

orbit exports ltd.

34th Annual Report 2016-17

Chairman's Speech



Dear Shareholders,

It gives me immense pleasure to present the 34th Annual Report of the Company to all of you.

I am happy to share with you, your Company's performance for the year 2016-17. The past year presented a challenging business environment with events such as Demonetization in Domestic markets and Britain's exit from the EU. Your Company could withstand these disturbances, with minimal impact, mainly due to its thrust on penetration into new markets, tightening control on inventory management, and exercising stringent cost control measures.

The Revenue from operations of the Company on a Standalone basis for the year 2016-17 stood at ₹ 13,053.35 lakhs as against ₹ 14,673.89 lakhs in the previous year, reflecting stability of operations in an otherwise uncertain market. Profit before tax stood at ₹ 3,159.09 lakhs in 2016-17 as compared to ₹ 3,693.98 lakhs in the previous year. Net profit after tax stood at ₹ 2,044.73 lakhs for the current year as compared to ₹ 2,452.86 lakhs in the previous year. Although our performance has not been encouraging, due to a subdued top line, we have made certain integral investments which we hope will help the company maintain its position in the industry and move from strength to strength.

Your Company has declared an Interim Dividend of ₹ 2.00/- per equity share of ₹ 10/- each i.e. 20% (Pre Bonus) and Final Dividend of ₹ 0.60/- per equity share of ₹ 10/- each i.e. 6% (Post Bonus) has been recommended on equity shares of the Company. Total Dividend payout is 26%.

Your Company has further invested in product development in the textile industry with the hope to cater to more customers in the international as well as domestic markets. The company has also invested further in the Finished Products division, making an expansion in this area.

This year has started on a challenging note with the government rolling out the Goods and Services Tax (GST). While we applaud the government on this new initiative and see a significant benefit for the country over the long run, it presents challenges to the Export community. The Drawback structure stands to be revised, and input costs have seen an upward revision. We believe that various representations to the Government will yield results and all anomalies will get addressed. The company is also going to be moving to a new accounting standard Ind-AS, as per the regulations. Your company has strengthened its internal controls due to the new ERP system which will help us get access to this information more easily.

I would like to extend my gratitude to all my fellow board members, shareholders, customers, vendors, bankers, suppliers and employees of the Company for their unstinted support. I take this opportunity to thank everyone who has contributed to deliver the performance in fiscal '2017 and thank them for their belief.

Regards,

Pankaj Seth

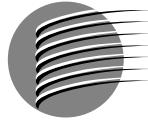
Chairman & Managing Director



orbit exports ltd.

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orbit exports ltd.

COMPANY INFORMATION

Board of Directors

Mr. Pankaj Seth (Chairman and Managing Director)

Mrs. Anisha Seth (Whole Time Director)

Mr. Bruce Larry Kieval (Executive Director)

Non Executive Directors

Mr. Gopikrishna Bubna

Mr. Saumil U. Marfatia

Mr. Balkrishna Patil

Mr. Varun Daga

Mr. Pardeep Khosla

Chief Financial Officer

Mr. Mukesh Deopura

Company Secretary

Mrs. Neha Poddar

Audit Committee

Mr. Gopikrishna Bubna – Chairman

Mr. Varun Daga

Mr. Pardeep Khosla

Mr. Balkrishna Patil (Member w.e.f. 16.02.2017)

Stakeholders Relationship Committee

Mr. Gopikrishna Bubna – Chairman

Mr. Saumil Marfatia

Mr. Pankaj Seth

Nomination & Remuneration Committee

Mr. Pardeep Khosla – Chairman

Mr. Varun Daga

Mr. Gopikrishna Bubna

Mr. Pankaj Seth

Corporate Social Responsibility Committee

Mr. Pankaj Seth - Chairman

Mrs. Anisha Seth

Mr. Pardeep Khosla

Mr. Gopikrishna Bubna

Auditors

Statutory Auditors

G. M. Kapadia & Co.

Chartered Accountants

1007, Raheja Chambers, 213
Nariman Point, Mumbai - 400021

Internal Auditors

K D Practice Associates LLP

G-6, Padmavati Tower,

Balaji Nagar, Station Road,
Bhayander West – 401101



Bankers

State Bank of India
DBS Bank Ltd.
HDFC Bank Ltd.

Registrar And Transfer Agents

Link Intime India Pvt. Ltd.

C 101, 247 Park, L B S Marg,
Vikhroli West
Mumbai - 400 083
Ph.: +91-22 – 49186000; Fax: 49186060;
email: rnt.helpdesk@linkintime.co.in

Registered & Corporate Office

122, 2nd Floor, Mistry Bhavan,
Dinshaw Wachha Road,
Churchgate, Mumbai - 400020
Ph.: 91-22-66256262; Fax: +91-22-2282 2031;
email: investors@orbitexports.com;
website: www.orbitexports.com

Factories

Surat

Plot No. 6, 7, 8 and 9, Fairdeal Textile Park,
Village Mahuvej, Taluka Mangrol,
Dist – Surat – 394 102 (Guj.)

Kalyan

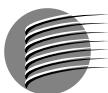
Plot No. 1, Bldg. No. B-12,
Asmeeta Textile Park,
Additional Kalyan Bhiwandi Indl. Area,
Sarawali-Kon Village, Taluka-Bhiwandi,
Dist Thane

Dombivali

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

Bhiwandi

A-4, Unit No. 1-5, Mahavir Logiplex,
Aamne Village, Near Sawad Naka,
Bhiwandi, Thane - 421302



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 34th Annual General Meeting of the members of **ORBIT EXPORTS LIMITED** will be held at Babasaheb Dahanukar Sabhagriha, C/o. Maharashtra Chambers of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400001 on Monday, September 11, 2017 at 04: 30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Financial Statement of the Company for the Financial Year ended March 31, 2017, the Reports of the Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2017.
2. To declare Final Dividend on Equity Shares for the Financial Year ended March 31, 2017.
3. To appoint a Director in place of Mr. Varun Daga (DIN: 01932805), a Non Executive/ Non Independent Director who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
4. Ratification of Appointment of Auditors

To consider and, if thought fit, to give your assent or dissent to the following **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee, the Company hereby ratifies the appointment of M/s. G. M. Kapadia & Co., Chartered Accountants (Firm Registration No. 104767W), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held for the financial year 2017-18 and to authorize the Board of Directors ("the Board") to fix their remuneration."

SPECIAL BUSINESS:

5. Ratification of remuneration to the Cost Auditor of the Company for Financial Year 2017-18.

To consider and if thought fit, to give your assent or dissent to the following **Ordinary Resolution:**

"RESOLVED THAT pursuant to and in accordance with the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the payment of remuneration of ₹ 75,000/- (Rupees Seventy Five thousand only) per annum plus applicable tax rate and out of pocket expenses that may be incurred during the course of audit to M/s. Balwinder & Associates, Cost Accountants (Firm Registration No. 000201) appointed as Cost Auditor, by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the year ending March 31, 2018, be and is hereby confirmed, approved and ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

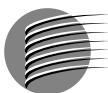
By order of the Board of Directors

Place: Mumbai
Date: May 22, 2017

Pankaj Seth
Managing Director

Registered Office:-

122, Mistry Bhavan, 2nd Floor,
Dinshaw Wachha Road,
Churchgate, Mumbai – 400020



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than 48 (forty-eight) hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights further a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Member make please note that a proxy does not have the right to speak at the Meeting and can vote any on poll

2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
3. As required under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) the relevant details of Directors retiring by rotation and seeking appointment / re- appointment at the ensuing Annual General Meeting are given in the annexure to the notice of the Annual General Meeting.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. along with their copy of Annual Report to the Meeting.
6. 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.
7. The Company has notified closure of Register of Members and Share Transfer Books from September 1, 2017 to September 5, 2017 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
8. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days except, Saturdays, Sunday and Public Holidays between 11.00 A.M. to 01.00 P.M. up to the date of the Annual General Meeting of the Company.
9. As regards the re-appointment of retiring director Mr. Varun Daga referred to in item No. 3 of the Notice has brief resumes, as per the requirements of Regulations 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) and clause is 1, 2.5 of Secretarial Standards-2 on General Meetings, is provided in details of Directors seeking Appointment /Reappointment at the Annual General Meeting is annexed herewith as Annexure I.
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / M/s. Link Intime India Pvt. Ltd.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / M/s. Link Intime India Pvt. Ltd.



12. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Company Secretary/ Registrar of the Company, M/s. Link Intime India Pvt. Ltd., at the Company's Registered Office / Registrar and Transfer Agent's address.
13. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agents. In respect of shares held in demat form the nomination form may be filed with the respective DP.
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to M/s. Link Intime India Pvt. Ltd., for consolidation into a single folio.
15. Further Company has identified the unclaimed amount of dividend upto the financial year ended 31st March, 2017 and requisite detailed information has been uploaded on the Ministry's websites through e-form IEPF Form-2, and also on the Company website within the prescribed time limit.
16. Members, who still hold share certificates in physical form are advised to dematerialize their shareholdings to avail the numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, saving in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

Please note that for security reasons, no article / baggage will be allowed at the venue of the meeting

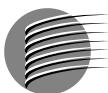
17. Non-Resident Indian Members are requested to inform M/s. Link Intime India Pvt. Ltd., immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
18. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
19. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
20. Information and other instructions relating to e-voting are as under:-

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and the provisions of Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

The Company has approached CDSL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link helpdesk.evoting@cdslindia.com or www.orbitexports.com

The e-voting period commences on Friday, September 08, 2017 at 09:00 AM and ends on Sunday September 10, 2017 at 05:00 PM. During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.



The voting rights of members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the **cut-off date of September 04, 2017**. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 04, 2017, may obtain the login ID and password by sending a request at evoting@cdslindia.com or investors@orbitexports.com.

The facility for voting through Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

PROCEDURE FOR REMOTE E-VOTING:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 08, 2017 at 09:00 A.M and ends on September 10, 2017 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 04, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.



- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

For members who wish to vote using ballot form:

In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the Annual General Meeting, through polling paper as provided in Section 107 of the Companies Act, 2013 read with Rule 20 of the Rules and Members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting.

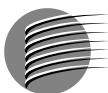
Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.

General Instructions

The Board of Directors has appointed Dr. S. K. Jain, Practicing Company Secretaries, (Membership No.FCS 1473; CP No. 3076 as the Scrutinizer to the e-voting process, (including voting through Ballot forms received from Members) and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

The Scrutinizer shall submit his report to the Chairman, who shall declare the results of the voting. The results declared alongwith the Scrutinizer Report shall be placed on the website of the Company, www.orbitexports.com after the declaration of result by the Chairman or by a person duly authorized by him



in writing. The results shall also be forwarded to BSE Limited and The National Stock Exchange of India Ltd., where the equity shares of the Company are listed. The Resolution shall be deemed to be passed at the Annual General Meeting of the Company Schedule to be held on September 11, 2017.

ANNEXURE 1

Details of the Directors seeking appointment/re-appointment at the Forthcoming Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

| | |
|---|---|
| Name of the Director | Shri Varun Daga |
| Director Identification Number | 01932805 |
| Date of Birth | 02-05-1985 |
| Nationality | Indian |
| Date of Appointment on the Board | 26-07-2011 |
| Qualifications | Graduation in Commerce |
| Expertise in specific functional areas | Finance |
| Directorships held in other Companies | Bhookh Relief Foundation Clover Media Private Limited Swank Properties Private Limited Dream11 Gaming Zone LLP |
| Memberships/ Chairmanships of Committees across all other companies | NIL |
| Shareholding of Director (As on March 31, 2017) | 20,87,000 shares |
| Relation between Directors inter-se | NIL |

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item 5:

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. Balwinder & Associates, Cost Accountants (Firm Registration No. 000201) as Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2018.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor requires to be ratified by the Members of the Company. Accordingly, ratification of the Members is sought as referred to in the Resolution at Item No. 5 of the Notice of the payment of the remuneration amounting to ₹ 75,000/- (Seventy Five thousand only) for Cost Audit plus applicable tax rate and out of pocket expenses payable to the Cost Auditor for the Financial Year ending March 31, 2018.

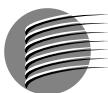
By order of the Board of Directors

Place: Mumbai
Dated: May 22, 2017

Pankaj Seth
Managing Director

Registered Office:-

122, Mistry Bhavan, 2nd Floor,
Dinshaw Wachha Road,
Churchgate, Mumbai – 400020



DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 34th Annual Report together with audited financial statements for the year ended March 31, 2017.

1. FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2017 is summarized below:

| Particulars | Consolidated | | Standalone | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | ₹ in Lakhs | | ₹ in Lakhs | |
| | Year ended 31.03.2017 | Year ended 31.03.2016 | Year ended 31.03.2017 | Year ended 31.03.2016 |
| Revenue from Operations (Net) and other income | 13,751.05 | 15,053.38 | 13,335.11 | 14,916.23 |
| Profit Before Tax (PBT) | 3,121.32 | 3,568.43 | 3,159.09 | 3,693.98 |
| Provision for Tax | 1,118.04 | 1,245.12 | 1,114.36 | 1,241.12 |
| Profit After Tax (PAT) | 2,111.46 | 2,324.69 | 2,044.73 | 2,452.86 |
| Balance brought forward from previous year | 6,812.83 | 5,135.47 | 6,787.68 | 4,982.14 |
| Sub – Total | 8,924.29 | 7,460.16 | 8,832.41 | 7,435.00 |
| Appropriations: | | | | |
| Interim Equity Dividend | 287.03 | 322.70 | 287.03 | 322.70 |
| Proposed Final Equity Dividend | 172.20 | 215.13 | 172.20 | 215.13 |
| Tax on Equity Dividends | 93.52 | 109.50 | 93.53 | 109.49 |
| Differential Dividend paid FY 15-16 | 0.14 | 0.00 | 0.14 | 0.00 |
| General Reserve | 0.00 | 0.00 | 0.00 | 0.00 |
| Surplus carried to the next year's account | 8,371.40 | 6,812.83 | 8,279.50 | 6,787.68 |

2. DIVIDEND

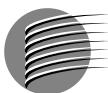
Your Directors have recommended a final dividend of ₹ 0.6/- per Equity Share (i.e. 6%) (post-bonus) of ₹ 10/- each (last year ₹ 1.50 per Equity Share) for the Financial Year ended March 31, 2017, amounting to ₹ 172.20 lakhs (excluding Dividend Distribution Tax). The dividend payout is subject to approval of Members at the ensuing Annual General Meeting.

During the Financial Year 2016-17, your Company declared and paid an interim dividend of Rs.2.00 per equity share (i.e. 20%) (pre-bonus) of ₹ 10 each. The total dividend for the year ended March 31, 2017 would accordingly be ₹ 2.60/- per Equity Share of ₹ 10/- each. The total outgo for the Financial Year 2016-17 will be ₹ 459.23 lakhs (excluding dividend distribution tax) as against ₹ 537.83 lakhs (excluding Dividend Distribution Tax) in the previous year.

3. PERFORMANCE REVIEW

The Revenue from operations for the Company on the Standalone basis for the year 2016-17 stood at ₹ 13053.35 lakhs as against ₹ 14673.89 lakhs in the previous year, reflecting stability of operations in an otherwise uncertain market. Profit before tax stood at ₹ 3159.09 lakhs in 2016-17 as compared to ₹ 3693.98 lakhs in the previous year. The Company could withstand adverse market conditions in the overseas market mainly due to its thirst on achieving internal operational excellence, penetration into new markets extensive tightening control on inventory management participating in the shift to renewable in energy and exercising stringent cost control measures. Net profit after tax stood at ₹ 2044.73 lakhs for the current year as compared to ₹ 2452.86 lakhs in the previous year. Consequently the earnings per share for the year 2016-17 stood at ₹ 7.12/- per share as compared to ₹ 8.56/- per share in the year 2015-16.

The revenue from operations for the Company of the Consolidated for the year 2016-17 stood at ₹ 13437.26 lakhs as against ₹ 14811.04 lakhs in the previous year, reflecting stability of operations in an uncertain market. Profit before tax stood at ₹ 3121.32 lakhs in 2016-17 as compared to ₹ 3568.43 lakhs in the previous year. Net profit after tax stood at ₹ 2111.46 lakhs for the current year as compared to ₹ 2324.69 lakhs in the previous year. Consequently the earnings per share for the year 2016-17 stood at ₹ 7.36/- per share as compared to ₹ 8.11/- per share in the year 2015-16.

**4. CREDIT RATING**

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by ICRA Limited as given below:

| Instrument | Rating |
|-----------------|-----------------|
| Long Term Debt | ICRA A (Stable) |
| Short Term Debt | ICRA A1 |

5. CONSOLIDATED FINANCIAL STATEMENT

Consolidated Financial Statement has been prepared in accordance with provision of the Companies Act, 2013 ("the Act") and Accounting Standards (AS) – 21 on Consolidated Financial Statements read with AS – 23 on Accounting for Investments in Associates, issued by the Institute of Chartered Accountants of India form part of this Annual Report.

6. SUBSIDIARY COMPANIES

A statement containing the salient features of financial statements of the subsidiary Company of your Company forms part of consolidated financial statements in compliance with section 129 and other applicable provisions, if any, of the Companies Act, 2013.

7. CAPITAL EXPENDITURE

As at 31st March, 2017 the gross fixed assets stood at ₹ 10751.38 lakhs and net fixed assets ₹ 8121.22 lakhs. Additions during the year amounted to ₹ 483.15 lakhs.

8. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was ₹ 2870.23 lakhs. During the year under review, the Company has issued 9,000 Equity Shares pursuant to exercise of 9,000 Stock Options to the employees of the Company under OEL Employees Stock Option Plan – 2013.

The Company has also issued 1,43,51,150 Equity Shares of ₹ 10/- each pursuant to Issue of Bonus Shares.

9. CORPORATE GOVERNANCE REPORT AND CERTIFICATE

As required under Regulation 34(3) read with Schedule V(C) of the Listing Regulations a report on Corporate Governance and the certificate as required under Schedule V (E) of the SEBI (LODR) Regulations, 2015 from S. K. Jain & Co., Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance are given as an Annexure forming a part of this Report.

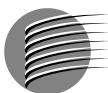
10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, and based on the representation received from the management your Directors confirm that:

- in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the Directors have prepared the annual accounts on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

11. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed



S. K. Jain & Co., Practicing Company Secretary to conduct the Secretarial Audit of your Company. The report does not contain any qualification. The Report of the Secretarial Audit is placed as an Annexure to this Report. The report does not contain any qualification.

12. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as Annexure to this Report.

13. COMPLIANCE ON CRITERIA OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations to the Company under Section 149(7) of the Act that, they meet the criteria of Independence as provided in Sub-section 6 of Section 149 of the Act and also under the Listing Regulations.

14. REMUNERATION POLICY OF THE COMPANY

The Remuneration Policy of the Company for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company along with other related matters have been provided in the Corporate Governance Report.

As and when need arises to appoint Director, the Nomination and Remuneration Committee (NRC) of the Company determines the criteria based on the specific requirements. NRC while recommending candidature to the Board takes into consideration the qualification, attributes, experience and Independence of the Candidate

15. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee Mr. Pankaj Seth, Managing Director is the Chairperson of the Committee, Mrs. Anisha Seth, Mr. Pardeep Khosla and Mr. Gopikrishna Bubna are other members of the Committee.

The adopted CSR Policy outlines various areas like education, healthcare, water and sanitation, environment and women empowerment for undertaking CSR activities.

The Company had found various alternatives for doing CSR Activities. But the Company has not found them reliable to do the CSR Activity. During the year Company had found one trust to be relied upon i.e. Udayan Care Trust. The Company has spent ₹1,30,000/- in the areas of education through Udayan Care Trust.

The Company then thought of creating its own Trust and then doing CSR Activity through that, so that reliability can be there. The Company then formed trust in the name of 'Orbit Foundation' during March, 2017.

The Company could not undertake further CSR Activity during the financial year 2016-2017 as Company was planning to form its own trust and undertake the CSR Activity, but the trust was formed in March, 2017. The Company is likely to finalise CSR projects during the financial year 2017-2018.

16. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015 is presented in the separate section forming part of Annual Report.

17. STATUTORY AUDITORS

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. G.M. Kapadia & Co., Chartered Accountants (Firm Registration No.104767W), were appointed as Statutory Auditors of the Company for a term of 5 years, to hold office from the conclusion of 32nd Annual General Meeting held on August 24, 2015 until the conclusion of 37th Annual General Meeting, subject to ratification of their appointment at every subsequent Annual General Meeting. The Auditors have confirmed that, their appointment would be in accordance with the Section 139 of the Companies Act, 2013 and rule made thereunder and that they are not disqualified in terms of Section 141 of the Act.

A resolution seeking ratification of their appointment forms part of the notice convening the 34th Annual General Meeting and the same is recommended for your consideration and approval.

18. COST AUDITOR

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. Balwinder & Associates, Cost Accountants (Firm Registration Number: 000201) as Cost Auditors of the Company, for the financial year ending 31st March, 2018, on a remuneration as mentioned in the Notice convening the 34th Annual General



Meeting for conducting the audit of the cost records maintained by the Company.

A Certificate from M/s. Balwinder & Associates, Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

A resolution seeking ratification by the members for the remuneration payable to Cost Auditor forms part of the Notice of the 34th Annual General Meeting of the Company and same is recommended for your consideration and approval.

19. SECRETARIAL AUDITOR AND THEIR REPORT:

M/s. S. K. Jain & Co., Practicing Company Secretary was appointed to conduct Secretarial Audit of the Company for the financial year 2016-17 as required under Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed as Annexure to this Report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer, which requires any further comments or explanations in this report.

20. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

The internal control is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audits. The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

The scope and coverage of the internal audit plan includes reviewing and reporting on key process risks, adherence to operating guidelines and statutory compliances. The internal audit function provides assurance to the Board and the Audit Committee regarding the design, adequacy and operating effectiveness of the internal control system.

21. VIGIL MECHANISM

Your company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. More details on the vigil mechanism and the Whistle Blower Policy of your Company have been outlined in the Corporate Governance Report which forms part of this report.

22. RELATED PARTY TRANSACTIONS

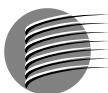
The Board of Directors has adopted a policy on Related Party Transactions. The objective is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. During the financial year 2016-17, your Company has entered into transactions with related parties as defined under section 2 (76) of the Companies Act, 2013 read with Companies (Specifications of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of Companies Act, 2013, Rules issued thereunder. During the financial year 2016-17, there were no transactions with the related parties which qualify as material transactions under Listing Agreement.

The details of the related party transactions as required under Accounting Standard – 18 are disclosed in the notes to accounts annexed to the standalone financial statement forming part of this Annual Report.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and at Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

23. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

As required under Section 205C of the Companies Act, 1956, there is 1 case of transfer of dividend amount to Investor Education and Protection Fund Account due on 24th March, 2017. The said transfer is done in the month of April, 2017.



24. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your company is continuously expanding its manufacturing base, which the company is doing with expansions in Kosamba, Gujarat by incorporating new looms. Your company had purchased a new factory building in Kalyan (Asmeeta Textile Park), which had commenced the production from Apr, 2015 which has led to the expansion in the ribbons and made ups segment. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

25. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Varun Daga, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Your Company has received declarations from all the independent directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder.

Shri Pankaj Seth, Managing Director, Smt. Anisha Seth, Whole Time Director, Shri Mukesh Deopura, Chief Financial Officer and Smt. Neha Poddar, Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

26. EMPLOYEES' STOCK OPTION SCHEME

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Scheme of the Company in accordance with the applicable SEBI (Share Based Employee Benefits) Regulations, 2014, erstwhile SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and as per Section 62(1) (b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014.

Disclosures with respect to Employees Stock Option Scheme of the Company

Number of options granted: 1,51,000

Exercise Price: 52,000 options granted at an exercise price of ₹ 69.75/- per option, 95,000 options granted at an exercise price of ₹ 342/- per option and 4,000 options granted at an exercise price of ₹ 348.50/-.

Options vested: 52,000 options and 95,000 options – The rest 4,000 options granted will vest over a period of 2 to 4 years from the date of grant.

Options exercised: On 5th November, 2015, company allotted 30,000 equity shares pursuant to exercise of 30,000 stock options by the employees of the Company.

On 29th January, 2016, company allotted 13,000 equity shares pursuant to exercise of 13,000 stock options by the employees of the Company.

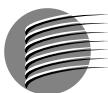
On 2nd April, 2016, company allotted 9,000 equity shares pursuant to exercise of 9,000 stock options by the employees of the Company.

27. MEETINGS

During the year under review 7(Seven) Meetings of the Board of Directors of the Company were convened and held. The relevant details, including composition of the Board, date of meetings, attendance and composition of Board, date of Meetings, attendance and composition of various Committees of the Board are given in the Corporate Governance Report forming part of this report. The details regarding the composition of various committees are also available on the Company's website www.orbitexports.com.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set as Annexure to this Report.



29. DEPOSITS

The Company did not accept any deposits within the meaning of the provisions of Chapter V – Acceptance of Deposits by Companies read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of Deposits which are not in Compliance with the Chapter V of the Act is not applicable.

30. DISCLOSURE REGARDING COMPANY'S POLICIES UNDER COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has framed various policies as per Companies Act, 2013 and SEBI (Listing Obligation And Disclosure Requirement) Regulation, 2015; viz i) Remuneration ii) Determining Material Subsidiary iii) Performance evaluation of Board, Committee and Directors, iv) Materiality of related Party Transactions, v) Whistle Blower/Vigil Mechanism vi) Archival Policy for Disclosure and vi) Code of Conduct for Directors are displayed on the website of the Company.

31. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and Rules framed thereunder.

32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There has been no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations. All the orders received by the Company during the year are of routine in nature which have no significant/ material impact.

33. ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of its various committee.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated.

The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their separate Meeting.

The Board of Directors expressed its satisfaction with the evaluation process

34. AMOUNT, IF ANY, PROPOSED TO BE TRANSFERRED TO GENERAL RESERVE

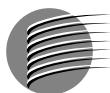
There were no transfers to General Reserves during the Financial Year 2016-17.

35. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is annexed as Annexure to this Annual Report of your Company.

36. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR AND TILL THE DATE OF THIS REPORT

There has been no material change and commitment, affecting the financial performance of the Company occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.



37. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

During the year under review, your Company has not granted any Loan, Guarantees or Investments made within the meaning of Section 186 of the Act.

38. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company during the year under review.

39. AUDIT COMMITTEE

The Composition of the Audit Committee needs the requirement as per Section 177 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015. The details related to the composition of the Audit Committee and terms of reference are included in the Corporate Governance Report, which forms a part of Annual Report.

40. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

41. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

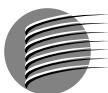
42. ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers

For and on behalf of the Board of Directors

Place: Mumbai.
Dated: May 22, 2017

Pankaj Seth
Chairman & Managing Director

**ANNEXURE TO THE DIRECTORS' REPORT:**

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

CONSERVATION OF ENERGY:

A) Energy Conservation majors taken:

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

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

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

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

A) **POWER AND FUEL CONSUMPTION**

| Electricity Consumed | Current Year | Previous Year |
|----------------------|----------------|---------------|
| Unit | 6018198 | 7202175 |
| Amount (₹ in Lakhs) | 421.02 | 489.63 |
| Rate per unit (₹) | 7.00 | 6.80 |

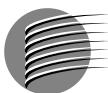
Form – "B"B) **DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT (R & D)**

1. Specific areas in which R & D carried out by the Company
 - a) Company's R & D Wing is continuously carrying out the developments in existing products based on feedback in the product development, optimization of raw material consumption, cost reduction and Energy saving.
 - b) Development of indigenous sources of material / material upgradation / substitutes.
2. Benefits derived as a result of above R & D : better productivity and quality improvement with reduction in cost of manufacturing. Reduced cost of energy by controlling the electric equipment efficiency and preventive maintenance.
3. Future plan of action:
 - a) Company's efforts will continue in the areas of cost reduction, productivity improvement and import substitution.
 - b) To ensure international quality continuously through process modification, technology up-gradation.
 - c) To launch new products to substitute imports and facilitate exports.
4. Expenditure on R & D : No major specific expenditure have been incurred on R & D

Technology Absorption, Adaptation and Innovation

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

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

C) **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

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

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

Total Foreign Exchange used and earned:-

Total Foreign Exchange used : ₹ 419.37 Lakhs

Total Foreign Exchange earnings : ₹ 8858.97 Lakhs

On Behalf of the Board of Directors

Place: Mumbai

Date: May 22, 2017

Pankaj Seth

Managing Director

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

| Executive director | |
|------------------------|-------------|
| Mr. Pankaj Seth | 99:1 |
| Mrs. Anisha Seth | 95:1 |
| Mr. Bruce Larry Kieval | NIL |

b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

| Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary | % increase in remuneration in the financial year |
|---|--|
| Mr. Pankaj Seth | 0 |
| Ms. Anisha Seth | 0 |
| Mr. Mukesh Deopura | 20.23% |
| Mrs. Neha Poddar | 4.09% |

c. During the financial year 2016-2017, there was a slight increase in the median remuneration of employees. There was an increase of around 10% due to annual increment of employees.

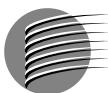
d. The number of permanent employees on the rolls of Company: 479.

e. The explanation on the relationship between average increase in remuneration and Company performance:

The increase in remuneration is linked to the performance of the Company as a whole, the performance of the employees and other factors like industry trends & economic environment.

f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

| | |
|--|----------|
| Aggregate remuneration of key managerial personnel (KMP) in FY17 (₹ in Lakhs) | 342.51 |
| Revenue (₹ in Lakhs) | 13053.35 |
| Remuneration of KMPs (as % of revenue including other income) (156+150+36.51=342.51) | 2.62% |
| Profit before Tax (PBT) (₹ in Lakhs) | 3159.09 |
| Remuneration of KMP (as % of PBT) | 10.84 |



g. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

| Particulars | March 31, 2017 | March 31, 2016 | % Change |
|---|----------------|----------------|----------|
| Market Capitalisation (₹ in crores) (BSE) | 358.92 | 340.77 | 5.33% |
| Market Capitalisation (₹ in crores) (NSE) | 359.64 | 341.27 | 5.38% |
| Closing rate of share at BSE | 125.05 | 237.60 | -47.37% |
| Closing rate of share at NSE | 125.30 | 237.95 | -47.34% |
| EPS | 7.12 | 8.56 | -16.82% |
| Price Earnings Ratio | 17.60 | 13.90 | 26.62% |

h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

| Particulars | March 31, 2017 | December 13, 1994 (IPO) | December 13, 1994 (IPO) *&** | % Change* |
|------------------------|----------------|-------------------------|------------------------------|-----------|
| Market Price (BSE) | 125.05 | 25 | 8.335 | 1400.30% |
| Market Price (NSE) *** | 125.30 | NA | NA | NA |

* Adjusted for 1:2 bonus issue in 2012

** Adjusted for 1:1 bonus issue in 2017

*** The Company got listed on NSE w.e.f. 05.11.2013

i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in salaries of employees other than managerial personnel in 2016-17 was approx.11%. There was no increase in the managerial remuneration during the year 2016-2017.

j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

(₹ in lakhs)

| | Mr. Pankaj Seth (Managing director) | Mrs. Anisha Seth (Whole Time Director) | Mr. Mukesh Deopura (CFO) | Mrs. Neha Poddar (Company Secretary) |
|--------------------------------|--|---|-----------------------------|---|
| Remuneration in FY17 | 156 | 150 | 28.88 | 7.63 |
| Revenue | 13053.35 | 13053.35 | 13053.35 | 13053.35 |
| Remuneration (as % of revenue) | 1.20% | 1.15% | 0.22% | 0.06% |
| Profit before Tax (PBT) | 3159.09 | 3159.09 | 3159.09 | 3159.09 |
| Remuneration (as % of PBT) | 4.94% | 4.75% | 0.91% | 0.24% |

k. The key parameters for any variable component of remuneration availed by the directors:

There is no variable component of salaries paid in 2016-17/ 2015-16 linked with performance of company for said Managerial Personnel.

l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

None

m. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company

ANNEXURE TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | |
|---|---|
| CIN | L40300MH1983PLC030872 |
| Registration Date | 16-09-1983 |
| Name of the Company | Orbit Exports Limited |
| Category / Sub-Category of the Company | Company having Share Capital |
| Address of the Registered Office and contact details | 122, Mistry Bhavan, 2nd Floor, Dinshaw Wachha Road, Churchgate, Mumbai - 400020 |
| Whether listed company | Yes |
| Name, address and contact details of Registrar and Transfer Agent, if any | Link Intime India Pvt. Ltd. C -101, 247 Park, L.B.S. Marg, Vikhroli West Mumbai – 400083 |

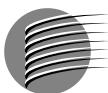
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Fabrics | 13122 | 86.68 |
| 2 | Ribbons & Made ups | 13929 | 13.32 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and address of the Company | CIN/GLN | Holding/ Subsidiary/Associate | % of shares held | Applicable Section |
|---------|--|-----------------|-------------------------------|------------------|--------------------|
| 1 | Orbit International Inc., San Julian Street, Los Angles | Foreign Company | Subsidiary | 100% | 2(87) |
| 2 | Rainbow Line Trading LLC Dubai, UAE | Foreign Company | Associate | 49% | 2(6) |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Shareholding**

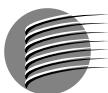
| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|----------|----------------|-------------------|---|----------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | 7587672 | 0 | 7587672 | 52.90 | 15189864 | 0 | 15189864 | 52.92 | 0.02 |
| b) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt.(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corporate | 1226081 | 0 | 1226081 | 8.55 | 2527999 | 0 | 2527999 | 8.81 | 0.26 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (A)(1): | 8813753 | 0 | 8813753 | 61.45 | 17717863 | 0 | 17717863 | 61.73 | 0.28 |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other – Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (A)(2): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Total Shareholding of Promoters (A) = (A)(1)+(A)(2) | 8813753 | 0 | 8813753 | 61.45 | 17717863 | 0 | 17717863 | 61.73 | 0.28 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds / UTI | 256000 | 0 | 256000 | 1.79 | 354249 | 0 | 354249 | 1.24 | (0.55) |
| b) Banks / FI | 8951 | 0 | 8951 | 0.06 | 5789 | 0 | 5789 | 0.02 | (0.04) |
| c) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| d) State Govt.(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| i) Others (specify) – Foreign Portfolio Investor | 0 | 0 | 0 | 0 | 3736 | 0 | 3736 | 0.01 | 0.01 |
| Sub-Total (B)(1): | 264951 | 0 | 264951 | 1.85 | 363774 | 0 | 363774 | 1.27 | (0.58) |



| (2) Non-Institutions | | | | | | | | | |
|--|-----------------|---------------|-----------------|--------------|-----------------|---------------|-----------------|--------------|---------------|
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 606260 | 3600 | 609860 | 4.25 | 965734 | 6200 | 971934 | 3.39 | (0.86) |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| b) Individuals | | | | | | | | | |
| i) Individual Shareholders holding nominal share capital upto Rs.1 lakh | 1246271 | 292262 | 1538533 | 10.73 | 2321414 | 560969 | 2882383 | 10.04 | (0.69) |
| ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh | 2506438 | 0 | 2506438 | 17.48 | 5362690 | 0 | 5362690 | 18.68 | 1.20 |
| c) Others (specify) | | | | | | | | | |
| i) Clearing Members | 41707 | 0 | 41707 | 0.29 | 99310 | 0 | 99310 | 0.35 | 0.06 |
| ii) Market Maker | 176 | 0 | 176 | 0.00 | 960 | 0 | 960 | 0.00 | 0.00 |
| iii) NRI (Repatriation) | 288209 | 0 | 288209 | 2.01 | 714522 | 0 | 714522 | 2.49 | 0.48 |
| iv) NRI (Non Repatriation) | 182664 | 0 | 182664 | 1.27 | 378487 | 0 | 378487 | 1.32 | 0.05 |
| v) Hindu Undivided Family | 95859 | 0 | 95859 | 0.67 | 210377 | 0 | 210377 | 0.73 | 0.06 |
| Sub-Total (B)(2) | 4967584 | 295862 | 5263446 | 36.70 | 10053494 | 567169 | 10620663 | 37.00 | 0.3 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 5232535 | 295862 | 5528397 | 38.55 | 10417268 | 567169 | 10984437 | 38.27 | (0.28) |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Grand Total (A+B+C) | 14046288 | 295862 | 14342150 | 100 | 28135131 | 567169 | 28702300 | 100 | 0 |

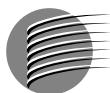
(ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|---------|--|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Mr. Pankaj Seth | 5641593 | 39.34 | 0 | 11283186 | 39.31 | 0 | (0.03) |
| 2 | Ms. Anisha Seth | 1890895 | 13.18 | 0 | 3781790 | 13.18 | 0 | 0 |
| 3 | Ms. Sujata Arora | 27000 | 0.19 | 0 | 54000 | 0.19 | 0 | 0 |
| 4 | Ms. Sangeeta Bhatia | 10000 | 0.07 | 0 | 20800 | 0.07 | 0 | 0 |
| 5 | Ms. Vijaya Hasurkar | 9159 | 0.06 | 0 | 18318 | 0.06 | 0 | 0 |
| 6 | Ms. Rama Seth | 5800 | 0.04 | 0 | 11600 | 0.04 | 0 | 0 |
| 7 | Shri. Shrigovind Hasurkar | 3225 | 0.02 | 0 | 6450 | 0.02 | 0 | 0 |
| 8 | Ms. Vishakha Seth | 0 | 0 | 0 | 8000 | 0.03 | 0 | 0.03 |
| 9 | Mr. Siddharth Mehra | 0 | 0 | 0 | 5720 | 0.02 | 0 | 0.02 |
| 10 | M/s. Mediaman Multitrade Private Limited | 1226081 | 8.55 | 0 | 2527999 | 8.81 | 0 | 0.26 |
| | Total | 8813753 | 61.45 | 0 | 17717863 | 61.73 | 0 | 0.28 |



(iii) Change in Promoters' Shareholding (please specify, if there is no change)

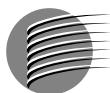
| Sr. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | Mr. Pankaj Seth | | | | |
| | At the beginning of the year | 5641593 | 39.34 | 5641593 | 39.34 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 5641593 | 39.31 | 11283186 | 39.31 |
| | At the end of the year | 11283186 | 39.31 | 11283186 | 39.31 |
| 2 | Ms. Anisha Seth | | | | |
| | At the beginning of the year | 1890895 | 13.18 | 1890895 | 13.18 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 1890895 | 13.18 | 3781790 | 13.18 |
| | At the end of the year | 3781790 | 13.18 | 3781790 | 13.18 |
| 3 | Ms. Sujata Arora | | | | |
| | At the beginning of the year | 27000 | 0.19 | 27000 | 0.19 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 27000 | 0.19 | 54000 | 0.19 |
| | At the end of the year | 54000 | 0.19 | 54000 | 0.19 |
| 4. | Ms. Rama Seth | | | | |
| | At the beginning of the year | 5800 | 0.04 | 5800 | 0.04 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 5800 | 0.04 | 11600 | 0.04 |
| | At the end of the year | 11600 | 0.04 | 11600 | 0.04 |
| 5. | Ms. Vijaya Hasurkar | | | | |
| | At the beginning of the year | 9159 | 0.06 | 9159 | 0.06 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 9159 | 0.06 | 18318 | 0.06 |
| | At the end of the year | 18318 | 0.06 | 18318 | 0.06 |
| 6. | Ms. Sangeeta Bhatia | | | | |
| | At the beginning of the year | 10500 | 0.07 | 10500 | 0.07 |
| | Less: Sold during the year | 100 | 0.00 | 10400 | 0.07 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 10400 | 0.07 | 20800 | 0.07 |
| | At the end of the year | 20800 | 0.07 | 20800 | 0.07 |
| 7. | Mr. Shrigovind Hasurkar | | | | |
| | At the beginning of the year | 3225 | 0.02 | 3225 | 0.02 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 3225 | 0.02 | 6450 | 0.02 |
| | At the end of the year | 6450 | 0.02 | 6450 | 0.02 |
| 8. | Ms. Vishakha Seth Mehra | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Add: Purchase of shares | 4000 | 0.03 | 4000 | 0.03 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 4000 | 0.03 | 8000 | 0.03 |
| | At the end of the year | 8000 | 0.03 | 8000 | 0.03 |



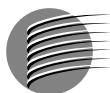
| | | | | | |
|-----|--|---------|------|---------|------|
| 9. | Mr. Siddharth Mehra | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Add: Purchase of shares | 2860 | 0.02 | 2860 | 0.02 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 2860 | 0.02 | 5720 | 0.02 |
| | At the end of the year | 5720 | 0.02 | 5720 | 0.02 |
| 10. | M/s. Mediaman Multitrade Pvt. Ltd. | | | | |
| | At the beginning of the year | 1226081 | 8.54 | 1226081 | 8.54 |
| | Add: Purchase of Shares | 31115 | 0.22 | 1257196 | 8.76 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 1257196 | 8.76 | 2514392 | 8.76 |
| | Add: Purchase of Shares | 13607 | 0.05 | 2527999 | 8.81 |
| | At the end of the year | 2527999 | 8.81 | 2527999 | 8.81 |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | Sandeep Sharma | | | | |
| | At the beginning of the year | 407613 | 2.84 | 407613 | 2.84 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 407613 | 2.84 | 815226 | 2.84 |
| | At the end of the year | 815226 | 2.84 | 815226 | 2.84 |
| 2 | Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Dividend Yield Plus | | | | |
| | At the beginning of the year | 155000 | 1.08 | 155000 | 1.08 |
| | Less: Sold during the year | 1928 | 0.01 | 153072 | 1.07 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 153072 | 1.07 | 306144 | 1.07 |
| | Less: Sold during the year | 6144 | 0.02 | 300000 | 1.05 |
| | At the end of the year | 300000 | 1.05 | 300000 | 1.05 |
| 3 | Zen Daga | | | | |
| | At the beginning of the year | 135380 | 0.94 | 135380 | 0.94 |
| | Less: Sold during the year | 135380 | 0.94 | 0 | 0.00 |
| | At the end of the year | 0 | 0.00 | 0 | 0.00 |
| 4 | Rashi Daga | | | | |
| | At the beginning of the year | 135000 | 0.94 | 135000 | 0.94 |
| | Less: Sold during the year | 135000 | 0.94 | 0 | 0.00 |
| | At the end of the year | 0 | 0.00 | 0 | 0.00 |
| 5 | Aparna Daga | | | | |
| | At the beginning of the year | 135000 | 0.94 | 135000 | 0.94 |
| | Less: Sold during the year | 135000 | 0.94 | 0 | 0.00 |
| | At the end of the year | 0 | 0.00 | 0 | 0.00 |



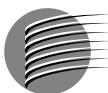
| | | | | | |
|----|--|---------|-------|---------|-------|
| 6 | Kaushik Daga | | | | |
| | At the beginning of the year | 135000 | 0.94 | 135000 | 0.94 |
| | Less: Sold during the year | 135000 | 0.94 | 0 | 0.00 |
| | Add: Bought during the year | 2099698 | 14.63 | 2099698 | 14.63 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 2099698 | 14.63 | 4199396 | 14.63 |
| | Less: Sold during the year | 2087000 | 7.27 | 2112396 | 7.36 |
| | At the end of the year | 2112396 | 7.36 | 2112396 | 7.36 |
| 7 | Deepali Daga | | | | |
| | At the beginning of the year | 135000 | 0.94 | 135000 | 0.94 |
| | Less: Sold during the year | 135000 | 0.94 | 0 | 0.00 |
| | At the end of the year | 0 | 0.00 | 0 | 0.00 |
| 8 | Gaia Daga | | | | |
| | At the beginning of the year | 135000 | 0.94 | 135000 | 0.94 |
| | Less: Sold during the year | 135000 | 0.94 | 0 | 0.00 |
| | At the end of the year | 0 | 0 | 0 | 0.00 |
| 9 | Deeva Daga | | | | |
| | At the beginning of the year | 135000 | 0.94 | 135000 | 0.94 |
| | Less: Sold during the year | 135000 | 0.94 | 0 | 0.00 |
| | At the end of the year | 0 | 0.00 | 0 | 0.00 |
| 10 | Moksha Daga | | | | |
| | At the beginning of the year | 135000 | 0.94 | 135000 | 0.94 |
| | Less: Sold during the year | 135000 | 0.94 | 0 | 0.00 |
| | At the end of the year | 0 | 0.00 | 0 | 0.00 |
| 11 | RVB Enterprises LLP | | | | |
| | At the beginning of the year | 164255 | 1.15 | 164255 | 1.15 |
| | Less: Sold during the year | 20472 | 0.14 | 143783 | 1.00 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 143783 | 1.00 | 287566 | 1.00 |
| | At the end of the year | 287566 | 1.00 | 287566 | 1.00 |
| 12 | Own Leasing & Finance Pvt. Ltd. | | | | |
| | At the beginning of the year | 80748 | 0.56 | 80748 | 0.56 |
| | Add: Bought during the year | 49463 | 0.34 | 130211 | 0.91 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 130211 | 0.91 | 260422 | 0.91 |
| | Add: Bought during the year | 16500 | 0.06 | 276922 | 0.97 |
| | At the end of the year | 276922 | 0.97 | 276922 | 0.97 |
| 13 | Dilip Kanaiyalal Bombaywala | | | | |
| | At the beginning of the year | 75000 | 0.52 | 75000 | 0.52 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 75000 | 0.52 | 150000 | 0.52 |
| | At the end of the year | 150000 | 0.52 | 150000 | 0.52 |



| | | | | | |
|----|--|--------|------|--------|------|
| 14 | Alpa Pramod Talsania | | | | |
| | At the beginning of the year | 17000 | 0.12 | 17000 | 0.12 |
| | Add: Bought during the year | 33000 | 0.23 | 50000 | 0.35 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 50000 | 0.35 | 100000 | 0.35 |
| | At the end of the year | 100000 | 0.35 | 100000 | 0.35 |
| 15 | Nirajkumar Vinodkumar Daga | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Add: Bought during the year | 41562 | 0.29 | 41562 | 0.29 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 41562 | 0.29 | 83124 | 0.29 |
| | At the end of the year | 83124 | 0.29 | 83124 | 0.29 |
| 16 | Gandhar Share Broking Pvt. Ltd. | | | | |
| | At the beginning of the year | 31943 | 0.22 | 31943 | 0.22 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 31943 | 0.22 | 63886 | 0.22 |
| | At the end of the year | 63886 | 0.22 | 63886 | 0.22 |
| 17 | Aditya Vipin Jain | | | | |
| | At the beginning of the year | 30000 | 0.21 | 30000 | 0.21 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 30000 | 0.21 | 60000 | 0.21 |
| | At the end of the year | 60000 | 0.21 | 60000 | 0.21 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | Mr. Pankaj Seth, Director | | | | |
| | At the beginning of the year | 5641593 | 39.34 | 5641593 | 39.34 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 5641593 | 39.31 | 5641593 | 39.31 |
| | At the end of the year | 11283186 | 39.31 | 11283186 | 39.31 |
| 2 | Ms. Anisha Seth, Director | | | | |
| | At the beginning of the year | 1890895 | 13.18 | 1890895 | 13.18 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 1890895 | 13.18 | 1890895 | 13.18 |
| | At the end of the year | 3781790 | 13.18 | 3781790 | 13.18 |
| 3 | Mr. Varun Daga, Director | | | | |
| | At the beginning of the year | 135000 | 0.94 | 135000 | 0.94 |
| | Less: Sold during the year | 135000 | 0.94 | 0 | 0.00 |
| | Add: Bought during the year | 2087000 | 7.27 | 2087000 | 7.27 |
| | At the end of the year | 2087000 | 7.27 | 2087000 | 7.27 |

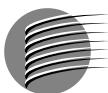


| | | | | | |
|---|---|------|-------|------|-------|
| 4 | Mr. Mukesh Deopura, Chief Financial Officer | | | | |
| | At the beginning of the year | 580 | 0.004 | 580 | 0.004 |
| | Add: Bought (allotted through ESOP) during the year | 5000 | 0.04 | 5580 | 0.04 |
| | Less: Sold during the year | 5579 | 0.04 | 01 | 0.00 |
| | Add: Issue of Bonus Shares (1:1) on 16th Feb, 2017 | 01 | 0.00 | 02 | 0.00 |
| | At the end of the year | 02 | 0.00 | 02 | 0.00 |
| 5 | Ms. Neha Poddar, Company Secretary | | | | |
| | At the beginning of the year | 2000 | 0.01 | 2000 | 0.01 |
| | Less: Sold during the year | 2000 | 0.01 | 0 | 0.00 |
| | At the end of the year | 00 | 00 | 0 | 0.00 |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

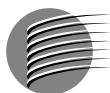
| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness (₹ in Lakhs) |
|--|--|--------------------|----------|---------------------------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 2808.50 | 00 | 00 | 2808.50 |
| ii) Interest due but not paid | 00 | 00 | 00 | 00 |
| iii) Interest accrued but not due | 00 | 00 | 00 | 00 |
| Total (i+ii+iii) | 2808.50 | 00 | 00 | 2808.50 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 0.00 | 00 | 00 | 0.00 |
| • Reduction | 1086.24 | 00 | 00 | 1086.24 |
| Net Change | (1086.24) | 00 | 00 | (1086.24) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 1722.26 | 00 | 00 | 1722.26 |
| ii) Interest due but not paid | 00 | 00 | 00 | 00 |
| iii) Interest accrued but not due | 00 | 00 | 00 | 00 |
| Total (i+ii+iii) | 1722.26 | 00 | 00 | 1722.26 |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sr. No. | Particulars of Remuneration | Mr. Pankaj Seth, MD & CEO | Ms. Anisha Seth, WTD & COO | Total Amount (₹ in Lakhs) |
|---------|---|---|----------------------------|---------------------------|
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 150 | 144 | 294 |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 | 6 | 6 | 12 |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 |
| 4 | Commission | | | |
| | - as % of profit | 0 | 0 | 0 |
| | - others, specify.. | 0 | 0 | 0 |
| 5 | Others, please specify | 0 | 0 | 0 |
| | Total (A) | 156 | 150 | 306 |
| | Ceiling as per the Act | 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 is ₹ 346.5 lakhs | | |

B. Remuneration to other directors:

| Sr. No. | Particulars of Remuneration | Name of Director | | | | | | Total Amount |
|---------|---|--|---------------------|----------------------|--------------------|----------------|------------------------|--------------|
| | | Mr. Gopikrishna Bubna | Mr. Saumil Marfatia | Mr. Balkrishna Patil | Mr. Pardeep Khosla | Mr. Varun Daga | Mr. Bruce Larry Kieval | |
| 1 | Independent Directors | | | | | | | |
| | - Fee for attending Board/ Committee Meetings | 84500 | 45500 | 20000 | 76500 | 0 | 0 | 226500 |
| | - Commission | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | - Others, please specify | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total (1) | 84500 | 45500 | 20000 | 76500 | 0 | 0 | 226500 |
| 2 | Other Non Executive Directors | | | | | | | |
| | - Fee for attending Board/ Committee Meetings | 0 | 0 | 0 | 0 | 64000 | 0 | 64000 |
| | - Commission | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | - Others, please specify | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total (2) | 0 | 0 | 0 | 0 | 64000 | 0 | 64000 |
| 3 | Executive Director | | | | | | | |
| | - Commission | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | - Others, please specify | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total (3) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total (B) = (1+2+3) | 84500 | 45500 | 20000 | 76500 | 64000 | 0 | 290500 |
| | Total Managerial Remuneration | | | | | | | 290500 |
| | Overall Ceiling as per the Act | ₹ 34.65 lakhs (being 1% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013). | | | | | | |

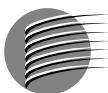
**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

| Sr. No. | Particulars of Remuneration | Key Managerial Personnel | | Total Amount |
|---------|---|---|--------------------------------------|----------------|
| | | Mr. Mukesh Deopura Chief Financial Officer | Ms. Neha Poddar Company Secretary | |
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 2887672 | 763165 | 3650837 |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961* | 891250 | 0 | 891250 |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | 0 | 0 | 0 |
| 2 | Stock Option (No. of Options) | 20000 | 6000 | |
| 3 | Sweat Equity | 0 | 0 | 0 |
| 4 | Commission | | | |
| | - as % of profit | 0 | 0 | 0 |
| | - others, specify.. | 0 | 0 | 0 |
| 5 | Others, please specify | 0 | 0 | 0 |
| | Total | 3778922 | 763165 | 4542087 |

* Perquisites amount of ₹ 891250/- represents notional profit on equity shares issued to Mr. Mukesh Deopura by way of exercise of Employee Stock Options. For the sake of comparison of the remuneration, notional profit has been excluded.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment / Compounding fees imposed | Authority [RD/ NCLT/ Court] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|---|-----------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |



MANAGEMENT DISCUSSION AND ANALYSIS

The Management of **ORBIT EXPORTS LIMITED** presents its Analysis report covering performance and outlook of the Company. The Report has been prepared in compliance with the requirements of Corporate Governance as laid down in the Listing Regulations.

Disclaimer :

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate," "believe," "estimate," "intend," "will," and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time & adequate restrain should be applied in their use for any decision making or formation of an opinion.

The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto

Analysis and Review :

The Indian textile sector had all the tailwinds the businesses needed, over the last two to three years, to grow and become more profitable. Right from higher export demand to lower cotton prices to falling interest rates to favourable exchange rates, the companies had everything going in their favour. The industry employs about 40 million workers directly and 60 million indirectly.

India enjoys a significant lead in terms of labour cost per hour over developed countries like US and newly industrialised economies like Hong Kong, Taiwan, South Korea and China.

The textile industry aims to double its workforce over the next 3 years. As a thumb rule, for every ₹ 1 lakhs invested in the industry, an average of 7 additional jobs is created.

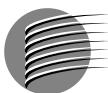
Even at GST rate of 12%, the textile sector is likely to be negatively impacted. The cotton value chain is likely to be the worst affected as it is currently attracting zero central excise duty.

The Textile Industry occupies a vital place in the Indian economy and contributes substantially to its exports earnings. Textiles exports represent nearly 30 per cent of the country's total exports. It has a high weight age of over 20 per cent in the National production. It provides direct employment to over 15 million persons in the mill, powerloom and handloom sectors. India is the world's second largest producer of textiles after China. It is the world's third largest producer of cotton-after China and the USA-and the second largest cotton consumer after China. The textile industry in India is one of the oldest manufacturing sectors in the country and currently it's largest one.

The Textile industry occupies an important place in the Economy of the country because of its contribution to the industrial output, employment generation and foreign exchange earnings. The textile industry encompasses a range of industrial units, which use a wide variety of natural and synthetic fibres to produce fabrics. The textile industry can be broadly classified into two categories, the organized mill sector and the unorganized mill sector. Considering the significance and contribution of textile sector in national economy, initiative and efforts are being made to take urgent and adequate steps to attract investment and encourage wide spread development and growth in this sector.

Textile Outlook :

For several years, India has enjoyed the position of being the second largest producer exporter of textiles in the world. Statistics reveal that India has overtaken countries such as Italy, Germany and Bangladesh, to emerge as the second largest textile exporter, the largest being China. The good news for India is that due to rising labour costs, China is gradually losing its competitive edge. Other factors contributing to the downfall of China's textile exports include appreciating currency value, rising material & energy costs and a high focus on the domestic market. The decline in China's market share in textiles provides an opportunity for India to excel in this sector. Further, the abundant availability of raw materials, huge domestic



market, improved economic conditions and Government initiatives such as "Make In India" are some of the advantages that fuel the solid performance of the Indian textile industry for export.

The Technology Upgradation Fund Scheme is anticipated to render a growth of 11.5 percent in cloth production, 15 percent in value exports and an additional employment of almost 15.81 million workers.

In spite of immense factors fuelling the growth of the Indian textile industry, there are certain challenges faced by the country in terms of scarcity of trained manpower, escalating energy costs, high transportation costs, obsolete labour laws, low level of technology and lack of economies of scale.

Irrespective of a handful of unfavourable conditions, the future appears bright for the Indian textile industry, which is set for strong growth, buoyed by massive domestic as well as export demand. Further, the growing Indian economy and rising disposable income will render a strong tailwind to the textile sector.

Your company is looking to grow selectively in high value added segments within textiles, for maximum capital efficiency as well as de-risked business model. It is moving steadily towards a verticalised setup of fabrics, which offers much better returns profile along with more robust business model.

Global Economy :

Global economy growth continued to stagnate following slow trades, low investments and policy uncertainties in advanced economies. Major global events during the year included United Kingdom's decision to leave the European Union and the outcome of presidential elections in United States of America both the events are expected to have long-term effects on the global economy. Global growth in 2016 was estimated at 3.1% and is projected to rise to 3.5% in 2017. Growth in emerging markets and developing economies is expected to pick up in 2017 on the back of fiscal stimulus measures in developed economies and narrowing of divergence between commodity exports and importers. The main factors that could possibly weigh on the medium-term growth prospects across many emerging markets and developing economies are weak investments, below par levels of productivity coupled with heightened policy uncertainty, and protectionist pressures.

Indian Economy :

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

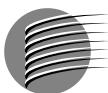
The textile industry employs about 40 million workers and 60 million indirectly. India's overall textile exports during FY 2015-16 stood at US\$ 40 billion.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

About the Industry :

The textile and apparel industry can be broadly divided into two segments - yarn and fibre, and processed fabrics and apparel. India accounts for 14 per cent of the world's production of textile fibres and yarns (largest producer of jute, second largest producer of silk and cotton, and third largest in cellulosic fibre). India has the highest loom capacity (including hand looms) with 63 per cent of the world's market share.

The domestic textile and apparel industry in India is estimated to reach US\$ 141 billion by 2021 from US\$ 67 billion in 2014. Increased penetration of organised retail, favourable demographics, and rising income levels are likely to drive demand for textiles. India is the world's second largest exporter of textiles and clothing.



Textile and apparel exports from India are expected to increase to US\$ 82 billion by 2021. Readymade garments remain the largest contributor to total textile and apparel exports from India, contributing 40 per cent to total textile and apparel exports. Cotton and man-made textiles were the other major contributors with shares of 31 per cent and 16 per cent, respectively.

Rising government focus and favourable policies is leading to growth in the textiles and clothing industry. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Up-gradation Fund Scheme (TUFS). To promote apparel exports, 12 locations have been approved by the government to set up apparel parks for exports. As per the 12th Five Year Plan, the Government plans to provide a budgetary support of US\$ 4.25 billion to textiles. Free trade with ASEAN countries and proposed agreement with European Union will also help boost exports.

The government has extended the duty drawback facility on all textile products and increased rates in some cases for one year to boost exports in the sector. The government is also planning to conduct roadshows to promote the country's textiles in non-traditional markets like South America, Russia and select countries in West Asia.

Financial Performance of the Company :

Your Company continued to progress in utilizing all the opportunities during 2016 - 2017. The highlights of the financial performance are:

- 1) Net Sales decreased by 11.04% from ₹ 14,673.89 Lakhs in 2015-2016 to ₹ 13,053.35 Lakhs in 2016-17.
- 2) Earnings before interest, depreciation, tax (EBIDTA) decreased by 9.51% to ₹ 3,964.29 Lakhs in 2016-17 against ₹ 4,381.02 Lakhs in 2015-2016.
- 3) Profit after tax (PAT) decreased by 16.64% from ₹ 2,452.86 Lakhs in 2015-16 to ₹ 2044.73 Lakhs in 2016-17.
- 4) Depreciation and Amortization expenses increased by 14.47% to ₹ 679.29 Lakhs in 2016-17 against ₹ 593.40 Lakhs in 2015-16.
- 5) Interest expenses increased by 54.71% to ₹ 180.21 Lakhs in 2016-17 against ₹ 116.48 Lakhs in 2015-16.

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

Consolidated Financial Performance of the Company :

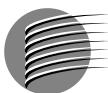
The key highlights of the consolidated financial performance are:

- 1) Net Sales of the Company was ₹ 13,437.26 Lakhs in the year 2016-17.
- 2) Earnings before interest, depreciation, tax (EBIDTA) was ₹ 3,939.04 Lakhs in 2016-17.
- 3) Profit after tax (PAT) was ₹ 2,111.46 Lakhs in 2016-17.
- 4) Depreciation and Amortization expenses during the year 2016-17 was ₹ 691.81 Lakhs.
- 5) Interest expenses during the year 2016-17 was ₹ 180.21 Lakhs.

Credit Rating

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by ICRA Limited as given below:

| Instrument | Rating |
|-------------------|-----------------|
| Long Term Debt | ICRA A (Stable) |
| Short Term Debt | ICRA A1 |



Outlook

The company is taking all efforts to improve the quality and productivity to get more orders at competitive rates. The expansion program by improving efficiency by installation of new and high tech machinery will push volume growth. The company's business is committed to achieve world benchmark quality besides expanding on new product offering from new clients. Further the business will continue to focus on improving its cost competitive position. These measures will ensure the company maintaining its leadership position in the world market. Due to the own manufacturing facilities, the company is able to maintain safety of products high quality & productivity in the finished goods manufactured. Barring unforeseen circumstances the company is confident of achieving better results in the current year.

Internal Control Systems and their Adequacy

For ensuring methodical and efficient conduct of its business, the Board has adopted policies and procedures. Thus, it ensures on the one hand, safeguarding of assets and resources of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, timely preparation of financial disclosures and on the other hand, encourages the improvement of the operational performance of the Company.

The Company has an adequate internal control system commensurate with the size and complexity of the organization. The Company has undertaken a comprehensive review of all internal control systems to take care of the needs of the expanding size of the Company. A system of internal audit to meet the statutory requirement as well as to ensure proper implementation of management and accounting controls is in place. The Audit Committee periodically reviews the adequacy of the internal audit functions. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

Financial and operational performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Please refer Directors' Report in this respect.

Human Resources/Industrial Relations

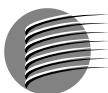
The Company treats its human resources as its important asset and believes in its contribution to the all round growth of the Company. The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel.

Research and Development:

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

Cautionary Statement

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



CORPORATE GOVERNANCE REPORT

At **ORBIT EXPORTS LIMITED**, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. At **ORBIT EXPORTS LIMITED**, we consider stakeholders as partners in our success, and we remain committed to maximizing stakeholder value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses.

1. Company's philosophy on Corporate Governance

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

Best Corporate Governance practices

ORBIT EXPORTS LIMITED maintains the highest standards of corporate governance. It is the Company's constant endeavour to adopt the best corporate governance practices. Some of the best implemented global governance norms include the following:

1. The Company has a designated Lead Independent Director with a defined role.
2. All securities related filings with Stock Exchanges and SEBI are reviewed every quarter by the Company's Stakeholders Relationship Committee of Directors.
3. The Company's Internal Audit is conducted by Independent Auditors.
4. The Company also undergoes Secretarial Audit conducted by an Independent Company Secretary who is in whole-time practice. The annual secretarial audit report placed before the Board is included in the Annual Report.

2. Board of Directors

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

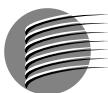
The Company's Board comprises of Eight Directors: Two are Promoter Executive Directors, One is Executive Director and four are Non-Executive Independent Directors and one is a Non-Executive Non - Independent Director. The Chairman of the Board is a Promoter Executive Director. And 50% of the Board comprises of Independent Directors.

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations entered into with the Stock Exchanges. All Independent Non-Executive Directors comply with the legal requirements of being "Independent".

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all listed entities in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2017 have been made by the Directors.

The Board met 7 (Seven) times during the year on May 30, 2016, August 12, 2016, September 23, 2016, November 9, 2016, December 26, 2016, January 25, 2017 and February 16, 2017.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of Private Limited Companies, Section 8 Companies and of Companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

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

| Name of Directors | Category | No. of Board Meetings attended during the year 2016-17 | Attendance at the last AGM | No. of Directorships in other Public Companies | | No. of Committees and positions held in other public companies | |
|--|-------------------------------|--|----------------------------|--|--------|--|--------|
| | | | | Chairman | Member | Chairman | Member |
| Mr. Pankaj Seth (Managing Director) (Din No. 00027554) | Promoter – Executive | 6 | Yes | Nil | Nil | Nil | Nil |
| Mrs. Anisha Seth (Din No. 00027611) | Promoter – Executive | 7 | No | Nil | Nil | Nil | Nil |
| Mr. Bruce Larry Kieval (Din No. 00335336) | Executive | 0 | No | Nil | Nil | Nil | Nil |
| Mr. Varun Daga (Din No. 01932805) | Non-Executive Non-Independent | 6 | No | Nil | Nil | Nil | Nil |
| Mr. Gopikrishna Bubna (Din No. 01338170) | Non-Executive Independent | 7 | Yes | Nil | Nil | Nil | Nil |
| Mr. Saumil U. Marfatia (Din No. 02774221) | Non-Executive Independent | 5 | No | Nil | Nil | Nil | Nil |
| Mr. Balkrishna Patil (Din No. 02927967) | Non-Executive Independent | 2 | No | Nil | Nil | Nil | Nil |
| Mr. Pardeep Khosla (Din No. 06926523) | Non-Executive Independent | 7 | Yes | Nil | 1 | Nil | Nil |

Notes:

1. Directorship excludes Private Limited Companies, Foreign Companies, Alternate Directorship, Companies under Section 8 of the Companies Act, 2013 and Orbit Exports Limited, have not been considered for this purpose.
2. This includes the Chairmanships/ Memberships only in the Audit Committee and the Stakeholders Relationship Committee of all Public Limited Companies.
3. All Independent Directors have confirmed their "Independence" to the Board of the Company.
4. Except Mr. Pankaj Seth and Mrs. Anisha Seth, who are related, none of the other Directors is a relative of the other.
5. Mr. Varun Daga, Non-Executive Director of the Company holds 20,87,000 shares of the Company as on 31.03.2017, none of the other non-executive Directors hold any shares of the Company as on 31.03.2017

2.2 Familiarization Program:

The Company familiarizes not only the Independent Director but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, operations of the Company, etc. They are also informed of the important policies of the Company, including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading in securities by insiders, etc. the particular of familiarization programme for Independent Director can be accessed through the website of the company www.orbitexports.com.

COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman or any member of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

3. Audit Committee

The Company has constituted a well qualified and Independent Audit Committee as required under Section 177 of the Companies Act, 2013 as also in fulfillment of the requirements of Regulations 18 of the SEBI (LODR) Regulations, 2015. The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

a) Composition, Name of Member and Chairman

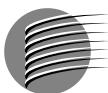
The Audit Committee comprises of Mr. Gopikrishna Bubna (Chairman), Mr. Pardeep Khosla (Member), Mr. Varun Daga (Member) and Mr. Balkrishna Patil (Member w.e.f. 16.02.2017).

During the year under review, the Committee met five times i.e. on May 30, 2016, August 12, 2016, November 9, 2016, January 25, 2017 and February 16, 2017.

| Name of Member | Status | No. of Meetings attended |
|-----------------------|----------|--------------------------|
| Mr. Gopikrishna Bubna | Chairman | 5 |
| Mr. Pardeep Khosla | Member | 5 |
| Mr. Varun Daga | Member | 5 |
| Mr. Balkrishna Patil | Member | 0 |

b) The terms of reference of the Audit Committee are broadly as under:

- i. Review of financial statements before they are submitted to the Board for adoption;
- ii. Recommending the appointment or removal of statutory auditors, fixation of audit fees, terms of auditors, and approval for payment for other services provided by the auditors;
- iii. Review of quarterly, half yearly and yearly financial statements and Audit Report before they are presented to the Board, focusing inter-alia upon:
 - Accounting Policies and any changes thereto;
 - Ensuring compliance with the Accounting Standards;
 - Compliance with the laws, rules, regulations and notification issued by the Stock Exchange and other regulatory authorities relating to the preparation and disclosure of financial statements;
 - Significant issues arising out of audit;
 - The going concern assumption;
 - Major accounting entries based upon exercise of judgment by the management;
 - 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 interest of the Company at large;
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 314 of the Companies Act, 2013;
- iv. Review with the management and auditors the adequacy of internal control systems;



- v. Discussion with the Statutory Auditors before commencement of the audit, nature and scope of audit, as well as post audit discussion to ascertain any area of concern;
- vi. Review of the Company's financials and policies;
- vii. Examine reasons for default in payment of interest and repayment of principal amounts to depositors and debenture holders, payment of dividend, payments to creditors and payment of all statutory dues in the prescribed time period;
- viii. Investigating the reasons for substantial defaults, if any, in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors;
- ix. Review and monitor auditor's independence and performance and effectiveness of the audit process;
- x. Scrutiny of inter corporate loans and investments;
- xi. Valuation of undertaking and assets;
- xii. Monitoring of end use of funds of the public offers;
- xiii. Audit Committee to call for comments of the auditors about internal control systems, scope of audit including the observations of the auditors and review of the financial statements before submission to the board;
- xiv. Adequate safeguards against victimization of person who use Vigil Mechanism and make provision for direct access to the CEO/Chairman of the Audit Committee in appropriate or exceptional cases;
- xv. Authority to investigate into any matter in relation to the items specified above or referred to it by the board and for this purpose the Audit Committee to have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;
- xvi. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- xvii. Any other terms of references as may be included from time to time in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. Nomination And Remuneration Committee

The Nomination & Remuneration Committee's constitution and terms of references are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 and Part D of the Schedule II of the SEBI (LODR) Regulations, 2015. The scope of activities of the nomination and remuneration committee include:

- Evaluation of performance of the board, its committees and individual directors
- Remuneration for Directors and KMP's
- Formulation and implementation of various implied stock option plans (ESOP) Scheme in the Company
- Identify persons who are qualified to become directors and who may be appointed in senior management, recommended to the board their appointment and removal.

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

During the year under review, the Committee met four times i.e. on April 2, 2016, May 30, 2016, December 26, 2016 and February 16, 2017.

| Name | Status | No. of Meetings attended |
|-----------------------|----------|--------------------------|
| Mr. Pardeep Khosla | Chairman | 4 |
| Mr. Varun Daga | Member | 3 |
| Mr. Gopikrishna Bubna | Member | 4 |
| Mr. Pankaj Seth | Member | 4 |

The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, 2015.

(a) Terms of Reference:

The board has framed the Nomination & Remuneration Committee which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation, which are as follows.

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing / Whole-Director(s) and Senior Management (one level below the Board);
- To help in determining the appropriate size, diversity and composition of the Board;
- To recommend to the Board appointment/ re-appointment and removal of Directors;
- To frame criteria for determining qualifications, positive attributes and independence of Directors;
- To recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- To create an evaluation framework for Independent Directors and the Board;
- To provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- To assist the Board in fulfilling responsibilities entrusted from time-to-time;
- Delegation of any of its powers to any member of the Committee or the Compliance Officer.

Performance evaluation criteria

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (LODR) Regulations, 2015, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow "best practices" in Board governance in order to fulfill its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board's time, and increased effectiveness of the Board as a governing body.

Board Diversity Policy :

In compliances with the provision of the Listing Regulations, 2015, the Board through its Nomination and Remuneration Committee has devised a Policy on Board Diversity.

The objective of the Policy is to ensure that the Board comprises adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Board composition at present meets with the above objective.

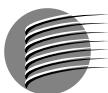
Nomination and Remuneration Policy:

a. Remuneration to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. The Appointment Letter issued to the Independent Director is available on the website of the Company www.orbitexports.com.

b. Remuneration to Executive Directors:

The appointment and remuneration of Executive Directors including Chairman and Managing Director and Whole-time Director is governed by the recommendation of the Nomination and Remuneration Committee, resolution passed by the Board of Directors and shareholders of the Company. The break-up of the pay



scale, performance bonus / commission and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof. The Nomination and Remuneration Policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

Details of Remuneration for the year ended March 31, 2017:

The remuneration paid by Company to Shri Pankaj Seth, Managing Director is as follows:

Basic : ₹ 1,50,00,000/- p.a.

Perquisites : ₹ 6,00,000/- p.a.

The remuneration paid by Company to Smt. Anisha Seth, Whole Time Director is as follows:

Basic : ₹ 1,44,00,000/- p.a.

Perquisites : ₹ 6,00,000/- p.a.

Non-Executive Director:

The details of Remuneration paid to Non-Executive Directors during the year 2016-2017 are as given below:

| Name of Directors | Sitting Fees (₹) | Stock Options |
|-----------------------|------------------|---------------|
| Mr. Saumil Marfatia | 45,500 | Nil |
| Mr. Gopikrishna Bubna | 84,500 | Nil |
| Mr. Balkrishna Patil | 20,000 | Nil |
| Mr. Varun Daga | 64,000 | Nil |
| Mr. Pardeep Khosla | 76,500 | Nil |

5. Stakeholders' Relationship Committee

Terms of Reference:

This Committee looks into redressal of shareholders' grievances like transfer/ transmission of shares, issue of duplicate share certificates in respect of shares, non-receipt of Annual Report and non-receipt of declared dividend, etc.

The Committee also reviews the processes and service standards adopted by the Registrar and Transfer Agent, the complaints received by the Company and their Resolution.

Composition:

The Stakeholders' Relationship Committee consists of Mr. Gopikrishna Bubna (Chairman), Mr. Pankaj Seth (Member) and Mr. Saumil U. Marfatia (Member). The Stakeholders' Investors Grievance Committee met four times i.e. May 30, 2016, August 12, 2016, November 9, 2016 and January 25, 2017 the attendance at the Meetings was as follows.

| Name of the Member | Status | No. of meetings attended |
|------------------------|----------|--------------------------|
| Mr. Gopikrishna Bubna | Chairman | 4 |
| Mr. Pankaj Seth | Member | 3 |
| Mr. Saumil U. Marfatia | Member | 4 |

Compliance Officer:

Mrs. Neha Poddar, Company Secretary acts as a Compliance Officer of the Company for complying with the requirements of SEBI Listing Regulations, and requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of Shareholders Complaints during 2016-17:

During the year, 14 Complaints were received from the shareholders, which were attended and resolved to the satisfaction of the shareholders. There was 1 complaint pending as on 31st March, 2017. The following table describes the nature of complaints received and redressed.

| Sr. No. | Nature of Complaints | Complaints Received | Complaints Redressed |
|--------------|--|---------------------|----------------------|
| 1 | Non receipt of Dividend | 4 | 4 |
| 2 | Non receipt of Share Certificate(s)- Transfer | 7 | 6 |
| 3 | Non receipt of Bonus Certificate(s) | 3 | 3 |
| 4 | Non receipt of Annual Report | 0 | 0 |
| 5 | Others (eg. Queries received from Statutory Authorities etc) | 0 | 0 |
| TOTAL | | 14 | 13 |

6. Corporate Social Responsibility (CSR) Committee

The Committee constitution and terms of reference are in Compliance with provision of Section 135 of Companies Act, 2013 and applicable provisions of SEBI (LODR) Regulations, 2015.

To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress. The composition of the Corporate Social Responsibility Committee as at March 31, 2017 and the details of Members' participation at the Meetings of the Committee are as under:

| Name of the Member | Status | No. of meetings attended |
|--------------------|----------|--------------------------|
| Pankaj Seth | Chairman | 1 |
| Anisha Seth | Member | 1 |
| Pardeep Khosla | Member | 1 |
| Gopikrishna Bubna | Member | 1 |

The CSR Committee will:

- i) Review the existing CSR Policy from time to time and the activities to be undertaken by the Company towards CSR activities;
- ii) Recommend the Project / Programme to be undertaken, amount of expenditure to be incurred, Roles and Responsibilities of various Stakeholders, etc. In respect of CSR activities ; and
- iii) Monitor for ensuring Implementation of the Projects / Programmes undertaken or the end use of the Amounts spent by the Company towards CSR activities.

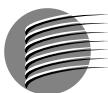
7. Independent Directors' Meeting

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

One meeting of Independent Directors was held during the year.

During the year under review, the Independent Directors met on 31st March, 2017, inter alia, to discuss:

- Evaluation of the performance of the Non Independent Directors and Board of Directors as Whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, Content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**8. General Body Meetings****(i) Annual General Meetings**

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

| AGM for Financial Year | Date | Time | Location |
|------------------------|--------------------|------------|--|
| 2013 – 2014 | July 10, 2014 | 04.30 P.M. | Babasaheb Dubhash Sabhagriha, C/o. Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001 |
| 2014 – 2015 | August 24, 2015 | 03.30 P.M. | Babasaheb Dubhash Sabhagriha, C/o. Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001 |
| 2015 – 2016 | September 30, 2016 | 04.00 P.M. | Babasaheb Dubhash Sabhagriha, C/o. Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001 |

(ii) Special Resolutions passed in the previous three Annual General Meetings

| Date of Meeting | Special resolution passed, if any |
|--------------------|---|
| July 10, 2014 | NONE |
| August 25, 2015 | 1. Adoption of new altered set of Articles of Association as per new Companies Act, 2013. |
| September 30, 2016 | 1. Appointment of Mr. Parth Seth as General Manager – Marketing – Made ups and Ribbon Division w.e.f. July 01, 2016. 2. Payment of Consultancy Fees/ Commission/ Brokerage not exceeding Rs.3 crore to M/s. Golden Boo Tree Impex Company Limited in which Mr. Bruce Larry Kieval, Director of the Company is interested as Director. 3. Payment of Consultancy Fees/ Commission/ Brokerage not exceeding Rs.2 crore to Mr. Prachya Thongnak, son of Mr. Bruce Larry Kieval, Director of the Company. |

(iii) Extra Ordinary General Meeting

No Extra-Ordinary General Meeting of the Members of the Company was held during the Financial Year 2016 - 2017.

(iv) Resolution passed through Postal Ballot

On February 7, 2017, the Company had obtained the approval of its members through Postal Ballot under section 110 of the Companies Act, 2013, pertaining to:

Resolution No.1: Special Resolution for Re-appointment of Mr. Pankaj Seth (DIN: 00027554), as Managing Director and CEO of the Company.

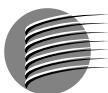
Accordingly, the Special Resolution indicated above has been passed by the requisite majority.

Resolution No.2: Special Resolution for Re-appointment of Mrs. Anisha Seth (DIN: 00027611) as Whole Time Director of the Company.

Accordingly, the Special Resolution indicated above has been passed by the requisite majority.

Resolution No.3: Ordinary Resolution for Increase in Authorised Share Capital from Rs.15,00,00,000/- (Rupees Fifteen Crores only) to Rs.35,00,00,000/- (Rupees Thirty Five Crores only).

Accordingly, the Ordinary Resolution indicated above has been passed by the requisite majority.



Resolution No.4: Special Resolution for Alteration of Capital Clause of Memorandum of Association:

Accordingly, the Special Resolution indicated above has been passed by the requisite majority.

Resolution No.5: Ordinary Resolution for Issue of Bonus Shares by way of Capitalisation of Reserves.

Accordingly, the Ordinary Resolution indicated above has been passed by the requisite majority.

9. Means of Communication

Financial Results:

The quarterly/ half yearly/ annual financial results are published in the newspapers viz. Economic Times (in English) in Mumbai, Delhi & Ahmedabad, Economic Times (in Ahmedabad & Mumbai) and Navshakti (in Marathi), a vernacular newspaper and are also posted on the website of the Company www.orbitexports.com.

The Company is in compliance with the provisions of the Listing Regulations of the SEBI (LODR) Regulations, 2015 pertaining to the intimation of notice of Board Meeting, publication of notice and results, outcome of the Meeting etc. The information is also made available to the investors on the Company website: www.orbitexports.com. The company has complied with filing submissions through BSE's and NSE's Online Portal. The Management Discussion and Analysis is a part of the Annual Report. All Financial and other vital information are promptly communicated to the Stock Exchanges where the Company's Share are Listed.

Website:

The Company's website www.orbitexports.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

10. General Shareholder Information

a. 34th Annual General Meeting

| | | |
|-------|---|--|
| AGM | : | 34 th Annual General Meeting |
| Date | : | September 11, 2017 |
| Time | : | 04:30 P.M. |
| Venue | : | Babasaheb Dahanukar Sabhagriha, C/o. Maharashtra Chambers of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai - 400001 |

b. Financial Year: April 1 to March 31

c. Financial Reporting and Limited Review Report

| | |
|---|---|
| For the quarter ending June 30, 2017 | <u>Date of submission to Stock Exchanges latest by</u> upto September 14, 2017 |
| For the quarter/half year ending September 30, 2017 | upto December 14, 2017 |
| For the quarter ending December 31, 2017 | upto February 14, 2018 |

Results (Audited)

For the year ended March 31, 2018

upto May 30, 2018

d. Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from September 1, 2017 to September 5, 2017 (Both Days Inclusive).

e. Dividend

The Board of Directors have recommended Dividend of Rs.0.60/- per equity share i.e.6% on 28702300 Equity Shares of the Company as Final Dividend aggregating to ₹ 1,72,21,380/- appearing under Agenda Item No.2 of the forthcoming 34th Annual General Meeting scheduled on September 11, 2017. If declared, the dividend shall be credited/ dispatched between October 4, 2017 to October 10, 2017, within the time frame prescribed in the Companies Act, 2013.

f. Listing on Stock Exchanges

| | | | |
|----|----------------|---|---|
| a) | Stock Exchange | : | BSE Limited |
| | Address | : | Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 |
| | Scrip Code | : | 512626 |
| | ISIN | : | INE231G01010 |
| b) | Stock Exchange | : | National Stock Exchange of India Ltd. |
| | Address | : | Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 |
| | Trading Symbol | : | ORBTEXP |
| | ISIN | : | INE231G01010 |

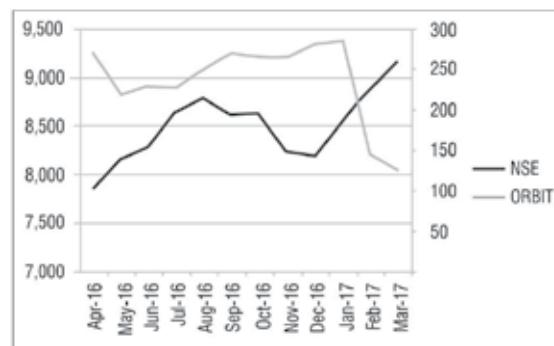
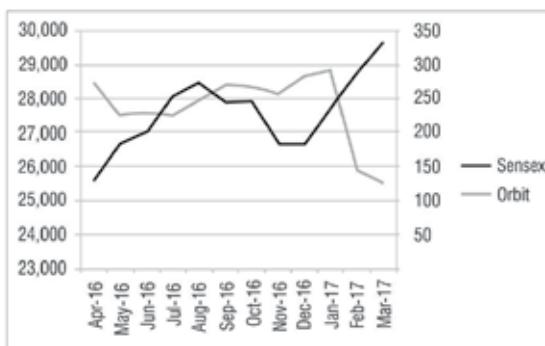
**g. Market Price Data**

The monthly high and low price and volume of shares traded during the year 2016-17 on the BSE Limited:

| Month | BSE Limited | | |
|-----------------|-------------|---------|---|
| | High (₹) | Low (₹) | Volume of Shares traded during the month (Nos.) |
| April, 2016 | 283.00 | 238.70 | 32361 |
| May, 2016 | 314.80 | 212.85 | 79672 |
| June, 2016 | 247.60 | 214.00 | 82348 |
| July, 2016 | 270.00 | 224.00 | 69613 |
| August, 2016 | 256.00 | 205.95 | 53228 |
| September, 2016 | 275.00 | 248.00 | 35659 |
| October, 2016 | 275.60 | 256.20 | 19754 |
| November, 2016 | 274.90 | 231.10 | 21102 |
| December, 2016 | 302.05 | 243.00 | 155173 |
| January, 2017 | 352.30 | 279.00 | 121445 |
| February, 2017 | 347.40 | 140.00 | 2294490 |
| March, 2017 | 154.90 | 125.00 | 89905 |

The monthly high and low (based on the closing prices) during the year 2016-17 on the National Stock Exchange:

| Month | NSE Limited | | |
|-----------------|-------------|---------|---|
| | High (₹) | Low (₹) | Volume of Shares traded during the month (Nos.) |
| April, 2016 | 283.00 | 232.00 | 23971 |
| May, 2016 | 308.00 | 207.05 | 81892 |
| June, 2016 | 248.95 | 213.25 | 40384 |
| July, 2016 | 268.00 | 224.50 | 36665 |
| August, 2016 | 258.00 | 205.30 | 20828 |
| September, 2016 | 277.85 | 249.00 | 17972 |
| October, 2016 | 273.80 | 253.05 | 10594 |
| November, 2016 | 276.30 | 228.90 | 23181 |
| December, 2016 | 300.00 | 253.25 | 74842 |
| January, 2017 | 351.35 | 273.45 | 106165 |
| February, 2017 | 347.70 | 144.00 | 209883 |
| March, 2017 | 149.00 | 124.75 | 2121476 |

h. Performance of the Share Price of the Company:

**i. Registrar and Transfer Agents**

Link Intime India Private Limited
 (Formerly known as Intime Spectrum Registry Ltd.)
 C 101, 247 Park, L B S Marg, Vikhroli West,
 Mumbai – 400 083
 Ph.: +91-22 – 49186000; Fax: 49186060; email: rnt.helpdesk@linkintime.co.in

j. Share Transfer System

The Shares of the Company, being in the compulsory Demat list, are transferable through the Depository System. Shares in physical & dematerialized form are processed through M/s. Link Intime India Private Limited, Mumbai, shares lodged for transfer at the Registrar's address are normally processed and approved by the Share transfer cum Stake holders Grievances Committee. All requests for dematerialization of Shares are processed and the confirmation is given to the Depositories within 15 days. Grievance received from members & other miscellaneous correspondence on change of address etc. is processed by the Registrar within 30 days.

k. Nomination

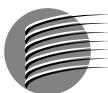
Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agents.

l) Income Tax Pan Mandatory For Transfer Of Securities

As per Regulation 40(7) read with Schedule VII of the Listing Regulations of the SEBI (LODR) Regulations, 2015, for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the list identity for registration of transfer of securities

m. Shareholding Pattern as on March 31, 2017

| Category | No. of Shares | % of Total |
|--|-----------------|---------------|
| Promoter's Holding (including persons acting in concert) | 17717863 | 61.73 |
| Non Promoter's Holding | | |
| a) Mutual Funds & UTI | 354249 | 1.23 |
| b) Banks, FIs and Insurance Company | 5789 | 0.02 |
| c) FIIs | 3736 | 0.01 |
| Others | | |
| a) Bodies Corporate | 971934 | 3.39 |
| b) Individuals | 8245073 | 28.73 |
| c) NRIs/OCBs | 1093009 | 3.81 |
| d) Market Maker | 960 | 0.00 |
| e) Clearing Member | 99310 | 0.35 |
| f) HUF | 210377 | 0.73 |
| TOTAL | 28702300 | 100.00 |

**n. Distribution of Shareholding as on 31st March, 2017**

| No. of Shares | No. of Shareholders | % of Shareholders | No. of Shares | % to Equity |
|---------------|---------------------|-------------------|-----------------|---------------|
| Up to 500 | 7818 | 85.8555 | 1252000 | 4.3620 |
| 501 - 1000 | 621 | 6.8197 | 463717 | 1.6156 |
| 1001 - 2000 | 321 | 3.5251 | 478522 | 1.6672 |
| 2001 - 3000 | 116 | 1.2739 | 302848 | 1.0551 |
| 3001 - 4000 | 55 | 0.6040 | 203502 | 0.7090 |
| 4001 - 5000 | 26 | 0.2855 | 116341 | 0.4053 |
| 5001 - 10000 | 71 | 0.7797 | 541843 | 1.8878 |
| 10001 - above | 78 | 0.8566 | 25343527 | 88.2979 |
| TOTAL | 9106 | 100.00 | 28702300 | 100.00 |

o. Dematerialization of Shares and Liquidity

The Company's shares are available for dematerialization on both the depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) 2,81,35,131 shares amounting to 98.02% of the capital have been dematerialized by investors as on 31st March, 2017.

ISIN: INE231G01010

Address of registrars for dematerialization of shares

M/s. Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083
Ph.: +91-22-49186000; Fax: 49186060; email: rnt.helpdesk@linkintime.co.in

p. Plant Locations**Surat**

Plot No. 6, 7, 8 & 9, Fairdeal Textile Park,
Village Mahuvej, Taluka Mangrol,
Dist – Surat – 394 102 (Guj.)

Kalyan

Plot No 1, Building No B-12
Asmeeta Infratech Textile Park,
Additional Kalyan Bhiwandi Industrial Area,
Sarawali - Kon Village, Taluka - Bhiwandi, Dist Thane.

Dombivali

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

Bhiwandi

A-4, Unit No.1-5, Mahavir Logiplex, Aamne Village,
Near Sawad Naka, Bhiwandi, Thane – 421302

q. Address for Correspondence

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

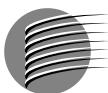
M/s. Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083
Ph.: +91-22-49186000; Fax: 49186060; email: rnt.helpdesk@linkintime.co.in

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

The Company Secretary,
Orbit Exports Limited
122, 2nd Floor, Mistry Bhavan,
Dinshaw Wachha Road, Churchgate, Mumbai – 400 020
Ph.: -91-22-66256262; Fax: +91-22-2282 2031; email: investors@orbitexports.com

11. DISCLOSURES**a. Disclosure on materially significant related party transactions:**

During the financial year 2016-17, the Company had not entered into any material transactions with any of its related parties. The related party transactions entered into with the related parties as defined under Companies Act, 2013 and Regulation 23 of SEBI (LODR) during the financial year were in the ordinary course



of business and the same have been approved by the Audit Committee. The disclosure of transactions with related parties is disclosed in the Notes to accounts of the Standalone Financial Statements.

A policy for determining material subsidiaries has been approved by the Board of the Company and the same has been uploaded on the website of the Company and can be accessed at <http://www.orbitexports.com/wp-content/uploads/2016/06/PolicyforDeterminingMaterialSubsidiaries.pdf>

A policy on dealing with related party transactions can be accessed at <http://www.orbitexports.com/wp-content/uploads/2016/06/RelatedPartyTransactionPolicy.pdf>

b. Details of non-compliance/penalties/strictures imposed on the Company by the Statutory Authorities:

There were no instances of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter relating to the capital market during the last three years.

c. Vigil Mechanism/ Whistleblower:

The Board of Directors have formulated a Whistleblower Policy/Vigil Mechanism in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of SEBI (LODR) and is also available on the Company's website: <http://orbitexports.com/wp-content/uploads/2016/06/VigilMechanismPolicy.pdf>

The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company.

d. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Listing Agreement:

The Company has complied with all the requirements of the SEBI (LODR) entered into with the Stock Exchanges.

e. Compliance of Regulatory Requirements:

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No strictures or penalties have been imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities related to the above.

f. Code of Business Conduct and Ethics for Directors and Management Personnel:

The Company has adopted a Code of Conduct for its Directors and Senior Management employees. This Code of Conduct has been communicated to each of them.

g. Code of Conduct for Prevention of Insider Trading Practices:

During the Financial Year under review, SEBI revised the regulations pertaining to Prohibition of Insider Trading and notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. In accordance with the revised regulations, the Company has, inter-alia, adopted a Code of Conduct for Prohibition of Insider Trading Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Code) duly approved by the Board of Directors of the Company at their meeting held on May 22, 2015.

h. Management Discussion & Analysis Report:

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

DECLARATION

In accordance with the Listing Regulations, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended March 31, 2017.

By order of the Board of Directors

Pankaj Seth
Managing Director
(DIN: 00027554)

Place: Mumbai
Date: May 22, 2017



CEO / CFO CERTIFICATION

To,
The Board of Directors,
Orbit Exports Limited
Mumbai

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

- (a) We have reviewed the financial statements and Cash Flow Statement of Orbit Exports Ltd. for the year ended March 31, 2017 and to the best of our knowledge and information we certify that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain the statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (d) We accept the responsibility for establishing and maintaining internal controls for financial reporting for the Company and we have:
 - (i) evaluated the effectiveness of internal control systems of the Company.
 - (ii) disclosed to the Auditors and the Audit Committee of the Board, deficiencies in the design or operation of such internal controls, if any, of which we are aware and
 - (iii) necessary steps taken or propose to be taken to ratify these deficiencies.
- (e) We have indicated to the Auditors and the Audit Committee that there have been:
 - (i) No significant changes in internal control over financial reporting during the year 2016-17;
 - (ii) No significant changes in accounting policies during the period 2016-17;
 - (iii) No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For Orbit Exports Limited

Pankaj Seth
Managing Director

For Orbit Exports Limited

Mukesh Deopura
Chief Financial Officer

Place: Mumbai
Date: May 22, 2017



COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE REPORT

To the Members of

Orbit Exports Limited

We have examined the compliance of conditions of Corporate Governance by **ORBIT EXPORTS LIIMITED** for the year ended on March 31, 2017 as stipulated in :

- Regulations 17 to 27 and Regulation 46 and para C, D and E of Schedule V of the Listing Regulations for the period from 1/04/2016 to 31/03/2017.

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 Compliance with the conditions of 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 our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the condition of Corporate Governance as stipulated in regulation 17 to 27 and regulation 46 and Para C, D and E of Schedule V the year ended March 31, 2017.

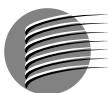
We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

(S.K. Jain)
Proprietor
Membership No. 1473
Certificate of Practice No. 3076

Place: Mumbai

Date: May 22, 2017



FORM NO. MR - 3

Secretarial Audit Report

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

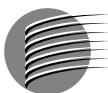
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

To,
The Members,
Orbit Exports Limited.
122, 2nd Floor, Mistry Bhavan,
Dinshaw Wachha Road,
Churchgate, Mumbai - 400020

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Orbit Exports Limited** (hereinafter called "The Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2017 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and bye- laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (The Company has not availed any Foreign Direct Investment and External Commercial Borrowings during the Period under review. The Company has complied with Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 are as follows:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999. Now known as SEBI (Share based employees Benefits) Regulations, 2014;



- f) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;.
- g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (The Company has not issued any Debt Securities during the financial year under review);
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not delisted/propose to delist its Equity Shares from any Stock Exchange during the Financial Year under review)**; and
- i) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 **(Not applicable as the Company has not brought back/propose to Buy-back any of its securities during the Financial Year under review)**;

vi. Other laws specifically applicable to the Company :

- (i) Essential Commodities Act, 1955;
- (ii) The Textiles (Development and Regulation) Order, 2001;

I have also examined Compliance with the applicable clauses / Regulations of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India

I have also examined the books, papers and returns filed and other records maintained by **ORBIT EXPORTS LIMITED** for the Financial Year ended on March 31, 2017 according to the provisions of various other Laws applicable, including the Rules made thereunder, and amended from time to time, to the Company, as informed by the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no material non-compliances that have come to our knowledge except to the extent as mentioned below:

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all Directors to schedule the Board Meetings, agenda and detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Meeting of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable Laws, Rules, Regulations and Guidelines.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act and Profession Tax Act, I have relied on the Reports given by the Statutory Auditors of the Company.

I further report that during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, Rules, Regulations, Guidelines, Standards, etc.

I further report that during the audit period the Company has the following specific events:

1. During the year under report the Company has obtained consent of the members of the Company through Postal Ballot by way of Following Special/Ordinary Resolutions :



- i) Re-appointment of Mr. Pankaj Seth (DIN- 00027554) as Managing Director of the Company for a period of 3 years w.e.f. 01/04/2017 under Section 196 of the Companies Act, 2013. (Special Resolution)
- ii) Re-appointment of Mrs. Anisha Seth (DIN- 00027611) as Whole Time Director of the Company for a period of 3 years w.e.f. 01/04/2017 under Section 196 of the Companies Act, 2013; (Special Resolution)
- iii) Increases in Authorised Share Capital of the Company from ₹ 15,00,00,000/- (Rupees Fifteen Crores only) to ₹ 35,00,00,000/- (Rupees Thirty Five Crores only) under Section 61 of the Companies Act, 2013 (Ordinary Resolution).
- iv) Alteration of Capital Clause of Memorandum of Association of the Company under Section 13 of the Companies Act, 2013 (Special Resolution).
- v) Issue of Bonus Share in the ratio 1:1 i.e. 1 (one) Bonus Equity of ₹ 10/- each for every 1(one) existing fully paid up equity share of ₹ 10/- each (Ordinary Resolution).

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

(S.K. Jain)
Proprietor
Membership No. 1473
Certificate of Practice No. 3076

Place: Mumbai
Date: May 22, 2017



ANNEXURE - I

List of applicable laws to the Company

1. The Environment (Protection) Act, 1986;
2. Factories Act, 1948;
3. The Employees Provident Fund and Miscellaneous Provision Act, 1952
4. Employees State Insurance Act, 1948;
5. Equal Remuneration Act, 1976;
6. The minimum Wages Act, 1936;
7. Payment of Wages act, 1936;
8. The payment of Bonus Act, 1965;
9. The Maternity Benefit Act, 1961;
10. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
11. Industrial Disputes Act, 1947;
12. The Payment of Gratuity Act, 1972;
13. Professional tax Act

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

(S.K. Jain)
Proprietor
Membership No. 1473
Certificate of Practice No. 3076

Place: Mumbai

Date: May 22, 2017



Annexure-II

To,
The Members
ORBIT EXPORTS LIMITED

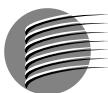
My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

(S.K. Jain)
Proprietor
Membership No. 1473
Certificate of Practice No. 3076

Place: Mumbai
Date: May 22, 2017



INDEPENDENT AUDITOR'S REPORT

To,

The Members of Orbit Exports Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Orbit Exports Limited** ("the Company") which comprise the Balance sheet as at March 31, 2017, Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

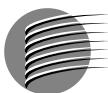
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.



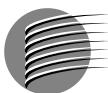
2. As required by section 143(3) of the Act, we report that:

- (a) We have sought and 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 it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been a delay of 2 days in transferring amounts of unpaid dividend which was required to be transferred to the Investor Education and Protection Fund as explained in note 43 to the standalone financial statements; and
 - iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 16 to the standalone financial statements.

For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

Atul Shah
Partner
Membership No: 039569

Place : Mumbai.
Dated : May 22, 2017



Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date to the financial statements of the Company for the year ended March 31, 2017:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its property, plant and equipment.
- (b) As explained to us, all the property, plant and equipment are physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification carried out during the year.
- (c) According to the information and explanation given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties classified as property, plant and equipment are held in the name of the Company.
- (ii) (a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. Confirmation from third parties have been received, in substantial cases, in respect of inventory lying with them. In our opinion, the frequency of verification is reasonable.
- (b) The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, para 3 (iii)(a) to (c) of the Order regarding terms and conditions of such loans and repayment of such loans etc. are not applicable to the Company.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under section 186.
- (v) The Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act, and the rules framed there under, to the extent applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.
- (vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the products manufactured by the Company. We have broadly reviewed the books of account maintained and in our opinion, *prima facie*, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities. No undisputed statutory dues payable were in arrears as at March 31, 2017, for a period of more than six months from the date they became payable.
- (b) The details of dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax or cess, to the extent applicable which have not been deposited with the concerned authorities on account of dispute are given below:

| Nature of dues | Period to which the amount relates | Forum where dispute is pending | Amount involved (₹ in lakhs) |
|----------------|------------------------------------|--------------------------------|------------------------------|
| Income Tax | A. Y. 2013-14 | Commissioner Appeal | 13.43 |
| Income Tax | A. Y. 2014-15 | Commissioner Appeal | 94.27 |
| Duty drawback | A. Y. 2014-15 | Dy. Commissioner of Customs | 1.83 |



- (viii) The Company has not defaulted in repayment of dues to any financial institutions, banks or debenture holders.
- (ix) The Company has raised term loans during the year which have been applied for the purpose for which they were raised.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, para 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with related parties are in compliance with section 177 and 188 of the Act, and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, para 3(xiv) of the Order is not applicable to the Company.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements, the Company has not entered into non-cash transactions with directors. We have been informed that no such transaction have been entered into with person connected with directors. Accordingly, para 3 (xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For G. M. Kapadia & Co.

Chartered Accountants

Firm's Registration No: 104767W

Atul Shah

Partner

Membership No: 039569

Place : Mumbai.

Dated : May 22, 2017

Annexure B to the Independent Auditors' Report

Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date to the financial statements of the Company for the year ended March 31, 2017:

Report on the Internal Financial Controls under section 143(3)(i) of the Act

We have audited the internal financial controls over financial reporting of **Orbit Exports Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.



Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

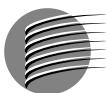
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

Atul Shah
Partner
Membership No: 039569

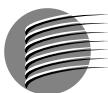
Place : Mumbai
Dated : May 22, 2017



BALANCE SHEET AS AT MARCH 31, 2017

(₹ in Lakhs)

| | Particulars | Note No. | As at 31-03-2017 | | As at 31-03-2016 | |
|--|-------------|----------|------------------|-----------------|------------------|-----------|
| | | | ₹ | ₹ | ₹ | ₹ |
| I. EQUITY AND LIABILITIES | | | | | | |
| 1. Shareholders' funds | | | | | | |
| (a) Share capital | 2 | 2,870.23 | | | 1,434.22 | |
| (b) Reserves and surplus | 3 | 9,916.58 | | | 9,780.34 | |
| | | | 12,786.81 | - | | 11,214.56 |
| 2. Money received against employee share options | | | | | | 7.83 |
| 3. Non-current liabilities | | | | | | |
| (a) Long-term borrowings | 4 | 969.42 | | | 1,996.97 | |
| (b) Deferred tax liabilities (Net) | 5 | 954.06 | | | 918.45 | |
| (c) Long-term provisions | 6 | 83.75 | | | 40.45 | |
| | | | 2,007.23 | | | 2,955.87 |
| 4. Current Liabilities | | | | | | |
| (a) Short-term borrowings | 7 | - | | | 1,523.29 | |
| (b) Trade payables | | | | | - | |
| Total outstanding dues of micro enterprises and small enterprises | | - | | | - | |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 8 | 255.67 | | | 187.98 | |
| (c) Other current liabilities | 9 | 1,141.43 | | | 1,293.68 | |
| (d) Short-term provisions | 10 | 537.94 | | | 417.36 | |
| | | | 1,935.04 | | | 3,422.31 |
| | | | 16,729.08 | | | 17,600.57 |
| II. ASSETS | | | | | | |
| 1. Non-current assets | | | | | | |
| (a) Property, Plant and Equipment | 11 | 8,017.26 | | | 8,448.63 | |
| (i) Tangible assets | | 83.15 | | | - | |
| (ii) Intangible assets | | 20.81 | | | 209.04 | |
| (iii) Capital work-in-progress | | 691.85 | | | 462.13 | |
| (b) Non-current investments | 12 | 559.09 | | | 291.69 | |
| (c) Long-term loans and advances | 13 | | | 9,372.16 | | 9,411.49 |
| 2. Current Assets | | | | | | |
| (a) Inventories | 14 | 2,506.98 | | | 3,259.18 | |
| (b) Trade receivables | 15 | 3,513.13 | | | 3,442.52 | |
| (c) Cash and Bank balance | 16 | 660.54 | | | 583.67 | |
| (d) Short-term loans and advances | 17 | 675.49 | | | 902.51 | |
| (e) Other current assets | 18 | 0.78 | | | 1.20 | |
| | | | 7,356.92 | | | 8,189.08 |
| | | | 16,729.08 | | | 17,600.57 |
| Significant accounting policies | 1 | | | | | |
| The notes numbers 1 to 44 forms integral part of financial statements | | | | | | |

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

(₹ in Lakhs)

| | Particulars | Note No. | 2016-17 | | 2015-16 | |
|------|---|----------|---------|------------------|----------|-----------|
| | | | ₹ | ₹ | ₹ | ₹ |
| I | Revenue from operations | 19 | | 13,053.35 | | 14,673.89 |
| II | Other income | 20 | | 281.76 | | 242.34 |
| III | Total Revenue (I + II) | | | 13,335.11 | | 14,916.23 |
| IV | Expenses | | | | | |
| | Cost of materials consumed | 21 | | 4,733.82 | 7,983.00 | |
| | Changes in inventories of finished goods, work-in-progress and stock-in-trade | 22 | | 807.86 | (890.14) | |
| | Employee benefits expense | 23 | | 1,429.59 | 1,416.71 | |
| | Finance costs | 24 | | 180.21 | 116.48 | |
| | Depreciation and amortization expense | 11 | | 679.29 | 593.40 | |
| | Other expenses | 25 | | 2,399.55 | 2,025.64 | |
| | Total Expenses | | | 10,230.32 | | 11,245.09 |
| V | Profit/(Loss) before exceptional items and tax (III-IV) | 26 | | 3,104.79 | | 3,671.14 |
| VI | Exceptional items | | | 54.30 | | 22.84 |
| VII | Profit before tax | | | 3,159.09 | | 3,693.98 |
| VIII | Tax Expense: | | | | | |
| | Current Tax | 5 | | 1,037.80 | 1,061.49 | |
| | Deferred Tax | | | 35.60 | 191.35 | |
| | Excess/(Short) provision for Taxation of earlier years | | | 40.96 | (11.72) | |
| | Total | | | 1,114.36 | | 1,241.12 |
| | Profit/(Loss) for the year carried to Balance Sheet | | | 2,044.73 | | 2,452.86 |
| XI | Earnings per Equity Share (Face Value of ₹10) | 27 | | 7.12 | | 8.56 |
| | (1) Basic (in ₹) | | | 7.12 | | 8.55 |
| | (2) Diluted (in ₹) | | | | | |

Significant accounting policies

1

The notes numbers 1 to 44 forms integral part of financial statements

As per our report of even date

For **G. M. Kapadia & Co.**

Chartered Accountants

Firm Registration No.104767W

For and on behalf of the Board

Atul Shah

Partner

Membership No.: 39569

Place : Mumbai

Dated : May 22, 2017

Pankaj Seth

Managing Director

DIN: 00027554

Anisha Seth

Whole-time Director

DIN: 00027611

Mukesh Deopura

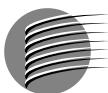
Chief Financial Officer

Neha Poddar

Company Secretary

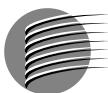
Place : Mumbai

Dated : May 22, 2017

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

(₹ in Lakhs)

| | Particulars | As at 31-03-2017 | | As at 31-03-2016 | |
|-----------|---|-------------------------|-----------------|-------------------------|------------|
| | | ₹ | ₹ | ₹ | ₹ |
| A. | Cash Flow from Operating Activities : | | | | |
| | Profit/(Loss) before tax | | 3,159.09 | | 3,693.98 |
| | Add : Adjustments for : | | | | |
| | Depreciation and amortisation expenses | 679.29 | | 593.40 | |
| | Amortisation of deferred revenue | 0.41 | | 0.70 | |
| | Interest Expenses | 92.99 | | 106.77 | |
| | Bad debts (Net) | 32.52 | | - | |
| | Unrealised Exchange (Gain)/Loss (net) | (117.38) | | (184.24) | |
| | Reversal of provision on Interest on Subsidy | 82.19 | | - | |
| | Provision for Gratuity, Leave Encashment and Bonus | 17.84 | | 45.73 | |
| | Interest accrued but not due on borrowings | 5.03 | | 9.71 | |
| | Employee Stock Compensation Cost (net) | (19.85) | | 23.18 | |
| | Interest income | (48.84) | | (57.86) | |
| | Loss/(Profit) on sale of property, plant and equipment (net) | 54.30 | | 22.84 | |
| | Gain Receivable on Forward Contract | (115.42) | | - | |
| | Dividend income | (0.12) | 662.96 | (0.24) | 559.99 |
| | Operating Profit/(Loss) before working capital changes | | 3,822.05 | | 4,253.97 |
| | Decrease/(Increase) in inventory | 752.20 | | (905.66) | |
| | Decrease/(Increase) in trade receivable | 14.25 | | (218.29) | |
| | Decrease/(Increase) in loans and advances/other current assets | 373.43 | | 194.55 | |
| | Increase / (Decrease) in provisions | 66.79 | | (43.63) | |
| | Increase / (Decrease) in trade and other payables | (125.70) | 1,080.97 | (17.04) | (990.07) |
| | Cash Generated from Operations | | 4,903.02 | | 3,263.90 |
| | Less: Income tax (net of refunds) | | (925.99) | | (1,106.82) |
| | Net cash (used in)/generated from operating activities (A) | | 3,977.03 | | 2,157.08 |
| B. | Cash flow from Investing Activities : | | | | |
| | Proceeds from disposal of property, plant and equipment | (49.41) | | (8.92) | |
| | Purchases of property, plant and equipment and addition in CWIP | (147.74) | | (1,424.37) | |
| | Investment in Subsidiary | (264.69) | | - | |
| | Proceeds from Investments | 35.00 | | - | |
| | Investment made in fixed deposits | (298.34) | | (330.48) | |
| | Redemption of fixed deposits | 308.83 | | 145.33 | |
| | Capital Advances for property, plant and equipment | (177.15) | | (17.65) | |
| | Interest received | 5.58 | | 3.21 | |
| | Dividend income | - | | 0.24 | |
| | Net cash generated from/(used in) investing activities (B) | | (587.92) | | (1,632.64) |



CASH FLOW STATEMENT CONT.....

(₹ in Lakhs)

| | Particulars | As at 31-03-2017 | | As at 31-03-2016 | |
|-----------|---|-------------------------|---|-------------------------|---|
| | | ₹ | ₹ | ₹ | ₹ |
| C. | Cash flow from Financing Activities : | | | | |
| | Interest Expenses | (92.99) | | (106.77) | |
| | Issue of Share Capital (Including Premium) | 6.98 | | 30.00 | |
| | Amount received against employee share options | (7.83) | | 7.83 | |
| | Capital Subsidy received | - | | 5.32 | |
| | Repayment of Long-term borrowings | (1,027.55) | | (841.39) | |
| | Repayment of Short-term borrowings | (1,523.29) | | - | |
| | Proceeds from Long-term borrowings | - | | 750.00 | |
| | Proceeds from Short-term borrowings | - | | 235.62 | |
| | Dividend paid | (568.45) | | (745.42) | |
| | Net cash flow from/(used in) Financing activity (C) | (3,213.14) | | (664.81) | |
| | Net increase/(decrease) in cash and cash equivalents during the year (A+B+C) | 175.96 | | (140.37) | |
| | Cash and cash equivalents at the beginning of the year | 189.60 | | 329.97 | |
| | Cash and cash equivalents at the end of the year | 365.56 | | 189.60 | |
| | Reconciliaiton of Cash and Cash equivalents with Balance Sheet: | | | | |
| | Cash and Bank balance (Refer Note 16) | 660.54 | | 583.67 | |
| | Less : | | | | |
| | Deposits with banks (having maturity more than 3 months but less than 12 months) | (215.60) | | (308.83) | |
| | Bank Balance relating to unclaimed dividend | (36.11) | | (30.59) | |
| | Interest accrued but not due on bank deposits | (43.27) | | (54.65) | |
| | TOTAL | 365.56 | | 189.60 | |

Note:

- 1) Above statement has been prepared by using Indirect method as per AS-3 on Cash Flow Statement.
- 2) Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank, cash in hand, demand deposits with bank and other short term investment with an original maturity of three months or less.

As per our report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm Registration No.104767W

For and on behalf of the Board

Pankaj Seth

Managing Director

DIN: 00027554

Anisha Seth

Whole-time Director

DIN: 00027611

Atul Shah

Partner

Membership No.: 39569

Mukesh Deopura

Chief Financial Officer

Neha Poddar

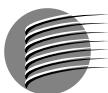
Company Secretary

Place : Mumbai

Dated : May 22, 2017

Place : Mumbai

Dated : May 22, 2017



Notes to financial statements

Corporate information

Orbit Exports Limited, a Public Limited Company incorporated under Companies Act 1956, principally operates in two business segments: Manufacturing of Textile and Windmill Power Generation. The equity shares of the Company are listed on Bomaby Stock Exchange and National Stock Exchange of India Limited.

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation

The financial statements of the Company are consistently prepared and presented under historical cost convention on an accrual basis in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the relevant provisions of the Companies Act, 2013. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. All the divisions of the Company have normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of assets and liabilities into current and non-current as required by Schedule III to the Companies Act, 2013 for preparation of financial statements.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.2 Use of Estimates

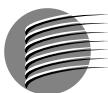
The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Differences on account of revision of estimates, actual results and existing estimates are recognised in periods in which the results are known/materialised in accordance with the requirements of the respective accounting standard, as may be applicable.

1.3 Revenue Recognition

- a) Sales are accounted on mercantile basis when the sale of goods is completed and are recorded net of returns, trade discounts, rebates, sales taxes.
- b) Export incentives are accounted on accrual basis and include the estimated value of export incentives receivable under the Duty Draw Back Scheme and other applicable schemes.
- c) Dividend income is recognized when the right to receive the same is established.
- d) Interest income is recognized on a time proportion basis.
- e) Revenue in respect of insurance/other claims, interest for delayed payments etc. is recognized only when it is reasonably certain that the ultimate collection will be made.

1.4 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation, amortization and accumulated impairment losses. Cost comprises the purchase price and any cost attributable for bringing the asset to its working condition for its intended use including borrowing costs. Property, Plant and Equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. If such assets are considered to be impaired, the impairment is recognized by debiting the Statement of Profit & Loss Account and is measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets.

**1.5 Intangible assets**

Intangible Assets are recognised only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Such Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

1.6 Depreciation and Amortisation

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful life as prescribed in Schedule II to the Companies Act, 2013, unless otherwise specified.

Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on additions to / deductions from Property, Plant and Equipment is provided on pro-rata basis from / to the date of acquisition / disposal.

Useful life of assets individually costing less than ₹ 5,000/- is considered as one year.

In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II to the Companies Act, 2013. Such class of assets and their estimated useful lives are as under: -

| Particulars | Useful life of the assets |
|-------------------|-------------------------------|
| Building | 35-40 Years |
| Leasehold Land | Remaining period of the Lease |
| Software | 6 Years |
| Windmill | 24 Years |
| Plant & Machinery | 14 Years |

1.7 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long - term investments are carried at cost. Diminution, if any, other than temporary, is provided for. Current investments are carried at lower of cost or fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

1.8 Inventories

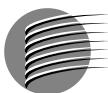
Inventories are valued at the lower of cost and net realizable value. Cost of raw material is determined on weightage average basis. Finished goods and work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Provision is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

1.9 Impairment of tangible and intangible assets

The carrying amounts of Tangible and Intangible assets are tested for impairment at each Balance Sheet date to determine if there is any indication of impairment, based on internal / external factors. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit'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. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets are reflected at the recoverable amount.

1.10 Provisions, Contingent liabilities & Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's estimate for the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current estimates of the management.



Contingent liabilities are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of:

- i. a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- ii. a possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed.

1.11 Foreign Currency Transactions

Monetary foreign currency assets and liabilities are translated at the balance sheet date at rates notified by the Foreign Exchange Dealers' Association of India ("FEDAI").

Foreign exchange contracts are stated at net present value using LIBOR/SWAP curves of the respective currencies. The resulting profits or losses are recognized in the profit and loss account. Premia/discounts on foreign exchange swaps, that are used to hedge risks arising from foreign currency assets and liabilities, are amortized over the life of the swap.

Income and expenditure in foreign currency are accounted for at exchange rates prevalent on the date of the transaction.

In accordance with AS – 11 "The Effects of changes in Foreign Exchange Rates", contingent liabilities in respect of outstanding foreign exchange forward contracts, derivatives, guarantees, endorsements and other obligations are stated at the exchange rates notified by FEDAI corresponding to the balance sheet date.

1.12 Government Grant

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

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

1.13 Employee Benefit

- i. Defined contribution plans:

The Company contribution to provident fund and ESIC are charged to the Statement of Profit and Loss.

- ii. Defined Benefit Plans / Long Term Compensated Absences

Gratuity :

The Company provides for gratuity, a defined benefit retirement plan, covering eligible employees. The plan provides for lump sum payments to vested employees at retirement or upon death while in employment or on termination of employment for an amount equivalent to 15 days' eligible salary payable for each completed year of service if the service is more than 5 years. The Company accounts for the liability for future gratuity benefits using the projected unit cost method based on annual actuarial valuation. The Company recognizes the actuarial gains and losses during the year in which the same are incurred.

Provident fund :

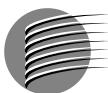
In accordance with law, all employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Bank contribute monthly at a pre determined rate. Contribution to provident fund are recognized as expense as and when the services are rendered. The Company has no liability for future provident fund benefits other than its annual contribution.

1.14 Borrowing Cost

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

1.15 Segment Reporting

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



1.16 Accounting For Leases

The transactions where the Company conveys or receives right to use an asset for an agreed period of time for a payment or series of payments are considered as Lease.

As Lessee – Operating Lease

Lease rentals in respect of assets taken on 'Operating Lease' are charged to Statement of Profit and Loss over the lease term on systematic basis, which is more representative of the time pattern of the Company's benefit.

As Lessee – Finance Lease

Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets and depreciated as per the applicable policy.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. The finance charge is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of liability. Initial direct cost of lease is capitalized.

1.17 Income Taxes

Tax expense comprises current and deferred tax. Current tax comprises of the amount of tax for the period determined in accordance with the Income Tax Act, 1961 and the rules framed there under. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences between the carrying values of assets and liabilities and their respective tax bases and operating loss carry forwards. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates at the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. In case of unabsorbed depreciation or carried forward loss under taxation laws, all deferred tax assets are recognized only if there is virtual certainty of realization of such assets supported by convincing evidence. Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realized.

1.18 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity shares to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.19 Employee Stock Option Scheme

Stock Options granted to employees under "OEL Employees Stock Option Plan – 2013" are accounted for under the intrinsic value method as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999, issued by the Securities and Exchange Board of India and the guidance note on employee share based payment issued by ICAI.

1.20 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprise cash at bank, cash / cheques in hand, demand deposits with banks and other short-term investments with an original maturity of three months or less.

**Notes to Financials Statements****2 SHARE CAPITAL**

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 |
|---|------------------|-----------------|------------------|
| | ₹ | ₹ | ₹ |
| Authorised Capital | | | |
| 3,50,00,000 Equity Shares of ₹ 10 each (March 31, 2016: 1,50,00,000 Equity Shares of ₹ 10 each) | 3,500.00 | | 1,500.00 |
| | Total | 3,500.00 | 1,500.00 |
| Issued, Subscribed & Paid up Capital | | | |
| 2,87,02,300 Equity Shares of ₹ 10 each (March 31, 2016: 1,43,42,150 Equity Shares of ₹ 10 each) | | 2,870.23 | 1,434.22 |
| | Total | 2,870.23 | 1,434.22 |

Terms/ Rights attached to Equity Shares

The Company has issued only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

The dividend proposed is as recommended by the Board of Directors and subject to the approval of the shareholders in the ensuing Annual General Meeting.

For the year ended March 31, 2017 the amount of dividend per share recognised as distributions to equity shareholders is ₹ 1.60 (2015-16 : ₹ 3.75) comprising of Interim Dividend of ₹ 1.00 and Final Dividend of ₹ 0.60.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

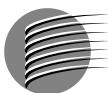
Reconciliation of No. of Equity Shares outstanding and the amount of share capital

| Particulars | As at 31-03-2017 | | As at 31-03-2016 | |
|---|--------------------|-----------------|------------------|------------|
| | Number | ₹ in Lakhs | Number | ₹ in Lakhs |
| Shares outstanding at the beginning of the year | 1,43,42,150 | 1,434.22 | 1,42,99,150 | 1,429.92 |
| Shares issued during the year under ESOP | 9,000 | 0.90 | 43,000 | 4.30 |
| Shares issued during the year as Bonus shares | 1,43,51,150 | 1,435.11 | - | - |
| Shares outstanding at the end of the year | 2,87,02,300 | 2,870 | 1,43,42,150 | 1,434.22 |

During the year, the Company has issued and allotted 9,000 (2015-16 : 43,000) equity shares of ₹ 10/- each pursuant to exercise of 9,000 (2015-16 : 43,000) Stock Options to the employees of the Company under OEL Employees Stock Option Plan - 2013.

Shareholders holding more than 5% shares in the Company

| Name of Shareholder | As at 31-03-2017 | | As at 31-03-2016 | |
|------------------------------------|--------------------|--------------|--------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Mr. Pankaj Seth | 1,12,83,186 | 39.31 | 56,41,593 | 39.33 |
| Mrs. Anisha Seth | 37,81,790 | 13.18 | 18,90,895 | 13.18 |
| M/s. Mediaman Multitrade Pvt. Ltd. | 25,27,999 | 8.81 | 12,26,081 | 8.55 |
| Mr. Kaushik Daga | 21,12,396 | 7.36 | 1,35,000 | 0.94 |
| Mr. Varun Daga | 20,87,000 | 7.27 | 1,35,000 | 0.94 |

**Notes to Financials Statements****Aggregate numbers of shares issued as bonus during 5 years immediately preceding March 31, 2017**

| Particulars | No. of Shares |
|--|---------------|
| Number of equity shares issued as bonus by the Company - FY 2012-13 | 44,33,050 |
| Number of equity shares issued as bonus by the Company - FY 2016-17* | 1,43,51,150 |

*Bonus shares were issued by capitalisation of balance in securities premium and general reserve amounting to ₹ 1435.12 Lakhs in the ratio of one equity share for every one equity share held by member(s) having face value of ₹ 10 each held on the record date.

Basic and diluted earnings per share for the previous periods has been presented to reflect the adjustment for bonus share in accordance with Accounting Standard 20 Earnings Per Share.

Additional disclosure

| Terms of Warrants: | | |
|--|------------------|---|
| A. 10 lakhs Optionally Fully Convertible Warrants were issued to Mr. Pankaj Seth and Mrs. Anisha Seth on September 10, 2013 at a price of ₹ 76.57 each, out of which 25% amount received at the time of allotment of warrants. Each warrant was to be converted into 1 equity share of ₹ 10/- each within 18 months from the date of allotment i.e. on or before March 9, 2015. The details of conversion are as mentioned below:- | | |
| December 16, 2013 | 4,00,000 | lock in for 3 year till December 15, 2016 |
| March 20, 2014 | 1,50,000 | lock in for 3 year till March 19, 2017 |
| June 18, 2014 | 4,50,000 | lock in for 3 year till June 17, 2017 |
| Total | 10,00,000 | |

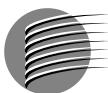
B. 8 lakhs Optionally Fully Convertible Warrants were issued to Mr. Pankaj Seth and Mrs. Anisha P. Seth on November 1, 2010 at a price of ₹ 38/- each out of which 25% amount received at the time of allotment. Each warrant was to be converted into 1 equity share of ₹ 10/- each within a period of 18 months from the date of allotment i.e. on or before April 30, 2012. The details of conversion are as mentioned below:-

| | | |
|----------------|-----------------|--|
| March 31, 2011 | 2,24,560 | lock in for 3 year till March 30, 2014 |
| March 22, 2012 | 3,50,000 | lock in for 3 year till March 21, 2015 |
| April 27, 2012 | 2,25,440 | lock in for 3 year till April 26, 2015 |
| Total | 8,00,000 | |

3 RESERVES AND SURPLUS

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 |
|--|---------------------|----------|---------------------|
| | ₹ | ₹ | |
| Capital Reserve | | | |
| Balance at the beginning of the year | 757.14 | 751.82 | |
| Add : Addition during the year | 93.31 | 5.32 | |
| Balance at the end of the year | 850.45 | 757.14 | |
| (Note : Addition during the year represents ₹ 13.31 Lakhs received on finalisation of claim of earlier years and ₹ 80 Lakhs due previous year on expansion in 2015-16. Capital Reserve comprises of Capital Subsidy under TUF ₹ 800.45 Lakhs and Investment subsidy of ₹ 50 Lakhs) | | | |
| Securities Premium | | | |
| Balance at the beginning of the year | 1,121.01 | 1,091.98 | |
| Add : Premium received on allotment of shares | 6.07 | 29.03 | |
| Less : Premium use for Equity Bonus Issue | 1,127.08 | - | |
| Balance at the end of the year | - | 1,121.01 | |

**Notes to Financials Statements**

| Employee Stock Options Outstanding Account | | | |
|---|--------------|-----------------|----------|
| Balance at the beginning of the year | | 19.85 | - |
| Add : Compensation for options granted | | - | 23.18 |
| Less : Amount transferred to securities premium on exercise of stock option | | - | 3.33 |
| Less : Amount transferred to statement of profit and loss | | 19.85 | - |
| Balance at the end of the year | | - | 19.85 |
| General Reserve | | | |
| Balance at the beginning of the year | | 1,094.67 | 1,094.67 |
| Less : Premium use for Equity Bonus Issue | | 308.04 | - |
| Balance at the end of the year | | 786.63 | 1,094.67 |
| Surplus in statement of profit and loss | | | |
| Balance at the beginning of the year | | 6,787.68 | 4,982.14 |
| Add : Net profit/(loss) for the current year | | 2,044.73 | 2,452.86 |
| Less : Proposed dividend | | 172.21 | 215.13 |
| Less : Interim dividend | | 287.03 | 322.70 |
| Less : Dividend distribution tax | | 93.53 | 109.49 |
| Less : Final Dividend on equity shares for FY 2015-16 issued after April 1 till the record date | | 0.14 | |
| Balance at the end of the year | | 8,279.50 | 6,787.68 |
| | Total | 9,916.58 | 9,780.34 |

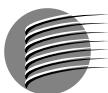
4 LONG-TERM BORROWINGS

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|---|-----------------------------|-----------------------------|
| | ₹ | ₹ |
| Secured Loans | | |
| Term Loans | | |
| From banks (refer below note for details) | 1,730.73 | 2,822.51 |
| Less: Amount Disclosed under Other Current Liabilities | | |
| - Current maturities of long-term borrowings (Refer note 9) | 761.31 | 825.54 |
| | Total | 969.42 |
| | | 1,996.97 |

Note: Details of loans

| Sr. No. | Nature of Security | Terms of Repayment |
|----------------|--|---|
| 1 | Term loan - 1 from State Bank of India, outstanding balance is Nil (March 31, 2016: ₹ 137.58 Lakhs). Details of securities are mentioned below* | Repayable in 67 monthly installments commencing from April 1, 2011, exclusive of a moratorium period of 11 months, 66 monthly installments of ₹ 24 Lakhs each and last installment of ₹ 26 Lakhs due in Oct, 2016. |
| 2 | Term loan - 2 from State Bank of India, outstanding balance is ₹ 449.25 Lakhs (March 31, 2016: ₹ 691.50 Lakhs). Details of securities are mentioned below* | Repayable in 60 monthly installments commencing from Jan 1, 2014, exclusive of a moratorium period of 12 months, 39 monthly installments of ₹ 20 Lakhs each, next 12 installments of ₹ 252 Lakhs and last 9 installments of ₹ 193 Lakhs. Last installment is due in Dec, 2018. |
| 3 | Term loan - 3 from State Bank of India, outstanding balance is ₹ 449.22 Lakhs (March 31, 2016: ₹ 630.31 Lakhs). Details of securities are mentioned below* | Repayable in 60 monthly installments commencing from Aug 1, 2014, exclusive of a moratorium period of 12 months, 36 monthly installments of ₹ 15 Lakhs each, next 23 installments of ₹ 16 Lakhs each and last installment of ₹ 17 Lakhs. Last installment is due in July, 2019. |

**Notes to Financials Statements**

| | | |
|----|--|--|
| * | a. Hypothecation of Wind Turbine Generator at Barmer, Rajasthan; b. Equitable Mortgage and hypothecation charge over entire Property, Plant and Equipment of the Company including Land & Building, Plant & Machineries, situated at Plot No. 6, 7, 8 & 9, Village Mahuvej, Taluka Mangrol, Dist- Surat - 394102; c. Lien on Fixed Deposits with the Bank of ₹ 282 Lakhs; d. Equitable Mortgage and hypothecation charge over immovable properties (existing and future) of the Company situated at D-5/1, Phase-1, MIDC, Dombivali and civil structures; e. Personal Guarantee of Promoter Directors, Mr. Pankaj Seth & Mrs. Anisha Seth. | |
| 4 | Term loan - 1 from HDFC Bank Limited, outstanding balance is ₹ 460.28 Lakhs (March 31, 2016: ₹ 620.14 Lakhs). Details of securities are mentioned below** | Repayable in 60 equated monthly installments from October 2014 till September, 2019. |
| 5 | Term loan - 2 from HDFC Bank Limited, outstanding balance is ₹ 371.98 Lakhs (March 31, 2016: ₹ 742.99 Lakhs). Details of securities are mentioned below** | Repayable in multiple equated monthly installments starting from March, 2016 till October, 2021. |
| ** | a. Equitable Mortgage of the Textile building bearing No. B-12, Asmeeta Texpa ITP, MIDC Plot No.1, Additional Kalyan Bhiwandi Industrial Area, Village - Kon, Sub-District Bhiwandi, District Thane; b. Personal Guarantee of Mr. Pankaj Seth, Promoter Director. The Company has provided second pari passu charge on entire Property, Plant and Equipment (excluding Plant & Machineries financed by other banks/financial institutions of the borrower) as collateral security. | |

5 DEFERRED TAX LIABILITIES (NET) (₹ in Lakhs)

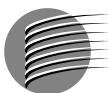
| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|---|----------------------------|---------------------|
| | ₹ | ₹ |
| 1. Deferred tax liability Property, Plant and Equipment : Impact of difference between tax depreciation and depreciation as per books | 990.36 | 947.90 |
| 2. Deferred tax assets Expense allowable for tax purpose when paid | 6.70 | 5.84 |
| Provision for post retirement benefits and other employee benefits | 29.45 | 23.36 |
| Other timing difference | 0.15 | 0.25 |
| Total | 954.06 | 918.45 |

6 LONG-TERM PROVISIONS (₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|-----------------------|----------------------------|---------------------|
| | ₹ | ₹ |
| For Employee benefits | 83.75 | 40.45 |
| Total | 83.75 | 40.45 |

7 SHORT-TERM BORROWINGS (₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|-------------------------|----------------------------|---------------------|
| | ₹ | ₹ |
| Secured loans | | |
| Loans from Banks | | |
| On Demand | - | 1,523.29 |
| Total | - | 1,523.29 |

**Notes to Financials Statements****Details of Secured Loans**

| Nature of Security |
|---|
| Primary security : Hypothecation of Inventory, Book Debts and entire current assets of the Company, present and future, on pari passu basis. |
| Collateral security : For State Bank of India and HDFC Bank Limited - Securities offered for term loans are also offered as collateral securities for short-term loans. |
| Promoter Directors Mr. Pankaj Seth and Mrs. Anisha Seth have given personal guarantee for Loan of Nil (March 31, 2016: ₹ 1094.04 Lakhs) and Nil (March 31, 2016: ₹ 363.98 Lakhs) from State Bank of India and DBS Bank respectively. While Mr. Pankaj Seth has given personal guarantee for loan from HDFC Bank Limited of Nil (March 31, 2016: ₹ 65.27 Lakhs). |

8 TRADE PAYABLES

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| | ₹ | ₹ |
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 39) | 255.67 | 187.98 |
| Total | 255.67 | 187.98 |

9 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|---|---------------------|---------------------|
| | ₹ | ₹ |
| Interest accrued but not due on borrowings | 5.03 | 9.71 |
| Advance from customers | 145.83 | 174.33 |
| Unclaimed dividends | 36.11 | 30.59 |
| Statutory liabilities | 45.95 | 41.09 |
| Liability for expenses | 147.20 | 212.42 |
| Current maturities of long-term borrowings (Refer Note 4) | 761.31 | 825.54 |
| Total | 1,141.43 | 1,293.68 |

10 SHORT-TERM PROVISIONS

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|-----------------------------------|---------------------|---------------------|
| | ₹ | ₹ |
| For Employee's benefit | | |
| Salary and reimbursements | 97.63 | 80.00 |
| Bonus | 13.88 | 13.85 |
| Leave encashment | 5.50 | 4.03 |
| Gratuity | 1.33 | 28.29 |
| Provision for | | |
| Proposed dividend | 172.21 | 215.13 |
| Tax on dividend | 35.06 | 43.80 |
| Income taxes (net of advance tax) | 132.99 | - |
| Expenses | 79.34 | 32.26 |
| Total | 537.94 | 417.36 |

Notes to Financial Statements

11 PROPERTY, PLANT AND EQUIPMENT

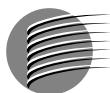
Changes in the carrying value of Property, Plant and Equipment for the year ended March 31, 2017 are as follows :

(₹ in Lakhs)

| | Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | | |
|---|----------------------------------|---------------------|---------------------------------|----------------------------------|--------------------------|---------------------|---------------------------------|----------------------------------|---------------------|---------------------|
| | | As at 01-04-2016 | Additions during the year | Deductions during the year | As at 31-03-2017 | As at 01-04-2016 | Additions during the year | Deductions during the year | As at 31-03-2017 | As at 31-03-2016 |
| a | Tangible Assets | | | | | | | | | |
| | Leasehold Land | 240.66 | - | 5.06 | 235.60 | 11.91 | 2.96 | 0.16 | 14.71 | 220.89 |
| | Buildings | 2,019.60 | - | 0.07 | 2,019.53 | 160.04 | 37.14 | 0.07 | 197.11 | 1,822.42 |
| | Plant and Machinery | 7,458.51 | 14.44 | - | 7,472.95 | 1,505.61 | 519.26 | - | 2,024.87 | 5,448.07 |
| | Furniture, Fixtures and Fittings | 204.41 | 181.83 | 3.76 | 382.48 | 82.20 | 36.94 | 3.76 | 115.38 | 267.11 |
| | Electrical Installations | 208.93 | 11.66 | - | 220.59 | 47.65 | 23.54 | - | 71.19 | 149.39 |
| | Office equipment | 122.41 | 17.82 | 7.80 | 132.44 | 58.27 | 21.15 | 7.80 | 71.62 | 60.81 |
| | Computers | 140.41 | 11.43 | 22.43 | 129.41 | 110.07 | 18.32 | 22.44 | 105.94 | 23.46 |
| | Vehicles | 38.79 | - | - | 38.79 | 9.34 | 4.34 | - | 13.68 | 25.11 |
| | Total (a) | 10,433.72 | 237.18 | 39.12 | 10,631.78 | 1,985.09 | 663.65 | 34.23 | 2,614.51 | 8,017.26 |
| b | Intangible Assets | | | | | | | | | |
| | ERP-Software | - | 98.79 | - | 98.79 | - | 15.64 | - | 15.64 | 83.15 |
| | Total (b) | - | 98.79 | - | 98.79 | - | 15.64 | - | 15.64 | 83.15 |
| c | Capital work-in-progress | 209.04 | 147.18 | 335.41 | 20.81 | - | - | - | - | 20.81 |
| | Total (c) | 209.04 | 147.18 | 335.41 | 20.81 | - | - | - | - | 20.81 |
| | Total (a+b+c) | 10,642.76 | 483.15 | 10,751.38 | 1,985.09 | 679.29 | 34.23 | 2,630.16 | 8,121.22 | 8,657.67 |
| | Previous Year | 9,582.61 | 2,799.44 | 1,739.29 | 10,642.76 | 1,741.99 | 593.40 | 350.30 | 1,985.09 | 8,657.67 |
| | | | | | | | | | | 7,840.63 |

Changes in the carrying value of Property, Plant and Equipment for the year ended March 31, 2016 are as follows :

| | Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | | |
|---|----------------------------------|---------------------|---------------------------------|----------------------------------|--------------------------|---------------------|---------------------------------|----------------------------------|---------------------|---------------------|
| | | As at 01-04-2015 | Additions during the year | Deductions during the year | As at 31-03-2016 | As at 01-04-2015 | Additions during the year | Deductions during the year | As at 31-03-2016 | As at 31-03-2015 |
| a | Tangible Assets | | | | | | | | | |
| | Leasehold Land | 240.66 | - | - | 240.66 | 8.99 | 2.92 | - | 11.91 | 228.75 |
| | Buildings | 1,982.52 | 37.08 | - | 2,019.60 | 123.20 | 36.84 | - | 160.04 | 1,859.56 |
| | Plant and Machinery | 6,592.61 | 1,137.45 | 271.55 | 7,458.51 | 1,287.76 | 475.83 | 257.98 | 1,505.61 | 5,952.90 |
| | Furniture, Fixtures and Fittings | 183.70 | 20.71 | - | 204.41 | 60.05 | 22.15 | - | 82.20 | 122.21 |
| | Electrical Installations | 209.13 | 40.04 | 40.24 | 208.93 | 68.24 | 19.65 | 40.24 | 47.65 | 161.28 |
| | Office equipment | 67.14 | 56.21 | 0.94 | 122.41 | 40.75 | 18.41 | 0.89 | 58.27 | 64.14 |
| | Computers | 123.48 | 16.93 | - | 140.41 | 95.94 | 14.13 | - | 110.07 | 30.34 |
| | Vehicles | 80.37 | 9.91 | 51.49 | 38.79 | 57.06 | 3.47 | 51.19 | 9.34 | 29.45 |
| | Total (a) | 9,479.61 | 1,318.33 | 364.22 | 10,433.72 | 1,741.99 | 593.40 | 350.30 | 1,985.09 | 8,448.63 |
| b | Capital work-in-progress | 103.00 | 1,481.11 | 1,375.07 | 209.04 | - | - | - | - | 209.04 |
| | Total (b) | 103.00 | 1,481.11 | 1,375.07 | 209.04 | - | - | - | - | 209.04 |
| | Total(a+b) | 9,582.61 | 2,799.44 | 1,739.29 | 10,642.76 | 1,741.99 | 593.40 | 350.30 | 1,985.09 | 8,657.67 |
| | Previous Year | 8,223.99 | 2,540.55 | 1,181.93 | 9,582.61 | 1,264.49 | 477.50 | - | 1,741.99 | 7,840.63 |
| | | | | | | | | | | 6,959.50 |



Notes to Financials Statements

12 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

| | Particulars | Face Value | Number | As at | Number | As at |
|----------|---|------------|-----------|---------------|----------|------------|
| | | | | 31-03-2017 | | 31-03-2016 |
| | | | | ₹ | | ₹ |
| A | Investments in equity instruments Unquoted equity shares | | | | | |
| | (i) Subsidiary Orbit Inc. | \$ 1 | 10,00,000 | 633.97 | 5,95,000 | 369.27 |
| | (ii) Associate Rainbow Line Trading L.L.C. | AED 1,000 | 147 | 56.19 | 147 | 56.19 |
| | (iii) Other Entities The Kurla Nagarik Sahakari Bank Limited | ₹ 10 | 10,000 | 1.00 | 10,000 | 1.00 |
| B | Investments in Government Securities - Unquoted | | | | | |
| | National Saving Certificates | - | - | 0.69 | - | 0.67 |
| C | Investments in Bonds Unquoted bonds | | | | | |
| | 6% Rural Electrification Corporation Tax Free Bond | ₹ 10000 | - | - | 350 | 35.00 |
| | Total | | | 691.85 | | 462.13 |
| | Aggregate amount of unquoted investments | | | 691.85 | | 462.13 |

13 LONG-TERM LOANS AND ADVANCES

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|--|------------------|------------------|
| | ₹ | ₹ |
| Unsecured but considered good unless otherwise stated | | |
| Term Deposits with banks (original maturity of more than 12 months) (Refer Note 16) | 245.99 | 163.22 |
| Income tax (net of provisions) | 19.09 | - |
| Capital Advances | 223.54 | 46.39 |
| Security Deposits | 70.47 | 82.08 |
| Total | 559.09 | 291.69 |

14 INVENTORIES

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 | |
|---------------------------------|------------------|-----------------|------------------|----------|
| | ₹ | ₹ | ₹ | ₹ |
| a. Raw Materials and components | 528.95 | | 538.71 | |
| - Stock in transit | 30.48 | | - | |
| (Including Packing Material) | | 559.43 | | 538.71 |
| b. Work-in-progress | | 279.28 | | 643.90 |
| c. Finished goods | 1,616.15 | | 2,059.39 | |
| - Stock in transit | - | | - | |
| d. Stores and spares | 52.12 | | 17.18 | |
| - Stock in transit | - | | - | |
| Total | | 2,506.98 | | 3,259.18 |



Notes to Financials Statements

15 TRADE RECEIVABLES

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|---|------------------|------------------|
| Unsecured - Considered Good : Outstanding for a period exceeding six months from the date they were due for payment | 313.32 | 348.74 |
| Others | 3,199.81 | 3,093.78 |
| Total | 3,513.13 | 3,442.52 |

16 CASH AND BANK BALANCE

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|--|------------------|------------------|
| | ₹ | ₹ |
| Cash and cash equivalents | | |
| Cash in hand | 6.80 | 9.52 |
| Balances with banks in current accounts | 358.76 | 16.06 |
| Deposits with banks (original maturity of less than 3 months) | - | 164.02 |
| | 365.56 | 189.60 |
| Other Bank Balances | | |
| Deposits with banks (having maturity more than 3 months but less than 12 months) | 215.60 | 308.83 |
| Unclaimed dividend accounts | 36.11 | 30.59 |
| Accrued interest but not due on bank deposits | 43.27 | 54.65 |
| | 294.98 | 394.07 |
| Total (A) + (B) | 660.54 | 583.67 |
| Note : The Fixed Deposits aggregating to ₹ 461.34 Lakhs (March 31, 2016 ₹ 331.85 Lakhs) has been pledged with State Bank of India and Nil (March 31, 2016 ₹ 302.23 Lakhs) has been pledged with DBS Bank as collateral security against the financial assistance extended by the respective banks and ₹ 0.25 Lakhs (March 31, 2016 ₹ 0.25 Lakhs) with Central Bank of India. | | |

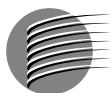
SPECIFIED BANK NOTES DISCLOSURE (SBNs):

In accordance with the MCA notification G.S.R. 308(E) dated March 30, 2017 details of Specified Bank Notes (SBNs) and Other Denomination Notes (ODNs) held and transacted during the period from November 8, 2016 to December 30, 2016 are given below :

(₹ in Lakhs)

| Particulars | SBNs* | ODNs | Total |
|---|-------|------|-------|
| Closing cash in hand on November 8, 2016 | 26.31 | 4.11 | 30.42 |
| (+) Permitted receipts | - | 7.00 | 7.00 |
| (-) Permitted payments | - | 3.60 | 3.60 |
| (-) Amount deposited in Banks | 26.31 | 2.13 | 28.44 |
| Closing cash in hand on December 30, 2016 | - | 5.38 | 5.38 |

* The term 'Specified Bank Notes' has the same meaning as provided in the notification number S.O. 3407(E), dated the November 8, 2016.

**Notes to Financials Statements****17 SHORT-TERM LOANS AND ADVANCES**

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 |
|--|------------------|---|------------------|
| | ₹ | ₹ | ₹ |
| Unsecured but considered good unless otherwise stated | | | |
| Advances to suppliers | 15.13 | | 3.92 |
| Sales tax receivable | 43.72 | | 36.46 |
| Duty draw back/DEPB receivable | 202.03 | | 164.56 |
| Subsidy receivable | 172.01 | | 533.97 |
| Prepaid expenses | 61.72 | | 53.54 |
| Income tax (net of provisions) | 50.56 | | 89.41 |
| Electricity duty receivable | 3.96 | | 12.80 |
| Loan and advances to staff | 10.82 | | 7.85 |
| Gain receivable on forward cover contract | 115.42 | | - |
| Dividend Receivables | 0.12 | | - |
| Total | 675.49 | | 902.51 |

18 OTHER CURRENT ASSETS

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 |
|---|------------------|---|------------------|
| | ₹ | ₹ | ₹ |
| Preferential Shares Issue Expenses | | | |
| Balance as per last balance sheet | 1.09 | | 1.67 |
| Less : Amortised during the year | 0.36 | | 0.58 |
| Balance at the end of the year | 0.73 | | 1.09 |
| Others | 0.05 | | 0.11 |
| Total | 0.78 | | 1.20 |

19 REVENUE FROM OPERATIONS

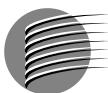
(₹ in Lakhs)

| Particulars | 2016-17 | | 2015-16 |
|---------------------------------|------------------|-----------|-----------|
| | ₹ | ₹ | ₹ |
| Sale of Products | | 12,314.02 | 13,994.17 |
| Sale of Service | | 22.77 | - |
| Other Operating Revenues | | | |
| Export Incentives | 716.56 | | 679.72 |
| | 13,053.35 | | 14,673.89 |
| Less : Excise Duty | | - | - |
| Total | 13,053.35 | | 14,673.89 |

20 OTHER INCOME

(₹ in Lakhs)

| Particulars | 2016-17 | | 2015-16 |
|-------------------------------------|---------------|---|---------|
| | ₹ | ₹ | ₹ |
| Gain on exchange fluctuations (Net) | 232.80 | | 184.24 |
| Dividend income | 0.12 | | 0.24 |
| Interest income | 48.84 | | 57.86 |
| Total | 281.76 | | 242.34 |

**Notes to Financial Statements****21 COST OF MATERIAL CONSUMED**

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|------------------------------------|-----------------|----------|
| | ₹ | ₹ |
| Opening Inventory of raw materials | 538.71 | 526.77 |
| Add : Purchases (Net) | 4,754.54 | 7,994.94 |
| | 5,293.25 | 8,521.71 |
| Less Closing Inventory | 559.43 | 538.71 |
| Total | 4,733.82 | 7,983.00 |

22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|-------------------------|-----------------|----------|
| | ₹ | ₹ |
| Opening Inventory | | |
| Finished Goods | 2,059.39 | 1,461.45 |
| Work-in-Progress | 643.90 | 351.70 |
| | 2,703.29 | 1,813.15 |
| Less: Closing Inventory | | |
| Finished Goods | 1,616.15 | 2,059.39 |
| Work-in-Progress | 279.28 | 643.90 |
| | 1,895.43 | 2,703.29 |
| Total | 807.86 | (890.14) |

23 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

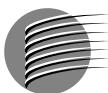
| Particulars | 2016-17 | 2015-16 |
|--|-----------------|----------|
| | ₹ | ₹ |
| Salaries and wages | 1,323.34 | 1,255.05 |
| Employee stock compensation | (19.15) | 23.18 |
| Contributions to provident and other funds | 93.11 | 105.26 |
| Staff welfare | 32.29 | 33.22 |
| Total | 1,429.59 | 1,416.71 |

24 FINANCE COST

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|-------------------|---------------|---------|
| | ₹ | ₹ |
| Interest Expenses | 180.21 | 116.48 |
| Total | 180.21 | 116.48 |

*Out of the above, an amount of ₹ 82.18 Lakhs have been reversed due to short receipt of interest subsidy

**Notes to Financials Statements****25 OTHER EXPENSES**

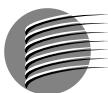
(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--|-----------------|----------|
| | ₹ | ₹ |
| Power and fuel | 421.05 | 489.63 |
| Labour Charges | 75.34 | 44.64 |
| Repairs and Maintenance | | |
| Plant and Machinery | 46.60 | 55.93 |
| IT Related | 47.14 | 7.39 |
| Others | 69.36 | 31.53 |
| Insurance | 43.59 | 37.24 |
| Rates and Taxes | 31.85 | 38.12 |
| Travelling and Conveyance | 277.29 | 257.49 |
| Commission and Brokerage | 307.22 | 230.08 |
| Freight and Forwarding Expenses | 250.89 | 242.72 |
| Rent | 218.96 | 81.37 |
| Legal and Professional Charges | 139.65 | 144.53 |
| Selling and Distribution Expenses | 112.77 | 113.14 |
| Sales Promotion Expenses | 64.95 | 58.11 |
| Advertising and Publicity | 9.07 | 13.87 |
| Postage and Telephone | 86.30 | 53.52 |
| Bank Charges | 82.57 | 45.81 |
| Security Expenses | 21.87 | 22.23 |
| Electricity | 17.03 | 20.09 |
| Printing and Stationery | 11.55 | 15.12 |
| Remuneration to statutory auditor | | |
| Statutory Audit | 10.35 | 10.37 |
| Membership and Subscription | 4.34 | 5.08 |
| Miscellaneous Expenses | 17.30 | 7.63 |
| Bad debts written off | 32.52 | - |
| Total | 2,399.55 | 2,025.64 |

26 EXCEPTIONAL ITEMS

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|---|--------------|---------|
| | ₹ | ₹ |
| Profit on sale of property, plant and equipment | 54.30 | 22.84 |
| Total | 54.30 | 22.84 |

**Notes to Financials Statements****27 COMPUTATION OF EARNINGS PER SHARE (EPS) IS AS UNDER :**

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--|--------------------|-------------|
| | ₹ | ₹ |
| Net Profit After Tax (₹ In Lakhs) | 2,044.73 | 2,452.86 |
| Weighted Average Number of Equity Shares of ₹ 10 each | | |
| For Calculation of Basic EPS | 2,87,02,275 | 2,86,64,669 |
| For Calculation of Diluted EPS | 2,87,10,478 | 2,86,73,872 |
| Earning Per Share Before and After Extraordinary Items | | |
| Basic (in ₹) | 7.12 | 8.56 |
| Diluted (in ₹) | 7.12 | 8.55 |

28 DISCLOSURE REGARDING TRANSACTIONS WITH RELATED PARTIES IN TERMS OF ACCOUNTING STANDARD - 18 IS AS UNDER :**a Names of the related parties where control exists :**

Holding Company - None
 Subsidiary Company - Orbit Inc.

b Names of other related parties with whom transactions have taken place:

Associate Company - Rainbow Line Trading (L.L.C.)

c Key Management Personnel and their relatives :

Mr. Pankaj Seth - Managing director
 Mrs. Anisha Seth - Whole time director
 Mr. Bruce Kievel - Executive Director
 Mrs. Vishakha Seth Mehra - Daughter of Mr. Pankaj Seth
 Mrs. Sangeeta Bhatia - Sister of Mr. Pankaj Seth
 Mr. Shyamsunder Seth - Father of Mr. Pankaj Seth
 Mr. Parth Seth - Son of Mr. Pankaj Seth
 Mr. Prachya Thongnak - Son of Mr. Bruce Kievel

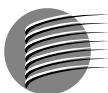
d Enterprises where Key Managerial Personnel or their relatives have control or significant influence:

Golden Bo Tree Impex Co. Ltd.
 M/s. Mediaman Multitrade Pvt. Ltd.

Details of Related Party Transactions :

(₹ in Lakhs)

| Name | Nature of transaction | Amount of transaction in 2016-2017* | Amount outstanding as at 31-03-2017 (Payable)/ Receivable | Amount of transaction in 2015-2016 | Amount outstanding as at 31-03-2016 (Payable)/ Receivable |
|------------------|-----------------------|-------------------------------------|---|------------------------------------|---|
| | | ₹ | ₹ | ₹ | ₹ |
| Mr. Pankaj Seth | Remuneration | 156.00 | (13.00) | 156.00 | (13.00) |
| Mr. Pankaj Seth | Dividend | 197.46 | - | 253.87 | - |
| Mr. Pankaj Seth | Rent | 3.60 | - | 6.00 | - |
| Mrs. Anisha Seth | Remuneration | 150.00 | (12.50) | 150.00 | (12.50) |
| Mrs. Anisha Seth | Dividend | 66.18 | - | 85.09 | - |

**Notes to Financials Statements**

| | | | | | |
|------------------------------------|------------------------------|-----------------|-----------------|----------|----------|
| Mrs. Vishakha Seth Mehra | Salary | 23.29 | (1.94) | 22.15 | (1.94) |
| Mrs. Sangeeta Bhatia | Salary | 2.34 | (0.20) | 2.34 | (0.20) |
| Mr. Shyamsunder Seth | Consultancy Fees | 1.38 | (0.12) | 1.38 | (0.12) |
| Mr. Parth Seth | Salary | 6.43 | (0.72) | - | - |
| Mr. Prachya Thongnak | Consultancy Fees | 80.15 | - | - | - |
| M/s. Mediaman Multitrade Pvt. Ltd. | Dividend | 43.91 | - | 55.17 | - |
| Orbit Inc | Sales | 707.56 | 599.34 | 847.83 | 815.84 |
| Orbit Inc | Investment in Shares Capital | 264.69 | - | - | - |
| Rainbow Line Trading (L.L.C.) | Sales | 1,404.12 | 1,027.01 | 1,854.57 | 1,170.53 |

* Reimbursement of expenses are not included in above statement

29 CAPITAL AND OTHER COMMITMENTS :

Estimated amount of contracts remaining to be executed on capital account and not provided for aggregate to (net of advances) ₹ 676.28 Lakhs (March 31, 2016: ₹ 47 Lakhs)

30 IMPORTED AND INDIGENOUS MATERIAL AND STORES AND SPARES CONSUMED :**a. Material consumed**

(₹ in Lakhs)

| Particulars | 2016-2017 | | 2015-2016 | |
|--------------|-----------------|---------------|-----------|--------|
| | ₹ | (%) | ₹ | (%) |
| Imported | - | - | - | - |
| Indigenous | 4,668.00 | 100.00 | 7924.92 | 100.00 |
| Total | 4,668.00 | 100.00 | 7,924.92 | 100.00 |

b. Stores and Spares consumed

(₹ in Lakhs)

| Particulars | 2016-2017 | | 2015-2016 | |
|--------------|--------------|---------------|-----------|--------|
| | ₹ | (%) | ₹ | (%) |
| Imported | - | - | - | - |
| Indigenous | 65.82 | 100.00 | 58.08 | 100.00 |
| Total | 65.82 | 100.00 | 58.08 | 100.00 |

31 VALUE OF IMPORTS ON CIF BASIS :

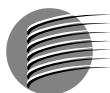
(₹ in Lakhs)

| Particulars | 2016-17 | | 2015-16 |
|-----------------|-------------|---|---------|
| | ₹ | ₹ | ₹ |
| Capital Goods | - | - | 927.35 |
| Stores & Spares | 5.11 | - | 0.00 |
| Total | 5.11 | - | 927.35 |

32 DETAILS OF EARNINGS IN FOREIGN CURRENCY :

(₹ in Lakhs)

| Particulars | 2016-17 | | 2015-16 |
|------------------------|-----------------|---|----------|
| | ₹ | ₹ | ₹ |
| F.O.B Value of Exports | 8,858.97 | - | 8,744.85 |
| Total | 8,858.97 | - | 8,744.85 |

**Notes to Financials Statements****33 DETAILS OF EXPENDITURE IN FOREIGN CURRENCY :**

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--------------------------|---------------|---------|
| | ₹ | ₹ |
| Travelling Expenses | 98.44 | 86.95 |
| Professional Fees | 263.03 | 220.1 |
| Sales Promotion Expenses | 52.79 | 47.69 |
| Total | 414.26 | 354.74 |

34 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD-15 "EMPLOYEE BENEFITS" :

- Defined contribution plans : The amounts of contribution to provident fund and ESIC recognized as expenses during the year is ₹ 72.73 Lakhs (March 31, 2016 ₹ 70.99 Lakhs) for the year ended March 31, 2017.
- Defined benefit plans for Gratuity:- The following table sets out the status of the gratuity plan for the year ended March 31, 2017 as required under AS – 15 (Revised)

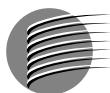
(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|---|---------------|---------|
| | ₹ | ₹ |
| Change in Defined Benefit Obligation | | |
| Opening Defined benefit obligation | 68.74 | 35.50 |
| Current Service Cost | 19.01 | 8.85 |
| Interest Cost | 5.50 | 2.75 |
| Actuarial (Gain)/ Loss | (5.00) | 22.28 |
| Benefits Paid | (3.17) | (0.63) |
| Closing Present Value of Defined Benefit Obligation | 85.08 | 68.74 |
| Change in Fair Value of assets | | |
| Opening Fair value of Plan assets | Nil | Nil |
| Expected Return on Plan Assets | Nil | Nil |
| Actuarial Gain/ (Loss) on Plan assets | | |
| Actual Contributions | 68.74 | 35.20 |
| Actual Benefits Paid | (3.17) | (0.63) |
| Closing Fair Value of Plan Assets | Nil | Nil |

Expense to be recognized in statement of Statement of Profit & Loss

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--|---------------|---------|
| | ₹ | ₹ |
| Current Service Cost | 19.01 | 8.85 |
| Interest on Defined Benefit Obligation | 5.50 | 2.75 |
| Expected Return on Plan Assets | Nil | Nil |
| Actuarial (gain)/ loss | (5.00) | 22.28 |
| Total Included in Employment Expenses | 19.51 | 33.87 |
| Investment details of plan assets: | | |
| Actual Return on Plan Assets | Nil | Nil |
| Category of Assets | Nil | Nil |
| Insurer Managed Fund | Nil | Nil |

**Notes to Financials Statements**

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

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--|--------------|---------|
| Discount rate | 7.50% | 8.00% |
| Rate of increase in compensation levels of covered employees | 6.50% | 6.00% |
| Expected Rate of return on plan assets | Nil | Nil |

35 DETAILS OF OPERATING LEASE AGREEMENTS – NON-CANCELABLE (Buildings and Vehicle):

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--|---------------|---------|
| | ₹ | ₹ |
| a. Due not later than one year | 189.58 | 190.92 |
| b. Due later than one year but not later than five years | 453.40 | 636.51 |
| c. Later than five years | - | - |
| Total | 642.98 | 827.43 |

Lease rentals of ₹ 191.03 Lakhs (2015-16 : ₹ 95.12 Lakhs) in respect of obligations under operating leases have been recognised in the Statement of Profit and Loss.

36 CONTINGENT LIABILITIES

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--|---------------|---------|
| | ₹ | ₹ |
| Income tax dues where the matters are pending before appellate authority | 108.15 | 15.80 |
| Penalty on duty drawback | 1.83 | - |
| Total | 109.98 | 15.80 |

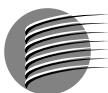
37 In the opinion of the management, Loans & Advances and Other Current Assets have a realisable value in the ordinary course of business not less than the amount at which they are stated in the Balance Sheet and provision for all known liabilities and doubtful assets have been made.

38 EMPLOYEE STOCK OPTION PLAN

The shareholders of the Company have approved Employee Stock Option Plan i.e. OEL Employees Stock Option Plan - 2013 ("The Plan") on July 3, 2013. The Plan provides for issue of options (underlying equity share of ₹ 10/- each) to the persons specified in the scheme. The plan was framed in accordance with the SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time.

The plan provide for the issuance of options at the recommendation of the Nomination & Remuneration Committee at 90% of the market price i.e. price on the working day immediately preceding the date when options are granted, the price being the closing price of the share on BSE Limited and National Stock Exchange of India Limited with the highest trading volume as of the working day preceding the date of grant.

The options granted under the Plan shall vest within not less than two years and not more than four years from the date of grant of options. Once the options vest as per the Plan, they would be exercisable by the Option Grantee at any time within a period of one and a half year from the date of vesting and the shares received on exercise of such options shall not be subject to any lock-in period.



Notes to Financials Statements

(₹ in Lakhs)

The following table summarizes the Company's Stock Options activity:

Shares Underlying Options Outstanding

| Sr. No. | Particulars | As at March 31, 2017 | | As at March 31, 2016 | |
|----------|--|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | | No. of Shares | Weighted Average Exercise Price in ₹ | No. of Shares | Weighted Average Exercise Price in ₹ |
| A | a. Options Outstanding at the beginning of the year | 92,000 | 315.66 | 1,45,000 | 244.37 |
| | b. Options granted during the year - Option II | - | - | - | - |
| | c. Options granted during the year - Option III | - | - | 4,000 | 348.50 |
| | d. Exercised during the year - Option I | 9,000 | 69.75 | 43,000 | 69.75 |
| | e. Exercised during the year - Option II | - | - | - | - |
| | f. Exercised during the year - Option III | - | - | - | - |
| | g. Lapsed during the year - Option I | - | - | - | - |
| | h. Lapsed during the year - Option II | 1,000 | 342.00 | 14,000 | 342.00 |
| | i. Lapsed during the year - Option III | - | - | - | - |
| B | a. Outstanding at the end of the year | 82,000 | 342.32 | 92,000 | 315.66 |
| | b. Adjusted (Bonus 1:1) options granted and outstanding at the end of the year | 1,64,000 | - | - | - |
| C | a. Exercisable at the end of the year - Option I | - | - | 9,000 | 69.75 |
| | b. Exercisable at the end of the year - Option II | 78,000 | 342.00 | - | - |
| | c. Adjusted (Bonus 1:1) options exercisable at the end of the year - Option II | 1,56,000 | - | - | - |

39 DISCLOSURE REQUIRED U/S. 22 OF MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006 IS TABULATED HERE UNDER :

(₹ in Lakhs)

| Particulars | As at March 31, 2017 ₹ | As at March 31, 2016 ₹ |
|---|---------------------------|---------------------------|
| Delayed payments due on Principal | - | - |
| Total interest paid on all delayed payments | - | - |
| Interest due on principal amounts paid beyond the due date during the year but without the interest amounts | - | - |
| Interest accrued but not due | - | - |
| Total Interest Due but not paid | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

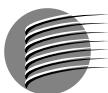
40 EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES :

As required under section 135 of the Companies Act 2013, the Company has constituted Corporate Social Responsibility (CSR) committee. The relevant particulars are disclosed hereunder:

- Gross amount required to be spent by the Company during the year is ₹ 69.46 Lakhs
- Amount spent during the year:

(₹ in Lakhs)

| Particulars | In Cash | Total |
|---|---------|-------|
| On construction / acquisition of any assets | - | - |
| On purpose other than the above | 1.30 | 1.30 |

**Notes to Financial Statements****41 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE**

(₹ in Lakhs)

| Sr. No. | Particulars | Currency | As at March 31, 2017 | | As at March 31, 2016 | |
|----------|--|-------------|-----------------------------|-----------------|-----------------------------|-----------|
| | | | Foreign Currency (in Lakhs) | In Rupees | Foreign Currency (In Lakhs) | In Rupees |
| A | Derivatives outstanding : Forward Contract to sell currency | USD | 29.96 | 1,942.83 | 61.18 | 4,058.45 |
| B | Particulars of unhedge foreign currency exposure : Exports Trade Receivable | USD | 16.43 | 1,065.00 | - | - |
| | Exports Trade Receivable | GBP | 1.18 | 96.85 | 0.51 | 48.40 |
| | Exports Trade Receivable | EURO | 0.76 | 52.87 | 0.11 | 8.39 |

42 PROPOSED DIVIDEND :

The Board of Directors at its meeting held on May 22, 2017 have recommended a payment of final dividend of ₹ 0.60 (2015-16 : ₹ 1.50) per equity share of face value of ₹ 10 each for the financial year ended March 31, 2017. The same amounts to ₹ 207.27 Lakhs (2015-16 : ₹ 258.93 Lakhs) including dividend distribution tax of ₹ 35.06 Lakhs (2015-16 : ₹ 43.80 Lakhs). The above is subject to approval at the ensuing Annual General Meeting of the Company.

43 Unclaimed dividend for the F.Y. 2009-10 amounting to ₹ 1.29 Lakhs has been deposited by the Company to the credit of Investor Education and Protection fund (IEPF) in terms of section 124(5) of the Companies Act, 2013. However there was a delay of 2 days in depositing the same.

44 Figures for the previous year have been regrouped/reclassified/reinstated wherever considered necessary.

As per our report of even date

For **G. M. Kapadia & Co.**

Chartered Accountants

Firm Registration No.104767W

For and on behalf of the Board

Pankaj Seth
Managing Director
DIN: 00027554

Anisha Seth
Whole-time Director
DIN: 00027611

Atul Shah

Partner

Membership No.: 39569

Mukesh Deopura
Chief Financial Officer

Neha Poddar
Company Secretary

Place : Mumbai

Dated : May 22, 2017

Place : Mumbai

Dated : May 22, 2017



INDEPENDENT AUDITOR'S REPORT

To,

The Members of Orbit Exports Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Orbit Exports Limited** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information ("the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. The Board of Directors of the Company is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

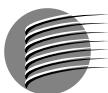
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Group and its associate as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit financial statements of the subsidiary whose financial statements reflect total assets of ₹ 1107.70 lakhs as at March 31, 2017, total revenues of ₹ 383.91 lakhs and net cash inflows amounting to ₹ 11.35 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 108.18 lakhs for the year ended on that date, as considered in the preparation of the consolidated financial statements in respect of the associate whose financial statement has not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the reports of the other auditors.



Our opinion on the consolidated financial statement, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law have been kept by the Group and its associate so far as it appears from our examination of those books.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company, none of the directors of the Company is disqualified as on March 31, 2017 from being appointed as a director in terms of section 164 (2) of the Act. These provisions are not applicable to its subsidiary and associate as these entities are not incorporated in India.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". These provisions are not applicable to its subsidiary and associate as these entities are not incorporated in India.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group and its associate do not have any pending litigations which would impact its financial position;
 - ii. The Group and its associate do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been a delay of 2 days by Holding Company in transferring amounts of unpaid dividend which was required to be transferred to the Investor Education and Protection Fund as explained in note 38 to the consolidated financial statements; and
 - iv. The Holding Company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 16 to the consolidated financial statements. These provisions are not applicable to its subsidiary and associate as these entities are not incorporated in India.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No.104767W

Mumbai
Dated: May 22, 2017

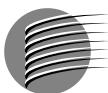
Atul Shah
Partner
Membership No. 39569

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date to the consolidated financial statements of the Company for the year ended March 31, 2017:

Report on the Internal Financial Controls under Section 143(3)(i) of the Act

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Orbit Exports Limited (hereinafter referred to as "the Holding Company"). Since the subsidiary and associate of the Company are not incorporated in India, this reporting requirements under section 143(3)(i) of the Act are not applicable to these entities and accordingly, this report is only in respect of the Holding Company.



Management's Responsibility for Internal Financial Controls

The Board of Directors of the of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No.104767W

Atul Shah
Partner
Membership No. 39569



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(₹ in Lakhs)

| | Particulars | Note No. | As at 31-03-2017 | | As at 31-03-2016 | |
|--|-------------|-----------|------------------|----------|------------------|-----------|
| | | | ₹ | ₹ | ₹ | ₹ |
| I. EQUITY AND LIABILITIES | | | | | | |
| 1. Shareholder's funds | | | | | | |
| (a) Share capital | 2 | 2,870.23 | | 1,434.22 | | |
| (b) Reserves and surplus | 3 | 10,008.49 | | 9,805.50 | | |
| | | | 12,878.72 | | | 11,239.72 |
| 2. Money received against employee share options | | | | - | | 7.83 |
| 3. Non-current liabilities | | | | | | |
| (a) Long-term borrowings | 4 | 969.42 | | 1,996.97 | | |
| (b) Deferred tax liabilities (Net) | 5 | 957.11 | | 923.57 | | |
| (c) Long-term provisions | 6 | 83.75 | | 40.45 | | |
| | | | 2,010.28 | | | 2,960.99 |
| 4. Current Liabilities | | | | | | |
| (a) Short-term borrowings | 7 | - | | 1,523.29 | | |
| (b) Trade payables | | | | - | | |
| Total outstanding dues of micro enterprises and small enterprises | | - | | - | | |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 8 | 258.65 | | 187.98 | | |
| (c) Other current liabilities | 9 | 1,141.43 | | 1,258.49 | | |
| (d) Short-term provisions | 10 | 552.96 | | 431.54 | | |
| | | | 1,953.04 | | | 3,401.30 |
| | | | 16,842.04 | | | 17,609.84 |
| II ASSETS | | | | | | |
| 1. Non-current assets | | | | | | |
| (a) Property, Plant and Equipment | 11 | 8,024.42 | | 8,460.95 | | |
| (i) Tangible assets | | 83.15 | | - | | |
| (ii) Intangible assets | | 20.81 | | 209.04 | | |
| (iii) Capital work-in-progress | | 297.02 | | 223.82 | | |
| (b) Non-current investments | 12 | 571.67 | | 299.29 | | |
| (c) Long-term loans and advances | 13 | | | | | 9,193.10 |
| | | | 8,997.07 | | | |
| 2. Current Assets | | | | | | |
| (a) Inventories | 14 | 3,423.77 | | 4,005.80 | | |
| (b) Trade receivables | 15 | 3,065.66 | | 2,915.65 | | |
| (c) Cash and Bank balance | 16 | 674.17 | | 586.01 | | |
| (d) Short-term loans and advances | 17 | 680.59 | | 908.08 | | |
| (e) Other current assets | 18 | 0.78 | | 1.20 | | |
| | | | 7,844.97 | | | 8,416.74 |
| | | | 16,842.04 | | | 17,609.84 |
| TOTAL | | | | | | |

Significant accounting policies

1

The notes numbers 1 to 40 forms integral part of financial statements

As per our report of even date

For and on behalf of the Board

For G. M. Kapadia & Co.

Pankaj Seth

Chartered Accountants

Managing Director

Firm Registration No.104767W

DIN: 00027554

Anisha Seth

Whole-time Director

DIN: 00027611

Atul Shah

Mukesh Deopura

Partner

Chief Financial Officer

Membership No.: 39569

Neha Poddar

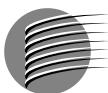
Company Secretary

Place : Mumbai

Place : Mumbai

Dated : May 22, 2017

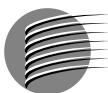
Dated : May 22, 2017



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2017**

(₹ in Lakhs)

| | PARTICULARS | Note No. | 2016 - 2017 | | 2015 - 2016 | | | | | |
|---|---|-----------------|--------------------|--------------------------------|--------------------|-----------|--|--|--|--|
| | | | ₹ | ₹ | ₹ | ₹ | | | | |
| I | Revenue from operations | 19 | | 13,437.26 | | 14,811.04 | | | | |
| II | Other income | 20 | | 313.79 | | 242.34 | | | | |
| III | Total Revenue (I + II) | | | 13,751.05 | | 15,053.38 | | | | |
| IV | Expenses | | | | | | | | | |
| | Cost of materials consumed | 21 | 5,003.02 | | 8,086.21 | | | | | |
| | Changes in inventories of finished goods, work-in-progress and stock-in-trade | 22 | 637.71 | | (1,086.04) | | | | | |
| | Employee benefits expense | 23 | 1,547.59 | | 1,524.57 | | | | | |
| | Finance costs | 24 | 180.21 | | 116.48 | | | | | |
| | Depreciation and amortization expense | 11 | 691.81 | | 597.55 | | | | | |
| | Other expenses | 25 | 2,623.69 | | 2,269.02 | | | | | |
| | Total Expenses | | | 10,684.03 | | 11,507.79 | | | | |
| V | Profit/(Loss) before exceptional items and tax (III-IV) | | | 3,067.02 | | 3,545.59 | | | | |
| VI | Exceptional items | 26 | | 54.30 | | 22.84 | | | | |
| VII | Profit before tax | | | 3,121.32 | | 3,568.43 | | | | |
| VIII | Tax Expense: | | | | | | | | | |
| | Current Tax | | 1,043.45 | | 1,064.13 | | | | | |
| | Deferred Tax | 5 | 33.63 | | 192.71 | | | | | |
| | Excess/(Short) provision for taxation of earlier years | | 40.96 | | (11.72) | | | | | |
| | Total | | | 1,118.04 | | 1,245.12 | | | | |
| | Profit/(Loss) after tax for the year | | | 2,003.28 | | 2,323.31 | | | | |
| | Add : Share in profit of Associate | | | 108.18 | | 1.38 | | | | |
| | Profit/(Loss) for the year carried to Balance Sheet | | | 2,111.46 | | 2,324.69 | | | | |
| IX | Earnings per Equity Share (Face Value of ₹ 10) | | | | | | | | | |
| | (1) Basic (in ₹) | 27 | | 7.36 | | 8.11 | | | | |
| | (2) Diluted (in ₹) | | | 7.36 | | 8.11 | | | | |
| Significant accounting policies | | 1 | | | | | | | | |
| The notes numbers 1 to 40 forms integral part of financial statements | | | | | | | | | | |
| As per our report of even date | | | | | | | | | | |
| For G. M. Kapadia & Co. | | | | For and on behalf of the Board | | | | | | |
| Chartered Accountants | | | | | | | | | | |
| Firm Registration No.104767W | | | | | | | | | | |
| | | | | | | | | | | |
| Atul Shah | | | | Pankaj Seth | | | | | | |
| Partner | | | | Managing Director | | | | | | |
| Membership No.: 39569 | | | | DIN: 00027554 | | | | | | |
| | | | | | | | | | | |
| Place : Mumbai | | | | Mukesh Deopura | | | | | | |
| Dated : May 22, 2017 | | | | Chief Financial Officer | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Place : Mumbai | | | | Anisha Seth | | | | | | |
| Dated : May 22, 2017 | | | | Whole-time Director | | | | | | |
| | | | | DIN: 00027611 | | | | | | |
| | | | | | | | | | | |
| | | | | Neha Poddar | | | | | | |
| | | | | Company Secretary | | | | | | |
| | | | | | | | | | | |



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(₹ in Lakhs)

| | Particulars | As at 31-03-2017 | | As at 31-03-2016 | |
|-----------|---|------------------|-----------------|------------------|------------|
| | | ₹ | ₹ | ₹ | ₹ |
| A. | Cash Flow from Operating Activities : | | | | |
| | Profit/(Loss) before tax | | 3,121.32 | | 3,568.43 |
| | Add: Adjustment for : | | | | |
| | Depreciation and amortisation expenses | 691.81 | | 597.55 | |
| | Amortisation of deferred revenue | 0.41 | | 0.69 | |
| | Interest Expenses | 92.99 | | 106.77 | |
| | Bad debts (Net) | 32.52 | | - | |
| | Unrealised Exchange (Gain)/Loss (net) | (117.38) | | (184.24) | |
| | Reversal of provision on Interest on Subsidy | 82.19 | | - | |
| | Provision for Gratuity, Leave Encashment and Bonus | 17.84 | | 45.73 | |
| | Interest accrued but not due on borrowings | 5.03 | | 9.71 | |
| | Employee Stock Compensation Cost (net) | (19.85) | | 23.18 | |
| | Interest income | (48.84) | | (57.86) | |
| | Loss/(Profit) on sale of property, plant and equipment (net) | 54.30 | | 22.84 | |
| | Gain Receivable on Forward Contract | (115.42) | | - | |
| | Dividend income | (0.12) | 675.48 | (0.24) | 564.13 |
| | Operating Profit/(Loss) before working capital changes | | 3,796.80 | | 4,132.56 |
| | Decrease/(Increase) in inventory | 582.04 | | (1,101.55) | |
| | Decrease/(Increase) in trade receivable | (65.16) | | 157.73 | |
| | Decrease/(Increase) in loans and advances/other current assets | 368.94 | | 194.52 | |
| | Increase / (Decrease) in provisions | 65.22 | | (35.30) | |
| | Increase / (Decrease) in trade and other payables | (87.53) | 863.52 | (74.14) | (858.74) |
| | Cash Generated from Operations | | 4,660.32 | | 3,273.83 |
| | Less: Income tax (net of refunds) | | (929.30) | | (1,109.39) |
| | Net cash (used in)/generated from operating activities (A) | | 3,731.02 | | 2,164.44 |
| B. | Cash flow from Investing Activities : | | | | |
| | Proceeds from disposal of property, plant and equipment | (49.40) | | (8.91) | |
| | Purchases of property, plant and equipment and addition in CWIP | (155.12) | | (1,431.73) | |
| | Proceeds from Investments | 35.00 | | - | |
| | Investment made in fixed deposits | (298.34) | | (330.48) | |
| | Redemption of fixed deposits | 308.83 | | 145.33 | |
| | Capital Advances for property, plant and equipment | (177.15) | | (17.65) | |
| | Interest received | 5.58 | | 3.21 | |
| | Dividend income | - | | 0.24 | |
| | Net cash generated from/(used in) investing activities (B) | | (330.60) | | (1,639.99) |

**CONSOLIDATED CASH FLOW STATEMENT CONT.....**

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 | |
|---|------------------|---------------|------------------|--------|
| | ₹ | ₹ | ₹ | ₹ |
| C. Cash flow from Financing Activities : | | | | |
| Interest Expense | (92.99) | | (106.77) | |
| Issue of Share Capital (Including Premium) | 6.98 | | 29.99 | |
| Amount received against employee share options | (7.83) | | 7.83 | |
| Capital Subsidy received | - | | 5.32 | |
| Repayment of Long-term borrowings | (1,027.55) | | (841.39) | |
| Repayment of Short-term borrowings | (1,523.29) | | - | |
| Proceeds from Long-term borrowings | - | | 750.00 | |
| Proceeds from Short-term borrowings | | | 235.62 | |
| Dividend paid | (568.47) | | (745.43) | |
| Net cash flow from/(used in) Financing activity (C) | (3,213.15) | | (664.81) | |
| Net increase/(decrease) in cash and cash equivalents during the year (A+B+C) | 187.27 | | (140.37) | |
| Cash and cash equivalents at the beginning of the year | 191.92 | | 332.29 | |
| Cash and cash equivalents at the end of the year | 379.19 | | 191.92 | |
| Reconciliaiton of Cash and Cash equivalent with Balance Sheet | | | | |
| Cash and Bank Balance (Refer Note 16) | 674.17 | | 586.01 | |
| Less : | | | | |
| Deposits with banks (having maturity more than 3 months but less than 12 months) | (215.60) | | (308.83) | |
| Bank Balance relating to unclaimed dividend | (36.11) | | (30.59) | |
| Interest accrued but not due on bank deposits | (43.27) | | (54.66) | |
| | Total | 379.19 | | 191.92 |

Note:

- 1 Above statement has been prepared by using Indirect method as per AS-3 on Cash Flow Statement.
- 2 Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank, cash in hand, demand deposits with bank and other short term investment with an original maturity of three months or less.

As per our report of even date

For **G. M. Kapadia & Co.**

Chartered Accountants

Firm Registration No.104767W

For and on behalf of the Board

Atul Shah

Partner

Membership No.: 39569

Place : Mumbai

Dated : May 22, 2017

Pankaj Seth

Managing Director

DIN: 00027554

Anisha Seth

Whole-time Director

DIN: 00027611

Mukesh Deopura

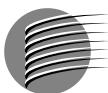
Chief Financial Officer

Neha Poddar

Company Secretary

Place : Mumbai

Dated : May 22, 2017



Notes to Consolidated Financials Statements

Group's Background

These Significant Accounting policies and notes to accounts form part of the Consolidated Financial Statements for the year ended March 31, 2017. The consolidated financial statement comprises of Orbit Exports Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), its associate (as defined in the Companies (Accounting Standards) Rules, 2006).

Corporate information

The Holding Company is a Public Limited Company incorporated under Companies Act 1956, principally operates in two business segments: Manufacturing of Textile and Windmill Power Generation. The equity shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange of India Limited.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation

The consolidated financial statements are consistently prepared and presented under historical cost convention on an accrual basis in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared the financial statements to comply in all material aspects with the accounting standards notified under section 133 of the Companies Act, 2013 (the Act), read together with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. All the divisions of the Group have normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of assets and liabilities into current and non-current as required by Schedule III to the Companies Act, 2013 for preparation of consolidated financial statements.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

1.2 Principles of Consolidation

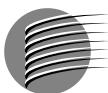
The consolidated financial statements are prepared in accordance with Accounting Standard 21 – "Consolidated Financial Statements", Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated Financial Statements" as notified by the Companies (Accounting Standard) Rules, 2006.

The excess of the cost to the Company of its investment, over the Company's portion of net assets at the time of acquisition of shares is recognized in the financial statements as Goodwill. The excess of Company's portion of net assets over the cost of investment therein is treated as Capital Reserve.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible, are made in the consolidated financial statements and are presented in the same manner as the Company's standalone financial statements. The figures pertaining to the Subsidiary Company have been recast/ reclassified wherever necessary to bring them in line with the Holding Company's financial statements.

The financial statements of the subsidiary and associate used in the consolidation are drawn up to the same reporting date as that of the Company.

The Notes and Significant accounting policies to the Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the Group. In this respect, the Company has disclosed such notes and policies which fairly present the needed disclosures, and such other notes and statutory information disclosed in the financial statements of the parent and the subsidiary companies which are not having any effect on the true and fair view of the Consolidated Financial Statements are excluded.

**a) Subsidiary**

The financial statements of the Holding Company and its subsidiary has been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions. The unrealized profits or losses resulting from the intra-group transactions have been eliminated and unrealised losses resulting from the intra-group transactions have also been eliminated unless cost cannot be recovered.

b) Associate

Investments in entities in which the Holding Company directly or indirectly through subsidiary has significant influence but does not have a controlling interest, are accounted for using equity method i.e. the investment is initially recorded at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the Group's share of net assets of the associate. The consolidated statement of profit & loss includes the Group's share of the results of the operations of the associate.

1.3 Use of Estimates

The preparation of consolidated financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosures relating to contingent liabilities as at the date of consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Differences on account of revision of estimates, actual results and existing estimates are recognised in periods in which the results are known/materialised in accordance with the requirements of the respective accounting standard, as may be applicable.

1.4 Revenue Recognition

- a) Sales are accounted on mercantile basis when the sale of goods is completed and are recorded net of returns, trade discounts, rebates, sales taxes.
- b) Export incentives are accounted on accrual basis and include the estimated value of export incentives receivable under the Duty Draw Back Scheme and other applicable schemes.
- c) Dividend income is recognized when the right to receive the same is established.
- d) Interest income is recognized on a time proportion basis.
- e) Revenue in respect of insurance/other claims, interest for delayed payments etc. is recognized only when it is reasonably certain that the ultimate collection will be made.

1.5 Property, Plant and Equipments

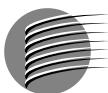
Property, Plant and Equipments are stated at cost less accumulated depreciation, amortization and accumulated impairment losses. Cost comprises the purchase price and any cost attributable for bringing the asset to its working condition for its intended use including borrowing costs. Property, Plant and Equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. If such assets are considered to be impaired, the impairment is recognized by debiting the Consolidated Statement of Profit & Loss and is measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets.

1.6 Intangible assets

Intangible Assets are recognised only if they are separately identifiable and the Group expects to receive future economic benefits arising out of them. Such Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

1.7 Depreciation and Amortisation

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful life as prescribed in Schedule II to the Companies Act, 2013, unless otherwise specified.



Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on additions to / deductions from Property, Plant and Equipment is provided on pro-rata basis from / to the date of acquisition / disposal.

Useful life of assets individually costing less than ₹ 5,000/- is considered as one year.

In case of certain class of assets, the Holding Company uses different useful life than those prescribed in Schedule II to the Companies Act, 2013. Such class of assets and their estimated useful lives are as under: -

| Particulars | Useful life of the assets |
|-------------------|-------------------------------|
| Building | 35-40 Years |
| Leasehold Land | Remaining period of the Lease |
| Plant & Machinery | 14 Years |
| Windmill | 24 Years |
| Software | 6 Years |

1.8 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long - term investments are carried at cost. Diminution, if any, other than temporary, is provided for. Current investments are carried at lower of cost or fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Consolidated Statement of Profit and Loss.

1.9 Inventories

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

1.10 Impairment of tangible and intangible assets

The carrying amounts of Tangible and Intangible assets are tested for impairment at each Balance Sheet date to determine if there is any indication of impairment, based on internal / external factors. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit'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. The reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets are reflected at the recoverable amount.

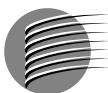
1.11 Provisions, Contingent liabilities & Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's estimate for the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current estimates of the management.

Contingent liabilities are disclosed separately by way of note to consolidated financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of:

- i. a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- ii. a possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed.



1.12 Foreign Currency Transactions

Monetary foreign currency assets and liabilities are translated at the balance sheet date at rates notified by the Foreign Exchange Dealers' Association of India ("FEDAI").

Foreign exchange contracts are stated at net present value using LIBOR/SWAP curves of the respective currencies.

The resulting profits or losses are recognized in the profit and loss account. Premia/discounts on foreign exchange swaps, that are used to hedge risks arising from foreign currency assets and liabilities, are amortized over the life of the swap.

Income and expenditure in foreign currency are accounted for at exchange rates prevalent on the date of the transaction.

In accordance with AS – 11 "The Effects of changes in Foreign Exchange Rates", contingent liabilities in respect of outstanding foreign exchange forward contracts, derivatives, guarantees, endorsements and other obligations are stated at the exchange rates notified by FEDAI corresponding to the balance sheet date.

1.13 Government Grant

Grants, in the nature of interest subsidy under the Technology Up-gradation Fund (TUF) Scheme, are accounted for when it is reasonably certain that ultimate collection will be made. Government grants not specifically related to Property, Plant and Equipments are recognized in the Consolidated Statement of Profit and Loss in the year of accrual / receipt. Government grants in the nature of Promoters' funds have been recognized in the nature of shareholders' funds by way of contribution towards its total capital outlay.

1.14 Employee Benefit

i. Defined contribution plans:

The Holding Company contribution to provident fund and ESIC are charged to the Consolidated Statement of Profit and Loss.

ii. Defined Benefit Plans / Long Term Compensated Absences

Gratuity :

The Holding Company provides for gratuity, a defined benefit retirement plan, covering eligible employees. The plan provides for lump sum payments to vested employees at retirement or upon death while in employment or on termination of employment for an amount equivalent to 15 days' eligible salary payable for each completed year of service if the service is more than 5 years. The Holding Company accounts for the liability for future gratuity benefits using the projected unit cost method based on annual actuarial valuation. The Holding Company recognizes the actuarial gains and losses during the year in which the same are incurred.

Provident fund :

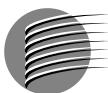
In accordance with law, all employees of the Holding Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Bank contribute monthly at a pre determined rate. Contribution to provident fund are recognized as expense as and when the services are rendered. The Holding Company has no liability for future provident fund benefits other than its annual contribution.

1.15 Borrowing Cost

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

1.16 Segment Reporting

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



1.17 Accounting For Leases

The transactions where the Holding Company conveys or receives right to use an asset for an agreed period of time for a payment or series of payments are considered as Lease.

As Lessee – Operating Lease

Lease rentals in respect of assets taken on 'Operating Lease' are charged to Consolidated Statement of Profit and Loss over the lease term on systematic basis, which is more representative of the time pattern of the Holding Company's benefit.

As Lessee – Finance Lease

Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets and depreciated as per the applicable policy.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. The finance charge is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of liability. Initial direct cost of lease is capitalized.

1.18 Income taxes

Tax expense comprises current and deferred tax. Current tax comprises of the amount of tax for the period determined in accordance with the Income Tax Act, 1961 and the rules framed there under. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences between the carrying values of assets and liabilities and their respective tax bases and operating loss carry forwards. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates at the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. In case of unabsorbed depreciation or carried forward loss under taxation laws, all deferred tax assets are recognized only if there is virtual certainty of realization of such assets supported by convincing evidence. Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realized.

1.19 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity shares to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

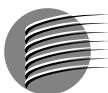
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.20 Employee Stock Option Scheme

The Holding Company has granted Stock Options to employees under "OEL Employees Stock Option Plan – 2013" are accounted for under the intrinsic value method as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999, issued by the Securities and Exchange Board of India and the guidance note on employee share based payment issued by ICAI.

1.21 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of Consolidated Cash Flow Statement comprise cash at bank, cash / cheques in hand, demand deposits with banks and other short-term investments with an original maturity of three months or less.



Notes to Consolidated Financials Statements

2 SHARE CAPITAL

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 |
|--|------------------|---|------------------|
| | ₹ | ₹ | ₹ |
| Authorised Capital | | | |
| 3,50,00,000 Equity Shares of ₹ 10 each (March 31, 2016: 1,50,00,000 Equity Shares of ₹ 10 each) | 3,500.00 | | 1,500.00 |
| Total | 3,500.00 | | 1,500.00 |
| Issued, Subscribed & Paid up Capital | | | |
| 2,87,02,300 Equity Shares of ₹ 10 each (March 31, 2016: 1,43,42,150 Equity Shares of ₹ 10 each) | 2,870.23 | | 1,434.22 |
| Total | 2,870.23 | | 1,434.22 |

Terms/ Rights attached to Equity Shares

The Company has issued only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

The dividend proposed is as recommended by the Board of Directors and subject to the approval of the shareholders in the ensuing Annual General Meeting.

For the year ended March 31, 2017 the amount of dividend per share recognised as distributions to equity shareholders is ₹ 1.60 (2015-16 : ₹ 3.75) comprising of Interim Dividend of ₹ 1.00 and Final Dividend of ₹ 0.60.

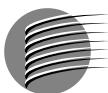
In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

| Particulars | As at 31-03-2017 | | As at 31-03-2016 | |
|---|--------------------|-----------------|------------------|------------|
| | Number | ₹ in Lakhs | Number | ₹ in Lakhs |
| Shares outstanding at the beginning of the year | 1,43,42,150 | 1,434.22 | 1,42,99,150 | 1,429.92 |
| Shares issued during the year under ESOP | 9,000 | 0.90 | 43,000 | 4.30 |
| Shares issued during the year as Bonus shares | 1,43,51,150 | 1,435.11 | - | - |
| Shares outstanding at the end of the year | 2,87,02,300 | 2,870.23 | 1,43,42,150 | 1,434.22 |
| During the year, the Company has issued and allotted 9,000 (2015-16 : 43,000) equity shares of ₹ 10/- each pursuant to exercise of 9,000 (2015-16 : 43,000) Stock Options to the employees of the Company under OEL Employees Stock Option Plan - 2013. | | | | |

Shareholders holding more than 5% shares in the Company

| Name of Shareholders | As at 31-03-2017 | | As at 31-03-2016 | |
|------------------------------------|--------------------|--------------|--------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Mr. Pankaj Seth | 1,12,83,186 | 39.31 | 56,41,593 | 39.33 |
| Mrs. Anisha Seth | 37,81,790 | 13.18 | 18,90,895 | 13.18 |
| M/s. Mediaman Multitrade Pvt. Ltd. | 25,27,999 | 8.81 | 12,26,081 | 8.55 |
| Kaushik Daga | 21,12,396 | 7.36 | 1,35,000 | 0.94 |
| Varun Daga | 20,90,578 | 7.28 | 1,35,000 | 0.94 |

**Notes to Consolidated Financials Statements****Aggregate numbers of shares issued as bonus during 5 years immediately preceding March 31, 2017**

| Particulars | No. of Shares |
|--|---------------|
| Number of equity shares issued as bonus by the Company - FY 2012-13 | 44,33,050 |
| Number of equity shares issued as bonus by the Company - FY 2016-17* | 1,43,51,150 |

*Bonus shares were issued by capitalisation of balance in securities premium and general reserves amounting to ₹ 1,435.12 Lakhs in the ratio of one equity share for every one equity share held by member(s) having face value of ₹ 10 each held on the record date. Basic and diluted earnings per share for the previous periods has been presented to reflect the adjustment for bonus share in accordance with Accounting Standard 20 Earnings per share.

Additional disclosure**Terms of Warrants:**

A. 10 lakhs Optionally Fully Convertible Warrants were issued to Mr. Pankaj Seth and Mrs. Anisha Seth on September 10, 2013 at a price of ₹ 76.57 each, out of which 25% amount received at the time of allotment of warrants. Each warrant was to be converted into 1 equity share of ₹ 10/- each within 18 months from the date of allotment i.e. on or before March 9, 2015. The details of conversion are as mentioned below:-

| | | |
|-------------------|------------------|---|
| December 16, 2013 | 4,00,000 | lock in for 3 year till December 15, 2016 |
| March 20, 2014 | 1,50,000 | lock in for 3 year till March 19, 2017 |
| June 18, 2014 | 4,50,000 | lock in for 3 year till June 17, 2017 |
| Total | 10,00,000 | |

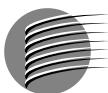
B. 8 lakhs Optionally Fully Convertible Warrants were issued to Mr. Pankaj Seth and Mrs. Anisha P. Seth on November 1, 2010 at a price of ₹ 38/- each out of which 25% amount received at the time of allotment. Each warrant was to be converted into 1 equity share of ₹ 10/- each within a period of 18 months from the date of allotment i.e. on or before April 30, 2012. The details of conversion are as mentioned below:-

| | | |
|----------------|-----------------|--|
| March 31, 2011 | 2,24,560 | lock in for 3 year till March 30, 2014 |
| March 22, 2012 | 3,50,000 | lock in for 3 year till March 21, 2015 |
| April 27, 2012 | 2,25,440 | lock in for 3 year till April 26, 2015 |
| Total | 8,00,000 | |

3 RESERVES AND SURPLUS

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 |
|---|------------------|---|------------------|
| | ₹ | ₹ | |
| Capital Reserve | | | |
| Balance at the beginning of the year | 757.14 | | 751.82 |
| Add : Addition during the year | 93.31 | | 5.32 |
| Balance at the end of the year | 850.45 | | 757.14 |
| (Note : Addition during the year represents ₹ 13.31 Lakhs received on finalisation of claim of earlier years and ₹ 80 Lakhs due to expansion in F.Y. 2015-16. Capital Reserve comprises of Capital Subsidy under TUF ₹ 800.45 Lakhs and Investment subsidy of ₹ 50 Lakhs) | | | |
| Securities Premium | | | |
| Balance at the beginning of the year | 1,121.01 | | 1,091.98 |



Notes to Consolidated Financials Statements

| | | |
|---|------------------|----------|
| Add : Received on exercise of stock options | 6.07 | 29.03 |
| Less : Utilisation for issue of bonus shares | 1,127.08 | - |
| Balance at the end of the year | - | 1,121.01 |
| Employee Stock Options Outstanding Account | | |
| Balance at the beginning of the year | 19.85 | - |
| Add : Compensation for options granted | - | 23.18 |
| Less : Amount transferred to Securities Premium on exercise of stock option | - | 3.33 |
| Less : Amount transferred to statement of profit and loss | 19.85 | - |
| Balance at the end of the year | - | 19.85 |
| General Reserve | | |
| Balance at the beginning of the year | 1,094.67 | 1,094.67 |
| Less : Utilisation for issue of bonus shares | 308.04 | - |
| Balance at the end of the year | 786.63 | 1,094.67 |
| Surplus in statement of profit and loss | | |
| Balance at the beginning of the year | 6,812.83 | 5,135.47 |
| Add : Net profit/(loss) for the current year | 2,111.46 | 2,324.69 |
| Less : Proposed final dividend | 172.20 | 215.13 |
| Less : Interim dividend | 287.03 | 322.70 |
| Less : Tax on dividend (Final and Interim) | 93.52 | 109.50 |
| Less : Final Dividend on equity shares for FY 2015-16 issued after April 1 till the record date | 0.14 | - |
| Balance at the end of the year | 8,371.40 | 6,812.83 |
| Total | 10,008.49 | 9,805.50 |

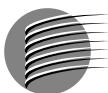
4 LONG-TERM BORROWINGS

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|---|-------------------------|------------------|
| | ₹ | ₹ |
| Secured Loans | | |
| Term Loans | | |
| From banks (refer below notes for details) | 1,730.73 | 2,822.51 |
| Less: Disclosed under Other Current Liabilities | | |
| - Current maturities of long-term borrowings (Refer Note 9) | 761.31 | 825.54 |
| Total | 969.42 | 1,996.97 |

Note: Details of loans

| Sr. No. | Nature of Security | Terms of Repayment |
|---------|--|--|
| 1 | Term loan - 1 from State Bank of India, outstanding balance is Nil (March 31, 2016: ₹ 137.58 Lakhs). Details of securities are mentioned below* | Repayable in 67 monthly installments commencing from April 1, 2011, exclusive of a moratorium period of 11 months, 66 monthly installments of ₹ 24 Lakhs each and last installment of ₹ 26 Lakhs due in Oct, 2016. |
| 2 | Term loan - 2 from State Bank of India, outstanding balance is ₹ 449.25 Lakhs (March 31, 2016: ₹ 691.50 Lakhs). Details of securities are mentioned below* | Repayable in 60 monthly installments commencing from Jan 1, 2014, exclusive of a moratorium period of 12 months, 39 monthly installments of ₹ 20 Lakhs each, next 12 installments of ₹ 252 Lakhs and last 9 installments of ₹ 193 Lakhs. Last installment is due in Dec, 2018. |

**Notes to Consolidated Financials Statements**

| | | |
|----|--|--|
| 3 | Term loan - 3 from State Bank of India, outstanding balance is ₹ 449.22 Lakhs (March 31, 2016: ₹ 630.31 Lakhs). Details of securities are mentioned below* | Repayable in 60 monthly installments commencing from Aug 1, 2014, exclusive of a moratorium period of 12 months, 36 monthly installments of ₹15 Lakhs each, next 23 installments of ₹ 16 Lakhs each and last installment of ₹ 17 Lakhs. Last installment is due in July, 2019. |
| * | a. Hypothecation of Wind Turbine Generator at Barmer, Rajasthan; b. Equitable Mortgage and hypothecation Charge over entire Property, Plant and Equipment of the Company including Land and Building, Plant and Machineries, situated at Plot No. 6, 7, 8 and 9, Village Mahuvej, Taluka Mangrol, Dist- Surat - 394102; c. Lien on Fixed Deposits with the Bank of ₹ 282 Lakhs; d. Equitable Mortgage and hypothecation charge over immovable properties (existing and future) of the Company situated at D-5/1, Phase-1, MIDC, Dombivali and civil structures; e. Personal Guarantee of Promoter Directors, Mr. Pankaj Seth and Mrs. Anisha Seth. | |
| 4 | Term loan - 1 from HDFC Bank Limited, outstanding balance is ₹ 460.28 Lakhs (March 31, 2016: ₹ 620.14 Lakhs). Details of securities are mentioned below** | Repayable in 60 equated monthly installments from October 2014 till September, 2019. |
| 5 | Term loan - 2 from HDFC Bank Limited, outstanding balance is ₹ 371.98 Lakhs (March 31, 2016: ₹ 742.99 Lakhs). Details of securities are mentioned below** | Repayable in multiple equated monthly installments starting from March, 2016 till October, 2021. |
| ** | a. Equitable Mortgage of the Textile building bearing No. B-12, Asmeeta Texpa ITP, MIDC Plot No.1, Additional Kalyan Bhiwandi Industrial Area, Village - Kon, Sub-District Bhiwandi, District Thane; b. Personal Guarantee of Mr. Pankaj Seth, Promoter Director. The Company has provided second pari passu charge on entire Property, Plant and Equipment (excluding Plant and Machineries financed by other banks/financial institutions of the borrower) as collateral security. | |

5 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|--|--|-----------------------|
| | ₹ | ₹ |
| 1. Deferred tax liability Property, Plant and Equipment: Impact of difference between tax depreciation and depreciation provided as per books | 993.41 | 953.02 |
| 2. Deferred tax assets Expenses allowable for tax purpose when paid Provision for post retirement benefits and other employee benefits Other timing difference | 6.70 29.45 0.15 | 5.84 23.36 0.25 |
| Total | 957.11 | 923.57 |

6 LONG - TERM PROVISIONS

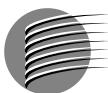
(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|-----------------------|-------------------------|------------------|
| | ₹ | ₹ |
| For Employee benefits | 83.75 | 40.45 |
| Total | 83.75 | 40.45 |

7 SHORT - TERM BORROWINGS

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|-------------------------|-------------------------|------------------|
| | ₹ | ₹ |
| Secured loans | | |
| Loans from Banks | | |
| On Demand | - | 1,523.29 |
| Total | - | 1,523.29 |

**Notes to Consolidated Financials Statements****Details of Secured Loans**

| Nature of Security |
|---|
| Primary security : Hypothecation of Inventory, Book Debts and entire current assets of the Company, present and future, on pari passu basis. |
| Collateral security : |
| For State Bank of India and HDFC Bank Limited - Securities offered for term loans are also offered as collateral securities for short-term loans. |

Promoter Directors Mr. Pankaj Seth and Mrs. Anisha Seth have given personal guarantee for Loan of Nil (March 31, 2016: ₹ 1,094.04 Lakhs) and Nil (March 31, 2016: ₹ 363.98 Lakhs) from State Bank of India and DBS Bank respectively. While Mr. Pankaj Seth has given personal guarantee for loan from HDFC Bank Limited of Nil (March 31, 2016: ₹ 65.27 Lakhs).

8 TRADE PAYABLES

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|--|-------------------------|------------------|
| | ₹ | ₹ |
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 35) | 258.65 | 187.98 |
| Total | 258.65 | 187.98 |

9 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|---|-------------------------|------------------|
| | ₹ | ₹ |
| Current maturities of long-term borrowings (Refer Note 4) | 761.31 | 825.54 |
| Liability for expenses | 147.20 | 177.20 |
| Advance from customers | 145.83 | 174.33 |
| Statutory liabilities | 45.95 | 41.12 |
| Unclaimed dividends | 36.11 | 30.59 |
| Interest accrued but not due on borrowings | 5.03 | 9.71 |
| Total | 1,141.43 | 1,258.49 |

10 SHORT-TERM PROVISIONS

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|--|-------------------------|------------------|
| | ₹ | ₹ |
| Provision for Employee benefits | | |
| Salary and reimbursements | 102.22 | 83.02 |
| Bonus | 13.88 | 13.85 |
| Leave encashment | 5.50 | 4.03 |
| Gratuity | 1.33 | 28.29 |
| Provision for | | |
| Proposed dividend | 172.20 | 215.13 |
| Tax on dividend | 35.06 | 43.80 |
| Income taxes (net of advance tax) | 137.91 | 2.66 |
| Expenses | 84.86 | 40.76 |
| Total | 552.96 | 431.54 |

11 PROPERTY, PLANT AND EQUIPMENT

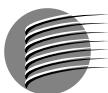
Changes in the carrying value of Property, Plant and Equipment for the year ended March 31, 2017 are as follows :

(₹ in Lakhs)

| | Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | |
|---|----------------------------------|------------------|---------------------------|------------------|--------------------------|---------------------------|----------------------------|------------------|------------------|
| | | As at 01-04-2016 | Additions during the year | As at 31-03-2017 | As at 01-04-2016 | Additions during the year | Deductions during the year | As at 31-03-2017 | As at 31-03-2016 |
| a | Tangible Assets | | | | | | | | |
| | Leasehold Land | 240.66 | - | 5.06 | 235.60 | 11.91 | 2.96 | 14.71 | 220.89 |
| | Buildings | 2,019.60 | 0.07 | 2,019.53 | 160.04 | 37.14 | 0.07 | 1,822.42 | 228.75 |
| | Plant and Machinery | 7,458.51 | 14.44 | 7,472.95 | 1,505.61 | 519.26 | - | 5,448.08 | 1,859.56 |
| | Furniture, Fixtures and Fittings | 207.21 | 181.83 | 385.28 | 83.92 | 43.74 | 10.02 | 267.64 | 5,952.90 |
| | Electrical Installations | 208.93 | 11.66 | 220.59 | 47.65 | 23.54 | - | 149.40 | 123.29 |
| | Office equipment | 140.57 | 18.78 | 151.55 | 64.54 | 26.75 | 7.80 | 83.49 | 161.28 |
| | Computers | 140.87 | 11.58 | 130.01 | 111.17 | 18.45 | 22.44 | 107.18 | 76.03 |
| | Vehicles | 38.79 | - | 38.79 | 9.34 | 4.34 | - | 13.68 | 29.45 |
| | Total (a) | 10,455.14 | 238.28 | 39.13 | 10,654.29 | 1,994.18 | 676.17 | 40.49 | 8,024.42 |
| b | Intangible Assets | | | | | | | | |
| | ERP-Software | - | 98.79 | - | 98.79 | - | 15.64 | - | 83.15 |
| | Total (b) | - | 98.79 | - | 98.79 | - | 15.64 | - | 83.15 |
| c | Capital work-in-progress | 209.04 | 147.18 | 335.41 | 20.81 | - | - | 15.64 | - |
| | Total (c) | 209.04 | 147.18 | 335.41 | 20.81 | - | - | 20.81 | 209.04 |
| | Total (a+b+c) | 10,664.18 | 484.25 | 10,773.89 | 1,994.18 | 691.81 | 40.49 | 2,645.50 | 8,128.38 |
| | Previous Year | 9,596.66 | 2,806.80 | 1,739.29 | 10,664.17 | 1,746.92 | 597.55 | 350.29 | 1,994.18 |

Changes in the carrying value of Property, Plant and Equipment for the year ended March 31, 2016 are as follows :

| | Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | |
|---|----------------------------------|------------------|---------------------------|------------------|--------------------------|---------------------------|----------------------------|------------------|------------------|
| | | As at 01-04-2015 | Additions during the year | As at 31-03-2016 | As at 01-04-2015 | Additions during the year | Deductions during the year | As at 31-03-2016 | As at 31-03-2015 |
| a | Tangible Assets | | | | | | | | |
| | Leasehold Land | 240.66 | - | - | 240.66 | 8.99 | 2.92 | - | 11.91 |
| | Buildings | 1,982.52 | 37.08 | - | 2,019.60 | 123.20 | 36.84 | - | 160.04 |
| | Plant and Machinery | 6,592.61 | 1,137.45 | 271.55 | 7,458.51 | 1,287.76 | 475.83 | 257.98 | 1,505.61 |
| | Furniture, Fixtures and Fittings | 186.40 | 20.81 | - | 207.21 | 61.08 | 22.84 | - | 83.92 |
| | Electrical Installations | 209.13 | 40.04 | 40.24 | 208.93 | 68.24 | 19.65 | 40.24 | 47.65 |
| | Office equipment | 78.50 | 63.01 | 0.94 | 140.57 | 44.66 | 20.77 | 0.89 | 64.54 |
| | Computers | 123.48 | 17.39 | - | 140.87 | 95.94 | 15.23 | - | 111.17 |
| | Vehicles | 80.37 | 9.91 | 51.49 | 38.79 | 57.06 | 3.47 | 51.19 | 9.34 |
| | Total (a) | 9,493.66 | 1,325.69 | 364.22 | 10,455.13 | 1,746.92 | 597.55 | 350.29 | 1,994.18 |
| b | Capital work-in-progress | 103.00 | 1,481.11 | 1,375.07 | 209.04 | - | - | - | 209.04 |
| | Total (b) | 103.00 | 1481.11 | 1375.07 | 209.04 | - | - | - | 209.04 |
| | Total (a+b) | 9,596.66 | 2,806.80 | 1,739.29 | 10,664.17 | 1,746.92 | 597.55 | 350.29 | 1,994.18 |
| | Previous Year | 8,236.27 | 2,542.31 | 1,181.93 | 9,536.66 | 1,266.28 | 480.65 | - | 1,746.92 |

**Notes to Consolidated Financials Statements****12 NON-CURRENT INVESTMENTS**

(₹ in Lakhs)

| | Particulars | Face Value | Number | As at | Number | As at |
|----------|---|------------------|---------------|---------------|---------------|------------|
| | | | | 31-03-2017 | | 31-03-2016 |
| | | | | ₹ | | ₹ |
| A | Investments in equity instruments | | | | | |
| | Unquoted equity shares | | | | | |
| | (i) Associate | | | | | |
| | Rainbow Line Trading L.L.C. | AED 1,000 | 147 | 56.19 | 147 | 56.19 |
| | Accumulated share in profit/(loss) at beginning of the year | | | 130.96 | | 129.58 |
| | Share in profit/(loss) of current year | | | 108.18 | | 1.38 |
| | (ii) Other Entities | | | | | |
| | The Kurla Nagarik Sahakari Bank Limited | ₹ 10 | 10,000 | 1.00 | 10,000 | 1.00 |
| B | Investments in Government Securities - | | | | | |
| | Unquoted | | | | | |
| | National Saving Certificates | | | 0.69 | | 0.67 |
| C | Investment in government bonds | | | | | |
| | Unquoted bonds | | | | | |
| | 6% Rural Electrification Corporation Tax Free Bonds | ₹ 10000 | | - | 350 | 35.00 |
| | Total | | | | 297.02 | 223.82 |
| | Aggregate amount of unquoted investments | | | | 297.02 | 223.82 |

13 LONG-TERM LOANS AND ADVANCES

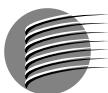
(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|--|------------------|------------------|
| | ₹ | ₹ |
| Unsecured but considered good unless otherwise stated | | |
| Term Deposits with banks (original maturity of more than 12 months) (Refer Note 16) | 245.99 | 163.22 |
| Income tax (net of provisions) | 19.09 | - |
| Capital Advances | 223.54 | 46.39 |
| Security Deposits | 83.05 | 89.68 |
| Total | 571.67 | 299.29 |

14 INVENTORIES

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 | |
|---------------------------------|------------------|-----------------|------------------|----------|
| | ₹ | ₹ | ₹ | ₹ |
| a. Raw Materials and components | 528.95 | | 538.71 | |
| - Stock in transit | 30.48 | | - | |
| (Including Packing Material) | | 559.43 | | 538.71 |
| b. Work-in-progress | | 279.28 | | 643.90 |
| c. Finished goods | 2,532.94 | | 2,806.02 | |
| - Stock in transit | - | | - | |
| d. Stores and spares | 52.12 | | 17.17 | |
| - Stock in transit | - | | - | |
| | | 52.12 | | 17.17 |
| Total | | 3,423.77 | | 4,005.80 |

**Notes to Consolidated Financials Statements****15 TRADE RECEIVABLES**

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|---|------------------|------------------|
| | ₹ | ₹ |
| Unsecured - Considered Good : | | |
| Outstanding for a period exceeding six months from the date they were due for payment | 313.32 | 220.32 |
| Others | 2,752.34 | 2,695.33 |
| Total | 3,065.66 | 2,915.65 |

16 CASH AND BANK BALANCE

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | As at 31-03-2016 |
|--|------------------|------------------|
| | ₹ | ₹ |
| Cash and cash Equivalents | | |
| Cash in hand | 6.98 | 9.61 |
| Balances with banks in current accounts | 372.21 | 18.30 |
| Deposits with banks (original maturity of less than 3 months) | - | 164.02 |
| Total (A) | 379.19 | 191.93 |
| Other Bank Balances | | |
| Deposits with banks (having maturity more than 3 months but less than 12 months) | 215.60 | 308.83 |
| Unclaimed dividend accounts | 36.11 | 30.59 |
| Accrued interest but not due on bank deposits | 43.27 | 54.66 |
| Total (B) | 294.98 | 394.08 |
| Total (A) + (B) | 674.17 | 586.01 |

Note : The Fixed Deposits aggregating to ₹ 461.34 Lakhs (March 31, 2016 ₹ 331.85 Lakhs) has been pledged with State Bank of India and Nil (March 31, 2016 ₹ 302.23 Lakhs) has been pledged with DBS Bank as collateral security against the financial assistance extended by the respective banks and ₹ 0.25 Lakhs (March 31, 2016 ₹ 0.25 Lakhs) with Central Bank of India.

SPECIFIED BANK NOTES DISCLOSURE (SBNs):

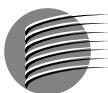
In accordance with the MCA notification G.S.R. 308 (E) dated March 30, 2017 details of Specified Bank Notes (SBNs) and Other Denomination Notes (ODNs) held and transacted during the period from November 8, 2016 to December 30, 2016 are given below :

(₹ in Lakhs)

| Particulars | SBNs | ODNs | Total |
|---|-------|------|-------|
| Closing cash in hand on November 8, 2016 | 26.31 | 4.11 | 30.42 |
| (+) Permitted receipts | - | 7.00 | 7.00 |
| (-) Permitted payments | - | 3.60 | 3.60 |
| (-) Amount deposited in Banks | 26.31 | 2.13 | 28.44 |
| Closing cash in hand on December 30, 2016 | - | 5.38 | 5.38 |

* The term 'Specified Bank Notes' has the same meaning as provided in the notification number S.O. 3407(E), dated the November 8, 2016.

These provisions are not applicable to its subsidiary as it is not incorporated in India.



Notes to Consolidated Financials Statements

17 SHORT-TERM LOANS AND ADVANCES

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 |
|--|------------------|---------------|------------------|
| | ₹ | ₹ | ₹ |
| Unsecured but considered good unless otherwise stated | | | |
| Advances to suppliers | 15.13 | | 3.92 |
| Sales tax receivable | 43.72 | | 36.46 |
| Duty draw back/DEPB receivable | 202.03 | | 164.56 |
| Subsidy receivable | 172.01 | | 533.97 |
| Prepaid expenses | 66.82 | | 59.12 |
| Income tax (net of provisions) | 50.56 | | 89.41 |
| Electricity duty receivable | 3.96 | | 12.80 |
| Loans and advances to staff | 10.82 | | 7.84 |
| Gain receivable on forward cover contract | 115.42 | | - |
| Dividend receivables | 0.12 | | - |
| | Total | 680.59 | 908.08 |

18 OTHER CURRENT ASSETS

(₹ in Lakhs)

| Particulars | As at 31-03-2017 | | As at 31-03-2016 |
|---|------------------|-------------|------------------|
| | ₹ | ₹ | ₹ |
| Preferential Shares Issue Expenses | | | |
| Balance as per last balance sheet | 1.09 | | 1.67 |
| Less : Amortised during the year | 0.36 | | 0.58 |
| Balance at the end of the year | 0.73 | | 1.09 |
| Others | 0.05 | | 0.11 |
| | Total | 0.78 | 1.20 |

19 REVENUE FROM OPERATIONS

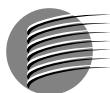
(₹ in Lakhs)

| Particulars | 2016-17 | | 2015-16 |
|---------------------------------|------------------|------------------|-----------|
| | ₹ | ₹ | ₹ |
| Sale of Products | 12,697.93 | | 14,131.32 |
| Sale of Services | 22.77 | | - |
| Other Operating Revenues | | | |
| Export Incentives | 716.56 | | 679.72 |
| | 13,437.26 | | 14,811.04 |
| Less : Excise Duty | - | | - |
| | Total | 13,437.26 | 14,811.04 |

20 OTHER INCOME

(₹ in Lakhs)

| Particulars | 2016-17 | | 2015-16 |
|--|---------------|---------------|---------|
| | ₹ | ₹ | ₹ |
| Gain on exchange fluctuations (Net) | 232.80 | | 184.24 |
| Dividend income | 0.12 | | 0.24 |
| Interest income | 48.84 | | 57.86 |
| Exchange Difference on translation of assets and liabilities | 32.03 | | - |
| | Total | 313.79 | 242.34 |



Notes to Consolidated Financial Statements

21 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|------------------------------------|-----------------|----------|
| | ₹ | ₹ |
| Opening Inventory of raw materials | 538.71 | 526.77 |
| Add : Purchases (Net) | 5,023.74 | 8,098.15 |
| | 5,562.45 | 8,624.92 |
| Less Closing Inventory | 559.43 | 538.71 |
| Total | 5,003.02 | 8,086.21 |

22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|-------------------------|-----------------|------------|
| | ₹ | ₹ |
| Opening Inventory | | |
| Finished Goods | 2,806.03 | 2,012.19 |
| Work-in-Progress | 643.90 | 351.70 |
| | 3,449.93 | 2,363.89 |
| Less: Closing Inventory | | |
| Finished Goods | 2,532.94 | 2,806.03 |
| Work-in-Progress | 279.28 | 643.90 |
| | 2,812.22 | 3,449.93 |
| Total | 637.71 | (1,086.04) |

23 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

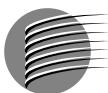
| Particulars | 2016-17 | 2015-16 |
|--|-----------------|----------|
| | ₹ | ₹ |
| Salaries and wages | 1,438.46 | 1,361.74 |
| Employee stock compensation expense | (19.85) | 23.18 |
| Contributions to provident and other funds | 93.11 | 105.26 |
| Staff welfare | 35.87 | 34.39 |
| Total | 1,547.59 | 1,524.57 |

24 FINANCE COST

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|---------------------|---------------|---------|
| | ₹ | ₹ |
| Interest Expenses * | 180.21 | 116.48 |
| Total | 180.21 | 116.48 |

* Out of the above, an amount of ₹ 82.18 Lakhs have been reversed due to short receipt of interest subsidy



Notes to Consolidated Financials Statements

25 OTHER EXPENSES

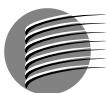
(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--|-----------------|----------|
| | ₹ | ₹ |
| Power and fuel | 421.05 | 489.63 |
| Labour Charges | 115.63 | 44.64 |
| Repairs and Maintenance | | |
| Plant and Machinery | 46.60 | 72.75 |
| IT Related | 48.86 | 7.39 |
| Others | 70.14 | 17.41 |
| Insurance | 60.50 | 56.69 |
| Rates and Taxes | 38.75 | 42.03 |
| Travelling and Conveyance | 286.05 | 263.58 |
| Commission and Brokerage | 344.59 | 230.08 |
| Freight and Forwarding Expenses | 263.42 | 279.04 |
| Rent | 272.73 | 148.27 |
| Legal and Professional Charges | 142.54 | 149.98 |
| Selling and Distribution Expenses | 123.81 | 153.32 |
| Sales Promotion Expenses | 64.95 | 58.11 |
| Advertising and Publicity | 9.49 | 18.32 |
| Postage and Telephone | 89.11 | 56.65 |
| Bank Charges | 95.01 | 56.19 |
| Security Expenses | 21.87 | 22.24 |
| Electricity | 17.06 | 21.63 |
| Printing and Stationery | 14.17 | 16.99 |
| Remuneration to statutory auditor | | |
| Statutory Audit | 10.35 | 10.37 |
| Component Audit | 8.00 | 5.47 |
| Membership and Subscription | 4.50 | 5.66 |
| Miscellaneous Expenses | 22.00 | 7.82 |
| Bad debts written off | 32.51 | - |
| Exchange Difference on translation of assets and liabilities | - | 34.76 |
| Total | 2,623.69 | 2,269.02 |

26 EXCEPTIONAL ITEMS

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|---|--------------|---------|
| | ₹ | ₹ |
| Profit on sale of property, plant and equipment | 54.30 | 22.84 |
| Total | 54.30 | 22.84 |

**Notes to Consolidated Financials Statements****27 COMPUTATION OF EARNINGS PER SHARE (EPS) IS AS UNDER :**

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--|--------------------|-------------|
| | ₹ | ₹ |
| Net Profit After Tax (₹ In Lakhs) | 2,111.46 | 2,324.69 |
| Weighted Average Number of Equity Shares of ₹ 10 each | | |
| For Calculation of Basic EPS | 2,87,02,275 | 2,86,64,669 |
| For Calculation of Diluted EPS | 2,87,10,478 | 2,86,73,872 |
| Earning Per Share Before and After Extraordinary Items | | |
| Basic (in ₹) | 7.36 | 8.11 |
| Diluted (in ₹) | 7.36 | 8.11 |

28 DISCLOSURE REGARDING TRANSACTIONS WITH RELATED PARTIES IN TERMS OF ACCOUNTING STANDARD - 18 IS AS UNDER :**a Names of the related parties where control exists :**

Holding Company - None

b Names of other related parties with whom transactions have taken place:

Associate Company - Rainbow Line Trading (L.L.C.)

c Key Management Personnel and their relatives :

Mr. Pankaj Seth - Managing director

Mrs. Anisha Seth - Whole time director

Mr. Bruce Kievel - Executive Director

Mrs. Vishakha Seth Mehra - Daughter of Mr. Pankaj Seth

Mrs. Sangeeta Bhatia - Sister of Mr. Pankaj Seth

Mr. Shyamsunder Seth - Father of Mr. Pankaj Seth

Mr. Parth Seth - Son of Mr. Pankaj Seth

Mr. Prachya Thongnak - Son of Mr. Bruce Kievel

d Enterprises where Key Managerial Personnel or their relatives have control or significant influence:

Golden Bo Tree Impex Co. Ltd.

M/s. Mediaman Multitrade Pvt. Ltd.

Details of Related Party Transactions :

(₹ in Lakhs)

| Name | Nature of transaction | Amount of transaction in 2015-2017* | Amount outstanding as at 31-03-2017 (Payable)/ Receivable | Amount of transaction in 2015-2016 | Amount outstanding as at 31-03-2016 (Payable)/ Receivable |
|------------------------------------|-----------------------|-------------------------------------|---|------------------------------------|---|
| | | ₹ | ₹ | ₹ | ₹ |
| Mr. Pankaj Seth | Remuneration | 156.00 | (13.00) | 156.00 | (13.00) |
| Mr. Pankaj Seth | Dividend | 197.46 | - | 253.87 | - |
| Mr. Pankaj Seth | Rent | 3.60 | - | 6.00 | - |
| Mrs. Anisha Seth | Remuneration | 150.00 | (12.50) | 150.00 | (12.50) |
| Mrs. Anisha Seth | Dividend | 66.18 | - | 85.09 | - |
| Mrs. Vishakha Seth Mehra | Salary | 23.29 | (1.94) | 22.15 | (1.94) |
| Mrs. Sangita Bhatia | Salary | 2.34 | (0.20) | 2.34 | (0.20) |
| Mr. Shyamsunder Seth | Consultancy Fees | 1.38 | (0.12) | 1.38 | (0.12) |
| Mr. Parth Seth | Salary | 6.43 | (0.72) | - | - |
| Mr. Prachya Thongnak | Consultancy Fees | 80.15 | - | - | - |
| M/s. Mediaman Multitrade Pvt. Ltd. | Dividend | 43.91 | - | 55.17 | - |
| Rainbow Line Trading (L.L.C.) | Sales | 1,404.12 | 1,027.01 | 1,854.57 | 1,170.53 |

*Reimbursement of expenses are not included in above statement.

**Notes to Consolidated Financials Statements****29 CAPITAL AND OTHER COMMITMENTS:**

Estimated amount of contracts remaining to be executed on capital account and not provided for aggregate to (net of advances) ₹ 676.28 Lakhs (March 31, 2016: ₹ 47 Lakhs)

30 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD-15 "EMPLOYEE BENEFITS" :

- Defined contribution plans : The amounts of contribution to provident fund and ESIC recognized as expenses during the year is ₹ 72.73 Lakhs (March 31, 2016 ₹ 70.99 Lakhs) for the year ended March 31, 2017.
- Defined benefit plans for Gratuity:- The following table sets out the status of the gratuity plan for the year ended March 31, 2017 as required under AS – 15 (Revised)

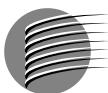
(₹ in Lakhs)

| Particulars | 2016-17 | | 2015-16 |
|---|---------------|---|---------|
| | ₹ | ₹ | ₹ |
| Change in Defined Benefit Obligation | | | |
| Opening Defined benefit obligation | 68.74 | | 35.50 |
| Current Service Cost | 19.01 | | 8.85 |
| Interest Cost | 5.50 | | 2.75 |
| Actuarial (Gain)/ Loss | (5.00) | | 22.28 |
| Benefits Paid | (3.17) | | (0.63) |
| Closing Present Value of Defined Benefit Obligation | 85.08 | | 68.74 |
| Change in Fair Value of assets | | | |
| Opening Fair value of Plan assets | Nil | | Nil |
| Expected Return on Plan Assets | Nil | | Nil |
| Actuarial Gain/ (Loss) on Plan assets | | | |
| Actual Contributions | 68.74 | | 35.20 |
| Actual Benefits Paid | (3.17) | | (0.63) |
| Closing Fair Value of Plan Assets | Nil | | Nil |

Expense to be recognized in statement of Statement of Profit and Loss

(₹ in Lakhs)

| Particulars | 2016-17 | | 2015-16 |
|--|---------------|---|---------|
| | ₹ | ₹ | ₹ |
| Current Service Cost | 19.01 | | 8.85 |
| Interest on Defined Benefit Obligation | 5.50 | | 2.75 |
| Expected Return on Plan Assets | Nil | | Nil |
| Actuarial (gain)/ loss | (5.00) | | 22.28 |
| Total Included in Employment Expenses | 19.51 | | 33.87 |
| Investment details of plan assets: | | | |
| Actual Return on Plan Assets | Nil | | Nil |
| Category of Assets | Nil | | Nil |
| Insurer Managed Fund | Nil | | Nil |

**Notes to Consolidated Financials Statements**

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

| Particulars | 2016-17 | 2015-16 |
|--|--------------|---------|
| Discount rate | 7.50% | 8.00% |
| Rate of increase in compensation levels of covered employees | 6.50% | 6.00% |
| Expected Rate of return on plan assets | Nil | Nil |

In absence of details from wholly owned subsidiary in the USA, disclosure under Accounting Standard- 15 on Employee Benefits is restricted to the holding company. In the opinion of the management no material liabilities would arise on account of this Subsidiary.

31 DETAILS OF OPERATING LEASE AGREEMENTS – NON-CANCELABLE (Building and Vehicle) :

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|---|---------------|---------|
| | ₹ | ₹ |
| a. Due not later than one year | 189.58 | 190.92 |
| b. Due later than one year but not later than five years from the balance sheet date | 453.40 | 636.51 |
| c. Later than five years | - | - |
| Total | 642.98 | 827.43 |

Lease rentals of ₹ 191.03 Lakhs (2015-16 : ₹ 95.12 Lakhs) in respect of obligations under operating leases have been recognised in the Statement of Profit and Loss.

32 CONTINGENT LIABILITIES

(₹ in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|--|---------------|---------|
| | ₹ | ₹ |
| Income tax dues where the matters are pending before appellate authority | 108.15 | 15.80 |
| Penalty on duty drawback | 1.83 | - |
| Total | 109.98 | 15.80 |

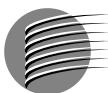
33 In the opinion of the management, Loans & Advances and Other Current Assets have a realisable value in the ordinary course of business not less than the amount at which they are stated in the Balance Sheet and provision for all known liabilities and doubtful assets have been made.

34 EMPLOYEE STOCK OPTION PLAN

The shareholders of the Company have approved Employee Stock Option Plan i.e. OEL Employees Stock Option Plan - 2013 ("The Plan") on July 3, 2013. The Plan provides for issue of options (underlying equity share of ₹ 10/- each) to the persons specified in the scheme. The plan was framed in accordance with the SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time.

The plan provide for the issuance of options at the recommendation of the Nomination & Remuneration Committee at 90% of the market price i.e. price on the working day immediately preceding the date when options are granted, the price being the closing price of the share on BSE Limited and National Stock Exchange of India Limited with the highest trading volume as of the working day preceding the date of grant.

The options granted under the Plan shall vest within not less than two years and not more than four years from the date of grant of options. Once the options vest as per the Plan, they would be exercisable by the Option Grantee at any time within a period of one and a half year from the date of vesting and the shares received on exercise of such options shall not be subject to any lock-in period.

**Notes to Consolidated Financials Statements**

The following table summarizes the Company's Stock Options activity:

(₹ in Lakhs)

Shares Underlying Options Outstanding

| Sr. No. | Particulars | As at March 31, 2017 | | As at March 31, 2016 | |
|---------|--|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | | No. of Shares | Weighted Average Exercise Price in ₹ | No. of Shares | Weighted Average Exercise Price in ₹ |
| A | a. Options Outstanding at the beginning of the year | 92,000 | 315.66 | 1,45,000 | 244.37 |
| | b. Options granted during the year - Option II | - | - | - | - |
| | c. Options granted during the year - Option III | - | - | 4,000 | 348.50 |
| | d. Exercised during the year - Option I | 9,000 | 69.75 | 43,000 | 69.75 |
| | e. Exercised during the year - Option II | - | - | - | - |
| | f. Exercised during the year - Option III | - | - | - | - |
| | g. Lapsed during the year - Option I | - | - | - | - |
| | h. Lapsed during the year - Option II | 1,000 | 342.00 | 14,000 | 342.00 |
| | i. Lapsed during the year - Option III | - | - | - | - |
| B | a. Outstanding at the end of the year | 82,000 | 342.32 | 92,000 | 315.66 |
| | b. Adjusted (Bonus 1:1) options granted and outstanding at the end of the year | 1,64,000 | - | - | - |
| C | a. Exercisable at the end of the year - Option I | - | - | 9,000 | 69.75 |
| | b. Exercisable at the end of the year - Option II | 78,000 | 342.00 | - | - |
| | c. Exercisable at the end of the year - Option III | - | - | - | - |
| | d. Adjusted (Bonus 1:1) options exercisable at the end of the year - Option II | 1,56,000 | - | - | - |

35 DISCLOSURE REQUIRED U/S. 22 OF MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006**IS TABULATED HERE UNDER :**

(₹ in Lakhs)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|---|----------------------|----------------------|
| Delayed payments due on Principal | - | - |
| Total interest paid on all delayed payments | - | - |
| Interest due on principal amounts paid beyond the due date during the year but without the interest amounts | - | - |
| Interest accrued but not due | - | - |
| Total Interest Due but not paid | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management

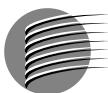
36 EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES :

As required under section 135 of the Companies Act 2013, the Company has constituted Corporate Social Responsibility (CSR) committee. The relevant particulars are disclosed hereunder:

- Gross amount required to be spent by the Company during the year is ₹ 69.46 Lakhs
- Amount spent during the year:

(₹ in Lakhs)

| Particulars | In Cash | Total |
|---|-------------|-------|
| On construction / acquisition of any assets | - | - |
| On purpose other than the above | 1.30 | 1.30 |

**Notes to Consolidated Financials Statements****37 PROPOSED DIVIDEND :**

The Board of Directors at its meeting held on May 22, 2017 have recommended a payment of final dividend of ₹ 0.60 (2015-16 : ₹ 1.50) per equity share of face value of ₹ 10 each for the financial year ended March 31, 2017. The same amounts to ₹ 207.27 Lakhs (2015-16 : ₹ 258.93 Lakhs) including dividend distribution tax of ₹ 35.06 Lakhs (2015-16 : ₹ 43.80 Lakhs).

The above is subject to approval at the ensuing Annual General Meeting of the Company.

38 Unclaimed dividend for the F.Y. 2009-10 amounting to ₹ 1.29 Lakhs has been deposited by the Company to the credit of Investor Education and Protection fund (IEPF) in terms of section 124(5) of the Companies Act, 2013. However there was a delay of 2 days in depositing the same.

39 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTITIES CONSOLIDATED AS SUBSIDIARY AND ASSOCIATE : (₹ in Lakhs)

| Name of the Entities | As at March 31, 2017 | | | | As at March 31, 2016 | | | |
|-----------------------------|--|-------------------|---------------------------------------|-------------------|--|-------------------|---------------------------------------|-------------------|
| | Net Assets i.e. Total Assets minus Total Liabilities | | Share in Profit / (Loss) | | Net Assets i.e. Total Assets minus Total Liabilities | | Share in Profit / (Loss) | |
| | As a % of consolidated net assets | Amount ₹ in Lakhs | As a % of consolidated profit or loss | Amount ₹ in Lakhs | As a % of consolidated net assets | Amount ₹ in Lakhs | As a % of consolidated profit or loss | Amount ₹ in Lakhs |
| Parent | | | | | | | | |
| Orbit Exports Limited | 97.39% | 12,542.61 | 94.24% | 1,989.69 | 98.10% | 11,026.54 | 99.40% | 2,310.82 |
| <u>Subsidiary</u> | | | | | | | | |
| Foreign: | | | | | | | | |
| Orbit Inc. | 0.32% | 40.78 | 0.64% | 13.59 | 0.23% | 26.03 | 0.54% | 12.49 |
| <u>Associate</u> | | | | | | | | |
| Foreign: | | | | | | | | |
| Rainbow Line Trading L.L.C. | 2.29% | 295.34 | 5.12% | 108.18 | 1.67% | 187.15 | 0.06% | 1.38 |
| Total | 100.00% | 12,878.72 | 100.00% | 2,111.46 | 100.00% | 11,239.72 | 100.00% | 2,324.69 |

40 Figures for the previous year have been regrouped and rearranged wherever necessary.

As per our report of even date

For **G. M. Kapadia & Co.**

Chartered Accountants

Firm Registration No.104767W

For and on behalf of the Board

Pankaj Seth
Managing Director
DIN: 00027554

Anisha Seth
Whole-time Director
DIN: 00027611

Atul Shah

Partner

Membership No.: 39569

Mukesh Deopura
Chief Financial Officer

Neha Poddar
Company Secretary

Place : Mumbai

Dated : May 22, 2017

Place : Mumbai

Dated : May 22, 2017

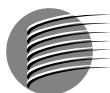
FORM AOC-1

Statement Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in USD)

| Particulars | Details |
|---|------------------|
| 1. Sl. No. | 1 |
| 2. Name of the subsidiary | Orbit Inc. |
| 3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Same |
| 4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | USD ₹ 64.84/- |
| 5. Share capital | 1,000,000 |
| 6. Reserves & surplus | 62,899 |
| 7. Total assets | 2,019,711 |
| 8. Total Liabilities | 956,812 |
| 9. Investments | NIL |
| 10. Turnover | 1,664,185 |
| 11. Profit before taxation | 26,561 |
| 12. Provision for taxation | 5,601 |
| 13. Profit after taxation | 20,960 |
| 14. Proposed Dividend | NIL |
| 15. % of shareholding | 100% |

**Part "B": Associates****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to
Associate Companies and Joint Ventures****(Information in respect of each associate company to be presented with amounts in AED)**

| Name of Associates | Rainbow Line Trading -LLC |
|--|----------------------------------|
| 1. Latest audited Balance Sheet Date | 31 st March, 2017 |
| 2. Shares of Associate held by the company on the year end | |
| No. of shares | 147 |
| Amount of Investment in Associates | 1,47,000 |
| Extend of Holding % | 49% |
| 3. Description of how there is significant influence | Voting Power |
| 4. Reason why the associate/joint venture is not consolidated | N.A. |
| 5. Networth attributable to Shareholding as per latest audited Balance Sheet | AED 2,361,507 |
| 6. Profit / Loss for the year | |
| i. Considered in Consolidation | AED 765,779 |
| ii. Not Considered in Consolidation | NA |

For and on behalf of the Board of Directors of
Orbit Exports Limited
CIN: L40300MH1983PLC030872

Mr. Pankaj Seth
Managing director
DIN: 00027554

Mrs. Anisha Seth
Whole time director
DIN: 00027611

Mr. Mukesh Deopura
Chief Financial Officer

Mrs. Neha Poddar
Company Secretary



Regd. Office:- 122, Mistri Bhavan, 2nd Floor,
Dinshaw Wachha Road, Mumbai - 400020
CIN: L40300MH1983PLC030872
Email: investors@orbitexports.com; website: www.orbitexports.com;
Phone: +91-22-66256262; Fax: +91-22-22822031

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Sequence No.

Name and Address of the Shareholder :

Email Id :

Registered Folio No./DP ID & :

Client ID :

No. Shares held :

I/We, being the member (s) of shares of Orbit Exports Limited, hereby appoint :

1. Name: Of

E-mail id Signature.....or failing him/her

2. Name: Of

E-mail id Signature.....or failing him/her

3. Name: Of

E-mail id Signature.....or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Monday, September 11, 2017 at 04:30 P.M. at Babasaheb Dahanukar Sabhagriha, C/o. Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai - 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolutions No | Resolutions | For | Against |
|--------------------------|---|-----|---------|
| Ordinary Business | | | |
| 1. | To consider and adopt: (a) the audited financial statement of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2017. | | |
| 2. | Declaration of Final Dividend on Equity Shares | | |
| 3. | Appoint a Director in place of Shri Varun Daga, who retires by rotation and being eligible has offered himself for re-appointment. | | |
| 4. | Ratification of Appointment of Statutory Auditors. | | |
| Special Business | | | |
| 5. | Ratification of the Remuneration of the Cost Auditors of the Company for Financial Year 2017-2018. | | |

Signed this..... day of..... 2017

Signature of first proxy holder

Signature of second proxy holder

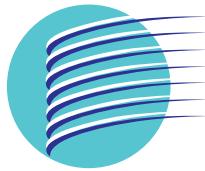
Signature of third proxy holder

Affix
Revenue
Stamp

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- ** (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

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orbit exports ltd.

Registered Office:
122, Mistry Bhavan, 2nd Floor,
Dinshaw Wachha Road, Mumbai - 400 020.
Ph.: +91-22-66256262; Fax: +91-22-22822031
E-mail: investors@orbitexports.com; Website: www.orbitexports.com

Factories:

Surat:

Plot No. 6 - 9, Fairdeal Textile Park, Village Mahuvej, Taluka Mangrol, Dist - Surat - 394 102 (Gujarat)

Kalyan:

Plot No.1, Building No.B-12, Asmeeta Infratech Textile Park, Additional Kalyan Bhiwandi Industrial Area,
Sarawali - Kon Village, Taluka - Bhiwandi, Dist - Thane.

Dombivali:

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

Bhiwandi :

A-4, Unit No.1-5, Mahavir Logiplex, Aamne Village, Near Sawad Naka, Bhiwandi, Thane - 421302