

ANNEXURE - 'A' TO THE DIRECTORS' REPORT
CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31ST MARCH, 2011
COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy is to enhance Customer's satisfaction and Shareholders value by practicing the principles of good Corporate Governance.

I. 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 Agreements entered into with the Stock Exchanges. All Independent Non-Executive Directors comply with the legal requirements of being "Independent".

- i. 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, 2011 have been made by the Directors.
- ii. The Board met Thirteen times during the year on 07/04/2010, 24/05/2010, 27/05/2010, 14/07/2010, 16/07/2010, 21/08/2010, 15/10/2010, 01/11/2010, 24/11/2010, 25/01/2011, 31/01/2011, 25/03/2011 and 31/03/2011.
- iii. 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.

II. COMPOSITION, CATEGORY, THEIR DIRECTORSHIP AND COMMITTEE MEMBERSHIP IN OTHER COMPANIES

Name of Directors	Category of Directors	No. of Board Meetings attended during the year 2010-11	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	9	Nil	Nil	Nil	No
Ms. Anisha Seth (Whole Time Director)	Promoter – Executive	12	Nil	Nil	Nil	No
Mr. Bruce Larry Kieval	Executive	Nil	Nil	Nil	Nil	No
Mr. Manoj Kumar Jain	Non-Executive Independent	13	Nil	Nil	Nil	Yes
Mr. G. B. Bubna	Non-Executive Independent	9	Nil	Nil	Nil	No
Mr. Saumil U. Marfatia	Non-Executive Independent	Nil	Nil	Nil	Nil	No
Mr. Balkrishna Patil	Non-Executive Independent	10	Nil	Nil	Nil	No

DETAILS OF DIRECTORS BEING APPOINTED AND RE- APPOINTED

- (1) Mr. Saumil U. Marfatia 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. Saumil U. Marfatia

Age: 52

Qualification: MBA

Expertise: Textile Business

Other Directorships: NIL

(Excluding Directorship
In Private Limited Companies)

- (2) Mr. Gopikrishna Bilasria Bubna 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. Gopikrishna Bilasria Bubna

Age: 58

Qualification: F.C.A

Expertise: Financial Management and Accounts

Other Directorships: NIL

(Excluding Directorship

In Private Limited Companies)

III. 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 Agreements 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 comprises of Mr. Manoj Kumar Jain as Chairman, Mr. Gopikrishna Bubna and Mr. Saumil U. Marfatia as Members. All these Members of this Committee are Independent Directors and possess requisite experience and expertise across a wide spectrum of functional areas including accounts and finance.

The Audit Committee met 5 times i.e. 07th April, 2010, 24th May, 2010, 16th July, 2010, 15th October, 2010 and 25th January, 2011.

Name of Member	Designation	Meetings held	Meetings attended
Mr. Manoj Kumar Jain	Chairman	5	5
Mr. G. B. Bubna	Member	5	5
Mr. Saumil U. Marfatia	Member	5	0

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.

IV. SHAREHOLDER'S/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 Committee comprised of two Non-Executive Independent Directors and Managing Director. The Shareholder/ Grievance Committee met 5 times i.e. 07th April, 2010, 24th May, 2010, 16th July, 2010, 15th October, 2010 and 25th January, 2011. and the attendance at the Meetings was as follows.

Name of the Member	Designation	No. of meetings attended
Mr. Gopikishan Bubna	Chairman	5
Mr. Pankaj Seth	Member	5
Mr. Saumil U. Marfatia	Member	0

There were no Investor complaints pending as on 31st March, 2011.

V. REMUNERATION COMMITTEE

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	
		Held	During the year 2010-11 Attended
Mr. Manoj Kumar Jain	Independent, Non-Executive	0	0
Mr. Gopikishan.Bubna	Independent, Non-Executive	0	0
Mr. Saumil U. Marfatia	Independent, Non-Executive	0	0

*No Meeting of Remuneration Committee was held during the year 2010-2011

Details of Remuneration for the year ended March 31, 2011:

- Remuneration to Shri Pankaj Seth, Managing Director, was Rs. 2,50,000 per month. Shri Pankaj Seth was paid a total Remuneration of Rs. 30,00,000/- during the year ended 31st March, 2011.
- Remuneration to Smt. Anisha Seth, Whole Time Director was Rs. 2,50,000 per month. Smt. Anisha Seth was paid a total Remuneration of Rs. 30,00,000/- during the year ended 31st March, 2011.
- Shri Pankaj Seth –Managing Director and Smt. Anisha Seth- Whole Time Director, are also entitled to Gratuity and Leave Encashment as per their terms of employment.

Non-Executive Director:

No Remuneration (except sitting fees) was paid to any Non-Executive Directors during the year 2010-2011.

Name and Address of the Compliance Officer:
Satyanarayan Baser

Compliance Officer

ORBIT EXPORTS LIMITED.

11, Mehta Chambers,
Kalyan Street,
P.D'Mello Road, Masjid (E),
Mumbai – 400 009

VI. GENERAL BODY MEETINGS
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
27th	2009-2010	20th September, 2010	04.30 pm	11, Mehta Chambers, Kalyan Street, P.D' Mello Road, Mumbai 400003
26th	2008-2009	25th August, 2009	11.30 am	11, Mehta Chambers, Kalyan Street, P.D' Mello Road, Mumbai 400003
25th	2007-2008	29th September, 2008	11.30 am	11, Mehta Chambers, Kalyan Street, P.D' Mello Road, Mumbai 400003

In Annual General Meeting held on 20th September, 2010, the Special Resolution was duly passed with requisite majority to issue and allot 8,00,000 Optionally Fully Convertible Warrants (OFCWs) (4,00,000 OFCWs each to Mr. Pankaj Seth and Mrs. Anisha Seth, Promoters of the Company) at a price of Rs.38/- per OFCWs convertible into equivalent number of Equity Shares of Rs. 10/- each at a price of Rs.38/- per share (including premium of Rs.28/- per share) on Preferential Basis 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.

EXTRA ORDINARY GENERAL MEETING

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 2,75,000 Equity Shares of Rs.10/- each at an issue price of Rs.35/- per share (including premium @ Rs.25/- per share) on Preferential Issue basis to the Strategic Investors.	06th May, 2010	11.30 A.M.	11, Mehta Chambers, Kalyan Street, P.D'mello road, Mumbai 400003	The special Resolution was duly passed with requisite majority.

However no Resolution was passed by Postal Ballot during the year 2010-2011.

VII. DISCLOSURES:
SUBSIDIARY COMPANIES

The revised Clause 49 defines a "material non listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, whose 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

During the Financial Year 2010-11 there were transactions entered between Company and its Promoters, Directors and their relatives which are duly disclosed in the Notes to Account of the Company for the year ended 31st March, 2011.

DISCLOSURES OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

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

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 made Preferential issue of 2,75,000 shares (1,15,000 Equity Shares to Shri Sandeep Sharma a Non-Resident Indian and 1,60,000 Equity Shares to Mediaman Multitrade Private Limited) on 27th May, 2010. The proceeds of the Preferential Issue have been made for the objects for which such issue was made.

On 1st November 2010, the Company issued and allotted 8,00,000 (Eight Lac) Optionally Fully Convertible Warrants (OPCW) (4,00,000 to Mr. Pankaj Sheth and 4,00,000 to Mrs. Anisha Sheth) convertible at the option of the said allottees into one Equity Share of Rs.10/- each at issue price of Rs.38/- per share against one OFCW within a period of 18 months from the date of allotment of OFCWs. Company has received Rs.76,00,000/- 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.

On 31st March, 2011, the Company has allotted 2,24,560 Equity Shares of Rs.10/- each issued at Rs. 38/- per share (including premium @ Rs.28/- per share) (112280 Equity Shares to Mr. Pankaj Seth and 112280 Equity Shares to Mrs. Anisha Seth) upon exercise of option to convert 224560 Optionally Fully Convertible Warrants issued to them. The proceeds of the Preferential Issue aggregating to Rs. 63,99,960/- 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	30,29,760
Mrs. Anisha Seth	4,88,880
Total	35,18,640

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 for Directors and Senior Management in respect of Financial Year 2010-2011."

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 also submitted to the Stock Exchanges and published in leading newspapers.

VIII. 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.

IX. COMPLIANCE WITH MANDATORY REQUIREMENTS

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

X. GENERAL SHAREHOLDER TRANSACTION

AGM	:	VENUE, DATE & TIME
VENUE	:	Orbit Exports Ltd. 11, Mehta Chambers, Kalyan Street, P. D' Mello Road, Mumbai 400009
TIME	:	04:30 P.M.
DAY & DATE	:	Monday, 04th July, 2011

TENTITIVE FINANCIAL CALENDAR FOR THE YEAR 2010-11
Financial Reporting and Limited Review Report

For the quarter ending 30th June, 2011

For the quarter/half year ending 30th September, 2011

For the quarter ending 31st December, 2011

For the quarter ended 31st March, 2012

Date of submission to Stock Exchanges latest by

Upto 14th August, 2011

Upto 14th November, 2011

Upto 14th February, 2012

Upto 15th May, 2012

Results (Audited)

For the year ended March 31, 2012

By the end of May, 2012

XI. BOOK CLOSURE:

The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 27th June, 2011 to Monday, 04th, July, 2011 (Both Days Inclusive)

XII. DIVIDEND:

An Interim dividend of Re.1.50/- per Share (Previous year Rs. 1.00 per share) aggregating to Rs. 1,14,99,150/- was declared on 15/10/2010 and paid by Board of Directors during the year.

The Board has recommended Dividend of Re.0.50 per share i.e. 5% on Equity Share Capital. Including Interim Dividend @ Rs.1.50 per share i.e. 15%, the total Dividend for the year 2010-11 will be Rs.2/- per share i.e. 20%.

The total dividend for the year 2010-2011 will 20% i.e. Rs.2/- per share.

XIII. 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, 10	33.90	28.50
May, 10	31.70	26.00
June, 10	45.65	27.00
July, 10	37.90	28.05
August, 10	41.55	33.80
September, 10	47.55	34.10
October, 10	73.80	44.00
November, 10	81.95	51.30
December, 10	69.70	48.10
January, 11	71.70	50.10
February, 11	66.80	48.25
March, 11	78.50	49.00

XIV. 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

XV. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2011:

Category	No. of Shares	% of Shares
Promoter's Holding (including persons acting in concert)	3518640	44.59%
Non Promoter's Holding		
a) Mutual Funds & UTI	NIL	NIL
b) Banks, FIs and Insurance Company	NIL	NIL
c) FIIs	NIL	NIL
Others		
a) Bodies Corporates	2356276	29.86 %
b) Individuals	1887623	23.92 %
c) NRIs/OCBs	121904	1.55%
d) Others	6217	0.08 %
TOTAL	7890660	100.00 %

DISTRIBUTION SCHEDULE

SHARE OR DEBENTURE HOLDING OF NOMINAL VALUE OF	SHARE/DEBENTURE HOLDERS		SHARE/DEBENTURE AMOUNT	
	Number	% to Total	In Rs.	% to Total
Rs.				
Up to 500	3873	88.9118	5060970	6.4139
501 - 1000	216	4.9587	1820860	2.3076
1001 - 2000	107	2.4564	1722900	2.1835
2001 - 3000	40	0.9183	1061780	1.3456
3001 - 4000	14	0.3214	507250	0.6428
4001 - 5000	17	0.3903	794830	1.0073
5001 - 10000	32	0.7346	2435930	3.0871
10001 - above	57	1.3085	65502080	83.0122
TOTAL	4356	100.0000	78906600	100.0000

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, it is hereby declared that all the Board Members of the Company have affirmed compliance with the Code of Conduct for the year ended 31st March, 2011.

**PANKAJ SETH
(MANAGING DIRECTOR AND CEO)**

Place: Mumbai
Date: 03rd May, 2011