



**CHAIRMAN'S SPEECH AT THE TWELFTH ANNUAL GENERAL MEETING
HELD ON FRIDAY THE 23rd DAY OF SEPTEMBER 2011 AT 10.00 A.M. AT
THE REGISTERED OFFICE OF THE COMPANY.**

Ladies and Gentlemen,

I have great pleasure in welcoming you all on the occasion of the Twelfth Annual General Meeting of the company.

The Annual Report for the year ended March 31, 2011 has been with you for some time now.

You would have observed from the Audited Accounts that the performance of the company has improved as compared to the previous year and the loss for the year has come down from Rs.1642.07 Lacs to Rs. 201.08 Lacs. During the year under review the lenders have approved a restructuring of debts of the company with retrospective effect granting various reliefs and concessions aggregating to Rs. 2532 Lacs.

The outlook for the denim industry has improved over the last few months and the Company expects to register a better performance during the current year.

The company is taking various steps to improve the performance by effecting cost reduction measures and implementation of various systems and procedures to enhance the productivity at the plant level. The company is also making efforts to develop new value added varieties of Denim to cater to the high end market where the margins are better than the conventional denim products.

I am also grateful to all of you shareholders for your support and look forward to receiving the same in the future.

Thank you