

``Twenty Fourth Annual Report 2011-2012**RIBA TEXTILES LIMITED****DIRECTORS**

Shri Amit Garg	:	Managing Director
Shri Ravinder Garg	:	Director
Shri Nitin Garg	:	Whole Time Director
Shri Shailender Sharma	:	Director (Died)
Shri Rakesh Handa	:	Director
Shri P.S. Paliwal	:	Director

AUDITORS

MIDHA KHURANA GUGLANI & CO.,
Chartered Accountants
1053, Sector 13, Urban Estate,
Karnal-132101

REGISTRAR & SHARE TRANSFER AGENTS

M/S BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.
3rd Floor, 99 Mandangir Behind Local Shopping Centre, Near Dada
Harsukhdas Mandir, New Delhi -110062
PH: 29961280,29961281, 29961282
Fax: 29961284

SECRETARIAL AUDITORS

KJ& ASSOCIATES,
Company Secretaries
211/ 2nd Floor,Triveni Complex,
E-10-12, Jawahar Park,
Laxmi Nagar,
New Delhi- 110092

BANKER

State Bank of India
Okhla Phase III,
New Delhi.

REGISTERED OFFICE

DD-14 NEHRU ENCLAVE
OPP. KALKA JI POST OFFICE
NEW DELHI

WORKS

Village Chidana,
Tehsil Gohana, Distt. Sonapat
Haryana.

AGM-2012

DATE	:	29 th Sept 2012
DAY	:	Saturday
TIME	:	11.00 A.M.
VENUE	:	DD-14, Nehru Enclave New Delhi

NOTICE

NOTICE is hereby given that the Twenty Four Annual General Meeting of the Members of RIBA TEXTILES LIMITED will be held at the Registered Office of the Company at DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi- 110019 on Saturday, 29.09.2012 at 11:00 A.M. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and the Profit & Loss Account of the company for year ended on 31st March 2012, and the Reports of Auditors' and Directors' thereon.
2. To appoint a Director in place of Shri Ami Garg who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Nitin Garg who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Ravinder Garg who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s **Midha Khurana Guglani & Co.**, Chartered Accountants, who retires on the conclusion of this meeting and being eligible, offers themselves for re appointment as Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

- 6. To consider and if thought fit, pass with or without modifications, the following resolution as Ordinary Resolution:-**

“RESOLVED THAT pursuant to the provisions of sections 268, 269, 198 and 309 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII thereof Sh. Nitin Garg be and is hereby reappointed as Whole Time Director of the company for a period of 3 years with effect from the 1st day of August, 2012.

RESOLVED FURTHER that the directorship in respect the said Sh. Nitin Garg be liable to retire by rotation and the terms and conditions be as mentioned below:

Salary and Allowances

1. Basic Salary Rs. 40,000 per month.
2. Allowance: Following allowance shall be allowed in addition to the salary.
 - (i) Housing
Fully furnished accommodation or 50% of the salary as house rent allowance, in case no accommodation is provided;
 - ii. Personal Assistance Salary Allowance upto Rs. 15000/- P. M.
 - iii Drivers Allowance upto Rs. 13500/- P.M.
 - iv Telephone expenses as per actual.
 - v Leave Travel Allowance upto Rs. 400000/- Per Annum
 - vi Annual Premium upto Rs. 59,668/- on Keyman Insurance Policy of Rs. 2 Crores will be paid by company.

3. He shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration as specified above :
 - a) Contribution to provident fund to the extent the same is not taxable under the Income Tax Act, 1961.
 - b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
 - c) Encashment of leave as per rules of the Company at the end of the tenure.
4. Subject to the superintendence, control and direction of the Whole Time Director shall exercise and entrusted with powers of management and overseeing of the affairs of the Company concerning production, procurement and marketing.
5. Without prejudice to the general powers conferred by clause 2 above and other powers conferred by these presents or entrusted by the Board, Whole Time Director is hereby authorized, subject to the provisions of section 292, 293 and any other relevant provisions of the Companies Act, 1956 or any other law in force, to exercise the following powers on behalf of the Company:-
 - a. To control, manage and govern working of various production and procurement and marketing departments of the Company.
 - b. To enter into contracts, agreements and arrangements with any person or firm or body corporate on behalf of the Company in manner as the Company think fit.
 - c. To establish working offices in connection with the objects of the Company.
 - d. To exercise all or any of its executive powers, rights and privileges and conduct its business in all or any of its branches.
 - e. Subject to the approval of the Board invest funds of the company in the manner most beneficial in the interest of the Company.
 - f. Subject to the approval of the Board, to open accounts with any bank or banks and to deposit money therein and to draw and endorse cheques and to withdraw monies from such accounts and to generally operate the same for the purpose of the Company.
 - g. To undertake financial, commercial transactions and operations in the ordinary course of its business.
 - h. Subject to the approval of the Board, to borrow funds in the ordinary course of business.
 - i. To exercise all powers delegated to him from time to time.
 - j. To do all acts, deeds, matters and things (except those required to be done by the Company or the Board in its meeting) as may be necessary, expedient. Required prescribed or incidental in smooth functioning of the Company.
6. During his tenor as Whole Time Director he shall devote such time and attention as may be necessary for the promotion, welfare and efficient conduct of the business of the Company.
7. Subject to the compliance of the provisions of all laws in force at the relevant time including of the Companies Act, 1956 the Whole-time Director or his relative or any firm of which he or his relative I sole proprietor or partner or any partner in such firm or any private company in

which he is a member or director or any public company in which he is interested shall be at liberty to enter into contracts and arrangement with the company and all such contracts and arrangements shall be valid and effective

8. The employment of Whole Time Director under this agreement shall forthwith determine if he becomes insolvent or makes any composition or arrangement with his creditors.
9. The headquarter of the Whole Time Director would be situated at the office of the Company at New Delhi.
10. He shall not be entitled to any sitting fees for attending meetings of the Board of Directors of the Company or any committee or committees thereof.
11. The Whole Time Director shall be entitled to reimbursement of all actual expenses or charges including travel, entertainment or other out-of-pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.
12. In the event of loss or inadequacy of profits in any year during the tenure of his office, he will be entitled to the above remuneration by way of salary, perquisites & benefits as minimum remuneration.
13. His services will be governed by the service rules of the Company as may be in force from time to time in so far as they are not at variance with the terms herein contained.
14. The Whole Time Director shall not, during the continuance of his appointment or any time thereafter, divulge or disclose to anyone whomsoever or make any use whatsoever, for his own or for whatever purpose of any confidential information or knowledge obtained by him during his employment as Whole Time Director of the Company, relating to the business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Whole Time Director, during the continuance of this employment hereunder, shall also use his best endeavor to prevent any other person from doing so.
15. Subject to the provisions of the Companies Act, 1956, the Whole Time Director shall not be liable for the acts, neglects or default of any Director, Officer or employees of the Company or for any loss, damage or misfortune whatever may happen in the ordinary course of execution of the duties of his office or in relation thereto unless the same happen due to his own willful act.
16. In the event of defending any legal prosecutions against the Whole Time Director, for matters of the Company in the ordinary course of business, without any negligence on his part, the cost of such prosecution shall be reimbursed by the Company to him.

Mr. Nitin Garg will retire by rotation as per the provisions of the Companies Act 1956.

The Whole Time Director shall not so long as he functions as such, become interested or otherwise concerned directly or through his spouse, sons or unmarried daughters in any selling agency of the Company in future without the prior approval of the Company Law Board or any other authority which may exist from time to time.

This agreement may notwithstanding the period of three years mentioned in clause I, hereof, be terminated by either party by giving to the other six months notice in writing, in the event of termination of the appointment of Whole Time Director by the Company, He shall be entitled to receive compensation in accordance with the provisions of section 318 of the Companies Act, 1956.

Any dispute or difference whatsoever concerning or arising out of this agreement whether during the currency or otherwise shall be entitled by arbitration in accordance with the law relating to the arbitration for the time being in force.

The appointee shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the company.

RESOLVED FURTHER THAT the Remuneration Committee be and is hereby authorized to recommend any alteration and variation in the said terms and conditions at its discretion as may be deemed fit and with mutual consent of Mr. Nitin Garg within the specified limits in the Schedule XIII of the Companies Act, 1956 or any amendment made hereinafter in that regard.

RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to alter or vary the terms of appointment of Mr. Nitin Garg including relating to remuneration, as it may, in accordance with the limits of Schedule XIII.”

RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to enter into Agreement with Mr. Nitin Garg on such terms and conditions as mentioned above in the resolution.

RESOLVED FURTHER THAT the consent of shareholders will be taken in the forthcoming Annual General Meeting of the Company and Mr. Ravinder Garg, Director of the Company is hereby authorised to call Annual General meeting.

RESOLVED FURTHER THAT Mr. Ravinder Garg, Director of the Company be and is hereby authorized to sign and file all papers, documents and Forms 32, Form- 23 and Form- 25C with the Registrar of Companies, NCT of Delhi and Haryana, New Delhi and to do all acts and deeds to implement the above resolution in this regard.”

7. To consider and if thought fit, pass with or without modifications, the following resolution as Ordinary Resolution:-

“**RESOLVED THAT** pursuant to the provisions of sections 268, 269, 198 and 309 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII thereof, Sh. Amit Garg be and is hereby reappointed as the Managing Director of the company for a period of 3 years with effect from the 1st day of August, 2012.

RESOLVED FURTHER that the directorship in respect the said Sh. Nitin Garg be liable to retire by rotation and the terms and conditions be as mentioned below:

Salary and Allowances

1. Basic Salary Rs. 40,000 per month.

2. Allowance: Following allowance shall be allowed in addition to the salary.

i. Housing

Fully furnished accommodation or 50% of the salary as house rent allowance, in case no accommodation is provided;

II. Personal Assistance Salary Allowance upto Rs. 15000/- P. M.

iii Drivers Allowance upto Rs. 13500/- P.M.

iv. Telephone expenses as per actual.

v Leave Travel Allowance upto Rs. 400000/- Per Annum

vi Annual Premium upto Rs. 85,827/- on Keyman Insurance Policy of Rs. 2 Crores whose premium will be paid by company.

3. He shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration as specified above :
 - a) Contribution to provident fund to the extent the same is not taxable under the Income Tax Act, 1961.
 - b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
 - c) Encashment of leave as per rules of the Company at the end of the tenure.
4. The employment of Managing Director under this agreement shall forthwith determine if he becomes insolvent or makes any composition or arrangement with his creditors.
5. The headquarter of the Managing Director would be at the office of the Company at New Delhi.
6. He shall not be entitled to any sitting fees for attending meetings of the Board of Directors of the Company or any committee or committees thereof.
7. The Managing Director shall be entitled to reimbursement of all actual expenses or charges including travel entertainment or other out-of-pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.
8. In the event of loss or inadequacy of profits in any year during the tenure of his office, he will be entitled to the above remuneration by way of salary, perquisites & benefits as minimum remuneration.
9. His services will be governed by the service rules of the Company as may be in force from time to time in so far as they are not at variance with the terms herein contained.
10. The Managing Director shall not, during the continuance of his appointment or any time thereafter, divulge or disclose to anyone whomsoever or make any use whatsoever, for his own or for whatever purpose of any confidential information or knowledge obtained by him during his employment as Managing Director of the Company, relating to the business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Managing Director, during the continuance of this employment hereunder, shall also use his best endeavor to prevent any other person from doing so.
11. Subject to the provisions of the Companies Act, 1956, the Managing Director shall not be liable for the acts, neglects or default of any Director, Officer or employees of the Company or for any loss, damage or misfortune whatever may happen in the ordinary course of execution of the duties of his office or in relation thereto unless the same happen due to his own willful act.
12. In the event of defending any legal prosecutions against the Managing Director, for matters of the Company in the ordinary course of business, without any negligence on his part, the cost of such prosecution shall be reimbursed by the Company to him.

The Managing Director shall not so long as he functions as such, become interested or otherwise concerned directly or through his spouse, sons or unmarried daughters in any selling agency of the Company in future without the prior approval of the Company Law Board or any other authority which may exist from time to time.

This agreement may notwithstanding the period of three years mentioned in clause I, hereof, be terminated by either party by giving to the other six months notice in writing, in the event of termination of the appointment of Managing Director by the Company, he shall be entitled to receive compensation in accordance with the provisions of section 318 of the Companies Act, 1956.

Any dispute or difference whatsoever concerning or arising out of this agreement whether during the currency or otherwise shall be entitled by arbitration in accordance with the law relating to the arbitration for the time being in force.

RESOLVED FURTHER THAT the Remuneration Committee be and is hereby authorized to recommend any alteration and variation in the said terms and conditions at its discretion as may be deemed fit and with mutual consent of Mr. Amit Garg within the specified limits in the Schedule XIII of the Companies Act, 1956 or any amendment made hereinafter in that regard.

RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to alter or vary the terms of appointment of Mr. Amit Garg including relating to remuneration, as it may, in accordance with the limits of Schedule XIII.”

RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to enter into Agreement with Mr. Amit Garg on such terms and conditions as mentioned above in the resolution.

RESOLVED FURTHER THAT the consent of shareholders will be taken in the forthcoming Annual General Meeting of the Company and Mr. Ravinder Garg, Director of the Company is hereby authorised to call Annual General meeting.

RESOLVED FURTHER THAT Mr. Ravinder Garg, Director of the Company be and is hereby authorized to sign and file all papers, documents and Forms 32, Form- 23 and Form- 25C with the Registrar of Companies, NCT of Delhi and Haryana, New Delhi and to do all acts and deeds to implement the above resolution in this regard.”

8. To consider and if thought fit, pass with or without modifications, the following resolution as Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of sections 268, 269, 198 and 309 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII thereof Sh. Ravinder Garg be and is hereby reappointed as Director of the company for a period of 3 years with effect from the 1st day of August, 2012.

RESOLVED FURTHER that the directorship in respect the said Sh. Ravinder Garg be liable to retire by rotation and the terms and conditions be as mentioned below:

Salary and Allowances

1. Basic Salary Rs. 40,000 per month.
2. Allowance: Following allowance shall be allowed in addition to the salary.
 - i. Telephone expenses as per actual.
 - ii Leave Travel Allowance upto Rs. 400000/- Per Annum
3. Subject to the superintendence, control and direction of the Director shall exercise and entrusted with powers of management and overseeing of the affairs of the Company concerning accounting, official govt. work, and maintenance of building & ROC work.
4. The employment of Director under this agreement shall forthwith determine if he becomes insolvent or makes any composition or arrangement with his creditors.

5. The headquarter of the Director would be at the office of the Company at New Delhi.
6. He shall not be entitled to any sitting fees for attending meetings of the Board of Directors of the Company or any committee or committees thereof.
7. The Director shall be entitled to reimbursement of all actual expenses or charges including travel entertainment or other out-of-pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.
8. In the event of loss or inadequacy of profits in any year during the tenure of his office, he will be entitled to the above remuneration by way of salary, perquisites & benefits as minimum remuneration.
9. His services will be governed by the service rules of the Company as may be in force from time to time in so far as they are not at variance with the terms herein contained.
10. The Director shall not, during the continuance of his appointment or any time thereafter, divulge or disclose to anyone whomsoever or make any use whatsoever, for his own or for whatever purpose of any confidential information or knowledge obtained by him during his employment as Director of the Company, relating to the business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Director, during the continuance of this employment hereunder, shall also use his best endeavor to prevent any other person from doing so.
11. Subject to the provisions of the Companies Act, 1956, the Director shall not be liable for the acts, neglects or default of any Director, Officer or employees of the Company or for any loss, damage or misfortune whatever may happen in the ordinary course of execution of the duties of his office or in relation thereto unless the same happen due to his own willful act.
12. In the event of defending any legal prosecutions against the Director, for matters of the Company in the ordinary course of business, without any negligence on his part, the cost of such prosecution shall be reimbursed by the Company to him.

The director shall not so long as he functions as such, become interested or otherwise concerned directly or through his spouse, sons or unmarried daughters in any selling agency of the Company in future without the prior approval of the Company Law Board or any other authority which may exist from time to time.

This agreement may notwithstanding the period of three years mentioned in clause I, hereof, be terminated by either party by giving to the other six months notice in writing, in the event of termination of the appointment of Director by the Company, he shall be entitled to receive compensation in accordance with the provisions of section 318 of the Companies Act, 1956.

Any dispute or difference whatsoever concerning or arising out of this agreement whether during the currency or otherwise shall be entitled by arbitration in accordance with the law relating to the arbitration for the time being in force.

RESOLVED FURTHER THAT the Remuneration Committee be and is hereby authorized to recommend any alteration and variation in the said terms and conditions at its discretion as may be deemed fit and with mutual consent of Sh. Ravinder Garg within the specified limits in the Schedule XIII of the Companies Act, 1956 or any amendment made hereinafter in that regard.

RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to alter or vary the terms of appointment of Sh. Ravinder Garg including relating to remuneration, as it may, in accordance with the limits of Schedule XIII.”

RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to enter into Agreement with Sh. Ravinder Garg on such terms and conditions as mentioned above in the resolution.

RESOLVED FURTHER THAT the consent of shareholders will be taken in the forthcoming Annual General Meeting of the Company and Mr. Ravinder Garg, Director of the Company is hereby authorised to call Annual General meeting.

RESOLVED FURTHER THAT Mr. Ravinder Garg, Director of the Company be and is hereby authorized to sign and file all papers, documents and Forms 32, Form- 23 and Form- 25C with the Registrar of Companies, NCT of Delhi and Haryana, New Delhi and to do all acts and deeds to implement the above resolution in this regard.”

**CERTIFIED TRUE COPY
For RIBA TEXTILES LIMITED**

**(RAVINDER GARG)
DIRECTOR**

**DATE: 31.07.2012
PLACE: NEW DELHI**

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxy in order to be effective must be deposited at the Registered Office of the Company not later than forty eight hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed w.e.f 22nd Sep to 29th Sep 2012 (both days inclusive).
3. Please quote your folio number in all correspondence for each type of query/complaint.
4. Members are requested to forward all queries regarding Accounts at the Registered Office of the Company on or before 22nd September 2012.
5. Shri. Amit Garg and Shri Nitin Garg, Directors retire by rotation and being eligible offer themselves for re-appointment. Shri Amit Garg and Shri Nitin Garg would be re-appointed as Directors liable to retire by rotation. The Information pursuant to Corporate Governance clause 49 of the Listing Agreement(s) is furnished in the statement of Corporate Governance and is a part of this Annual Report.
6. Shareholders are requested to bring their copy of the Annual Report to the meeting.
7. Members / Proxies should bring the Attendance Slip, duly filled in, for attending the meeting.
8. 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.
9. Members are requested to write their folio number in the attendance slip for attending the meeting.
10. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to and inclusive of the date of the Annual General Meeting.
11. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Registrars and Transfer Agents the details as required in Form 2B.

ANNEXURE TO THE NOTICE

Details of Directors seeking re-appointment at the Annual General Meeting

(In Pursuance of Clause 49 of the Listing Agreement)

PROFILE OF SHRI AMIT GARG	
Name	AMIT GARG
Date of Birth	30.08.1969
Date of Appointment	01.12.1994
Qualification	M.B.A. from Melbourne University Australia
Number of Shares held	908400
Expertise in specific functional areas	Manufacturing in Terry Towels
Other Directorship(s)	N.A.
Membership of Committees in other Public Companies	N.A.
Relationships between Directors inter-se	Nil

PROFILE OF SHRI NITIN GARG	
Name	NITIN GARG
Date of Birth	07.07.1971
Date of Appointment	01.12.1994
Qualification	B.Com,
Number of Shares held	7,24,484
Expertise in specific functional areas	Diploma in Marketing
Other Directorship(s)	N.A.
Membership of Committees in other Public Companies	N.A.
Relationships between Directors inter-se	Nil

PROFILE OF SHRI RAVINDER GARG	
Name	RAVINDER GARG
Date of Birth	02.09.1943
Date of Appointment	13.03.1989
Qualification	Graduate
Number of Shares held	4,01,512
Expertise in specific functional areas	Manufacturing in Terry Towels
Other Directorship(s)	N.A.
Membership of Committees in other Public Companies	N.A.
Relationships between Directors inter-se	Nil

By Order of the Board of
RIBA TEXTILES LIMITED

Sd/-
RAVINDER GARG
DIRECTOR

Place : Panipat
Date : 06.08.2012

DIRECTORS REPORT :

TO THE MEMBERS OF RIBA TEXTILES LIMITED.

Your Directors have pleasure in presenting the 24th Annual Report on the working of the Company together with the Audited Accounts for the year ended 31st March 2012.

FINANCIAL HIGHLIGHTS**(Rs. in Lacs)**

	2011-12	2010-11
Total Sale	6895.50	5121.76
Other Income	38.28	282.94
<u>Gross Receipts</u>	<u>6933.78</u>	<u>5404.71</u>
<u>Profit before Depreciation, Interest and Tax</u>	<u>605.16</u>	<u>538.51</u>
Depreciation	215.01	269.30
Interest	302.32	233.19
Profit before Tax	87.83	36.02
Provision for Taxation (Including last year tax paid)	10.05	6.30
Profit after Tax	77.78	29.72
Add: Profit brought forward from previous year	1536.79	1507.07
Balance transferred to Balance Sheet	1614.57	1536.79

OPERATIONS & FUTURE PROSPECTS

During the year under review, your company has achieved a turnover of Rs.6895.50 lacs against the last year turnover of Rs.5121.76 lacs showing a growth of 34.63%. Your Directors are hopeful that in the current financial year, company will achieve higher growth accompanied with better results as company is proposing replacement of 4 burnt looms with other allied machines.

DIVIDEND

The Board of Directors of your company is of the opinion that to smoothen the liquidity position, no dividend should be recommended & resources be utilized for financing of expansion project of the company.

DIRECTORS

Shri Amit Garg and Shri Nitin Garg, Directors, retire by rotation and being eligible, offer themselves for re-appointment. Your Directors solicits your approval for their appointment.

CORPORATE GOVERNANCE

A detailed report on Corporate Governance compliance duly certified by the Company's Statutory Auditors as required under clause 49 of the listing agreement forms part of this report.

DIRECTORS RESPONSIBILITY STATEMENT

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

1. That in the preparation of the accounts for the financial year ended 31st March 2012 the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the Directors have selected such accounting policies and applied them constantly and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year under review.
3. 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 preventing and detecting fraud and other irregularities,
4. That the directors have prepared the accounts for the financial year ended 31st March 2012 on a going concern basis.

PARTICULARS OF EMPLOYEES

During the period under review, the company had no employee who are covered under Section 217(2 A) of the Companies Act 1956.

FIXED DEPOSIT

During the year under review, your company has not invited any deposits from the Public U/s 58 A of the Companies Act, 1956.

LISTING

The securities of the Company are listed at Bombay Stock Exchange, Mumbai. The securities of the company were delisted from Delhi, Ludhiana and Ahmedabad Stock Exchange. Listing fees for the Bombay Stock Exchange has been paid.

Scrip Code of the company is **531952**

AUDIT COMMITTEE

Pursuant to the provisions of clause 49 of the listing agreement, the Company has an Audit Committee of the Board of Directors. In beginning of the Financial Year, the Audit Committee was comprised of three Non-Executive Directors i.e. Shri Rakesh Handa, Shri Ravinder Garg and Shri P.S. Paliwal out of which Shri Rakesh Handa and Shri P.S. Paliwal were Independent Directors. Shri Rakesh Handa was appointed as the Chairman of the Audit Committee. During the Financial Year 2012-13.

The terms of reference stipulated by the Board to the Audit Committee are, as contained under Clause 49 of the Listing Agreement, i.e.

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information.
- b. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board, focusing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgment by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with Stock Exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors any significant findings and follow up these on.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h. Discussion with external auditors before the audit commences nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- i. Reviewing the Company's financial and risk management policies.

REMUNERATION COMMITTEE

Pursuance to clause 49 of the listing agreement, and as per the amendments introduced by Schedule XIII of the Companies Act 1956, at the beginning of Financial Year the remuneration committee of the company consisted of two Independent Non Executive Directors namely Shri Rakesh handa, and Shri P.S. Paliwal One Non-executive Director, Mr. Ravinder Garg and One Executive, Whole-time Director, Mr. Nitin Garg. During the Financial Year, 2012-13.

As per the responsibilities entrusted to the remuneration committee under the notification No. GSR (36 E) DT.16/01/2002 appointment and payment of remuneration to Managing Directors and Whole Time Directors of the company having no profits or have inadequate profits is required to be approved by the remuneration committee. During the year under review Shri Rakesh Handa, was elected as Chairman of the remuneration Committee.

DEMATERIALISATION OF SHARES

As per the circular issued by SEBI, shares of your company are under Demat mode accordingly to meet requirements. M/s BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD have been appointed as Registrar and share transfer agent (RTA) for carrying out both transfer and demat work for the company as per the SEBI direction and such Registrar & Share Transfer Agent (RTA) shall look after entire share related matters of the company. The company has entered agreement with NSDL & CSDL for demat of shares.

ISIN NO.OF THE Company is INE811H1017

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO.

Information required to be given pursuant to section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the report of the Directors) Rules 1988 and forming part of the Director's report for the year ended 31st March, 2012 are given below :

A. CONSERVATION OF ENERGY

Energy Conservation Measures Taken:

- Control on illumination lights.
- The factory building has been constructed in such a manner to allow natural lighting.
- Additional Investment and Proposals, 'if any', being implemented for reduction in consumption of energy:
- The boilers, fed on furnace oil have been replaced with the auto controlled boiler fed on rice husk/pat coke.

Impact of above measures on reduction of energy consumption and consequent impact on production of goods.

Significant:-

Cost of production has reduced and production has increased.

B. TECHNOLOGY ABSORPTION**RESEARCH AND DEVELOPMENT (R & D)**

a) Specific areas in which R&D carried out by the company. None

b) Benefits derived as a result of above Nil

c) Future plan of action

The company will take R&D activities to improve quality and reduce cost by reducing wastage.

EXPENDITURE ON R&D

No separate details of such expenditure can be ascertained. Research and Development is being carried out in normal course of business.

Technology Absorption, Adaptation and Innovation:

- a) Efforts in brief made towards technology absorption, adaptation and innovation and benefits derived there from. NIL
- b) Imported Technology: No new Technology was imported during the year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO.

Details of Foreign Exchange, earnings and Outgo are given as below:-

	Year2011-12 (Amt. in lacs)	Year2010-11 (Amt. in lacs)
Foreign Exchange earnings	6444.76	5066.16
Foreign Exchange outgoing	247.96	167.98

INDUSTRIAL RELATIONS

During the year under review, industrial relations in the company had been cordial at various levels & had improved significantly. Board of Directors of the company places on record that effective steps taken last year had brought in improved relationships.

AUDITORS

M/s. Midha Khurana Guglani & Co. Chartered Accountants the company's Auditors retire at the conclusion of this Annual General Meeting and being eligible offer themselves for re appointment which, if made, will be in confirmation with the provisions of Section 224 (1B) the of Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors express their sincere appreciation and thanks to the Customers, Suppliers, Bankers, Shareholders, Central and Haryana Government for their valuable co-operation and assistance. Your Directors wish to place on record their appreciation for the contribution made by the employees at all level.

For and on behalf of the Board of
RIBA TEXTILES LIMITED

Sd/-
RAVINDER GARG
Chairman

Place: PANIPAT
Date: 06.08.2012

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The management discussion and analysis presents the industry Overview, opportunities and Threats, Initiatives by the Company and overall strategy of Riba Textiles Limited becoming a market driven producer/exporter of various innovative models and ranges of Textiles products. The company is very optimistic of capturing a substantial share of Export market in the midst of the threats faced due to the liberalization and increased competition from well established companies from abroad.

1. Industry Structure and Development:

Terry towel industry is the only industry with limited effect in recessionary time. The Indian terry towel industry is one of largest in the world, contributing significantly to the growth of the national economy in terms of production, revenue, exports and employment. India has become the larger player in this segment i.e. specially in Terry Towel Markets.

Moreover, the global elimination of quotas at the end of 2004 has greatly enhanced the opportunities for sourcing from India. Therefore, the orders position of the company has improved. Normally, Growth Rate is 1 to 2 percent in this segment across the world. But, India has the maximum Growth in this segment. The Textiles Industry in India provides direct employment to about 38 million people and indirect employment to about 55 millions. It is also the highest net foreign earner and accounts for nearly 30% of the country's exports.

Your company is the exporter of terry towels. To reduce any specific country risk your company operates across the globe. Since your company has a lot of seasonal products such as Beach Towel, Bath Robes etc. your company operates half of the year in U.S, Europe etc. Then shift to the opposite season market such as Australia, South Africa, Latin America etc. for balance six months. These steps also help your company to reduce any particular country risk. Your company mostly works with large chain store and 100% of our payment is on L/C based or Documents on site basis. Your company also produces for Domestic Market under own well brand name senses and hope this will grow gradually. Your company is more flexible company in design capabilities.

2. Opportunities and threats Opportunities

- i) With the closure of many textiles mills in USA and Europe due to strict pollution control regulations, the demand is likely to increase substantially.
- ii) With the lifting of quota regime w.e.f. 1st Jan 2005 as per WTO agreement the exports of the company have increased. The expansion project has successfully been implemented and further expansion has started.
- iii) The company is having maximum overseas customers at present.

Threats

- i) With the lifting of quota, the competition has increased from China and other towel exporting countries.

3. Initiatives taken by the Company

The company has successfully executed its expansion plan to enhance its capacity by 850 MTS annual, the commercial production of which has commenced in May 2005 and expansion to enhance its capacity from 1850 MTS PA to 3230 MTS PA has completed in December 2006. Further enhance its capacity from 3230 MTS PA to 3500 MTS PA is under process which will be completed very soon. It would help to achieve the economies of scale resulting into higher productivity and reduced cost of production. A major cost reduction has been achieved with the installation of Pat coke/ rice husk fired boiler and lying of main electricity line from the direct feeder.

4. Financial Performance

During the year under review your company had achieved a turnover of Rs 68.95 crores against the last year turnover of Rs 48.91 crores. Your Company has earned a net profit of Rs. 87.83 Lacs as against a profit of Rs 36.02 Lacs during the last year due to high depreciation in Rupee value & recession period. In view of further expansion of the unit, improving financial results and positive outlook for the near future, your directors are hopeful that in current year better financial results would follow.

5. Risks and concerns

With the dismantling of quota regime, China is also entering in the terry towels segment, which would increase the competition in the International market. However your company is exporting high value dyed yarn jacquard terry towels which are not likely to be affected in the near future.

6. Internal Control Systems and their adequacy

The company has a proper and adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

There is an Internal Audit Committee with clearly laid down powers and responsibilities that are entrusted to them to ensure that the Internal Audit Department works independently. This department maintains various manuals which contain various controls and checklists that are to be carried out before execution of any activity.

Internal checks are exercised so that the various procedures are laid at the time of delegation of authorities and other procedures are strictly followed. The delegation clearly indicates the powers along with the monetary limits, wherever necessary, that can be exercised by various levels of the Managers in the Company.

Similarly, the Company has well defined manuals for all the functional areas, viz., Production, Sales, Administration, Personnel, etc. These manuals contain elaborate procedures and checklist for the related activities. Necessary controls and checks are exercised by strictly adhering to the various procedures and checklist prescribed in the Manuals. Also these are updated from time to time on ongoing basis, keeping in view the latest developments in different areas.

Proper controls and checks are exercised by the company by following the procedures prescribed in the various manuals.

7. Material Developments in Human Resources/ industrial relations front, including number of people employed

The company believes that employees are the real strength of organization. Employee involvement continued to receive the focus it deserves. The Company has identified Human Resources Development as a major strategic initiative since it believes that people's contribution will be the main engine for growth. Current efforts include building skills, attracting and retaining talent and nurturing and developing leadership potential.

Industrial relations during the year remained cordial and initiative were taken to enhance productivity of employees. The company is gearing itself to take on the challenges in the business environment and march towards achieving its mission with success. At present company is employing man power of around 470 peoples including technical, non technical, managerial and non- managerial, casual and contract labour.

8. Cautionary Statement

The Management Discussion and Analysis statement of the Annual Report has been included in adherence of the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India. Statement in the Management Discussion and Analysis describing the Company's objectives, projects, estimates, expectations may be 'forward – looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference of the Company's operation include economic conditions affecting demand.

AUDITOR'S REPORT

1. We have audited the attached Balance Sheet of M/s Riba Textiles Limited as at 31.03.2012, Profit and Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with 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 mis-statement. An audit includes examining, on the test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by managements, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
 4. Further to our comments in the Annexure referred to in para 3 and, 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 purposes of our audit:
 - b) In our opinion, proper books of accounts as required by law, have been kept by the company so far as appears from our examination of those books.
 - c) The Balance Sheet, Profit and Loss account and Cash Flow Statement and dealt with by this report are in agreement with the Books of Accounts.
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement and dealt with by this report, comply with the accounting standards referred to in section 211 (3c) of the companies Act, 1956.
 - e) On the basis of written representations received from the directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31,2012 from being appointed as a director in terms of section 274(1) (g) of Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 Balance Sheet, of the State of the affairs of the Company, as on 31.03.2012.
 - ii). In the case of the Profit and Loss Account, of the profit of the company for the year ended on 31.03.2012.
 - iii) In the case of the Cash Flow Statement, of the profit of the company for the year ended on 31.03.2012.

Place: Panipat
Date: 06.08.2012

For Midha Khurana Guglani & Co.
Chartered Accountants

Sd/
Partner
(R.K.Midha)

Annexure referred to in paragraph (3) of our report of even date:

1. The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets. The fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the company and the nature of its business.
2. The management has conducted physical verification of inventory at reasonable intervals. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory except for work in progress, which has been determined on the physical verification at the year end. No material discrepancies in inventory were noticed on physical verification.
3. As informed to us, the company has neither granted nor taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. Accordingly, the issue of continuing failure to correct major weakness in internal control in these areas does not apply.
5. According to the information and explanations provided by the management, there are no transactions that need to be entered into the register maintained under section 301 and exceed the value of Rupees 5.00 lacs in respect of any one party in the financial year.
6. The company has not accepted any deposits from the public within the meaning of section 58A of the companies Act, 1956 and the rules made thereunder.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. We have been informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the companies Act, 1956, in respect to the company's products.
9. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including, investor education and protection Fund, Employees State Insurance, Income-tax, Sales-Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us there are no undisputed amounts payable in respect of Income Tax, Wealth tax, Sales Tax, Custom duty and Excise duty outstanding as at 31st March'2012 for a period of more than Six Months from the date they became payable.
10. According to the records of the company, there are no dues outstanding of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Cess on account of any dispute.
11. The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current preceding financial year.
12. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to bank during the year.
13. According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to chit fund, nidhi/mutual benefit fund and societies.
15. In respect of dealing/trading in securities and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. No securities have been held by the company, at the year-end.

16. Based on the audit procedure applied by us & according to the information & explanations provided by the management, the term loans taken by the company during the year have been applied for the purpose for which the loans were obtained.
17. According to the information and explanations given to us, the company has not given any guarantee for loans taken, by others.
18. We have been informed by the management that the funds raised on short-term basis have not been used for long-term investment and vice versa.
19. The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the companies Act, 1956.
20. The company has not raised any money through a public issue during the year.
21. Based upon the audit procedure performed by us for expressing our opinion on these financial statements and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

Place: Panipat
Date: 06.08.2012

For **Midha Khurana Guglani & Co.**
Chartered Accountants

Sd/
Partner
(R.K.Midha)

M/S RIBA TEXTILES LIMITED				
BALANCE SHEET AS AT				
31-03-2012				
(IN RUPEES)				
S. N	PARTICULARS	NOTE NO.	FIGURES AS AT THE END OF 31.03.2012 PERIOD	FIGURES AS AT THE END OF 31.03.2011 PERIOD
I	EQUITY AND LIABILITIES			
1	SHAREHOLDERS FUNDS			
	(a) SHARE CAPITAL	A	89,946,010	89,946,010
	(b) RESERVES AND SURPLUS	B	253,101,886	245,323,525
	(c) MONEY REC. AGST. SHARE WARRANTS		-	-
	TOTAL(1)		343,047,896	335,269,535
2	SHARE APPLICATION MONEY PENDING ALLOTMENT		-	-
3	NON-CURRENT LIABILITIES			
	(a) LONG TERM BORROWINGS	C	38,600,650	64,182,395
	(b) DEFERRED TAX LIABILITIES (NET)		-	-
	(c) OTHER LONG-TERM LIABILITIES	D	-	-
	(d) LONG-TERM PROVISIONS	E	-	-
	TOTAL(3)		38,600,650	64,182,395
4	CURRENT LIABILITIES			
	(a) SHORT TERM BORROWINGS	F	181,767,050	155,004,418
	(b) TRADE PAYABLES		33,604,490	28,587,635
	(c) OTHER CURRENT LIABILITIES	G	1,620,000	615,000
	(d) SHORT TERM PROVISIONS	H	412,800	400,000
	TOTAL(4)		217,404,340	184,607,053
	TOTAL(1+2+3+4)		599,052,886	584,058,983
II	ASSETS			
1	NON-CURRENT ASSETS			
	(a) FIXED ASSETS			
	(i) TANGIBLE ASSETS	I	262,532,733	281,075,847
	(ii) INTANGIBLE ASSETS	J	-	-
	(iii) CAPITAL WORK-IN-PROGRESS		-	-
	(iv) INTANGIBLE ASSETS UNDER DEV.		-	-
	(b) NON-CURRENT INVESTMENTS	K	7,057,776	250,000
	(c) DEFERRED TAX ASSETS (NET)		-	-
	(d) LONG-TERM LOANS AND ADVANCES	L	9,954,772	23,472,468
	(e) OTHER NON-CURRENT ASSETS	M	-	-
	TOTAL(1)		279,545,281	304,798,315
2	CURRENT ASSETS			
	(a) CURRENT INVESTMENTS	N	-	-
	(b) INVENTORIES	O	202,487,880	201,858,550
	(c) TRADE RECEIVABLES	P	95,118,926	73,865,968
	(d) CASH AND CASH EQUIVALENTS	Q	6,928,312	3,536,150
	(e) SHORT-TERM LOANS AND ADVANCES	R	14,972,487	14,067,472
	(f) OTHER CURRENT ASSETS	S	-	-
	TOTAL(2)		319,507,605	293,328,140
	TOTAL(1+2)		599,052,886	584,058,983

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

For and behalf of the Board of Directors

As per our report of even date attached.

Sd/-
Amit Garg
Managing Director

Sd/-
Nitin Garg
Director

Sd/-
(R.K. Midha)
(017912-FCA,PARTNER)
For and on behalf of
Midha Khurana Guglani & Co.
Chartered Accountants

PLACE: PANIPAT
DATED: 06.08.2012

PART II - STATEMENT OF PROFIT AND LOSS				
M/S RIBA TEXTILES LIMITED				
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED				
31-03-2012				
(RUPEES IN)				
S. N	PARTICULARS	NOTE NO.	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
I	REVENUE FROM OPERATIONS	PL-1	- -	-
II	REVENUE FROM OPERATIONS	PL-1	689,550,252	540,445,924
III	OTHER INCOME	PL-2	3,827,771	24,785
IV	TOTAL REVENUE(I+II)		693,378,023	540,470,709
	EXPENSES:			
a	COST OF MATERIAL CONSUMED	PL-3	383,991,605	311,382,788
b	CHANGES IN INVENTORIES OF FINISHED GOODS	PL-5	(32,099,130)	(25,832,795)
c	WORK-IN-PROGRESS AND STOCK -IN-TRADE			
d	EMPLOYEE BENEFITS EXPENSES	PL-6	23,272,737	21,623,398
e	FINANCE COSTS	PL-7	30,232,101	23,318,894
f	DEPRECIATION AND AMORTIZATION EXPENSE	PL-8	21,500,954	26,930,385
	OTHER EXPENSES	PL-9	257,696,396	179,446,340
	TOTAL EXPENSES		684,594,662	536,869,010
V	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		8,783,361	3,601,699
VI	EXCEPTIONAL ITEMS	PL-10	-	-
VII	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		8,783,361	3,601,699
VIII	EXTRAORDINARY ITEMS	PL-11	-	-
IX	PROFIT BEFORE TAX (VII-VIII)		8,783,361	3,601,699
X	TAX EXPENSE			
a	CURRENT TAX		1,620,000	615,000
b	EARLIER YEARS TAX		(615,000)	15,216
c	DEFERRED TAX		-	-
XI	PROFIT(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VII-VIII)		7,778,361	2,971,483
XII	PROFIT(LOSS) FROM DISCONTINUING OPERATIONS			-
XIII	TAX EXPENSE OF DISCONTINUING OPERATIONS			-
XIV	PROFIT(LOSS) FROM DISCONTINUING OPERATIONS (AFTER TAX) (XII-XIII)		-	-
XV	PROFIT (LOSS) FOR THE PERIOD (XI+XIV)		7,778,361	2,971,483
XVI	EARNING PER EQUITY SHARE		0.86	0.33
a	BASIC			-
b	DILUTED		N.A.	N.A.

For and behalf of the Board of Directors

Sd/-
Amit Garg
Managing Director

Sd/-
Nitin Garg
Director

As per our report of even date attached.

Sd/-
(R.K. Midha)
(017912-FCA,PARTNER)
For and on behalf of
Midha Khurana Guglani & Co.
Chartered Accountants

PLACE: PANIPAT
DATED: 06.08.2012

M/S RIBA TEXTILES LIMITED

NOTES TO AND FORMING PART OF BALANCE SHEET AS AT

31-03-2012

(IN RUPEES)

NOTE NO.	S.N	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD
A		<u>SHARE CAPITAL:</u>		
		<u>(1)AUTHORISED:</u>		
		15,000000 of Equity shares of Rs 10/- each	- 150,000,000	150,000,000
		<u>(2)ISSUED & SUBSCRIBED</u>		
		9652870 of Equity shares of Rs 10/- each	96,528,700	96,528,700
		<u>(3) Paid up Capital</u>		
		8994601 Equity Shares of Rs. 10/- each	89,946,010	89,946,010
			89,946,010	89,946,010
B		<u>RESERVE & SURPLUS:</u>		
1		<u>SHARE PREMIUM</u>		
		AT THE BEGINNING OF THE ACCOUNTING PERIOD	77,861,602	77,861,602
		ADDITIONS DURING THE YEAR	-	-
		AT THE END OF THE ACCOUNTING PERIOD	77,861,602	77,861,602
2		<u>SURPLUS</u>		
		AT THE BEGINNING OF THE ACCOUNTING PERIOD	153,678,743	150,707,260
		ADDITIONS DURING THE YEAR	7,778,361	2,971,483
		(BALANCE IN STATEMENT OF PROFIT & LOSS A/C)		
		ALLOCATIONS AND APPROPRIATIONS		
		DIVIDEND	-	-
		TAX ON DIVIDEND	-	-
		BONUS SHARES ISSUED	-	-
		TRANSFER TO/FROM RESERVES	-	-
		AT THE END OF THE ACCOUNTING PERIOD	161,457,104	153,678,743
3		SHARE FORFEITURE	13,783,180	13,783,180
		GRAND TOTAL	253,101,886	245,323,525

C	<u>LONG TERM BORROWINGS</u>	-	
1	<u>SECURED TERM LOANS FROM SBI</u>	-	
	TERM LOAN –II	25,534,533	48,665,008
	TERM LOAN –III	-	1,351,168
	<u>HDFC BANK AUTO LOAN</u>	-	440,003
	AND GUARNANTED BY THE DIRECTORS OF THE CO.	-	-
	<u>SBI BANK AUTO LOAN</u>	450,000	
		25,984,533	50,456,179
2	<u>UNSECURED LONG TERM BORROWINGS:</u>		
	Directors	12,616,117	13,726,216
	FRIENDS	-	-
		12,616,117	13,726,216
	GRAND TOTAL	38,600,650	64,182,395
	<u>DEFERRED TAX LIABILITIES (NET)</u>		
	DEFERRED TAX LIABILITIES	-	-
D	<u>OTHER LONG-TERM LIABILITIES:</u>		
	SECURITY DEPOSITS FROM DISTRIBUTORS	-	-
E	<u>LONG-TERM PROVISIONS:</u>	-	-
	<u>CURRENT LIABILITIES</u>	-	
F	<u>SHORT-TERM BORROWINGS:</u>	-	
	EPC - State Bank of India	181,767,050	155,004,418
	(SECURED AGAINST HYPOTHECATION OF STOCK AND BOOK-DEBTS)		
		181,767,050	155,004,418
	<u>TRADE PAYABLES</u>		
	SUNDRY CREDITORS	32,968,526	20,230,701
	EXPENSES PAYABLES	635,964	2,976,754
	ADVANCE FROM COUSTOMERS		5,380,180
		33,604,490	28,587,635
G	<u>OTHER CURRENT LIABILITIES</u>		
1	CURRENT MATURITIES OF LONG TERM DEBTS		
2	INTEREST ACCRUED BUT NOT DUE ON BORROWINGS		
3	INTEREST ACCRUED AND DUE ON BORROWINGS		
4	CHEQUES PAYABLES	-	-
5	PROVISION & PAYABLE OF TAXES	-	-
6	CURRENT YEAR,S TAXES PAYABLE(NET OF ADVANCE TAX)	1,620,000	615,000
		-	
		1,620,000	615,000

H	<u>SHORT-TERM PROVISIONS</u>		
	(a) PROVISIONS FOR EMPLOYEE BENEFITS (b) OTHERS	412,800	400,000
		412,800	400,000
I	(a) <u>FIXED ASSETS</u>		
	(i) AS PER ANNEXURE	262,532,733	281,075,847
J	(ii) <u>INTANGIBLE ASSETS</u>		
		-	-
K	(b) <u>NON CURRENT INVESTMENT:</u>		
	SHARES OF SPORT KING INDIA LIMITED HDFC CASH MANAGEMENT	250,000 6,807,776	250,000
		7,057,776	250,000
	(c) <u>DEFERRED TAX ASSETS (NET):</u>		
		-	-
L	(d) <u>LONG TERM LOANS AND ADVANCES:</u> (UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED) SECURITY DEPOSIT	9,954,772	9,404,996
		9,954,772	23,472,468
M	(e) <u>OTHER NON-CURRENT ASSETS</u> <u>MISC . EXPENDITURE</u> (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
2	<u>CURRENT ASSETS</u>		
N	(a) <u>CURRENT INVESTMENTS</u>		
O	(b) <u>INVENTORIES:</u> (AS TAKEN, VALUED & CERTIFIED BY THE MANAGEMENT)		
	1 RAW MATERIALS;	50,824,860	72,910,000
	2 WORK IN PROCESS;	64,025,100	80,793,130
	3 FINISHED GOODS;	83,219,280	34,352,120
	4 STOCK IN TRADE (IN RESPECT OF GOODS ACQUIRED FOR TRADING);	-	-
	5 STORES, SPARES & LOOSE TOOLS;	4,418,640	13,803,300
	6 OTHERS;		-
		202,487,880	201,858,550

P	(c) <u>TRADE RECEIVABLES:</u>	-	
	(UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED)	-	
	(1)DEBTS OUTSTANDING FOR A PERIOD EXCEEDING	-	
	SIX MONTHS FROM THE DATE THEY ARE DUE	-	903,106
	(2)OTHER DEBTS	39,729,091	12,180,593
	(3) EXPORT RECEIVABLE	55,389,835	60,782,269
		95,118,926	73,865,968
Q	(d) <u>CASH & CASH EQUIVALENTS :</u>		
	(a) <u>BALANCE WITH BANKS</u>		
	<u>IN FIXED DEPOSITS</u>		
	EARMARKED BALANCES WITH BANKS	-	-
	HELD AS MARGIN MONEY AGAINST BORROWINGS, AND OTHER COMMITMENTS.	2,000,022	
	MATURITY WITH MORE THAN 12 MONTHS		-
	OTHERS		-
	<u>IN CURRENT ACCOUNTS:</u>	2,346,025	2,145,930
	(b)CASH IN HAND	2,582,265	1,390,220
		6,928,312	3,536,150
R	(e) <u>SHORT TERM LOANS & ADVANCES:</u>		
	(UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED)	-	
	ADVANCES RECOVERABLE IN CASH OR	-	
	IN KIND FOR THE VALUE TO BE RECEIVED	14,546,172	12,415,148
	(1)ADVANCE TO PARTIES	397,280	-
	(2) RECIEVABLE FROM REVENUE AUTHORITIES		
	(3)CURRENT YEARS TAXES RECOVERABLE(NET OF LIABILITY)	29,035	-
	ADVANCES TO SUPPLIERS OF RAW MATERIAL, STORES & SERVICES	-	1,652,324
		14,972,487	14,067,472

M/S RIBA TEXTILES LIMITED
NOTES TO AND FORMING PART OF BALANCE SHEET AS AT
31-03-2012

NOTE NO.	PARTICULARS	FIGURES AS AT THE END OF 31.03.2012 PERIOD	FIGURES AS AT THE END OF 31.03.2011 PERIOD
T	<u>CONTINGENT LIABILITIES AND COMMITMENTS</u> (TO THE EXTENT NOT PROVIDED FOR)		
i	<u>CONTINGENT LIABILITIES</u>		
	(a) CLAIM AGAINST THE COMPANY NOT ACNOWLEDGED AS DEBTS;	0	0
	(b) GUARANTEES;	0	0
	© OTHER MONEY FOR WHICH THE COMPANY IS CONTINGENTLY LIABLE.	0	0
ii	<u>COMMITMENTS</u>		
	(a) ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON CAPITAL ACCOUNT AND NOT PROVIDED FOR;	0	0
	(b) UNCALLED LIABILITY ON SHARES AND OTHER INVESTMENTS PARTLY PAID;	0	0
	(c) OTHER COMMITMENTS	0	0
U	<u>THE AMOUNT OF DIVIDENDS PROPOSED TO BE DISTRIBUTED TO EQUITY AND PREFERENCE SHAREHOLDERS FOR THE PERIOD</u>		
	AMOUNT PER EQUITY SHARE	0	0
V	ISSUE OF SECURITIES FOR SPECIFIC PURPOSE		
W	DETAIL OF ANY ASSETS OTHER THAN FIXED ASSETS AND NON-CURRENT INVESTMENTS WHICH DO NOT HAVE A VALUE ON REALISATION IN THE ORDINARY COURSE OF BUSINESS AT LEAST EQUAL TO THE AMOUNT AT WHICH THEY ARE STATED.		

For and behalf of the Board of Directors

Sd/-
Amit Garg
Managing Director

Sd/-
Nitin Garg
Director

PLACE: PANIPAT
DATED: 06.08.2012

As per our report of even date attached.

Sd/-
(R.K. Midha)
(017912-FCA,PARTNER)
For and on behalf of
Midha Khurana Guglani & Co.
Chartered Accountants

RIBA TEXTILES LIMITED

ADDITIONAL INFORMATION- NOTES TO AND FORMING PART OF BALANCE SHEET AS AT**31.03.2012**

NOTE NO.	PARTICULARS	FIGURES AS AT THE END OF 31.03.2012 PERIOD	FIGURES AS AT THE END OF 31.03.2011 PERIOD
A	<u>SHARE CAPITAL:</u>		
1	<u>ISSUED, SUBSCRIBED& PAID UP SHARE CAPITAL INCLUDES</u>		
	ALLOTTED AS FULLY PAID UP BY WAY OF SHARES WITHIN THE LAST FIVE YEARS		
	8994601 NO. OF EQUITY SHARES OF RS. 10 EACH	89946010	89946010
2	SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5 PER CENT SHARES.(EQUITY SHARES IN NOS. OF RS. 10 EACH)		
	AMIT GARG 908400 OF EACH RS. 10	9084000	9084000
	NITIN GARG 724484 OF EACH RS. 10	7244840	6700120
	ASHA GARG 1461493 OF EACH RS. 10	14614930	14614930
	BHAWANA GARG 489400 OF EACH RS. 10	4894000	4894000
	RAVI PROMOTORS		
	PVT LTD 700000 OF EACH RS. 10	7000000	7000000
	XXXXXX	0	0
		42837770	42293050
C	<u>LONG TERM BORROWINGS</u>		
1	TERM LOAN -II OF STATE BANK OF INDIA IS SECURED AGAINST PLANT AND MACHINERY. COMPANY'S IMMOVABLE PROPERTIES FORM PART OF THE COLLECTERAL SECURITY AND THE DIRECTORS HAS GIVEN THEIR PERSONAL GUARANTEE FOR THE SAME.	25,534,533	48,665,008
	TERM LOAN -III OF STATE BANK OF INDIA		1,351,168
2	TERM LOAN FACILITIES AVAILED FROM SBI IS SECURED AGAINST CAR AND DIRECTORS HAS GIVEN THEIR PERSONAL GUARANTEE FOR THE SAME.	450,000	440003
3	LOANS FROM DIRECTORS & FRIENDS	12616117	13726216
C	<u>SHORT-TERM BORROWINGS:</u>		
1	CASH CREDIT FACILITIES AVAILED FROM EPC -STATE BANK OF INDIA IS SECURED AGAINST HYPOTHECATION OF INVENTORIES AND BOOK-DEBTS. COMPANY'S IMMOVABLE PROPERTIES FORM PART OF THE COLLECTERAL SECURITY AND THE DIRECTORS HAS GIVEN THEIR PERSONAL GUARANTEE FOR THE SAME. LOAN IS REPAYABLE ON DEMAND.	181767050	155004418

M/S RIBA TEXTILES LIMITED

NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED**31-03-2012**

NOTE NO.	PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
PL-1	<u>REVENUE FROM OPERATIONS</u>		
a	SALE OF PRODUCTS	689,550,252	512,176,387
b	SALE OF SERVICES		
c	OTHER OPERATING REVENUES		28,269,537
		689,550,252	540,445,924
d	LESS: EXCISE DUTY	-	-
	NET REVENUE FROM OPERATIONS	689,550,252	540,445,924
PL-2	<u>OTHER INCOME:</u>		
	Dividend Received	2,776	-
	Insurance claim	3,078,984	-
	Interest	79,499	24,785
	Job work	666,512	-
		3,827,771	24,785
PL-3	<u>COST OF MATERIALS CONSUMED:</u>		
	PURCHASES RAW-MATERIALS AND PACKING MATERIALS	361,906,465	330,339,168
	ADD: OPENING BALANCE OF STOCK	72,910,000	53,953,620
		434,816,465	384,292,788
	LESS: CLOSING BALANCE OF STOCK	50,824,860	72,910,000
	CONSUMPTION OF MATERIALS	383,991,605	311,382,788
PL-4	PURCHASES OF TRADED GOODS	-	-
		-	-
	TOTAL PURCHASES	383,991,605	311,382,788
PL-5	<u>CHANGES IN INVENTORIES</u>		
	<u>FINISHED GOODS</u>		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	34,352,120	37,528,185
	AT THE END OF THE ACCOUNTING PERIOD	83,219,280	34,352,120
		(48,867,160)	3,176,065

<u>WORK-IN-PROGRESS</u>		
AT THE BEGINNING OF THE ACCOUNTING PERIOD	80,793,130	51,784,270
AT THE END OF THE ACCOUNTING PERIOD	64,025,100	80,793,130
	16,768,030	(29,008,860)
GRAND TOTAL	(32,099,130)	(25,832,795)
PL-6 <u>EMPLOYEE BENEFITS EXPENSE</u>		
<u>SALARY AND WAGES</u>		
FACTORY SALARY AND WAGES	15,064,642	19,093,144
OFFICE STAFF SALARY	5,924,292	-
MARKETING STAFF SALARY & INCENTIVES	-	-
DIRECTOR,S REMUNERATIONS	1,746,360	1,530,000
<u>CONTRIBUTION TO PROVIDENT AND OTHER FUNDS</u>		
CONTRIBUTION TO PROVIDENT FUND	36,798	47,217
CONTRIBUTION TO EMPLOEES STATE INS.FUND	-	-
CONTRIBUTION TO OTHER FUNDS	-	-
<u>OTHER EXPENSES</u>		
LABOUR WELFARE CONTRIBUTION	8,345	137,502
BONUS	412,800	513,300
GRATUITY	79,500	302,235
	23,272,737	21,623,398
PL-7 <u>FINANCIAL COSTS:</u>		
a <u>INTEREST EXPENSE</u>		
INTEREST TO BANK	27,968,446	18,760,144
INTEREST TO OTHERS	-	88,924
INTEREST TO BANK ON VEHICLE LOAN	29,198	-
INTEREST ON TDS & OTHER TAXES	878	-
b BANK CHARGES	2,233,579	4,469,826
c APPLICABLE NET GAIN/LOSS ON FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS	-	-
	30,232,101	23,318,894
PL-8 <u>DEPRECIATION AND AMORTZATION EXPNSE:</u>		
DEPRECIATION	21,500,954	26,930,385
PRELIMINARY & PRE-OPERATIVE EXP.WRITTEN OFF	-	-
	21,500,954	26,930,385

PL-9

OTHER EXPENSES:

A **MANUFACTURING EXPENSE :**

COST OF MATERIALS CONSUMED:

PURCHASES STORES AND PACKING MATERIALS	94,583,606	125,076,094
ADD: OPENING BALANCE OF STOCK	13,803,300	8,317,135
	108,386,906	133,393,229
LESS: CLOSING BALANCE OF STOCK	4,418,640	13,803,300
CONSUMPTION OF MATERIALS	103,968,266	119,589,929
Electric repair	231,068	-
Electricity & Diesel Exp.	28,258,791	20,462,141
Freight Inward	-	3,236,399
Gen. Repair & Oil	1,534,459	2,805,262
Import Exp./Custom duty	407,814	229,113
Job Work	2,295,342	2,925,045
	136,695,740	149,247,889

B **ADMINISTRATIVE EXPENSE**

Administrative Charges	65,357	35,000
Audit & legal Exp.	48,000	24,000
Car Petrol & Repair	561,705	-
Computer Repair & Maint.	354,402	119,450
Consultation Charges	270,464	231,690
Office Equip. Repair Maintains	151,261	-
Entertainment Exp.	6,122	-
Festival Exp.	149,872	-
General Exp.	182,804	174,214
Insurance	561,184	378,815
Local Conveyance	18,211	-
News Paper A/c	49,094	86,757
Postage & Courier	819,078	928,762
Printing & Stationery Exp.	119,146	81,808
Repair & Maint.(Building)	535,144	
Rent A/c	630,000	-
Security Service exp	608,484	486,476
Staff Exp.	122,514	-
Taxes & Fees	533,721	1,415,204
Telephone exp.	467,311	381,241
Vehicle running & Repair Exp.	470,166	412,644
	6,724,040	4,756,061

SELLING & DISTRIBUTION EXPENSE

ADVERTISEMENT EXPS.	3,605,995	1,852,647
DISCOUNT & REBATE	12,649,022	9,407,404
FREIGHT & CARTAGE(OUTWARD),Clearing Exp.	16,919,031	11,652,529
DR./CR. W/O	326	-
SALE PROMOTION	435,943	443,206
TRAVELLING EXPENSES	1,801,793	1,382,837
INSPECTION CHARGES	1,864,506	703,767
	37,276,616	25,442,390
GRAND TOTAL	180,696,396	179,446,340

M/S RIBA TEXTILES LIMITED
ADDITIONAL INFORMATIONS TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR
ENDED
31-03-2012

NOTE NO.	PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
A	<u>PAYMENT TO THE AUDITORS AS</u>		
	AUDITOR	30,000	18,000
	FOR TAXATION MATTERS	12,000	-
	FOR COMPANY LAW MATTERS	-	-
	FOR MANAGEMENT SERVICES	-	-
	FOR OTHER SERVICES	-	-
	FOR REIMBURSEMENT OF EXPENSES	6,000	6,000
	TOTAL	48,000	24,000
B	VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF		
I	RAW MATERIALS;	-	3,456,580
II	COMPONENRTS AND SPARE PARTS;	1,694,337	7,141,250
III	CAPITAL GOODS;	-	-
	TOTAL	1,694,337	10,597,830
B	EXPENDITURE IN FOREIGN CURRENCY DURING THE		

	FINANCIAL YEAR ON ACCOUNT OF		
	ROYALTY	-	-
	KNOWHOW	-	-
	PROFESSIONAL AND CONSULTATION FEES	-	-
	COMMISSION	9,723,109	5,415,684
	INTEREST	-	-
	FOREIGN TREVELLING	1,290,742	785,680
	FEES AND TAXES	-	-
	TOTAL	11,013,851	6,201,364
D	BREAK UP OF CONSUMPTION		
I	<u>RAW MATERIALS;</u>		
	TOTAL CONSUMPTION	383,991,605	311,382,788
	INDIGENOUS		
	VALUE	383,991,605	307,926,208
	% OF TOTAL	100	99
	IMPORTED		3,456,580
	VALUE	-	3,456,580
	% OF TOTAL	-	1
II	SPARE PARTS AND COMPONENTS		
	TOTAL CONSUMPTION	103,968,266	119,589,929
	INDIGENOUS	102,273,929	112,448,679
	VALUE	102,273,929	112,448,679
	% OF TOTAL	98	94
	IMPORTED	1,694,337	7,141,250
	VALUE	1,694,337	7,141,250
	% OF TOTAL	2	6
E	THE AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCIES ON ACCOUNT OF DIVIDENDS		
F	EARNING IN FOREIGN EXCHANGE		
I	EXPORT OF GOODS ON FOB BASIS;	644476811	512176387
II	ROYALTY,KNOWHOW,PROFESSIONAL AND CONSULTANCY FEES;	-	-
III	INTEREST AND DIVIDENDS;	-	-
IV		-	-
	TOTAL	644476811	512176387

		GROSS BLOCK			DEPRECIATION			NET BLOCK		(Amount in Rs.)
	As at April 1, 2011	Additions during the year	Sale/Adj. during the year	As at March 31, 2012	As at April 1, 2011	For The Year	Sale/Adj. during the year	As at March 31, 2012	As at March 31, 2011	
FIXED ASSETS										
Land	2,084,130			2,084,130	-	-	-	-	2,084,130	2,084,130
Building	23,459,952			23,459,952	7,541,213	783,562	-	8,324,775	15,135,177	15,918,739
Plant & Machinery	452,253,056	-	-	452,253,056	195,211,777	19,691,852	-	214,903,629	237,349,427	257,041,279
Office equipments	3,533,310	119,000		3,652,310	1,394,326	225,227	-	1,619,553	2,032,757	2,138,984
Computers	534,306	80,400		614,706	218,752	87,738	-	306,490	308,216	315,554
Furniture & Fixtures	614,293			614,293	268,803	38,885	-	307,688	306,605	345,490
Vehicles	5,425,621	2,758,440		8,184,061	2,260,234	611,386	-	2,871,620	5,312,441	3,165,387
Misc. Assets	984,276	-		984,276	917,992	62,305	-	980,297	3,979	66,284
ETP	719,120	-		719,120	719,120		-	719,120	-	-
	<u>489,608,064</u>	<u>2,957,840</u>	<u>-</u>	<u>492,565,904</u>	<u>208,532,217</u>	<u>21,500,954</u>	<u>-</u>	<u>230,033,171</u>	<u>262,532,733</u>	<u>281,075,847</u>
Previous period		4,787,378	8,468,256	489,608,064		26,930,385	719,120	208,532,217		281,075,847

Additional information pursuant to the provisions of paragraph 3 & 4 of Part II of Schedule VI of the Companies Act, 1956 as follows:

A. Quantitative Data for the Manufacture of Terry Towel

(Quantity in MTS)

Licensed		Installed		Production	
Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
N.A	N.A	3230	3230	2086.06	2393.04

B. Raw Material Consumed

Particulars	Current Year		Previous year	
	Quantity (Mts.)	Value (Rs. in lacs)	Quantity (Mts.)	Value (Rs. in lacs)
Yarn	3950.65	3939.91	3950.65	3113.83

C. Stocks & Turn over Finished Goods

<u>Opening Stock</u>				<u>Sale</u>				<u>Closing Stock</u>			
Current Year		Previous year		Current Year		Previous year		Current Year		Previous year	
Quantity (Mts.)	Value (Rs. in lacs)	Quantity (Mts.)	Value (Rs. in lacs)	Quantity (Mts.)	Value (Rs. in lacs)	Quantity (Mts.)	Value (Rs. in lacs)	Quantity (Mts.)	Value (Rs. in lacs)	Quantity (Mts.)	Value (Rs. in lacs)
99.86	343.52	256.355	517.84	1890.90	6895..50	1488.88	5121.76	284.61	832.19	99.86	343.52

D. Note

1. During the year due to fire, stock of 10.41 M.T. valuing Rs 43.08 Lac was destroyed in fire.

For and behalf of the Board of Directors

Sd/-
Amit Garg
Managing Director

Sd/-
Nitin Garg
Director

As per our report of even date attached.

Sd/-
(R.K. Midha)
(017912-FCA,PARTNER)
For and on behalf of
Midha Khurana Guglani & Co.
Chartered Accountants

PLACE: PANIPAT
DATED: 06.08.2012

Statement pursuant to Part IV of Schedule VI to the Companies Act, 1956
Balance Sheet Abstract and Company's General Business Profile

I Registration Details

Registration No :	55-34528	State Code:	05
Balance Sheet Date:	31/03/2012		

II Capital Raised During The Year (Amount in Rs. Thousands)

Public Issue	9941.31	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

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

Total Liabilities	599052.89	Total Assets	599052.89
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Sources of Funds

Paid-Up Capital	89946.01	Reserves & Surplus	253101.89
Secured Loans	25984.53	Unsecured Loans	12616.12

Application of Funds

Net Fixed Assets	262532.73	Investments	7057.78
Net Current Assets	102103.27	Miscellaneous Expenditure	NIL
Accumulated Losses	NIL		

IV Performance of Company (Amount in Rs. Thousands)

Turnover (Sales and other income)	393378.02	Total Expenditure	684594.66
Profit Before Tax	8783.36	Profit After Tax	7778.36
Earnings Per Share ¹ - Basic Rs.	0.86	Dividend Rate %	NIL
Earnings Per Share – Diluted Rs.	N.A		

**V Generic names of principal products/services of the Company
(As per monetary Terms)**

Item Code No. (ITC Code)	Product Description
6302	Terry Towel

Place: Panipat
Date: 06.08.2012

For and on behalf of the Board

Sd/-
(Amit Garg)
Managing Director

CASH FLOW STATEMENT

	2011-12 INR	2010-11 INR
A. CASH FLOW FROM OPERATING ACTIVITIES		
- Net profit before Tax, interest and extraordinary items	39015462	26920593
Adjustment for depreciation	21500954	26930385
Other income	(3827771)	(28294322)
Operating profit before working capital changes	56688645	25556656
	-	
Adjustment in sundry debtors	21252958	12952398
Adjustment in Inventories	(629330)	-50275340
Adjustment in Loan and Advances	(905015)	-7446328
Adjustments in Current Liabilities & provisions	32797287	882862
Cash generated from operations	66698629	-18329752
- Income Tax Paid	(1005000)	(630216)
Cash flow from extraordinary items	65693629	-18959968
Extraordinary items	0	0
<u>Net cash from operating activities</u>	65693629	-18959968
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed Assets	(2957840)	(4787378)
Increase in Investments	(6807776)	
Increase in Capital Advances	-549776	
Proceeds from sale of Fixed Assets		8468256
Other Income	3827771	28294322
<u>Net Cash from Investing activities</u>	-6487621	31975200
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	0	0
Increase in Share Premium	0	0
Repayment of Secured Loans	(24471646)	(531922)
Repayment of Unsecured Loans	-1110099	8707545
Interest Paid	(30232101)	(23318894)
<u>Net cash from financing activities</u>	(55813846)	(15143271)
Net increase/(decrease) in cash & cash activities (A)+(B)+(C)	3392162	(2128039)
Cash & cash equivalent opening balance	3536150	5664189
Cash & cash equivalent closing balance	6928312	3536150

Note:- Cash & Cash equivalents represents cash and bank balances

For and on behalf of the Board of
Directors

Place: - Panipat

Date: - 06.08.2012

Sd/-

(Amit Garg)

Managing Director

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as stated in AS-3 in Cash Flow Statement.

CORPORATE GOVERNANCE REPORT

Good Corporate Governance refers to a system that entails transparency, fairness, accountability and integrity. The Company is committed to transparency in all its dealings and places uncompromising emphasis on integrity and regulatory compliance.

The basic philosophy of corporate governance in the Company is to achieve business excellence and enhance shareholder value, keeping in view the needs and interests of its stakeholders.

1. Board of Directors

The Board of Directors comprises of Two Executive Directors, one of them being the Managing Director. The Board consist Three Non-Executive Directors out of which two are Independent Directors.

The Company placed before the Board the annual operating plans, details various information those specified under Annexure 1 of the Listing Agreement, from time to time.

The composition of the Board of Directors as at 31.03.2012 is as under:

Name	Category
Shri Amit Garg	Managing Director
Shri Nitin Garg	Whole Time Executive Director
Shri Ravinder Garg	Non-Executive Director
Shri Shailender Sharma	Non-Executive, Independent Director (died)
Shri Rakesh Handa	Non-Executive, Independent Director
Shri P.S. Paliwal	Non-Executive, Independent Director

Notes:

- a) None of the Directors of your Company is a member of more than 10 Committees or is the Chairman of more than five Committees across all the Public Companies in which they are Directors.

2. BOARD MEETINGS

The Board of Directors meeting 14 times during the year under review as against the minimum requirement of 4 times. The dates of meetings, place of meetings and the number of directors present therein are mentioned below:

S.No.	Date of the Board Meetings	City	No. of Directors	Attendance
1.	22 nd April' 2011	Panipat	5	5
2.	29 th April' 2011	Panipat	5	5
3	1 st August' 2011	Panipat	5	5
4	5 th August' 2011	Panipat	5	5
5	19 th September' 2011	Panipat	5	5
6	30 th September' 2011	Panipat	5	5
7	8 th October' 2011	Panipat	5	5
8	2 nd November' 2011	Panipat	5	5
9	28 th November' 2011	Panipat	5	5
10	29 th December' 2011	Panipat	5	5
11	3 rd Febuary' 2012	Panipat	5	5
12	10 th Febuary' 2012	Panipat	5	4
13	6 th March' 2012	Panipat	5	4
14	30 th March' 2012	Panipat	5	4

The Attendance record of the Directors at the Board Meetings held during the year under review and the last Annual General Meeting is as under:

Name Of the Directors	Number of Board Meetings held while holding the Office	Number of Board Meetings attended while holding the office	Attendance at the Last AGM held on 30.9.2011
Shri Amit Garg	14	14	Yes
Shri Nitin Garg	14	14	Yes
Shri Ravinder Garg	14	14	Yes
Shri Shailendra Sharma	14	11	Yes
Shri Rakesh Handa	14	14	Yes
Shri P.S. Paliwal	-	-	No

* Mr. P.S. Paliwal was appointed as Additional Director w.e.f. 06.02.2012 and Mr. Shailender Sharma (Died) w.e.f. 06.02.2012.

OTHER DIRECTORSHIP ETC.

None of the Directors of your company held any Directorship, Committee membership and Chairmanship in any Other Company.

3. AUDIT COMMITTEE

Composition:

The Audit Committee comprises of Shri Rakesh Handa, and Shri Shailender Sharma all being Independent Non-Executive Directors. Shri Rakesh Handa was appointed as the chairman of the Audit Committee. Mr. R. Kumar acts as Secretary to the Committee. During the year under review Audit Committee had meet four times namely on the dates i.e. 29.04.2011, 05.08.2011, 02.11.2011, 03.02.2012.

Terms of Reference:

The terms of reference of the audit committee are as per the guidelines set out in the listing agreement with stock exchanges read with the provisions of section 292A of the Companies Act, 1956. These broadly include reviewing internal control systems, financial reporting systems, ensuring compliance with regulatory guidelines, reviewing quarterly/annual financial results and financial statements, interaction with statutory and internal auditors etc.

Role and Powers of Audit Committee:

The audit committee derives its powers and assumes its role according to the instructions provided to it by the Board, coverage and emphasized in clause 49 of the listing agreement.

Meeting and attendance:

The Constitution of the Committee and the attendance of each member of the Committee is given below:

Name of the Member	No. of Meetings	
	Held	Attended
Shri Shailendra Sharma*(Died)	4	4
Shri Rakesh Handa*	4	4
Shri P.S. Paliwal	--	--

* Mr. P.S. Paliwal was appointed as Additional Director w.e.f. 06.02.2012 and Mr. Shailender Sharma (Died) w.e.f. 06.02.2012.

4. Shareholders'/Investors' Grievance Committee

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the Company is required to have an Investors' Grievance Committee. Hence the Share Transfer Committee of the Company has been reconstituted as Shareholders' Grievance Committee.

The Investors' Grievance Committee shall have the following role, functions and responsibilities:

To look into and supervise the redressal of shareholders'/Investors' Complaints.

- (ii) To oversee the performance of the Registrars and Share Transfer Agents and recommend measures for overall improvement of the quality of investor services.

To consider and approve transfer of shares, transmission of shares, dematerialisation of shares, transposition of shares, issuance of duplicate share, deletion of names, splitting and consolidation of shares, etc.

The Committee was reconstituted and consists of the following Directors:

1. Shri Ravinder Garg
2. Shri Shailender Sharma(Died)
3. Shri Rakesh Handa
4. Shri P.S. Paliwal

Meeting and attendance:

The Constitution of the Committee and the attendance of each member of the Committee is given below:

Name of the Member	No. of Meeting	
	Held	Attended
Shri Ravinder Garg	4	4
Shri Shailender Sharma	4	4
Shri Rakesh Handa *	4	4
Shri P.S. Paliwal	--	--

* Mr. P.S. Paliwal was appointed as Additional Director w.e.f. 06.02.2012 and Mr. Shailender Sharma (Died) w.e.f. 06.02.2012.

Role and Powers of Shareholders'/Investors' Grievance Committee:

The Investors' Grievance Committee shall have the following role, functions and responsibilities:

- (i) To look into and supervise the redressal of shareholders'/Investors' Complaints.
- (ii) To oversee the performance of the Registrars and Share Transfer Agents and recommend measures for overall improvement of the quality of investor services.
- (iii) To consider and approve transfer of shares, transmission of shares, dematerialization of shares, transposition of shares, issuance of duplicate share, deletion of names, splitting and consolidation of shares, etc.

Compliance Officer: Shri Amit Garg (Managing Director)

5. REMUNERATION COMMITTEE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges and as per the amendments introduced by Schedule XIII of the Companies Act 1956, the Remuneration Committee of the Company comprises of Two Independent Non-Executive Director namely Shri Rakesh Handa and Shri P.S. Paliwal and One Non executive director namely Shri Ravinder Garg and One executive director Shri Nitin Garg, Whole-Time Director of the company.

The terms of reference of the Remuneration Committee consists of the Following:

- a. To institute and guide employee compensation and benefit policies.
- b. To determine and recommend to Board, compensation payable to Executive Director
- c. To formulate & administer the Company's Employee Stock Option Programs from time to time.

Meeting and attendance:

The Constitution of the Committee and the attendance of each member of the Committee is given below:

Name of the Member	No. of Meetings	
	Held	Attended
Shri Shailender Sharma (Died)	4	4
Shri Rakesh Handa*	4	4
Shri Ravinder Garg	4	4
Shri Nitin Garg	4	4
Shri P.S. Paliwal	--	--

* Mr. P.S. Paliwal was appointed as Additional Director w.e.f. 06.02.2012 and Mr. Shailender Sharma (Died) w.e.f. 06.02.2012.

Remuneration of Directors for the year ended March 31, 2012

The company has paid following remuneration to the directors during the year.

Name & Designation	Salary	Benefits, Perks, Allowances	Commission	Contribution to Provident Fund	Term upto
Shri Rakesh Handa Non-Independent Director	-	-	-	-	-
Shri Shailender Sharma Non-Independent Director	-	-	-	-	-
Shri P.S. Paliwal Non-Independent Director	-	-	-	-	-
Shri Amit Garg Managing Director	360000	-	150000	-	510000
Shri Nitin Garg Whole-Time Executive Director	360000	-	150000	-	510000
Shri Ravinder Garg Non-Executive Director	360000	-	150000	-	510000

Remuneration of Directors for the year ended March 31, 2012

The company has paid following remuneration to the directors during the year.

Shri Amit Garg	Manager Director	Rs. 510000/-
Shri Nitin Garg	Whole time Director	Rs. 510000/-
Shri Ravinder Garg	Non Executive Director	Rs. 510000/-

6. GENERAL BODY MEETINGS

Location and time for last three Annual General Meetings were:

Nature of Meeting	Date and Time	Venue
Twenty first Annual General Meeting	September 29, 2009 At 11.00 A.M.	DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi – 110019
Twenty second Annual General Meeting	September 30, 2010 At 11.00 A.M.	DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi – 110019
Twenty Third Annual General Meeting	September 30, 2011 At 11.00 A.M.	DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi – 110019

No resolution was passed by way of Postal Ballot last year.

7. DISCLOSURES

- (i) There are no materially significant transactions with the related parties' viz. Promoters, Directors or the management, their subsidiaries or relatives conflicting with Company's interest. Suitable disclosures as required by the Accounting Standards (AS18) have been made in the Annual Report.
- (ii) There were no penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

8. Means of Communication

- The Company communicates with the shareholders at large through its Annual report and publication of financial results.
- The Board of Directors of the Company approves and takes on record the Un-audited financial results in the Performa prescribed by the stock exchanges within one month of the close of the quarter and the results are announced to all the stock exchanges where the shares of the company are listed. Further the highlights of the quarterly results in the prescribed Performa are published in the leading newspapers namely Business standard having circulation all over India.
- The Management Discussion and Analysis (MD&A) is a part of the annual report.

9. GENERAL SHAREHOLDER'S INFORMATION

a) Annual General Meeting

- **Date and Time:** 29th September, 2012 at 11.00 A.M.
- **Venue:** DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi – 110019.

b) Financial Calendar: 2012-2013 (Tentative)

The Company follows financial year of April to March.

Financial reporting for

- **Quarter ending June 30, 2012** : End of July 2012
- **Half year ending September 30, 2012** : End of October 2012
- **Quarter ending December 31, 2012** : End of January 2013
- **Quarter ending March 31, 2013** : End of April 2013
- **Year ending March 31, 2013** : End of July 2013

- c) **Date of Book Closure/Record Date** : **22.09.12 to 29.09.12**
(Both days inclusive)

- d) **Registered Office** : DD-14, Nehru Enclave,
Opp. Kalka Ji Post Office, New
Delhi – 110019.

- e) **Dividend Payment Date** : Not Applicable as the
Board has not proposed
Any dividend

- f) **Listing of Equity Shares on Stock Exchanges**
The Stock Exchange Mumbai,
- Bombay Stock Exchange Ltd.**
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai – 400001

Listing Fees for the Mumbai Stock Exchange has been paid as per the Listing Agreements.

- g) **Stock Code**
-Bombay Stock Exchange, Mumbai : 531952

- h) **Demat ISIN Numbers in NSDL & CDSL :**

Company ISIN Number in NSDL & CSNL for Demat of Equity Shares is **INE811H01017**.

- i) **Registrar & Share Transfer Agents**

M/s BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.

3rd Floor, 99 Madangir Behind Local Shopping Center, Near Dada Harsukhdas Mandir, New Delhi – 110 062

PH: 29961281, 29961282

Fax: 29961284.

Email: beetal@beetalfinancial.com, beetalrta@gmail.com

- J) **Share Transfer System**

Shares sent for transfer in physical form are registered and returned by our Registrars in about 15 to 20 days of receipt of the documents, provided the documents are found in order.

- k) **Market Price Data**

Trading of shares in market started again from October, 2011.

Month	Value (In Rupee)		Volumes
	High	Low	
October	20.00	14.15	2,81,765
November	20.00	14.60	2,32,530
December	20.70	14.00	3,99,865
January 2012	20.60	16.20	1,12,744
February 2012	23.40	19.00	2,59,657
March 2012	26.50	17.05	17,32,487

- l) **Distribution of Shareholding** and Shareholding pattern

Shareholding Pattern

Shareholding pattern as on 31.3.2012 is given below

Category	No. of Shares	%
Promoters	4975038	55.31
Financial Institutions	00.00	00.00
Body Corporate	1299115	14.44
Indian Public	2236956	24.87
NRI's	483492	05.38

Distribution of Shareholding as on 31.3.2012 is given below

Share Holding of Nominal Value of	No. of Shareholders	Share Amount
Up to 5000	685	1095360
5001-10000	141	1216440
10001-20000	77	1299790
20001-30000	43	1171290
30001-40000	11	387060
40001-50000	23	1104080
50001-100000	46	3771920
100001 and above	69	79900070
Total	1095	89946010

m) Liquidity

Shares of Riba Textiles limited are listed on the Mumbai.

n) Dematerialization of Shares

Company Shares are eligible for dematerialization.

o) Outstanding GDRs/ADRs/Warrants or any other convertible instruments

Company does not have any GDRs/ADRs/Warrants or any other Convertible Instruments.

p) Plant Location

RIBA TEXTILES LTD. VILLAGE CHIDANA, THESIL GOHANA, DIST.SONEPAT HARYANA

q) Address for Correspondence

Mr. Amit Garg Managing Director.

Riba Textiles Limited
DD-14, Nehru Enclave,
Opp. Kalkaji Post Office, New Delhi – 110 019.

PH: +91 11 26213012, 26236986

Fax: + 91 11-26465227

Email: riba@ribatextiles.com

9. Auditors' Certificate is enclosed alongwith the Annual Report.

For and on behalf of the Board of Directors of
RIBA TEXTILES LIMITED

Sd/-
(RAVINDER GARG)
Chairman/Director

Place: Panipat
Date: 06.08.2012

C E R T I F I C A T E

To
The Members of RIBA TEXTILES LIMITED.

We have examined the compliance of conditions of corporate governance by M/s. RIBA TEXTILES LIMITED. for the year ended on 31.03.2012, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mention Listing Agreement.

We state that no grievance(s) is pending against the company as per the records maintained by the Company.

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

For MIDHA KHURANA GUGLANI & CO.
Chartered Accountants

Place: PANIPAT
Date: 06.08.2012

Sd/-
(R.K.MIDHA)
Partner

PROXY FORM
RIBA TEXTILES LIMITED

Regd. Office: DD-14, NEHRU ENCLAVE, OPP. KALKAJI POST OFFICE, NEW DELHI

I/Weof

In the district ofbeing

of a Member/Members of Riba Textiles Limited hereby appoint

In the district ofor falling him / her

.....of

.....in the district of

as my / our proxy to vote for me / us on my / our behalf at the ANNUAL GENERAL MEETING of the members of the company to be held on 29th September, 2012 at 11.00 A.M. and any adjournment thereof.

Send the Day of2012.

Signature.....

Address.....

Folio No.

Affix Revenue Stamp of 1/- Rupee

Notes:

1. A member entitled to attach and vote in entitled to appoint a proxy to attend and vote on poll instead of himself / herself.
2. The proxy form duly signed across Revenue Stamp of Rs.1.00 should reach the Company's Registered Office not less than 48 hours before the time for holding the aforesaid Meeting. The proxy need not be a Member of the Company.

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ATTENDENCE SLIP

(To be handed over at the entrance of the Meeting Hall)

24nd ANNUAL GENERAL MEETING

29Th September, 2012

I/We hereby record my / our presence at the 24nd Annual General Meeting of the Company held on Saturday, 29Th September, 2012 at DD-14, NEHRU ENCLAVE, OPP. KALKAJI POST OFFICE, NEW DELHI.

Name of the Shareholder / Proxy

L.F.

Address

No. of Shares held

Strike out whichever is not applicable.....

Signature of the Shareholder / Proxy