receipt of documents provided that the same are in order.

- Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion dates and likely impact on equity
- Plant Locations
- Registrar and Share Transfer Agent
- Address for correspondence should be addressed to

Not issued

Survey No. 198/1, 203/2, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405

Datamatics Financial Services Limited

Plot No. B5, Part B Cross Lane, MIDC, Andheri (E), Mumbai - 400 093

The Company Secretary
NANDAN EXIM LIMITED

Chiripal House, Shivranjani Cross Roads, Satellite, Ahmedabad – 380 015.

Phone: 079-26734660, Fax: 079-26768656

Email: cs.nel@chiripalgroup.com

Datamatics Financial Services Limited

Unit: Nandan Exim Limited

Plot No. B5, Part B Cross Lane, MIDC, Andheri (E), Mumbai - 400 093

Phone: 022-66712150-51, Fax: 022-66712176

Email: investorqry@dfssl.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

POLICY FOR PREVENTION OF INSIDER TRADING:

In compliance with SEBI regulation on Insider Trading, the Company has framed comprehensive Code of Conduct for prevention of Insider Trading for its designated employees. The policy laid down guidelines, which advice them on procedures to be followed and disclosure to be made while dealing with shares of the Company and cautioning them on consequences of violations.

C.E.O.'s DECLARATION ON CODE OF CONDUCT

To,
The Members
Nandan Exim Limited
Ahmedabad.

I, Deepak J. Chiripal, Chief Executive Officer (C.E.O.) of the Company declare that all the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct.

For NANDAN EXIM LIMITED

Place : Ahmedabad
Date : August 5, 2011

Deepak J. Chiripal
C.E.O.

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR activities of Chiripal Group are guided by the vision and philosophy of the Chairman of the group, Shri. Vedprakash D. Chiripal, who got the inspiration from his parents, late Shri. Devkinandan Chiripal and mother late Smt. Shanti Devi Chiripal. He enunciated the value of trusteeship in business and laid strong foundation for its ethical and value based functioning.

The major CSR activities include ethical functioning, respect for all stake holders, care of the human beings and care for the environments. Chiripal group generally implements the above initiatives through its employees, welfare funds, charitable trust and bodies corporate. It also helps the poor and needy, local authorities and others, wherever deem necessary.

Some of the major initiatives taken up during the year under review are summarized below:

Through Charitable Trust and Group Companies.

In addition to the activities carried out by the group companies, the numerous charitable and other activities carried out through its trust and companies are:

1. In the education field , by starting a school in the name of Shanti Asiatic School;
2. In the field of management, in the name of Shanti Business School relating to Business Management;
3. In the form of donation and helping poor people for their medical and educational requirements;
4. Sponsoring scholarship scheme for the poor children;
5. Running Employees Welfare Scheme to help their families;
6. Organizing Blood Donation Camps for its group employees and collecting thousands of units of blood for the society;
7. Setting up Shanti Educational Initiatives Limited for small kids.

Chiripal group is also continuously striving and making its humble contribution to the society for its betterment.

AUDITORS' CERTIFICATE ON REPORT OF CORPORATE GOVERNANCE

To,
The Members,
Nandan Exim Limited
Ahmedabad.

We have examined the compliance of conditions of Corporate Governance by Nandan Exim Limited for the year ended March 31, 2011 as stipulated in Clause 49 of the Listing Agreement entered into with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the 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 statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As per the records of the Company and certificate issued by Registrar, no investor grievances are pending for a period exceeding one month against the Company.

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 J. T. SHAH & COMPANY
Chartered Accountants
(FRN No. 109616W)

Place : Ahmedabad
Date : August 5, 2011

(J. T. SHAH)
Partner
[M. No. 3983]

AUDITORS' REPORT

To,
The Members of
NANDAN EXIM LIMITED
Ahmedabad

1. We have audited the attached Balance Sheet of **NANDAN EXIM LIMITED** as at **31st March, 2011** the Profit and Loss account and also the Cash Flow Statement for the year ended on that date annexed thereto (herein after referred to as financial statements). 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 have conducted our audit in accordance with auditing standards generally accepted in India. These 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 also 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Company Law Board in terms of section 227 (4 A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which are to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and 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;
 - (v) In our opinion and based on information and explanation given to us, none of the directors are disqualified as on 31st March, 2011 from being appointed as director of the company in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - (vi) 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, 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 principles generally accepted in India:
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) In the case of the Cash Flow Statement, of the Cash Flow of the Company for the year ended on that date.

FOR J. T. SHAH & COMPANY
Chartered Accountants
(FRN No. 109616W)

Place : Ahmedabad
Date : August 5, 2011

(J. T. SHAH)
Partner
[M. No. 3983]

ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 3 of our Report of even date to the Members of NANDAN EXIM LIMITED for the year ended 31st March, 2011

1. In respect of Fixed Assets:

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- b. As per the information and explanations given to us, the management at reasonable intervals during the year in accordance with a programme of physical verification has physically verified the fixed assets and no material discrepancies were noticed on such verification as compared to the records.
- c. As per information and explanation given to us, the disposal of assets during the year would not affect the going concern status of the Company.

2. In respect of its Inventories :

- a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. On the basis of our examination of the records of inventory, we are of opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and books recorded were not material.

3. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

- a. During the year under audit, the company has not taken any loan, secured or unsecured from Companies, Firm or Other Parties covered in the register maintained under section 301 of the Companies Act, 1956 hence clause 4 (iii) (a), (iii) (b), (iii) (c) and (iii) (d) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- b. During the year under audit, the company has not granted any loans, secured or unsecured, to the companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956 hence clause 4 (iii) (e), (iii) (f) and (iii) (g) of the Companies (Auditor's Report) Order, 2003 are not applicable.

4. 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 the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.**5. In respect of contracts or arrangements covered under Section 301 of the Companies Act, 1956:**

- a. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act, that need to be entered into the register maintained under section 301 have been so entered.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Act, in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

6. The company has not accepted any deposits from public.**7. In our Opinion, the Company has internal audit system commensurate with size and nature of its business.****8. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.****9. In respect of Statutory Dues:**

- a. According to the records of the company, by and large the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Investor education and protection fund, Employee's state Insurance,

excise duty, custom duty, Tax deducted at Source, Tax Collected at Source, Professional tax, service tax, cess ,Income tax and other Statutory dues applicable to it.

- b. According to the information and explanation given to us, no undisputed amount payable in respect of Income tax, sales tax, custom duty, Service tax, excise duty and other material statutory due in arrears as at 31st March, 2011 for a period of more than six months from the date they became payable.
- c. On the basis of our examination of the records, following disputed statutory dues have not been deposited with the appropriate authorities;

Name of the Statute	Nature of the Dues	Amount (Rs. In Lacs)	Year	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax, Interest & Penalty	1.53 50.82	2006-07 2008-09	Commissioner of Income Tax, Appeals
The Central Excise and Custom Act	Education Cess	4.22	2007-08	Commissioner of Central Excise, Appeals

10. The company has no accumulated losses and has not incurred any cash losses during the financial year under review or in the immediately preceding financial year.
11. Based on our audit procedure and according to the information & explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to banks.
12. Based on our examination of documents and records and information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual benefit Fund/Societies are not applicable to the Company. Therefore, clause (xiii) of para 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
14. The Company is not dealing or trading in shares, securities, debentures or other investments and hence, the requirements of clause (xiv) of para 4 are not applicable to the Company.
15. As per the information provided to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion, and according to the information and explanations given to us, on overall basis, the term loans have been applied for the purpose for which they were obtained.
17. On the basis of an overall examination of the Balance Sheet and Cash Flow Statement of the Company, in our opinion and according to the information and explanations given to us, no funds raised on a short term basis have been used for long-term purposes.
18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
19. During the year, the company has not issued any debentures.
20. During the year, the company has not raised any money by way of public issue.
21. To the best of our knowledge and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

FOR J. T. SHAH & COMPANY
Chartered Accountants
(FRN No. 109616W)

(J. T. SHAH)
Partner
[M. No. 3983]

Place : Ahmedabad
Date : August 5, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

Particulars	Schedule	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
SOURCES OF FUNDS			
Shareholders' Funds			
a. Share Capital	1	455490564	455490564
b. Reserve and Surplus	2	998841808	825387796
		1454332372	1280878360
Loan Funds			
a. Secured Loans	3	2558923753	2524539078
b. Unsecured Loans	4	63400162	193376750
		2622323915	2717915828
Deferred Tax Liability (Net)		187712790	159217967
		4264369077	4158012155
APPLICATION OF FUNDS			
Fixed Assets			
a. Gross Block	5	3667884135	2717852794
b. Less:- Depreciation		1003625740	750257466
c. Net Block		2664258395	1967595328
d. Capital Work in Progress		145512282	659571356
		2809770677	2627166684
Investments	6	34063640	34063640
Current Assets, Loans and Advances			
a. Inventories	7	1213164107	680273404
b. Sundry Debtors	8	550111898	1283456549
c. Cash and Bank Balance	9	77985073	48337188
d. Loans and Advances	10	252560908	229984338
		2093821985	2242051478
Less : Current Liabilities and Provisions			
a. Current Liabilities	11	667803976	687397880
b. Provisions	12	5483249	57871767
		673287225	745269647
Net Current Assets		1420534760	1496781831
Miscellaneous Expenditure (To the extent not written off or adjusted)		NIL	NIL
		4264369077	4158012155
Notes forming part of Financial Statements		21	

As per our report of even date

For and on behalf of the Board

For, **J. T. SHAH & COMPANY**
CHARTERED ACCOUNTANTS

Vedprakash D. Chiripal *Chairman*

J.T. SHAH
Partner

Brijmohan D. Chiripal *Managing Director*

Place : Ahmedabad
Date : 05/08/2011

Place : Ahmedabad
Date : 05/08/2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31ST MARCH, 2011

Particulars	Schedule	2010-11 (Rs.)	2009-10 (Rs.)
INCOME			
Sales and Operating Income	13	5073963151	3758258314
Variation in Stock	14	159564432	(15827913)
Other Income	15	2561312	2462002
		5236088895	3744892403
EXPENDITURE			
Materials	16	3934788317	2573759498
Employment Cost	17	147035188	130237739
Manufacturing and Operating Expenses	18	408639961	376781806
Administrative and Selling Expenses	19	63929329	84248458
Interest and Finance Charges	20	167802263	169098155
Loss due to Fire		NIL	1539778
		4722195058	3335665434
Profit before Depreciation and Tax		513893837	409226969
Less : Depreciation	5	253605123	226041472
Profit/(Loss) before Taxation & Prior Period Items		260288714	183185497
Less : Prior Period Items		219833	NIL
Profit/(Loss) before Taxation		260068881	183185497
Provision for Income Tax			
- Current Tax		57000000	62630000
- Deferred Tax Liability/(Asset)		28494823	4358832
- Short/(Excess) Provision of taxation of earlier Years		1120046	437649
Profit/(Loss) After Tax		173454012	115759016
Add : Balance brought forward from previous year		431741669	315982653
Balance Carried to Balance Sheet		605195681	431741669
Basic and Diluted Earning per Share		0.38	0.25
Notes forming part of Financial Statements	21		

As per our report of even date

For, **J. T. SHAH & COMPANY**
CHARTERED ACCOUNTANTS

J.T. SHAH
Partner

Place : Ahmedabad
Date : 05/08/2011

For and on behalf of the Board

Vedprakash D. Chiripal Chairman

Brijmohan D. Chiripal Managing Director

Place : Ahmedabad
Date : 05/08/2011

**SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH' 11.**

Particulars	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
SCHEDULE - 1 : SHARE CAPITAL		
Authorised		
500000000 (Previous year 500000000) Equity Shares of Rs.1/- each (Previous Year Rs.1/- each)	500000000	500000000
Issued, Subscribed and Paid-up		
455490564 (Previous Year 455490564) Equity Shares of Rs.1/- each (Including 202830188 Shares issued as bonus by way of capitalisation of Reserves)	455490564	455490564
	455490564	455490564
SCHEDULE - 2 : RESERVE AND SURPLUS		
General Reserve		
As per last Balance Sheet	30812971	30812971
	30812971	30812971
Share Premium Account		
As per last Balance Sheet	362833156	362833156
	362833156	362833156
Profit and Loss Account	605195681	431741669
	998841808	825387796
SCHEDULE - 3 : SECURED LOANS		
Term Loans from Banks	1836617200	1883780927
Working Capital Loans from Banks	720628166	639729315
Vehicle Loans	1678387	1028836
	2558923753	2524539078
Note :		
1) Term Loans are secured by first charge on the entire Fixed Assets of the company - both present and future, second charge on Book Debts, Stock and other Current Assets of the Company and also further guaranteed by personal guarantee of some of the Directors		
2) Working Capital loans are secured by first charge on Book Debts, Stocks and other Current Assets and second charge on all the Fixed Assets both present and future of the Company and also further guaranteed by personal guarantee of some of the Directors		
3) Vehicle Loans are secured by hypothecation of Vehicle		
SCHEDULE - 4 : UNSECURED LOANS		
From Banks (Including Buyers Credit arrangement)	43400162	173376750
From Corporate Bodies	20000000	20000000
	63400162	193376750

SCHEDULE - 5 : FIXED ASSETS

Sr. No.	FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.10	Addition during the year	Deduction/ Adj. during the year*	As at 31.03.11	As at 01.04.10	Addition during the year	Deduction during the year	As at 31.03.11	As at 31.03.11	As at 31.03.10
1	Land and Land Development	15555363	7729629	—	23284992	—	—	—	Nil	23284992	15555363
2	Building	607921521	158717721	—	766639242	59061505	21670817	—	80732321	685906920	548860016
3	Plant and Machinery	2048075216	781288570	2390629	2826973156	673725482	226458601	—	900184083	1926789073	1374349734
4	Furniture and Fixtures	10981833	1249528	—	12231361	3627246	644312	—	4271559	7959802	7354587
5	Computers	22930799	1725721	—	24656520	10188823	3876967	—	14065790	10590730	12741976
6	Office Equipments	4680026	966792	—	5646818	1212045	285704	—	1497749	4149068	3467981
7	Vehicle	7708036	1744010	1000000	8452046	2442364	668722	236849	2874238	5577808	5265672
	Total (a)	2717852794	953421970	3390629	3667884135	750257466	253605123	236849	1003625740	2664258395	1967595328
	Previous Year	2549996602	215587463	47731271	2717852794	536626599	226041472	12410605	750257466	1967595328	2013370003
	Capital Work in Progress (b)									145512282	659571356
	Total (a) + (b)									2809770677	2627166684

* **Note :** Deduction/Adjustment includes a sum of Rs. 2390629/- (P.Y. Rs. 27013231/-) received towards TUFF subsidy related to Loss due to Exchange rate fluctuation, which was previously capitalised by the company.

Particulars	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
-------------	------------------------	------------------------

SCHEDULE - 6 : INVESTMENTS (AT COST)
LONG TERM - NON TRADE
Investment in Shares (Quoted)
In other companies

(1) 1764000(Previous year 1764000) Equity Shares of GSL Nova Petrochemicals Ltd. of Rs. 5/- each received upon Demerger of Nova Petrochemicals Ltd.	26460000	26460000
(2) 20000 (Previous year 20000) Equity Shares of UCO Bank Ltd.of Rs. 10/- each	293240	293240
	26753240	26753240
Less : Provision for Diminution in Value of Investment	12259800	12259800
	14493440	14493440

Investment in Shares (Unquoted)
In companies under the same Management

(1) 2364000 (Previous year 2364000) Equity Shares of CIL Nova Petrochemicals Ltd.of Rs. 5/- each received upon Demerger of Nova Petrochemicals Ltd.*	35460000	35460000
(2) 20250(Previous year 20250) Equity Shares of Chiripal Indutries Ltd.of Rs. 10/- each.	90000	90000
	35550000	35550000
Less : Provision for Diminution in Value of Investment	16429800	16429800
	19120200	19120200

Investment in Limited Liability Partnership (LLP)

Fixed Capital In Nandan Chiripal Energy Corporation LLP	450000	450000
Total	34063640	34063640
Aggregate value of Quoted Investments	14493440	14493440
Market value of Quoted Investments	8545320	14342360

* The shares of CIL Nova Petrochemicals Ltd. are quoted at Stock Exchange w.e.f. 23/05/2011

Particulars	As at	As at
	31.03.2011 (Rs.)	31.03.2010 (Rs.)
SCHEDULE - 7 : INVENTORIES		
Finished Goods	228158171	50476482
Stock in Process	127677405	143303877
Raw Materials	772737707	466006836
Stores, Spares	42417478	8775358
Power & Fuel	39641151	8960178
Packing Materials	2532195	2750673
	1213164107	680273404
SCHEDULE - 8 : SUNDRY DEBTORS		
(Unsecured, Considered good unless otherwise stated)		
Considered Good		
- Outstanding for period exceeding 6 months	16147320	37036428
- Others	533964578	1246420121
	550111898	1283456549
Considered Doubtful		
Outstanding for period exceeding 6 months	10455866	9034792
Others	NIL	NIL
	10455866	9034792
	560567764	1292491341
Less : Provision for Doubtful Debtors	10455866	9034792
	550111898	1283456549
SCHEDULE - 9 : CASH AND BANK BALANCES		
Cash on Hand	2227847	1993260
Balance with Scheduled Banks		
In current accounts	22881729	14173866
In Fixed Deposit/Margin Money	52875497	32170062
	77985073	48337188
SCHEDULE - 10 : LOANS AND ADVANCES		
(Unsecured, Considered good unless otherwise stated)		
Deposits	6494452	6998222
Advance Recoverable in cash or in kind	246066456	222986116
	252560908	229984338
SCHEDULE - 11 : CURRENT LIABILITIES		
Sundry Creditors		
- MSME Units	6540274	8150621
- Others	627217641	479120517
Current Account with Limited Liability Partnership (LLP) in which company is a partner	NIL	184372658
Advance Received from Customers	29833613	12191232
Unclaimed Refund of IPO/Right Issue*	195965	196952
Unclaimed Dividend*	18200	18470
Statutory Liabilities	3998283	3347430
	667803976	687397880
*There is no amount due and outstanding to be credited to Investor Education and Protection Fund.		
SCHEDULE - 12 : PROVISIONS		
Provision for Taxation	120830000	123316663
Less : Advance Income Tax and T.D.S.	(116339447)	(72331538)
	4490553	50985125
Provision for Gratuity	8230840	6886642
Less : Gratuity Fund	7238144	NIL
	992696	6886642
	5483249	57871767

Particulars	2010-11 (Rs.)	2009-2010 (Rs.)
SCHEDULE - 13 : SALES AND OPERATING INCOME		
Turnover	5006034818	3699419871
Job Work	25205120	11213714
Export Incentive	42723213	47624729
	5073963151	3758258314
SCHEDULE - 14 : Variation in Stock		
Opening Stock		
Stock in Process	143303877	142374808
Finished Goods	44990152	61747134
	188294029	204121942
Closing Stock		
Stock in Process	127677405	143303877
Finished Goods	220181056	44990152
	347858461	188294029
	159564432	(15827913)
SCHEDULE - 15 : OTHER INCOME		
Dividend	30000	20000
Interest Received (TDS Rs. 213369/- Previous Year Rs. 220373/-)	2431312	2420802
Miscellaneous Income	100000	21200
	2561312	2462002
SCHEDULE - 16 : MATERIALS		
Raw Material Consumed	3203551216	1776575001
Cost of Material Resold	731237101	797184497
	3934788317	2573759498
SCHEDULE - 17 : EMPLOYMENT COST		
Salary, Wages and Bonus	136849236	119648877
Contribution to PF & Other Funds	8353841	7875435
Gratuity	992696	1978195
Staff & Labour Welfare	839415	735232
	147035188	130237739

Particulars	2010-2011 (Rs.)	2009-2010 (Rs.)
SCHEDULE - 18 : MANUFACTURING AND OPERATING EXPENSES		
Labour /Jobwork and Process Charges	43671844	16855622
Carrige Inward	6954372	5877031
Stores and Spares	22167498	40578914
Power and Fuel	326097896	282981722
Packing Material	13796935	14202862
Inspection Charges	3692210	3056915
Net Foreign Exchange Rate Difference	(7740794)	13228740
	408639961	376781806
SCHEDULE - 19 : ADMINISTRATIVE AND SELLING EXPENSES		
ADMINISTRATIVE EXPENSES		
Rent	1808520	632370
Rates and Taxes	2587227	1951100
Insurance Charges	3275896	4466413
Repairs and Maintenance		
- Plant and Machinery	708288	2171195
- Others	263111	112800
	971399	2283995
Travelling, Conveyance and Vehicle Expenses	9347503	9915558
Professional Fees and Legal Charges	6573741	5377548
Remuneration to Auditors		
- for Audit fee	496350	496350
- for Tax Audit fee	55150	55150
- for Others	NIL	NIL
Communication Expenses	2695067	3676914
Miscellaneous Expenses	4011926	6231821
	31822779	35087219
SELLING EXPENSES		
Commission & Discount	9996397	13180486
Other Selling Expenses	2825615	3151914
Freight, Clearing and Forwarding	17863464	25025054
Provision for Doubtful Debt	1421075	7803785
	32106550	49161239
	63929329	84248458
SCHEDULE - 20 : INTEREST AND FINANCE CHARGES		
Interst and Other Charges paid to Bank	163267278	166341497
Interest paid to Others	4534985	2756658
	167802263	169098155

SCHEDULE 21 : NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2011**1. SIGNIFICANT ACCOUNTING POLICIES****i) Basis of Preparation of Financial Statements**

The Financial statements are prepared on accrual basis in accordance with the generally accepted accounting principles as adopted consistently by the company and according to the provisions of the Companies Act, 1956.

ii) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation. All costs including financial costs till commencement of commercial production are capitalized. Net charges arising from exchange rate variation relating to liability incurred for the purpose of acquiring fixed Assets are capitalized as part of cost of Fixed assets which were hereto charged to revenue. CENVAT credit and EPCG claims on capital goods are accounted for by reducing the cost of capital goods.

iii) Depreciation

Depreciation on fixed Assets (excluding intangible assets) of the company is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, except depreciation on incremental cost arising on account of translation of foreign currency liabilities incurred for the purpose of acquiring fixed Assets, which is amortized over the residual life of the assets.

iv) Investments

Long Term Investments are stated at cost. Provision is only made to recognize a decline other than temporary, in the value of investments.

v) Inventories

(a) Inventories are valued at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make sale. Cost in respect of raw material and trading goods are determined on FIFO basis. Cost in respect of process and finished goods are computed on weighted average basis method. Finished goods and process stock includes cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

(b) Waste is valued at estimated net realizable value.

vi) Revenue Recognition

(a) Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of the products are transferred to the customers net of rate difference and discount given.

(b) Dividend on Investment is recognized when the right to receive the payment is established.

(c) Exports entitlement under the Duty Entitlement Pass Book (DEPB) scheme are recognized in the Profit and Loss Account when the right to receive credit as per the terms of scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(d) Subsidy under Textiles Upgradation Fund Scheme (TUFS) is recognized when there is reasonable certainty regarding the realization of the same.

vii) Borrowing costs

Borrowing costs, which are attributable to acquisition or construction of qualifying assets, are capitalized as part of cost of such assets till such assets are ready for its intended use. A qualifying asset is one, which necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

viii) Employee benefits

(i) The employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the covered employee's salary, provision for the same is made in the year in which service are rendered by the employees.

(ii) The Liability for Gratuity to employee, which is a defined benefit plan, is determined on the basis of actuarial Valuation based on Projected Unit Credit method. Actuarial gain/loss in respect of the same is charged to the profit and loss account.

ix) Foreign Currency Transactions / Exchange Fluctuation

(a) Monetary Transactions related to foreign currency are accounted for at the equivalent rupee converted at the rates prevailing at the time of respective transactions and outstanding in respect thereof are translated at period end rates. Exchange difference is charged to the revenue account except arising on account of conversion related to the purchase of fixed asset is adjusted therewith.

(b) Non-monetary foreign currency items are carried at cost.

x) Provisions and Contingencies

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources.

xi) Impairment

The management periodically assesses, using external and internal sources whether there is an indication that an asset may be impaired. If an asset is impaired, the company recognizes an impairment loss as the excess of the carrying amount of the asset over the recoverable amount.

xii) Government Grants & Other Claims

Revenue grant including subsidy / rebates, claims etc., are deducted from the related expenses. Grants relating to fixed assets are adjusted in the cost of such assets as and when the ultimate realizability of such grant etc., are established / realized.

xiii) Earning per Share

Basic earning per share is calculated by dividing net profit after tax for the year attributable to Equity Shareholders of the company by the weighted average number of Equity Shares issued during the year. Diluted earning per share is calculated by dividing net profit attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

2. CONTINGENT LIABILITIES NOT PROVIDED FOR :

Sr. No.	Particulars	2010-2011 Rs. (in Lacs)	2009-2010 Rs. (in Lacs)
a)	Income Tax demands disputed in appeal by the Company/ Income Tax Authorities [Against which the Company has paid amount of Rs. Nil (Previous Year Nil)]	73.01	25.52
b)	Excise Demand disputed in appeal by the company /Excise Department	26.00	26.00
c)	ESI demands disputed in appeal by the Company [Against which the Company has paid amount of Rs.Nil (Previous Year Rs.7.82 Lacs)] which is shown under the head advances.	Nil	18.33
d)	Estimated Amount of Contracts remain to be Executed on Capital Account. Advance paid against such Contract is Rs.320.46 Lacs (Previous year Rs. 236.60 Lacs) which is shown under the head advances.	1755.76	490.69
e)	Corporate guarantee in Favour of IDBI Bank Ltd. to secure Term Loan Sanctioned to M/s Vraj Integrated Textile Park Ltd.	2418.00	Nil
f)	A letter has been received by the company from service tax Department seeking Clarification on selling Commission.	Amount not Quantifiable	Amount not Quantifiable

3. The company has imported certain capital equipments at concessional rate of custom duty under "Export Promotion of Capital Goods Scheme". The company has pending export obligation to the extent of Rs.2966.94 Lacs (P.Y. Rs. 3826.71 Lacs) to be fulfilled during the specified period. The liability towards custom duty payable thereon in respect of unfulfilled export obligation as on 31st March, 2011 is Rs.370.87 Lacs (P.Y. Rs. 481.14 Lacs).

4. Secured loans where repayments are stipulated include Rs.2967.82 Lacs (P.Y. Rs. 2114.24 Lacs) repayable within a period of one year.

5. Unsecured loans where repayments are stipulated include Rs. Nil (P.Y. Rs.757.89) repayable within a period of one year.

6. In accordance with Companies (Accounting Standards) Amendment Rules, 2009 the company has exercised the option of adjusting exchange difference arising on reporting of long term foreign currency monetary item related to acquisition of depreciable capital assets in the cost of the assets to be depreciated over the balance life of the assets.

Exchange difference relating to long-term monetary item, in so far related to acquisition of depreciable capital asset, adjusted to the Fixed Assets and amount of Rs.13.31 Lacs (P.Y.Rs. 425.38 Lacs) arising during the current year are adjusted to the cost of the fixed assets and depreciated over the balance life of the fixed assets.

7. Net Foreign Exchange gain of Rs.12,127,559/- (P.Y. Loss of Rs. 17,215,185/-) in respect of Exports included in Manufacturing and Operating Expense. Net Foreign exchange Loss amounting to Rs.560,370/- (P.Y. Gain of Rs. 3,986,445/-) in respect of various other items is included in Manufacturing and Operating Expense. Net Foreign exchange Loss amounting to Rs.3,826,395/- (P.Y. Rs. Nil) in respect of Fixed Asset is included in Manufacturing and Operating Expense.

8. Fuel Cost is net of Fuel Income of Rs.6,617,370/- (P.Y. Rs.Nil).

9. Employee Cost is net of Labour reimbursement of Rs.5,255,278/- (P.Y. Rs.Nil).

10. In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value on realization at least equal to the amount at which they are stated in Balance sheet. Adequate provisions have been made for all known liabilities except stated otherwise.

11. Balances of some of the Debtors, Creditors, Loans and Advances etc. are subject to confirmation and reconciliation.

12. Interest expense includes :- (Rs. in lacs)

Particulars	2010-11	2009-10
Term Loan Interest (Net of TUFF subsidy)	976.68	863.65
Other Interest	701.34	827.33

13. Borrowing costs attributable to the acquisition or construction of Qualifying Assets amounting to Rs. 33,396,772/- (P.Y. Rs. 31,630,142) is capitalized by the company net of TUFFS interest subsidy Rs. 21,165,499/- (P.Y. Rs. 10,697,477).

14. During the year, the company has impaired the assets to the tune of Rs. Nil (P.Y. Rs. Nil).

15. Interest and Finance Charges are net of interest subsidy received/receivable under TUFFS scheme amounting to Rs.98,939,261/- (P.Y. Rs. 82,022,596/-) and Subvention received/receivable on Export Packing Credit amounting to Rs.3,298,464/- (P.Y. Rs. 3,835,084/-).

16. Profit for the year has been arrived at after adjusting following prior period items:-

EXPENSE HEAD	2010-11	2009-10
Employment Cost	180,598	Nil
Administrative & Selling Expense	39,235	Nil
Total Amount (Rs.)	219,833	Nil

17. (a) To the extent of available information, at the year end:

Adishwar Electricals, Amit Enterprise, Ashutosh Power Transbelts Ltd., Aakar Trading Co., Devam Enterprise, Darshil Enterprise, Daga Finmark India Limited, Gemini Poly-Plast Industries, Gaurav Trans Engineers Private Ltd., Ghanshyam Tools, Jas Associates, Jasmina Dye-Chem, Jayant Pipe Syndicate, Kusters Calico Machinery Ltd., Krishna Enterprise, Kailas Industries, Ruchi World Wide Ltd., Mahalaxmi Dye Chem, Mangal Singh Bros.Pvt. Ltd., Naman Electricals, Orient Enterprise, P.K. & Sons Trade Link (P) Ltd., P.K.& Sons, Swati Switchgear (I) Pvt Ltd., Welltronix, Asian Electronics Ltd., Ahmedabad Textile Industries Research, Kailash Industries, Patel Engineers, Dharmshil Agencies, The Forum Engineers, Tulip IT Services Ltd., Shree Arbuda Chemical Industries, M.N. Industries, Active Engineering Co., Blue Star Engineering, Shree Mahakali Gas Welding Works, Devikrupa Welding Works, Shanghai Cando m/c & Equipment Co., Jaytex Corporation, K.B.Corporation, New Aarkay Industries, Dharmshil Agencies, Atlas Copco (India) Ltd., Shree Sai Engineers, G.G.electricals, Umiya Enterprise, Chirag Electricals, Monshed Tarpaulins, Bhaskar Industries Ltd, Tulip IT Services Ltd., Dynamic Innovations Pvt. Ltd., Neelam Fibres, Pooja Textiles.

(b) No interest was paid/payable to micro or small enterprise during the year.

(c) The above information has been determined to the extent such parties could be identified on the basis of the information available regarding the status of supplier under the MSME.

18. Capital work in Progress includes expenditure during construction period as under: (Rs. In Lacs)

Particulars	31.03.2011	31.03.2010
Pre Operative Expenses	Nil	69.67
Finance Charge	Nil	106.45
Professional Fees	2.20	Nil

19. The company has paid remuneration to its directors during the period as follows:

Sr. No.	Name	Nature of Payment	31.03.2011	31.03.2010
1	Shrii Brijmohan Chiripal	Salary	5,100,000	4,800,000
		Contribution to Provident Fund	612,000	576,000
	Total.		5,712,000	5,376,000

20. Related Party Disclosures:

A) Key Management Personnel:

Sr. No.	Name	Designation
1	Shri Vedprakash D. Chiripal	Chairman
2	Shri Brijmohan D. Chiripal	Managing Director
3	Shri Deepak J. Chiripal	CEO

B) List of Relatives with whom transactions have taken place during the period:

Sr. No.	Name	Nature of Relationship
1	Mrs. Vanita V. Agrawal	Relative of Chairman

C) List of Other Related Parties with whom transactions have taken place during the period:

Sr. No.	Name	Sr. No.	Name
1	Shanti Exports Pvt. Ltd.	5	Sparrow Export Pvt. Ltd.
2	Chiripal Industries Ltd.	6	Chiripal Charitable Trust
3	Shanti Education Initiatives Ltd.	7	Chiripal Life Style Ltd.
4	Nandan Chiripal Energy Corporation LLP	8	Vishal Fabrics Pvt Ltd.

D) Details of Transactions with Key Management Personnel and Related Parties of the Key Management Personnel are as follows: (Rs. in Lacs)

Sr. No.	Nature of Transaction	Key Management Personnel		Relatives		Other Related Parties		Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
1	Unsecured Loans – Taken								
	Taken during the period	Nil	Nil	Nil	Nil	Nil	200.00	Nil	200.00
	Repaid during the period	Nil	Nil	Nil	Nil	Nil	200.00	Nil	200.00
	Balance as at Balance Sheet Date	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	Advances Recoverable in Cash or Kind								
	Given during the period	Nil	Nil	Nil	Nil	644.61	3259.45	644.61	3259.45
	Settled during the period	Nil	Nil	Nil	Nil	4456.10	3961.52	4456.10	3961.52
3	Expenditure								
	Purchase of Goods	Nil	Nil	Nil	Nil	3515.95	2474.19	3515.95	2474.19
	Rent	Nil	Nil	Nil	Nil	5.05	5.05	5.05	5.05
	Donation	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Job Work Charges	Nil	Nil	Nil	Nil	2773.38	1300.30	2773.38	1300.30
4	Income Received								
	Sales	Nil	Nil	Nil	Nil	29.94	308.71	29.94	308.71
	Sale of DEPB	Nil	Nil	Nil	Nil	68.56	67.63	68.56	67.63
	Job work	Nil	Nil	Nil	Nil	0.08	0.56	0.08	0.56
5	Amount Paid on their Behalf	Nil	Nil	Nil	Nil	1.36	Nil	1.36	Nil
6	Contribution made to Partnership Firm								
	Fixed Capital	Nil	Nil	Nil	Nil	Nil	4.50	Nil	4.50
	Current Account (Credit balance)	Nil	Nil	Nil	Nil	Nil	1843.73	Nil	1843.73
7	Remuneration paid	95.76	87.36	6.05	6.05	Nil	Nil	101.81	93.41

Note: List of transaction, out of the transactions reported in the above table, where the transactions entered in to with single party exceed the 10% of the total related Party transactions of similar nature are as under:

	(Rs. in Lacs)	
Particulars	2010-11	2009-10
1. Unsecured Loan:		
Taken:		
- Chiripal Industries Ltd.	Nil	200.00
Repaid:		
- Chiripal Industries Ltd.	Nil	200.00
2. Advance Recoverable in cash or Kind:		
Advance Given:		
- Chiripal Industries Ltd.	358.27	3121.51
- Shanti Exports Pvt. Ltd.	171.40	—
- Chiripal Chatitable Trust	114.95	—
Advance Settled:		
- Chiripal Industries Ltd.	4186.15	3795.26
3. Expenditure:		
Purchase of Goods:		
- Chiripal Industries Ltd	2427.23	1382.69
- Vishal Fabrics Pvt. Ltd.	1070.64	1090.78
Rent:		
- Shanti Export Pvt. Ltd.	2.65	2.65
- Shanti Educations Initiatives Ltd	2.40	2.40
Job Work Charges:		
- Chiripal Industries Ltd	2773.38	1300.30
4. Income Received:		
Sales:		
- Chiripal Industries Ltd	12.40	270.44
- Vishal Fabrics Pvt Ltd	5.45	—
- Chiripal life Style Ltd.	12.07	38.27
DEPB Sale:		
- Chiripal Industries Ltd	68.56	67.63
Job Work Income:		
- Chiripal life Style Ltd.	0.08	0.56
Contibution made to Partnership Firm		
- Nandan Chiripal Energy Corporation LLP		
Fixed Capital	Nil	4.50
Current Account (Credit Balance)	Nil	1843.73
Remuneration Paid:		
- Shri Brijmohan Chiripal	57.12	53.76
- Shri Deepak Chiripal	38.64	33.60

21. The Company is considered to be engaged in Textile Industry with all activity revolving around this business and accordingly has only one reportable business segment. The company has identified geographical segment as its secondary business segment, the details are as follows:

Secondary Segment Information for the period ended 31st March, 2011

(Rs. in Lacs)

	India		Rest of World		Total	
	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
1. Segment Revenues	44973.63	31300.58	5766.00	6282.00	50739.63	37582.58
2. Segment Assets	48282.72	47631.13	1093.84	1401.69	49376.56	49032.82
3. Capital Expenditure during the period	9534.22	2155.87	—	—	9534.22	2155.87

22. Information required in respect of Employee Benefits as required by Revised AS – 15 “Accounting for Employee Benefit” as issued by the Institute of Chartered Accountants of India.

a) **Amount of Defined Benefit Obligation in respect of Gratuity liability is recognized in the Balance Sheet as follows:**

Particulars	31.03.2011	31.03.2010
Present value of funded obligations	8,230,840	Nil
Fair value of plan assets	7,238,144	Nil
Present value of unfunded obligations	992,696	6,886,642
Unrecognized past service cost	Nil	Nil
Net liability	992,696	6,886,642
Amounts in the balance sheet:		
Liabilities	8,230,840	6,886,642
Assets	7,238,144	Nil
Net liability	992,696	6,886,642

b) **Amount of defined benefit obligation in respect of Gratuity liability is recognized in the profit and Loss account as follows:**

Particulars	31.03.2011	31.03.2010
Current service cost	2,675,422	2,176,786
Interest on obligation 6886642*8%	550,931	418,148
Expected return on plan assets	(273,202)	—
Net actuarial losses / (gains) recognized in year 2010-2011	(1,960,457)	(616,739)
Past service cost	—	—
Losses / (Gains) on curtailments and settlement	—	—
Total included in ‘Employee Benefit Expense’	992,696	1,978,195

c) **Details of changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof in respect of Gratuity are as follows:**

Particulars	31.03.2011	31.03.2010
Opening Defined Benefit Obligation on 1-4-2010	6,886,642	5,068,460
Service cost	2,675,422	2,176,786
Interest cost 6886642*8%	550,931	418,148
Actuarial losses (gains)	(1,882,156)	(616,739)
Losses (gains) on curtailments	—	—
Liabilities extinguished on settlements	—	—
Liabilities assumed in an amalgamation in the nature of Purchase	—	—
Exchange differences on foreign plans	—	—
Benefits paid	—	(160,013)
Closing defined benefit obligation 31-3-2011	8,230,840	6,886,642

d) **Details of changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof in respect of gratuity are as follows:**

Particulars	31.03.2011	31.03.2010
Opening fair value of plan assets as on 01-April -10	0	—
Expected return 0*0%	273,202	—
Actuarial gains and (losses)	78,300	—
Assets distributed on settlements	0	—
Contributions by employer	6,886,642	—
Assets acquired in an amalgamation in the nature of purchase	0	—
Exchange differences on foreign plans	0	—
Benefits paid	0	—
Closing fair value of plan assets as on 31-March-2011	7,238,144	—

e) **Details of the major categories of plan assets as a percentage of total plan assets in respect of Gratuity are as follows:**

Particulars	31.03.2011	31.03.2010
Government of India Securities	—	0%
High quality corporate bonds	—	0%
Equity shares of listed companies	—	0%
Property	—	0%
Policy of insurance	100%	0%
Bank Balance	—	0%

f) **Details of Principal actuarial assumptions at the balance sheet date in respect of Gratuity (expressed as weighted averages):**

Particulars	31.03.2011	31.03.2010
Discount rate as on 31-03-2011	8.00%	8.25%
Expected return on plan assets at 31-03-2011	8.00%	0.00%
Proportion of employees opting for early retirement	—	—
Annual increase in Salary costs	6.00%	6.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

g) **Details of Defined benefit pension plans for the current and previous periods are as follows:**

Particulars	31.03.2011	31.03.2010
Defined Benefit Obligation	8,230,840	6,886,642
Plan assets	7,238,144	—
Surplus / (deficit)	(992,696)	(6,886,642)
Experience adjustments on plan liabilities	(1,882,156)	(429,493)
Experience adjustments on plan assets	7,800	—

23. Earning per Share

Particular	Unit	31.03.2011	31.03.2010
Numerator used for calculating Basic and Diluted Earning per Share (Profit after Tax)	Rs.	173454012	115759016
Weighted average No. of shares used as denominator for calculating Basic and Diluted	No. of Shares	455490564	455490564
Nominal Value of Share	Rs.	1	1
Basic and Diluted Earning per Share	Rs.	0.38	0.25

24. Information relating to Deferred Tax

Particulars	31.03.2011	31.03.2010
(Rs. In Lacs)		
Deferred Tax Assets arising out of timing difference relating to:		
- Disallowance under Income Tax Act, 1961 [Amount allowable under provisions of the Income Tax Act, 1961 in subsequent years]	21.72	54.20
Total Deferred Tax Assets	21.72	54.20
Deferred Tax Liability arising out of timing difference relating to:		
- Difference of Depreciation as per Tax provisions and Company Law	1898.85	1646.38
Total Deferred Tax Liability	1898.85	1646.38
Net Deferred Tax Liability	1877.13	1592.18

25. Particulars of Limited Liability Partnership Firm namely Nandan Chiripal Energy Corporation LLP in which Company is a Partner.

Sr. No.	Name of the Partner	Share in Profit/LossRs.		Closing BalanceRs.	
		2010-11	2009-10	2010-11	2009-10
1.	Nandan Exim Limited	45 %	45 %	450,000	450,000
2.	Chiripal Industries Limited	55 %	55 %	550,000	550,000
	Total.....	100.00 %	100.00 %	1,000,000	1,000,000

26. The figures of the previous year have been regrouped and rearranged wherever considered necessary.

27. Additional information pursuant to the provisions of paragraph 3 and 4 of part-II and part-IV of Schedule VI of the Companies Act, 1956 for the period ended on 31st March, 2011.

(a) Licensed & Installed capacity

Particulars	Unit of Measurement	Licensed capacity	Installed capacity In mtr. (Annualized)	
			31.03.2011	31.03.2010
Denim and Grey Fabrics	Mtrs.	N.A.	50000000	42000000
Spinning	Kgs.	N.A.	14400000	14400000
Garment	Nos.	N.A.	540000	540000

(b) Opening Stock & Closing Stock of Finished Goods:

Particulars	Unit	Opening Stock				Closing Stock			
		Quantity		Value Rs.		Quantity		Value Rs.	
		31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
Grey & Dyed Fabrics	Mtrs.	54343	170018	2737083	7800715	3104	54343	161469	2737083
Denim	Mtrs.	519864	703738	37362206	45957056	2280203	519864	219064507	37362206
Fabrics	Mtrs.	Nil	1517702	Nil	48862061	Nil	Nil	Nil	Nil
Garment	Nos	34618	43631	4846520	5841810	6822	34618	955080	4846520
Printed Fabrics	Mtrs.	212652	326854	5486330	8981689	213237	212652	7977115	5486330
Others	-	—	—	44343	2147553	—	—	Nil	44343
		—	—	50476482	119590884	—	—	228158171	50476482

(c) Production meant for Sale:

Particulars	Units	Actual production	
		31.03.2011	31.03.2010
Grey & Dyed Fabrics	Mtrs.	7077	2385032
Denim	Mtrs.	39918952@	32823902@
Garment	Nos.	10551	226350

@ Production includes Nil Mtrs. (P. Y. 236688 Mtrs.) of goods issued in producing the Garments and 839417 Mtrs. (P. Y. 472395 Mtrs.) produced on job basis for others.

Note: Production of Yarn in spinning units is done only for captive consumption.

(d) Purchase of Finished Goods:

Particulars	Unit	Quantity		Amount Rs.	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
Fabrics	Mtrs.	8323658	14004558	402583923	459375896
Knitted Fabrics	Kgs.	1039998	187285	58699954	25634117
Printed Fabrics	Mtrs.	8055281	9083484	263226465	236012999
Others		—	—	9217544	23804065
Total . . .		—	—	733727886	744827077

(e) Turnover

Particulars	Unit	Quantity		Amount Rs.	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
Grey & Dyed Fabrics	Mtrs.	58316	2500707	3554216	145114995
Denim	Mtrs.	37319196	32298693	4036680941	2658538495
Fabrics	Mtrs.	8323658	15522260	402846826	508594352
Knitted Fabrics	Kgs.	1039998	187285	58723672	25641088
Garment	Nos.	38347	235363	6755801	45582328
Printed Fabrics	Mtrs.	8054696	9197686	273177894	247994912
Others		—	—	224295468	67953702
Total . . .		—	—	5006034818	3699419871

(f) Raw material consumed

Particulars	Unit	Quantity		Amount Rs.	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
Yarn	Kgs.	9869497	7245766	1405691117	717054740
Cotton	Kgs.	18280610	14525387	1405963783	781135890
Other raw materials		—	—	391896316*	278384371
Total . . .		—	—	3203551216	1776575001

* Individual Items does not exceed 10 % each.

(g) Value of Imported & Indigenous Raw Materials, Stores, Components & Spares parts consumed

	Raw Materials				Components & Spare Parts			
	%		Value (Rs.)		%		Value (Rs.)	
	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
i. Imported	1.64	3.34	52637128	59262256	0.00	5.07	Nil	2059195
ii. Indigenous	98.36	96.66	3150914088	1717312745	100.00	94.93	22167498	38519719
Total . . .	100	100	3203551216	1776575001	100	100	22167498	40578914

(h) C.I.F. Value of Imports:

Particulars	Amount Rs.	
	31.03.2011	31.03.2010
Raw Materials	52637128	59262256
Trading Goods	Nil	22712395
Stores & Spares	Nil	2059195
Capital Goods	67018669	12648439

(i) Expenditure In Foreign Currency

Particulars	Amount Rs.	
	31.03.2011	31.03.2010
i. Traveling Expenses	1387391	2398584
ii. Foreign Bank Charges	2820762	2923310
iii. Commission paid	5710768	2476288
iv. Interest on Buyer's Credit & CC Account	3730477	Nil

(j) Earning In Foreign Currencies

Particulars	Amount Rs.	
	31.03.2011	31.03.2010
FOB Value of Export Goods	568546552	621109615

Note: Previous year's figures have been shown in brackets.

Signature to Schedules "1" to "21"

As per our report of even date

For, **J. T. SHAH & COMPANY**
CHARTERED ACCOUNTANTS

J.T. SHAH
Partner

Place : Ahmedabad
Date : 05/08/2011

For and on behalf of the Board

Vedprakash D. Chiripal Chairman

Brijmohan D. Chiripal Managing Director

Place : Ahmedabad
Date : 05/08/2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
I. Registration Details

State Code	04	Registration No.	22719
Balance Sheet Date	31st March, 2011	CIN	L51909GJ1994PLC022719

II. Capital raised during the year (Amount in Rs.)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement (Including Premium)	NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.)

Total Liabilities	Rs.4,26,43,69,077/-	Total Assets	Rs.4,26,43,69,077/-
-------------------	---------------------	--------------	---------------------

SOURCES OF FUNDS

Paid up Capital	Rs.45,54,90,564/-	Reserves & Surplus	Rs.99,88,41,808/-
Secured Loans	Rs.2,55,89,23,753/-	Unsecured Loans	Rs.6,34,00,162/-
Deferred Tax Liability	Rs.18,77,12,790/-		

APPLICATION OF FUNDS

Net Fixed Assets	Rs.2,80,97,70,677/-	Investments	Rs.3,40,63,640/-
Net Current Assets	Rs.1,42,05,34,760/-	Miscellaneous Expenditures	Rs.Nil
Accumulated Losses	Rs. NIL		

IV. Performance of the Company (Amount in Rs.)

Turnover	Rs.5,07,39,63,151/-	Total Expenditure	Rs.4,81,64,55,582/-
Profit(+) / Loss(-) before Tax	Rs. 26,00,68,881/-	Profit(+)/Loss(-) after Tax	Rs. 17,34,54,012/-
Earning per Share (in Rs.)	Rs. 0.38		

V. Generic Names of Three Principal Products / Services of the Company (as per Monetary Terms)

Item Code No.	521142.00
Product Description	Denim
Item Code No.	520942.00
Product Description	Cotton Grey Fabric / Blended Fabrics
Item Code No.	2351
Product Description	Cotton Yarn
Item Code No.	2352
Product Description	Denim Fabrics
Item Code No.	2650
	Ready Made Garments

For and on behalf of the Board

Vedprakash D. Chiripal *Chairman*

Brijmohan D. Chiripal *Managing Director*

Place : Ahmedabad
Date : 05/08/2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

Particulars	2010-2011 (Rs.)	2009-2010 (Rs.)
A. Cash flow from Operating Activities		
Net Profit After Tax	173,454,012	115,759,016
Adjustment for :		
Depreciation	253,605,123	226,041,472
Interest and Finance Charges	167,802,263	169,098,155
Loss on Sale of Asset	288,151	1,837,357
Provision for taxation	86,614,869	67,426,481
Provision for Doubtful Debt	1,421,075	7,803,785
Interest Received	(2,431,312)	(2,420,802)
Dividend Received	(30,000)	(20,000)
	507,270,169	469,766,448
Operating Profit Before Working Capital Changes	680,724,182	585,525,464
Adjustment for :		
Sundry Debtors	731,923,577	(248,221,385)
Inventories	(532,890,702)	(213,158,675)
Loans and Advances	(48,690,639)	102,678,312
Current Liabilities	82,151,890	105,882,301
	232,494,126	(252,819,446)
Cash Generation from Operations	913,218,308	332,706,018
Income Tax Paid	(104,614,618)	(11,388,887)
NET CASH FROM OPERATING ACTIVITIES	808,603,690	321,317,130
B. Cash flow from Investing Activities		
Purchase of Fixed Assets (Incl. WIP)	(336,587,309)	(314,293,247)
Capital Contribution to LLP	NIL	(450,000)
Current account with LLP	(184,372,658)	184,372,658
Sale of Fixed Assets	475,000	6,470,078
Sale of Investments	NIL	NIL
Proceeds from / (Investment in) Long Term Fixed deposits(Net)	(20,664,946)	(31,315,228)
Interest Received	2,431,312	2,420,802
Dividend received	30,000	20,000
NET CASH USED IN INVESTMENT ACTIVITIES	(538,688,601)	(152,774,937)
C. Cash flow from Financing Activities		
Increase in Long Term Borrowing	110,865,135	193,896,635
Repayment of Long Term Borrowing	(287,355,900)	(129,864,931)
Increase in Short Term Borrowing	80,898,851	(68,467,282)
Repayment of Short Term Borrowing	NIL	NIL
Interest paid	(165,339,965)	(173,020,123)
Dividend and tax on dividend paid	(271)	NIL
NET CASH FROM FINANCING ACTIVITIES	(260,932,150)	(177,455,700)
Net Increase / (Decrease) in Cash and Cash Equivalents	8,982,940	(8,913,508)
Opening Balance of Cash and Bank	17,021,960	25,935,468
Closing Balance of Cash and Bank	26,004,900	17,021,960
Supplementary Information		
Cash and Bank Balance as per Balance sheet	77,985,074	48,337,188
Less : Investment in Long term Deposits with scheduled Banks	51,980,174	31,315,228
Balance considered for Cash Flow statement	26,004,900	17,021,960

Notes:

- => The above Cash Flow Statement has been prepared under the Indirect Method set out in Accounting Standard 3 issued by the Institute of Chartered Accountants of India.
- => Cash and Cash equivalents at the end includes Rs. 895323/- (Previous Year Rs.854834/-) in respect of Fixed Deposit pledged with the Banks which are not available for use by the company.
- => Cash and Cash equivalents at the end includes Rs. 214166/- (Previous Year Rs. 215423/-) in respect of Unclaimed Dividend and Share Application Money which are not available for use by the company.

As per our report of even date

For and on behalf of the Board

For, **J. T. SHAH & COMPANY**
CHARTERED ACCOUNTANTS**Vedprakash D. Chiripal** Chairman**J.T. SHAH**
Partner**Brijmohan D. Chiripal** Managing DirectorPlace : Ahmedabad
Date : 05/08/2011Place : Ahmedabad
Date : 05/08/2011

NANDAN EXIM LIMITED

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

ATTENDANCE SLIP

17th ANNUAL GENERAL MEETING – FRIDAY, SEPTEMBER 23, 2011 AT 03.30 P.M.

DP – Client Id* / Folio No. _____ No. of Shares held _____

I / We certify that I / We am / are a registered shareholder of the Company.

I / We hereby record my / our presence at **17th Annual General Meeting** of the Company on **Friday, August 23, 2011 at Survey No. 198/1, 203/2, Saijpur-Gopalpur, Pirana Road, Piplej, Ahmedabad – 382405 (Gujarat)**

Name of the Shareholder

Address of the Shareholder

Signature of the Shareholder

NOTE: Shareholders are requested to bring Attendance Slip duly filled in and hand over the slip at the entrance of the meeting venue.

* Applicable for shares held in electronic form.

Note: No Gift/Gift Coupons/Refreshment Coupons will be distributed at the Meeting

NANDAN EXIM LIMITED

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

PROXY FORM

17th ANNUAL GENERAL MEETING – FRIDAY, SEPTEMBER 23, 2011 AT 03.30 P.M.

DP – Client Id* / Folio No. _____ No. of Shares held _____

I / Weof.....

in the district of being a member / members of **NANDAN EXIM LIMITED** hereby appoint

..... of In the district of

..... or falling him / her,

..... of In the district of

..... as my / our proxy to attend & vote for me / us on my / our behalf at the **17th Annual General Meeting** of the Company to be held on **Friday, September 23, 2011 at 03.30 p.m.** at **Survey No. 198/1, 203/2, Saijpur-Gopalpur, Pirana Road, Piplej, Ahmedabad – 382405 (Gujarat)** or at any adjournment thereof.

Signed this day of, 2011



This form is to be used @ in favour of / against the resolution. Unless otherwise instructed, the proxy will act as he/she thinks.

* Applicable for shares held in electronic form.

@ Strike out whichever is not desired.

NOTES

1. The 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 commencement of the meeting. The proxy need not be a member of the Company.
2. The form should be signed across the stamp as per specimen signature registered with the Company.

NANDAN EXIM LIMITED

Registered Office : Survey No. 198 / 1, 203 / 2, Saijpur – Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405

E-MAIL REGISTRATION FORM

Dear Shareholders

Re.: Green Initiative in Corporate Governance - Go Paperless

The Ministry of Corporate Affairs ('Ministry') has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. In accordance with the recent circulars no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry, companies can now send documents like Notice of Annual General Meeting, Annual Report, Postal Ballot Notice etc. to their shareholders through electronic mode at their registered e- mail addresses.

We invite you to take part in this opportunity to contribute to the Corporate Social Responsibility initiative of the Company. We therefore request you to register your email ID with your Depository Participant(s) or by sending this form duly filled in and signed to the Company's Registrar & Share Transfer Agent i.e. M/s Datamatics Financial Services Limited at Plot No. B5, Part B Cross Lane, MIDC, Andheri (East), Mumbai – 400 093 or your concerned Depository Participant.

To
Datamatics Financial Services Limited/ Depository Participant
Unit: Nandan Exim Limited
Plot No. B5, Part B Cross Lane,
MIDC, Andheri (East),
Mumbai – 400 093

Dear Sir/Madam,

RE: Green Initiative in Corporate Governance

I agree to receive all communication from the Company in electronic mode. Please register my following e-mail id in your records for sending communication through e-mail –

E-mail ID to be registered

Name of Sole/Joint Holder(s)	Folio No./DP ID and Client ID	Signature

Date

Important Notes:

- 1) After registration, all the communication will be sent to your registered e-mail Id. However, you can anytime ask for physical copy of the document.
- 2) Shareholders are requested to keep company informed as and when there is any change in the e-mail address. Unless the email Id given hereunder is changed by you by sending another communication in writing, the company will continue to send the notices/documents to you on the above mentioned email ID.

BOOK-POST

To,

If undelivered, please return to :



NANDAN EXIM LIMITED

CORPORATE OFFICE : "Chiripal House",
Shivranjani Cross Roads, Satellite Road, Ahmedabad - 380015.
Tel : 91-079-26734660-2-3 Fax : 91-079-26768656

Ganapati, (079) 26568111