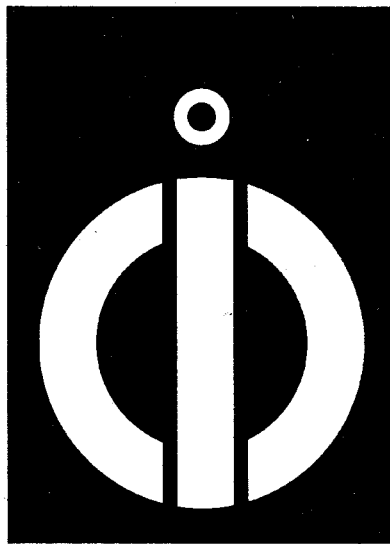


Omnitex Industries (India) Limited



23rd ANNUAL REPORT 2008-2009



Omnitex Industries (India) Limited

Board of Directors

Mr. Vivek M. Jalan
Mr. Amit R. Dalmia
Mr. Deepak Advani

Auditors

J. G. Verma & Co.,
Chartered Accountants

**Registrars &
Transfer Agents**

Adroit Corporate Services Pvt. Ltd.
19, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road,
Marol Naka,
Mumbai - 400 059.

Registered Office

317, Tantia Jogani Industrial Premises,
3rd Floor, J. R. Boricha Marg,
Lower Parel, Mumbai - 400 011.

Works

Plot No. 126,
Piparia Industrial Estate,
Silvassa - 396 230.

23rd Annual General Meeting

Date : September 24, 2009

Day : Thursday

Time : 10.00 a.m.

Venue : Omnitex Industries (I) Ltd.
317, Tantia Jogani Indl. Premises,
3rd Floor, J. R. Boricha Marg,
Lower Parel, Mumbai - 400 011.

Members are requested to bring their copies of the Annual Report to the Annual General Meeting

NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the Members of Omnitex Industries (India) Limited, will be held on Thursday, September 24, 2009, at 10.00 a.m., at the Registered Office of the Company at 317, TANTIA JOGANI INDUSTRIAL PREMISES, 3RD FLOOR, J. R. BORICHA MARG, LOWER PAREL, MUMBAI 400 011, to transact the following business:

Ordinary Business

1. To receive, consider, and adopt the Audited Balance Sheet as at March 31, 2009 and the Profit and Loss Account for the year ended on that date, and Reports of the Directors and Auditors thereon.
2. To appoint Mr. Deepak Advani as a Director of the Company, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint auditors for the current year and fix their remuneration.

Special Business

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

"RESOLVED THAT in accordance with the provisions of section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof Mr. Amit R. Dalmia, who was appointed as an Additional Director pursuant to the provisions of section 260 of the Companies Act, 1956 and who holds office up-to the date of this Annual General Meeting be and is hereby appointed as the Director of the Company subject to retirement by rotation under the provisions of the Articles of the Company."

By Order of the Board,

Place : Mumbai
Date : August 11, 2009

VIVEK M. JALAN
Director

Registered Office :

317, Tania Jogani Industrial Premises,
3rd Floor, J. R. Boricha Marg,
Lower Parel, Mumbai - 400 011.

Notes:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The relevant Explanatory Statement as required under section 173(2) of The Companies Act, 1956 in respect of item No. 4 of the Notice set out above is annexed herewith.
3. The instrument appointing a Proxy should be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
4. The Register of Members and Share transfer Books of the Company will remain closed from September 22, 2009 to September 24, 2009 (both days inclusive)
5. Members / proxies should bring the attendance slip duly filled in for attending the meeting.
6. Members are requested to intimate the change of address, if any to the Registrar and Share Transfer Agents M/s. Adroit Corporate Services Pvt Ltd, 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Mumbai - 400 059.
7. Members desiring any information with regard to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
8. The Members who wish to take advantage of the nomination facility, can obtain the prescribed nomination



form, from the Company's Registrar and Transfer Agent.

9. Appointment of Directors: At the ensuing Annual General Meeting Mr Amit R. Dalmia seeks appointment as Director. The details pertaining to him required to be provided pursuant to clause 49 of the Listing Agreement are furnished in the Statement on Corporate Governance published elsewhere in this Report.
10. Brief resume of Mr. Deepak Advani and Mr. Amit R. Dalmia is given in the Corporate Governance Report (Refer Item 12 of the report).

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956

Item No 4

The Board of Directors of the Company has appointed Mr Amit R. Dalmia, as additional Director, pursuant to the provisions of section 260 of the Companies Act, 1956 with effect from June 29, 2009.

In terms of the provisions of Section 260 of the Act, Mr Amit R. Dalmia would hold the office up-to the date of this Annual General Meeting of the Company.

The Company has received a Notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Amit R. Dalmia for the Office of Director of the Company under the provisions of Section 257 of the Act.

The Board commends the resolution for your approval

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

By Order of the Board,

Place : Mumbai
Date : August 11, 2009

VIVEK M. JALAN
Director

Registered Office :

317, Tantia Jogani Industrial Premises,
3rd Floor, J. R. Boricha Marg,
Lower Parel, Mumbai - 400 011.

DIRECTORS' REPORT**To The Members,**

Your Directors have pleasure in presenting the 23rd Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2009.

1. FINANCIAL RESULTS

	2008-2009 (Rs. in Lacs)	2007-2008 (Rs. in Lacs)
Profit before Financial Charges, Depreciation and Taxes	131.78	14.38
Less Financial Charges	0.32	0.39
Depreciation	4.58	5.34
Current Tax	6.63	NIL
Fringe benefit Tax	0.02	0.05
MAT Credit Entitlement	(6.63)	NIL
Net Profit after depreciation and tax	126.86	8.60
ADD: LOSS brought down from earlier year	(322.34)	(330.94)
Balance (Loss) carried to Balance Sheet	(195.48)	(322.34)

2. DIVIDEND

In view of the accumulated losses, your Directors are not in a position to recommend any dividend for the year.

3. REVIEW OF OPERATION

During the year under review, the Company has initiated trading in fabrics in a small way. The Company, during the year, has disposed off the land and building at Daman as approved by the shareholders under section 293(1)(a) of the Companies Act, 1956 vide postal ballot notice dated 9th February, 2008. All these initiatives have resulted in a net profit of Rs. 126.86 lacs for the year under review as against a net-profit of Rs. 8.60 lacs during the previous year.

The Directors are looking forward to an opportune time to dispose off Company's Silvassa Land and Building to improve the shareholders' Networth. The Management will explore investments in other business opportunities as may be deemed most beneficial to the interest of the Company.

4. SUBSIDIARY COMPANY

During the year under review your company has disposed off its entire investment in the equity capital of Biznessmart com (India) Limited. Consequently Biznessmart com (India) Limited has ceased to be your Company's subsidiary.

5. JOINT VENTURE

During the year under review, your company has further invested a sum of Rs. 245.32 Lacs in the equity share capital of M/s. Strata Geosystems (India) Private Limited to acquire 4,33,880 equity shares of Rs. 10/- each at a premium of Rs. 50/- per share. M/s. Strata Geosystems (India) Private Limited has commenced commercial production during the year under review and the prospects are encouraging.



6. DIRECTORS

Mr. Deepak Advani will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Mr. Ashok M. Bhawnani has ceased to be the director of your company with effect from 11th December, 2008. Your Directors place on record their appreciation of the valuable service rendered by Mr. Ashok M. Bhawnani, who was associated with the Company since inception as promoter Director, during his tenure as Director

Mr. Narendra M. Dalmia was appointed as an additional Director of the Company with effect from 11th December, 2008. and had resigned w.e.f. 29th June, 2009. Your Directors place on record their appreciation of the valuable service rendered by Mr. Narendra M. Dalmia during his brief tenure as Director.

Mr. Amit R. Dalmia was appointed as an additional Director of the Company with effect from 29th June, 2009 and will hold office up-to the date of the ensuing Annual General Meeting of the Company. The Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member of the Company signifying the intention to propose the candidature of Mr. Amit R. Dalmia as Director of the Company. Mr. Amit R. Dalmia has done B.Sc Economics (B.B.A) from the Wharton School, University of Pennsylvania with specialization in Entrepreneurial Management and Finance. His strength lies in the Application of Information Technology to Business Processes. The Directors recommend his reappointment which will be in the interest of the Company.

7. DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state as under:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year ended on that date;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

8. INSURANCE

All the properties of the Company including building, plant, machinery wherever necessary, and to the extent required, have been adequately insured.

9. PARTICULARS OF EMPLOYEES

As there were no employees drawing remuneration more than the limit prescribed under section 217 (2A) of the Companies Act, 1956, and the Companies (Particulars of Employees) Rules, 1975, as amended from time to time, statement under section 217(2A) is not annexed.

10 PARTICULARS OF ENERGY CONSUMPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOING

Information as per Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, and forming part of the Director's

Report for the year ended March 31, 2009 is annexed hereto.

11. AUDITORS

M/s. J. G. Verma & Co., Chartered Accountants, present auditors of the Company, retires at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. Members are requested to consider their re-appointment and authorize the Audit Committee to fix their remuneration.

Your attention is invited to the observation of the Auditors in Paragraph No. 7 of the annexure to the Auditors' Report. The Board is actively considering to introduce an internal audit system in the Company.

Your attention is also invited to the observation in Paragraph No. 15 of the annexure to the Auditors' Report. The Corporate guarantee of Rs 10 crores given to Bank of India on behalf of Strata Geosystems (India) Private Limited, the joint venture company was within the limits sanctioned by the shareholders of the Company under section 372-A of the Companies Act, 1956. In terms of the provisions of section 295 of the Companies Act, 1956 the Company had made application for prior approval of the Central Government as at the time of giving the said guarantee a director of the Company was also a director of the joint venture company. The Central Government has since intimated its approval to the Company for giving the guarantee.

12. SECRETARIAL COMPLIANCE CERTIFICATE

Your Company appointed M/s. Jay D'Souza & Co., Practising Company Secretaries to conduct Secretarial Audit of the Company in terms of section 383-A of the Companies Act, 1956. The Compliance Certificate issued by them is attached hereto.

13 CORPORATE GOVERNANCE

Your Company conforms to the norms of Corporate Governance as envisaged in the Companies Act, 1956 and in the Listing Agreement with the Stock Exchanges. Necessary measures were taken during the year under report to implement the Code of Corporate Governance. A report of the Corporate Governance, along with the Certificate of Compliance from the Auditors forms part of this report.

14. APPRECIATION

The Board of Directors records its grateful thanks to all the stakeholders of the Company for their continued support and co-operation.

On behalf of the Board

Place : Mumbai
Dated : August 11, 2009

Vivek M. Jalan	Amit R. Dalmia
Director	Director



ANNEXURE TO DIRECTOR'S REPORT 2008-2009

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

(A) CONSERVATION OF ENERGY:

- 1) Energy Conservation measures taken by the Company:
Since the Company is not having any manufacturing operations this is not applicable
- 2) Additional Investments and proposal for reduction of Consumption of energy:
Since the Company is not having any manufacturing operations this is not applicable
- 3) Total energy consumption and energy consumption per unit of production as per Form 'A'.

FORM - A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.

	Current Year Ended On 31.03.2009	Previous Year Ended On 31.03.2008
a) POWER & FUEL CONSUMPTION		
Electricity:		
(i) Purchased		
Units (Nos)	NIL	NIL
Total Amount (Rs.)	NIL	NIL
Rate/Unit (Rs.)	NIL	NIL
(ii) Own Generation (D.G.)		
Units (Nos)	NIL	NIL
Value of Diesel Consumed (Rs.)	NIL	NIL
Cost/Unit (Rs.)	NIL	NIL
b) CONSUMPTION PER UNIT OF PRODUCTION		
Electricity (Units Nos./Kg.)	NIL	NIL
There was no production during the year and all Payments of Electricity charges are minimum commitment charges and are not included in the value above.		

(B) TECHNOLOGY ABSORPTION:

Efforts in technology absorption as per Form B is given below:

FORM - B

Research And Development (R & D)

Nil

Technology absorption, adaptation and innovation

Nil

(C) FOREIGN EXCHANGE EARNINGS AND OUTGOING:

Exports during the year amounted to Rs. Nil. The outgo of Foreign Exchange amounted to Rs. Nil.

On behalf of the Board

Place : Mumbai
Dated : August 11, 2009

Vivek M. Jalan
Director

Amit R. Dalmia
Director

MANAGEMENT DISCUSSION AND ANALYSIS

The Company has closed its Texturing units situated at Silvassa and Daman and has sold Plant & Machinery and other equipment. The Company has also sold its Land and Building at Daman. The Management has leased out Land and Building at Silvassa for a period of eleven months and is also making effort to sell its Land and Building at Silvassa. The Management will explore Investments in other business opportunities, once the entire sale proceeds of Fixed Assets are realized. During the year, the Company has carried on some trading activities.

INTERNAL CONTROL & SYSTEMS

The Company has adequate internal control procedures commensurate with its size and nature of business. These internal policies ensure efficient use and protection of assets and resources, compliance with policies, statutes and reliability as well as promptness of financial reports.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Sales:

Total income from operations was 11.10 lacs against last year's figure of Rs. NIL.

Profit before Interest, Depreciation, Taxes and Impairment Loss on Fixed Assets:

The Company has earned an Operational profit of Rs. 131.78 lacs, as against last year's figure of Rs. 14.38 lacs. Out of the above Rs. 109.18 lacs is profit on sale of assets.

Financial Charges:

Financial Charges payment is reduced to Rs 0.32 lacs from Rs. 0.39 lacs.

Net Profit:

The Company has earned a net profit of Rs. 126.86 lacs as against Rs. 8.60 lacs during the previous year.

Cash-flow analysis

	2008-09 (Rs. In Lacs)	2007-08 (Rs. In Lacs)
Source of Cash		
Cash from operations	9.73	2.50
Sale of Fixed Assets	225.24	23.26
Sale of Investments	0.25	NIL
Income from Investment Activities	7.87	5.24
Increase / (Decrease) in Working Capital	25.46	(12.34)
Decrease in Cash & Cash Equivalents	(14.89)	7.35
Total	253.66	26.01
Uses of Cash		
Repayment of Borrowings (Net)	NIL	NIL
Purchase of Investments	245.33	23.25
Interest Paid	0.32	0.39
Dividend	NIL	NIL
Taxes Paid (Net)	8.01	2.37
Total	253.66	26.01

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

There are no material developments on the human resources front.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis may be "forward looking statements" and have been issued as required by applicable Securities Laws and Regulations. There are several factors which would be beyond the control of Management and as such, may affect the actual results which could be different from that envisaged.



CORPORATE GOVERNANCE REPORT

1. Philosophy on Corporate Governance

The Board of Directors are the trustees to the interests of all the stakeholders of the Company, particularly the shareholders and your Board always believed that good corporate governance is critical to the success of the Company. Therefore, your Board continuously reviews the developments on good corporate governance to update its standards on an ongoing basis.

The key elements of corporate governance standards of your Company include:

- Adoption of effective measures to protect shareholders' rights
- Timely disclosure of quality information about Company's business and operations to improve transparency
- Implementation of quality board practices to increase the effectiveness of the Board

2. Board of Directors

Nine Board meetings were held in the year 2008-2009 and the gap between two board meetings did not exceed four months. The same were held on 10 April 2008, 06 May 2008, 26 May 2008, 30 June 2008, 31 July 2008, 31 October 2008, 05 November 2008, 11 December 2008, and 31 January 2009.

Composition and category of Directors, attendance of each Director at the Board Meetings and the last AGM, Number of Boards or Board Committees where the Director is a Member / Chairperson are as under:

Name of the Director	Board Meetings Attended During 2008-09	Attendance at the Last AGM	No of other Directorships in Public Company	Member/Chairperson in no of Board Committees in other Companies as at the date of report
Mr.Ashok M. Bhawnani *	7	Yes	1	-
Mr Vivek M. Jalan	9	Yes	1	2
Mr. Deepak Advani	9	No	1	-
Mr. Narendra M. Dalmia \$	2	-	2	-
Mr. Amit R. Dalmia @	Nil	No	Nil	-

* Mr. Ashok M. Bhawnani ceased to be director of the company w.e.f. 11/12/2008.

\$ Mr. Narendra M. Dalmia became Director of the Company w.e.f. 11/12/2008 and ceased to be a Director w.e.f. 29/06/2009.

@ Mr. Amit R. Dalmia became Director of the Company w.e.f. 29/06/2009.

3. Audit Committee

Terms of Reference:

- To oversee Company's financial reporting/financial information/financial statements.
- To review with management the Annual Financial Statement before submission to Board, focusing primarily on changes in accounting policies and practices.
- To look into compliance with Stock Exchange and legal requirements concerning financial statements.
- To review internal control systems.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- To discuss with the Auditors periodically about internal control system, the scope of audit including the observations of the Auditors and review periodical financial results before submission to the Board.

The composition of the Audit Committee is as under:

Name of the Member	Chairman / Member	No. of Meeting held	Meetings Attended During 2008-09
Mr Vivek M. Jalan	Chairman	4	4
Mr. Ashok M. Bhawnani *	Member	4	3
Mr. Deepak Advani	Member	4	4
Mr. Narendra M. Dalmia \$	Member	4	1

* Mr. Ashok M. Bhawnani ceased to be director of the company w.e.f. 11/12/2008.

\$ Mr. Narendra M. Dalmia became Director of the Company w.e.f. 11/12/2008 and ceased to be a Director w.e.f. 29/06/2009.

During the year four Audit Committee Meetings were held on June 30 2008, July 31 2008, October 31 2008 and January 31 2009.

4. Remuneration Committee

Since no remuneration is being paid to any Directors and this being a non-mandatory requirement, the remuneration committee was not constituted.

There are no payments like stock options, pension etc., to any Directors during the year.

5. Shareholders Grievances Committee

Two meetings of the Investors' Grievances Committee were held during the year. The meetings were held on October 31, 2008 and March 30, 2009.

The composition of the committee is as under:

Name of the Member	Chairman / Member	Number of Meetings attended
Mr. Vivek M. Jalan	Chairman	2
Mr. Deepak Advani	Member	2

Number of Shareholders complaints received during the year.

During 2008-09 one complaint was received and no complaint was pending as on 31st March, 2009.

6. Share Transfer System

A Share Transfer Committee of the Company was constituted by the Board of Directors to specifically look into transfer/dematization of shares. Transfer of shares are processed and registered within the stipulated time, provided all the documents are valid and complete in all respect. The share transfer approved by the committee are placed at the Board Meeting from time to time. As on 31st March, 2009 no shares are pending for transfer for more than 15 days.

The Company has appointed M/s. Adroit Corporate Services Private Limited as its Registrar and Share Transfer Agent for both physical and demat segments w.e.f. 8th June, 2001.

Compliance Officer

The Company has appointed Mr. Ashok M. Bhawnani, Managing Director of the Company and upon his cessation of office, appointed Mr. Narendra M. Dalmia, Director of the Company and upon his resignation appointed Mr. Amit R. Dalmia, Director of the Company as the Compliance Officer of the Company.



7. General Body Meetings

The details of Annual General Meetings held during the last three years are as under:

Year	Day & Date of Meeting	Time	Place
2005-06	Thursday September 21, 2006	11.30 a.m.	Tantia Jogani Industrial Premises, 3rd Floor, J. R. Boricha Marg, Lower Parel, Mumbai 400 011
2006-07	Friday September 21, 2007	11.30 a.m.	Tantia Jogani Industrial Premises, 3rd Floor, J. R. Boricha Marg, Lower Parel, Mumbai 400 011
2007-08	Wednesday September 24, 2008	10.00 a.m.	Tantia Jogani Industrial Premises, 3rd Floor, J. R. Boricha Marg, Lower Parel, Mumbai 400 011

During the last year two resolutions were passed through postal ballot.

8 Postal Ballot

During the period, resolutions were passed through Postal Ballot which related to creation of mortgage and giving of guarantee/providing security under sections 293(1)(a) and 372 (A) of the Companies Act 1956 respectively. The results were announced on July 04, 2008. As per the report submitted 14,20,669 votes were cast in favour of the resolutions under section 293(1)(a) and 14,20,649 votes were cast in favour of the resolution under section 372(A). The Company has complied with the procedure for Postal Ballot in terms of the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 and amendments thereto.

9. Disclosure

1. Related Party Transactions:

Refer to Note No. 7 of Schedule 14 to the Audited Financial Statement.

2. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any authority on any matter related to capital market during last 3 years:

There were no instances of non-compliance of any matter related to the capital markets during the last three years.

3. Outstanding Listing Fees:

Listing Fees for the year 2008-09 have already been paid to Bombay Stock Exchange where the Company's shares are listed.

4. A Certificate from the Director, on the financial statement of the Company was placed before the Board.

9. Means of Communication

The quarterly, half-yearly and yearly financial results of the Company are sent out to the Stock Exchanges immediately after they are approved by the Board. The Company published its un-audited / audited financial results in the following papers from each group:

English	Vernacular
The Financial Express	Mumbai Laksadeep

The un-audited quarterly/half-yearly financial results were considered and approved by the Board of Directors and are filed with the Bombay Stock Exchange where the Company's shares are listed.

A report on limited review of the financial results for all the quarters was obtained from the auditors of the Company and filed with the Bombay Stock Exchange where the Company's shares are listed.

10. Management Discussion and Analysis forms part of this Annual Report.

11. General Shareholder Information

Annual General Meeting	Shall be held on Thursday the 24 th September, 2009 at 10.00 a.m. at Registered Office of the Company at 317, Tantia Jogani Industrial Premises, 3rd Floor, J R Boricha Marg, Lower Parel, Mumbai – 400 011.
Financial Calendar	1 st April to 31 st March
Date of Book Closure	22/09/2009 to 24/09/2009
Dividend Payment Date	Not Applicable
Listing on Stock Exchanges	Mumbai
Stock Code	514324
ISIN No. (for dematerialized shares)	INE814D01010

Market Price Data

High and Low price of equity shares on The Stock Exchange, Mumbai			
Month	Year	High	Low
April	2008	6.00	6.00
May *	2008	-	-
June	2008	6.63	5.99
July	2008	5.70	3.44
August	2008	3.43	2.73
September	2008	3.01	2.72
October	2008	3.13	3.12
November	2008	3.27	3.00
December	2008	2.86	2.40
January	2009	2.29	1.99
February	2009	2.29	2.05
March	2009	2.11	2.00

*** Not Available**

Registrar and Transfer Agent M/s. Adroit Corporate Services Pvt. Ltd.,
19, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road,
Marol Naka, Mumbai – 400 059.
Phone: 2859 0942 Fax: 2850 3748
Contact Person: Mr. Shetty
E-mail: adroits@vsnl.net



Omnitex Industries (India) Limited

Distribution of Shareholding as of March 31, 2009

No of Equity Shares Held	No of Shareholders	% of Shareholders	Total No of Shares held	% of Shares Held
Upto - 500	1,987	88.71	3,21,722	7.65
501 - 1,000	120	5.36	1,07,510	2.56
1,001 - 2,000	53	2.37	83,511	1.99
2,001 - 3,000	28	1.25	79,517	1.89
3,001 - 4,000	5	0.22	16,898	0.40
4,001 - 5,000	7	0.31	34,300	0.82
5,001 - 10,000	9	0.40	66,060	1.57
10,001 & above	31	1.38	34,94,582	83.12
Total	2,240	100.00	42,04,100	100.00

Categories of Shareholding as on March 31, 2009

	Sr. No.	Category	No of Shares Held	% to Total Shares
A		Promoters Holding		
	1	a. Indian Promoter	7,43,670	17.69
		b. Foreign Promoter	Nil	Nil
	2	Persons acting in concert	8,97,656	21.35
		Sub-total	16,41,326	39.04
B		Non-Promoter Holding		
	3	Institutional Investor		
		a. Mutual Funds	100	0.002
		b. Banks, Financial Institutions	1,75,100	4.16
		c. FI	Nil	Nil
		Sub-total	1,75,200	4.17
	4	Others		
		a. Private Corporate Bodies	8,60,540	20.47
		b. Indian Public	15,19,104	36.13
		c. NRIs/OCBs	7,930	0.19
		d. Clearing Members	0	0.00
		Sub-total	23,87,574	56.79
		Grand Total	42,04,100	100.00

Dematerialization of shares

88.09% of shares (as on 31/03/2009) have been dematerialized.

Details on use of Public Funds obtained in the last three years

No fund has been raised from public in the last three years.

Liquidity	The shares of the Company are traded infrequently.
Plant Locations	126, Piparia Industrial Estate, Silvassa – 396 230 U.T. of Dadra & Nagar Haveli. The above plant was closed throughout the year.
Address for Correspondence	Omnitex Industries (India) Ltd., 317, Tantia Jogani Industrial Premises, 3rd Floor, J. R. Boricha Marg, Lower Parel, Mumbai – 400 011. Phone: 4063 5100 • Fax: 4063 5199 E-mail: info@omnitex.com
Insider Trading	In terms of SEBI (Prohibition of Insider Trading) Regulations, 1992 the Company has framed Code of Conduct for dealing in shares of the Company for observance by its Directors and other specified persons.

12. Brief Resume of Persons proposed to be re-appointed as Director of the Company at the Annual General Meeting.

Name of the Director	Date of Birth	Date of Appointment	Expertise in Specific functional areas	Qualifications	Directorship held in other Public Companies
Deepak Advani	26/11/1963	29/01/2007	Mr. Deepak Advani is an experienced 'Can Do' person, with a practical attitude, with a vision, agrees on how best to achieve it and works cohesively to accomplish the goals. Presently working with Sun-n-Sand Hotels Pvt. Ltd.,	B.Com	Biznessmart.Com (I) Limited
Amit R. Dalmia	21/08/1977	29/06/2009	Mr. Amit R. Dalmia has done B.Sc Economics (B.B.A) from the Wharton School, University of Pennsylvania with specialization in Entrepreneurial Management and Finance. His strength lies in the Application of Information Technology to Business Processes	B.Sc Economics (B.B.A) from the Wharton School, University of Pennsylvania with specialization in Entrepreneurial Management and Finance	None

On behalf of the Board

Place : Mumbai
Dated : June 29, 2009

Vivek M. Jalan **Amit R. Dalmia**
Director Director



Omnitex Industries (India) Limited

Auditor's Certificate on compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement.

To
The Members,
Omnitex Industries (India) Ltd.,

We have examined the compliance of conditions of Corporate Governance by Omnitex Industries (India) Ltd., for the year ended on March 31, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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 explanation given to us, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended March 31, 2009 no investor grievances are pending against the Company exceeding one month as per records maintained by the Company and as per certificates issued by the Registrar which are presented to the Shareholders / Investors Grievance Committee.

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

For J. G. Verma & Co.,
Chartered Accountants

Arun G. Verma
Partner

Mumbai
Dated: June 29, 2009

Membership No. 31898

Declaration on Code of Conduct by Director

June 29, 2009

To
The Board of Directors,
Omnitex Industries (India) Ltd.,
317, Tantia Jogani Industrial Premises,
3rd Floor, J. R. Boricha Marg,
Lower Parel, Mumbai – 400 011.

Dear Sirs,

I hereby confirm and declare that all the Directors of the Company, as defined in the Code of Conduct of the company, have submitted annual declarations for the year ended 31st March, 2009 confirming their compliance of the same.

Thanking you,

Yours faithfully,
For Omnitex Industries (India) Ltd

Amit R. Dalmia
Director

COMPLIANCE CERTIFICATE UNDER SECTION 383A OF THE COMPANIES ACT, 1956

To,
 The Members,
 Omnitex Industries (India) Limited
 317, Tantia Jogani Industrial Premises,
 3rd Floor, J. R. Boricha Marg,
 Lower Parel, Mumbai 400 011

We have examined the registers, records, books and papers of **Omnitex Industries (India) Limited** ("the Company") as required to be maintained under the Companies Act, 1956, ("the Act") and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2009. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being public limited company, comments are not required.
4. The Board of Directors duly met 9 (Nine) times respectively on 10 April 2008, 06 May 2008, 26 May 2008, 30 June 2008, 31 July 2008, 31 October 2008, 05 November 2008, 11 December 2008, and 31 January 2009, in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members, from 22.09.2008 to 24.09.2008 (both days inclusive) during the financial year and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended March 31, 2008 was held on September 24, 2008.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its directors and/or persons or firms or companies referred in the section 295 of the Act. The Company had applied to the Central Government for permission for a guarantee given to a Bank against advances made to a Private Limited Company in which a Director of the Company was also a director at the time of giving the guarantee.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government.
12. The Company has not issued any duplicate certificates during the financial year.
13. The Company:
 - (i) has delivered, in case of non dematerialized securities, all the certificates on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. However there was no allotment of securities during the financial year.
 - (ii) has not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 - (iii) has not posted warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained



Omnitex Industries (India) Limited

unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.

(v) The Company has duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted and the appointment of additional directors has been duly made. However there were no appointment of alternate directors or directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/ Whole Time Director / Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company has lodged an application to obtain approval from the Central Government for giving guarantee under section 295 of the Act during the financial year. The Company has now received the approval for giving the said guarantee. The Company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares/debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowings during the financial year.
25. The Company has made investments in other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. No loans or advances have been made during the financial year. The Company has given guarantees or provided securities to other bodies Corporate and applied for approval of the Central Government in this regard and the same has been now received.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year and complied with provisions of the Act.
29. The Company has not altered the provisions of the Memorandum with respect to Capital of the Company during the financial year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notice(s) received by the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

Place : Mumbai
Date : August 11, 2009

Signature :
Name of Company Secretary : Jay D'Souza
C.P. No. 6915

ANNEXURE A**Statutory Registers as maintained by the Company**

- i. Register of Members under Section 150
- ii. Register of Contracts under Section 301
- iii. Register of Charges under Section 143
- iv. Register of Share transfer
- v. Minutes Books under Section 193
- vi. Register of Directors under Section 303
- vii. Register of Director' Shareholding under Section 307
- viii. Register of Transfers
- ix. Register of Directors' Attendance
- x. Register of Shareholders' Attendance.
- xi. Register of Fixed Assets
- xii. Register of Investments or Loans made, Guarantee Given or Security provided under Section 372A.

ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March, 2009.

Sr. No.	Form No./ Return	Filed u/s	For	Date of filing	Whether filed within the prescribed date	If delay in filing whether requisite additional fee paid
1	Form 23	192	Special Resolution	09.04.08	Yes	NA
2	Form 20B	159	Annual Return made up to 21.09.2007	09.05.08	No	Yes
3	Form 62	192A	Board Resolution and Calendar of Events.	12.06.08	Yes	NA
4	Form 23	192	Special Resolution	01.08.08	Yes	NA
5	Form 62	621A	Application of Compounding of Offence	08.08.08	Yes	NA
6	Form DIN 3	266E	Intimation of DIN by the Company to the Registrar	29.08.08	Yes	NA
7	Form DIN 3	266E	Intimation of DIN by the Company to the Registrar	04.09.08	Yes	NA
8	Forms 23AC & ACA	220	Balance Sheet etc for the year ending 31.03.2008	13.10.08	Yes	NA
9	Form 20B	159	Annual Return made up to 24.09.2008	13.10.08	Yes	NA
10	Form 23	192	Special Resolution	13.10.08	Yes	NA
11	Form 61 (17 Nos)	621A	Compounding of Offence	19.10.08	Yes	NA
12	Form 17 (5 numbers)	138	Satisfaction of Charges	03.11.08	Yes	NA



AUDITORS' REPORT

To,
The Members,
OMNITEX INDUSTRIES (INDIA) LIMITED

We have audited the attached Balance Sheet of **OMNITEX INDUSTRIES (INDIA) LIMITED** as at **31st March 2009**, the Profit and Loss account and also the 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.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' 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 & 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of the section 211 of the Companies' Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies' Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies' Act, 1956, in the manner so required and subject to Note (2) regarding guarantee issued in non-compliance of section 295 of the Companies Act, 1956; note (3) regarding non-provision of depreciation on assets not in use and read with other notes on accounts in Schedule No.14, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For J. G. Verma & Co.,
Chartered Accountants

Arun G. Verma
Partner

Membership No. 31898

Mumbai
Dated: June 29, 2009

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our Report of even date)

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets except miscellaneous items of furniture, fixtures, fittings and office equipments.
- (b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) On discontinuation of operations of Silvassa and Daman units, the company has disposed of land and building at Daman and major part of its plant and machinery during the year. In our opinion and according to the information and explanation given to us, the sale of said fixed assets has affected the ability of the company to continue as a going concern as regards its manufacturing activities.
- (2) (a) The Inventory has been physically verified during the year by the Management. In our opinion the frequency of the verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- (3) (a) The Company had granted an interest free unsecured loan to its erstwhile subsidiary company. The maximum balance of loan granted to the said subsidiary company, without considering the provision for doubtful loan, was Rs. 64.50 lacs and the year-end balance was Rs. NIL after considering the write off to the full extent during the year. In view of the same our comments on the requirement of clauses 4(iii)(c) and (d) are not given.
- (b) The company has not taken loan from any parties covered in the register maintained under section 301 of the Companies Act, 1956. In view of the same, our comments on the requirement of clauses 4(iii)(f) and (g) are not given.
- (4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (5) (a) According to the information and explanations provided by the management, the contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, transaction in pursuance of contracts or arrangements that were required to be entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs were made at prices which were reasonable. However, there were no such transactions entered with other parties.
- (6) The Company has not accepted any deposits from the public and consequently the directives issued by



the Reserve Bank of India, the provisions of sections 58A and 58AA or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.

- (7) *During the year, the company did not have an internal audit system, commensurate with the size and nature of its business.*
- (8) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 in respect of the manufacturing activities carried on by the Company and therefore, clause 4(viii) of the Order is not applicable.
- (9) (a) According to records of the Company, and on the basis of our examination of the books of account, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, investor education and protection fund, income tax, sales tax, wealth tax, service tax, excise duty, custom duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of above statutory dues which were in arrears, as at March 31, 2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (10) The Company has accumulated losses of Rs. 1,95,47,757/- (Previous Year Rs. 3,22,33,869/-) at the end of the financial year which are less than 50% of its networth. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (11) According to the information and explanations given to us, the company has not taken any loan from bank, financial institutions or by way of debentures and accordingly our comments on clause 4 (xi) of the Order, are not applicable.
- (12) In our opinion and according to the information and explanations given 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.
- (13) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the company.
- (14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the company.
- (15) *According to the information and explanations given to us, the company had issued corporate guarantees for Rs. 10,00,00,000/- to a Bank to secure certain credit facilities taken by a joint venture company from a bank, which is in non-compliance of section 295 of the Companies Act as mentioned in note 2 of schedule 14. In our opinion, the other terms and conditions of the said guarantee are not prejudicial to the interest of the company.*
- (16) The Company has not raised any term loans during the year.

- (17) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- (18) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (19) The Company has not issued any debentures. Accordingly, clause 4(xix) of the Order is not applicable.
- (20) The Company has not raised any money by way of public issue during the year.
- (21) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

As per our report of even date

For J.G. Verma & Co.,
Chartered Accountants

Mumbai
Dated : June 29, 2009

Arun G. Verma
Partner
Membership No. 31898


BALANCE SHEET AS AT MARCH 31, 2009

	Schedule	As at March 31, 2009 Rupees	As at March 31, 2008 Rupees
SOURCES OF FUNDS :			
Shareholders' Funds :			
Share Capital	1	42,310,000	42,310,000
Reserves and Surplus	2	24,248,000	24,248,000
TOTAL :		66,558,000	66,558,000
APPLICATION OF FUNDS :			
Fixed Assets :			
Gross Block	3	15,503,024	35,976,537
Less: Depreciation		6,404,084	14,814,078
		9,098,940	21,162,459
Add: Capital Work in Progress		NIL	NIL
Net Block		9,098,940	21,162,459
Investments:	4	28,807,800	4,275,000
Current Assets, Loans and Advances:			
Inventories		NIL	NIL
Sundry Debtors	5	41,324	228,084
Cash and Bank Balances	6	2,667,712	1,178,793
Loans and Advances	7	10,069,661	8,477,871
		12,778,697	9,884,748
Less: Current Liabilities and Provisions:	8		
Current Liabilities		2,924,194	912,076
Provisions		751,000	86,000
		3,675,194	998,076
Net Current Assets		9,103,503	8,886,672
Miscellaneous Expenditure:			
Debit Balance in Profit and Loss Account		19,547,757	32,233,869
		66,558,000	66,558,000
SIGNIFICANT ACCOUNTING POLICIES	13		
NOTES ON ACCOUNTS	14		

As per our report of even date

For J.G. Verma & Co.,
Chartered Accountants

Arun G. Verma
Partner

Mumbai
Dated : June 29, 2009

For and on behalf of the Board of Directors

Vivek M. Jalan Director

Amit R. Dalmia Director

Mumbai
Dated : June 29, 2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

	Schedule	For the Year ended March 31, 2009 Rupees	For the year ended March 31, 2008 Rupees
INCOME:			
Sales		1,110,471	NIL
Other Income	9	20,676,313	2,387,231
Increase (Decrease) in Stocks		NIL	NIL
TOTAL:		21,786,784	2,387,231
EXPENDITURE:			
Purchase / Consumption of Materials	10	1,070,526	NIL
Manufacturing and Other Expenses	11	7,538,514	948,829
Financial Charges	12	31,501	38,356
Depreciation	3	458,131	534,102
TOTAL:		9,098,672	1,521,787
Profit before Tax		12,688,112	865,444
Add/(Less): Provision for Taxation			
Current Tax		(663,000)	NIL
Deferred Tax [Refer Note 8 (b) and (c) to Schedule 14]		-	-
Fringe Benefit Tax		(2,000)	(5,000)
MAT Credit Entitlement 08-09		663,000	NIL
Profit after Tax		12,686,112	860,444
Profit/(Loss) brought down from earlier years		(32,233,869)	(33,094,313)
Profit/(Loss) carried to Balance Sheet		(19,547,757)	(32,233,869)
Basic and Diluted Earning per Equity Share of Rs. 10		3.02	0.20
SIGNIFICANT ACCOUNTING POLICIES	13		
NOTES ON ACCOUNTS	14		

As per our report of even date

For **J.G. Verma & Co.,**
Chartered Accountants**Arun G. Verma**
PartnerMumbai
Dated : June-29, 2009

For and on behalf of the Board of Directors

Vivek M. Jalan

Director

Amit R. Dalmia

Director

Mumbai
Dated : June 29, 2009



BALANCE SHEET SCHEDULES AS AT MARCH 31, 2009

SCHEDULE - 1

SHARE CAPITAL

Authorised

50,00,000 Equity Shares of Rs. 10 each

Issued & Subscribed

42,04,100 Equity Shares of Rs. 10 each fully paid

53,900 Forfeited Shares
(Amount Paid on Forfeited Shares)

As at
March 31, 2009
Rupees

50,000,000

42,041,000

269,000

42,310,000

As at
March 31, 2008
Rupees

50,000,000

42,041,000

269,000

42,310,000

NOTE:

Of the above, 8,00,000 Equity Shares have been allotted as fully paid Bonus Shares by capitalisation of Rs. 23,87,714 from Capital Reserve, Rs. 37,12,286 from General Reserve and Rs.19,00,000 from the Profit and Loss Account in earlier years.

SCHEDULE - 2

RESERVES AND SURPLUS

Share Premium

Per last Balance Sheet

24,248,000

24,248,000

24,248,000

24,248,000

SCHEDULE - 3
FIXED ASSETS

(AMOUNT IN RUPEES)

Particulars	Gross Block-At Cost			Depreciation			Net Block		
	As at April 1, 2008	Additions/ (Deductions) during the Year	As at March 31, 2009	Upto March 31, 2008	For the Year	Adjustments	As at March 31, 2009	As at March 31, 2009	As at March 31, 2008
Freehold Land	1,516,359	(604,983)	911,376	Nil	Nil	Nil	Nil	911,376	1,516,359
Factory Building	21,726,884	(16,891,676)	4,835,208	8,521,417	185,896	(6,127,462)	2,579,851	2,255,357	13,205,467
Other Building	4,901,440	500	4,901,940	156,018	79,898	-	235,916	4,666,024	4,745,422
Plant and Machinery	1,201,255	(312,273)	888,982	1,123,402	-	(296,605)	826,797	62,185	77,853
Electrical Installations	2,992,851	(2,091,306)	901,545	2,563,477	6,053	(1,907,930)	661,600	239,945	429,374
Furniture and Fixtures	1,470,180	(322,193)	1,147,987	1,072,288	67,699	(301,393)	838,594	309,393	397,892
Office and Other Equipments	1,255,293	(218,600)	1,036,693	1,156,403	21,564	(203,402)	974,565	62,128	98,890
Vehicles	1,089,727	(32,982)	1,056,745	221,073	97,021	(31,333)	286,761	769,984	868,654
	36,153,989	(20,473,513)	15,680,476	14,814,078	458,131	(8,868,125)	6,404,084	9,276,392	21,339,911
Less: Insurance Claim (Note 3) pending Sale of Assets/ allocation	177,452	-	177,452	-	-	-	-	177,452	177,452
Net Amount As at March 31, 2008	35,976,537	(20,473,513)	15,503,024	-	-	-	-	9,098,940	21,162,459
	52,537,957	(16,561,420)	35,976,537	29,169,404	534,102	(14,889,428)	14,814,078	21,339,911	-

- NOTES : 1. Freehold Land includes Rs. 1,000 being value of 10 fully paid shares of Rs. 100 each in Danudyog Sahakari Sangh Limited.
 2. Other Building includes Rs. 500 being value of 10 fully paid shares of Rs. 50 each in Tantia Jogani Industrial Premises Co-operative Society Limited (Previous Year Rs. NIL)
 3. Insurance Claim of Rs. 1,77,452 (Previous Year Rs. 1,77,452) represents part of the claim received in earlier years. which is pending allocation against the specific asset, presently which is not identifiable
 4. Gross Block of Fixed Assets is after adjusting loss on impairment of Rs. 7,61,411 (Previous Year Rs. 25,17,875)

SCHEDULE - 4
INVESTMENTS (AT COST)
LONG TERM
Non Trade
Un-quoted
In Subsidiary Company:
 50,000 Fully paid-up Equity Shares of Rs 10/- each in
 Biznessmart.com (India) Limited

As per Last Balance Sheet

Less: Provision for Diminution in value of Investments

As at
March 31, 2009
Rupees
As at
March 31, 2008
Rupees

NIL

NIL

Other Investments:
 7,11,380 (Previous year 2,77,500) Fully paid-up Equity Shares of
 Rs. 10/- each in Strata Geosystems (India) Pvt. Limited
 Share Application Money

28,807,800

2,775,000

-

1,500,000

28,807,800

4,275,000

Note: The entire investment in the equity capital of Biznessmart.com (I) Ltd was disposed off during the current Year. Consequently it ceased to be subsidiary of the Company.



SCHEDULE - 5

SUNDRY DEBTORS

(Unsecured and Considered good)

Over six months

Others

**As at
March 31, 2009
Rupees**

**As at
March 31, 2008
Rupees**

NIL

NIL

41,324

228,084

41,324

228,084

SCHEDULE - 6

CASH AND BANK BALANCES

Cash in Hand (Including cheques)

Balance With Scheduled Banks in

Current Accounts

Fixed Deposits Accounts

Margin Accounts

8,808

521

1,686,009

248,472

177,800

177,800

795,095

752,000

2,667,712

1,178,793

SCHEDULE - 7

LOANS AND ADVANCES

(Unsecured and Considered good Unless otherwise stated)

Advances recoverables in cash or in kind or for value to be received

Prepaid Expenses

Inter-Corporate Deposits

Interest Receivable

Loan to Subsidiary Company

Less: Provision for Doubtful Loans

205,382

207,127

43,829

46,172

7,200,000

7,550,000

570,396

95,591

NIL

6,450,000

NIL

6,450,000

NIL

NIL

MAT Credit Entitlement

663,000

NIL

Trade and Other Advances

36,978

27,978

Balances with Central Excise

4,889

4,889

Advance Payments against Taxes

1,345,187

546,114

10,069,661

8,477,871

SCHEDULE - 8

CURRENT LIABILITIES AND PROVISIONS

Current Liabilities :

Sundry Creditors

(Including Rs. NIL { Previous Year Rs. NIL }

due to Micro & Small Enterprises)

Deposits for Premises

Other Liabilities

59,279

26,578

2,500,000

NIL

364,915

885,498

2,924,194

912,076

Add: Provisions

Provision for Current Tax

663,000

NIL

Provision for Fringe Benefit Tax

88,000

86,000

751,000

86,000

3,675,194

998,076

SCHEDULES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2009

SCHEDULE - 9

OTHER INCOME

	For the year ended March 31, 2009 Rupees	For the year ended March 31, 2008 Rupees
Other Waste Sale		215,852
Profit On Sale of Fixed Assets (Including Excess Realisation over cost)	10,918,062	654,652
Sundry Balances Written Back (Net)	14,933	13,252
Licence Fees / Fees For Use of Amenities [Tax Deducted at Source Rs 3,28,783 (Previous year Rs. 1,73,680)]	1,531,490	799,726
Interest [Tax Deducted at Source Rs. 2,68,288 (Previous Year Rs. 1,05,722)]	1,261,407	533,837
Provision for doubtful loans, no longer required, Written Back	6,450,000	-
Provision for diminution in value of investment, no longer required, Written Back	500,000	-
Miscellaneous Income	421	169,912
	20,676,313	2,387,231

SCHEDULE - 10

PURCHASES/CONSUMPTION OF MATERIALS

Trading Goods :		
Opening Stock	NIL	NIL
Purchases	1,070,526	NIL
	1,070,526	NIL
Less: Closing Stock	NIL	NIL
	1,070,526	NIL



**SCHEDULES TO THE PROFIT AND LOSS ACCOUNT FOR
THE YEAR ENDED ON MARCH 31, 2009**

SCHEDULE - 11

MANUFACTURING AND OTHER EXPENSES

	For the year ended March 31, 2009 Rupees	For the year ended March 31, 2008 Rupees
Power and Fuel	18,721	21,083
Repairs and Maintenance :		
Building	75,910	136,496
Others	28,420	76,087
	<u>104,330</u>	<u>212,583</u>
Employees' Cost	84	1,419
Insurance	65,190	72,406
Rent, Rate and Taxes	15,100	52,892
Travelling and Conveyance	-	5,810
Communication Expenses	46,998	64,895
Legal and Professional Expenses	211,666	357,753
Printing and Stationery	34,949	32,736
Advertisement Expenses	24,041	21,703
Auditor's Remuneration :		
Audit Fees	16,545	16,854
Limited Review Fees	8,989	5,095
Taxation Matters	5,515	5,618
Other Matters	12,089	-
	<u>43,138</u>	<u>27,567</u>
Loss on Sale of Investments in shares of erstwhile subsidiary	475,000	-
Irrecoverable Loan to erstwhile subsidiary, written off	6,450,000	-
Packing and Forwarding Expenses	-	310
Miscellaneous Expenses	49,297	77,672
	<u>7,538,514</u>	<u>948,829</u>

SCHEDULE - 12

FINANCIAL CHARGES

Interest on :		
Others (on delayed statutory dues)	24,135.00	216
Bank Charges	7,366.00	38,640
	<u>31,501.00</u>	<u>38,856</u>

SCHEDULE - 13**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Accounting:**

The financial statements have been prepared on the basis of historical costs under the accrual system of accounting and applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and are in accordance with the requirements of the Companies Act, 1956.

2. Valuation of Inventories:

Inventories are valued at Lower of Cost and Net Realisable Value. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost is arrived at on First In First Out (FIFO) basis. Due allowance is estimated and made for defective and obsolete items, wherever considered necessary.

3. Investments:

- a. Investments, being long term, are stated at cost; where there is a decline, other than temporary, the resultant reduction in carrying amount is charged to the Profit and Loss Account.
- b. Investments are capitalised at cost plus expenses by applying specific identification method.

4. Valuation of Fixed Assets:

- a. All the Fixed Assets are capitalised at cost (Net of Modvat/Cenvat) inclusive of all expenses relating to the acquisition and installation of fixed assets and include borrowing costs attributable to such assets, upto the date the asset is put to use.
- b. Fixed Assets except Freehold Land have been valued at cost less depreciation. (See Note 3 to Schedule 14 for exceptions) Freehold Land has been shown at its Original Cost.
- c. Impairment Loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

5. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Profit and Loss Account in the year in which they are incurred. There was no such borrowing costs incurred during the year.

6. Depreciation:

- a. Except for items on which 100% depreciation rates are applicable, depreciation is provided on Straight Line Method on **pro-rata** basis as under:
 - i. In respect of the items of Fixed Assets existing on the date on which the amended Schedule XIV came into force:

The specified period of the life of the asset is recomputed by applying to the original cost, the revised rate of depreciation as prescribed in Schedule XIV of the Companies Act, 1956. Thereafter, depreciation charge is calculated by allocating the unamortized value of the asset over the remaining part of the recomputed specified period. For calculating remaining part of the recomputed specified period, only completed years of useful life of the existing assets have been taken into account and fraction of the useful life already expired has been ignored.
 - ii. In respect of other items of Fixed Assets:

Depreciation is provided at the rates as prescribed in Schedule XIV of the Companies Act, 1956.



- b. The above approach is in accordance with Circular No. 14/93 dated 20th December, 1993 issued by the Department of Company Affairs.
- c. While applying the revised rates as per Schedule XIV of the Companies Act, 1956, continuous process plants as defined therein have been taken on technical assessment and depreciation is provided accordingly.

7. Foreign Currency Transactions:

- a. Foreign currency transactions are recorded at the conversion rates prevailing on the date of transactions.
- b. The exchange differences arising on the settlement of transactions are recognised as the gains or losses in the period in which they arise.
- c. Current Assets and Current Liabilities i.e. items to be received or paid in Foreign Currencies, are translated at the exchange rates prevailing at the Balance Sheet date or at the Forward Contract rates, wherever such contracts have been entered into and resultant gains / losses are recognised in the Profit and Loss Account.

8. Employee Benefits:

- a. The Company's Contribution in respect of Provident Fund is charged to the Profit and Loss Account.
- b. Provision for Gratuity to employees and Leave Encashment are charged to the Profit and Loss Account on the basis of actuarial valuation. However, since there were no employees, no provision is required to be made.

9. Taxation:

- a. In accordance with Accounting Standard 22 – Accounting for Taxes on Income, notified by the Companies (Accounting Standards) Rules, 2006, the deferred tax for timing differences is accounted for using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.
- b. Deferred tax assets arising from timing differences are recognised only on consideration of prudence.

10 Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation. A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote or a reliable estimate of the amount of obligation cannot be made.

SCHEDULE – 14

NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

			As at March 31, 2009 Rupees	As at March 31, 2008 Rupees
1.	A.	Contingent Liabilities not provided for in respect of: Liability in respect of a award of the Labour Court Silvassa.	1,92,000	1,92,000
	B.	The Joint Commissioner, Central Excise & Customs, Daman vide order dated 10 th January, 2008 ordered the Company to pay a demand of Rs. 8,77,243/- on account of cenvat credit availed on certain fixed assets which were disposed off during	Nil	17,54,486 Plus interest (not quantified)

	2005-06. The Joint Commissioner has also ordered the Company to pay interest thereon. The Joint Commissioner has also levied penalty of Rs. 8,77,243/- on the Company. The Company had disputed the above and an appeal was filed against the above order, which has been disposed off in favour of the Company during the year.		
C	Estimated amount of contracts remaining to be executed on capital account - Net of Advance.	Nil	Nil
D.	The guarantees given by the Company to Tamilnad Mercantile Bank Ltd during 2007-08 and was pending as at 31 st March, 2008 for securing credit facilities given by the said bank to the Joint Venture Company namely Strata Geosystems (India) Private Limited, a company in which a director of the Company is a Director has been cancelled in June, 2008 after the said company has paid off all its dues to the said bank. The aforesaid Bank Guarantee was secured by deposit of title deeds of Company's Office Premises at Lower Parel and personal guarantee of Mr. Ashok M. Bhawnani the then Chairman and Managing Director.	Nil	95.45,000
E.	Corporate guarantees given by the Company to Bank of India for securing credit facilities given by the said bank to the Joint Venture Company namely Strata Geosystems (India) Private Limited. (Refer Note 2 below).	10,00,00,000	Nil

2. The Company has issued corporate guarantees upto an aggregate value of Rs. 10 Crores (previous year Rs. Nil) to Bank of India during the year for securing credit facilities granted by the said bank to the Joint Venture Company, viz. Strata Geosystems (India) Private Limited, in which a director of the company was a director at the relevant time. The said guarantees are within the limit of Rs. 25 Crores approved by the shareholders of the Company under section 372-A of the Companies Act, 1956 vide Postal Ballot Notice dated 26/05/2008. Before issue of the above guarantees, the Company has made an application to The Central Government for approval under section 295 of the Act which requires prior approval. However, the said application is pending for approval and the Company is following up for such approval. The above guarantees are secured by deposit of title deeds of land and building situated at Plot No 126, Piparia Industrial Estate, Piparia Silvassa and also of unit no 317, Tantia Jogani Industrial Premises, 3rd Floor, J. R. Boricha Marg, Lower Parel, Mumbai - 400 011 of the Company.
The above guarantees are also secured by the personal guarantee of Mr. Ashok M. Bhawnani the erstwhile Chairman and Managing Director of the Company.
3. Most of the Fixed Assets at Silvassa, except the Building Block are not in use and are held for sale and therefore no Depreciation is provided in respect of those assets.
4. (a) The Company has permanently closed the unit situated at Silvassa and has sold most items of Plant & Machinery, Electrical Installations, Furniture & Fixtures and Office Equipments, and is in the process of selling the balance assets. The Company disposed off its Daman Unit consisting of Land and Building and other residual fixed assets as approved by the shareholders of the Company vide resolution passed in terms of Postal Ballot Notice dated February 09, 2008.
4. (b) Considering the "Discontinuing Operations" the Company had provided Impairment Loss of Rs. 147.72 lacs in the year 2005-06. However the realizable value given by the valuer could not be realized and almost all the assets were sold as scrap and on as is where is basis. The company is in the process of selling the remaining assets. Considering the past experience, the conservative realizable value of Plant & Machinery, Furniture & Fixtures & Office Equipments is being estimated



Omnitex Industries (India) Limited

at 5% of the Gross value. Based on this, the company has provided for Impairment Loss of Rs. 99.22 lacs during the year 2006-07. In the opinion of Management no further provision for impairment loss in respect of any of the remaining fixed assets is necessary to be made in the accounts for the year 2008-09.

4. (c) Considering the cumulative losses of Rs.195.48 lacs incurred upto 31.03.2009 and the fact that its operating units at Silvassa is closed and the management has sold most of the fixed assets including the Daman unit and due to other matters, there is a substantial doubt whether the company will be able to continue as a going concern with regard to its manufacturing activity.
4. (d) Apart from the limited trading activities, the management has leased out the Land & Building at Silvassa and after realization of sale proceeds of balance assets, will explore investments in other business opportunities.
5. Miscellaneous Expense include Rs. 20,000/- (previous year NIL) being compounding fees paid in terms of CLB order dated March 31, 2009 referred to in Note 11 below.

6. ADDITIONAL INFORMATION REQUIRED UNDER PARA 3, 4C AND 4D OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956:

- I. Details of Licensed Capacity, Installed Capacity, Production, Purchases, Turnover and Stocks, etc.
During the year ended 31st March, 2009 and the previous year there were no manufacturing activities and most of the plant and machinery were disposed off. Accordingly the quantitative details have not been given. However quantitative details for the trading activity are as under:

	For the year ended March 31, 2009		For the year ended March 31, 2008	
	Quantity (Fabrics) Mtr	Value Rupees	Quantity (Fabrics) Mtr	Value Rupees
Opening Stock	Nil	Nil	Nil	Nil
Purchases	39,945	10,70,526	Nil	Nil
Sales	39,945	11,10,471	Nil	Nil
Closing Stock	Nil	Nil	Nil	Nil

	For the year ended March 31, 2009 Rupees	For the year ended March 31, 2008 Rupees
II. C.I.F. Value of Imports:		
a. Raw Materials	Nil	Nil
b. Components and Spares	Nil	Nil
c. Capital Goods	Nil	Nil
III. Earnings in Foreign Currency: F.O.B. Value of Exports	Nil	Nil
IV. Expenditure in Foreign Currency	Nil	Nil
V. Number of Non-Resident Share Holders	7	7
VI. Remittances made in Foreign Exchange on account of dividend	Nil	Nil

7. Related Party Transactions

A. Remuneration of Directors and Key Managerial persons.

Name	Designation	Remuneration in Rupees
Mr. Ashok M. Bhawnani	Chairman and Managing Director	NIL

B. a. List of Related Parties and Nature of Relationship:

List of related parties		Nature of Relationship
Mr. Ashok M. Bhawnani Chairman and Managing Director – (Note 1)	M/s. Radial Investments Private Limited	100% Share holding by Mr. Ashok M. Bhawnani and his Family
Subsidiary - (Note 2)	M/s. Biznessmart.com (India) Limited	Wholly owned subsidiary of Omnitex Industries (India) Limited
Mr. Narendra M. Dalmia Director (Note 3)	Sunrise Commercial Pvt. Ltd.	Director
	Saanwaria Polyester Pvt. Ltd.	Director
	Biznessmart.Com (I) Ltd.	Director
	Mahalaxmi Seamless Ltd.	Director
	Ms. Vidyadevi M. Dalmia	Mother
	Ms. Manorma M. Dalmia	Wife
	Mr. Gautam N. Dalmia	Son
	Ms. Shaily N. Dalmia	Daughter
	Mr. Vijaykumar M. Dalmia	Brother
Amit R. Dalmia, Director	Ms. Sangeeta V. Dalmia	Brother's wife
	Saanwaria Polyester Pvt. Ltd.	Director
	Creative Global Services Private Limited	Director
	Viaton Energy Pvt. Ltd.	Director
	Viaton Infrastructure Pvt. Ltd.	Director
	Intelinet Software Pvt. Ltd.	Director
Associates	Datryx Solution Pvt. Ltd.	Director
	M/s Strata Geosystems (India) Pvt. Ltd.	Joint Venture Company

Notes:

1. Mr. Ashok M. Bhawnani ceased to be Director w.e.f. 11/12/2008.
2. Biznessmart.Com (India) Limited ceased to be its subsidiary during the year.
3. Mr. Narendra M. Dalmia was appointed as Director w.e.f. 11/12/2008 and has ceased to be as Director w.e.f. 29/06/2009.



Omnitex Industries (India) Limited

b. Transactions with:

Transaction	Opening Balance as at April 1, 2008	Amount Received/credited During the year	Amount Paid / debited during the year	Closing Balance as at March 31, 2009
-------------	-------------------------------------	--	---------------------------------------	--------------------------------------

M/s. Biznessmart.com (India) Limited

Loan Given	64,50,000 (64,50,000)	NIL (NIL)	NIL (NIL)	NIL* (64,50,000)
	* The entire amount of Rs. 64.50 lacs was written off during the current year.			
Investments in Share Capital	5,00,000\$ (5,00,000)	NIL (Nil)	NIL (NIL)	NIL\$ (5,00,000)
	\$ The entire investments were disposed off during the current year			

M/s Strata Geosystems (India) Private Limited

Loan Given	Nil (26,00,000)	Nil (26,00,000)	Nil (NIL)	Nil (NIL)
Investments in Share Capital (including share application money)	42,75,000 (19,49,940)	NIL (NIL)	2,45,32,800 (23,25,060)	2,88,07,800 (42,75,000)

Corporate Guarantees Given to

Party	Opening Balance as at April 1, 2008	Further Guarantees Given	Guarantees Cancelled During the year	Closing Balance as at March 31, 2009
Strata Geosystems (India) Pvt. Ltd.	95,45,000 (Nil)	10,00,00,000 (95,45,000)	95,45,000 (Nil)	10,00,00,000 (95,45,000)

Other Transactions with M/s Strata Geosystems (India) Private Limited

Sale of Fixed Assets	2,25,18,408 (Nil)
Licence Fee received for use of premises / amenities	3,24,823 (25,726)
Fee for use vehicles	Nil (2,247)
Reimbursement for expenses	Nil (42,267)

Note: Figures in brackets are for previous years.

8. Taxation:

- Provision for current tax has been made in accordance with Section 115JB of the Income-Tax Act and applicable MAT Credit has been recognized.
- Deferred Taxation:

Deferred Tax Liability on account of:

	Deferred Tax Balance As at March 31, 2008 Rupees	Charge / (Credit) during the year Rupees	Deferred Tax Balance As at March 31, 2009 Rupee
i. Depreciation	50,26,120	(22,01,765)	28,24,355
	50,26,120	(22,01,765)	28,24,355
Deferred Tax Assets on account of:			
i. Unabsorbed Depreciation	(96,69,608)	46,44,981	(50,24,627)
ii. Expenses allowable for Tax purpose when paid – Bonus	(4,862)	4,862	NIL
iii. Business loss	(16,78,692)	16,78,692	NIL
	(1,13,53,162)	63,28,535	(50,24,627)
Net Deferred Tax Liability / (Assets)	(63,27,042)	41,26,770	(22,00,272)

c. The Deferred Tax Assets (Net) for the year comes to Rs 41,26,770 {Previous year Deferred Tax Assets (Net) Rs. 2,12,830}. Since the Deferred Tax Assets as at the Balance Sheet date is more than the Deferred Tax Liability the same has not been recognized as it was considered inappropriate.

9. Segment Reporting:

The operation of the Company represents only one business segment, viz. 'Polyester Filament Yarn' and the entire production operations are located in India. Accordingly, all earnings, assets and liabilities relate to this activity only and there is no separate Segment, however the said activities have been discontinued since 2004-05.

10. The Company has a 33.88% equity interest in a Jointly Controlled Entity- M/s. Strata Geosystems (India) Private Limited. ("Strata"). The Company has made an investment into Strata's Equity Capital and will from time to time commit other resources, as may be necessary, based on Strata's business plan.

In accordance with the requirements of Accounting Standard on Financial Reporting of Interest in Joint Ventures (AS-27) notified by the Companies (Accounting Standards) Rules, 2006, the interest in the jointly controlled entity has been accounted for as an Investment in accordance with Accounting Standard (AS) 13, Accounting for Investments and has been reflected under investments – Schedule 4

In compliance with Accounting Standard 27 – 'Financial Reporting of Interests in Joint Venture' – AS(27), notified by the Companies (Accounting Standards) Rules, 2006 the Company has interest in the following jointly controlled entity.

(Rupees in Lacs)

Name of the Company	Country of Incorporation	Holding (%)	Amount of Interest based on the Provisional Accounts as approved by the Directors for the year ended March 31, 2009			
			Assets	Liabilities	Income	Expenditure
Strata Geosystems (India) Pvt. Ltd.	India	33.88 (23.125)	454.04 (87.50)	258.20 (15.46)	215.23 (67.81)	221.64 (73.55)

11. The Company had brought forward, in earlier years, an amount of Rs. 26,00,000/- in respect of loans given in earlier years to M/s. Strata Geosystems (India) Private Limited (STRATA) a joint venture company. Similarly the Company has issued a corporate guarantee of Rs. 95,45,000/- to a Bank in earlier year for securing the credit facilities enjoyed by STRATA from the said bank. The Company has fully received back the above loan in earlier years. Likewise the Corporate Guarantee has also been cancelled during the year on full discharge of credit facilities by STRATA. The above loans and the guarantee were inadvertently given / issued in non-compliance of provisions of section 295 of the Companies Act, 1956. On an application made by the Company, the Company Law Board vide its order dated March 31, 2009 has compounded the above non-compliance and the same is now not continuing.



Omnitex Industries (India) Limited

12. Disclosure as required by Accounting Standard 19, "Leases", notified by the Companies (Accounting Standards) Rules, 2006 are given below:

a. Where the Company is a lessee:

i. Lease payments are recognized in the statement of Profit and Loss Account under "Rent, Rate & Taxes" in Schedule 11.

b. Where the Company is a lessor:

i. Details in respect of assets given on operating lease:

	Gross block as at March 31, 2009 Rupees	Accumulated depreciation as at March 31, 2009 Rupees	Depreciation (Corresponding to period of lease rentals) Rupees
Building	97,37,148	28,15,767	2,03,722
Electrical Installation	9,01,545	6,61,600	4,540
Furniture and Fittings	11,47,987	8,38,594	50,775

These assets are in respect of the Silvassa Factory Building given on Leave and License for a period of Eleven Months plus part of the Mumbai Office Building given on Leave and License for a short term period. This does not include part of Daman factory building given on Leave and License for a short period as the asset have been sold during May 2008 and is not part of the gross block as at 31st March, 2009.

- Licence Fee of Rs. 15,31,490/- received from temporary user is recognized in the Profit and Loss Account.
- The future minimum lease payments under non-cancelable operating lease-not later than one year Rs. NIL, (Previous year Rs. NIL).
- Initial direct costs are recognized as expenses in the year in which it is incurred.

13. Earning Per Share

Earning per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers used in calculating basic and diluted earning per equity share are as stated below:

		As at March 31, 2009 Rupees	As at March 31, 2008 Rupees
Profit before Taxation	Rupees	1,26,88,112	8,65,444
Profit after Taxation	Rupees	1,26,86,112	8,60,444
Weighted average number of shares	Nos.	42,04,100	42,04,100
Earning per share before exceptional items (Basic and Diluted)	Rupees	3.02	0.20
Earning per share (Basic and Diluted)	Rupees	3.02	0.20
Face value per share	Rupees	10	10

14. The figures of the previous year have been regrouped / reclassified, wherever necessary, to conform to the current year's presentation.

As per our report of even date

For J.G. Verma & Co.,
Chartered Accountants

Arun G. Verma
Partner

Mumbai
Dated : June 29, 2009

For and on behalf of the Board of Directors

Vivek M. Jalan

Director

Amit R. Dalmia

Director

Mumbai
Dated : June 29, 2009

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

Registration No:

4 2 3 9 1

State Code:

1 1

Balance Sheet Date:

3 1 - 0 3 - 2 0 0 9

Date Month Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue

N i l

Right Issue

N i l

Bonus Issue

N i l

Private Placement

N i l

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

Total Liabilities

6 6 5 5 8

Total Assets

6 6 5 5 8

Paid-up Capital

4 2 3 1 0

Reserves & Surplus

2 4 2 4 8

Deferred Tax Credit (Net)

N i l

Application of Funds

Secured Loans

N i l

Unsecured Loans

N i l

Net Fixed Assets

9 0 9 9

Investments

2 8 8 0 8

Net Current Assets

9 1 0 3

Miscellaneous Expenditure

N i l

Accumulated Losses

1 9 5 4 8

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

Turnover

2 1 7 8 7

Total Expenditure

9 0 9 9

Profit/(Loss) Before Tax

1 2 6 8 8

Profit/(Loss) After Tax

1 2 6 8 6

Earning Per Share in Rs.

3 . 0 2

Dividend Rate %

N i l

V. Generic Names of Three Principle Products / Service of Company.

(As per monetary terms)

Item Code No. (Itc Code)

5 4 0 2 0 0

Product Description:

Polyester Textured/Twisted Yarn

For and on behalf of the Board of Directors

Vivek M. Jalan

Director

Amit R. Dalmia

Director

Mumbai

Dated : June 29, 2009


CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

	2008-2009 Rupees	2007-2008 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS	12,688,112	865,444
Adjusted for :		
Depreciation	458,131	534,102
Interest Received / Receivable	(1,261,407)	(533,837)
Financial charges	31,501	38,856
Provisions Written Back	(6,950,000)	NIL
(Profit) on Sale of Fixed Assets	(10,918,062)	(654,652)
Loss in Sale of Investments	475,000	NIL
Amounts Written Off	6,450,000	NIL
	(11,714,837)	(615,531)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	973,275	249,913
Adjusted for :		
CHANGES IN -		
Trades and Other Receivables	531,848	(1,114,212)
Trade Payables	2,014,118	(120,011)
	2,545,966	(1,234,223)
CASH GENERATED FROM OPERATIONS :	3,519,241	(984,310)
Direct Taxes Paid	(801,073)	(236,931)
Net Cash From Operating Activities (A)	2,718,168	(1,221,241)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets	(500)	NIL
Sale of Fixed Assets	22,523,950	2,326,644
Purchase of Investments	(24,532,800)	(2,325,060)
Sale of Investments	25,000	NIL
Interest Received	786,602	523,761
Net Cash Used In Investing Activities (B)	(1,197,748)	525,345

C. CASH FLOW FROM FINANCING ACTIVITIES

Interest Paid	(31,501)	(38,856)
Net Cash Used In Financing Activities (C)	(31,501)	(38,856)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	1,488,919	(734,752)
CASH AND CASH EQUIVALENTS AS AT MARCH 31, 2008 (OPENING BALANCE)	1,178,793	1,913,545
CASH AND CASH EQUIVALENTS AS AT MARCH 31, 2009 (CLOSING BALANCE)	2,567,712	1,178,793

As per our report of even date

For J.G. Verma & Co.,
Chartered Accountants

Arun G. Verma
Partner

Mumbai
Dated : June 29, 2009

For and on behalf of the Board of Directors

Vivek M. Jalan *Director*

Amit R. Dalmia *Director*

Mumbai
Dated : June 29, 2009

Notes

[illegible]



Omnitex Industries (India) Limited

Registered Office : 317, Tania Jogani Industrial Premises, 3rd Floor, J. R. Boricha Marg,
Lower Parel, Mumbai - 400 011.

ATTENDANCE SLIP

23rd Annual General Meeting on September 24, 2009, at 10.00 a.m.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional Attendance Slips or request.

NAME & ADDRESS OF THE SHARE HOLDER	L. F. NO.

I hereby record my presence at the 23rd Annual General Meeting of the Company at 317, Tania Jogani Industrial Premises, 3rd Floor, J. R. Boricha Marg, Lower Parel, Mumbai - 400 011 on Thursday, September 24, 2009.

SIGNATURE OF THE SHARE HOLDER OR OF THE PROXY ATTENDING THE MEETING

If Shareholder, Please sign here	If Proxy, Please sign here

— Tear Here —

PROXY FORM



Omnitex Industries (India) Limited

Registered Office : 317, Tania Jogani Industrial Premises, 3rd Floor, J. R. Boricha Marg,
Lower Parel, Mumbai - 400 011.

L.F.No.

I/We

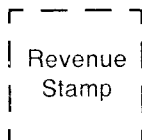
of being a member/members of Omnitex Industries (India) Limited

hereby appoint of

or failing him/her of

as my / our proxy to vote for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Thursday, September 24, 2009 or at any adjournment thereof.

As witness my/our hand(s) this day of 2009.



.....
(Signature of the Shareholder)

NOTE : The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting.

Book - Post

If undelivered, please return to :



Omnitex Industries (India) Limited

317, Tantia Jogani Industrial Premises, 3rd Floor,
J. R. Boricha Marg, Lower Parel, Mumbai - 400 011.

Crystal - (022) - 6614 0900