

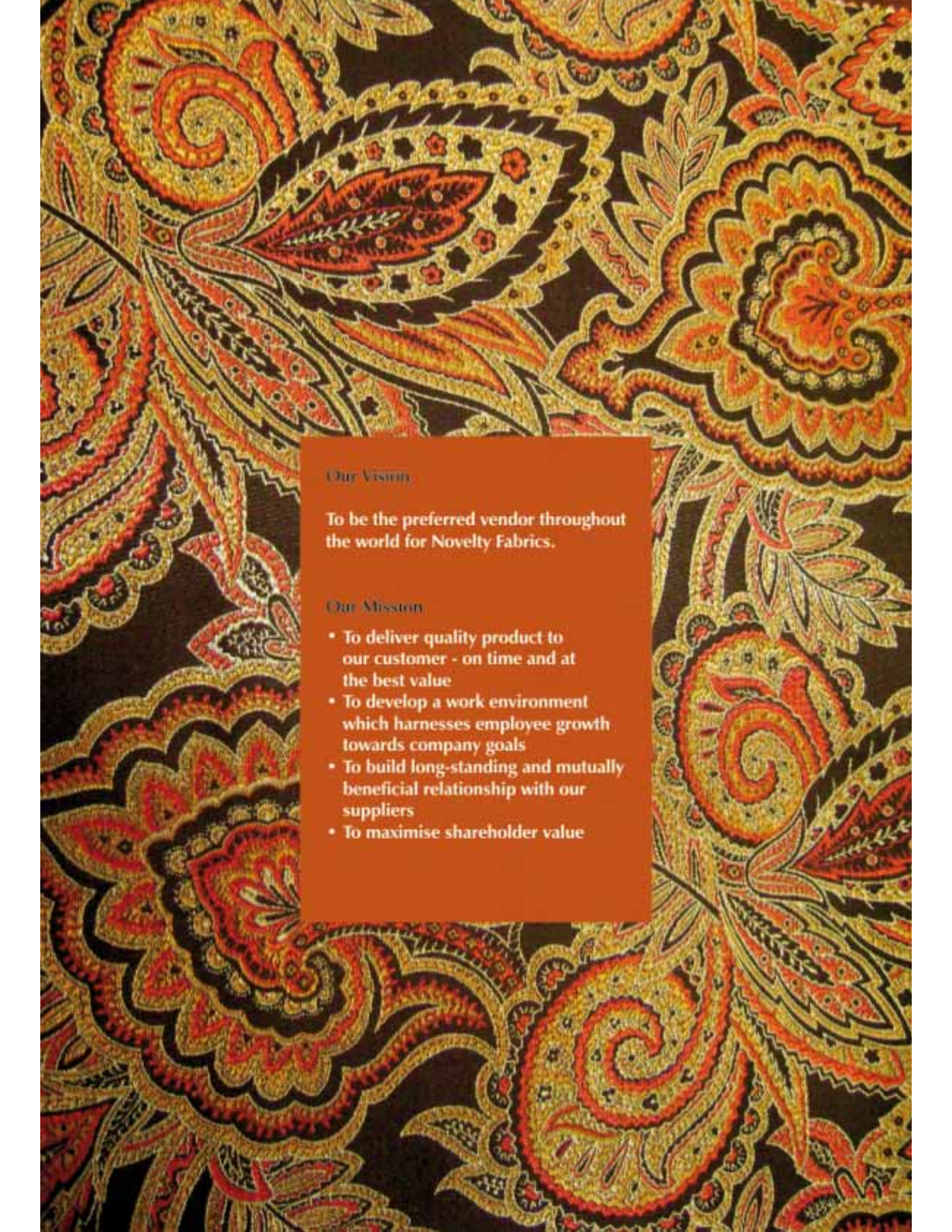
10 MILLION METERS OF FABRIC.



INFINITE USES. INFINITE SMILES.

**OUR VISION :
MOTIVATING US
TO GREATER HEIGHTS**





Our Vision

To be the preferred vendor throughout the world for Novelty Fabrics.

Our Mission

- To deliver quality product to our customer - on time and at the best value
- To develop a work environment which harnesses employee growth towards company goals
- To build long-standing and mutually beneficial relationship with our suppliers
- To maximise shareholder value



FANCY FABRICS
THAT HAVE NO EQUAL



Orbit Exports specialize in novelty
jacquard Fabrics and Christmas
Decorations like Ribbons & Made ups

Orbit Supplies 70% of all Jacquard
Exports from India for Apparel wear

Turnover exceeds \$2 million

We have DOUBLED our capacity
since last year to cater to growing
demands for Jacquard Fabrics



**250 PEOPLE,
3 FACTORIES,
10 MILLION METERS...
IT ALL ADDS UP**



Scope:

Orbit Exports is one of the largest manufacturers of Jacquard Fabrics in India. We are also one of the largest exporters of Christmas Ribbons and Made-ups from India.

Orbits ribbons and made ups have garnered a 65% market share of exports from India in the Christmas craft segment.



Capacity:

Orbit Exports has In house manufacturing facility of 4 million meters in Jacquard & Other Fabrics.

The Christmas Craft & Made ups division at Dombivli has the capacity to manufacture up to 10,000 pieces per day.



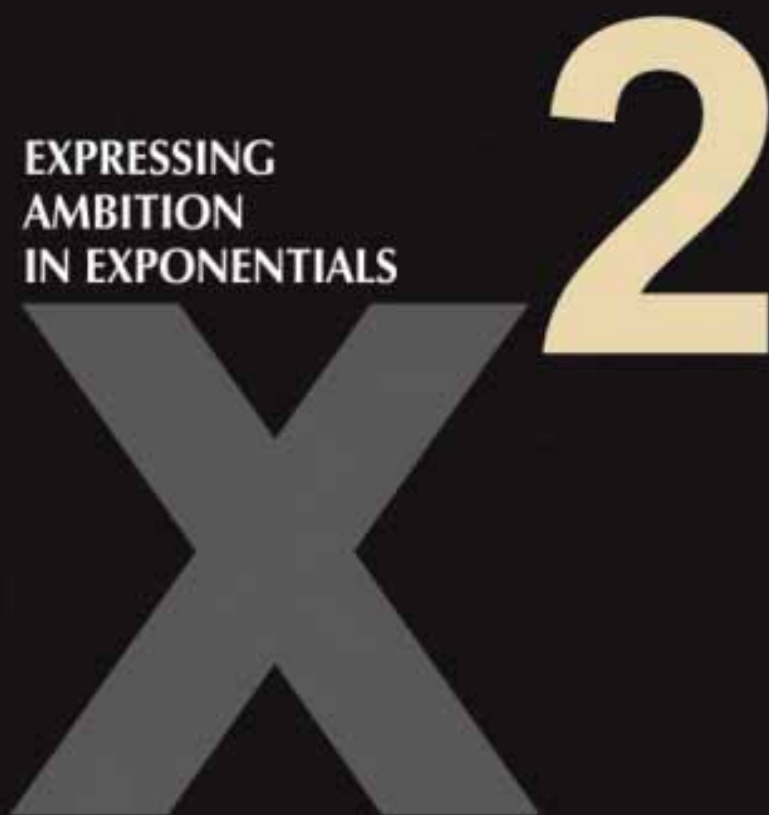
**MULTIPLE DEMAND,
SINGULAR SUCCESS**

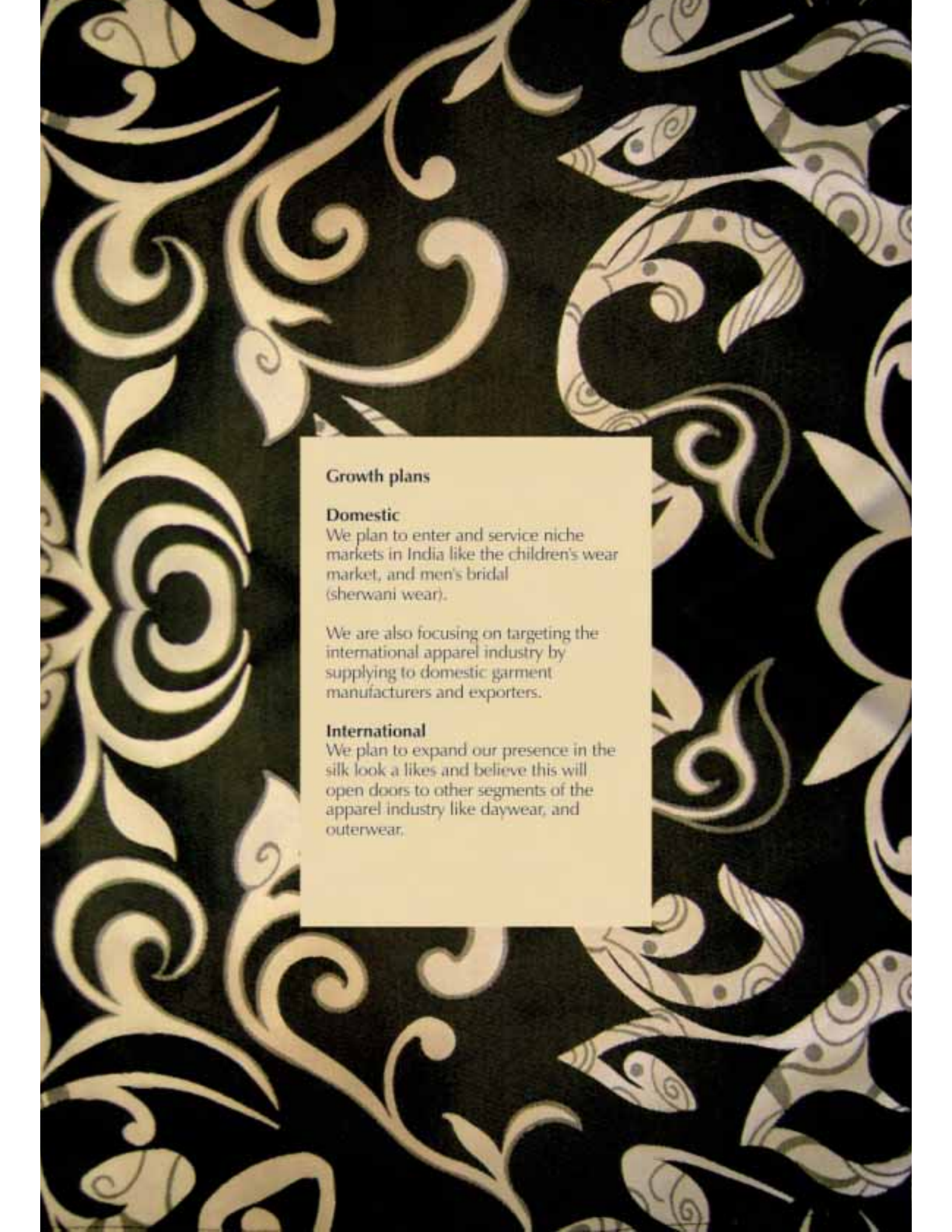


KEY RATIOS		
	2011-12	2010-11
Current Ratio	1.49	1.50
Debt Equity Ratio	0.29	0.32
Return on Capital Employed	20.03%	22.66%
Return on Network	25.84%	29.96%
Cost of Goods sold	65.26%	66.30%
Interest on Sales	1.15%	1.14%
Interest to Average Borrowings	4.53%	5.84%
Depreciation to Sales	1.84%	0.98%
Debtors (In No. of Days)	53	49
Inventory (In No. of Days)	97	74



EXPRESSING
AMBITION
IN EXPONENTIALS





Growth plans

Domestic

We plan to enter and service niche markets in India like the children's wear market, and men's bridal (sherwani wear).

We are also focusing on targeting the international apparel industry by supplying to domestic garment manufacturers and exporters.

International

We plan to expand our presence in the silk look a likes and believe this will open doors to other segments of the apparel industry like daywear, and outerwear.

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Board Of Directors

Chairman and Managing Director

Pankaj Seth

Whole Time Director

Anisha Seth

Executive Director

Bruce Larry Kieval

Non Executive Directors

Gopikrishna Bubna

Manoj Kumar Jain (resigned w.e.f. 17th January, 2012)

Saumil U. Marfatia

Balkrishna Patil

Varun Daga (appointed w.e.f. 26th July, 2011)

Chief Financial Officer

Mukesh Deopura

Company Secretary & Compliance Officer

Neha Nangalia

Auditors

Krishna R. Moondra & Associates

Chartered Accountants

JBF House, 1st Floor, Old Post Office Lane, Kalbadevi Road, Mumbai – 400 002

Bankers

State Bank of India

Overseas Finance Branch, Cuffe Parade, Mumbai – 400 005

DBS Bank Ltd.

3rd Floor, Fort House, 221, Dr. D.N. Road, Fort, Mumbai – 400 001

Registrar And Transfer Agents

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai – 400 078

Ph.: +91-22 – 25946970; Fax: 25946969;

email: rnt.helpdesk@linkintime.co.in

Registered Office

E 27-29, Adi Marzaban Street, S. Bhagat Singh Rd, Ballard Estate, Mumbai - 400 038

Ph.: +91-22-66256262; Fax: +91-22-2375 6599;

email: investors@orbitexports.com; website: www.orbitexports.com

Factories

Surat

Plot No. 7 & 8, Fairdeal Textile Park, Village Mahuvej, Taluka Mangrol,
Dist – Surat – 394 102 (Guj.)

Jalgaon

Plot No.G-99, Additional M.I.D.C. Jalgaon – 425 003

Fat No. 447/B, Vikhran Road, Erandol, Dist. Jalgaon

Dombivali

D-5/1, Dombivali MIDC Industrial Area, Dombivali (E), Dist. Thane, Maharashtra

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty – Nineth Annual General Meeting of the members of ORBIT EXPORTS LIMITED will be held at Aacharya Mahapraghn Vidhya Nidhi Foundation, Opp Thaker Bhojnalaya, 32, Dadiseth Agyari Lane, Kalbadevi Road, Mumbai -400002 on Wednesday 27th June, 2012 at 4.30 p.m. to transact the following business:

Ordinary Business:

- 1) To consider and adopt the Balance Sheet of the Company for the financial year ended 31st March, 2012, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the Report of the Board of Directors and Auditors' thereon.
- 2) To consider Interim Dividend as Final Dividend.
- 3) To appoint a Director in place of Shri Balkrishna Patil who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Shri Bruce Larry Kieval who retires by rotation and being eligible, offers himself for re-appointment.
- 5) To appoint Auditors to hold office from conclusion of this Meeting until the conclusion of the Next Annual General Meeting and to fix their remuneration.

Special Business:**6) Confirmation Of Shri Varun Daga from Additional Director to Director of the Company**

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

"RESOLVED THAT Shri Varun Daga who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 26/07/2011 under Article 110 of the Articles of Association of the Company and in terms of the provisions of Section 260 of the Companies Act, 1956 and who holds office upto the date of the ensuing Annual General Meeting, and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose Shri Varun Daga as a Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

7) Issue Of Bonus Shares

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

"RESOLVED THAT

- (a) in accordance with the applicable provision of the Companies Act, 1956 (including any amendment thereof or re-enactment thereof for the time being in force) and the enabling provisions of the Articles of Association of the Company and the Listing Agreement entered into with the Stock Exchange(s) where the Equity Shares of the Company are listed and in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subject to such other approvals, consents, permissions and sanctions as may be necessary from appropriate authorities and subject to such terms and modifications as may be specified while according such approvals, consent be and is hereby accorded to the Board of Directors of the Company ("the Board", which term shall be deemed to include any Committee which the Board may constitute to exercise its power, including powers conferred by this Resolution) for Capitalization of a sum of Rs.4,23,30,500 (Rupees Four crores twenty three lacs thirty thousand and five hundred only) from Securities Premium Account, General Reserves or any other permitted Reserves/ Surplus of the Company for the purpose of issue and allotment of 42,33,050 (Forty two lacs thirty three



thousand and fifty only) as Bonus Shares of the face value of Rs.10/- (Rupees Ten only) each credited as fully Paid-up to the holder of Equity Shares of the Company whose names appear on the Register of Members as on record date as may be decided by the Board of Directors of the Company in the proportion of 1 (One) Bonus Share of Rs.10/- each for every 2 (Two) fully Paid-up Equity Shares of Rs.10/- each held by them and the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the Paid-up Capital of the Company held by each such Members and not as income.

- (b) in accordance with the applicable provisions of the Companies Act, 1956 (including any amendment thereof or re-enactment thereof for the time being in force) and the enabling provisions of the Articles of Association of the Company and the Listing Agreement entered into with the Stock Exchange(s) where the Equity Shares of the Company are listed and in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 and subject to such other approvals, consent, permissions and sanctions as may be necessary from appropriate authorities and subject to such terms and modifications as may be specified while according such approvals, consent be and is hereby accorded to the Board of Directors of the Company ("the Board", which term shall be deemed to include any Committee which the Board may constitute to exercise its power, including powers conferred by this Resolution) for the purpose of keeping in reserve such number of Bonus Shares of face value of Rs.10/- (Rupees Ten only) each credited as fully Paid-up and which shall be issued in the proportion of 1 (One) Bonus Share of Rs.10/- each for every 2 (Two) fully Paid-up Equity Shares of Rs.10/- each to the holders of outstanding Optionally Fully Convertible Warrants (OFCWs), which shall be converted into Equity Shares in terms of issue of OFCWs and the Bonus Shares so issued, allotted and distributed shall, for all purposes, be treated as an increase in the Paid-up Capital of the Company held by each such Member and not as income and the "Board" is also authorized to capitalize such sum as may be required from the Securities Premium Account, General Reserves or any other permitted Reserves/ Surplus of the Company for the purpose of issue and allotment of Bonus Shares in the above mentioned ratio, to the holders of Equity Shares which come into existence consequent to conversion of OFCWs.
- (c) the current Resolution shall remain in force till the time the Bonus Equity Shares, which are presently being kept in reserve are issued to the holders of OFCWs consequent to conversion of the said OFCWs into equity Shares of the Company.
- (d) the Bonus Shares so allotted to the Equity Shareholders shall rank pari passu in all respect with the fully Paid-up Equity Shares of the Company as existing on the "Record Date", with a right to participate in full in the dividend declared, if any, after the allotment of such shares.
- (e) the Bonus Shares so allotted to holders of OFCWs consequent to the conversions of said OFCWs into the Equity Shares of Company shall rank pari passu in all respects with the fully paid-up Equity Shares of the Company as existing immediately prior to the date of allotment and with a right to participate in full in the dividend declared, if any, after the allotment of such shares.
- (f) that the Bonus Shares so allotted shall always be subject to the Memorandum of Association and Articles of Association of the Company.
- (g) that no letter of allotment shall be issued in respect of the Bonus Shares but in the case of Shareholders who opt to receive the Bonus Shares in dematerialized form, the Bonus Shares shall be credited to the respective beneficiary accounts of the shareholders with their respective Depository Participants within the stipulated time as may be allowed by the concerned authorities and in the case of shareholders who opt to receive the Bonus Shares in physical form, the share certificates in respect thereof shall be delivered within such time as may be prescribed by the concerned authorities.
- (h) that the Company shall not issue fraction share certificate, instead consolidate all such fractional entitlement(s), if any, arising and thereupon issue and allot equity shares in lieu thereof to a Director or an Officer of the Company or such other person, as the Board of Directors or Committee of the Board of Directors shall appoint in this behalf who shall hold the equity shares in trust on behalf of the members entitled to fractional entitlements with the express understanding that such Director(s) or Officer(s) or person(s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons as he/ they may deem fit, and pay to the



Company, the net sale proceeds thereof, whereupon the Company shall distribute such net sale proceeds, subject to taxes, if any, to the members of the Company in proportion to their respective fractional entitlements. In case the aggregate of such shares to be allotted to the Director / officer / person by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in the Company to such Director / Officer / person in lieu of such fractional amount.

- (i) that the issue and allotment of the Bonus Shares to Non-Resident Indians (NRIs), Persons of Indian origins (PIOs), Foreign Institutional Investors (FIIs) and other foreign investors of the Company will be subject to approval of the Reserve Bank of India, as may be necessary.
- (j) that the Board be and is hereby authorized to take necessary steps for listing of such shares on the Stock Exchanges where the securities of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations thereto.
- (k) that for the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give from time to time, such directions as may be necessary or expedient and to settle and 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."

By order of the Board of Directors

Pankaj Seth
Managing Director

Place: Mumbai.

Dated: 28th May, 2012

Registered Office:-

E 27-29, Adi Marzaban Street (Manglore Street),
S. Bhagat Singh Road, Ballard Estate,
Mumbai – 400 038

NOTES:

- 1. A Member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the Proxy should, however be deposited at the registered office of the Company not less than 48 (forty-eight) hours before the commencement of the Meeting.
- 2. Members are requested to notify immediately any change in their address.
- 3. The Register of Members & Share Transfer Book of the Company will remain closed from 05th June, 2012 to 07th June, 2012 (both days inclusive).
- 4. Members desiring to submit mandates, to lodge transfer deed(s) for registration of transfer of shares are requested to forward the same so as to reach the Company's Registrar M/s Link Intime India Private Limited, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400078 on or before 05th June, 2012. The Company will not be in a position to act upon any document, which is incomplete or received after 05th June, 2012.
- 5. In accordance with the provisions of Section 256 of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be re-appointed are given in the Corporate Governance Section.



6. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting is annexed hereto.
7. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
8. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.
9. Corporate Members intending to send their authorised 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.
10. Membrs/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report.
11. The Ministry of Corporate Affairs (MCA) , Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed Companies to send official documents to their shareholders electronically as part of its green initiatives in Corporate Governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send Documents like the Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report, etc to the email address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the Annual Report and other documents reach you on your preferred email.

12. Members can avail of the Nomination facility by filing Form 2B with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in demat form, the nomination has to be lodged with their DP.
13. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agents, M/s Link Intime India Pvt. Ltd.
15. The Directors of the Company are seeking consent of the Members of the Company by way of Ordinary Resolution through Postal Ballot u/s. 192A of the Companies Act, 1956 read with Companies (Passing of Resolutions through Postal Ballot) Rules, 2011 for transfer, sell or otherwise dispose off in any manner whatsoever the Company's Plant including Land, Building, Plant & Machinery etc situated at Gat No.447/B, Vikhran Road, Erandol, Dist. Jalgaon u/s 293 (1) (a) of the Companies Act, 1956. The Result of the Postal Ballot shall be announced on 11th June, 2012.

Annexure to Notice
Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

(In pursuance of Clause 49 of the Listing Agreements)

Name of Director	Shri Balkrishna Patil
Age	61
Date of Appointment	30-03-2010
Expertise in specific functional areas	Specialisation in Finance
Qualifications	MBA
List of Companies in which outside Directorship held as on 28 th May, 2012 (excluding Private Companies)	NIL
Chairman/Member of the Committees of the Boards of the other Companies in which he is a Director as on 28 th May, 2012	NIL

Name of Director	Shri Bruce Larry Kieval
Age	55
Date of Appointment	10-06-2006
Expertise in specific functional areas	Marketing
Qualifications	B. Sc.
List of Companies in which outside Directorship held as on 28 th May, 2012 (excluding Private Companies)	Nil
Chairman/Member of the Committees of the Boards of the other Companies in which he is a Director as on 28 th May, 2012	Nil

Name of Director	Shri Varun Daga
Age	27
Date of Appointment	26-07-2011
Expertise in specific functional areas	Finance
Qualifications	B.Com
List of Companies in which outside Directorship held as on 28 th May, 2012 (excluding Private Companies)	NIL
Chairman/Member of the Committees of the Boards of the other Companies in which he is a Director as on 28 th May, 2012	NIL

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956**Item No. 6**

Shri Varun Daga was appointed as an Additional Director on the Board of the Company with effect from 26th July, 2011, in the Board of Directors Meeting held on 26th July, 2011, pursuant to Section 260 of the Companies Act, 1956 ("the Act"). Shri Varun Daga holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Act, from a Member, proposing Shri Varun Daga as a Director of the Company along with a deposit of Rs.500/- which will be refunded to such Member, if Shri Varun Daga is elected as a Director.

Recommend that he be appointed as a Director of the Company.

None of the Directors, other than Shri Varun Daga, may be considered to be concerned or interested in the said appointment at item no. 6.

Item No. 7

Your Company has completed a very successful financial year 2011-12, in which it has posted the highest ever net profit after tax of Rs.902.28 Lacs. To reward the shareholders in this successful value creation cycle, the Board of Directors, at its Meeting held on 28th May, 2012 has recommended an issue of Bonus Shares in the proportion of 1 (One) Bonus Share of Rs.10/- each for every 2 (Two) fully paid up Equity Shares of Rs.10/- each, to the eligible members of the Company as on the Record Date to be fixed by the Board or a Committee thereof for this purpose. The present Paid up Equity Capital of the Company is Rs.8,46,61,000/- consisting of 84,66,100 Equity Shares of Rs.10/- each. During the Financial Year 2011-12, the Company also issued 4,00,000 Optionally Fully Convertible Warrants (OFCWs) of Rs.10/- each, which may be converted into Equity shares within 18 months from the date of allotment i.e. 04th August, 2011. In accordance with the enabling provisions of the Articles of Association of the Company, Companies Act, 1956, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 and such other Regulations/Acts etc as may be applicable, the Bonus Equity shares will be issued by capitalizing a sum of Rs.4,43,30,500/- (based on the present paid up equity capital) from Securities Premium Account, General Reserves or any other permitted reserves/surplus as per the Audited Accounts of the Company for the financial year ended on March 31, 2012 or thereafter, as the case may be. In compliance with the provisions of Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, issue of bonus shares can be made only when similar benefit is extended to the holders of fully or partly convertible instruments issued by the Company and pending conversion through reservation of shares in proportion to convertible part of such instruments. Accordingly, the benefit of this bonus issue of Equity Shares would also be extended to the holders of OFCWs as per the terms of the instrument. Therefore, the Company proposes to capitalize such additional sum from the Security Premium Account, General Reserves or any other permitted reserves / surplus of the Company, for the purpose of issue of such number of Bonus Equity Shares of face value of Rs.10/- (Rupees Ten only) each which may result from the Conversion of the outstanding OFCWs into Equity Shares, in the proportion of 1 (One) Bonus Share of Rs.10/- each for every 2 (Two) fully paid-up Equity Shares of Rs.10/- each held credited as fully paid-up to the holders of OFCWs consequent upon conversion of the said OFCWs into the Equity Shares of the Company.

The fully paid-up Bonus Shares shall be distributed to the Members of the Company, whose names shall appear on its Register of Members on the Record Date as determined by the Board of Directors of your Company (which term shall be deemed to include any Committee thereof) for the purpose of issue of Bonus Shares, in the proportion of 1 (One) Bonus Share for every 2 (Two) Equity Shares held by them on the Record Date. In the event of holders of OFCWs, such Bonus Shares, the quantum of which may be determined post conversion of OFCWs into Equity Shares, be kept in reserve and shall be issued immediately the said OFCWs are converted into the Equity Shares of Company. The Bonus Shares so allotted shall rank pari passu with the existing fully paid-up Equity Shares of the Company in all respects, with a right to participate in full in the dividend declared by the Company after the allotment of bonus shares.

As per the provisions of Articles of Association, the Company is required to obtain the approval of the Members of Company by way of an Ordinary Resolution and hence the above resolution is proposed for the approval of the Members as an ordinary resolution. It is also necessary/expedient to authorize the Board of Directors / Committee of Directors of the Company to complete all the regulatory formalities in connection with the issue of Bonus Shares that may be prescribed by SEBI, the Stock Exchanges on which the Company's securities are listed and / or any other regulatory authority.



orbit exports ltd.

Annual Report 2011-12

The Board of Directors of your Company recommends the Resolution as set out in the Notice for your approval as an Ordinary Resolution.

Directors of the Company may be deemed to be concerned or interested in the issue of the Bonus Shares to the extent of their shareholdings in the Company,

By order of the Board of Directors

**Pankaj Seth
Managing Director**

Place: Mumbai.
Dated: 28th May, 2012

Registered Office:-
E 27-29, Adi Marzaban Street (Manglore Street),
Ballard Estate, S Bhagat Singh Road,
Mumbai – 400 038

Director's Report

Dear Members,

Your Directors are pleased to presenting their 29th Annual Report and the audited accounts for the financial year ended 31st March, 2012.

Financial Results

Particulars	(Rs. in lacs)	
	For the Year ended 31st March, 2012	For the Year ended 31st March, 2011
Sales & Services	10,210.74	8,987.97
Other Income	-	33.14
Profit before interest, depreciation and tax	1564.11	1,414.20
Less: Interest	117.88	102.83
Profit before depreciation and tax	1446.23	1,311.37
Less: Depreciation	187.63	88.75
Profit before Tax	1258.60	1,222.62
Less: Prior Period Items	0.63	0.12
Less: Income Tax (Net off MAT Credit)	284.32	247.60
Less: Deferred tax	71.37	205.60
Profit/(Loss) after Tax	902.28	769.30
Add: Last Year balance in Profit & Loss Account	836.24	307.04
	1738.52	1076.34
Less: Appropriation:		
Transferred to General Reserve	100.00	60.00
Proposed Dividend on Equity Shares		39.45
Interim Dividend on Equity Shares	197.27	114.99
Corporate Dividend Tax	32.00	25.65
Balance carried to Balance Sheet	1409.25	836.24

Dividend

The Board of Directors had declared and paid an Interim dividend of Rs.2.50/- per Share (25%) on 78,90,660 Equity Shares of Rs.10/- each aggregating to Rs.197.27 Lacs for the financial year 31st March, 2012 (against Rs.2.00/- per Share in the previous year). The Board of Directors recommends Interim Dividend of Rs.2.50/- per Share as Final Dividend. The Company has already deposited Corporate Dividend Tax amounting to Rs.32 Lacs.

Issue Of Bonus Shares

Your Directors have pleasure to inform that the Board of Directors in their Meeting held on 28/05/2012 subject to the approval of the Members of the Company have decided to issue Bonus Shares by capitalization of Reserve aggregating to Rs.4,43,30,500/- in proportion of 1 (one) Bonus Share of Rs.10/- each fully Paid up as against 2 (two) Equity Shares of Rs.10/- each held by the existing Shareholders of the Company whose name appear in the Register of Members as on the record date as may be decided by the Board of Directors of the Company.

Financial performance

The sales of the Company increased to Rs.10,210.74 Lacs from Rs.8987.97 Lacs in the previous year, at a growth rate of 13.605%. The Profit before Depreciation, Interest and Tax increased from Rs.1414.20 Lacs in the preceding financial year to Rs.1564.11 Lacs in the year under Report. The Profit after tax increased from Rs. 769.30 Lacs to Rs.902.28 Lacs registering an increase of 17.286% over the preceding year due to demand of Company's product in local and export market.

Capital Expenditure

During the year, we capitalized a total amount of Rs.1099.28 Lacs. This comprises of Rs.12.29 Lacs for building development, Rs.969.25 Lacs for Purchasing of new machines for Dombivali Factory and Surat Factory and for

electrical equipments for new Corporate Office, Rs.90.38 Lacs for Furniture & Fixtures & Fittings and Rs.27.35 Lacs for office equipments.

Increase in Share Capital

During the year, we issued 3,50,000 equity shares on 22-03-2012 upon exercise of option to convert equivalent number of Optionally Fully Convertible Warrants (OFCWs) into equivalent number of Equity Shares. As a result of this, the outstanding issued, subscribed and paid-up equity shares increased from 78,90,660 to 82,40,660 shares as at 31st March, 2012.

We also issued 225,440 equity shares on 27-04-2012 upon exercise of option to convert equivalent number of Optionally Fully Convertible Warrants (OFCWs) into equivalent number of Equity Shares. As a result of this, the outstanding issued, subscribed and paid-up equity shares increased from 82,40,660 to 84,66,100 shares.

Expansion And Future Plan

- i. The Company has purchased 12 Jaquard Looms and completed its installation by December, 2011 in a record time of one month from the date of delivery in addition to existing 12 Jacquard Looms at Surat factory. This increase in enhanced capacity will contribute to the profit of the Company.
- ii. The Company is planning to acquire a new and bigger place to expand the business with latest machineries and technology.
- iii. In view of exponential growth in the business of the Company, it became imperative to shift its Corporate and Registered Office from 11, Mehta Chambers, Kalyan Street, P.D'Mello Road, Masjid (E), Mumbai - 400 009 to business district at E 27 - 29, Adi Marzaban Street (Manglore Street), S. Bhagat Singh Road, Ballard Estate, Mumbai - 400 038.
- iv. During the year under Report, the Company has developed new products and designs which has enabled the Company to develop new markets and in catering the existing customers. The introduction of new products and designs has helped the Company to add new customers in different geographical regions and segments.

Closure Of Erandol Plant

Due to uneconomic operation of Erandol plant, due to obsolete machineries, uneconomic scale of operations and high cost of production, the Company decided to discontinue operations and is closed since June, 2011. The Company has already paid the dues of all its workers working at the said plant. The Board of Directors are seeking consent of the Company through Postal Ballot for passing Ordinary Resolution u/s 293 (1) (a) of the Companies Act, 1956 to authorize Board of Directors of the Company to transfer, sell or otherwise dispose off in any manner whatsoever the Company's Plant including Land, Building, Plant & Machinery etc situated at Gat No.447/B, Vikhran Road, Erandol, Dist. Jalgaon. The result of the Postal Ballot shall be announced on 11th June, 2012.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. Balkrishna Patil and Mr. Bruce Larry Kieval will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors recommend passing of the Resolution.

Mr. Varun Daga was appointed as an Additional Director of the Company w.e.f. 26th July, 2011 in the Board Meeting held on 26th July, 2011. He holds office upto the date of the ensuing Annual General Meeting. A Notice has been received in writing from the Members proposing his appointment as the Director.

Mr. Manoj Kumar Jain, Non - Executive Independent Director of the Company resigned with effect from 17th January, 2012. The Board placed on record its appreciation for the valuable services rendered by Mr. Manoj Kumar Jain during his tenure as Director of the Company.

During the year Company received approval from Central Government for payment of Managerial Remuneration @ Rs.4,00,000/- each with an annual increment of Rs.50,000/- per annum for both Shri Pankaj Seth, Managing Director and Smt. Anisha Seth, Whole Time Director for a period of 3 years w.e.f. 01st April, 2011.

Director's Responsibility Statement

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm as under:

- a. that in the preparation of annual accounts, the applicable Accounting Standards have been followed and there has been no material departures;
- b. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the Profit of the Company for that period;
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the Directors have prepared the annual accounts on a 'going concern' basis.

Audit Committee

The Audit Committee was reconstituted by inducting Mr. Varun Daga as Member of the Audit Committee in place of Mr. Manoj Kumar Jain, Chairman of the Audit Committee who had resigned as Director of the Company w.e.f. 17th January, 2012. The reconstituted Audit Committee comprises of Mr. Gopikrishna Bubna (Chairman), Mr. Saumil U. Marfatia (Member) & Varun Daga (Member)

Investors Grievance Committee

The Investors Grievance Committee consists of Mr. Gopikrishna Bubna, (Chairman), Mr. Pankaj Seth (Member) and Mr. Saumil U. Marfatia (Member).

Remuneration Committee

The Remuneration Committee was reconstituted on 17th January, 2012 by inducting Mr. Varun Daga as Chairman of the Remuneration Committee in place of Mr. Manoj Kumar Jain who had resigned as Director of the Company w.e.f. 17th January, 2012. The reconstituted Remuneration Committee comprises of Mr. Varun Daga (Chairman), Mr. Saumil U. Marfatia (Member) & Gopikrishna Bubna (Member)

Corporate Governance

In Compliance with Clause 49 of the Listing Agreement with the Stock Exchange, a detailed Corporate Governance Report forms part of the annual report.

The requisite certificate from the Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of this report.

Management Discussion And Analysis Report

In Compliance with Clause 49 of the Listing Agreement with the Stock Exchanges, a detailed Management Discussion and Analysis Report forms part of the annual report.

Auditors And Auditors' Report

M/s Krishna R. Moondra & Associates, Chartered Accountants, Mumbai (Statutory Auditors), will retire at the ensuing Annual General Meeting and being eligible are proposed to be reappointed. The Audit Committee recommends the re-appointment of M/s Krishna R. Moondra & Associates Chartered Accountants, as Statutory Auditors of the Company.

The observations of the Auditors in their report, read with the accounts are self-explanatory and therefore do not require further explanation.

Energy conservation, technology absorption and foreign exchange earnings and outgo

The Particulars with respect to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed 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 and forming part of the Directors' Report for the year ended 31st March, 2012 are annexed to this report.

Particulars Of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1) (b) (iv) of the said Act, the annual report, excluding the aforesaid information, is being sent to all the Company members and others entitled thereto. Members interested in obtaining such particulars may write to the Company Secretary at the Company's Registered Office.

Deposits

The Company did not invite / accept any Fixed Deposits from the public during the year under report.

Acknowledgements

Your Board of Directors is pleased to place on record their appreciation of the cooperation and support extended by all India financial institutions, banks, Central and State Government authorities, Customers, Vendors and members during the year under review.

Your Directors also wish to place on record its appreciation of the valuable services rendered by the executives, staff and workers of the Company.

By order of the Board of Directors

PANKAJ SETH
Chairman and Managing Director

Place: Mumbai.

Dated: 28th May, 2012

Registered Office:-

E-27-29, Adi Marzaban Street (Manglore Street),
Ballard Estate,
S. Bhagat Singh Road,
Mumbai – 400 038.

ANNEXURE TO THE DIRECTORS REPORT

Particulars required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

CONSERVATION OF ENERGY:
A) Energy Conservation majors taken:

- 1) In both the units further process improvements were undertaken to minimize heat losses and increase efficiency resulting in reduction in energy related cost.
- 2) Shutting down all electrical machineries and appliances at appropriate time to avoid the wastage of energy.
- 3) Regular checks and preventive maintenance of all electrical equipments and installations are being conducted to avoid leakage of energy due to faulty operation.

B) Impact of the majors at (a) for reduction of consumption of energy and consequent impact on the cost of production of goods:

All efforts are being made to further reduce energy consumption and this will be a continuous process.

C) Total Energy consumption and Energy Consumption per unit of production

As per Form – “A”

A) POWER AND FUEL CONSUMPTION

	Current Year	Previous Year
<u>Electricity Consumed</u>		
Unit	8,70,269	3,10,450
Amount (Rs.)	58,94,000	20,46,392
Rate per unit (Rs.)	6.77	6.59

Form – “B”
B) DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT (R & D)
1. Specific areas in which R & D carried out by the Company

- a) Company's R & D Wing is continuously carrying out the developments in existing products based on feedback in the product development, optimization of raw material consumption, cost reduction and Energy saving.
- b) Development of indigenous sources of material / material upgradation / substitutes.

2. Benefits derived as a result of above R&D: better productivity and quality improvement with reduction in cost of manufacturing. Reduced cost of energy by controlling the electric equipment efficiency and preventive maintenance.
3. Future plan of action:

- a) Company's efforts will continue in the areas of cost reduction, productivity improvement and import substitution.
- b) To ensure international quality continuously through process modification, technology up-gradation.
- c) To launch new products to substitute imports and facilitate exports.

4. Expenditure on R & D : No major specific expenditure have been incurred on R & D

Technology Absorption, Adaptation and Innovation

1 & 2 Efforts, in brief, made towards technology absorption, adaptation and innovation and benefits derived as a result of above efforts e.g. product development, import substitution etc.

Using lower denier yarns to improve costs, change in fabric finish and feel of fabrics to provide better handle and durability.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports, initiatives taken to increase exports, development of exports markets for products and services and exports plans.

The Company plans to increase exports in South East Asian Countries, Middle East, Europe and North America by pushing sales in the fashion apparel trade & made ups.

Total Foreign Exchange used and earned:-

Total Foreign Exchange used	Rs. 975.02 Lacs
Total Foreign Exchange earnings	Rs.4990.88 Lacs

On Behalf of the Board of Directors

**PANKAJ SETH
MANAGING DIRECTOR**

Place: Mumbai
Date: 28th May, 2012

Report on Management Discussion and Analysis

The Management of **ORBIT EXPORTS LIMITED** presents its Analysis report covering performance and outlook of the Company. The Report has been prepared in compliance with the requirement of Corporate Governance as laid down in the Listing Agreement. The Management accepts responsibility for the integrity and objectivity of the financial statements. However, investors and readers are cautioned that this discussion contains certain forward looking Statements that involve risk and uncertainties.

Industry structure and developments

Textile industry:

The Textile Industry occupies a unique place in our Country by contributing around 4% of India's GDP, 14% of the Country's Industrial Production, 18% of Industrial employment and 12% of the export earnings. It is the second largest provider of employment after agriculture. It provides direct employment to over 35 million people and indirect employment to around another 60 million people in the Country.

India's Textiles & Clothing (T&C) exports registered a robust growth of 25% in 2005-06, recording a growth of US\$ 3.5 billion over 2004-05 in value terms thereby reaching a level of US\$ 17.52 billion and the growth continued in 2006-07 with T&C exports of US\$ 19.15 billion recording an increase of 9.28% over the previous year and reached USD 22.15 billion in 2007-08 denoting an increase of 15.7% but declined by over 5% in 2008-09. Exports of Textiles & Clothing grew from USD 21.22 billion in 2008-09 to USD 22.41 billion in 2009-10 and has touched USD 26.82 billion in 2010-11. In the current financial year i.e. 2011-12, exports of textiles & clothing, as per latest available data covering April-December, 2011, has grown by 23.87% over the corresponding period of 2010.

The industry is expected to grow from the present US\$ 70 billion to US\$ 220 billion by 2020; India's textile export is expected to reach US\$ 25 billion by 2013.

India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to 8 per cent and reach US\$ 80 billion by 2020.

Opportunities and threats

The Textile Industry in India is one of the most modern as compared to our competitors such as China and Pakistan. India has self reliant industry producing the entire supply chain i.e. cotton and fibres. It has large and growing domestic market and promising export potential.

However the biggest challenge faced by the Indian exports is to deliver quality goods on time. The other being the scale of production, the textile manufacturing industry is so fragmented that large quantity orders are diverted to other countries, not because our quality is lacking but only because we lack the capacity to meet the quantity requirements.

The industry still faces huge bottlenecks in terms of labour laws, manpower shortages and infrastructure. There has been a healthy growth in demand in export markets. Buyers are increasingly looking to India for hi-fashion fabrics vis-à-vis the traditional handicraft kind of fabrics.

The industry is well poised to seize opportunities available to the textile and apparel sector on account of its brands, strong domain expertise, production facilities, emphasis on product innovation.

The industry has realized that there is no substitute for innovation under all circumstances and also the need to keep abreast of the changing fashion trends.

There are challenges which may affect the Company's performance in the short term and it may be growth in inflation, high interest rates, depreciating rupee etc.

There are problems that the industry is facing, they are irregular supply/ high cost of power, shortage of trained workers, rigid employment laws etc.

Government Initiatives

In an effort to increase India's share in the world textile market, the government has introduced a number of progressive steps.

- 100 per cent FDI allowed through the automatic route.
- The government extended 10 per cent capital subsidy and 4 per cent interest subsidy on installation of Spinning Machines and 5% interest subsidy on installation of Knitting Machines under the TUFs.
- The government has set to launch US\$ 44.21 million mission for promotion of technical Textiles.
- The Government has launched the Integrated Skill Development Scheme for the Textiles & Apparel Sector, with an objective of capacity building of Institutions providing skill development & training in Textiles



Sector. Under this Scheme, the Government has envisaged skill development of 2.7 million persons with an overall cost of US\$ 530 million over the next five years.

Financial Performance of the Company

The year 2011- 2012 has been a landmark year in the Company's history. During the year, the Company has installed 12 Jacquard Shuttleless Looms at its Plant at Surat which has reduced its dependence on out sourcing the requirement of fabrics to some extent. Still there is a wide gap between the requirement of fabrics to meet domestic and overseas demand.

Your Company continued to progress in utilizing all the opportunities during 2011- 2012. The highlights of the financial performance are:

- 1) Net Sales increased by 13.605% from Rs.8,987.97 Lacs in 2010-2011 to Rs.10,210.74 Lacs in 2011-2012.
- 2) Earnings before interest, depreciation, tax (EBIDTA) increased by 10.60% to Rs.1564.11 Lacs in 2011-2012 against Rs.1414.20 Lacs in 2010-2011.
- 3) Profit after tax (PAT) was Rs.902.28 Lacs registering a growth of 17.286% over Rs.769.30 Lacs PAT generated in 2010-2011.

The Company is making all efforts at improving value additions reducing operating costs and improving efficiencies to overcome higher input costs.

Internal Control System

The Company has an adequate internal control system commensurate with the size and complexity of the organization. The Company has undertaken a comprehensive review of all internal control systems to take care of the needs of the expanding size of the Company. A system of internal audit to meet the statutory requirement as well as to ensure proper implementation of management and accounting controls is in place. The Audit Committee periodically reviews the adequacy of the internal audit functions.

Development in human resources / industrial relation front

The Company treats its human resources as its important asset and believes in its contribution to the all round growth of the Company. The Company takes steps, from time to time, to upgrade and enhance the quality of its assets and strives to maintain it in responsive form. The Company constantly reviews the man-power requirements and has a well equipped department to take care of the requirements. The Company is confident that its Human Capital will effectively contribute to the long term value enhancement of the organization.

The focus of Human resource is on building and developing intellectual capital through innovative ideas. The industrial relation climate of the Company continues to remain harmonious with focus on quality and safety.

Research and Development

Increased globalization has made the marketing of products and retention of customers highly competitive. The need of the hour is total customer satisfaction and value for money from the products marketed. Keeping this objective as paramount, the research and development activities were focused into prompt attention to major customer complaints/ suggestions in order to retain/enhance customer satisfaction. The Company has started launching products of better quality and new look as per customer requirements.

Cautionary Statement

Statements made in this Report may be "forward looking statements" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of the future events that are subject to risks and uncertainties. Actual future results and trend may differ materially from historical results, depending on variety of factors like changes in economic conditions affecting demand/supply, price conditions in which the Company operates, Government regulations, tax laws and other statutes and incidental factors.

Corporate Governance Report

I. **Company's philosophy on Corporate Governance:**

The Company's philosophy on Corporate Governance is to achieve business excellence and to meet the expectations of its customers, shareholders, employees, business associates, the society at large and in complying with the dictates of the regulatory frame work. The Company is committed to transparency in all its dealings and places high emphasis on business ethics. We believe that Corporate Governance is voluntary and self-discipline code which means not only ensuring compliance with regulatory requirements but also by being responsive to our stakeholders needs.

II. **Board of Directors**

The Board of the Company is well structured with adequate blend of Professional, Executive and Independent Directors.

The Company's Board comprised of Seven Directors: two are Promoter Executive Directors, one is Non Promoter Executive Director and four are Non-Executive Independent Directors. More than half of the Board of Directors comprises of Independent Directors.

The composition of the Board is in conformity with the Clause 49 of the Listing Agreement entered into with the Stock Exchanges. All Independent Non-Executive Directors comply with the legal requirements of being "Independent".

- None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2012 have been made by the Directors.
- The Board met 14 (Fourteen) times during the year on 03/05/2011, 24/06/2011, 26/07/2011, 04/08/2011, 09/09/2011, 26/09/2011, 10/10/2011, 14/10/2011, 25/10/2011, 14/11/2011, 17/01/2012, 06/02/2012, 28/02/2012 and 22/03/2012.
- The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of Private Limited Companies, Section 25 Companies and of Companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

III. **Composition, Category, their Directorship and Committee Membership in other Companies**

Name of Directors	Category of Directors	No. of Board Meetings attended during the year 2011-12	No. of Directorship in other Public Companies	Number of Other Board Committee		Attendance at the last Annual General Meeting
				As Chairman	As Member	
Mr. Pankaj Seth (Chairman & Managing Director)	Promoter – Executive	11	Nil	Nil	Nil	Yes
Ms. Anisha Seth	Promoter – Executive	13	Nil	Nil	Nil	No
Mr. Bruce Larry Kieval	Executive	0	Nil	Nil	Nil	No
Mr. Manoj Kumar Jain (Resigned w.e.f. 17 th January, 2012)	Non-Executive Independent	6	Nil	Nil	Nil	Yes
Mr. Varun Daga (Appointed w.e.f. 26 th July, 2011)	Non-Executive Independent	6	NIL	Nil	Nil	No
Mr. G. B. Bubna	Non-Executive Independent	6	Nil	Nil	Nil	Yes
Mr. Saumil U. Marfatia	Non-Executive Independent	4	Nil	Nil	Nil	No
Mr. Balkrishna Patil	Non-Executive Independent	4	Nil	Nil	Nil	Yes

Details of Directors being appointed And re-appointed

- (1) Mr. Balkrishna Patil who retires by rotation is proposed to be re-appointed as Director at the ensuing Annual General Meeting.
(In pursuance of clause 49 of the Listing Agreement)

Name:	Mr. Balkrishna Patil
Age:	61
Qualification:	MBA
Expertise:	Specialisation in Finance
Other Directorships: (Excluding Directorship In Private Limited Companies)	NIL

- (2) Mr. Bruce Larry Kieval who retires by rotation is proposed to be re-appointed as Director at the ensuing Annual General Meeting.
(In pursuance of clause 49 of the Listing Agreement)

Name:	Mr. Bruce Larry Kieval
Age:	55
Qualification:	B. Sc.
Expertise:	Marketing
Other Directorships: (Excluding Directorship In Private Limited Companies)	NIL

- (3) Mr. Varun Daga who was appointed as an Additional Director and holds his office upto ensuing Annual General Meeting, is proposed to be confirmed as Director.
(In pursuance of clause 49 of the Listing Agreement)

Name:	Mr. Varun Daga
Age:	27
Qualification:	B.Com
Expertise:	Finance
Other Directorships: (Excluding Directorship In Private Limited Companies)	NIL

IV. Audit Committee

i) Terms of Reference

The Audit Committee has been mandated with the same terms of reference as specified in Clause 49 of the Listing Agreement with the Stock Exchanges and covers all the aspects stipulated by the SEBI Guidelines. The terms of reference also fully conform to the requirements of Section 292A of the Companies Act, 1956.

ii) Composition, Name of Member and Chairman

The Audit Committee was reconstituted by inducting Mr. Varun Daga as Member of the Audit Committee in place of Mr. Manoj Kumar Jain, Chairman of the Audit Committee who had resigned as Director of the Company w.e.f. 17th January, 2012. The reconstituted Audit Committee comprises of Mr. Gopikrishna Bubna (Chairman), Mr. Saumil U. Marfatia (Member) & Varun Daga (Member).

The Audit Committee met 5 times i.e. 03rd May, 2011, 26th July, 2011, 14th October, 2011, 14th November, 2011 and 06th February, 2012.

Name of Member	Designation	Meetings held	Meetings attended
Mr. Manoj Kumar Jain (Chairman till 16/01/2012)	Chairman	5	4
Mr. Gopikrishna Bubna (Member till 16/01/2012 and Chairman from 17/01/2012)	Chairman	5	4
Mr. Saumil U. Marfatia	Member	5	4
Mr. Varun Daga (Member w.e.f. 17/01/2012)	Member	5	1

iii) The broad powers of the Audit Committee include

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

V. Shareholders' / Investors' Grievance Committee
Terms of Reference:

This Committee looks into Redressal of Shareholders and Investors Grievances with respect to transfer of shares, issue of duplicate certificates and other matters relating to Shareholder relationship.

The committee shall also review the processes and service standards adopted by the Registrar and Transfer Agent, the complaints received by the Company and their Resolution.

Composition:

The Investors Grievance Committee consists of Mr. Gopikrishna Bubna, (Chairman), Mr. Pankaj Seth (Member) and Mr. Saumil U. Marfatia (Member). The Shareholder/ Grievance Committee met 12 times i.e. 03/05/2011, 27/05/2011, 22/06/2011, 26/07/2011, 16/08/2011, 29/08/2011, 15/09/2011, 11/10/2011, 14/11/2011, 24/1/2012, 06/02/2012 and 31/03/2012 and the attendance at the Meetings was as follows.

Name of the Member	Designation	No. of meetings attended
Mr. Gopikrishna Bubna	Chairman	11
Mr. Pankaj Seth	Member	12
Mr. Saumil U. Marfatia	Member	4

There were no Investor complaints pending as on 31st March, 2012.

VI. Remuneration Committee

The Remuneration Committee was reconstituted on 17th January, 2012 by inducting Mr. Varun Daga as Chairman of the Remuneration Committee in place of Mr. Manoj Kumar Jain who had resigned as Director of the Company w.e.f. 17th January, 2012. The reconstituted Remuneration Committee comprises of Mr. Varun Daga (Chairman), Mr. Gopikrishna Bubna (Member) and Mr. Saumil U. Marfatia (Member).



The Remuneration Committee was constituted to recommend/ review the remuneration package of the Managing/ whole-time Directors, based on their performance and defined assessment criteria.

The remunerations paid to the Executive Directors are in accordance with the provisions of Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956.

The Composition of the Remuneration Committee and the details of meetings attended by the members of the Remuneration Committee are given below:

Name	Category	No. of Meetings	During the year 2011-12
		Held	Attended
Mr. Manoj Kumar Jain (Chairman till 16/01/2012)	Independent, Non-Executive	1	1
Mr. Gopikrishna Bubna	Independent, Non-Executive	1	1
Mr. Saumil U. Marfatia	Independent, Non-Executive	1	NIL
Mr. Varun Daga (Chairman from 17/01/2012)	Independent, Non-Executive	NIL	NIL

The Meeting of Remuneration Committee was held on 03rd May, 2011

Details of Remuneration for the year ended March 31, 2012:

Shri Pankaj Seth, Managing Director of the Company was paid managerial remuneration @ Rs.4,00,000/- p.m. (Rs.48,00,000/- in the year 2011-2012). He is 48 years of age and holds Master's Degree in Management Studies. He has been instrumental in transforming the Company from loss making to dividend paying Company with consistent track record of profitability.

Smt. Anisha Seth, Whole Time Director of the Company was paid managerial remuneration @ Rs.4,00,000/- p.m. (Rs.48,00,000/- in the year 2011-2012). She is 47 years of age and holds Master's Degree in Management Studies. She has rich experience in trading and export of fancy fabrics. She has traveled extensively for exploring new export markets and during her tenure the exports of the Company have registered significant growth.

Non-Executive Director:

No Remuneration (except sitting fees) was paid to any Non-Executive Directors during the year 2011-2012.

Name and Address of the Compliance Officer:

Ms. Neha Nangalia
Company Secretary
ORBIT EXPORTS LIMITED.
E 27-29, Adi Marzaban Street (Manglore Street),
S. Bhagat Singh Road, Ballard Estate,
Mumbai – 400 038

VII. General Body Meetings
(i) Annual General Meetings

The details of the location and time of the last 3 Annual General Meetings are given below:

AGM No.	Accounting year	Date	Time	Location
28 th	2010-2011	04 th July, 2011	04.30 P.M.	11, Mehta Chambers, Kalyan Street, P.D' Mello Road, Masjid (E), Mumbai – 400 009
27 th	2009-2010	20 th September, 2010	04.30 P.M.	11, Mehta Chambers, Kalyan Street, P.D' Mello Road, Masjid (E), Mumbai – 400 009
26 th	2008-2009	25 th August, 2009	11.30 A.M.	11, Mehta Chambers, Kalyan Street, P.D' Mello Road, Masjid (E), Mumbai – 400 009

(ii) Extra Ordinary General Meeting

An Extra-Ordinary General Meeting of the Members of the Company was held on 25/07/2011. The details are as under:

PARTICULARS	Date	Time	Location	Remarks
Share Holders Meeting was called for passing Special Resolution under Section 81 (1A) of the Companies Act, 1956 read with the guidelines for Preferential Issues contained in Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for Issue and allotment of 4,00,000 Optionally Fully Convertible Warrants of Rs.10/- each at an issue price of Rs.79.30/- each (including premium @ Rs.69.30/- each) on Preferential Issue basis to the Strategic Investors.	25 th July, 2011	04.30 P.M.	11, Mehta Chambers, Kalyan Street, P.D'mello Road, Masjid (E), Mumbai - 400 009	The special Resolution was duly passed with requisite majority.

(iii) Resolution passed through Postal Ballot

The Company through Postal Ballot under Section 192A of the Companies Act, 1956 sought approval of the Members of the Company by Ordinary Resolutions under Section 293 (1)(a) for creation of charge on its assets upto a limit of Rs.400 Crores and under Section 293 (1)(d) for increase in borrowing limit upto Rs.400 Crores and by Special Resolutions under Section 372A for increase in limit of inter corporate loans, investments etc., upto a limit of Rs.400 Crores and under Section 314 (1B) for appointment of Ms. Vishakha Seth, a relative of Two Directors at a monthly remuneration of Rs.40,000/- per month. The Result of Postal Ballot was declared on 09th December, 2011. All the Resolutions were passed with requisite majority.

VIII. Disclosures
Subsidiary Companies

The revised Clause 49 defines a "material non listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, who's Turnover or Net Worth (Paid up Capital & Free Reserves) exceeds 20% of the Consolidated Turnover or Net worth respectively, of the Listed Holding Company and its subsidiaries in the immediately preceding Accounting year.

The Company does not have any "material non listed Indian subsidiary" during the Year under review.

Disclosures of transactions with Related Parties

The details of related party transactions are duly disclosed in the Notes to Account of the Company for the year ended 31st March, 2012.

Disclosures of Accounting Treatment in preparation of Financial Statements

In preparation of its Financial Statements the Company has followed the Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI).

Risk Management

The Company has laid down procedures to inform Board Members about Risk assessment and minimization procedures and these procedures are periodically reviewed.

Proceeds from public issue, right issues and preferential issue etc.

During the year under Report, the Company had issued and allotted 4,00,000 Optionally Fully Convertible Warrants (OFCW) to M/s. Shreyans Credit and Capital Pvt. Ltd., Strategic Investor on 04th August, 2011. The said OFCWs at the option of the said allottee is convertible into one Equity Share of Rs.10/- at an issue price of Rs.79.30/- per share (including Premium @ Rs.69.30/- per share) against one OFCW within a period of 18 months from the date of allotment of OFCWs. The Company had received Rs.79,30,000/- in aggregate being 25% of the total issue proceeds on non refundable basis. The proceeds of the Preferential Issue have been utilized for the objects for which such issue was made.

The Company had allotted 3,50,000 Equity Shares of Rs.10/- each at an issue price of Rs.38/- per Share (including Premium @ Rs.28/- per Share) in the Board Meeting held on 22nd March, 2012 to Mr. Pankaj Seth (1,75,000 Equity Shares of Rs.10/- each) and Mrs. Anisha Seth (1,75,000 Equity Shares of Rs.10/- each) holding 3,50,000 Optionally Fully Convertible Warrants (OFCWs) of Rs.38/- each in aggregate upon exercise of option to convert each OFCW into 1 Equity Share of the Company. The Company has received Rs.99,75,000/- in aggregate being balance 75% of the total issued Capital. The proceeds of the Preferential Issue will be utilized for the objects for which such issue was made.

Details of Directors' Shareholding

Details of Directors Shareholding in the Company are as under

Name of Director	No. of Equity Shares Held
Mr. Pankaj Seth	32,23,260
Mrs. Anisha Seth	6,79,230
Total	39,02,490

The Company does not have any scheme for grant of stock options to its Directors or Employees.

Code of Business Conduct and Ethics for Directors and Management Personnel

The Code of business conduct and Ethics for Directors and Senior Managements has been circulated to all the Members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by Mr. Pankaj Seth, Managing Director is given below:

"I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management affirmation that they have complied with the code of Business Conduct and Ethics from Directors and Senior Management in respect of Financial Year 2011-2012"

Pankaj Seth
Managing Director

Code for Prevention of Insider Trading Practices

In compliance with SEBI's Regulations on Prevention of Insider Trading the Company has instituted a comprehensive Code of Conduct for its designated employees. The Code lays down guidelines on procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them of the consequences of violations.

Compliance of Regulatory Requirements

The Company has complied with all the requirements of regulatory authorities. During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authorities for non-compliance of any matter related to the Capital Markets.

Means of Communication

The Annual, half-yearly and quarterly Results are submitted to the Bombay Stock Exchange and published in leading newspapers.

Annual/ Half-yearly/ Quarterly results are normally published in Economic Times (in English), Economic Times (in Gujarathi) and Mumbai Lakshadeep (in Marathi). The Company published the same on its website.

The Management Discussion & Analysis Report

The Management Discussion and Analysis Report (MDA) has been attached to the Directors' Report and forms part of this Annual Report.

Compliance with Mandatory Requirements

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance.

IX. General Shareholder Information

AGM : 29th Annual General Meeting:

Date : 27th June, 2012

Time : 4.30 p.m.

Venue : Aacharya Mahapraghn Vidhya Nidhi Foundation, Opp Thaker Bhojnalaya,
32, Dadiseth Agyari Lane, Kalbadevi Road, Mumbai -400002.

Tentative Financial Calendar

Financial Reporting and Limited Review Report

For the quarter ending 30th June, 2012

For the quarter/half year ending 30th September, 2012

For the quarter ending 31st December, 2012

For the quarter ended 31st March, 2013

Date of submission to Stock Exchanges latest by

upto 14th August, 2012

upto 14th November, 2012

upto 14th February, 2013

upto 15th May, 2013

Results (Audited)

For the year ended March 31, 2013

By the end of May, 2013

i) Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday 5th June, 2012 to Thursday 7th June, 2012 (Both Days Inclusive)

**ii) Dividend**

The Board of Directors had declared and paid an Interim dividend @ Rs.2.50 per Share of Rs.10/- each (25%) aggregating to Rs.1,97,26,650/- (against Rs.2/- per Share in the previous year). The Board of Directors considers Interim Dividend of Rs.2.50/- per Share as Final Dividend. The Company has already deposited Dividend Tax amounting to Rs.32 Lacs/-.

iii) Listing on Stock Exchanges

The Company's securities are listed on the Bombay Stock Exchange.

Scrip Code on the Bombay Stock Exchange, Mumbai : 512626

Month	BSE Price (Rs.)	
	High	Low
April, 2011	97.50	66.50
May, 2011	96.45	72.30
June, 2011	90.45	71.90
July, 2011	106.00	87.50
August, 2011	101.00	77.50
September, 2011	115.00	81.00
October, 2011	114.70	98.60
November, 2011	106.80	82.00
December, 2011	101.95	75.00
January, 2012	97.50	77.00
February, 2012	103.95	84.30
March, 2012	97.00	76.50

iv) Registrar and Transfer Agents

Link Intime India Private Limited
(Formerly known as Intime Spectrum Registry Ltd.)
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West)
Mumbai – 400 078
Ph.: +91-22 – 25946970; Fax: 25946969; email: rnt.helpdesk@linkintime.co.in

X. Share Transfer System

The share transfers which are received in physical form are processed and the share certificates returned within the stipulated period of from the date of receipt, subject to the documents being valid and complete in all respects.

XI. Shareholding Pattern As On 31st March, 2012

Category	No. of Shares	% of Shares
Promoter's Holding (including persons acting in concert)	3902490	47.36%
Non Promoter's Holding	NIL	NIL
a) Mutual Funds & UTI		
b) Banks, FIs and Insurance Company		
c) FIIs		
Others		
a) Bodies Corporates	2376860	28.85%
b) Individuals	1635983	19.85%
c) NRIs/OCBs	320040	3.88%
d) Others	5287	0.06%
TOTAL	8240660	100.00 %

XII. Distribution Schedule

No. of Shares Shareholders	No. of Shareholders	% of (in Rs.)	Share Amount	% to Equity
Up to 500	3548	90.8579	4509460	5.4722
501 - 1000	157	4.0205	1281320	1.5549
1001 - 2000	79	2.0230	1243660	1.5092
2001 - 3000	29	0.7426	752060	0.9126
3001 - 4000	15	0.3841	550000	0.6674
4001 - 5000	11	0.2817	512360	0.6217
5001 - 10000	21	0.5378	1520700	1.8455
10001 - above	45	1.1524	72037040	87.4165
TOTAL	3905	100.0000	82406600	100.0000

XIII. Dematerialisation of Shares and Liquidity

The Company's shares are available for dematerialization on both the depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) 76,39,848 shares amounting to 92.71% of the capital have been dematerialized by investors as on 31st March, 2012.

ISIN: INE231G01010

Address of registrars for dematerialization of shares

M/s. Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (West)

Mumbai – 400 078

Ph.: +91-22 – 25946970; Fax: 25946969; email: rnt.helpdesk@linkintime.co.in

XIV. Plant Locations
Surat

Plot No. 7 & 8, Fairdeal Textile Park, Village Mahuvej, Taluka Mangrol, Dist. Surat – 394 102 (Guj.)

Jalgaon

Plot No.G-99, Additional M.I.D.C., Jalgaon – 425 003

Erandol

Fat No. 447/B, Vikhran Road, Erandol, Dist. Jalgaon

Dombivali

D-5/1, Dombivali MIDC Industrial Area, Dombivali (East), Dist. Thane, Maharashtra

XV. Address for Correspondence

- i) **for transfer/ dematerialization of share, change of members' address and other queries relating to the shares of the Company**

M/s. Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (West)

Mumbai – 400 078

Ph.: +91-22 – 25946970; Fax: 25946969; email: rnt.helpdesk@linkintime.co.in



ii) for queries related to dividend, annual reports, etc.

The Company Secretary,
Orbit Exports Limited
E 27-29, Adi Marzaban Street (Manglore Street),
S. Bhagat Singh Road, Ballard Estate,
Mumbai – 400 038
Ph.: +91-22-66256262; Fax: +91-22-2375 6599;
email: investors@orbitexports.com

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, it is hereby declared that all the Board Members and Senior Management personnel of the Company have affirmed the compliance with Orbit Exports Limited Code of Conduct for the year ended 31st March, 2012.

By order of the Board of Directors

Place: Mumbai
Date: 28th May, 2012

Pankaj Seth
Chairman and Managing Director

CEO / CFO CERTIFICATE

To
The Board of Directors
Orbit Exports Limited
Mumbai

We Pankaj Seth, Chief Executive Officer and Managing Director of **ORBIT EXPORTS LIMITED** appointed in terms of the Companies Act, 1956 and Mukesh Deopura, Chief Financial Officer and Head of the finance function of the Company certify to the Board that:

- (a) We have reviewed the Balance Sheet, Profit and Loss Account, Cash Flow Statement and the Director's Report for the year ended 31st March, 2012 and based upon our knowledge and information certify that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain the statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting for the Company and we have:
 - (i) evaluated the effectiveness of internal control systems of the Company.
 - (ii) disclosed to the Auditors and the Audit Committee of the Board, deficiencies in the design or operation of such internal controls, if any, of which we are aware and
 - (iii) necessary steps taken or propose to be taken to ratify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that there have been:
 - (i) No significant changes in internal control over financial reporting during the year;
 - (ii) No significant changes in accounting policies during the period;
 - (iii) no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place: Mumbai
Date: 28th May, 2012

Pankaj Seth	Mukesh Deopura
CEO & Managing Director	Chief Financial Officer



COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of:

ORBIT EXPORTS LIMITED

E 27-29, Manglore Street, Adi Marzaban Street
Ballard Estate, S Bhagat Singh Road,
Mumbai – 400 038

We have examined the compliance of the condition of Corporate Governance by **ORBIT EXPORTS LTD.** for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the condition of Corporate Governance is the responsibility of the Management. Our examination has been in the manner described in the Guidance Note of Certification of Corporate Governance issued by the Institute of Company Secretaries of India and has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the condition of Corporate Governance. It is neither an audit nor an expression 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 representations made by the Directors and the Management, we certify that the Company has complied with the condition of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

On the basis of the records maintained by the Company, and furnished to us and the information and the explanations given to us by the Company, we state that, there were no Investor's Grievances pending against the Company for a period exceeding one month.

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

**For S. K. Jain & Co.,
Company Secretaries**

Place: Mumbai
Date: 28th May, 2012

**(S. K. Jain)
Partner**

AUDITOR'S REPORT

To,
The Members of
Orbit Exports Limited,
Mumbai

We have audited the attached Balance Sheet of **M/s. Orbit Exports Limited**, as at 31st March, 2012 and also the Profit & Loss Account and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principals 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. We report that: -

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in Sub Section 3 C of Section 211 of the Companies Act, 1956 except reported separately.
- e) 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 Significant Accounting policies and other 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, 2012;
 - ii) in the case of the Profit & 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 Flows for the year ended on that date
- f) On the basis of the written representations received from the Directors as on 31st March, 2012 and taken on record, none of the directors of the Company is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
- g) As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we further state on the matters specified in paragraphs 4 and 5 of the said Order that:
 1. Fixed assets:
 - a) The Company is maintaining proper records showing full particulars details including quantitative details and situation of fixed assets.
 - b) The Company has a program for physical verification of fixed assets at periodical intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and nature of its assets. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.



- c) In our opinion, there have been no significant disposals of fixed assets during the year which affect the going concern assumption.
- 2. Inventory:
 - a. The management has conducted physical verification of inventory at reasonable intervals. 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 to the nature of its business.
 - c. The Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
- 3. Loans and Advances:
 - a. The Company has not granted any loans to any person covered in the register maintained under section 301 of the Companies Act, 1956. The other sub clauses 3(b) to 3(d) of the Report are not applicable.
 - e. The Company had not taken any loan from any of the Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The other sub clauses 3(f) to 3(g) of the Report are not applicable.
- 4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- 5. Transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956:
 - a. According to the information and explanations given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under that section.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of R 5.00 lacs in respect of any party during the year, have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- 6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
- 7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- 8. The Central Government has prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of products of the Company. We have broadly reviewed the books of account and records of the Company in this connection and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made any detailed examination of the same.
- 9. Statutory dues:
 - a. According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues, with the appropriate authorities.



- b. According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty or cess outstanding on account of any dispute, other than the following:

Name of the Statute	Nature of dues	Forum where dispute is pending	Amount (₹. in lakhs)
Income Tax Act, 1961	Income Tax (AY.1995-96)	CIT (Appeal), Mumbai	5.11

10. The Company does not have accumulated losses as at the end of the financial year, nor has it incurred cash losses in the current financial year, or in the immediately preceding financial year.
11. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to financial institutions, banks or debentures holders.
12. According to the information and explanations given to us, and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
13. In our opinion, the Company is not a chit fund or nidhi mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us and the records examined by us, on an overall basis, the term loans, which have been raised during the year, were applied by the Company for the purpose for which they were raised.
17. According to the information and explanations given to us and on overall examination of the Balance Sheet, the Cash Flow Statement and other records examined by us, the Company has not used funds raised on short term basis for financing long term assets.
18. According to the information and explanations given to us, the Company has made preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the Company.
19. The Company has not issued any Debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

for **Krishna R. Moondra & Associates**
Chartered Accountants

Manish Kumar Gupta
Partner.
M.No. 130883/ F.R.No. 114488W

Place : Mumbai.
Dated : 28th May, 2012.



BALANCE SHEET as at 31st March, 2012

(₹ in Lacs)

	PARTICULARS	Note No.	2012		2011	
I.	EQUITY AND LIABILITIES					
1.	Shareholder's funds					
	(a) Share Capital	1	824.07		789.07	
	(b) Reserves and Surplus	2	2,567.35		1,724.07	
	(c) Money received against share warrants		100.72		54.67	
				3,492.14		2,567.81
2.	Share Application Money Pending Allotment		-		-	
3.	Non Current Liabilities					
	(a) Long-term Borrowings	3	1,016.67		827.43	
	(b) Deferred Tax Liabilities (Net)	4	327.45		256.09	
	(c) Other Long-term Liabilities		-		-	
	(d) Long-term Provisions		-		-	
				1,344.12		1,083.52
4.	Current Liabilities					
	(a) Short-term Borrowings	5	2,024.52		1,332.80	
	(b) Trade Payables	6	230.65		294.41	
	(c) Other Current Liabilities	7	273.02		182.41	
	(d) Short-term Provisions	8	54.35		143.92	
				2,582.55		1,953.55
	TOTAL			7,418.82		5,604.87
II	ASSETS					
1.	Non-Current Assets					
	(a) Fixed Assets	9				
	(i) Tangible Assets		3,525.10		2,615.94	
	(ii) Intangible Assets		-		-	
	(iii) Capital work-in-progress		8.26		4.23	
	(b) Non-Current Investments	10	1.49		1.43	
	(c) Deferred Tax Assets (net)		-		-	
	(d) Long-term Loans and Advances	11	36.47		57.26	
	(e) Other Non-Current Assets		-		-	
				3,571.31		2,678.85
2.	Current Assets					
	(a) Current Investments		-		-	
	(b) Inventories	12	1,798.89		1,225.92	
	(c) Trade Receivables	13	1,493.58		1,238.49	
	(d) Cash and Bank Balances	14	31.30		10.61	
	(e) Short-term Loans and Advances	15	516.56		440.16	
	(f) Other Current Assets	16	7.17		10.84	
				3,847.51		2,926.02
	TOTAL			7,418.82		5,604.87

Significant Accounting Policies and Notes to Accounts

As per our report of even date

for Krishna R. Moondra & Associates

Chartered Accountants

for and on behalf of the board

Pankaj S Seth
Managing Director

Anisha P. Seth
Whole time Director

Manish Kumar Gupta

Partner

M. No. : 130883/ FRN No. 114488W.

Place : Mumbai.

Dated : 28th May, 2012.

Mukesh Deopura
Chief Financial Officer

Neha Nangalia
Company Secretary



Statement of Profit and Loss for the year ended 31st, March, 2012

(₹ in Lacs)

	PARTICULARS	Note No	2011-2012		2010-2011	
I	Revenue from Operations	17		10,210.74		8,987.97
II	Other Income	18		-		33.14
III	Total Revenue (I + II)			10,210.74		9,021.11
IV	Expenses					
	Cost of Materials consumed	19	7,037.90		5,870.19	
	Purchases of Stock in Trade		-		-	
	Changes in inventories of finished goods, work in progress and Stock-in- trade	20	(374.43)		111.07	
	Employee Benefits Expenses	21	391.41		295.47	
	Finance Costs	22	117.88		102.83	
	Depreciation and Amortization Expenses	9	187.63		88.75	
	Other Expenses	23	1,591.76		1,330.17	
	Total Expenses			8,952.15		7,798.49
V	Profit Before Exceptional Item and extraordinary item and Tax (III-IV)			1,258.60		1,222.62
VI	Exceptional Items			-		-
VII	Profit before extraordinary item and Tax (V-VI)			1,258.60		1,222.62
VIII	Extraordinary Items			-		-
IX	Profit before Tax (VII-VIII)			1,258.60		1,222.62
X	Tax Expense:	24				
	(1) Current Tax		331.20		247.60	
	Less : MAT credit Entitlement		46.88		-	
	Net Current Tax		284.32		247.60	
	(2) Deferred Tax		71.37		205.60	
				355.68		453.20
				902.91		769.42
				0.63		0.12
XI	Tax Adjustment in Respect of Previous Year Profit/(Loss) for the Period from continuing operation (IX-X)			902.28		769.30
XII	Profit/(Loss) from discontinuing operations		-		-	
XIII	Tax expenses from discontinuing operations		-		-	
XIV	Profit/(Loss) from discontinuing operations (after Tax)(XII-XIII)			-		-
XV	Profit/(Loss) for the period (XI+XIV)			902.28		769.30
XII	Earnings per Equity Share:	25				
	(1) Basic (in ₹)			11.45		10.09
	(2) Diluted (in ₹)			11.23		9.90
	Significant Accounting Policies and Notes to Accounts					

Significant Accounting Policies and Notes to Accounts

As per our report of even date

for Krishna R. Moondra & Associates

Chartered Accountants

for and on behalf of the board

Pankaj S Seth
Managing Director

Anisha P. Seth
Whole time Director

Manish Kumar Gupta

Partner

M. No. : 130883/ FRN No. 114488W.

Place : Mumbai.

Dated : 28th May, 2012.

Mukesh Deopura
Chief Financial Officer

Neha Nangalia
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

(₹ in Lacs)

	Year ended 31st March, 2012	Year ended 31st March, 2011
A] CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Exceptional Items	1,258.60	1,222.62
Add: Adjustment for		
Depreciation	187.63	88.75
Misc. Exp. W/off	4.78	4.56
Interest Expenses	117.88	102.83
Less: Direct Tax Paid	(284.32)	(247.60)
Prior Period Item/Previous Year Tax Adjustment	(0.63)	(0.12)
Extraordinary item	-	-
Operating Profit/(Loss) before working Capital Changes	1,283.93	1,171.04
Decrease/(Increase) in Inventory	(572.98)	80.22
Decrease/(Increase) in Trade Receivable	(255.08)	(700.88)
Decrease/(Increase) in Loans & Advances & Other Current Assets	(51.93)	-
Increase/(Decrease) in Trade and Other Payable	629.00	245.62
Net Cash Flow From Operating Activities	1,032.93	796.00
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets	(1,103.31)	(1,660.90)
Sale of Fixed Assets	2.25	
Reduction in Investments	(0.06)	(0.20)
Net Cash Flow from Investing Activities	(1,101.12)	(1,661.10)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity Share Capital	35.00	49.96
Advance Received Againsts Issue of Convertible Warrants	46.05	54.67
Increase in Reserves and Surplus	-	-
Increase/(Decrease) in Capital Reserve	72.51	113.49
Increase/(Decrease) Share Premium	98.00	131.63
Increase/(Decrease) in Secured Loans (Net of Repayments)	189.24	799.62
Deferred Revenue Expenditure	(4.78)	(1.26)
Dividend Paid	(229.27)	(180.10)
Interest Paid	(117.88)	(102.83)
Net Cash Flow From Financing Activities	88.88	865.18
Net Increase/(Decrease) in Cash & Cash Equivalents	20.70	0.08
Opening Balance of Cash & Cash Equivalents	10.61	10.53
Closing Balance of Cash & Cash Equivalents	31.30	10.61

As per our report of even date

for Krishna R. Moondra & Associates

Chartered Accountants

for and on behalf of the board

Manish Kumar Gupta

Partner

M. No. : 130883/ FRN No. 114488W.

Place : Mumbai.

Dated : 28th May, 2012.

Pankaj S Seth
Managing Director**Anisha P. Seth**
Whole time Director**Mukesh Deopura**
Chief Financial Officer**Neha Nangalia**
Company Secretary

Other Notes to Account**SIGNIFICANT ACCOUNTING POLICIES****1. Accounting Convention:**

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, in accordance with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

3. Revenue Recognition:

- a) Sales are accounted on mercantile basis when the sale of goods is completed and are recorded net of returns, trade discounts, rebates, sales taxes.
- b) License premium is accounted as and when sale of license take place.
- c) Export incentives are accounted on accrual basis and include the estimated value of export incentives receivable under the Duty Entitlement Pass Book.
- d) Dividend income is recognized when the right to receive the same is established.
- e) Interest income is recognized on a time proportion basis.
- f) Revenue in respect of insurance/other claims, interest etc. is recognized only when it is reasonably certain that the ultimate collection will be made.

4. Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets.

5. Investments:

Investments are classified into long-term and current investments. Long-term investments are carried at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognize a decline, other than of a temporary nature. The fair value of a long term investment is ascertained with reference to its market value, the investee's assets and results and the expected cash flows from the investment. Current investments are stated at lower of cost and fair Value.

6. Inventories:

Inventories are valued at lower of cost and net realizable value. Cost is computed on weighted average basis. Finished goods and work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Provision is made for the cost of obsolescence and other anticipated losses, wherever considered necessary.

7. Impairment of Assets:

At the end of each year, the company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 (AS-28) "Impairment of Assets". An impairment loss is charged to the Profit and Loss Account in the year in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

8. Provisions & Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources i.e. Contingent liabilities arising from Claim, litigation, Assessments, fines, penalties etc are provided for when it is probable that a liability may be incurred and the amount can be reasonably estimated.



9. Depreciation Accounting:

Depreciation on assets has been provided on Straight Line Method at the rates prescribed by Schedule XIV to the Companies Act, 1956. Depreciation in respect of additions to/and deletion from assets has been charged on pro-rata basis with reference to the month of addition or deletion.

In respect of Revalued Fixed assets, depreciation is charged on straight line method on gross value of assets as increased by the year on pro-rata basis with reference to the month of addition.

10. Foreign Currency Transactions:

Transactions in foreign currency are recorded at exchange rates prevailing on the day of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign currency transactions are recognized in the Profit & Loss Account.

The Company uses forward exchange contracts to hedge its foreign exchange exposures. Gains or losses on settled contracts is recognized in the Profit & Loss Account. Futures contracts not settled as on the Balance Sheet date are marked at market rates and losses, if any, are recognized in the Profit & Loss Account.

11. Government Grants:

Grants, in the nature of interest subsidy under the Technology Up-gradation Fund (TUF) Scheme, are accounted for when it is reasonably certain that ultimate collection will be made. Government grants not specifically related to fixed assets are recognized in the Profit and Loss Account in the year of accrual / receipt.

Government grants in the nature of Promoters' funds have been recognized in the nature of shareholders' funds by way of contribution towards its total capital outlay.

12. Employee Benefits:

i. Defined contribution plans:

The company contribution to provident fund and ESIC are charged to the Profit & Loss Account.

ii. Defined Benefit Plans / Long Term Compensated Absences: The Company's liability towards gratuity and compensated absences is determined on the basis of year end actual valuation done by independent actuary. The actuarial gains or losses determined by the actuary are recognized in the Profit & Loss Account as income or expense.

13. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition/ construction of the qualifying asset are capitalized as a part of the cost of such asset, up to the date of acquisition / completion of construction. All other borrowing costs are charged to revenue in the year in which they are incurred.

14. Segment Reporting:

Since the windmill power generation segment is not significant as defined in AS-17, the Company is considered to be a single segment company – engaged in the manufacture of textiles. Consequently, the Company has in its primary segment only one reportable business segment.

15. Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognized only when there is a virtual certainty of their realization and on other items when there is reasonable certainty of realization. The tax effect is calculated on the accumulated timing differences at the year end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

16. Intangible Assets:

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

N1

(Figures in Lacs)

Share Capital	CY		PY	
	Number	Amt	Number	Amt
Authorised Equity Shares of Rs. 10/- each	150.00	1,500.00	150.00	1,500.00
Issued Equity Shares of Rs.10/- each	82.41	824.07	78.91	789.07
Subscribed & Paid up Equity Shares of Rs. 10/- each fully paid up	82.41	824.07	78.91	789.07
Total	82.41	824.07	78.91	789.07

Notes : a)

During the year, the Company has issued 3,50,000 equity shares of Rs. 10 each on account of conversion of OFCW's at a premium of Rs. 28/- per share to Shri Pankaj Seth and Mrs. Anisha P. Seth on preferential basis. The issue proceeds aggregating to Rs. 133 lakhs have been utilised for general corporate purpose.

b) Terms/ Rights attached to Equity shares

The Company has issued only one class of equity shares having par value of Rs. 10/- each. Each Equity shareholder is entitled to one vote per share.

During the year ended 31st March, 2012, the amount of per share dividend recognised as distribution to equity shareholders was Rs. 2.50 (Previous year Rs. 2.00/-)

c) The Reconciliation of No. of Equity Shares outstanding and the amount of share capital.

Particulars	CY		PY	
	Number	₹ in lacs	Number	₹ in lacs
Shares outstanding at the beginning of the year	7,890,660	789.07	7,391,100	739.11
Shares Issued during the year	350,000	35.00	499,560	49.96
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	8,240,660	824.07	7,890,660	789.07

d) Shareholders holding more than 5% shares in the Company

Name of Shareholder	CY		PY	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Pankaj Seth	3,223,260	39.11	3,029,760	38.40
Mrs. Anisha Seth	679,230	8.24	488,880	6.20
Mediaman Multitrade Pvt. Ltd.	774,000	9.39	770,000	9.76

e) Aggregate no. of shares for last five years from the date of Balance Sheet

Particulars	No. of Shares
Equity Shares & Preference Shares :	
Fully paid up pursuant to contract (s) without payment being received in cash	-
Fully paid up by way of bonus shares	-
Shares bought back	-

Additional disclosure
Terms of Warrants:

8 lacs Optionally Fully Convertible Warrants were issued to Mr. Pankaj Seth and Mrs. Anisha P. Seth on 1st Nov, 2010 at a price of Rs. 38/- each out of which 25% amount received at the time of allotment. Each warrant to be converted into 1 equity share of Rs. 10/- each within a period of 18 months from the date of allotment i.e. on or



before 30th April, 2012. The details of conversion in the FY 2010-11 & 2011-12 are as mentioned below :-

31st March, 2011	224,560	lock in for 3 years till 30th March, 2014
22nd March, 2012	350,000	lock in for 3 years till 21st March, 2015
Balance pending for Conversion	225,440	
Total	800,000	

4 lacs Optionally Fully Convertible Warrants were issued to Shreyans Credit & Capital Pvt. Ltd. on 4th August, 2011 at a price of Rs.79.30/- each, out of which 25% amount received at the time of allotment of warrants. Each warrants are to be converted into 1 equity share of Rs. 10/- each within 18 months from the date of allotment i.e. to be converted on or before 3rd February, 2013.

Balance pending for Conversion	400,000	
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N2

(₹ in Lacs)

Reserves & Surplus	CY	PY
Capital Reserve		
Opening Balance	292.09	178.60
(+) Current Year Transfer	72.51	113.49
(-) Written Back in Current Year	-	-
Closing Balance	364.60	292.09
Securities Premium Account		
Opening Balance	431.26	299.63
(+) Premium Received on Allotment of shares	98.00	131.63
(-) Expenses on QIP	-	-
(-) Expenses on Issue of Debentures and Debenture Premium	-	-
Closing Balance	529.26	431.26
Revaluation Reserve		
Opening Balance	19.81	20.05
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	0.24	0.24
Closing Balance	19.57	19.81
General Reserve		
Opening Balance	144.67	84.67
(+) Transfer from Profit and Loss	100.00	60.00
(-) Written Back in Current Year	-	-
Closing Balance	244.67	144.67
Surplus		
Opening balance	836.24	307.04
(+) Net Profit / (Loss) for the Current Year	902.28	769.30
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	39.45
(-) Interim Dividends	197.27	114.99
(-) Tax on Distributed Profit	32.00	25.65
(-) Transfer to General Reserves	100.00	60.00
Closing Balance	1,409.25	836.24
Total	2,567.35	1,724.07

Notes :

- 1) Capital Reserve has increased due to receipt of Government Grant in the nature of Promoters Contribution in respect of its textile unit in the state of Gujarat.
- 2) Out of profit earned during the year transfer to General Reserve as per the provisions of the Companies (Transfer of Profits to Reserves) Rules, 1975.

N3

(Figures in Lacs)

Long Term Borrowings	CY	PY
Secured		
Term Loans		
from Banks	1,016.67	827.43
Total	1,016.67	827.43

Additional disclosure

Long-term Borrowings

1) Term Loan from State Bank of India are secured by 1st mortgage on the fixed assets of the Company located Plot No. 7/8, Faideal Textile Park, Village Mahuvej, Taluka Mangrol, Distt. Surat - 394 102 both present and future and hypothecation on all the movable assets of the Company installed at the above said unit.

2) The above financial assistance from State Bank of India are additionally secured by 1st mortgage on the Company's fixed assets located at MIDC, Dombivali, MIDC, Jalgaon and Erandol. The above said financial assistance are further additionally secured by hypothecation of the Wind Turbine Generation unit located in Rawat ka Gaon, Tah. Shiv, Distt. Barmer in the state of Rajasthan.

3) All the above loans are personally guaranteed by the Promoter Directors of the Company.

4) Terms for Repayment of Term Loan : Loan shall be repaid in 66 monthly instalment of Rs. 24 lakhs commencing from 1st April, 2011 and one instalment shall be of Rs. 26 lakhs.

N4

(₹ in Lacs)

Deferred Tax	CY	PY
1. Deferred Tax Liability		
a. Depreciation	336.40	264.54
2. Deferred Tax Assets		
a. Tax Disallowances	8.95	8.45
Total	327.45	256.09

N5

(₹ in Lacs)

Short Term Borrowings	CY	PY
Secured		
(a) Loans Repayable on Demand		
from Banks	1,736.52	1,044.80
(d) Term Loan repayable with one year	288.00	288.00
Total	2,024.52	1,332.80

Additional disclosure

Short-term Borrowings

1) Working Capital limits from State Bank of India and Development Bank of Singapore are secured by hypothecation on all the current assets both present & future of the Company.

2) The financial assistance from State Bank of India is additionally secured by 1st mortgage on the Company's fixed assets located at MIDC, Dombivali, MIDC, Jalgaon and Erandol. The Financial Assistance from State Bank of India are further additionally secured by hypothecation of the Wind Turbine Generation unit located in Rawat ka Gaon, Tah. Shiv, Distt. Barmer in the state of Rajasthan.



3) The Financial Assistance from Developemnt Bank of Singapore (DBS) is additionally secured by exclusive charge by way of Equitable Mortgage over the immovable property located at office no. 11, Mehta Chambers, Kalyan Street, Mumbai - 400009.

4) All the above loans are personally guaranteed by the Promoter Directors of the Company.

N6

(₹ in lacs)

Trade Payables	CY	PY
(a) Due to Micro, Small and Medium Enterprises	-	-
(b) Others	230.65	294.41
Total	230.65	294.41

N7

(₹ in lacs)

Other Current Liabilities	CY	PY
(a) Interest accrued and due on borrowings	0.85	13.76
(b) Advances recd. From Customers	137.55	34.60
(c) Unclaimed dividends	10.91	3.61
(d) Taxes, Duties and Other Levies Payable	16.07	12.28
(e) Other payables	107.64	118.15
Total	273.02	182.41

N8

(₹ in lacs)

Short term provisions	CY	PY
(a) Provision for Employee Benefits		
Salary & Reimbursements	5.25	22.55
Contribution to PF/ESIC	1.76	1.66
Gratuity (Non Funded)	34.51	32.21
Bonus	3.37	6.28
Leave Encashment (Non Funded)	1.46	2.62
(b) Provision for Taxes (Net of Advance Payment of Taxes)	-	32.60
(c) Provision for Tax on Distributed Profits	-	6.55
(d) Provision for Other Expenses	8.00	39.45
Total	54.35	143.92



N9 - Fixed Assets

(₹ in lacs)

Assets	Gross Block					Accumulated Depreciation					Net Block		
	Opening	Additions	Other Adjustments	Sub - Total	Disposals	Gross block at the year end	Opening	Depreciation charge for the year	Other Adjustments	On disposals	Closing	As at 31st March, 2012	As at 31st March, 2011
a													
Tangible Assets*													
Freehold Land	14.50	-	-	14.50		14.50	-	-	-	-	-	14.50	14.50
Leasehold Land	240.66	-	-	240.66		240.66	-	-	-	-	-	240.66	240.66
Buildings	639.69	12.29	-	651.99		651.99	82.51	19.48	-	-	101.99	550.00	557.18
Plant and Machinery	3,215.50	969.25	-	4,184.75	1.39	4,183.35	1,553.51	138.05	-	(0.04)	1,691.53	2,491.83	1,661.98
Furniture, Fixtures and Fittings	129.01	90.38	-	219.40		219.40	52.20	10.62	-	-	62.82	156.58	76.81
Office equipment	91.24	27.35	-	118.59	0.66	117.93	50.84	13.54	-	(0.12)	64.26	53.67	40.40
Vehicles	68.58	-	-	68.58	3.49	65.09	44.18	6.18	-	(3.13)	47.23	17.86	24.40
	4,399.18	1,099.28	-	5,498.46	5.54	5,492.92	1,783.24	187.87	-	(3.29)	1,967.82	3,525.10	2,615.94
b													
Intangible Assets													
Goodwill	-	-	-	-		-	-	-	-	-	-	-	-
Computer software	-	-	-	-		-	-	-	-	-	-	-	-
	-	-	-	-		-	-	-	-	-	-	-	-
c													
Capital Work In Progress													
Total	-	-	-	-	-	-		-	-	-	-	8.26	4.23
	4,399.18	1,099.28	-	5,498.46	5.54	5,492.92	1,783.24	187.87	-	(3.29)	1,967.82	3,533.35	2,620.16
Less: Withdrawn from Revaluation Res.								0.24					
Total	4,399.18	1,099.28	-	5,498.46	5.54	5,492.92	1,783.24	187.63	-	(3.29)	1,967.82	3,533.35	2,620.16
Previous Year	2,548.31	1,850.87	-	4,399.18	-	4,399.18	1,694.25	97.81	-	(8.81)	1,783.25	2,615.94	854.06

N10

(₹ in lacs)

	Non Current Investments	CY	PY
A	Trade Investments	-	-
B	Other Investments		
	(a) Investment in Equity instruments	1.00	1.00
	(b) Investments in Government or Trust securities	0.49	0.43
	Total (B)	1.49	1.43
	Grand Total (A + B)	1.49	1.43
	Less : Provision for dimunition in the value of Investments	-	-
	Total	1.49	1.43
	Particulars	CY	PY
	Aggregate amount of quoted investments		
	[Market value of ____ (Previous Year ____)].	-	-
	Aggregate amount of unquoted investments	1.49	1.43

Additional disclosure

- Investment in Govt or trust securities include NSC made for Gujrat and Rajasthan Sales Tax registration.
- Investment in Equity instrumensts includes investment made to Kurla Nagrik Sahakari Bank Ltd. Rs. 1,00,000/-

N11

(₹ in lacs)

Long Term Loans and Advances	CY	PY
a. Capital Advances	-	-
b. Security Deposits		
Secured, considered good		
Unsecured, considered good	36.47	57.26
Doubtful		
Less: Provision for doubtful deposits		
	36.47	57.26
c. Loans and Advances to Related Parties	-	-
d. Amount due from ESOP Trust	-	-
e. Dues from Govt. Authorities	-	-
f. Advance Tax (net of Provisions)	-	-
g. Misc Loans and Advances	-	-
Total	36.47	57.26
Given to	CY	PY
Directors	-	-
Other officers of the Company	-	-
Firm in which director is a partner	-	-
Private Company in which director is a director	-	-
Private Company in which director is a member	-	-
	-	-

N12

(Figures in Lacs)

Inventories	CY		PY	
a. Raw Materials and components	561.92		362.43	
Goods-in transit	6.74		-	
		568.66		362.43
b. Work-in-progress	272.95		174.13	
c. Finished goods	944.59		668.98	
d. Stock-in-trade	-		-	
e. Stores and spares	12.69		20.37	
f. Loose Tools	-		-	
		1,230.23		863.48
Total		1,798.89		1,225.92

N13

(₹ in lacs)

Trade Receivables	CY	PY
Trade Receivables outstanding for a period exceeding six months from the due date of Payment		
Secured, considered good	-	-
Unsecured, considered good	117.81	63.03
Unsecured, considered doubtful	-	-
	117.81	63.03
Less: Provision for doubtful debts		-
	117.81	63.03
Trade Receivables Others		
Secured, considered good	-	-
Unsecured, considered good	1,375.76	1,175.46
Unsecured, considered doubtful	-	-
	1,375.76	1,175.46
Less: Provision for doubtful debts	-	-
	1,375.76	1,175.46
Total	1,493.58	1,238.49

	CY	PY
Directors	-	-
Other officers of the Company	-	-
Firm in which director is a partner	-	-
Private Company in which director is a director	-	-
Private Company in which director is a member	-	-

N14

(₹ in lacs)

Cash and Bank Balance	CY		PY	
A. Cash and cash Equivalents				
Balances with banks				
Unpaid Dividend		10.91		3.61
Others	9.19	20.10	0.90	4.51
Cheques, drafts on hand		-		-
Cash on hand		10.95		5.84
		31.05		10.36
B. Other Bank Balances				
Bank deposits with more than 12 months maturity	0.25		0.25	
		0.25		0.25
Total		31.30		10.61

N15

(₹ in lacs)

Short-term loans and advances	CY		PY	
a. Loans and Advances to Related Parties	-		-	
b. Security Deposits	-		-	
c. Amount due from ESOP Trust	-		-	
d. Amount lying with Govt. Authorities				
VAT Receivable	6.44		11.24	
Duty Draw Back/DEPB Receivable	98.53		169.49	
Subsidy receivable	339.15		204.80	
Service Tax Receivable	6.02		3.81	
Income Tax	41.07		26.86	
		491.21		416.20
e. Misc Loans and Advances				
Secured, considered good	-		-	
Unsecured, considered good	25.35		23.97	
Doubtful	-		-	
Less: Provision for doubtful loans and advances	-		-	
		25.35		23.97
		516.56		440.16

Given to	CY	PY
Directors	-	-
Other officers of the Company	-	-
Firm in which director is a partner	-	-
Private Company in which director is a director	-	-
Private Company in which director is a member	-	-

N16

(₹ in lacs)

Other Current Assets

	CY		PY	
Accrued Interest	-		-	
Others (specify nature)- Miscellaneous Exp.	7.17		10.84	
Total		7.17		10.84

N17

(₹ in lacs)

Revenue from Operations

Particulars	2011-12	2010-11
Revenue from Operations (Gross)		
Sale of Products	9,867.36	8,610.17
Other Operating Revenues		
Miscellaneous Income (Export Incentives)	343.38	377.79
	10,210.74	8,987.97
Less : Excise Duty	-	-
Revenue from Operations (Net)	10,210.74	8,987.97

N18
Other Income

Particulars	2011-12	2010-11
Net Gain on Foreign Currency Translations and Transactions	-	32.74
Misc Non-operating Income	-	0.39
Total	-	33.14

N19
Material Consumed

Particulars	2011-12	2010-11
Opening Inventory	340.44	337.14
Add : Purchases (Net)	7,244.86	5,873.50
	7,585.30	6,210.64
Less Closing Inventory	547.40	340.44
Cost of Materials Consumed	7,037.90	5,870.19

N20
Inventory Change

Particulars	2011-12	2010-11
Opening Inventory		
(a) Finished Goods	668.98	781.31
(b) Traded Goods	-	-
(c) Work-in-Progress	174.13	172.87
	843.11	954.18
Less: Closing Inventory		
(a) Finished Goods	944.59	668.98
(b) Traded Goods	-	-
(c) Work-in-Progress	272.95	174.13
	1,217.54	843.11
(Increase) / Decrease in Inventory	(374.43)	111.07

N21
Employee Benefits Expense

Particulars	2011-12	2010-11
(a) Salaries and Wages	334.77	268.98
(b) Contributions to Provident and Other Funds	27.39	18.48
(c) One time settlement with worker	20.47	-
(d) Staff Welfare Expenses	8.78	8.02
Total	391.41	295.47

N22
Finance Cost

(₹ in lacs)

Particulars	2011-12	2010-11
Interest Expenses	117.88	102.83
Other Borrowing Costs	-	-
Applicable Net Gain/Loss on Foreign Currency Transactions and Translation	-	-
Total	117.88	102.83

N23
Other Expenses

Particulars	2011-12	2010-11
Consumption of Stores & Spare Parts	-	-
Power and Fuel	58.94	20.46
Rent	63.12	12.38
Repairs and Maintenance		
Plant and Machinery	13.02	4.18
Others	23.75	11.72
Insurance	15.63	27.59
Rates & Taxes	9.08	4.98
Miscellaneous Expenses	1.21	3.10
Processing and Other Manufacturing Charges	570.90	639.01
Design Charges	0.92	5.69
Labour Charges	30.45	37.48
Travelling and Conveyance	103.03	115.06
Payment to Auditors		
As Auditor	2.81	2.21
For Other Services	0.35	0.30
Legal and Professional Charges	200.73	105.97
Donations	1.05	0.13
Sales Promotion Expenses	23.46	16.86
Advertising & Publicity	4.34	2.47
Selling & Distribution Expenses	60.47	37.99
Freight & Forwarding Expenses	160.67	161.42
Security Expenses	6.54	4.39
Electricity	7.82	5.35
Commission	17.39	11.07
Discount	1.93	1.11
Net Loss on Sale of Fixed Assets	0.12	-
Net Loss on Foreign Currency Translations and Transactions	104.10	-
Printing & Stationery	17.51	12.71
Postage & Telephone	29.18	28.27
Bank Charges	42.01	49.09
Membership & Subscription	3.58	1.99
Miscellaneous Expenses W/off	4.78	4.56
Diwali Expenses	6.12	1.02
Others	6.76	1.62
Total	1,591.76	1,330.17

Other Notes to Account - Part B
N 24 Tax Expenses

During the year company has claim MAT credit entitlement of ₹46.88 lakh as per provision of u/s 115 JAA of the Income Tax Act 1961.

N 25 Earnings Per Share:

Basic and Diluted Earnings per share ("EPS") computed in accordance with Accounting Standard - 20 'Earnings per Share'.

Particulars		31.03.2012	31.03.2011
a. Numerator Profit/ (Loss) after tax	₹ in (lakhs)	902.28	769.30
b. Denominator Weighted average number of equity shares for basic EPS	Nos.	78,78,664	76,23,770
Weighted average number of equity shares for Diluted EPS	Nos.	80,35,024	77,67,630
c. Earnings per Share			
Basic =	₹	11.45	10.09
Diluted =	₹	11.23	9.90
Numerator/Denominator			

N 26 Contingent Liabilities and commitments not provided for:

A list of disputed cases in the matter of Income Tax have been enumerated hereinabove in the Audit Report. The issues are pending before Income Tax Authorities and other Contingent Liabilities. The details are as under:-

Sr. No.	Nature of dues	Amount (₹) In lakhs	
		2011-12	2010-11
1.	Income Tax (AY.1995-96)	5.11	5.11
2.	Income Tax (AY.1996-97)	3.00	24.33
3.	Letter of Credits	—	551.26

N 27 Related Party Disclosures:

The list of related parties and nature of their relationship is furnished below:

Related parties with whom transactions have taken place during the year:

Key Management Personnel and Relatives:

Sr. No.	Name	Relationship
1.	Mr. Pankaj S. Seth	Chairman & Managing Director
2.	Ms. Anisha P. Seth	Whole-time Director
3.	Mr. Shyam Sunder Seth	Father of CMD Mr. Pankaj S. Seth
4.	Mr. Bruce Larry Kieval	Executive Director
5.	Mrs. Vibha Marfatia	Spouse of Mr. Saumil U. Marfatia
6.	Ms. Vishakha Seth	Daughter of Mr. Pankaj Seth

Enterprise over which Key Management Personnel exercise significant influence:

M/s Golden Bo Tree Impex Co. Ltd. - Director Mr. Bruce Larry Kieval is also a director of this Company. The Following transactions were carried out with the related parties in the ordinary course of business.

Particulars	Related Parties ₹ in lakhs			
	Associates	Key Management Personnel	Relative of Key Management Personnel	Total
Rent Expenses incurred	---	6.00	1.20	7.20
	(---	(6.00)	(1.20)	(7.20)
Professional fess	---	---	62.72	62.72
	(---	(---	(41.94)	(41.94)
Managerial Remuneration	---	96.00	---	96.00
	(---	(60.00)	(---	(60.00)
Salary	---	---	2.98	2.98
	(---	(---	(---	(---
Brokerage & Commission	---	---	1.35	1.35
	(---	(---	(3.18)	(3.18)
Balance Receivable as at year end	---	---	---	---
	(---	(---	(---	(---
Balance Payable as at year end	---	---	4.85	4.85
	(---	(0.24)	(0.75)	(0.99)

N 28 Balances of Sundry Debtors, Creditors, Unsecured Loans, and Loans & Advances are subject to confirmation and reconciliation, if any.

Managing Director's Remuneration (₹ in lakh)

	2011-12	2010-11
i. Salary & Bonus	48.00	30.00
ii. Contribution to Provident Fund and Other funds	---	---
iii. Perquisites	---	---
	48.00	30.00

b) Whole Time Director's Remuneration (₹ in lakh)

	2011-12	2010-11
i. Salary & Bonus	48.00	30.00
ii. Contribution to Provident Fund and Other funds	---	---
iii. Perquisites	---	---
	48.00	30.00

N 29 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days (P.Y. Nil), the above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

N 30 The Board of Directors have declared interim dividend @ 25% during the year amounting to ₹ 197.27 lakh (₹ 2.50 per share of face value of ₹ 10/- each i.e.25%).

N 31 Value of import on CIF basis

(₹ in lacs)

	2011-12	2010-11
Capital Goods	847.61	1,099.38
Stores & Spares	---	---
Raw Material	---	---
Total	847.61	1,099.38



N 32 Expenditure in Foreign Currency

(₹ in lakh)

	2011-12	2010-11
Traveling Expenses	22.42	34.86
Professional Fees	176.13	93.59
Sales Promotion Expenses	21.02	15.61
Capital Goods	755.45	962.14
Total	975.02	1,106.19

N 33 Remittance in foreign currency

(₹ in lakh)

	2011-12	2010-11
A. Non Institutional		
i. on account of dividend Number of non-resident shareholders	—	—
ii. Number of shares held by them on which dividend was due	—	—
iii. Year to which dividend relates	—	—
iv. Amount remitted (₹ in lakh)	—	—
B. Institutional		
i. on account of dividend Number of non-resident shareholders	—	—
ii. Number of shares held by them on which dividend was due	—	—
iii. Year to which dividend relates	—	—
iv. Amount remitted (₹ in lakh)	—	—

N 34 Earnings in foreign exchange

(₹ in lakh)

	2011-12	2010-11
Export of goods on FOB basis	4,856.59	4,866.26
Freight on Export	131.00	1,23.90
Export Insurance	3.29	2.46
Total	4,990.88	4,992.62

N 35 Value of Imports & Indigenous Material Consumption (₹ in lakh)

	Value	2011-12 % of cons	Value	2010-11 % of cons
A. Raw Material				
Indigenous	7,004.32	100	5,839.65	99.65
Imported	0	—	20.27	0.35
Total	7,004.32	100	5,859.92	100.00
B. Stores & Spares				
Indigenous	33.59	100	10.28	100.00
Imported	—	—	—	—
Total	33.59	100	10.28	100.00

N 36 Previous years figures have been regrouped and/or re-casted wherever necessary. Figure in brackets represent corresponding figure for the previous year.

N 37 The Company has created Capital Reserve amounting to ₹ 72.51 lakh during the year. The balance in Capital Reserve is ₹ 364.60 lakh (2011 ₹ 292.09 lakh). Current year Capital Reserve has been created out of the Government Grant in the nature of promoter's fund for setting up new textile unit at Surat.

N 38 The Company has issued 3,50,000 Equity Share @ ₹ 38.00 including the premium of ₹ 28.00 and issued 4,00,000 OFCWs warrants to Shreyans Credit & Capital Pvt. Ltd. @ ₹ 79.30 including Share Premium of ₹ 69.30.

N 39 Employee Benefits

As per Accounting Standard -15 "Employee Benefits" the disclosure of employee benefits is given below:

- i. **Defined contribution plans:** The amounts of contribution to provident fund and ESIC recognized as expenses during the year is R 14.17 lakh (Previous Year R 10.28 lakh) for the year ended 31st March, 2012.
- ii. **Defined benefit plans for Gratuity:**
The following table sets out the status of the gratuity plan for the year ended 31st March, 2012 as required under AS 15 (Revised)

Particulars Gratuity	₹ in lakh	
	Gratuity(funded) as on 31st March 2012	Gratuity (funded) as on 31 st March 2011
Change in Defined Benefit Obligation	0.00	0.00
Opening Defined Benefit Obligation	32.21	25.86
Current Service Cost	4.23	2.46
Interest Cost	2.66	2.13
Actuarial (gain)/ loss	9.70	6.91
Benefits Paid	(14.29)	(5.15)
Present Value of Defined Benefit Obligation as on 31/03/2011	34.51	32.21
Change in Fair Value of assets	32.21	25.86
Opening Fair value of Plan assets	Nil	Nil
Expected Return on Plan Assets	Nil	Nil
Actuarial Gain/ (Loss) on Plan assets	Nil	Nil
Actual Contributions	(14.29)	(5.15)
Actual Benefits Paid	(14.29)	(5.15)
Closing Fair Value of Plan Assets	Nil	Nil

Expense to be recognized in statement of Profit & Loss

	₹ in lakh	
Current Service Cost	4.23	2.46
Interest on Defined Benefit Obligation	2.66	2.13
Expected Return on Plan Assets	Nil	Nil
Actuarial (gain)/ loss	9.70	6.91
Total Included in Employment Expenses	16.59	11.50
Investment details of plan assets:		
Actual Return on Plan Assets	Nil	Nil
Category of Assets	Nil	Nil
Insurer Managed Fund	Nil	Nil



The assumptions used in accounting for the gratuity are set out below:

Particulars	For the year ended 31st March 2012	For the year ended 31 st March 2011
Discount rate	8.25%	8.25%
Rate of increase in compensation levels of covered employees	6.00%	5.00%
Expected Rate of return on plan assets	Nil	Nil

Signatures to Notes No. N1 to N 39

As per our report of even date
for **Krishna R. Moondra & Associates**
Chartered Accountants

for and on behalf of the Board

Manish Kumar Gupta

Partner.
M. No. : 130883
F.R. No. 114488 W

Pankaj S. Seth

Managing Director

Anisha P. Seth

Whole-time Director

Place : Mumbai.
Dated : 28th May, 2012.

Mukesh Deopura
Chief Financial Officer

Neha Nangalia
Company Secretary

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Regd. Office: E 27-29, Adi Marzaban Street (Manglore Street), S. Bhagat Singh
Road, Ballard Estate, Mumbai – 400 038

ATTENDANCE SLIP

I hereby record my presence at the 29th Annual General Meeting of the Company at Aacharya Mahapraghn Vidhya Nidhi Foundation, Opp Thaker Bhojnalaya, 32, Dadiseth Agyari Lane, Kalbadevi Road, Mumbai -400002 on Wednesday 27th June, 2012 at 4.30 p.m.

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

Name of Shareholder/ Proxy: _____

Signature of Shareholder/ Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of Annual Report to the meeting.

*Applicable for investors holding shares in electronic form.

----- TEAR HERE -----



Regd. Office: E 27-29, Adi Marzaban Street (Manglore Street), S. Bhagat Singh
Road, Ballard Estate, Mumbai – 400 038

DP Id*	
Client Id*	

Folio No.	
-----------	--

PROXY FORM

I/We _____ of
_____ being a member/ members of ORBIT EXPORTS LIMITED hereby
appoint _____ of
_____ or failing him _____ of
_____ as my/our proxy to attend and vote for me/us on
my / our behalf at the **29th ANNUAL GENERAL MEETING** of the Company to be
held on 27th June, 2012 and at any adjournment thereof.

Affix Re. 1/-
revenue
Stamp

Signed this _____ day of _____ 2012 Signature across Revenue Stamp

Notes:

- The proxy, in order to be effective, should be duly stamped, completed and signed must be deposited at the Registered Office of the Company, not less than 48 hours before the time of the meeting.
- The Proxy need not be a member of the Company.

Registered Office:

E 27-29, Adil Marzahan Street
(Manglore Street),
S. Bhagat Singh Road, Ballard Estate,
Mumbai - 400 038
Ph.: +91-22-6625 6262
Fax: +91-22-2375 6599
Mail: investors@orbitexports.com
Website: www.orbitexports.com

Factories:

Surat:
Plot No. 7 & 8, Fairdeal Textile Park, Village Mahavej,
Taluka Mangrol, Dist - Surat - 394 102 (Guj.)

Jalgaon:
Plot No.G-99, Additional M.I.D.C. Jalgaon - 425 003

Fat No. 447/B, Vikhran Road, Erandol, Dist. Jalgaon

Dombivli:
D-3/1, Dombivli MIDC Industrial Area,
Dombivli (East), Dist. Thane, Maharashtra



orbit exports ltd.