



122, MISTRY BHAVAN, 2ND FLOOR, NEAR K C COLLEGE, DINSHAW WACHHA ROAD, CHURCHGATE,  
MUMBAI – 400 020. (MAH.) INDIA. TEL: +91-22-6625 6262, FAX: +91-22-22822031,  
E-mail: investors@orbitexports.com, Website: www.orbitexports.com;  
CIN NO: L40300MH1983PLC030872

August 29, 2023

To,  
The Manager,  
Listing Department,  
National Stock Exchange of India Ltd.,  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400051

Corporate Services Department  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai – 400001

**Symbol: ORBTEXP**

**Security Code: 512626**

Dear Sirs,

**Sub.: Annual Report of the Company for the financial year 2022-23 along with Notice of 40<sup>th</sup> Annual General Meeting ('AGM') of the Company**

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we hereby enclose the electronic copy of Annual Report of the Company for financial year 2022-23 along with the Notice of 40<sup>th</sup> AGM scheduled to be held on Friday, September 22, 2023 at 02:00 p.m. (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM").

The Annual Report of the Company for financial year 2022-23 along with the Notice of 40<sup>th</sup> AGM is also uploaded on the website of the Company at <http://orbitexports.com/investor-information/#sd-tab-annual-reports>

Kindly take the same on record.

Thanking you,

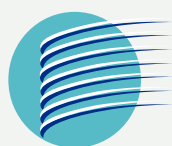
Yours faithfully,  
**For Orbit Exports Limited**

**Sonia Gupte**  
**Company Secretary & Compliance Officer**  
**Membership No. A43003**

Encl.: as above



BRINGING  
VOLUME  
TO **VALUE**



*orbit exports ltd.*

Annual Report 20**22**-**23**

### Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Orbit Exports Limited ('Orbit Exports' / 'Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Orbit Exports Limited Annual Report 2022-23.

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### Highlights of FY 22-23 (Consolidated figures)

Total Income

20,025

₹ lakh

EBITDA

5,815

₹ lakh

Profit after Tax

3,438

₹ lakh

Earnings per share

12.37

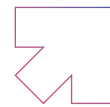
₹

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## Contents

2	Corporate Snapshot	31	Our Board of Directors
4	Review by the management	33	Management discussion and analysis
6	Financial overview	39	Company Information
10	Our performance over the years	40	Board's Report
12	Our geographical footprint	75	Standalone accounts
16	Our principal growth driver	128	Consolidated accounts
18	Building shareholder value	179	Notice
20	Our operational competence		
21	Our information technology		
22	Business division		
26	Our talent management		
28	Environment, Health and Safety		
30	Corporate Social Responsibility		

# BRINGING VOLUME TO **VALUE**



**At Orbit Exports,** we are positioned as a niche textiles manufacturer.

**Our objective is to enhance** the appeal of our fabrics through enduring and growing engagements with customers.

**The combination of both** – value and volume – represents our blueprint to enhance value in a sustainable way for the benefit of our stakeholders.






## Vision

At Orbit Exports, our method of robust internal processes – focused on quality and efficiency – has consistently led us to achieve higher echelons of achievement. Over the last several years, Orbit Exports has evolved into a systematised corporation governed by an established and professional hierarchy; one that takes meticulous measures to oversee the activity of the Company and the achievement of its goals. Orbit Exports vision includes a continuous evolution of its systems and processes to suit the best interests of the Company, its shareholders, employees and customers. With this vision in mind, Orbit Exports stands poised to usher in a holistic approach to the world of fabrics and their business.

## Mission

Keeping in mind the goal of becoming the world’s preferred vendor of novelty cloth, Orbit Exports aims to:

 <p>Deliver superior products on time and with maximised value</p>	 <p>Foster a work environment that facilitates the growth of employee strengths in tandem with that of the Company</p>
 <p>Build enduring and mutually beneficial business liaisons</p>	 <p>Provide utmost returns to shareholders</p>

## Background

Incorporated in 1983 as a weaving company, Orbit Exports Limited is one of India's largest exporters of novelty fabrics. The Company is led by Mr. Pankaj Seth and Mrs. Anisha Seth.

## Business

Orbit Exports offers a diverse range of products for multiple applications. These comprise women's apparel, Christmas crafts, home décor, occasion-specific fabrics and finished textile products. The Company is one of the biggest exporter of Christmas ribbons and made-up products in India. The Company has an in-house design team, making its finished products unique. The Company's wide range of fabrics comprise dupion, taffeta

and jacquard. The Company has expanded its business to cover niche men's wear in addition to women's wear.

## Talent

The Company's talent comprises professionals who have specialised in the area of design, procurement, manufacturing, sales, finance, legal and logistics, among others. The Company comprised 27% managerial professionals as on March 31, 2023. The average age of the employees was 36 years as on March 31, 2023.

## Footprint

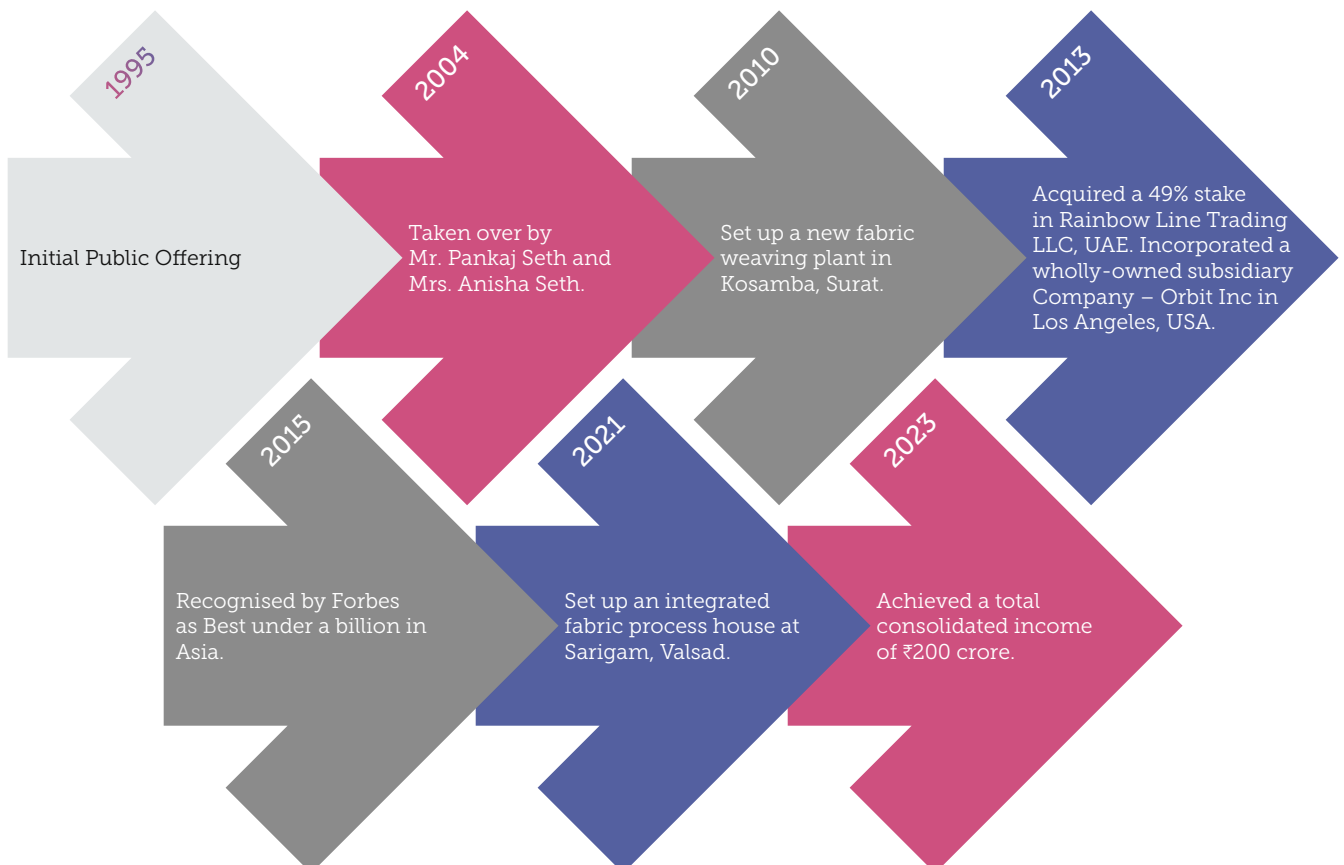
The Company's products are sold in USA, Latin America, Africa, Europe and the Far East. Exports accounted for 62% of the Company's revenues

in FY 22-23. Exports grew by 46% during the year under review.

## Listing

Orbit Exports is listed on the National Stock Exchange Limited and BSE Limited. The Company's market capitalisation was ₹313.72 crore (March 31, 2023).

## Milestones





Despite textile industry difficulties, we're poised to capitalise on the next rebound, validating Orbit Exports' value and sustainability

### Overview

At Orbit Exports, our aim, has been to build a company that is relatively independent of market cycles. This strategy has seen the Company diversify into fabrics for all segments like men's wear, ladies apparel, kids wear and home goods.

I am pleased to share that despite the challenges in the fiscal year 22-23, Orbit Exports showed commendable resilience. While revenues dipped in the last two quarters compared to a strong start, our overall performance remained satisfactory, considering the industry's unfavourable trends. In the final quarter, we achieved an EBITDA of ₹9.12 crore, surpassing the sector's average margin, underscoring our ability to perform well in tough times.

### Sectoral health

We witnessed a fluctuating demand pattern during the financial year 22-23. The global textile sector experienced a decline in demand starting from the second half of financial year 22-23, and this trend continued into the current financial year 23-24.

During the financial year 21-22, the lifting of pandemic restrictions led to a surge in consumer purchases, driving the demand for yarn and fabric. This positive momentum encouraged customers to increase their inventory purchases, anticipating further price hikes and higher demand.

However, two significant events altered the course of the industry.

Firstly, the outbreak of the Russia-Ukraine war and its continuity impacted the overall cost structure of textile manufacturers. The uncertainty and disruptions caused by the geopolitical conflict affected demand sentiment and put a pressure on the margins of textile producers.

Secondly, the extensive inventory build-up by the industry did not find immediate buyers, leading to a slump in demand for textile products during the latter half of the financial year.

This unpredictable and turbulent market scenario compelled industry players to reassess their strategies and adopt a cautious approach. As the industry moves forward, it will be essential for textile manufacturers to remain agile and adaptable to changing global dynamics, geopolitical developments, and consumer preferences.

Investing in research and innovation to create sustainable, eco-friendly, and technologically advanced textiles will be pivotal to staying competitive. Additionally, diversifying product offerings and exploring new markets could present opportunities for growth and stability in the long term.

### Our positioning

At Orbit Exports, our optimism is derived from the robustness of our business model.

Your Company has consistently resolved to be the best, as distinct from being the largest. The result is that there has been a greater priority on the ability to design better, design originally and design creatively as opposed to manufacturing more and your Company now enjoys a distinctive recall as a value-added and distinctive textile products manufacturer among higher end customers. During the last financial

year when offtake shrank, your Company continued to market products and remain liquid.

We made strategic investments, including a modern process house, during the pandemic to enhance operations and environmental responsibility. This integration empowers us to control a broader value chain, enhancing competitiveness.

We are committed to sustainability and governance, fostering stability among our employees, vendors, and the community. This prepares us for a potential demand resurgence.

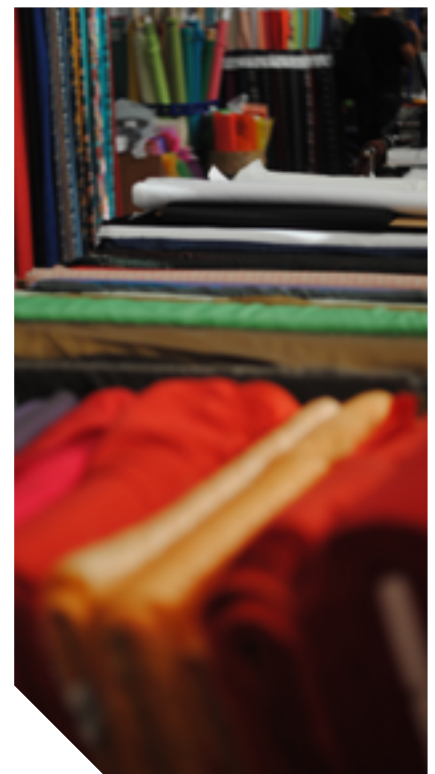
### Outlook

Despite industry challenges due to the economic slowdown globally, our outlook remains optimistic. As demand rises, we anticipate higher capacity utilisation and growth. Our strong Balance Sheet ensures we possess the liquidity for emerging opportunities.

To expand, we will focus on designing complementary items aligned with fashion trends and capturing additional customer demand. Our dedication to change, innovation, and customer-centricity will guide our success.

In conclusion, despite textile industry difficulties, we're poised to capitalise on the next rebound, validating Orbit Exports' value and sustainability.

**Pankaj Seth**  
Managing Director



We're committed to sustainability and governance, fostering stability among our employees, vendors, and the community. This prepares us for a potential demand resurgence.







Financial **overview** 

# Orbit Exports has established a **robust** foundation, sustainable across market cycles

## Overview

Orbit Exports has consistently focused on enhancing stakeholder value. Our expansion into new markets, especially the domestic market, introduction of innovative products and intensified marketing endeavours have influenced success. By seeking such opportunities, we remain optimistic about sustaining the organisational momentum.

## Revenues

The Company's revenues surged 35% over the pre-pandemic level and achieved an outstanding 53% year-over-year growth in FY 22-23, higher than the growth of the Indian textile sector growth during the year under review. This progress is attributed to strategic initiatives like venturing into new markets, introducing innovative products and intensified marketing. Expanding into the domestic market

played a vital role in widening the Company's addressable market and contributed to the overall revenue growth. These achievements reaffirm the Company's commitment to driving volume to value and sustaining a promising growth trajectory.

## Margins

The Company reported an improved EBITDA margin from 28.75% to 29.75% following effective cost control. The Company's profit also experienced substantial growth over the course of the last year. These accomplishments reflect the Company's commitment to sound financial management and continued progress. Operating at a higher capacity enhances operational efficiency, optimising fixed allocations and improving overall unit economics.





### Surplus

The Company's profit before tax witnessed a significant increase, reaching ~1.9 times that of FY 21-22. This growth was primarily driven by higher realisation, cost optimisation resulting from the process house integration and the successful launch of quality products cum designs.

### Gearing

During the past financial year, the Company achieved significant milestones in strengthening its Balance Sheet. Key achievements included reducing the debt:equity ratio (excluding lease liabilities) from 0.21 to 0.13, streamlining receivables and inventory cycles to enhance working capital efficiency and boost cash flows while strengthening the Current Ratio from 2.14 to 2.77.

### Profitable growth

At Orbit Exports, our profitability growth has been influenced by various factors, driven by increased volumes and the establishment of an in-house process house. These efforts have allowed us to optimise costs, leading to a streamlined bottom line. The Company also engaged in yarn twisting as a backward integration, strengthening its value chain.

### Proactive preparation

Expanding into untapped market segments, particularly the domestic market, presents significant opportunities. With the prospect of larger volumes, we are prepared to allocate capital for capacity expansion to meet the demands across the foreseeable future.

### Working capital management

Our focus on new product development, shortened lead times and maintaining excellent product quality has positioned us as a preferred sourcing partner for prominent industry players. In FY 22-23, we successfully reduced our average debtors cycle from 65 days to 46 days. This improvement was achieved through better trade

terms offerings, diligent follow-ups and selecting the right set of customers. The outcome of our efforts resulted in a noticeable reduction in the working capital cycle. Our dedicated focus on managing receivables, payables and inventory cycles generated positive results.

### Liquidity

Through its existence, the Company maintained strong liquidity. Our ongoing efforts revolve around allocating operating cashflows prudently for meaningful capital investments. Any surplus free cash flow is strategically re-invested, with a focus on safety, liquidity and return principles.

### Value-creation

Creating shareholder value has consistently been a significant outcome of our endeavours. In addition to long-term value creation for shareholders, our track record of rewarding shareholders with corporate actions like dividends and equity buybacks, demonstrates our commitment to maximising shareholder returns. In the previous financial year, the Company successfully executed a buyback of ₹1,000 lakh, which proved to be rewarding for all shareholders, specifically the small shareholders.

### Outlook

In a dynamic landscape, we anticipate a fair revenue growth. The advancements in technology add to the excitement. Being part of a growing industry, we are geared for an exciting journey.

### Our financial hygiene

#### Our debt-equity ratio (x)\*

FY 20	FY 21	FY 22	FY 23
0.10	0.09	0.21	0.13

\*Excludes lease liabilities

#### Our debt cost (%)

FY 20	FY 21	FY 22	FY 23
6.00	5.93	5.16	7.92



Our receivables cycle (days of turnover equivalent)

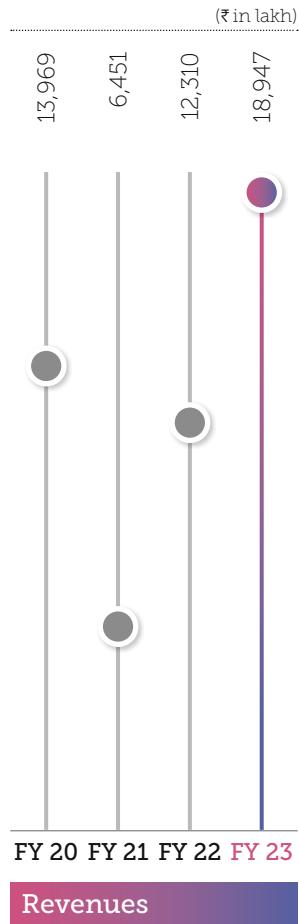
FY 20	FY 21	FY 22	FY 23
80	138	65	46

Our finished goods inventory cycle (days of turnover equivalent)

FY 20	FY 21	FY 22	FY 23
48	79	31	30



# Our performance over the years

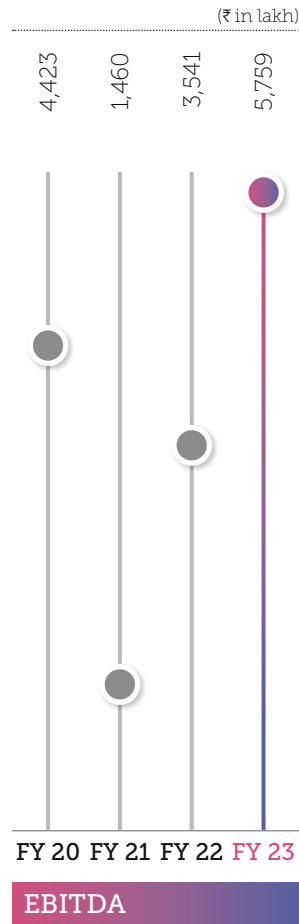


**Definition**  
Growth in revenue net of taxes.

**Why this is measured**  
It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the Company's success can be compared with sectoral peers.

**What this means**  
Helps enhance incomes that in turn makes it possible to amortise or pay for expenses.

**Value impact**  
Aggregate revenues increased 53% to ₹18,947 lakh in FY 22-23, due to increased volumes and the launch of new products.

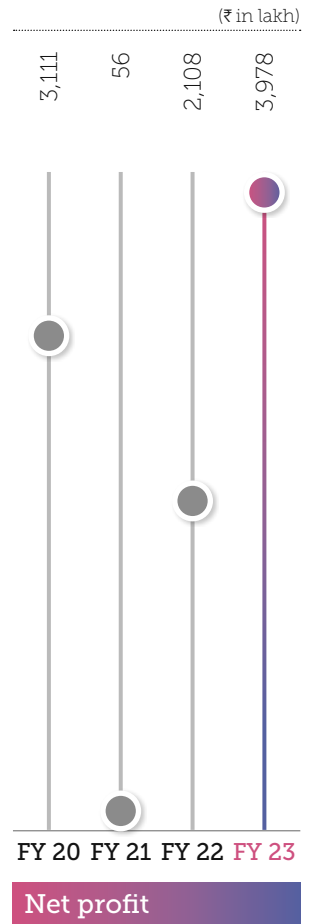


**Definition**  
Earnings before the deduction of interest, depreciation, extraordinary items and tax.

**Why this is measured**  
It is an index that showcases the Company's ability to generate a surplus after optimising operating costs, providing a base for comparison with sectoral peers.

**What this means**  
Helps create a robust growth surplus-generating engine that enhances reinvestment and debt servicing capability.

**Value impact**  
The Company reported a turnaround in EBITDA in FY 22-23 with a 62% increase in EBITDA.

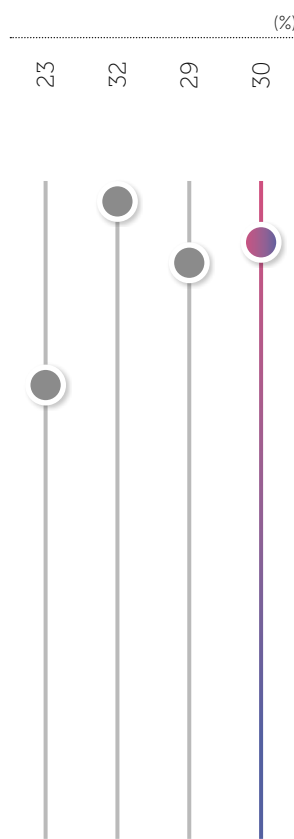


**Definition**  
Profit earned during the year after deducting all expenses and provisions.

**Why this is measured**  
It highlights the strength of the business model in enhancing value for shareholders.

**What this means**  
This ensures that adequate cash is available for reinvestment, leading to business sustainability.

**Value impact**  
The Company reported a turnaround in PBT in FY 22-23 with a 84% increase in PBT.



### EBITDA margin

#### Definition

EBITDA margin is a profitability measure to ascertain a Company's operating efficiency.

#### Why this is measured

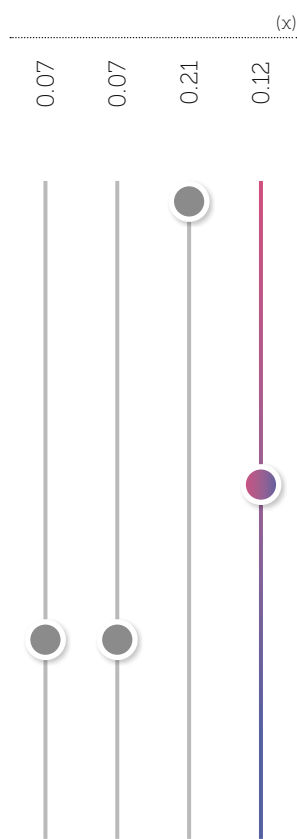
The EBITDA margin provides an idea of how much a Company earns (before accounting for interest, depreciation, amortisation and taxes) on each rupee of sales.

#### What this means

This measure demonstrates the buffer in the business, which, when multiplied by scale, can potentially enhance the surplus.

#### Value impact

The Company reported an increase in EBITDA margin from 29% to 30% in FY 22-23 due to greater volumes and value chain integration.



### Gearing

#### Definition

This is the ratio of net debt (debt less cash and cash equivalents) to net worth (less revaluation reserves).

#### Why this is measured

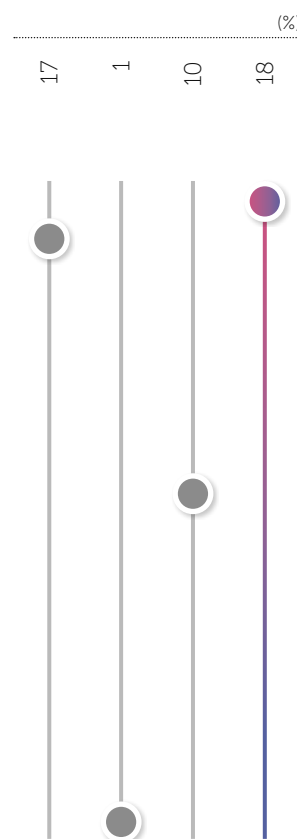
This is one of the defining measures of a Company's financial health. This indicates the ability of the Company to balance debt and equity.

#### What this means

This indicates whether the Company enhances shareholder value by enhancing net worth and moderating debt.

#### Value impact

The Company's net gearing stood at 0.12, a 853 bps decline from the previous year.



### RoCE

#### Definition

This is a financial ratio that measures efficiency with which capital is employed in the Company's business.

#### Why this is measured

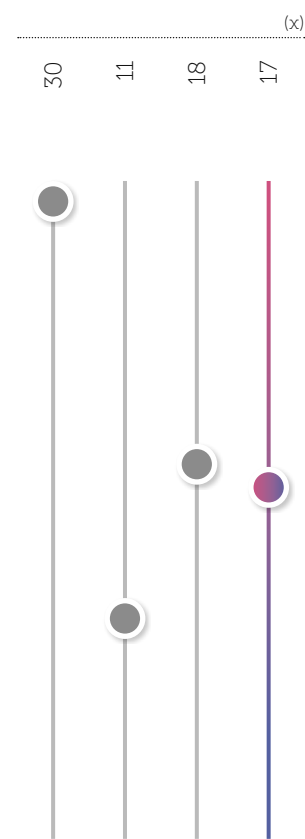
RoCE is an insightful metric to compare profitability across companies based on their respective capital efficiency.

#### What this means

Enhanced RoCE can potentially drive valuations and market perception.

#### Value impact

The Company reported a 831 bps increase in RoCE in FY 22-23 on account of enhanced profitability.



### Interest cover

#### Definition

This is derived through the division of EBITDA by interest outflow.

#### Why this is measured

Interest cover indicates the profit buffer available within the Company to service interest – the higher the better.

#### What it means

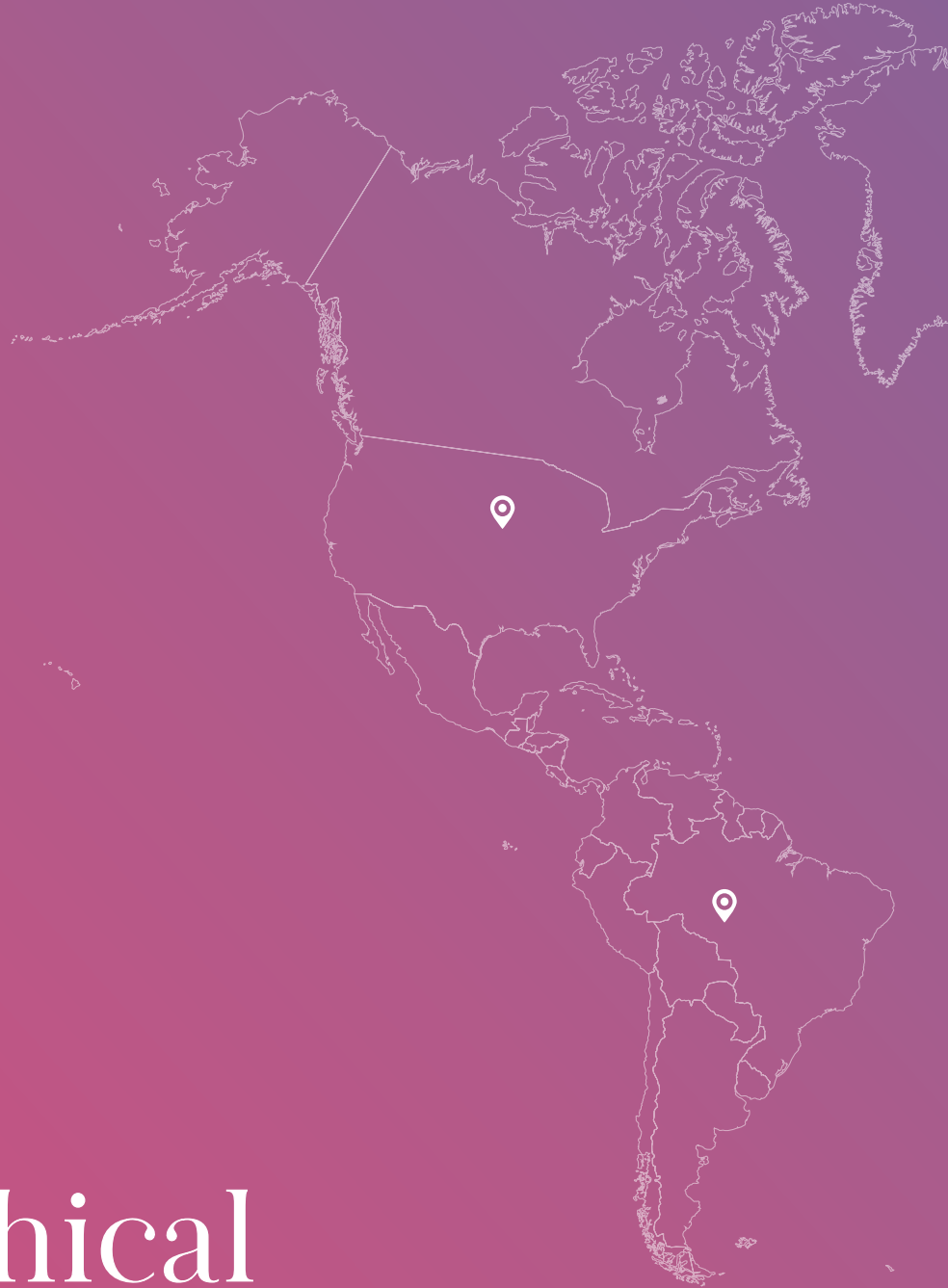
A Company's ability to meet its interest obligations, an aspect of its solvency, is arguably one of the most important measures in assuring shareholder returns.

#### Value impact

The Company's interest cover decreased marginally from 18 times in FY 21-22 to 17 times in FY 22-23 due to capitalization of Interest cost in FY 21-22 at the time of commissioning of process house, whose benefit was not available in FY 22-23.



*orbit exports ltd.*



# Our geographical footprint

1. Asia
2. North America
3. South America
4. Europe
5. Africa



5

Number of continents where we export

62

Export as a % of revenues in FY 22-23

58

Growth in exports (%) during FY 22-23





THE GLOBAL APPAREL MARKET IS  
EXPECTED TO GROW TO

US  
\$2.1

trillion by 2025.

THIS PROVIDES A GROWTH  
PLATFORM FOR SERIOUS PLAYERS  
IN THE TEXTILE SECTOR.

The demand for textiles could rise attractively, as the global population grows on the one hand and consumption per capita increases on the other. On account of this, the global apparel market could grow to US USD 2.1 trillion by 2025. The long-term growth of this market is assured, with the global population likely to increase from 8.1 billion to 9.5 billion by 2050.

With resource depletion staring humanity in its face, recycling is likely to be trend of the future. The bigger brands have started focusing on this aspect. Fibres from plastic bottles are being used to create fabric; recycling is also done at a large scale in textile firms. Another change that the global textile is expecting is the shrinking size of the apparel markets of United States and Europe. In a glaring contrast to the present-day situation, per capita expenditure on apparel in United States and Europe could slowdown.

On the other hand, the combined size of Chinese and Indian apparel markets could become larger than USA and the European Union. Luxury brands have started tapping into the Asian market, as domestic demand in the Asian market has been rising.

Asia has begun to evolve from the world's largest textile manufacturer cum supplier to becoming the world's biggest textiles consumer. The global manufacturing value chain is expected to attract investments worth USD 350 billion to cater to the additional apparel market demand of USD 1 trillion by 2025, influenced by global demographic changes.

**Energy efficiency has already become a priority in the textile sector. Textile processing has transformed with manufacturing units making it a point to mention this in their profiles to win customer trust. There is a growing emphasis on the consumption of organic products as well.**

Considering climate change, it is expected that crops that require little attention will gain momentum. The focus will be on growing organic crops; natural fibres are likely to attract consumer attention, as fabrics made from these fibres are not only soothing, but result in lower chemical waste. In view of this, cotton could be among the most popular fabrics of the future.

Growing cotton does not place great demand on water use, as it is a crop, which is drought and heat tolerant and accounts for mere three percent of global agricultural water. In addition to this, for every pound of cotton fibre produced, 1.5 pounds of cottonseed can be pressed for cooking oil and used as a protein-rich feed for farm animals.

The textile sector has started using virtual marketing to prospect customers. With e-retail gaining momentum, manufacturing units can expect to save money that would have been spent on real estate to build shops.

There will be a growing focus on sustainability, marked by technologies that moderate resource consumption, enhancing respect and revenues.

Asia has begun to evolve from the world's largest textile manufacturer and supplier to becoming the world's biggest textiles consumer.





# The Orbit Exports brand

Our principal growth driver

## Overview

The principal asset of Orbit Exports is in the perception of its stakeholders, strengthening its brand.

Our dedicated employees find value in our environment, fostering personal and professional growth, ensuring well-being, and providing equitable compensation.

We prioritise enduring partnerships with vendors, prioritising long-term connections over price-focused transactions. Timely payments and support in creating innovative

products strengthen these relationships.

Customers opt to collaborate due to our role in advancing their businesses. Our distinct offerings and prompt complete order delivery, along with competitive pricing, set us apart.

Our responsible practices resonate with communities, seen in adhering to clean processes aligned with regulations and utilising advanced technologies for efficient resource use.



We employ advanced technologies that promote the efficient utilisation of limited resources.



### Brand strengths

**Singular focus:** At Orbit Exports, our primary focus is on the manufacture of customised dyed fabrics using a diverse range of yarns. We have expanded into adjacent fabric processing to deliver more varieties of novel fabric with the best quality.

**Niche:** Within textile fabrics, we have focused on the value-added segment, characterised by differentiated features and long-term relationships with key stakeholders (resource providers and buyers). This niche focuses on premium, design-driven products that sell quicker in sluggish markets and command a premium during favourable markets, strengthening our resilience and relevance across market cycles.

**Service:** While our core manufacturing revolves around producing physical products, we acknowledge that we are essentially in the service business. We demonstrate this service-oriented approach by prioritising superior product quality, timely product delivery and competitive pricing. This focus serves as a complement to our customers, enabling them to enhance their brand and drive their business forward.

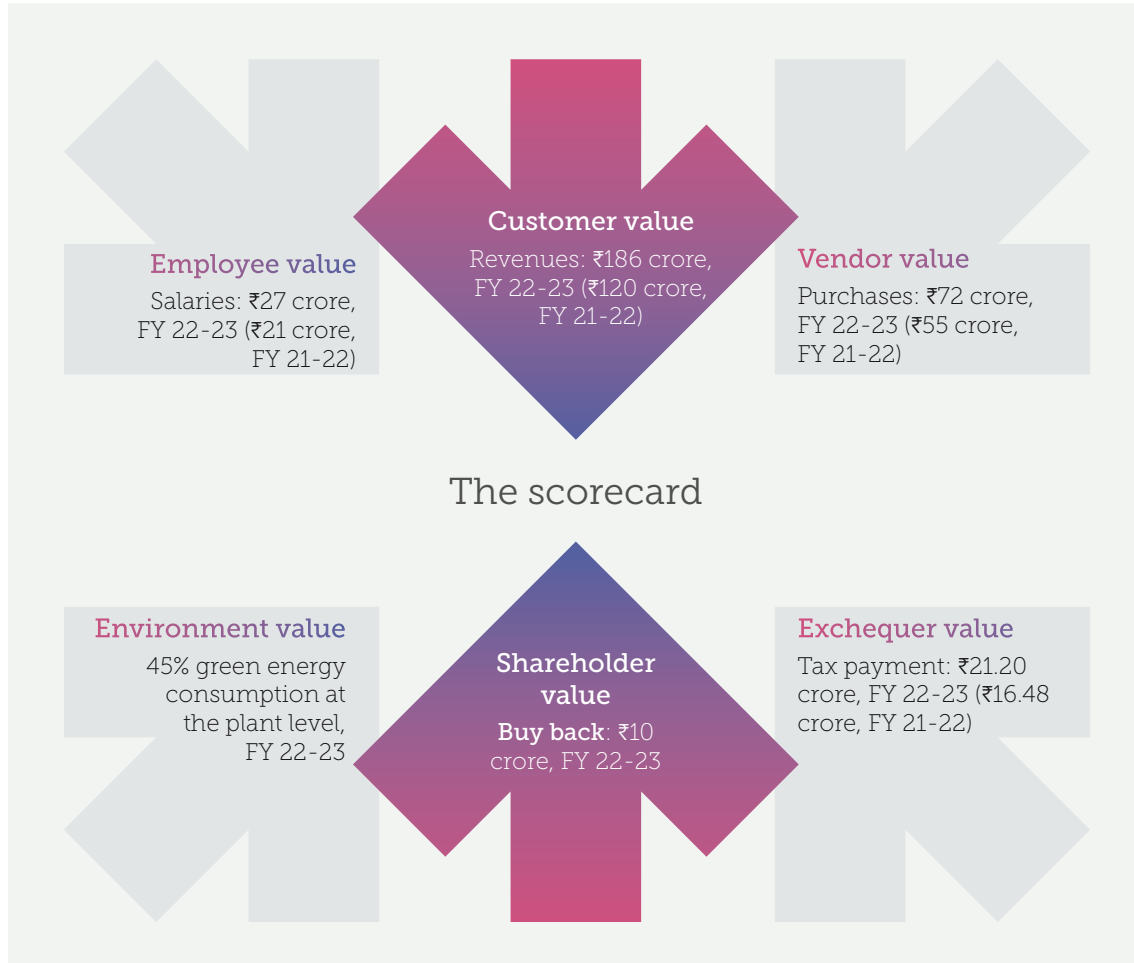


**Solutions provider:** We understand the goals and objectives of our customers and adopt a backward approach, which involves the ability to work with various yarns, curate unique designs and ensure dependable delivery. Based on this understanding, we perceive our role as a resource curator, actively involved in the pursuit of diverse product possibilities.

## HOW OUR VALUE-ACCRETIVE BUSINESS IS ENHANCING STAKEHOLDER

# value.

Our report on how we have institutionalised  
our value-creation process



## Overview

There is a growing premium on the capacity to enhance value for all stakeholders. As a result, the capacity to enhance value has extended from conventional measures like an increase in revenue or profit to intangible measures that establish holistic value creation. Besides, the description of a stakeholder has evolved as well from one who owns shares in a company to one who is influenced by any aspect of the Company's operations. The result is that stakeholder value creation has emerged as a holistic and comprehensive means of appraising the effectiveness of modern-day organisations.

The Integrated Value Creation Report draws on diverse realities (financial, management commentary, governance, remuneration and sustainability reporting) and explains how value is enhanced for diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers).

The extensive input and outcome explain why and how an enterprise is wired for holistic sustainability across market cycles. This makes the communication of this Integrated Value Creation Report imperative in this annual report.



The extensive input and outcome explain why and how an enterprise is wired for holistic sustainability across market cycles.

## Integrated

Value chain of designing, weaving and dyeing.

Focus on balancing volume with value.

## Finance expansion through accruals

₹~8,000 lakh Capitalisation in the last two years with ~55% investment financed through accruals.

## Higher capacity utilisation

Focus on maximising asset utilisation.

Creating resources and preparing for the next round of expansion.

## Process house commissioning

Integration with the objective to reduce time and improve quality.

Focus on enhanced quality, consistency and resource management.

## Low-cost expansion

Upfront infrastructure investment, relatively moderating follow-on outlays.

Each expansion round designed to enhance profitability.

## Higher India footprint

Widened and deepened India presence.

Enhanced India market growth by 46%.

## Merged volume with value

Focused on the manufacture of value-added fabrics.

Extended to other segments to widen volumes.

## Staying under-borrowed

Total long-term debt of ₹1,744 lakh as on March 31, 2023.

Debt-equity ratio of 0.13 in FY 22-23.

## The competitive advantage of Orbit Exports



**Global:** The Company generated nearly 62% of its revenues from the global markets (across 5 continents) in FY 22-23

**Brand:** The Company is respected for being a consistent one-stop innovation-driven fabric solution provider

**De-risked:** The Company markets first and manufactures later, moderating inventories, discounts and risks

**Focus:** The Company is largely focused on party wear and evening wear for women, men and children

**Relationships:** The Company is marked by enduring customer engagements; ~55% revenues were derived from customers of five years or more in FY 22-23



# How we strengthened our operational competence

## Manufacturing technology advancements

Orbit Exports prioritises cutting-edge technologies to ensure stable and consistent manufacturing outcomes. The Company evaluates industry advancements and integrates emerging technologies to enhance production, quality and resource consumption capabilities.

During the previous year, the Company introduced advanced loom and processing equipment, optimising processes, efficiency and quality. During the current year, proposed initiatives comprise intensified research and automation; the use of data analytics and AI could strengthen manufacturing outcomes and continuous improvement.

## Manufacturing optimisation

During FY 22-23, the Company implemented cost optimisation measures. Some initiatives included enhancing yarn processing capacity (backward integration), optimised resource utilisation and increased operational efficiency. The Company streamlined workflows,

improved manufacturing processes and implemented lean principles. These efforts led to lower manufacturing costs and strengthened performance.

During the year under review, the Company intends to sustain cost reduction through enhanced operational efficiency, innovative technologies and sustainable practices. The Company intends to leverage economies of scale, process improvement and strategic resource management.

Through end-to-end control over the manufacturing process, the Company minimised disruptions and streamlined operations. The process house availability enhanced responsiveness to address changing customer needs.

## Manufacturing strengths

The Company consistently delivers quality output with low rejection rates, validating high standards. The Company addresses various designer cum novelty fabrics, arising out of an interplay of advanced equipment

and personnel. Rigorous multi-stage quality control ensures adherence with given customer guidelines. A comprehensive quality management system, periodic audits and inspections help promptly resolve issues. The sourcing of premium materials and investment in employee training has enhanced craftsmanship.

## Highlights, FY 22-23


In FY 22-23, the Company achieved its highest ever production at its weaving plant and made-ups facility. The Company leveraged advanced equipment, optimised schedules and implemented efficient workflows. Investments in modern equipment and lean manufacturing principles yielded improvements. The commissioning of the processing plant supported production integration. The Company built on continuous improvement, technology investments, facility expansion and best practices.

## Outlook, FY 23-24

Our weaving capacity is set to increase due to the full-year impact of looms installed in the second half of FY 22-23. This expansion highlights our

commitment to meeting customer demands and enhancing economies of scale. The improved utilisation of our manufacturing facilities is likely to enhance output, efficiency and customer relationships. By strategically

allocating resources, leveraging technology, and implementing lean manufacturing principles, the Company aims to drive cost efficiencies and quality, reinforcing our respect as a reliable provider of quality textiles.

Excellence **driver** 

# How we strengthened information technology at Orbit Exports

## Overview

At Orbit Exports, information technology (IT) plays a crucial role in modernising the business. In recent years, there has been a greater role of IT within the business, driving efficiency, productivity and sustainability. From supply chain management to production processes, IT has become integral to every aspect of the Company's business.

## Strengths

A major strength of the Company was in achieving almost zero downtime through technology-driven interventions in FY 22-23, enhancing productivity. Real-time issue resolution, continuous system upgrades and comprehensive training catalysed output. The Company adopted AI tools and language models like GPTs and large language model, based on the Company's needs.

## Highlights, FY 22-23

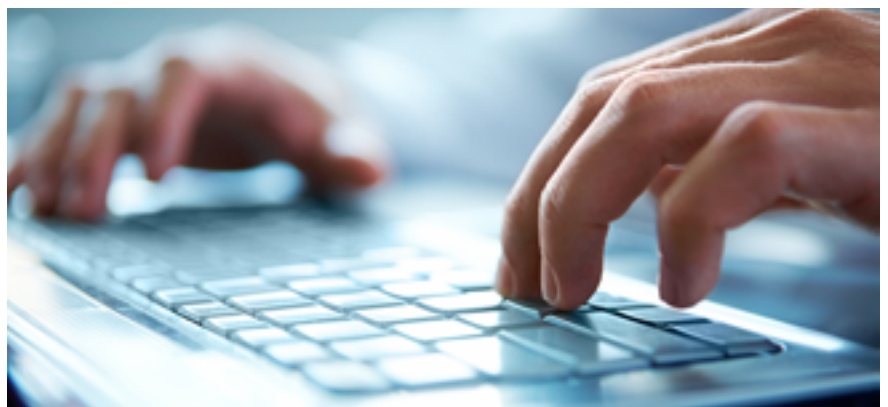
A highlight in FY 22-23 was the successful integration of technologies, ensuring smooth operations. The adoption of advanced tools and solutions facilitated faster access to data, enabling individuals and groups to make informed decisions. Transparency and data integrity improved through efficient data capture and reporting.

A challenge faced by the function was the integration of new manufacturing processes and facilities into the existing system.

To address this, the Company focused on meticulous planning and implementation, ensuring a seamless transition. Through rigorous efforts and effective strategies, the Company overcame the integration challenge, achieving harmonious operations across all processes.

# ~450

₹ lakh invested in digitalisation and IT infrastructure in five years ending FY 22-23



## Outlook, FY 23-24

The Company plans to deepen investments in digitalisation to keep in step with technology advancements. The function aims to enhance coordination

and efficiency among different functions, offices and its manufacturing facility.





# Our fabrics

segment

## Overview

At the start of FY 22-23, the Company encountered challenges due to the geopolitical and economic stress in North America and Europe, which moderated demand. The Company embarked on proactive measures like the creation of new designs while seeking new distribution partners in North and South America. Despite these realities, the business achieved milestones, including record sales in the domestic market and the re-establishment of business relationships with erstwhile inactive international customers.



## Strengths

### **Geographical market distribution:**

The Company established a presence in various markets, diversifying customers and moderating offtake risk.

**Niche focus:** The Company specialised in the design and manufacture of novelty fabric, a niche segment. The result was a wide catalogue marked by differentiated design.

**Modern weaving facility cum process house:** The Company invested in a modern weaving facility and process house, setting a standard for quality output.

### **Highlights, FY 22-23**

The Company deepened its presence in India and re-engaged with revived international customers.

The challenge faced by the Company at the start of FY 22-23 was the adverse geopolitical and economic conditions in North America and Europe, leading to

muted demand. To counter these challenges, the Company developed new designs and fabric finishes, while seeking new distribution partners in North and South America.

### **Outlook**

Moving into FY 23-24, the Company intends to build on its strengths, leveraging its geographical market distribution, emphasising its expertise in novelty fabric, and capitalising on its modern weaving facility and process house. By staying committed to these strengths, the Company aims to sustain growth, enhance customer satisfaction, and navigate challenges that may arise in a transforming world.



# Home textiles and made-ups

## Overview

At Orbit Exports, our made-ups division specialises in producing various home textile products that includes living room textiles, table linens and other seasonal decorative textiles. This segment is experiencing strong growth due to global supply chains seeking to reduce their reliance on China and outsource production to competitive countries like India. The increasing trend of home pride, influenced by the social media, is driving growth, a growing opportunity for design-driven and technology-driven companies.



### Strengths

Our Company benefits from the availability of in-house, quality fabric as the primary material, complemented by seamless access to a range of raw materials. Our dedicated team of talented designers has added depth and creativity. Our long-standing relationships with customers strengthen our position in the market, enable us to better understand their needs and deliver differentiated products, a competitive edge.

### Highlights, FY 22-23

Orbit Exports delivered record international sales, a validation of success in expanding the global reach and penetrating markets. The Company experienced significant growth in the development of a new products range. A commitment to innovation and meeting customer demands resulted in the introduction of new offerings that resonated well with target customers.

Despite challenges of seasonality, the Company addressed demand fluctuations and achieved

consistent growth. By diversifying the customer base and exploring new markets, the Company overcame obstacles. Through targeted marketing and identifying untapped opportunities, the Company widened its market presence.

A key initiative comprised the introduction of new products in the made-ups category, empowering the Company to offer a range of products, increasing wallet with existing and new customers. By delivering innovative quality made-up products, the Company showcased its expertise and captured the interest of prospective customers.

### Outlook

The Company will continue harnessing strengths through in-house quality fabric, access to raw materials, talented design team, and long-standing customer relations. By staying committed to these strengths, the Company aims to strengthen its market position, attract new customers, and foster long-term growth.





# How we strengthened our talent management at Orbit Exports

## Overview

Competent talent management represents the difference between companies within a competitive textile sector. The greater the investment in experience, knowledge, exposure, delegation and empowerment, the stronger this competitive advantage.

At Orbit Exports, this commitment to invest in talent catalysed a culture

of outperformance, making it possible to commission capacities quicker than the sectorial average, operate facilities at a higher efficiency and report relatively lower costs.

## Our HR policy

At Orbit Exports, our focus is on talent recruitment, renewal cum retention, employee engagement,

performance management and awareness among employees regarding changes taking place. The average employee age at the Company was 36 years at the close of the year under review; the average employee tenure at the Company was more than 4 years, indicating valuable experience and exposure. The Company focused on holistic employee development, health and safety.



## Initiatives, FY 22-23

### The Company prioritised key initiatives

- Improving employee performance and productivity
- Commitment to employee growth, development and retention
- Creating a succession plan and developing the leadership team

### These initiatives had a significant impact on corporate performance

- Introduction of a young talent pool with fresh ideas
- Cultivating a positive corporate culture
- Opportunities for learning and future growth
- Adherence to corporate governance

### To emerge as a learning organisation, the Company implemented the following initiatives

- Management development programs to nurture leadership skills.
- Promoting knowledge sharing across the organisation.
- Evaluating the effectiveness of learning and training through feedback.

### The Company creates leaders at every level through

- Management development programs
- Succession planning
- Cross-functional projects
- Mentorship programs
- Recognising and rewarding employees through incentives, promotions and excellence awards.

### To ensure a balanced lifestyle for employees, the Company implemented the following measures

- Offering flexi working hours
- Providing paid leave, festival leave, maternity and paternity leave to attend personal and family needs.
- Setting realistic timelines for tasks based on final output delivery.
- Encouraging clear communication and appreciation.

## Outlook

The Company intends to deepen skill development, strengthen behavioural and inter-personal capabilities and define career paths deeper for individual and organisational clarity.

## Big numbers

493

Number of employees in FY 22-23

60

Number of new hires in FY 22-23

32

Average age of new joinees

80

% talent retention rate in FY 22-23



# Environment, Health and Safety

### Overview

In today's rapidly changing global landscape, it is essential for companies to embrace their role as responsible corporate citizens and prioritise the well-being of all stakeholders. This has led to the integration of environment, health and safety (EHS) practices into the core of corporate operations. The adoption of EHS principles not only contributes to the long-term viability of organisations but also brings a multitude of benefits. These

include minimising operational disruptions, promoting timely project delivery, ensuring the safety of employees, enhancing the skills of teams, reducing expenses, fostering a positive work environment, bolstering corporate reputation and safeguarding creditworthiness.

### Orbit Exports and EHS

At Orbit Exports, compliance with health, safety and environment practices is crucial to minimise the

impact of health and safety hazards that arise during operation.

We are committed to create a workplace that eliminates hazards and mitigates occupational health and safety risks. We work proactively with employees and involve them in decision-making.

Our commitment to our workforce and the local community's well-being and continuous improvement will help enhance our reputation as a reliable and responsible business.

### EHS measures

Implementation of safe operational practices	Adoption of modern and latest technologies in the Industry	Compliance with the highest standards of products and service	Compliance with statutory and regulatory requirements
Prevention of work-related injury and ill health	Extensive training to the team	Complete PPE use with the objective to minimise work-related injuries, mishaps and fatality	



## Our environment commitment

At Orbit Exports, our dedication lies in implementing eco-conscious processes that minimise resource consumption (such as material, space, talent, fuels and energy) while maximising effectiveness. Our focus on achieving greater results with fewer inputs is crucial for advancing sustainability.

Orbit Exports has aligned its business model with United Nations' 10 principles for responsible manufacturing and environmental sustainability. These principles encompass various aspects, including human rights, labour rights, environmental stewardship and anti-corruption measures. We are unwavering in our commitment to upholding these

principles and integrating them into our operations.

**Energy conservation:** In Gujarat, windmills with a combined capacity of 1.5 MW were installed and put into operation. All our plants are equipped with solar panels, contributing significantly to meeting our total power needs by relying on renewable energy sources. As the year came to an end, renewable energy addressed a significant portion of our power requirements.

**Water conservation:** The Kosamba and Sarigam plants implemented water treatment facilities that enabled the recycling of water, resulting in a substantial reduction in water wastage compared to the previous year.

**Green cover:** Plantation efforts within the factory premises of Sarigam and Kosamba covered an area exceeding 20,000 square feet.

**Pollution control:** At the Kosamba plant, a switch was made from coal to eco-friendly briquettes derived from agricultural waste for steam generation in boilers. This transition led to a notable improvement in the Air Quality Index (AQI) of the Kosamba plant.

The Sarigam plant uses thermal fluid heater for steam generation, effectively using agro-based eco-friendly briquettes. The Air Quality Index (AQI) of the Sarigam plant improved.

## Certifications

Our Company holds credible certifications that highlight our commitment to sustainability and responsible practices in the textile industry.

### BCI: Better Cotton Initiative

As a proud member of the better cotton initiative (BCI), we support the global movement for sustainable cotton production. BCI aims to promote environmentally friendly and socially responsible practices in cotton cultivation. By sourcing and using Better Cotton, we contribute to reducing the environmental impact of cotton farming and fostering better livelihoods for cotton farmers and their communities.

### HIGGS: FEM (Facility Environmental Module) and FSLM (Facility Social and Labour Module)

The HIGGS certification comprises two essential modules - FEM and FSLM - which assess our manufacturing facilities' environmental and social performance. With the FEM

module, we demonstrate our commitment to implementing eco-friendly practices, reducing resource consumption and minimising our carbon footprint. On the other hand, the FSLM module ensures that we maintain high standards of labour conditions, workers' welfare and fair employment practices throughout our supply chain.

### GRS: Global Recycled Standard

The global recycled standard (GRS) certification is a testament to our dedication to sustainability and circular economy principles. GRS ensures that our products containing recycled materials meet strict environmental and social criteria. By adhering to GRS guidelines, we promote the use of recycled materials, reduce waste and support responsible recycling practices.

## Health and safety commitment

At Orbit Exports, safety is of importance in areas where workers operate equipment related to spinning, dyeing printing, etc. Regular safety

training, use of personal protective equipment and maintenance are employed to minimise accidents. Workers handling chemicals undergo training in ventilation, emergency response and the use of PPE. Fire-prone areas are equipped with maintained electrical systems, fire detection systems and workers are trained through drills. Robust emergency plans address fires and chemical spills. Regular safety audits are conducted and global sustainability certification is obtained.

The Company provides affordable and nutritious meals to its workers through a subsidised canteen facility. The workforce is covered by the Workmen Compensation, Medical Insurance and Personal Accidental Insurance, ensuring their insurance needs are met. Regular health check-ups are conducted for all employees and workers as a part of the Company's standard practice.





# Corporate Social Responsibility



## Overview

The Company contributes to the socio-economic progress of the communities in which it operates. By engaging in corporate social responsibility initiatives, the Company strives to become a well-regarded entity that goes beyond meeting regulatory obligations, with the goal of enhancing the well-being of its employees, the local community and the environment.

## CSR initiatives

- Provision of breakfast to children from government schools through HKM Charitable Foundation's Akshaya Chaitanya's Bal Shiksha Ahara Municipal School Meal Program.
- Promotion of education through Udayan Care's Udayan Shalini Fellowships, providing fellowship opportunities to girls for their educational pursuits.
- Rehabilitation of underprivileged women in the community.

- Distribution of sewing machines to empower women and provide them with employment opportunities.
- Distribution of groceries and basic necessities to support impoverished families.
- Distribution of solar lamps through NGOs to enhance access to lighting in rural areas.
- Promotion of healthcare, including preventive health measures.

## CSR outlook, FY 23-24

Our commitment extends to promoting healthcare, providing breakfast to school children and empowering girls and women through education initiatives, ensuring a brighter future for all.

## Big numbers

Investments made by the Company towards social responsibility initiatives

64.57

₹ in lakh in FY 18-19

61.90

₹ in lakh in FY 21-20

63.81

₹ in lakh in FY 20-21

41.53

₹ in lakh in FY 21-22

36.09

₹ in lakh in FY 22-23

# Board of Directors



**Mr. Pankaj Seth**  
*Chairman & Managing Director*

Mr. Pankaj Seth is a commerce graduate with an MBA from N.M. College, Mumbai University. Mr. Seth is a Promoter Director of Orbit Exports Limited and has been associated with the Company since 2004. He has extensive expertise in the textile industry and a thorough awareness of numerous cultures and markets. He is aided by a team of marketers and merchandisers and is responsible for strategic decision-making and implementation.



**Mrs. Anisha Seth**  
*Whole-time Director*

Mrs. Anisha Seth is a commerce graduate with an MBA from N.M. College, Mumbai University. Mrs. Seth is a Promoter Director of Orbit Exports Limited and has been associated with the Company since 2004. She has wide experience in the field of textile manufacturing and sales and is supported by a staff of merchandisers. Mrs. Seth is in charge of strategic marketing and manufacturing choices.



**Mr. Varun Daga**  
*Non-Executive Non-Independent Director*

Mr. Varun Daga is the founder and fund manager of Girik Capital and leads the investment decision making process. Mr. Daga is a self-taught successful investor with over 15 years of experience in the capital markets. He has developed proprietary systems and screeners to find potential, developing businesses long before of their largest gains. Prior to joining Girik, he was the head of his family office's equity investment division. Mr. Daga holds a Bachelor of Management Studies, majoring in finance from Narsee Monjee College of Economics.



**Mr. Pardeep Khosla**  
*Non-Executive Independent Director*

Mr. Khosla is a Certified Associate of the Indian Institute of Bankers and a Graduate Member of AIMA, with an M.A. (History), a Masters (Science) in Physics and a Post-Graduation Diploma in Computer Management. With more than three decades of expertise in the banking and financial business he has held different top-level roles with the State Bank of India.



**Mr. Sunil Buch**  
*Non-Executive  
Independent Director*

Mr. Sunil Buch, a science graduate and MBA from Mumbai University, has leadership experience of over three decades in companies like Colgate-Palmolive, Johnson & Johnson, Leo Burnett, Marico, Reliance Communications, Live Nation Entertainment. He is the Former CEO of Zee LIVE & Zee Talent at Zee Entertainment. Currently, Mr. Buch is associated with Isha Leadership Academy as a Resource Leader and Host for flagship programmes, is a Mentor at Marico Innovation Foundation and is the Co-Founder and CEO of Wellness Niyamas-a healthcare start-up with an innovative product already in the market. His impact areas are Strategy and Execution, Business Concept and Revenue Scaling, Startup Mentoring, People Interventions, Branding, Marketing and Advertising and Corporate Communications and PR.



**Mrs. Chetna Malaviya**  
*Non-Executive  
Independent Director*

Mrs. Chetna Malaviya holds an MBA in HR from Pune University. In a career spanning over two decades, Mrs. Malaviya has come to be respected and acknowledged for her contributions as a practitioner, consultant and thought leader in the field of Organisation Development, Human Resource Management and Executive Coaching. She specialises in leading agile transformations in organisations. She is recognised as an unconventional thinker with love for exploring leadership nuances and has spearheaded several HR Interventions. Her people management style is rooted in the neuroscience based principles of Emotional and Social Intelligence. She is certified in MBTI, DISC profiling, Hogan Assessments, Design Thinking for Innovation (Darden School of Business), Emotional and Social Competency Inventory (Korn Ferry) and Emotional Intelligence Coaching (Goleman EI).

A certified Emotional Intelligence Coach, she is the only one from India to be a part of Daniel Goleman's 1<sup>st</sup> coaching cohort of 2018.

Mrs. Malaviya is currently Heading Corporate Enterprise with an Indian Unicorn GlobalBees Brands Private Limited.



**Mr. Chetan Mehra**  
*Additional Director  
(Appointed w.e.f. August 2, 2023)*

Mr. Mehra, a science graduate with 33+ years of experience in textile exports, housing and consumer financing and renewable energy, oversees consistent growth at the Weizmann Group. He has also engineered financial and technical joint ventures with leading business houses for wind-farm development and manufacture of wind-electric generators. He successfully marketed Weizmann Homes Ltd. and Weizmann Forex, facilitating their acquisition by AIG and Nasdaq-listed Ebix respectively.

Mr. Mehra is President of REDAM, Secretary of the Indian Wind Power Association's National Council and a Governing Member of WISE. He's a seasoned leader in finance and renewable energy, contributing to CII committees and was the Chairman of Laxmi Finance and Leasing Companies Commercial Premises Co-operative Society Ltd. which implemented the commercial project in the prestigious Bandra-Kurla complex in Mumbai. He is also an ex-Chairman of the CII-GBC Sub-Committee for Development of Wind Energy.



**Mr. Parth Seth**  
*Executive Director  
(Appointed w.e.f. August 2, 2023 subject to  
shareholders' approval)*

Mr. Parth Seth graduated from the London School of Economics and Political Science with a BSc in Management. He has been a Vice President, Business Development at Orbit Exports Limited since 2016. He is an important part of the Ribbons and Made-ups (RMU) division's growth, as well as the design, sales and marketing of fashion fabrics and he is involved in strategic decisions related to business expansion and governance choices.

# Management discussion and analysis

## Global economy

### Overview

The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades.

US consumer prices decreased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. In 2022, the outcome left the world

apprehensive, with concerns about the potential deceleration in the coming year.

The global equities, bonds, and crypto assets reported an aggregated value drawdown of USD26 trillion from peak, equivalent to 26% of the global gross domestic product (GDP). In 2022, there was a concurrently unique decline in bond and equity markets; 2022 was the only year when the S&P 500 and 10-year US treasuries delivered negative returns of more than 10%.

Gross FDI inflows – equity, reinvested earnings and other capital – declined 8.4% to USD 55.3 billion in April-December. The decline was even sharper in the case

of FDI inflows as equity: these fell 15% to USD 36.75 billion between April and December 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023).

The S&P GSCI TR (Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3,495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	FY 22	FY 21
World output	3.2	6.1
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

## Performance of major economies

United States	China	United Kingdom	Japan	Germany
Reported GDP growth of 2.1% compared to 5.9% in 2021	GDP growth was 3% in 2022 compared to 8.1% in 2021	GDP grew by 4.1% in 2022 compared to 7.6% in 2021	GDP grew by 1.7% in 2022 compared to 1.6% in 2021	GDP grew by 1.8% compared to 2.6% in 2021

Source: PWC report, EY report, IMF data, OECD data

## Outlook

The global economy is expected to grow 2.8% in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7%. Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK, and South Korea are not in a

recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession, and significant developments, including China's progressive departure from its strict zero-Covid policy and the resolution of the European energy crisis, fostered optimism for an improved

global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth.

Source: IMF



## Indian economy

### Overview

Even as the global conflict remained geographically distant from India, ripples comprised increased oil

import bills, inflation, cautious government and a sluggish equity market. India's economic growth is estimated at 7.2% in FY 22-23. India emerged as the second fastest-growing G20 economy in FY 22-23.

India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation

Source: IMF, World Bank

### Growth of the Indian economy

	FY 20	FY 21	FY 22	FY 23
Real GDP growth (%)	3.7	-6.6	8.7	7.2

### Growth of the Indian economy quarter by quarter, FY 22-23

	Q1 FY 23	Q2 FY 23	Q3 FY 23	Q4 FY 23
Real GDP growth (%)	13.1	6.3	4.4	6.1

Source: Budget FY 24; Economy Projections, RBI projections

According to the India Meteorological Department, the year 2022 delivered 8% higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 million metric tonnes (MMT) in FY 22-23 from 107 MMT in the preceding year. Rice production at 132 million metric tonnes (MMT) was almost at par with the previous year. Pulses acreage grew to 31 million hectares from 28 million hectares. Due to a renewed focus, oilseeds area increased 7.31% from 102.36 lakh hectares in FY 21-22 to 109.84 lakh hectares in FY 22-23.

India's auto industry grew 21% in FY 22-23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 million units in FY 22-23, crossing 3.2 million units in FY 18-19. The commercial vehicles segment grew 33%. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84%.

Till the end of Q3 FY 22-23, total gross non-performing assets (NPAs) of the banking system fell to 4.5% from 6.5% a year ago. Gross NPA for FY 22-23 was expected to be 4.2% and a further drop is predicted to 3.8% in FY 23-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in FY 22-23 was estimated at 16.5% to USD 714 billion as against USD 613 billion in FY 21-22. India's merchandise exports were up 6% to USD 447 billion in FY 22-23. India's total

exports (merchandise and services) in FY 22-23 grew 14% to a record of USD 775 billion in FY 22-23 and is expected to touch USD 900 billion in FY 23-24. Till Q3 FY 22-23, India's current account deficit, a crucial indicator of the country's balance of payments position, decreased to USD 18.2 billion, or 2.2% of GDP. India's fiscal deficit was estimated in nominal terms at ~ ₹17.55 lakh crore and 6.4% of GDP for the year ending March 31, 2023.

Source: Ministry of Trade & Commerce

India's headline foreign direct investment (FDI) numbers rose from USD 74.01 billion in 2021 to a record USD 84.8 billion in FY 21-22, a 14% Y-o-Y increase, till Q3 FY 22-23. India recorded a robust USD 36.75 billion of FDI. In FY 22-23, the government was estimated to have addressed 77% of its disinvestment target (₹50,000 crore against a target of ₹65,000 crore).

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately USD 70 billion in 2022, primarily influenced by rising inflation and interest rates. Starting from USD 606.47 billion on April 1, 2022, reserves decreased to USD 578.44 billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from ₹75.91 to a US dollar to ₹82.34 by March 31, 2023, driven by a stronger dollar and increasing current

account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

India's total industrial output for FY 22-23, as measured by the Index of Industrial Production or IIP, grew 5.1% year-on-year as against a growth of 11.4% in FY 21-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100<sup>th</sup> in 2017 to 63<sup>rd</sup> in 2022. As of March 2023, India's unemployment rate was 7.8%.

In FY 22-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1% Y-o-Y in RE 22-23.

The total gross collection for FY 22-23 was ₹18.10 lakh crore, an average of ₹1.51 lakh a month and up 22% from FY 21-22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to ₹1.6 lakh

crore. For FY 22–23, the government collected ₹16.61 lakh crore in direct taxes, according to data from the Finance Ministry. This amount was 17.6% more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to ₹172,000 during the year under review, a rise of 15.8% over the previous year. India's GDP per capita was 2,320 USD (March 2023), close to the magic figure of USD 2,500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3% in FY 22-23.

### Outlook

There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and appreciable decline in consumer price index inflation to less than 5% in April 2023.

India is expected to grow around 6-6.5% (as per various sources) in FY 23-24, catalysed in no small measure by the government's 35% capital expenditure growth by the government. The growth could also be driven by broad-based

credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This unprecedented investment is expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in FY 22-23 was 10,993 km; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 km in the last financial year.

Source: IMF

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP estimate of 6.8% and America and Europe are experiencing its highest inflation in 40 years.

India's production-linked incentive appears to catalyse the downstream sectors. Inflation is steady. India is at the cusp of making significant investments in renewable energy and other sectors and emerging as a suitable industrial supplement to China. India is poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. India is less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilisation, government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The downside risks are protracted geopolitical tensions, tightening global financial conditions, and slowing external demand.

### Union Budget FY 23-24 provisions

The Budget FY 22-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to ₹10 lakh crore, equivalent to 3.3% of GDP and almost three times the FY 19-20 outlay, through various projects like PM Gatishakti, Inclusive Development, Productivity Enhancement & Investment,

Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. An outlay of ₹5.94 lakh crore was made to the Ministry of Defence (13.18% of the total Budget outlay). An announcement of nearly ₹20,000 crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An outlay of ₹1.97 lakh crore was announced for Production Linked Incentive schemes across 13 sectors.

The Indian government intends to accelerate road construction in FY 23-24 by 16-21% to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services.

### Global textile industry

The global textile industry market size is expected to grow from USD 959.87 billion in 2022 to USD 1,371.84 billion by 2030, with a CAGR of 4.05% from 2023 to 2030.

The market growth of the textile industry is expected to be fueled by the increase of smart textiles utilising optical fibers, metals and conductive polymers. The modern

installations in emerging economies are fueling high-efficiency fabric production, contributing to increased market demand.

This growth of the textile industry is attributed to the growing population, increasing traction from e-commerce platforms and fashionwear. With the growing adoption towards sustainability, there is an increasing demand for natural-fibers like cotton, hemp,

linen, silk and others, catalysing the growth of the global textile industry.

Source: verifiedmarketresearch.com, thebusinessresearchcompany

#### Global textile industry market (billion)

FY 22	USD 959.87
FY 30	USD 1,371.84
CAGR growth 4.05%	



### Indian textile industry

The Indian textile industry is the second largest producer of textiles in the world. This industry comprises 24% of the world's spindle capacity and 8% of global rotor capacity. India holds a 4% share in global textiles and apparel trade. The industry contributes 2.3% to India's GDP, 13% to industrial production and 12% to exports. The textile and apparel industry contributes 13% to India's industrial production and is the second-largest employer supporting around 45 million people. Cotton is the primary fiber used in the textile industry, representing more than 60% of total fiber consumption.

The Union Budget of FY 23-24 includes a significant increase in grants for the textile industry, with a total allocation of ₹4,389.34 crore. This demonstrates the government's priorities and commitment to supporting the sector's growth, making a notable 22.6% increase compared to the previous year's Budget.

This industry has around 4.5 crore employed workers, including 35.22 lakh handloom workers across the country. The raw silk production in India for FY 22-23 was approximately 35 thousand MT. In FY 22-23 India witnessed silk fabric and made-ups exports surpassing USD 112 million while readymade silk garments exports from India amounted to over USD 90 million. Some of the major silk producing states are Andhra Pradesh, Assam, Bihar, Gujarat, Jammu & Kashmir, Karnataka, Chhattisgarh, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal, with Karnataka's production capacity contributed 32% of total silk produced in the country. USA, China, UAE, Australia are some of the top importers of Indian silk.

Source: bizvibe.com, statista, ibef.org

### Domestic market

The Indian domestic textile market was valued at USD 172.3 billion in 2022 and is expected to reach USD 387.3 billion by FY 27-28. The

growth in the industry is driven by the rapid increase in demand for premium quality clothing and footwear items, a rise in government initiatives aimed at empowering weavers in India and an increasing adoption of ethically sourced sustainable materials.

Source: Imarcgroup.com

### Exports

In FY 22-23, exports of textiles and apparels amounted to USD 35.5 billion constituting 7.95% of total goods exports. A decline from FY 21-22, when the segment accounted for USD 41.3 billion and 9.79% of goods exports. Apparel exports experienced a modest growth of 1.1% increasing from USD 16.1 billion. There was a notable increase of 26.7% in the import of yarn, fabrics and made-ups. USA was the top export destination followed by European Union, Bangladesh and UAE.

Source: Thehindu.com

### Government initiatives

#### Removal of anti-dumping duty:

The government removed anti-dumping duty on PTA (Purified Terephthalic Acid) to boost exports in man-made fibre (MMF) sector viscose staple fibre and acrylic.

**PM MITRA scheme:** The government authorised setting up of Seven Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites with an expenditure of ₹4,445 crore for a period of seven years up to FY 27-28. These parks will help the Indian textile industry become globally competitive, attract large investment and boost employment generation, according to the Ministry of Textiles.

**PLI scheme:** The government sanctioned the Production Linked Incentive (PLI) scheme for textiles, with an approved outlay of ₹10,683 crore, to promote production of MMF apparel, MMF fabrics and products of technical textiles in the country. This is anticipated to enable India's textile sector to achieve size and scale and to become more competitive.

#### Rebate of State and Central Taxes and Levies (RoSCTL) extension:

The scheme of Rebate of State and Central Taxes and Levies (RoSCTL), that was effective from March 2019, has been extended till March 31, 2024 for exports of apparel/garments and made-ups in order to make the Indian textile sector competitive in the international market.

**Additional schemes:** In addition, the government is implementing various schemes, viz the Amended Technology Upgradation Fund Scheme (A-TUFS), Scheme for the development of the Powerloom Sector (Power-Tex), Scheme for Integrated Textile Parks (SITP), Samarth - The Scheme for Capacity Building in Textile Sector, Jute (ICARE - Improved Cultivation and Advanced Retting Exercise), Integrated Processing Development Scheme (IPDS), Silk Samagra, National Handloom Development Programme, National Handicraft Development Programme, Integrated Wool Development Programme (IWDP), etc catering exclusively for promotion and development of textile sector on a pan-India basis.

### Outlook

India's clothing and textile industry is expected to become more

competitive in the domestic and global markets. This will lead to the introduction of variety of products

coupled with new opportunities for exports.

## About the Company

Orbit Exports holds a prominent position as a top exporter of innovative fabrics, ribbons and made-ups to global markets, including the US, Latin America,

Africa, Middle East and Europe. Bolstered by a resolute commitment to achieving world-class standards, Orbit Exports is focused on both enhancing product offerings and penetrating international markets.

With a blend of existing capabilities and new facilities, the Company is poised for a promising future, anticipating growth in the upcoming year.

## Opportunities and threats

Orbit Exports consistently invests in innovative product designs to meet the evolving preferences of India's younger generation. The Company is actively working to expand into international markets. As the Company grows and

integrates new technologies and advanced machinery, it is poised for an expanded product range and enhanced quality preservation to attract a larger customer base. Given the distinctive, upscale, and volatile nature of the Company's products, the Company is experiencing heightened demand. However, the

emergence of new virus variants poses a threat to normal business operations and the global turmoil in textile industry leads to increased complexities within the markets. Our Company engages in regular monitoring to effectively navigate and adapt to these challenges.

## Risks and concerns

The Company faces multiple potential risks such as compliance, economic, environmental, financial,

and operational risks. The pandemic caused a major disruption to our core high fashion business. Senior management continuously assesses

key risk areas, while the Audit Committee oversees and allocates resources for risk reduction.

## Research and development

With increased globalisation, product marketing and customer retention have become highly competitive. The priority is to

provide total customer satisfaction and value for money. To achieve this goal, the Company focuses on addressing major customer complaints and suggestions through research and development

activities. The Company also aims to retain and enhance customer satisfaction by launching higher quality products with a new look to meet customer demands.

## Financial performance

Particulars	FY 22-23	FY 21-22
Total Income (₹ in lakh)	19,257.40	12,752.87
EBITDA (₹ in lakh)	5,759.16	3,541.15
PBT (₹ in lakh)	3,978.18	2,108.51
PAT (₹ in lakh)	3,061.59	1,588.93
Total assets (₹ in lakh)	27,014.99	26,712.65
Earnings per share (EPS) (₹)	11.19	5.80
Debtors turnover (times)	7.89	5.63
Inventory turnover (times)	5.48	5.09
Interest coverage ratio (times)	17.01	18.17
Current ratio	2.77	2.14
Debt equity ratio*(%)	0.13	0.21
Operating profit margin(%)	29.75	28.76
Net profit margin(%)	15.82	12.90
Return on net worth(%)	15.90	9.08

\*Excludes lease liability





### **Internal control systems and their adequacy**

Recognising and surveilling the internal control systems play a vital role in an organisation. The Company has a long-standing system of internal controls including Internal Financial Controls and its adequacy is regularly governed by the Management. The internal control system executed by the Company strikes at achieving efficiency in operations, optimum utilisation of resources and effective monitoring thereof and compliance with all applicable laws and regulations. Key controls have been tested

during the year and corrective and preventive actions are taken for any weakness. Regular internal audits are conducted by outsourced audit teams. The Audit Committee reviews adequacy and effectiveness of the Company's internal financial controls in timely manner. The internal control is outlined to ensure that the financial and other records are authentic for preparing financial statements and other data, and for maintaining accountability of persons.

### **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 statues and incidental factors.

# Company information

## BOARD OF DIRECTORS

**Mr. Pankaj Seth**  
Chairman and Managing Director

**Mrs. Anisha Seth**  
Whole Time Director

**Mr. Varun Daga**  
Non-Executive Non-Independent Director

**Mr. Pardeep Khosla**  
Non-Executive Independent Director

**Mr. Sunil Buch**  
Non-Executive Independent Director

**Mrs. Chetna Malaviya**  
Non-Executive Independent Director

**Mr. Chetan Mehra**  
Additional Director  
(Appointed w.e.f. August 2, 2023)

**Mr. Parth Seth**  
Executive Director  
(Appointed w.e.f. August 2, 2023)

## Chief Financial Officer

**Mr. Rahul Tiwari**

## Company Secretary

**Mr. Ankit Kumar Jain** (up to May 6, 2023)

**Ms. Sonia Gupte** (Appointed w.e.f. May 20, 2023)

## AUDITORS

### Statutory Auditors & Tax Auditors

**G.M. Kapadia & Co.**  
Chartered Accountants

### Internal Auditors

**PricewaterhouseCoopers Services LLP**  
Chartered Accountants

### Secretarial Auditors

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

### Cost Auditors

**Balwinder & Associates**  
Cost Accountants

## REGISTERED & CORPORATE OFFICE

122, 2<sup>nd</sup> Floor, Mistry Bhavan,  
Dinshaw Wachha Road,  
Churchgate, Mumbai - 400 020

CIN: L40300MH1983PLC030872

Tel No.: +91-22-66256262

Email: investors@orbitexports.com

Website: www.orbitexports.com

ISIN: INE231G01010

## PLANT LOCATIONS

### Surat

Plot No. 6, 7, 8, 9 & 30, Fairdeal Textile Park,  
Village Mahuvej, Taluka Mangrol,  
Kosamba, District Surat - 394 102 (Gujarat)

3<sup>rd</sup> Floor, Jayraj Textile Park,  
Near Fairdeal Textile Park, Village Mahuvej, Taluka:  
Mangrol, Surat - 394125 (Gujarat)

### Valsad

Plot No 13 to 20, G.I.D.C.  
Sarigam Industrial Estate, Taluka,  
Umbergaon, District Valsad, Gujarat

### Kalyan

Plot No.1, Bldg. No. B-12,  
Asmeeta Textile Park, Sarawali-Kon Village,  
Taluka-Bhiwandi, District Thane - 421 311.

## BANKERS

DBS Bank India Limited  
HDFC Bank Limited

## REGISTRAR AND TRANSFER AGENTS

**Link Intime India Pvt. Ltd.**  
C 101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai - 400083

Tel No.: +91 22 49186000;

Fax: +91 22 49186060

Email: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in



# Board's Report

*Dear members*

The Directors of the Company are pleased to present their 40th Annual Report together with the Audited financial statements of the Company for the financial year ended March 31, 2023.

## 1. FINANCIAL RESULTS

The Company's financial performance, for the financial year ended March 31, 2023 is summarized below:

(₹ in Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from Operations	18,947.19	12,310.70	19,714.57	12,674.82
Earning before Finance Costs, Tax, Depreciation/ Amortization (EBITDA)	5,759.27	3,541.15	6,151.44	3,738.10
Less: Finance Cost	338.57	194.87	338.57	194.87
Earning before Tax, Depreciation/ Amortization (EBTDAA)	5,420.70	3,346.28	5,812.87	3,543.23
Less: Depreciation/Amortization	1,405.68	1,186.09	1,405.72	1,186.53
Profit before Exceptional Items and Tax	4,015.02	2,160.19	4,407.15	2,356.70
Less: Exceptional Items	36.73	51.68	36.73	51.68
Profit before Tax	3,978.29	2,108.51	4,370.42	2,305.02
Less: Tax Expenses	924.75	519.58	932.22	525.20
Profit after Tax	3,053.54	1,588.83	3,438.20	1,779.82
Add: Other Comprehensive Income	8.05	(32.10)	96.14	(18.85)
Total Comprehensive Income	3,061.59	1,556.83	3,534.34	1,760.97

## 2. BUSINESS PERFORMANCE & COMPANY'S AFFAIRS

### Standalone Results

In the financial year 2022-23 ('FY 2022-23'), the total revenue of your Company on standalone basis stood at ₹18,947.19 Lakhs against ₹12,310.70 Lakhs in the previous financial year 2021-22 ('FY 2021-22'), thereby registering an increase of 53.90%. The Company recorded a net profit of ₹3,053.54 Lakhs in FY 2022-23 against net profit of ₹1,588.93 in FY 2021-22.

### Consolidated Results

In FY 2022-23, the total revenue of your Company on consolidated basis stood at ₹19,714.57 Lakhs against ₹12,674.82 Lakhs in the previous FY 2021-22, thereby registering an increase of 55.54%. The Company recorded a net profit of ₹3,438.20 Lakhs in FY 2022-23 against net profit of ₹1,779.82 in FY 2021-22.

The information on Company's affairs and related aspects are detailed out under a separate section of Management Discussion and Analysis Report forming part of the Annual Report.

## 3. ACQUISITIONS AND EXPANSION PLAN

During the year under review, the Company has set-up additional waterjet looms at its manufacturing plant in Fairdeal Textile Park in Surat to expand the weaving capacity. The Company has also taken a place on lease near Fairdeal Textile Park, Surat where the Company has commissioned TFO machinery which will help the Company to increase its production capacity.

## 4. TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to the general reserve and the entire amount of profit after tax for FY 2022-23 forms part of the 'Retained Earnings'.

## 5. DIVIDEND

Keeping in view the expansion plans of the Company, the Directors of the Company have decided not to recommend any dividend on the equity shares of the Company for FY 2022-23. Your Company continues with its task to build businesses with long-term goals based on its intrinsic strengths in terms of its quality manufacturing process, distribution strengths,

customer relationships and evaluating new areas of growth.

## 6. CHANGE IN THE NATURE OF BUSINESS

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

## 7. BUYBACK OF EQUITY SHARES

During FY 2022-23, your Directors announced buyback of Company's equity shares through tender offer process using the Stock Exchange Mechanism at a price not exceeding ₹245/- per share for an aggregate amount not exceeding ₹10,00,00,000/-. The buyback commenced on December 15, 2022 and closed on December 28, 2022.

The Company bought back 4,08,163 fully paid-up equity shares of the Company of face value of ₹10 each representing 1.49% of the total number of equity shares in the issued, subscribed and paid-up equity shares of the Company from all the eligible shareholders as on the record date i.e. November 18, 2022.

## 8. SHARE CAPITAL

During FY 2022-23, the Company has bought back 4,08,163 fully paid-up equity shares of the Company of face value of ₹10 each at a price of ₹245/- per equity share for an aggregate consideration of ₹9,99,99,935/-

Pursuant to the said buyback of equity shares, the paid-up share capital of the Company as on March 31, 2023 stood at ₹26,97,49,020 comprising of 2,69,74,902 equity shares of ₹10/- each.

Pursuant to 'Orbit Exports Limited Employee Stock Option Scheme - 2021', the Company vide its Nomination and Remuneration Committee Meeting held on April 17, 2023 approved the allotment of 39,500 equity shares of ₹10/- each.

Apart from the above, the Company has neither issued any shares through differential voting rights nor issued any sweat equity shares during the year under review.

## 9. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 ('Act') and Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Consolidated Financial Statements of the Company for the FY 2022-23 includes the financials of its subsidiary company named Orbit Inc. operating in US ('Subsidiary') and associate company named Rainbow Line Trading L.L.C. operating in Dubai ('Associate'). The Consolidated Financial

Statements are prepared in accordance with the relevant Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India ('ICAI'). The Consolidated Financial Statement together with the Independent Auditors' Report thereon forms an integral part of this Annual Report.

## 10. SUBSIDIARY AND ASSOCIATE COMPANY

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014 (as amended from time to time), a separate statement containing salient features of the financial statements of Company's Subsidiary and Associate in Form AOC-1 is attached to this report as Annexure I and forms an integral part of this report.

The standalone and consolidated financial statements of the Company along with the financial statements of Subsidiary, have been uploaded on the website of the Company at [http:// orbitexports.com /investor-information/](http://orbitexports.com/investor-information/) under the tab 'Company Results' and shall also be available for inspection through electronic mode.

## 11. UPDATE ON FIRE ACCIDENT AT WAREHOUSE

During FY 2021-22, on March 24, 2021, there was an unfortunate incident of fire breakout at the Company's warehouse situated at Bhiwandi.

During FY 2022-23, on January 05, 2023, the Company received an amount of ₹ 6,73,86,015/- from The Oriental Insurance Company Limited against the claim made for the loss of fixed assets and inventory.

## 12. MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FY 2022-23 AND THE DATE OF THIS REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the FY 2022-23 and the date of this report.

## 13. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) of the Act, the Annual Return of the Company for FY 2022-23 is available on the website of the Company at [http:// orbitexports.com/investor-information/](http://orbitexports.com/investor-information/) under the tab 'Notices and Other Disclosures'.

## 14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointment/Re-appointment of Directors:

During FY 2022-23, no changes took place in the composition of the Board of Directors of the Company.



During the period of end of FY 2022-23 and the date of this report:

- (i) The Board of Directors approved the appointment of Mr. Chetan Mehra (DIN: 00022021) and Mr. Parth Seth (DIN: 07684397) as Additional Directors w.e.f. August 2, 2023 to hold office till the date of 40th Annual General Meeting ('AGM').
- (ii) The Members approval is sought for the following resolutions in the Notice of AGM:
  - (a) Appointment of Mr. Chetan Mehra (DIN: 00022021) as an Independent Director of the Company for a period of 5 years w.e.f. August 2, 2023.
  - (b) Appointment of Mr. Parth Seth (DIN: 07684397) as an Executive Director of the Company for a period of 3 years w.e.f. August 2, 2023.

#### **Retirement by Rotation**

Pursuant to the provisions of Section 152 of the Act read with rules made thereunder (as amended from time to time) and Articles of Association of the Company, Mrs. Anisha Seth, Whole-time Director (DIN: 00027611) retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. Brief profile of Mrs. Anisha Seth has been provided in the Notice convening the AGM of the Company.

#### **Key Managerial Personnel (KMP)**

Pursuant to the provisions of Section 203 of the Act, following are the Key Managerial Personnel of the Company as on the date of this report:

Mr. Pankaj Seth - Chairman and Managing Director  
Mrs. Anisha Seth - Whole Time Director  
Mr. Rahul Tiwari - Chief Financial Officer  
Ms. Sonia Gupte - Company Secretary (Appointed w.e.f. May 20, 2023)

#### **Declaration from Independent Directors**

Pursuant to Section 149(7) of the Act, all Independent Directors of the Company have made relevant declarations as laid down under Section 149(6) of the Act and Regulation 25 of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the said provisions, possess requisite qualifications, experience, expertise, integrity and proficiency, and have complied with the Company's Code of Business Conduct & Ethics.

### **15. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Act, the Board of Directors to the best of their knowledge and ability, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. appropriate accounting policies have been selected and applied consistently, judgments and estimates are made reasonably and prudently so as to give a true and fair view of the state of affairs of the Company at the end of FY 2022-23 and of the profit and loss of the Company for that period;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared for the financial year ended March 31, 2023 on a 'going concern' basis;
- e. proper internal financial controls have been laid down to ensure compliance with all the provisions of the applicable laws and that such internal financial controls are adequate and are operating effectively; and
- f. proper systems had devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **16. MEETINGS OF THE BOARD AND ITS COMMITTEES**

During FY 2022-23, 4 (four) meetings of the Board of Directors of the Company were convened. All meetings were held with a gap of less than 120 days. The Company followed the applicable Secretarial Standards in relation to the board meetings. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report that forms part of this report.

Following are the Committees of the Board of Directors as on March 31, 2023:

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Corporate Social Responsibility Committee and
- (iv) Stakeholders' Relationship Committee.

The details of the Committees of the Board along with their composition, number of meetings and attendance of members at each meeting are provided in the Corporate Governance Report that forms part of this report.

## 17. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) of the Act and Regulation 22 of Listing Regulations, the Company has formulated a Vigil Mechanism/Whistle Blower Policy. The details are covered under the Corporate Governance Report which forms part of this report.

## 18. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Pursuant to the provisions of Regulation 25(7) of Listing Regulations and Schedule IV to the Act, the Company has put in place a Familiarization Programme for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc.

The details of such programme imparted during FY 2022-23 are available on the website of the Company at <http://orbitexports.com/investor-information/> under the tab Policies.

## 19. ANNUAL PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In accordance with the provisions of the Act and Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, Individual directors including Independent Directors and Chairman, and its various Committees. A structured questionnaire was formulated taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The Board of Directors expressed their satisfaction with the evaluation process.

Details of the annual performance evaluation have been provided in the Corporate Governance Report which forms part of this report.

## 20. DEPOSITS

During FY 2022-23, the Company has not invited or accepted any deposits from the public and as such no principal or interest amount was outstanding as on March 31, 2023.

## 21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During FY 2022-23, the Company has not granted any loans, provided any guarantees or made any investments under the provisions of Section 186 of the Act.

## 22. INSURANCE

The Company declares that all the properties including buildings, plant & machinery and stocks are adequately insured.

## 23. RELATED PARTY TRANSACTIONS

All related party transactions entered into during FY 2022-23 were on arms' length basis and in the ordinary course of business. During FY 2022-23, all related party transactions were placed before the Audit Committee for its approval on a quarterly basis. An omnibus approval from the Audit Committee was obtained for the related party transactions which were of repetitive nature, entered in the ordinary course of business and on an arm's length basis. There were no significant material related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act is detailed in Form AOC-2 annexed in Annexure II and forms part of this report.

In accordance with Regulation 23 of Listing Regulations, the Company has formulated a Policy on Material Related Party Transactions and on dealing with Related Party Transactions. The said Policy is available on the Company's website at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

In terms of Regulation 23 of the Listing Regulations, the Company submits details of related party transactions on a consolidated basis as per the specified format to the stock exchanges on a half-yearly basis.

## 24. CORPORATE GOVERNANCE REPORT AND CERTIFICATE FROM SECRETARIAL AUDITOR

Your Company is committed to maintaining the highest standards of Corporate Governance and adhering to Corporate Governance requirements pursuant to Regulation 34 read with Schedule V of the Listing Regulations. The Corporate Governance Report along with the Corporate Governance Certificate issued by the Secretarial Auditors of the Company for the year ended March 31, 2023 is provided in Annexure III which forms part of this report.

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

The particulars as required under the provisions of



Section 134(3)(m) of the Act read with the rules made thereunder (as amended from time to time) relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are detailed in Annexure IV which forms part of this report.

## 26. HUMAN RESOURCES

Disclosures pertaining to employee remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are detailed in Annexure V forming part of this report.

The details as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available to the members upon request.

The Company had a head count of 493 employees as on March 31, 2023.

## 27. LISTING AT STOCK EXCHANGES

Equity shares of the Company continue to be listed on BSE Limited and the National Stock Exchange of India Limited. Applicable listing fees up to the financial year 2023-24 have been duly paid to both the Stock Exchanges.

## 28. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets that commensurate with its size, scale and complexities of its operations. The Audit Committee of the Board actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. All the transactions are properly authorized, recorded and reported to the Management. The Company follows all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. Based on the review, nothing has come to the attention of Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review.

## 29. AUDITORS AND AUDITORS' REPORT

### Statutory Auditors

The Company appointed M/s. G.M. Kapadia & Co., Chartered Accountants (Firm Registration No. 104767W) as the Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of the 37th annual general meeting until the conclusion

of the 42nd annual general meeting.

The Reports given by M/s. G.M. Kapadia & Co., Chartered Accountants on the standalone and consolidated financial statements of the Company for FY 2022-23 do not contain any qualification, reservation or adverse remarks. There were no instances of fraud reported by the auditors.

### Cost Auditors

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 (as amended from time to time), the Company is required to prepare, maintain and conduct audit of its cost records by a Cost Accountant.

M/s. Balwinder & Associates, Cost Accountants (Firm Registration No. 000201) were appointed as Cost Auditors of the Company for FY 2022-23. During the year under review, in accordance with Section 148(1) of the Act, the Company has maintained the accounts and cost records, as specified by the Central Government. The Cost Auditor will issue the Cost Audit Report for FY 2022-23 and the same shall be reviewed by the Board and filed by the Company with Ministry of Corporate Affairs (MCA).

The Cost Audit Report for FY 2021-22 in XBRL mode was filed by the Company within the due date with MCA.

Based on the recommendation of the Audit Committee, the Board appointed M/s. Balwinder & Associates, Cost Accountants (FRN: 000201), as the Cost Auditors of the Company to conduct audit of the cost records of the Company for the financial year ending March 31, 2024. The Company has received consent and certificate of eligibility from M/s. Balwinder & Associates to be appointed as Cost Auditors under Section 141 of the Act and rules framed thereunder.

Pursuant to the provisions of section 148(3) of the Act, members' consent is sought for payment of remuneration to the Cost Auditors for financial year ending March 31, 2024 as mentioned in item no. 6 of the Notice of AGM of the Company.

### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A of Listing Regulations, M/s. S. K. Jain & Co., Practicing Company Secretaries (CP. No. 3076) were appointed as Secretarial Auditors of the Company to undertake the secretarial audit for financial year ended March 31, 2023.

Secretarial Audit Report in form MR-3 in accordance with Section 204 of Companies Act, 2013 is annexed in Annexure VI and forms part of this report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in their report.

A certificate confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by any statutory authority issued by the Secretarial Auditor forms part of this report as annexed in Annexure VII.

Secretarial Compliance Report for the financial year ended March 31, 2023 in accordance with Regulation 24A of Listing Regulations issued by the Secretarial Auditor has been filed with the stock exchanges on which the Company is listed within the statutory timelines.

### 30. CORPORATE SOCIAL RESPONSIBILITY

The Board has constituted a Corporate Social Responsibility ('CSR') Committee in terms of the provisions of Section 135 of the Act read the rules made thereunder. The details of composition, meetings held, CSR policy and the CSR initiatives undertaken during the year under review are mentioned in the Annual Report on CSR activities as annexed in Annexure VIII, which forms part of this report.

### 31. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

All the details pertaining to IEPF related activities undertaken by the Company during the year under review are provided under notes section of Notice of the AGM on page 189 of the Annual report.

### 32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of the Listing Regulations, Management Discussion and Analysis Report on the operations of the Company is provided in a separate section on page 33 and forms an integral part of the Annual Report.

### 33. CREDIT RATING

During FY 2022-23, the credit ratings assigned by ICRA Limited has been revised on July 21, 2022 as below:

Bank Limits	Rating
Long Term – Fund based limits and term loans	[ICRA]A- Stable
Short Term – Non fund based limits	[ICRA] A2+

### 34. CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

Your Company has in place a Code of Conduct for Prohibition of Insider Trading, which lays down the process of trading in securities of the Company by the Designated Persons and to regulate, monitor and report trading by the employees of the Company either on their own behalf or on behalf of any other person, based on Unpublished Price Sensitive Information. The said code also lays down the procedure for inquiry in case of leak of Unpublished Price Sensitive Information including Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

The Code of Conduct for Prohibition of Insider Trading is displayed on the Company's website at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

### 35. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India to ensure compliance with all the applicable provisions read together with the relevant circulars issued by MCA.

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

Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at workplace. All employees (including trainees) whether permanent, temporary or contractual are covered under this policy. The Company has constituted Internal Complaints Committee(s) (ICC) across all Company locations to consider and resolve all sexual harassment complaints reported to this Committee.

The details of complaints are as under:

- (i) number of complaints filed during the financial year: NIL
- (ii) number of complaints disposed of during the financial year: NIL
- (iii) number of complaints pending as on end of the financial year: NIL.

### 37. EMPLOYEES' STOCK OPTION SCHEME

Pursuant to the "Orbit Exports Limited Employee





Stock Option Scheme, 2021" (ESOP Scheme / Scheme) approved by the Company at 38th Annual General Meeting held on September 29, 2021, the Company is eligible to grant up to 10,00,000 options to its eligible employees.

During FY 2021-22, the Company granted 2,16,000 options to its eligible employees. No employee was issued stock options equal to or exceeding 1% of the issued capital of the Company at the time of grant.

During the year under review, out of the 2,16,000 granted options, 18,000 options were forfeited and 49,500 options were vested. In the month of April 2023, out of 49,500 vested options, 39,500 options were exercised by the eligible employees and the Nomination and Remuneration Committee approved the allotment of 39,500 equity shares of ₹10/- each. The allotted shares were listed and admitted to dealings on the BSE Limited and the National Stock Exchange of India Limited from May 05, 2023.

The equity share capital of the Company post allotment of 39,500 equity shares stood at 2,70,14,402 equity shares of ₹ 10 each.

Disclosures pursuant to Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with regard to Employees Stock Option Plan of the Company are available at Company's website at <http://orbitexports.com/investor-information/> under the tab 'ESOP'.

### 38. NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Company has in place Nomination and Remuneration Policy (amended on August 2, 2023) formulated as per the provisions of the Act and the Listing Regulations. The Policy outlines role of the committee; appointment criteria and qualification of Directors, KMP and Senior Management; criteria for performance evaluation of Directors and committees; provisions regarding payment of remuneration to Directors, KMP and Senior Management; succession plan; importance of Board Diversity.

The Nomination and Remuneration Policy is available at Company's website at <http://orbitexports.com/investor-information/> under 'Policies' tab.

### 39. DETAILS OF SHARES IN DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

The details of the shares in the Demat Suspense Account/Unclaimed Suspense Account for FY 2022-23 in compliance with Regulation 34 read with

Schedule V of the Listing Regulations are as follows:

- (a) aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year: 532 number of shareholders and 75,500 Equity Shares of ₹10 each.
- (b) number of shareholders who approached the Company for transfer of shares from Suspense Account during the year: 1
- (c) number of shareholders to whom shares were transferred from Suspense Account during the year: 0
- (d) Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year: 532 number of shareholders and 75,500 Equity Shares of ₹10 each.
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: 75,500 Equity Shares of ₹10 each.

### 40. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future. There is no corporate insolvency resolution process initiated under the Insolvency and Bankruptcy Code, 2016.

### 41. ACKNOWLEDGEMENTS

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the members, financial institutions, banks, regulatory authorities, customers, vendors and other business associates during the year under review. The Board also wishes to place on record their acknowledgment and appreciation for the committed services by the employees of the Company at all levels.

**For and on behalf of the Board of Directors**

**Pankaj Seth**

Date: August 2, 2023  
Place: Mumbai

Chairman & Managing Director  
(DIN: 00027554)

## ANNEXURE I Form AOC-1

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

### Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

#### Part-A Subsidiaries

1.	Name of the subsidiary	Orbit Inc.
2.	The date since when subsidiary was acquired	May 16, 2013
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding i.e. 01st April to 31st March
4.	Reporting currency	USD (\$)
5.	Exchange rate as on the last date of the relevant Financial year	82.11
6.	Share capital	12,00,000
7.	Reserves and surplus	1,87,201
8.	Total Assets	18,56,540
9.	Total Liabilities	4,69,339
10.	Investments	0.00
11.	Turnover	23,47,962
12.	Profit before taxation	35,188
13.	Provision for taxation	9,449
14.	Profit after taxation	25,739
15.	Proposed Dividend	-
16.	Extent of shareholding (in percentage)	100%

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

#### Part B-Associate

1.	Name of Associate	Rainbow Line Trading LLC
2.	Latest audited Balance Sheet Date	March 31, 2023
3.	Date on which the Associate was associated or acquired	August 21, 2013
4.	Shares of Associate or Joint Ventures held by the company on the year end	
	No.	147 shares
	Amount of Investment in Associates or Joint Venture	56.19
	Extent of Holding (in percentage)	49%
5.	Description of how there is significant influence	Significant shareholding
6.	Reason why the associate/joint venture is not consolidated	Being an Associate
7.	Networth attributable to shareholding as per latest audited Balance Sheet (Amount in AED)	84,48,349
8.	Profit or Loss for the year (Amount in AED)	
	Considered in Consolidation	15,61,030
	Not Considered in Consolidation	3,90,257

For and on behalf of Board of Directors

**Pankaj Seth**

Chairman & Managing Director  
(DIN: 00027554)

Date: August 2, 2023

Place: Mumbai



## ANNEXURE II

# Form No. AOC – 2

*[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014]*

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with, related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.**

**1. Details of Contracts or arrangements or transactions not at arm's length basis:**

The Company has not entered into any contracts or arrangements or transactions with its related parties which are not on arm's length basis during the FY 2022-23.

**2. Details of material contracts or arrangements or transactions at arm's length basis**

a	Name of the Related Party and Nature of Relationship	Rainbow Line Trading L.L.C., Associate Company
b	Nature of contracts/ arrangements/ transactions	Sales
c	Duration of contracts/ arrangements/transactions	On – going transaction (Continuous)
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Sales of ₹2,918.38 Lakhs to Rainbow Line Trading L.L.C., U.A.E. an associate Company.
e	Date(s) of approval by the Board, if any	August 01, 2022
f	Amount paid as advance, if any	NA

**Note:** - All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. Apart from the above the Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material within the meaning of Regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the related party transactions are disclosed in the notes to the financial statements.

**For and on behalf of Board of Directors**

Date: August 2, 2023  
Place: Mumbai

**Pankaj Seth**  
*Chairman & Managing Director*  
(DIN: 00027554)

## ANNEXURE III

# Corporate Governance Report

The Board of Directors present Company's report on Corporate Governance in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended, for the year ended March 31, 2023 and the report contains the details of Corporate Governance systems and processes in the Company.

The Company believes that Corporate Governance is about maintaining a valuable relationship and trust with all stakeholders and remain committed towards 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.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company's philosophy on Corporate Governance is to achieve business excellence and to meet the expectations of its customers, shareholders, employees, business associates, society at large and comply with the dictates of the regulatory framework. The Company is committed to transparency in all its dealings and places high emphasis on business ethics. The Company emphasizes on the need for complete transparency and accountability in all its dealings to protect stakeholder interests. We believe that Corporate Governance is voluntary and self-discipline code which means not only ensuring compliance with regulatory requirements but also being responsive to our stakeholders needs. The Company has stood by the core principles and constantly endeavors to adopt the best corporate governance practices in line with the Listing Regulations.

### BOARD OF DIRECTORS

The Board of the Company comprises of an optimum combination of Executive, Non-Executive and Independent Directors. The Board is composed of Directors with rich professional experience in diverse fields. It sets out the overall corporate objectives, provides direction and independence to the management to achieve the Company's objectives for value creation through sustainable profitable growth. It seeks accountability of the management in creating long-term sustainable growth to ensure that the aspirations of stakeholders are fulfilled, sets out standards of corporate behavior and ensures compliance with laws and regulations impacting the Company's business.

None of the Directors hold office in more than ten public companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The Board confirms that the Independent Directors fulfill the conditions specified in the Listing Regulations and that they are Independent of the management.

#### A. Composition and Category of the Board:

The composition of the Board is in conformity with the requirements of Regulation 17 of Listing Regulations and Section 149 of Companies Act, 2013 ("Act").

As on March 31, 2023, the Board comprises of six (6) Directors out of which two (2) are Promoter & Executive Directors, one being Managing Director and the other is Whole-time Director. Three (3) Directors are Non-Executive Independent Directors and One (1) Director is a Non-Executive Non-Independent Director. The Chairman of the Board is an Executive Director (Promoter), therefore in conformity with the Listing Regulations, 50% of the Board comprises of Non-Executive Directors. The profile of our directors is available at our website at [www.orbitexports.com](http://www.orbitexports.com) and on page no. 31 of the Annual Report.



The relevant details of Composition, Category, Directorship and Committee Membership in other Companies held on March 31, 2023 by each Member of Board are as follows:

Name of Directors	Category	No. of Shares held	Number of Directorship in other Public Limited Companies#	Number of Membership/ Chairmanship in Committees of Boards of other Public Limited Companies##		List of Directorship held in other listed companies and category of directorship	Relationship between Directors Inter-se
				Chairman	Member		
Mr. Pankaj Seth (DIN: 00027554)	Promoter, Chairman & Managing Director	1,11,73,045	-	-	-	-	Spouse of Mrs. Anisha Seth and Father of Mr. Parth Seth
Mrs. Anisha Seth (DIN: 00027611)	Promoter, Whole-time Director	39,99,017	-	-	-	-	Spouse of Mr. Pankaj Seth and Mother of Mr. Parth Seth
Mr. Pardeep Khosla (DIN: 06926523)	Non-Executive, Independent Director	100	-	-	-	-	-
Mr. Sunil Buch (DIN: 07780539)	Non-Executive, Independent Director	-	-	-	-	-	-
Mr. Varun Daga (DIN: 01932805)	Non-Executive, Non-Independent Director	18,56,246	-	-	-	-	-
Mrs. Chetna Malaviya (DIN: 07300976)	Non-Executive, Independent Director	-	-	-	-	-	-

**Notes:**

#Excludes Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

##Represents Chairpersonships/Memberships of Audit and Stakeholders Relationship Committees in all public limited companies as required under Regulation 26(1)(b) of the Listing Regulations.

**The Board of Directors appointed –**

Mr. Chetan Mehra (DIN: 00022021) as an Additional Director w.e.f. August 2, 2023 to hold office up to the date of this AGM.

Mr. Parth Seth (DIN: 07684397) as (a) an Additional Director w.e.f. August 2, 2023; (b) Executive Director w.e.f. August 2, 2023 subject to members' approval.

**B. Meetings and Attendance:**

The Meetings of Board of Directors are scheduled well in advance and are held at least once in every quarter to *inter alia* review and consider the performance of the Company and approve the financial results. The Board also meets, as and when required, to consider other business matters.

During FY 2022-23, four (4) Board Meetings were held, i.e., on May 21, 2022, August 01, 2022, November 04, 2022, and January 23, 2023. The maximum gap between any two board meetings was less than 120 days, as stipulated under regulation 17(2) of the Listing Regulations and the requisite quorum was present for all the meetings.

The details of Attendance of each Director at the Meetings of Board and the last Annual General Meeting are as follows:

Name of the Director	Attendance at Board Meeting held during FY 2022-2023		Attendance at Last AGM held on September 22, 2022
	Number of Board Meetings held	Number of Meetings attended	
Mr. Pankaj Seth (DIN: 00027554)	4	4	√
Mrs. Anisha Seth (DIN: 00027611)	4	4	√
Mr. Pardeep Khosla (DIN: 06926523)	4	4	√
Mr. Sunil Buch (DIN: 07780539)	4	4	√
Mr. Varun Daga (DIN: 01932805)	4	4	√
Mrs. Chetna Malaviya (DIN: 07300976)	4	4	√

**C. Familiarization Programme:**

The Familiarization Program aims to provide insight to the Independent Directors in order to enable them to understand the business of the Company in depth, to acclimatize them with the processes and functionalities of the Company and to assist them in understanding their role and responsibilities. At the time of appointment of new Director, he/she is provided with information about the Company and its organization structure, business model, vision and values, latest published results and internal policies to enable them to familiarize themselves with the Company's procedures and practices.

The details of the familiarization programme extended to the Independent Directors during the year under review and the terms of appointment of Independent Directors are available on the Company website at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

**D. Chart / Matrix setting out the skills / expertise / competence of the Board of Directors:**

In terms of requirement of Listing Regulations, the Board has identified the following core skills / expertise /competencies of the Directors in the context of the Company's business for effective functioning as given below:

Name of the Directors	Core Competencies
Mr. Pankaj Seth	Leadership and operational experience in textile, Expertise in Sales, Strategic Implementation.
Mrs. Anisha Seth	Strategic Marketing & Production and Operational Experience in Textile and Strategic Implementation.
Mrs. Chetna Malaviya	Human Resource Management and Employee Relations.
Mr. Pardeep Khosla	Banking & Finance Industry.
Mr. Varun Daga	Finance and Allied Fields.
Mr. Sunil Buch	Brand Building, Strategic Planning, Entrepreneurial Acumen and Business General Management.
Mr. Chetan Mehra*	Experience in Textile Exports, Money Changing, Housing and Consumer Finance.
Mr. Parth Seth*	Designing, Sales and Marketing Expert, Strategic Decisions, Business Expansion and Governance Matters.

\*The Board of Directors appointed –

Mr. Chetan Mehra (DIN: 00022021) as an Additional Director w.e.f. August 2, 2023 to hold office up to the date of this AGM.

Mr. Parth Seth (DIN: 07684397) as (a) an Additional Director w.e.f. August 2, 2023; (b) Executive Director w.e.f. August 2, 2023 subject to members' approval.

**E. Independent Directors:**

The Company has appointed Independent Directors on the Board in accordance with the provisions of Section 149 of the Act as amended from time to time, including the applicable rules, if any, and Regulation 16 of Listing Regulations. Every Independent

Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing



Regulations. Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the financial year 2023-24, the Board hereby certify that the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management. During FY 2022-23, none of the Independent Directors have tendered their resignation before the expiry of their tenure.

**F. Separate Meeting of Independent Directors:**

In accordance with Section 149 read with Schedule IV to the Act and Regulation 25(3) of Listing Regulations, the Independent Directors of the Company meet without the presence of management. During the year, the Independent Directors in their separate meeting held on March 29, 2023 have *inter-alia*:

1. Reviewed the performance of the Non-Independent Directors and Board as a whole;
2. Reviewed the performance of the Chairperson of the Company taking into account the views of Executive Director and Non-Executive Directors; and
3. Assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**G. Directors seeking appointments / re-appointments:**

The details of directors seeking appointments / re-appointments forms part of the Notice of this AGM of the Company.

**COMMITTEES OF THE BOARD:**

With a view to have a more focused attention on business and for better Corporate 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 is reviewed from time to time.

**a) Audit Committee**

The Audit Committee of the Board is constituted pursuant to the provisions laid down under Section 177 of the Act and Regulation 18 of Listing Regulations. The Audit Committee acts as an interface between the Statutory & Internal Auditors, the Management and the Board of Directors. The Audit Committee reviews, acts on and reports to the Board with respect to various auditing and accounting matters. The Committee's primary objective 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.

**Terms of reference of the Audit Committee are as under:**

The roles, powers and terms of reference of the Committee are as per the provisions of Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II to the Listing Regulations, which, *inter alia* include the following:

1. Oversight the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted

- by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
  8. Approval or any subsequent modification of transactions of the Company with related parties.
  9. Scrutiny of inter-corporate loans and investments.
  10. Valuation of undertakings or assets of the Company, wherever it is necessary.
  11. Evaluation of internal financial controls and risk management systems.
  12. Reviewing with management, performance of statutory and internal auditors, the adequacy of internal control systems.
  13. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  14. Discussion with internal auditors of any significant findings and follow up there on.
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  18. Reviewing the functioning of the Whistle Blower mechanism.
  19. Approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
  22. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
  23. Any other functions as may be statutorily required.

#### Composition, Meetings and Attendance:

The composition of the Audit Committee is in compliance with Regulation 18 of the Listing Regulations. As on date of this report, the Audit Committee comprises of four (4) members out of which three (3) members are Non-Executive Independent Directors and one (1) member is Non-Executive Non-Independent Director. The Chairman of the Audit Committee is a Non-Executive Independent Director. Mr. Varun Daga possesses expertise in accounting and financial management.

During FY 2022-23, four (4) Audit Committee meetings were held on May 21, 2022, August 01, 2022, November 04, 2022, and January 23, 2023. The representatives of the Auditor(s) and Chief Financial Officer (CFO) attended the Audit Committee meeting(s). The Company Secretary acts as a Secretary to the Audit Committee.

**The Composition of the Committee and attendance of the Audit Committee members at the Committee meetings held during the financial year 2022-23 is as under:**

Name of the Director	Designation	Attendance	
		No of Meetings held	No. of Meetings attended
Mr. Sunil Buch (Non-Executive Independent Director)	Chairman	4	4
Mr. Varun Daga (Non-Executive Non-Independent Director)	Member	4	4
Mrs. Chetna Malaviya (Non-Executive Independent Director)	Member	4	4

There is no change in the composition of the Committee during the year. Mr. Chetan Mehra was appointed as a Member of the Audit Committee w.e.f. August 2, 2023.





**b) Nomination and Remuneration Committee**

**Terms of Reference of the Nomination and Remuneration are as under:**

The roles, powers and broad terms of reference of the Committee are as per the provisions Regulation 19 read with Part D of Schedule II to Listing Regulations and, which, *inter alia* include the following:

1. Recommend to the Board the set up and composition of the Board and its Committees including the formulation of the criteria for determining qualifications, suitable experience, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to remuneration of directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
4. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
5. Devising a policy on diversity of Board of

Directors.

6. Recommending the Board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance valuation of Independent Directors.
7. Oversight of the familiarisation programme of Directors.
8. Performing such other functions or duties as may be delegated by the Board including the functions as may be statutorily required.

**Composition, Meetings and Attendance:**

The composition of Nomination and Remuneration Committee is in compliance with Regulation 19 of the Listing Regulations. As on the date of this report, the Nomination and Remuneration Committee comprises of four (4) members out of which three (3) members are Non-Executive Independent Directors and one (1) member is the Chairman of the Company being Executive & Promoter Director. The Chairman of the Nomination and Remuneration Committee is Non-Executive Independent Director. The Company Secretary acts as a Secretary to the Nomination and Remuneration Committee.

During FY 2022-23, two (2) Nomination and Remuneration Committee meetings were held of the Committee on May 21, 2022 and August 01, 2022.

**The Composition of the Committee and attendance of the Nomination & Remuneration Committee members at the Committee meetings held during the financial year 2022-23 is as under:**

Name of the Director	Designation	Attendance	
		No of Meetings held	No. of Meetings attended
Mr. Pardeep Khosla (Non-Executive Independent Director)	Chairman	2	2
Mr. Sunil Buch (Non-Executive Independent Director)	Member	2	2
Mr. Pankaj Seth (Chairman & Managing Director)	Member	2	2

There is no change in the composition of the Committee during the year. Mrs. Chetna Malaviya was appointed as a Member of the Nomination and Remuneration Committee w.e.f. August 2, 2023.

**Performance Evaluation Criteria for Independent Directors:**

The criteria for performance evaluation of the Independent Directors included aspects on contribution to the Board and Committee meetings on the basis of knowledge of business, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, concern for stakeholders, attentive internal controls mechanism and ethical conduct issues.

Performance Evaluation of Independent Directors is done by the entire Board of Directors except the Director whose evaluation is being done. The Board

also evaluates if the Independent Directors fulfills the criteria of independence as laid down in the Companies Act, 2013, and Listing Regulations.

**Annual Performance Evaluation:**

Pursuant to the provisions of the Act, Listing Regulations and Nomination & Remuneration Policy of the Company, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually (excluding the Director being evaluated) as well as the evaluation of the functioning of various Committees.

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 Independent Directors was carried out by entire Board of Directors on the basis of performance of the Directors, fulfillment of the independence criteria as specified in these regulations and their ability to bring an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.

**Nomination and Remuneration Policy:**

The Nomination and Remuneration policy has been formulated by the Nomination & Remuneration Committee considering various relevant parameters which were amended from time to time as per the requirements of the law.

The Board of Directors at its meeting dated August 2, 2023, amended the Nomination and Remuneration policy to meet the requirements of the Act and Listing Regulations. The updated Nomination and Remuneration policy is available on Company's website at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

**c) Stakeholders' Relationship Committee**

**Terms of Reference of the Stakeholders' Relationship Committee are as under:**

The role of the Committee, shall inter-alia include the following:

- i. Resolving the grievances of the shareholders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends,

issue of new duplicate certificates, general meetings, etc.

- ii. Reviewing measures taken for effective exercise of voting rights by shareholders.
- iii. Reviewing of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Reviewing the various measures and initiatives taken by the Company for reducing quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- v. Any other function as referred to by the Board from time to time and/or enforced by any statutory notification/amendment or modification as may be applicable.

**Composition, Meetings and Attendance:**

The Stakeholders' Relationship Committee is constituted in accordance with the provisions of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of Listing Regulations.

The Committee comprises of three (3) members, out of which one (1) member is Non-Executive Independent Director, one (1) member is Non-Executive, Non-independent Director and one (1) member is Executive Director. The Chairman of the Committee is Non-Executive Non-Independent Director. The Company Secretary acts as a Secretary to the Stakeholders' Relationship Committee.

During FY 2022-23, one (1) Stakeholders' Relationship Committee meeting was held on January 23, 2023.

**The Composition of the Committee and attendance of the Stakeholders' Relationship Committee members at the Committee meeting held during the financial year 2022-23 is as under:**

Name of the Director	Designation	Attendance	
		No of Meetings held	No. of Meetings attended
Mr. Varun Daga (Non-Executive Non-Independent Director)	Chairman	1	0
Mr. Sunil Buch (Non-Executive Independent Director)	Member	1	1
Mr. Pankaj Seth (Chairman & Managing Director)	Member	1	1

There is no change in the composition of the Committee during the year.

**Name and designation of Compliance Officer:**

Ms. Sonia Gupte - Company Secretary and Compliance Officer (*appointed w.e.f. May 20, 2023*)

Mr. Ankit Kumar Jain - Company Secretary and Compliance Officer (*resigned w.e.f. closing hours on May 06, 2023*)

**Shareholder Grievance Redressal:**

Ms. Sonia Gupte  
 Orbit Exports Limited, 122, 2nd Floor,  
 Mistry Bhawan, Dinshaw Wachha Road,  
 Churchgate, Mumbai – 400020  
 Ph No.: 022- 66256228/ 7738021120  
 Email id: investors@orbitexports.com

**Status of shareholders' complaints during FY 2022-23 is as under:**

No. of complaints received during FY 2022-23	No. of complaints not solved to the satisfaction of shareholders during FY 2022-23	No. of complaints pending as on March 31, 2023
1	0	0

**d) Corporate Social Responsibility (CSR) Committee**

The Corporate Social Responsibility (CSR) Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013 and the corresponding Rules framed thereunder. The Committee is constituted to oversee and give direction to the Board in formulating, monitoring and reviewing the CSR strategy, budget and policy along with the annual action plan for activities and expenditure to be incurred on CSR activities.

The Board of Directors at its meeting dated August 2, 2023, amended the Corporate Social Responsibility Policy ('CSR Policy') to meet the requirements of Listing Regulations. The updated CSR Policy is available on Company's website at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

**Terms of Reference of the Committee are as under:**

- Formulating and recommending to the Board, the CSR policy and indicating activities to be undertaken along with the Annual Action Plan as specified in Schedule VII of the Act.
- Deciding the CSR Projects or Programs to be taken up by the Company either directly or through registered trust or registered society or a Company established by the Company or its

holding or subsidiary or associate Company under Section 8 of the Act or otherwise.

- Recommending the Board about the CSR projects or programs proposed to be undertaken up by the Company.
- Defining and monitoring the budgets for the carrying out the CSR Projects or Programs.
- Recommending the amount of expenditure for the CSR activities.
- Overseeing the progress of the CSR Projects or Programs rolled out under the CSR Policy as may be required.
- Submission of Report to the Board on all CSR Activities undertaken during the year; and monitoring and reviewing the implementation of the CSR Policy.

**Composition, Meetings and Attendance:**

As on March 31, 2023, the CSR Committee comprises of three (3) members, out of which one (1) member is a Non-Executive Independent Director and two (2) members are Executive Directors. The Chairman of the Committee is an Executive Director.

During FY 2022-23, one (1) CSR Committee meeting was held on August 01, 2022.

**The Composition of the Committee and Members' attendance at the Meeting are as under:**

Name of the Director	Designation	Attendance	
		No of Meetings held	No. of Meetings attended
Mr. Pankaj Seth (Chairman & Managing Director)	Chairman	1	0
Mrs. Anisha Seth (Whole-time Director)	Member	1	1
Mr. Pardeep Khosla (Non-Executive Independent Director)	Member	1	1

The details regarding CSR initiatives undertaken by the Company during FY 2022-23 forms part of the Annual Report on CSR activities as annexed in Annexure VIII, which forms part of the Director's report.

**e) Remuneration of Directors:****(i) All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity**

The Company has no pecuniary relationship or transaction with its Non-Executive/Independent Directors other than payment of sitting fees for attending Board and committee meetings.

**(ii) Criteria for making payment to Non-Executive Directors**

The Company has formulated a Nomination and Remuneration Policy which indicates criteria for

making payment to Non-Executive Directors. As per the said Policy, the remuneration to Non-Executive Directors shall be in accordance with the statutory provisions of the Act, and the rules made thereunder for the time being in force. The Non-Executive / Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board and/or Committees thereof. The amount of such fees shall not exceed the maximum amount as provided in the Act. The said Policy is available on the Company's website at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

(iii) Details of remuneration / sitting fees paid to Directors during FY 2022-23 are as below:

Name of the Director	Sitting Fees (₹)	Salary (₹)	Benefits, Perquisites & Allowances (₹)	Total (₹)	No. of shares	Stock Options
<b>Nature</b>	<b>Fixed</b>	<b>Fixed</b>	<b>Fixed</b>	-	-	-
Mr. Pankaj Seth (Managing Director)	-	1,46,29,998	78,70,002	2,25,00,000	1,11,73,045	-
Mrs. Anisha Seth (Whole-time Director)	-	1,46,29,998	78,70,002	2,25,00,000	39,99,017	-
Mr. Pardeep Khosla (Independent Director)	1,02,500	-	-	1,02,500	100	-
Mr. Sunil Buch (Independent Director)	1,32,500	-	-	1,32,500	-	-
Mr. Varun Daga (Non-Executive Director)	1,10,000	-	-	1,10,000	18,56,246	-
Mrs. Chetna Malaviya (Independent Director)	1,10,000	-	-	1,10,000	-	-

Payment of remuneration to the Managing Director and the Whole-time Director is as per the provisions of Section 197 and Schedule V of the Act and is governed by the recommendation of the Nomination and Remuneration Committee and as duly approved by the Board of Directors and Members of the Company. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof. Notice period and severance fees are not applicable.

**f) Senior Management:**

During the year under review, the changes in Senior Management pursuant to Regulation 34 read with Schedule V of the Listing Regulations are as under:

Senior Management Personnel	Designation	Reason and date of change
Mr. Gajanan Shinde	Manager – Export Documentation	Retirement on 30.06.2022
Mrs. Meenakshi Palkar	Manager – Export Documentation	Appointment on 06.07.2022

## GENERAL BODY MEETINGS

I. Details of last three Annual General Meetings of the Company and the special resolution(s) passed are given below:

AGM for Financial Year	Date	Location	Special Resolution(s) passed
2021-22	September 22, 2022 at 02:30 p.m.	Meeting held through Video conferencing/ Other Audio-Visual Means	(i) To approve the increase in the remuneration of Mr. Pankaj Seth (DIN:00027554), Managing Director of the Company. (ii) To approve the increase in the remuneration of Mrs. Anisha Seth (DIN: 00027611), Whole-time Director of the Company.
2020-21	September 29, 2021 at 03.00 p.m.	Meeting held through Video conferencing/ Other Audio-Visual Means	(i) Approval of Orbit Exports Limited Employees Stock Option Scheme 2021 (ii) Grant of Employee Stock Options to Employees of Subsidiaries
2019-20	September 28, 2020 at 03.00 p.m.	Meeting held through Video conferencing/ Other Audio-Visual Means	(i) Re-appointment of Mr. Pardeep Khosla (DIN: 06926523) as an Independent Director for a term of five (5) years w.e.f. September 28, 2020.

II. Special Resolution(s) passed through postal ballot last year (FY 2021-22) & details of voting pattern: NIL

III. Person who conducted the postal ballot exercise: Not Applicable

IV. Special Resolution(s) proposed to be conducted through postal ballot & procedure thereof: No Special Resolution is proposed to be conducted through Postal Ballot. Postal Ballot whenever conducted will be carried out as per the procedure mentioned in Companies Act, 2013 read with rules thereunder and the Listing Regulations.



## MEANS OF COMMUNICATION

The Company follows a robust process of communicating with stakeholders and investors and provides adequate and timely information to Stock Exchanges and Shareholders. The Company uses multiple channels of communication i.e. through dissemination of information on the stock exchanges, through annual reports, newspaper publication and by placing relevant information on its website.

### i. Financial Results and Publication

The Quarterly, Half Yearly and Annual Financial Results (Standalone and Consolidated) are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Audit Committee and taken on record by the Board of Directors.

### ii. Newspapers wherein financial results are normally published:

The financial results are published in Business Standard (English) (All India Editions) and Mumbai Lakshadeep or Navshakti (Marathi).

### iii. Website, where displayed:

The financial results are posted on the website of BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) and the Company website at <http://orbitexports.com/investor-information/> under the tab 'Company Results'.

### iv. Whether it also displays official news releases:

The Company has not made any official news release during the year under review.

### v. The presentations made to institutional investors or to the analysts:

No presentation was made to institutional investors or analysts during the year under review.

## GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	Friday, September 22, 2023 at 02.00 p.m. (IST) through Video Conferencing or Other Audio-Visual Means. Company's registered office 122, 2nd Floor, Mistry Bhawan, Dinshaw Wachha Road, Churchgate, Mumbai – 400020 shall be the deemed venue of the AGM.
Financial Year	April 01 of a year to March 31 of the following year
Financial reporting for quarter ending June 30, 2023	On or before August 14, 2023
Financial reporting for quarter ending September 30, 2023	On or before November 14, 2023
Financial reporting for quarter ending December 31, 2023	On or before February 14, 2024
Financial reporting for the year ending March 31, 2024	On or before May 30, 2024
Dividend Payment Date	Not Applicable
Listing on stock exchange(s) and payment of annual listing fees	<p><b>1) BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.</p> <p><b>2) National Stock Exchange of India Limited</b> Exchange Plaza, Plot No. C/1 G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.</p> <p>The annual listing fees for financial year 2023-24 has been paid by the Company to both the stock exchanges in stipulated time.</p>
Stock Code	BSE Limited – 512626 National Stock Exchange of India Limited – ORBTEXP
ISIN	INE231G01010

**Market Price Data – High / Low during each month in FY 2022-23:**

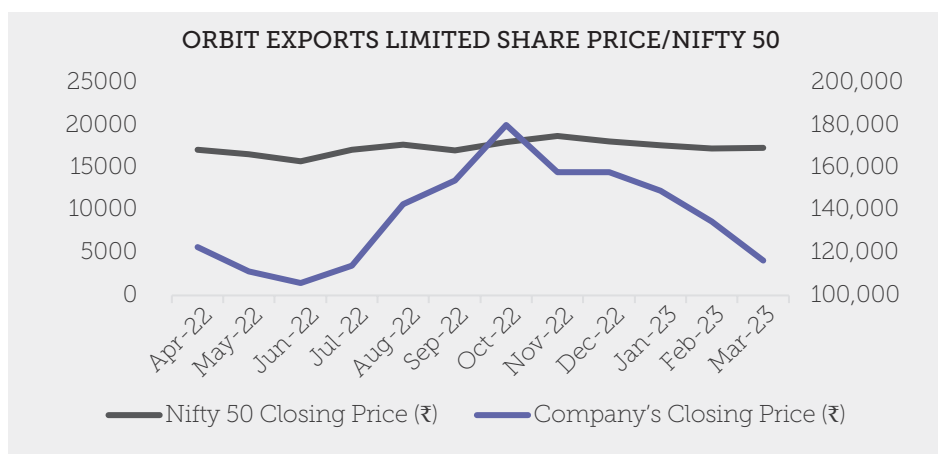
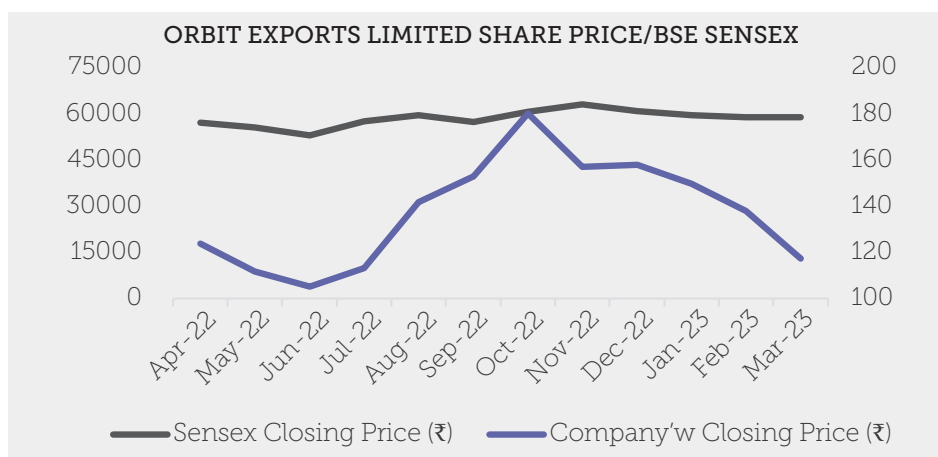
Monthly high and low prices and volume of shares of the Company traded for FY 2022-23 on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) are as below:

Month	BSE			NSE		
	High ₹	Low ₹	Number of Shares of the Company traded	High ₹	Low ₹	Number of Shares of the Company traded
April, 2022	142.40	122.00	4,23,849	142.10	121.60	14,43,924
May, 2022	121.25	96.00	1,04,213	121.20	95.25	8,35,688
June, 2022	117.90	97.30	57,058	117.75	97.25	3,37,520
July, 2022	116.70	99.80	19,753	116.90	98.75	3,99,888
August, 2022	162.00	111.95	3,22,933	162.00	110.35	39,14,068
September, 2022	178.10	141.00	1,98,974	177.80	142.85	18,51,545
October, 2022	191.75	144.00	1,51,337	191.30	153.15	11,02,508
November, 2022	197.00	148.00	99,315	196.50	156.05	9,19,502
December, 2022	163.90	138.70	45,916	164.40	139.20	4,89,057
January, 2023	164.95	140.00	56,446	165.45	141.60	5,87,311
February, 2023	162.90	128.00	18,268	161.90	133.05	2,18,375
March, 2023	142.90	114.85	48,038	144.70	114.05	2,64,042

\*Sources: The information is compiled from the data available on the respective websites of BSE and NSE

**Performance in comparison to broad-based indices viz. BSE Sensex and NSE Nifty:**

The Chart below shows the comparison of your Company's share price movement on BSE and NSE vis-à-vis the movement of the BSE Sensex and NSE Nifty for the financial year ended March 31, 2023 (based on month end closing):





**Registrar and Transfer Agents:**

Link Intime India Private Limited  
C-101, 247 Park, L B S Marg, Vikhroli West,  
Mumbai – 400083, Maharashtra, India  
Ph.: +91-22 49186000  
Fax: +91 22 49186060  
Email: rnt.helpdesk@linkintime.co.in

**Share Transfer System:**

The Registrars and Share Transfer Agent have put in place an appropriate Share Transfer system to ensure timely share transfers. Share transfers are registered and returned in the normal course within the statutory timelines from the date of receipt, if the documents are clear in all respects. Requests for dematerialization of

shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days. The certificate received from a Practicing Company Secretary pursuant to the provisions of Regulation 40(9) of the Listing Regulations is submitted by the Company to the Stock Exchanges, on a half-yearly basis. In terms of the directives issued by SEBI, from time to time, the listed companies shall issue the securities in dematerialized form only while processing any requests for issue of duplicate securities certificates, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/splitting of securities certificate, consolidation of securities certificates/ folios, transmission, transposition and other shareholders' requests.

**Distribution of Shareholding as on March 31, 2023:**

Range in no. of Shares	No. of Shareholders	% of Shareholders	Shareholding (no. of shares)	% to Shareholding
1 - 500	8194	88.88	9,17,283	3.40
501 - 1000	504	5.47	3,77,380	1.40
1001 - 2000	246	2.67	3,72,502	1.38
2001 - 3000	82	0.89	2,05,855	0.76
3001 - 4000	42	0.46	1,48,503	0.55
4001 - 5000	25	0.27	1,16,256	0.43
5001 - 10000	52	0.56	3,59,953	1.33
10001 - above	74	0.80	2,44,77,170	90.74
<b>TOTAL</b>	<b>9219</b>	<b>100</b>	<b>2,69,74,902</b>	<b>100</b>

**Shareholding Pattern as on March 31, 2023:**

Particulars	No. of Shares held	% of Shareholding
Promoter and Promoter Group	1,78,94,390	66.34
Clearing Members	25,700	0.10
Non-Resident Indians	49,914	0.19
Other Bodies Corporates	8,20,880	3.04
General Public	53,76,040	19.93
Hindu Undivided Family	6,53,985	2.42
Investor Education and Protection Fund (IEPF)	1,07,534	0.40
Body Corporate - Ltd Liability Partnership	57,220	0.21
Unclaimed Shares	75,500	0.28
Directors and their relatives (excluding independent Directors and nominee Directors)	19,13,739	7.09
	<b>2,69,74,902</b>	<b>100</b>

### Dematerialization of Shares and Liquidity:

As mandated by SEBI, the shares of the Company are compulsorily traded in the dematerialised form on the Stock Exchanges. 2,67,06,735 equity shares aggregating to 99.01% of the paid-up equity share capital of the Company were held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on March 31, 2023. The break-up of equity shares held in physical and dematerialized form as on March 31, 2023, is given below:

Category	No. of Shares	Percentage (%)
NSDL	2,09,18,415	77.55
CDSL	57,88,320	21.46
Physical	2,68,167	0.99
<b>Total</b>	<b>2,69,74,902</b>	<b>100.00</b>

### Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments.

### Commodity price risk or foreign exchange risk and hedging activities:

The Company does not trade in commodities. The relevant details of foreign exchange exposure & risk / hedging activities are provided in note no. 47 of standalone financial statements.

### Plant Locations:

#### 1) Surat

Plot No. 6, 7, 8 & 9 and 30,  
 Fairdeal Textile Park, Plot No 1, Building No B-12  
 Village Mahuvej, Taluka Mangrol,  
 Dist. – Surat – 394 102 (Gujarat)

3rd Floor, Jayraj Textile Park,  
 Near Fairdeal Textile Park, Village Mahuvej,  
 Taluka: Mangrol, Surat- 394125 (Gujarat)

#### 2) Sarigam

Plot No: 13 to 16, 17 to 20, G.I.D.C.  
 Sarigam Industrial Estate, Taluka, Umbergaon,  
 Dist. Valsad -- 396155, (Gujarat)

#### 3) Kalyan

Asmeeta Infratech Textile Park,  
 Additional Kalyan Bhiwandi Industrial Area,  
 Sarawali – Kon Village, Taluka – Bhiwandi,  
 Dist Thane – 421 311

### Address for Correspondence:

Investors can communicate at the following addresses:

- **The Company Secretary:**  
**Orbit Exports Limited**  
 122, 2nd Floor, Mistry Bhavan,  
 Dinshaw Wachha Road, Churchgate  
 Mumbai – 400020  
 Ph: - 91-22-66256262; Fax: +91-22-22822031  
 Email: investors@orbitexports.com
- **Registrar and Share Transfer Agent:**  
**M/s. Link Intime India Private Limited**  
 C-101, 247 Park, L. B. S. Marg, Vikhroli West,  
 Mumbai – 400083  
 Ph.: +91-22-49186000; Fax: 49186060  
 Email: rnt.helpdesk@linkintime.co.in

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The credit ratings ascribed by ICRA Limited has been revised on July 21, 2022, which are as given below:

Instrument	Rating
Long Term Debt	[ICRA]A – (Stable)
Short Term Debt	[ICRA] A2 +

### OTHER DISCLOSURES

#### a) Compliances with Governance Framework:

The Company is in compliance with all mandatory requirements under the Listing Regulations.

#### b) Disclosure on materially significant related party transactions that may have potential conflict with the interest of listed entity at large:

During the year under review, there were no materially significant transactions that may have potential conflict with the interest of the Company at large. All these transactions were in the normal course of business and carried out on an arm's length basis. The Company presents a statement of related party transactions before the Audit Committee for its approval on a quarterly basis specifying *inter alia* the nature & value of the transactions. The disclosure of transactions with related parties is disclosed in the notes to accounts of the standalone financial statements.





**c) Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three years:**

Except those mentioned in the Secretarial Auditor Report, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

**d) Vigil Mechanism /Whistle Blower Policy:**

In order to comply with the provisions of the Act and Listing Regulations, the Board of Directors at its meeting held on May 6, 2023, amended the Whistle Blower Policy. The main objective of this policy is to provide a vigil mechanism platform to Directors and employees to report about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of Directors and employees to avail such mechanism and provide them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Audit Committee for any grievance. The Policy is available on the website of the Company at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

**e) Policy for determining material subsidiaries:**

The Company has framed a policy for determining material subsidiary as required under Regulation 16 of the Listing Regulations and the same is available on the website of the Company at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

**f) Policy on dealing with related party transactions:**

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions. The said policy is available on the website of the Company at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

**g) Disclosure of Accounting Treatment:**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the notes to the Financial Statements.

**h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

The Company has not raised any funds through

preferential allotment or qualified institutions placement during the year under review.

**i) Certificate from Company Secretary in practice:**

The Company has received a certificate from Dr. S. K. Jain, Proprietor of M/s. S. K. Jain & Co., Practicing Company Secretaries (Membership no. FCS 1473, C. P. NO. 3076), certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The Certificate forms part of the Annual Report and is attached as Annexure VII.

**j) Where the board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year:**

The Board accepted all the recommendations of its Committees, wherever made, during the year under review.

**k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

The details relating to fees paid to the Statutory Auditors are given in note no. 35 of the standalone and consolidated financial statements.

**l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The details are available on page 45 of the Annual Report.

**m) Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:**

Not Applicable

**n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

Not Applicable

**o) Compliance with corporate governance requirements:**

The Company has complied with all the mandatory requirements of Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of Listing Regulations.

**p) Non-mandatory requirements:**

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to-time. The status of compliance with non-mandatory requirements of the Listing Regulations is as under:

**i. The Board**

Chairman of the Company being an Executive Director, the requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company.

**ii. Shareholders Right**

The Quarterly / Half-Yearly / Annual Financial Results of the Company are published in English and Vernacular newspapers and are also displayed on the Company's website, [www.orbitexports.com](http://www.orbitexports.com) and at the website of the stock exchanges where the shares of the Company are listed/traded.

**iii. Modified Opinion(s) in Audit Report**

There is no audit qualification in the Company's financial statements for the year ended on March 31, 2023. The Company continues to adopt best practices to ensure the regime of unqualified financial statements.

**iv. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer**

Presently, Mr. Pankaj Seth is the Chairman and Managing Director of the Company.

**v. Reporting of Internal Auditor**

In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports to the Audit Committee. The Audit Committee reviews the audit reports and suggests necessary action.

**q) Code of Conduct:**

The Company has framed and adopted the Code of Conduct for all its Board Members and Senior Management Personnel. The Code of Conduct for Board Members and the Senior Management Personnel is posted on the website of the Company at <http://orbitexports.com/investor-information/> under the tab 'Policies'.

The Board Members and Senior Management have affirmed compliance with the Code of Conduct for

the financial year ended March 31, 2023. A declaration to this effect forms part of this report and is available on page 63.

**r) CEO/CFO Certification:**

As required under Regulation 17(8) of the Listing Regulations, Mr. Pankaj Seth, Chairman & Managing Director and Mr. Rahul Tiwari, Chief Financial Officer of the Company have certified that the financial statements for financial year ended March 31, 2023 do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The Certificate to this effect forms part of this report and is available on page 64.

**s) Compliance certificate from Practicing Company Secretaries:**

The Compliance certificate from the Practicing Company Secretaries of the Company regarding the compliance with Corporate Governance requirements forms part of this report and is available on page 65.

**t) Disclosures with respect to demat suspense account/ unclaimed suspense account:**

The details with respect to unclaimed suspense account forms part of the Directors' report and is available on page 46.

**u) Disclosure of certain types of agreements binding listed entities:**

There are no agreements binding the Company as per the requirements mentioned in clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

**DECLARATIONS****Compliance with the Code of Conduct**

Declaration as required under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2023.

**For Orbit Exports Limited****Pankaj Seth**

Date: August 2, 2023

Chairman &amp; Managing Director

Place: Mumbai

(DIN: 00027554)



orbit exports ltd.

## CEO / CFO Certificate

To,  
The Board of Directors,  
**Orbit Exports Limited**  
Mumbai

We, the undersigned, in our respective capacities as the Chairman & Managing Director and Chief Financial Officer of Orbit Exports Limited ("the Company") to the best of our knowledge and belief hereby certify that:

- (a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and information:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain the statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting for the Company and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee, wherever applicable:
  - (i) significant changes in internal control over financial reporting during the financial year ended March 31, 2023;
  - (ii) significant changes in accounting policies during the financial year ended March 31, 2023 and the same have been disclosed in the notes to the financial statements; and
  - (iii) 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 over financial reporting.

**For Orbit Exports Limited**

**Pankaj Seth**  
*Managing Director*

**For Orbit Exports Limited**

**Rahul Tiwari**  
*Chief Financial Officer*

Place: Mumbai  
Date: May 6, 2023

# Compliance Certificate on Corporate Governance Report

To,  
The Members of  
**ORBIT EXPORTS LTD**  
122, 2nd Floor, Mistry Bhavan,  
Dinshaw Wachha Road,  
Churchgate, Mumbai – 400020

We have examined the compliance of conditions of Corporate Governance by **ORBIT EXPORTS LTD** for the year ended on **31st March, 2023**.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

## Managements Responsibility

The Compliance of conditions of Corporate Governance is responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. 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.

## Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2023.

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.

## Restriction on Use

The certification is addressed to and provided to the members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**FOR S. K. JAIN & CO.**  
Practicing Company Secretary

Place: Mumbai  
Date: 03.05.2023

**Dr. S. K. JAIN**  
FCS No. 1473  
COP No. 3076  
UDIN: F001473E000247466



## ANNEXURE IV

## Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014

### A. CONSERVATION OF ENERGY

#### 1. Steps taken or impact on conservation of energy:

The Company continues to monitor progress towards energy conservation thereby achieving its sustainability goals. During the year under review, the Company took following steps towards energy conservation:

- (i) Installation of energy efficient air compressors and solar meters.
- (ii) Insulation of boilers to reduce heat losses and improve energy efficiency.
- (iii) Shutting down all electrical machinery and appliances at appropriate time to avoid the wastage of energy.
- (iv) Regular checks and preventive maintenance of all electrical equipments and installations to avoid leakage of energy due to faulty operation.

#### 2. Steps taken by the company for utilizing alternate sources of energy:

- (i) Solar meters were installed for solar panels to harness renewable energy and usage of natural sunlight at plant locations including its preventive maintenance activity.
- (ii) Wind turbine generator of total 1.5 MW capacity at Gujarat, the power generated through which is utilized towards captive consumption.

#### 3. Capital investment on energy conservation equipments:

During the FY 2022-23, the investment capitalized on energy conservation equipments is ₹69.45 Lakhs.

### B. TECHNOLOGY ABSORPTION

#### 1. Efforts Made Towards Technology Absorption:

Installation of technologically advanced machineries like TFO Twister machines, Warping machine, Jiggers and U Jet machines.

2. **Benefits derived like product improvement, cost reduction, product development or import substitution:** Advanced and automated weaving techniques helped in higher accuracy, control over fabric construction, production of consistent and intricate designs.

#### 3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- i. **Details of Technology imported:** Company has imported latest technology waterjet looms.
- ii. **Year of import:** 2022-23.
- iii. **Whether the technology has been fully absorbed:** Yes
- iv. **Expenditure incurred on Research and Development:** NIL

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign exchange earned in terms of actual inflows during the FY 2022-23 and foreign exchange outgo in terms of actual outflows during the FY 2022-23 were as follows: -

(₹ in Lakhs)		
Particulars	FY 2022-23	FY 2021-22
Foreign exchange earnings*	11,737.50	7,757.30
Foreign exchange outgo*	962.34	525.90

\* Equivalent value of various currencies

For Orbit Exports Limited

Pankaj Seth

Date: August 2, 2023

Chairman & Managing Director

Place: Mumbai

(DIN: 00027554)

## ANNEXURE V

# Particulars of employees

### Statement of Disclosure of Remuneration as required under Sub-Section (12) of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23:

Sl. No.	Name of the Director	Designation	Ratio of remuneration of director to median Remuneration of employees
1.	Mr. Pankaj Seth	Managing Director	90
2.	Mrs. Anisha Seth	Whole - time Director	90

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year 2022-23:

Sl. No.	Name of the Director	Designation	% increase in Remuneration
1.	Mr. Pankaj Seth	Managing Director	12.5
2.	Mrs. Anisha Seth	Whole - time Director	12.5
3.	Mr. Rahul Tiwari	Chief Financial Officer	Not comparable as figures for FY 2021-22 are for part of the year
4.	Mr. Ankit Kumar Jain	Company Secretary	

3. The percentage increase in the median remuneration of employees in the financial year 2022-23: 1.20%
4. The number of permanent employees on the rolls of company: 493
5. 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:

Average % increase made in the salaries of employees other than the managerial personnel:	13.04
Average % increase in the managerial remuneration:	8.50

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

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

For Orbit Exports Limited

Pankaj Seth

Chairman & Managing Director  
(DIN: 00027554)

Date: August 2, 2023  
Place: Mumbai



ANNEXURE VI  
**Form No. MR 3**  
**Secretarial Audit Report**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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]

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 Governance practice by **M/S ORBIT EXPORTS LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of **M/S ORBIT EXPORTS LIMITED** books, papers, minutes 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 1st April, 2022 to 31st March, 2023 ("the reporting period") 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 **M/S ORBIT EXPORTS LIMITED** ("the Company") as given in Annexure I, for the period 1st April, 2022 to 31st March, 2023 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 Regulations & the Bye-laws, 1996 thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings,

Foreign Direct Investment and Overseas Direct Investment;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - iii. 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;
  - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - v. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as the Company has not issued/listed/propose to list its Debt Securities to any Stock Exchange during the Financial Year under review)**
  - ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not listed/**

**propose to delist its Equity Shares from any Stock Exchange during the Financial Year under review)**

- iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

The Company has complied with following specific laws applicable to the Company

- i. Information Technology Act, 2000
  - ii. Essential Commodities Act, 1955
  - iii. The Textiles (Development and Regulation) Order, 2001
  - iv. Public Liability Insurance Act, 1991
3. I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
  - (ii) The Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. 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. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis. The list of major head/groups of Acts, Laws and Regulations as generally applicable to the Company is given in **Annexure II**.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**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 was 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.

Majority decision is carried through and recorded as part of the minutes.

**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 compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the year/audit period under report, the Company has undertaken the following events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, Rules, Regulations, Guidelines, Standards, etc are mentioned below:-

1. The Company has bought back 4,08,163 Equity Shares at a price of ₹245/- (Rupees Two Hundred Forty-Five Only) per Equity Share for an aggregate amount not exceeding ₹10,00,00,000/- (Rupees Ten Crores Only) through Tender Offer. The Equity share capital after the said buyback is ₹26,97,49,020.

**For S. K. Jain & Co.**

*Practicing Company Secretary*

**Dr. S. K. Jain**

FCS: 1473

COP: 3076

Place: Mumbai

Date: 26/07/2023

UDIN NO: F001473E000679469





## ANNEXURE - I

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum & Articles of Association of the Company with regard to: -

1. Minutes of the Meetings of the Board of Directors, Committee meetings held during the Financial Year under Report;
2. Minutes of General Meetings held during the Financial Year under report;
3. Maintenance of various Statutory Registers and Documents and making necessary entries therein;
4. Notice and Agenda papers submitted to all the Directors for the Board Meetings;
5. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
6. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of

Listing Obligations and Disclosure Requirements during the financial year under Report;

7. Disclosure of Interest and concerns in Contracts and Arrangement, shareholdings and Directorships in other Companies and interest in other entities by Directors;
8. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report;
9. Appointment and remuneration of Internal and Statutory Auditor;
10. Closure of Register of Members/record date for dividends;
11. Declaration and payment of dividend.

**For S. K. Jain & Co.**

*Practicing Company Secretary*

**Dr. S. K. Jain**

FCS: 1473

COP: 3076

Place: Mumbai

Date: 26/07/2023

UDIN NO: F001473E000679469

## ANNEXURE – II

### List of applicable laws to the Company

1. The Maharashtra Shops & Establishment Act, 1948 and rules made thereunder
2. Contract Labour (Regulation and Abolition) Act, 1970
3. The Employment Provident Fund and Miscellaneous Provision Act, 1952
4. The Factories Act 1948
5. Maharashtra Factory Rules, 1963
6. Gujarat Factory Rules, 1963
7. Air (Prevention and Control of Pollution) Act, 1981
8. The Employees State Insurance Act, 1948
9. The Payment of Bonus Act, 1965
10. The Minimum Wages Act, 1948
11. The Payment of Wages Act, 1936
12. The Code on Wages, 2019

### Other act applicable to the company are :-

- a) The Maternity Benefit Act, 1961
- b) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- c) The Payment of Gratuity Act, 1972
- d) Professional Tax Act, 1975
- e) Employment Compensation Act
- f) Employment Exchange Act
- g) Bureau of Indian Standard Act, 2016
- h) The Employment Provident Funds Scheme, 1952.

**For S. K. Jain & Co.**

*Practicing Company Secretary*

**Dr. S. K. Jain**

FCS: 1473

COP: 3076

Place: Mumbai

Date: 26/07/2023

UDIN NO: F001473E000679469

## ANNEXURE VII

# Certificate of Non-Disqualification of Directors

*[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,

The Members of

**ORBIT EXPORTS LTD**

122, 2nd Floor, Mistry Bhavan,

Dinshaw Wachha Road,

Churchgate, Mumbai – 400020

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ORBIT EXPORTS LTD** having CIN: L40300MH1983PLC030872 and having Registered Office at 122, 2nd Floor, Mistry Bhavan, Dinshaw Wachha Road, Churchgate, Mumbai – 400020 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Pankaj Shyamsunder Seth	00027554	01/09/2004
2.	Anisha Pankaj Seth	00027611	01/09/2004
3.	Varun Pramod Daga	01932805	26/07/2011
4.	Pardeep Anant Ram Khosla	06926523	18/07/2014
5.	Sunil Ramesh Buch	07780539	04/02/2019
6.	Chetna Manish Malaviya	07300976	22/06/2020

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S. K. Jain & Co.**

*Practicing Company Secretary*

**Dr. S. K. Jain**

FCS: 1473

COP: 3076

Place: Mumbai

Date: 26/07/2023

UDIN NO: F001473E000247642



## ANNEXURE VIII

# Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

## 1. Brief outline on CSR Policy of the Company:

The Company believes in measuring its performance by its contribution to social, economic and environmental capital.

The Company focuses on CSR initiatives identified in its CSR Policy which covers eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare, promoting education, employment and empowering women.

## 2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation/ Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR attended during the year
1.	Mr. Pankaj Seth	Chairman of the Committee and Managing Director	1	1
2.	Mrs. Anisha Seth	Whole-time Director, Member	1	1
3.	Mr. Pardeep Khosla	Independent Director, Member	1	1

## 3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:

**CSR Committee:** <http://orbitexports.com/wp-content/uploads/2023/08/Committees-of-the-Board.pdf>

**CSR Policy:** <http://orbitexports.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy.pdf>

**CSR Projects:** <http://orbitexports.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Annual-Action-Plan-2023-24.pdf>

## 4. Details of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

5. (a) Average net profit of the company as per sub-Section (5) of section 135:	₹1774.62 Lakhs
(b) Two percent of average net profit of the company as per sub-Section (5) of section 135:	₹35.49 Lakhs
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:	NIL
(d) Amount required to be set-off for the financial year, if any:	NIL
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]:	₹35.49 Lakhs

## 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹35.57 Lakhs (There are no ongoing projects under CSR as on March 31, 2023)

(b) Amount spent in Administrative overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹35.57 Lakhs.

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the FY (in ₹)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 35.57 Lakhs	NIL	NA	NA	NIL	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	35.49 Lakhs
(ii)	Total amount spent for the Financial Year	35.57 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.08 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any.	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.08 Lakhs

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer.		
NIL								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 – Not Applicable

For and on behalf of Board of Directors

Pankaj Seth

Chairman CSR Committee & Managing Director  
(DIN: 00027554)

Date: August 2, 2023  
Place: Mumbai



*orbit exports ltd.*

# Financials

# Independent Auditor's Report

To  
the members of  
**Orbit Exports Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone Financial Statements of Orbit Exports Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to Standalone Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Standalone Financial Statement in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules framed thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

### Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the Standalone Financial Statements, Consolidated Financial Statements and our Auditor's report thereon. The Annual Report is expected to be made available to us after the date of this report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take necessary actions as applicable under the relevant laws and regulations.

### Management's and Those Charged with Governance Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other



comprehensive income, changes in equity, cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS and relevant provisions of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures

responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), 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 said 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 account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (Including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid the Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed details of pending litigations, however, it does not have adverse impact on its financial position. Refer note 38.1 to Standalone Financial Statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - iv. (a) The Management has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any





- guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year.
- vi. Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

*Chartered Accountants*

Firm's Registration No: 104767W

**Rajen Ashar**

*Partner*

Place : Mumbai

Membership No: 048243

Dated : May 06, 2023

UDIN: 23048243BGXPRX9588

## Annexure A

referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” of our Independent Auditor’s report of even date, to the members of the Orbit Exports Limited on the Standalone Financial Statements for the year ended March 31, 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of its Intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment of the Company are being verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of Property, plant and equipment has been physically verified by the Management during the year and no material discrepancies were noticed on such verification as compared with the book records.
- (c) Based on test check examination of the records and sale deeds / transfer deeds / lease deeds / conveyance deeds / property tax receipts and such other documents provided to us, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, plant and equipment (including Right of use assets) or Intangible assets or both during the year ended March 31, 2023.
- (e) There are no proceedings initiated during the year or pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The inventory (excluding stocks with third parties) has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. Procedures

and coverage, as followed by Management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory..

- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account.
- (iii) During the year, the Company has made investments in, granted unsecured loans or advances in the nature of loans to companies and other parties. The Company has not provided any guarantee or securities to other parties. In respect of such investments and loans or advances in the nature of loans :
- (a) (A) The Company has not granted any loans or provided advances in the nature of loans to its subsidiary and associate during the year. Accordingly, reporting under paragraph 3(iii) (a)(A) of the Order is not applicable.
- (B) The Company has granted unsecured loans to the employees of the Company and to a Corporate. The aggregate amount granted during the year and balance outstanding as at the Balance Sheet date with respect of such loans are as per the table given below:
- | Particulars                              | ₹ in lakhs         |                    |
|--|--------------------|--------------------|
|  | Loans to Corporate | Loans to Employees |
| Aggregate amount granted during the year | 200.00             | 13.57              |
| Balance outstanding as on March 31, 2023 | Nil                | 7.86               |
- (b) The terms and conditions of the investments made and loans granted during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of the aforesaid loans, the schedule of repayment of principal has been stipulated. The Corporate and employees are repaying the principal amount, as stipulated in a regular manner. Payment of interest is not applicable in



case of the employee loans as these are interest free. Payment of interest by the Corporate to the Company is regular.

- (d) In respect of loans to Corporate or employees granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) The Company has not renewed or extended or granted fresh loans to settle the overdues of existing loans given to the same parties.
- (f) The Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has complied with the provisions of the section 185 and 186 of the Act, as applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. In addition, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal. Accordingly, paragraph 3(v) of the Order is not applicable.

- (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 are of the opinion that 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 has generally been 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, goods and services tax, cess and other statutory dues with the appropriate authorities. No undisputed statutory dues payable were in arrears as at March 31, 2023, for a period of more than six months from the date they became payable.
- (b) The details of statutory dues referred to in sub-clause (a) which have not been deposited with the concerned authorities on account of dispute are given below:

₹ in lakhs

Name of statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	4.94	AY 2016-17	High Court
Income-tax Act, 1961	Income tax	27.91	AY 2017-18	CIT(A)
Income-tax Act, 1961	Income tax	161.80	AY 2018-19	CIT(A)
Income-tax Act, 1961	Income tax	10.26	AY 2018-19	CIT(A)
Income-tax Act, 1961	Income tax	27.28	AY 2019-20	CIT(A)
Goods and Services Tax Act, 2017	GST	17.42	FY 2018-19	Deputy Commissioner of State Tax
Goods and Services Tax Act, 2017	GST	33.69	FY 2019-20	Deputy Commissioner of State Tax

- (viii) During the year, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) Term loans availed by the Company during the year were applied for the purposes for which

such loans were obtained.

- (d) On an overall examination of the Standalone Financial Statements of the Company, funds are raised on short term basis have, prima facie, not been used during the year for long term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary and associate. The Company does not have any joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary or associate. Accordingly, the

- requirement to report on paragraph 3(ix)(f) of the Order is not applicable to the Company
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instrument). Accordingly, paragraph 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Accordingly, paragraph 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) During the year and up to the date of this report, no report under section 143(12) of the Act has been filled by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) There were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) The Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Finance or Housing Finance activities which would require the Company to hold valid certificate of Registration from the Reserve Bank of India ("RBI") as per the RBI Act.
- (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the RBI. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- (d) There is no CIC as a part of the Group, hence, the requirement to report on paragraph 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) There is no amount remaining unspent by the Company under section 135 of the Act. Accordingly, reporting under paragraph 3(xx)(a) and (xx)(b) of the Order is not applicable to the Company.

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

*Chartered Accountants*

Firm's Registration No: 104767W

**Rajen Ashar**

*Partner*

Place : Mumbai

Membership No: 048243

Dated : May 06, 2023

UDIN: 23048243BGXPRX9588



## Annexure B

referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's report of even date, to the members of Orbit Exports Limited on the Standalone Financial Statements for the year ended March 31, 2023

### Report on the Internal Financial Controls with reference to Standalone Financial Statements under section 143(3)(i) of the Act

#### Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of Orbit Exports Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2023 based on the internal controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

### Management's Responsibility for Internal Financial Controls with reference to Standalone Financial Statements

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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.

### Auditor's Responsibility for Internal Financial Controls with reference to Standalone Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the 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 ICAI. 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 with reference to Standalone Financial Statements were 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 with reference to Standalone Financial Statements.

### Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements 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 Standalone Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

### Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

*Chartered Accountants*

Firm's Registration No: 104767W

**Rajen Ashar**

*Partner*

Place : Mumbai

Membership No: 048243

Dated : May 06, 2023

UDIN: 23048243BGXPRX9588



orbit exports ltd.

# Standalone Balance Sheet

as at March 31, 2023

₹ in Lakhs

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a. Property, Plant and Equipment	2	15,201.42	14,570.20
b. Capital work-in-progress	3	14.98	100.89
c. Intangible assets	4	25.58	31.68
d. Right of Use Assets	5	635.25	519.05
e. Financial Assets			
i) Investments	6	2,448.86	836.12
ii) Other financial assets	7	708.35	1,101.19
f. Other Non-Current assets	8	167.44	263.82
<b>Total Non-current Assets</b>		<b>19,201.88</b>	<b>17,422.95</b>
<b>2. CURRENT ASSETS</b>			
a. Inventories	9	3,651.40	3,085.33
b. Financial Assets			
i) Trade receivables	10	2,228.04	2,572.78
ii) Cash and cash equivalents	11	103.54	149.44
iii) Bank balances other than (ii) above	12	181.39	1,359.13
iv) Loans	13	7.86	4.18
v) Other financial assets	14	813.81	628.27
c. Other current assets	15	827.07	1,490.57
<b>Total Current Assets</b>		<b>7,813.11</b>	<b>9,289.70</b>
<b>Total Assets</b>		<b>27,014.99</b>	<b>26,712.65</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
a. Equity Share capital	16	2,697.49	2,738.31
b. Other Equity	17	17,434.88	15,539.85
<b>Total Equity</b>		<b>20,132.37</b>	<b>18,278.16</b>
<b>2. NON-CURRENT LIABILITIES</b>			
a. Financial Liabilities			
i) Borrowings	18	1,744.75	1,914.64
ii) Lease Liabilities	5	533.34	425.32
iii) Other financial liabilities	19	9.50	9.00
b. Deferred tax liabilities (net)	20	1,066.27	1,132.20
c. Other non-current liabilities	21	494.79	460.70
d. Provisions	22	216.23	154.53
<b>Total Non-current Liabilities</b>		<b>4,064.88</b>	<b>4,096.39</b>
<b>3. CURRENT LIABILITIES</b>			
a. Financial Liabilities			
i) Borrowings	23	792.51	2,002.60
ii) Lease Liabilities	5	146.68	124.73
iii) Trade payables	24		
Total outstanding dues of Micro Enterprises and Small Enterprises		38.65	100.50
Total outstanding dues of creditors other than Micro and Small Enterprises		854.56	705.24
iii) Other financial liabilities	25	414.90	621.14
b. Other current liabilities	26	533.57	679.89
c. Provisions	27	14.21	52.22
d. Current Tax Liabilities (net)		22.66	51.78
<b>Total Current Liabilities</b>		<b>2,817.74</b>	<b>4,338.10</b>
<b>Total Equity and Liabilities</b>		<b>27,014.99</b>	<b>26,712.65</b>
Basis of Accounting, Accounting Policies, Significant Judgement and Estimates	1		

As per our report of even date

For and on behalf of Board of Directors

**For G.M. Kapadia & Co.**Chartered Accountants  
Firm Reg No. 104767W**Rajen Ashar**Partner  
Membership No: 048243

Place: Mumbai

Date: May 06, 2023

**Pankaj Seth**Managing Director  
DIN:00027554**Rahul Tiwari**

Chief Financial Officer

Place: Mumbai

Date: May 06, 2023

**Anisha Seth**Whole Time Director  
DIN:00027611**Ankit Jain**Company Secretary  
M No: 54805

# Standalone Statement of Profit and Loss for the year ended March 31 2023

₹ in Lakhs

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>INCOME</b>			
Revenue from operations	28	18,947.19	12,310.70
Other income	29	310.21	264.26
<b>Total Income</b>		<b>19,257.40</b>	<b>12,574.96</b>
<b>EXPENSES</b>			
Cost of materials consumed	30	7,174.32	5,274.24
Changes in Inventories of Finished goods and Work-in Progress	31	(469.74)	(892.75)
Employee benefits expense	32	2,799.22	2,160.26
Finance costs	33	338.57	194.87
Depreciation and amortisation expense	34	1,405.68	1,186.09
Other expenses	35	3,994.33	2,492.06
<b>Total Expenses</b>		<b>15,242.38</b>	<b>10,414.77</b>
<b>Profit / (loss) before exceptional items and tax</b>		<b>4,015.02</b>	<b>2,160.19</b>
Exceptional items	50	36.73	51.68
<b>Profit / (loss) before tax</b>		<b>3,978.29</b>	<b>2,108.51</b>
<b>Tax expenses</b>			
Current tax	36	987.61	463.72
Tax adjustments for earlier years		5.78	4.67
Deferred tax liability / (asset)		(68.64)	51.19
<b>Profit for the year</b>		<b>3,053.54</b>	<b>1,588.93</b>
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans		10.76	(42.90)
Income tax relating to items that will not be reclassified to profit or loss		(2.71)	10.80
<b>Total other comprehensive income / (loss)</b>		<b>8.05</b>	<b>(32.10)</b>
<b>Total comprehensive income for the period</b>		<b>3,061.59</b>	<b>1,556.82</b>
<b>Earnings per equity share (Face Value of ₹10/- each)</b>			
Basic (in ₹)	37	11.19	5.80
Diluted (in ₹)	37	11.15	5.80
Basis of Accounting, Accounting Policies, Significant Judgement and Estimates	1		

As per our report of even date

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

**Rajen Ashar**  
Partner  
Membership No: 048243  
Place: Mumbai  
Date: May 06, 2023

**For and on behalf of Board of Directors**

**Pankaj Seth**  
Managing Director  
DIN:00027554

**Rahul Tiwari**  
Chief Financial Officer

Place: Mumbai  
Date: May 06, 2023

**Anisha Seth**  
Whole Time Director  
DIN:00027611

**Ankit Jain**  
Company Secretary  
M No: 54805





orbit exports ltd.

## Standalone Statement of Cash flow for the year ended March 31 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flow from operating activities</b>		
Profit/(loss) before tax	3,978.29	2,108.51
<b>Non-cash Adjustment to Profit Before Tax:</b>		
Depreciation and amortisation expense	1,405.68	1,186.09
Interest expenses	338.57	194.87
Bad debts written off	8.88	53.76
Amortisation of deferred revenue	(79.35)	(70.71)
Unrealised foreign exchange loss/(gain)	(14.46)	(18.68)
Fair Value Gain on Financial Instruments measured at FVTPL	(12.74)	-
Gain on sale of Mutual Funds	(0.06)	-
Mark-to-market (gain)/loss on derivative financial instruments	38.51	(53.64)
Loss on sale/disposal of Property Plant Equipment	20.41	-
Provision for gratuity	34.45	38.85
Interest income	(167.63)	(144.04)
Dividend income	(0.05)	-
Provision for Bad and Doubtful debts	(6.57)	(15.25)
Liabilities no longer required written back	-	(0.46)
Interest income on financial asset at amortised cost	(1.49)	(1.35)
Employee Share Based Payments	54.01	11.60
Other Exceptional Expense/(Income)(net)	36.73	51.68
<b>Operating Profit before Change in operating assets and liabilities</b>	<b>5,633.18</b>	<b>3,341.23</b>
<b>Change in operating assets and liabilities :</b>		
(Increase)/Decrease in trade receivables	402.76	(795.37)
(Increase)/Decrease in inventories	(566.07)	(1,200.03)
(Increase)/Decrease in other financial assets	11.49	1,025.15
(Increase)/Decrease in other current/non-current assets	633.29	(829.64)
Increase/(Decrease) in trade payables	87.47	267.64
Increase/(Decrease) in provisions	-	3.20
Increase/(Decrease) in other current/non-current liabilities	60.22	35.41
Increase/(Decrease) in Other financial liabilities	(244.25)	230.36
<b>Cash generated from operations</b>	<b>6,018.09</b>	<b>2,077.95</b>
Direct taxes paid (net of refunds)	(1,022.51)	(450.97)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>4,995.58</b>	<b>1,626.98</b>

# Standalone Statement of Cash flow

 for the year ended March 31 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flow from investing activities</b>		
Payments for acquisition of property, plant and equipment including capital advances	(1,878.20)	(2,883.08)
Proceeds from Sale of Property plant and equipment	21.44	-
Repayments / (Disbursements) of loans given	(3.68)	0.29
Interest Received	167.63	124.94
Dividend Received	0.05	-
Redemption of fixed deposit	5,567.96	930.58
Investments made in fixed deposit	(4,203.00)	(1,523.48)
Investments made in Corporate deposit	(500.00)	(1,726.54)
Redemption of Corporate Deposit	500.00	963.44
Investment made in Mutual funds	(1,750.00)	-
Redemption of Mutual Funds	150.06	-
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(1,927.74)</b>	<b>(4,113.85)</b>
<b>Cash flow from Financing Activities</b>		
Proceeds from/(Repayments) of current borrowings	(1,210.09)	1,222.66
Proceeds of non-current borrowings	709.44	2,281.50
(Repayments) of non-current borrowings	(879.33)	(840.49)
Payment for Buyback of Ordinary shares	(1,000.00)	-
Payment for Tax and other expenses on Buyback of Ordinary shares	(261.39)	-
Repayment of Lease liabilities	(183.87)	(168.73)
Dividend deposited with IEPF	(7.78)	(6.67)
Interest and finance charges	(280.72)	(138.19)
<b>Net cash flow from/(used in) in financing activities (C)</b>	<b>(3,113.74)</b>	<b>2,350.08</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+ C)</b>	<b>(45.90)</b>	<b>(136.79)</b>
Cash and cash equivalents at the beginning of the year	149.44	286.23
<b>Cash and cash equivalents at the end of the year</b>	<b>103.54</b>	<b>149.44</b>

**Notes:-**

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 1.4 (G).
- Figures for the previous year have been re-grouped wherever considered necessary.
- Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- There are no non cash movements in Non Current and Current Borrowings

As per our report of even date

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

**Rajen Ashar**  
Partner  
Membership No: 048243

Place: Mumbai  
Date: May 06, 2023

For and on behalf of Board of Directors

**Pankaj Seth**  
Managing Director  
DIN:00027554

**Rahul Tiwari**  
Chief Financial Officer

Place: Mumbai  
Date: May 06, 2023

**Anisha Seth**  
Whole Time Director  
DIN:00027611

**Ankit Jain**  
Company Secretary  
M No: 54805



orbit exports ltd.

## Standalone Statement of changes in equity for the year ended March 31 2023

### A. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	Amount
Balance as at April 01, 2021	2,738.31
Changes in equity share capital during the year	-
Balance as at March 31, 2022	2,738.31
Balance as at April 01, 2022	2,738.31
Changes in equity share capital during the year	(40.82)
Balance as at March 31, 2023	2,697.49

### B. OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus			Total
	Share Based Payment Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at April 01, 2021	-	131.92	13,839.51	13,971.43
Profit for the year	-	-	1,588.93	1,588.93
Employee Share Options	11.59	-	-	11.59
Other Comprehensive Income / (loss)	-	-	(32.10)	(32.10)
Total Comprehensive Income for the year	-	-	1,556.83	1,556.83
Balance as at March 31, 2022	11.59	131.92	15,396.34	15,539.85
Balance as at April 01, 2022	11.59	131.92	15,396.34	15,539.85
Profit for the year	-	-	3,053.54	3,053.54
Employee Shares Options	54.01	-	-	54.01
Transfer/Utilisation on Buyback of shares	-	40.82	(1,000.00)	(959.18)
Tax and expenses on Buyback of shares	-	-	(261.39)	(261.39)
Other Comprehensive Income / (loss)	-	-	8.05	8.05
Total Comprehensive Income for the year	-	-	3,061.59	3,061.59
Balance as at March 31, 2023	65.60	172.74	17,196.54	17,434.88

As per our report of even date

For and on behalf of Board of Directors

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

Chartered Accountants  
Firm Reg No. 104767W

**Rajen Ashar**

Partner  
Membership No: 048243

Place: Mumbai

Date: May 06, 2023

**Pankaj Seth**

Managing Director  
DIN:00027554

**Rahul Tiwari**

Chief Financial Officer

Place: Mumbai

Date: May 06, 2023

**Anisha Seth**

Whole Time Director  
DIN:00027611

**Ankit Jain**

Company Secretary  
M No: 54805

# Notes to Standalone Financial Statements for the year ended March 31, 2023

## 1. BASIS OF ACCOUNTING, ACCOUNTING POLICIES SIGNIFICANT JUDGEMENT AND ESTIMATES

### 1.1 CORPORATE & GENERAL 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 registered office of the Company is situated at Mumbai, Maharashtra (India). The company is the leading novelty fabric manufacturer in India. The equity shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange of India Limited.

#### Authorisation of standalone financial statements:

The Board of Directors have approved the financial statements for the year ended March 31, 2023 and authorised for issue on May 06, 2023.

### 1.2 BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENT

#### (A) COMPLIANCE WITH IND AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), and relevant rules issued thereunder and the relevant provisions of the Act. In accordance with provision 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.

#### (B) BASIS OF MEASUREMENT

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- a. certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- b. defined benefit plans - plan assets measured at fair value.

#### (C) FUNCTIONAL & PRESENTATION CURRENCY

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All amounts disclosed in the standalone financial statement and notes have been rounded off to the nearest Lakhs, except where otherwise indicated.

#### (D) PRESENTATION OF STANDALONE FINANCIAL STATEMENTS

The Balance Sheet, the Statement of Profit and Loss and the Statement of change in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

#### (E) OPERATING CYCLE FOR CURRENT AND NON-CURRENT CLASSIFICATION

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is classified as current if it is:

- a. expected to be realised or intended to be sold or consumed in normal operating cycle.
- b. held primarily for the purpose of trading.
- c. expected to be realised within twelve months after the reporting period; or
- d. the cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if it is:

- a. it is expected to be settled in normal operating cycle.
- b. it is held primarily for the purpose of trading.



## Notes to Standalone Financial Statements for the year ended March 31, 2023

- c. it is due to be settled within twelve months after the reporting period; or
- d. there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its normal operating cycle.

### (F) MEASUREMENT OF FAIR VALUES

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable and
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurements unobservable.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

### 1.3 USE OF JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

While preparing standalone financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments

# Notes to Standalone Financial Statements for the year ended March 31, 2023

in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements are as below:

## KEY ASSUMPTIONS:

### (A) FINANCIAL INSTRUMENTS:

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### (B) USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS:

The company reviews the useful life of Property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### (C) VALUATION OF INVENTORIES:

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

### (D) ASSETS AND OBLIGATIONS RELATING TO EMPLOYEE BENEFITS:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These inter alia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### (E) RECOGNITION AND MEASUREMENT OF OTHER PROVISIONS:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

## 1.4 SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the standalone financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the standalone financial statements.

### (A) REVENUE RECOGNITION

#### a) Revenue From Contracts With Customers

The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns and discounts.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services.

To recognise revenues, the Company applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognise revenues when a performance obligation is satisfied.

Revenue is measured based on the consideration specified in a contract with a customer and excludes taxes and amounts collected on behalf of third parties.



## Notes to Standalone Financial Statements for the year ended March 31, 2023

The Company presents revenues net of indirect taxes in its statement of profit and loss.

- a. 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.
- b. Dividend Income is recognised when the Company's right to receive is established which generally occurs when the shareholders approve the dividend.
- c. Revenue from services is recognised when all relevant activities are completed and the right to receive income is established.
- d. Revenue in respect of insurance/other claims, commission, interest for delayed payment etc. is recognised only when it is reasonably certain that the ultimate collection will be made.
- e. For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate method (EIR).

### (B) PROPERTY, PLANT AND EQUIPMENT

- a) Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.
- b) The cost of an item of Property, Plant and Equipment is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the Property, Plant and Equipment have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.
- c) An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss.
- d) The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- e) Long-term lease arrangements in respect of land are treated as Property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land. Cost in respect of the same is amortised over the period of respective lease arrangement.

### (C) INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised, and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred. Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

### (D) DEPRECIATION AND AMORTISATION

Depreciation on Property, Plant and Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II to the Companies Act, 2013, the Company has assessed the estimated useful lives of its Property, Plant and Equipment and has adopted the useful lives and residual value as prescribed therein except following cases which are based on internal technical assessment:

## Notes to Standalone Financial Statements for the year ended March 31, 2023

Particulars	Useful Life of Assets
Leasehold Land	Remaining period of Lease
Software	5 Years
Windmill	25 Years
Plant & Machinery	14 -25 Years
Plant & Machinery having more wear and tear	5 Years

### (E) IMPAIRMENT OF FINANCIAL ASSETS

Carrying amount of Tangible assets and Intangible assets, investments in Subsidiaries and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### (F) INVENTORIES

Raw materials, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition.

Cost of raw materials, components and stores and spares which do not meet the recognition criteria under Property, Plant and Equipment is determined on a weighted average basis.

Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Provision is made for the cost of obsolescence and other anticipated losses, wherever considered necessary.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, price changes and such other related factors.

### (G) CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents in the Balance Sheet comprises of cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

For the purpose of statement of cashflows, cash and cash equivalents consist of cash, short-term deposits as defined above, bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value as they are considered as an integral part of the Company's management.

### (H) GOVERNMENT GRANT

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.





## Notes to Standalone Financial Statements for the year ended March 31, 2023

The above criteria is also used for recognition of incentives under various scheme notified by the Government. When the grant relates to an asset, it is recognised as deferred income and amortised over the useful life of such assets.

### (I) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

#### **Initial Recognition and Measurement- Financial Assets and Financial Liabilities**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

#### **Classification and Subsequent Measurement: Financial Assets**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual characteristics of financial asset

#### **Amortised Cost**

A financial asset is classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Fair Value Through Other Comprehensive Income (FVTOCI)**

A financial asset is classified and measured at FVTOCI if both of the following conditions are met :

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Fair Value Through Profit & Loss (FVTPL)**

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### **Impairment of Financial Assets**

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### **(Classification and Subsequent Measurement: Financial Liabilities)**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

#### **Financial Liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon Initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

# Notes to Standalone Financial Statements for the year ended March 31, 2023

## Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

## Derecognition of Financial Asset and Financial Liabilities

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

## Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

## (J) FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

### Classification as Debt or Equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

## (K) INVESTMENTS IN SUBSIDIARY AND ASSOCIATE

A Subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following:

- (i) Power over the investee,
- (ii) Exposure, or rights, to variable returns from its involvement with the investee and
- (iii) The ability to use its power over the investee to affect the amount of the investor's returns.

An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The Company's investments in its Subsidiary and Associate are accounted at cost.

## (L) BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## (M) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.



## Notes to Standalone Financial Statements for the year ended March 31, 2023

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

### (N) CONTINGENT LIABILITIES ARE DISCLOSED IN THE CASE OF:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

### (O) GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

#### Short-Term Obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

#### Post-Employment Obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund.

#### Gratuity Obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

#### Other Long Term Employee Benefit Obligations

The Leave Encashment are presented as short-term provision in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### Bonus Plan

The company recognises a liability for expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### (P) TAXES ON INCOME

#### Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

## Notes to Standalone Financial Statements for the year ended March 31, 2023

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

### (Q) SHARE BASED PAYMENT ARRANGEMENTS: -

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 49. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share option's outstanding account.

### (R) EARNINGS 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, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### (S) FOREIGN CURRENCY TRANSLATION

#### Functional and presentation currency

The Company's financial statements are prepared in INR, which is also the Company's functional and presentation currency.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates



## Notes to Standalone Financial Statements for the year ended March 31, 2023

of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

In case of advance payment for purchase of assets/goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

### **Non-Monetary items:**

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### **(T) DIVIDEND DISTRIBUTION**

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### **(U) LEASES**

#### **Company as a lessee**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and Right of Use assets representing the right to use the underlying assets as below.

#### **Right Of Use (ROU) Assets**

The Company recognises Right of Use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of Use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of Right of Use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of Use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset

#### **Lease Liabilities**

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related ROU assets.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 2. PROPERTY, PLANT AND EQUIPMENT :

₹ in Lakhs

Particulars	Year Ended March 31, 2023								Net Carrying Amount As at March 31, 2023
	Gross Carrying Amount				Depreciation / Impairment				
	As at April 1, 2022	Addition	Disposal/ Adjustment	As at March 31, 2023	As at April 1, 2022	For the Year	Elimination on disposal	As at March 31, 2023	
Buildings	3,738.71	249.60	-	3,988.31	299.32	112.72	-	412.04	3,576.27
Plant and Machinery (Refer note 2.1)	12,772.18	1,515.48	114.14	14,173.52	3,935.19	999.53	28.77	4,905.95	9,267.57
Furniture, Fixtures and Fittings	475.48	75.60	-	551.08	249.10	39.89	-	288.99	262.09
Computers	80.80	11.51	-	92.31	61.38	7.58	-	68.96	23.35
Office Equipments	125.13	20.58	-	145.71	95.67	6.82	-	102.49	43.22
Electrical Installations	338.43	19.55	-	357.98	140.22	33.60	-	173.82	184.16
Vehicles	144.46	64.80	9.98	199.28	42.40	16.70	7.65	51.45	147.83
<b>Sub total</b>	<b>17,675.19</b>	<b>1,957.12</b>	<b>124.12</b>	<b>19,508.19</b>	<b>4,823.28</b>	<b>1,216.84</b>	<b>36.42</b>	<b>6,003.70</b>	<b>13,504.49</b>
Leasehold Land	1,738.48	-	-	1,738.48	20.19	21.36	-	41.55	1,696.93
<b>Sub total</b>	<b>1,738.48</b>	<b>-</b>	<b>-</b>	<b>1,738.48</b>	<b>20.19</b>	<b>21.36</b>	<b>-</b>	<b>41.55</b>	<b>1,696.93</b>
<b>Total</b>	<b>19,413.67</b>	<b>1,957.12</b>	<b>124.12</b>	<b>21,246.67</b>	<b>4,843.47</b>	<b>1,238.21</b>	<b>36.42</b>	<b>6,045.25</b>	<b>15,201.42</b>

Particulars	Year Ended March 31, 2022								Net Carrying Amount As at March 31, 2022
	Gross Carrying Amount				Depreciation / Impairment				
	As at April 1, 2021	Addition	Disposal/ Adjustment	As at March 31, 2022	As at April 1, 2021	For the Year	Elimination on disposal	As at March 31, 2022	
Buildings	2,149.20	1,589.51	-	3,738.71	218.73	80.59	-	299.32	3,439.39
Plant and Machinery (Refer note 2.1)	9,284.96	3,487.22	-	12,772.18	3,104.89	830.30	-	3,935.19	8,836.99
Furniture, Fixtures and Fittings	394.77	80.71	-	475.48	211.14	37.96	-	249.10	226.38
Computers	66.16	14.64	-	80.80	57.65	3.73	-	61.38	19.42
Office Equipments	101.16	23.97	-	125.13	87.88	7.79	-	95.67	29.46
Electrical Installations	183.21	155.22	-	338.43	114.95	25.27	-	140.22	198.21
Vehicles	122.65	21.81	-	144.46	27.40	15.00	-	42.40	102.06
<b>Sub total</b>	<b>12,302.11</b>	<b>5,373.08</b>	<b>-</b>	<b>17,675.19</b>	<b>3,822.64</b>	<b>1,000.64</b>	<b>-</b>	<b>4,823.28</b>	<b>12,851.91</b>
Leasehold Land	238.11	1,500.37	-	1,738.48	7.49	12.70	-	20.19	1,718.29
<b>Sub total</b>	<b>238.11</b>	<b>1,500.37</b>	<b>-</b>	<b>1,738.48</b>	<b>7.49</b>	<b>12.70</b>	<b>-</b>	<b>20.19</b>	<b>1,718.29</b>
<b>Total</b>	<b>12,540.22</b>	<b>6,873.45</b>	<b>-</b>	<b>19,413.67</b>	<b>3,830.13</b>	<b>1,013.34</b>	<b>-</b>	<b>4,843.47</b>	<b>14,570.20</b>

#### Notes:-

2.1 During the Financial year ended March 31, 2023, addition to Plant and Machinery includes EPCG amounting to ₹122.15 lakhs ( March 31, 2022:- ₹123.58 Lakhs) in line with the requirements of Ind AS-20.

2.2 There are no Immovable properties whose title deeds are not in the name of the Company.

### 3. CAPITAL WORK-IN-PROGRESS

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Work-in-Progress	14.98	100.89
<b>Total</b>	<b>14.98</b>	<b>100.89</b>

The capital work-in-progress ageing schedule for the years ended March 31, 2023 and March 31, 2022 is as follows

₹ in Lakhs

Particulars	As at March 31, 2023				
	Less Than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in Progress	14.98	-	-	-	14.98



# Notes to Standalone Financial Statements

 for the year ended March 31, 2023

## 3. CAPITAL WORK-IN-PROGRESS (contd...)

The capital work-in-progress ageing schedule for the years ended March 31, 2023 and March 31, 2022 is as follows

₹ in Lakhs

Particulars	As at March 31, 2022				Total
	Less Than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	100.89	-	-	-	100.89

**Notes:**

3.1 There are no Projects in which activity has been suspended.

3.2 There are no projects as on the reporting date which has exceeded cost as compared to the original plan or where cost is overdue.

## 4. INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Year Ended March 31, 2023								Net Carrying Amount As at March 31, 2023
	Gross Carrying Amount				Depreciation / Impairment				
	As at April 1, 2022	Addition	Disposal	As at March 31, 2023	As at April 1, 2022	For the Year	Elimination on disposal	As at March 31, 2023	
ERP Software	160.54	5.21	-	165.75	128.86	11.31	-	140.17	25.58
<b>Total</b>	<b>160.54</b>	<b>5.21</b>	<b>-</b>	<b>165.75</b>	<b>128.86</b>	<b>11.31</b>	<b>-</b>	<b>140.17</b>	<b>25.58</b>

₹ in Lakhs

Particulars	Year Ended March 31, 2022								Net Carrying Amount As at March 31, 2022
	Gross Carrying Amount				Depreciation / Impairment				
	As at April 1, 2021	Addition	Disposal	As at March 31, 2022	As at April 1, 2021	For the Year	Elimination on disposal	As at March 31, 2022	
ERP Software	143.31	17.23	-	160.54	101.13	27.74	-	128.86	31.68
<b>Total</b>	<b>143.31</b>	<b>17.23</b>	<b>-</b>	<b>160.54</b>	<b>101.13</b>	<b>27.74</b>	<b>-</b>	<b>128.86</b>	<b>31.68</b>

## 5. RIGHT OF USE ASSETS AND LEASE LIABILITIES

### (a) Right of Use Assets

₹ in Lakhs

Particulars	Leasehold Building	Leasehold Land	Total
As on April 01, 2021	658.51	4.11	662.62
Additions during the year	35.27	-	35.27
Deletion during the year	33.83	-	33.83
Depreciation of Right of use assets	144.53	0.48	145.01
<b>Balance as at March 31, 2022</b>	<b>515.42</b>	<b>3.63</b>	<b>519.05</b>
Additions during the year	272.36	-	272.36
Deletion during the year	-	-	-
Depreciation of Right of use assets	155.68	0.48	156.16
<b>Balance as at March 31, 2023</b>	<b>632.10</b>	<b>3.15</b>	<b>635.25</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 5. RIGHT OF USE ASSETS AND LEASE LIABILITIES

#### (b) Lease Liabilities

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Opening Balance</b>	550.05	668.31
Additions during the year	255.99	34.52
Retirements during the year	-	(38.15)
Interest expense	57.85	54.11
Payment of lease liabilities during the year	(183.87)	(168.74)
<b>Closing Balance</b>	<b>680.02</b>	<b>550.05</b>
Current	146.68	124.73
Non-Current	533.34	425.32

For Maturity Analysis of Leases, refer note 41.

### 6. NON CURRENT INVESTMENTS (Fully Paid up except otherwise stated)

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
<b>Investment in Subsidiary and Associate</b>			
<b>Investment in Subsidiary (Measured at Cost)</b>			
Orbit Inc		778.56	778.56
12,00,000 (March 31, 2022: 12,00,000) shares of \$1 each			
<b>Investment in Associate (Measured at Cost)</b>			
Rainbow Line Trading L.L.C.		56.19	56.19
147 (March 31, 2022: 147) shares of AED 1000 each			
<b>Investments (measured at FVTPL)</b>			
<b>Investment in equity shares of other entity</b>			
The Kurla Nagrik Sahakari Bank Limited		1.00	1.00
10,000 (March 31, 2022: 10,000) shares of ₹10 each			
<b>Investment in Quoted Mutual Funds</b>			
HDFC Nifty G-Sec Dec 2026 Index Fund		1,012.74	-
98,34,284.053 units (March 31, 2022: Nil)			
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund		600.00	-
57,60,467.788 Units (March 31, 2022: Nil)			
<b>Investments (measured at Amortised Cost)</b>			
<b>Investment in Unquoted Government Security</b>			
National Savings Certificate	6.1	0.37	0.37
<b>Total</b>		<b>2,448.86</b>	<b>836.12</b>
Aggregate amount of quoted investments at market value		1,612.74	-
Aggregate amount of unquoted investments at cost		836.12	836.12
Aggregate amount of impairment in value of investments		-	-

6.1 The National Savings certificate has been pledged with Sales tax and government authorities.





# Notes to Standalone Financial Statements

for the year ended March 31, 2023

## 7. OTHER FINANCIAL ASSETS: NON CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Fixed deposits with Banks	7.1 & 7.2	28.00	223.00
Fixed Deposits with Financial Institution	7.1	500.00	726.54
Security Deposits		180.35	151.65
<b>Total</b>		<b>708.35</b>	<b>1,101.19</b>

7.1 Refers to fixed deposits with maturities over 12 months from Balance Sheet date.

7.2 Bank Deposits include ₹ Nil (March 31, 2022 : ₹223 lakhs) pledged as collateral security against financial assistance and ₹28 lakhs (March 31, 2022 ₹28 lakhs) in compliance with Court order in a sub judiced matter.

## 8. OTHER NON CURRENT ASSETS

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Capital Advances (Unsecured, Considered good)		31.03	122.38
Prepaid Expenses		61.27	64.50
Deposits paid under Protest		0.46	-
Balance with Government Authorities		74.68	76.94
<b>Total</b>		<b>167.44</b>	<b>263.82</b>

## 9. INVENTORIES (At lower of cost or Net Realisable Value)

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Raw material	9.1	726.98	661.09
Work-in-progress		920.50	975.99
Finished goods		1,816.33	1,291.10
Stores and spares	9.1	187.59	157.15
<b>Total</b>		<b>3,651.40</b>	<b>3,085.33</b>

### 9.1 The above includes goods-in-transit as under :-

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Raw material		25.28	53.92
Stores and spares		-	3.55
<b>Total</b>		<b>25.28</b>	<b>57.47</b>

## 10. TRADE RECEIVABLES

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Trade Receivables Considered good, Unsecured	10.1	2,241.88	2,593.19
Less: Allowances for Expected Credit Loss	10.2	(13.84)	(20.41)
<b>Total Trade Receivables considered good, Unsecured</b>		<b>2,228.04</b>	<b>2,572.78</b>
Trade Receivables Credit Impaired		-	-
Less: Allowances for Credit Impairment		-	-
<b>Total Trade Receivables Credit impaired, Unsecured</b>		<b>-</b>	<b>-</b>
<b>Total Trade Receivables</b>		<b>2,228.04</b>	<b>2,572.78</b>
Includes dues from Subsidiary		349.06	307.94
Includes dues from Associate		35.05	254.24

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 10. TRADE RECEIVABLES (contd...)

#### 10.1 The ageing of Trade Receivables is as under:-

₹ in Lakhs

Particulars	Outstanding from due date of Payment as on March 31 2023						
	Not Due	0-6 Months	6 -12 Months	1-2 Years	2-3 years	More than 3 years	Total
<b>Undisputed</b>							
Considered Good	1,384.84	802.79	22.80	25.80	2.54	0.51	2,239.28
Significant Increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>1,384.84</b>	<b>802.79</b>	<b>22.80</b>	<b>25.80</b>	<b>2.54</b>	<b>0.51</b>	<b>2,239.28</b>
<b>Disputed</b>							
Considered Good	-	-	-	-	-	-	-
Significant Increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Unbilled Revenue							2.60
Allowances for Expected Credit Loss							(13.84)
<b>Total</b>							<b>2,228.04</b>

₹ in Lakhs

Particulars	Outstanding from due date of Payment as on March 31 2022						
	Not Due	0-6 Months	6 -12 Months	1-2 Years	2-3 years	More than 3 years	Total
<b>Undisputed</b>							
Considered Good	1,587.38	956.29	22.42	12.31	10.48	0.06	2,588.94
Significant Increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>1,587.38</b>	<b>956.29</b>	<b>22.42</b>	<b>12.31</b>	<b>10.48</b>	<b>0.06</b>	<b>2,588.94</b>
<b>Disputed</b>							
Considered Good	-	-	-	-	-	-	-
Significant Increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Unbilled Revenue							4.25
Allowances for Expected Credit Loss							(20.41)
<b>Total</b>							<b>2,572.78</b>

#### 10.2 Movement in Impairment allowance of Doubtful Receivables:-

₹ in Lakhs

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Opening	20.41	37.30
Add: Created	-	-
Less: Utilized/Reversed	(6.57)	(16.89)
Closing	13.84	20.41



## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 11. CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Balances with Banks			
In Current Accounts		0.83	130.29
In Cash Credit Accounts		82.91	0.03
Cash on hand		19.80	19.12
<b>Total</b>		<b>103.54</b>	<b>149.44</b>

### 12. BANK BALANCES OTHER THAN ABOVE

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Fixed Deposits	12.1 & 12.2	160.46	1,330.42
Unclaimed Dividend Accounts		20.93	28.71
<b>Total</b>		<b>181.39</b>	<b>1,359.13</b>

12.1 Refers to fixed deposits with original maturity of more than 3 months but remaining maturity of less than 12 months.

12.2 Deposits includes ₹160.46 lakhs (March 31, 2022: ₹1194.67 Lakhs) has been held as security against financial assistance from Bank.

### 13. LOANS

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Loan to Employees, Unsecured, Considered good	13.1	7.86	4.18
<b>Total</b>		<b>7.86</b>	<b>4.18</b>

13.1 No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

13.2 During the year, the Company has granted unsecured loan to a unrelated body corporate amounting to ₹200 lakhs (FY 2021-22 : ₹50 lakhs) which was repaid during the year in whole along with interest. This inter corporate loan was in line with the provisions of the Section 186 of the Companies Act 2013.

### 14. OTHER FINANCIAL ASSETS: CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Fixed Deposits with Financial Institutions		726.54	500.00
Interest accrued but not due on fixed deposits		80.88	49.63
Mark to Market on Derivative Financial Instruments		-	53.64
Others		6.39	25.00
<b>Total</b>		<b>813.81</b>	<b>628.27</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 15. OTHER CURRENT ASSETS

₹ in Lakhs

Particulars	Refer Note No	As at	As at
		March 31, 2023	March 31, 2022
Advances to Suppliers	15.1	12.96	14.24
Prepaid Expenses		99.78	101.16
Insurance Receivable	50	-	710.59
Others		10.10	15.17
<b>Balances with Government Authorities</b>			
Export Incentives		57.12	84.02
GST Refund Receivable		44.46	124.56
GST Input Tax Credit		602.65	440.83
<b>Total</b>		<b>827.07</b>	<b>1,490.57</b>

15.1 No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

### 16. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>Authorised share capital :</b>		
3,50,00,000 (March 31, 2022: 3,50,00,000) Equity shares of ₹10/- each	3,500.00	3,500.00
<b>Issued, Subscribed and Paid up Capital</b>		
2,69,74,902 (March 31, 2022: 2,73,83,065) Equity shares of ₹10/- each fully paid up	2,697.49	2,738.31

#### 16.1 Reconciliation of shares outstanding as at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
Equity Shares				
Opening Balance	2,73,83,065	2,738.31	2,73,83,065	2,738.31
Shares extinguished on buyback	(4,08,163)	(40.82)	-	-
Closing Balance	2,69,74,902	2,697.49	2,73,83,065	2,738.31

#### 16.2 Rights, Preference and restrictions attached to Equity shares

The Company has only one class of issued shares i.e. Equity Shares having par value of ₹10/- per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

#### 16.3 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

#### 16.4 Details of Equity Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	%age Holding	No of shares	%age Holding
Mr. Pankaj Seth	1,11,73,045	41.42	1,12,54,361	41.10
Mrs. Anisha Seth	39,99,017	14.82	40,69,270	14.86
Mediaman Multitrade Private Limited	25,77,084	9.55	26,28,940	9.60
Mr. Kaushik Daga	20,28,094	7.52	20,56,830	7.51
Mr. Varun Daga	18,56,246	6.88	18,82,546	6.87



# Notes to Standalone Financial Statements

 for the year ended March 31, 2023

## 16. EQUITY SHARE CAPITAL (Contd.)

### 16.5 Details of shareholding of promoters

Particulars	As at March 31,2023		As at March 31,2022		% change During the year
	No of shares	%age Holding	No of shares	%age Holding	
Mr. Pankaj Seth	1,11,73,045	41.42	1,12,54,361	41.10	-0.72%
Mrs. Anisha Seth	39,99,017	14.82	40,69,270	14.86	-1.73%
Mr. Parth Seth	1,19,138	0.44	1,26,411	0.46	-5.75%
Mrs. Vishakha Seth Mehra	16,657	0.06	17,676	0.06	-5.76%
Pankaj S Seth (HUF)	9,449	0.04	10,026	0.04	-5.76%
Mediaman Multitrade Private Limited	25,77,084	9.55	26,28,940	9.60	-1.97%

16.6 No equity shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

16.7 The Company has bought back 408,163 ordinary shares for an aggregate amount not exceeding ₹1000 lakhs (excluding taxes and transaction cost) being 1.49% of the total paid up equity share capital of the Company at ₹245/-share. The equity shares bought back were extinguished on January 09, 2023. The company has bought back 8,74,791 ordinary shares during the financial year 2019-20.

16.8 No securities convertible into equity shares have been issued by the Company during the year.

16.9 No calls are unpaid by any Director or Officer of the Company during the year.

## 17. OTHER EQUITY

₹ in Lakhs

Particulars	Refer Note No	As at	As at
		March 31, 2023	March 31, 2022
Retained Earnings	17.1	17,196.54	15,396.34
Capital Redemption Reserve	17.2	172.74	131.92
Share Based Payment Reserve	17.3	65.60	11.59
<b>Total</b>		<b>17,434.88</b>	<b>15,539.85</b>

### Nature/Purpose of Each reserve

- Retained Earnings :Retained earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividend and adjustments on account of transition to Ind AS.
- Capital Redemption Reserve :The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.
- Share Based payment Reserve :The fair value of the equity-settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 17. OTHER EQUITY (Contd.)

The details in changes of Other Equity during the year are as follows:-

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>17.1 Retained Earnings</b>		
Balance at the beginning of the year	15,396.34	13,839.51
Add: Profit for the year	3,053.54	1,588.93
Add: Other Comprehensive income	8.05	(32.10)
Less: Buyback Expenses (Inclusive of Expenses and taxes)	(1,261.39)	-
Balance at the end of the year	17,196.54	15,396.34
<b>17.2 Capital Redemption Reserve</b>		
Balance at the Beginning of the year	131.92	131.92
Add: Recognition During the year	40.82	-
Balance at the end of the year	172.74	131.92
<b>17.3 Share Based Payment Reserve</b>		
Balance at the beginning of the year	11.59	-
Add: Recognition of share based Payment	54.01	11.59
Balance at the end of the year	65.60	11.59
<b>Total</b>	<b>17,434.88</b>	<b>15,539.85</b>

### 18. NON CURRENT BORROWINGS

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Secured			
Term Loan from Banks	18.1	2,496.10	2,471.58
Vehicle Loans	18.2	41.16	48.82
Less: Current Maturities Transferred to Short-Term Borrowings		(792.51)	(605.76)
<b>Total</b>		<b>1,744.75</b>	<b>1,914.64</b>

#### 18.1 Details of Security

Nature of Security	Terms of Repayment
a. Term Loan ₹1.62 Lakhs (March 31,2022: ₹19.46 Lakhs) is secured by First pari passu charge by way of hypothecation of current assets, entire plant and machinery, movable and immovable fixed assets of the company at Sarigam Location. Further the loan is secured by collateral of the land and building situated at Ashmeeta Textile Park, Kalyan Maharashtra and Plot No. 13 to 20 Sarigam Gujarat along with the personal guarantee of a director of the company.	Repayable in 60 equated monthly installments starting May 2018 and carries an interest rate of 8.06% p.a
b. Term Loan ₹1,863.89 Lakhs (March 31,2022: ₹2,417.12 Lakhs) is secured by First pari passu charge by way of hypothecation of current assets, entire plant and machinery, movable and immovable fixed assets of the company at Sarigam Location. Further the loan is secured by collateral of the land and building situated at Ashmeeta Textile Park, Kalyan Maharashtra and Plot No. 13 to 20 Sarigam Gujarat along with the personal guarantee of a director of the company.	Repayable in 60 equated monthly installments starting Feb 2021 and carries an interest rate of 8.06% p.a
c. Term Loan ₹630.59 Lakhs (March 31,2022: ₹35 Lakhs) is secured by First pari passu charge by way of hypothecation of current assets, entire plant and machinery, movable and immovable fixed assets of the company at Sarigam Location. Further the loan is secured by collateral of the land and building situated at Ashmeeta Textile Park, Kalyan Maharashtra and Plot No. 13 to 20 Sarigam Gujarat along with the personal guarantee of a director of the company.	Repayable in 60 equated monthly installments starting Apr 2022 and carries an interest rate of 8.75% p.a

**18.2** Vehicle loan is secured against hypothecation of vehicle purchased from the loan repayable in 36 equated monthly installments ending Jan 2024 and carries an interest rate of 7.05% p.a.

**18.3** For details of value pledged as security, refer note 39.



orbit exports ltd.

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 19. OTHER FINANCIAL LIABILITIES : NON CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Security Deposit		9.50	9.00
<b>Total</b>		<b>9.50</b>	<b>9.00</b>

### 20. DEFERRED TAX LIABILITIES (NET)

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Liabilities</b>			
Arising on account of :			
Property Plant & Equipment, Intangibles and ROU Assets		1,138.65	1,162.73
Fair Value Gain on Financial Instruments		3.21	-
Forward Contracts		-	13.50
<b>Total (A)</b>		<b>1,141.86</b>	<b>1,176.23</b>
<b>Less:Deferred Tax Assets:</b>			
Arising on account of:			
Allowances on Expected Credit Loss		3.48	5.14
Forward Contracts		9.69	-
Disallowance under Income Tax Act		62.42	38.89
<b>Total (B)</b>		<b>75.59</b>	<b>44.03</b>
<b>Total (A-B)</b>		<b>1,066.27</b>	<b>1,132.20</b>

### 20.1 Movement in deferred tax liability/(asset) during the year ended March 31, 2023

₹ in Lakhs

	As at April 01, 2022	Charge/ (credit) in Statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	As at March 31, 2023
<b>Deferred Tax Liability/(Asset):</b>				
Property Plant & Equipment, Intangibles and ROU Assets	1,162.73	(24.08)	-	1,138.65
Fair Value Gain on Financial Instruments	-	3.21	-	3.21
Forward Contracts	13.50	(23.19)	-	(9.69)
Allowances on Expected Credit Loss	(5.14)	1.66	-	(3.48)
Amount Deductible on Payment Basis	(38.89)	(26.24)	2.71	(62.42)
<b>Total</b>	<b>1,132.20</b>	<b>(68.64)</b>	<b>2.71</b>	<b>1,066.27</b>

### Movement in deferred tax liability/(asset) during the year ended March 31, 2022

₹ in Lakhs

	As at April 01, 2021	Charge/ (credit) in Statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	As at March 31, 2022
<b>Deferred Tax Liability/Asset :</b>				
Property Plant & Equipment, Intangibles and ROU Assets	1,144.13	18.60	-	1,162.73
Forward Contracts	0.00	13.50	-	13.50
Allowances on Expected Credit Loss	(9.37)	4.24	-	(5.14)
Amount Deductible on Payment Basis	(42.94)	14.85	(10.80)	(38.89)
<b>Total</b>	<b>1,091.81</b>	<b>51.19</b>	<b>(10.80)</b>	<b>1,132.20</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 21. OTHER NON CURRENT LIABILITIES

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Deferred Income on Capital Subsidy		494.79	460.70
<b>Total</b>		<b>494.79</b>	<b>460.70</b>

### 22. PROVISIONS: NON CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Provisions for Employee Benefit			
Gratuity		216.23	154.53
<b>Total</b>		<b>216.23</b>	<b>154.53</b>

### 23. CURRENT BORROWINGS

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Cash Credit/Working capital demand loans from Banks (Secured)	23.1 & 23.2	-	1,396.84
Current Maturities of Long term Borrowings		792.51	605.76
<b>Total</b>		<b>792.51</b>	<b>2,002.60</b>

23.1 Working Capital demand Loans include Export packing Credit of Nil (March 31, 2022: ₹1,381.37 lakhs).

#### 23.2 Details of security

- Cash Credit and Working Capital demand loan of Nil (March 31, 2022: ₹498.93 lakhs) is secured by hypothecation of Current Assets, both present and future.
- Cash Credit and Working Capital demand loan of Nil (March 31, 2022: ₹897.91 lakhs) is secured by fixed deposits.

### 24. TRADE PAYABLE

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of Micro Enterprises and Small Enterprises		38.65	100.50
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		854.56	705.24
<b>Total</b>		<b>893.21</b>	<b>805.74</b>

#### 24.1 The ageing of Trade Payables from due date of payment as on March 31, 2023 are:-

₹ in Lakhs

Particulars	Not Due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	38.65	-	-	-	-	38.65
Other than Micro Enterprises and Small Enterprises	768.18	81.45	4.93	-	-	854.56
<b>Total</b>	<b>806.83</b>	<b>81.45</b>	<b>4.93</b>	<b>-</b>	<b>-</b>	<b>893.21</b>

#### 24.1 The ageing of Trade Payables from due date of payment as on March 31, 2022 are:-

₹ in Lakhs

Particulars	Not Due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	99.98	0.52	-	-	-	100.50
Other than Micro Enterprises and Small Enterprises	528.69	171.87	4.68	-	-	705.24
<b>Total</b>	<b>628.67</b>	<b>172.39</b>	<b>4.68</b>	<b>-</b>	<b>-</b>	<b>805.74</b>

24.2 There are no unbilled dues as on March 31, 2023 and March 31, 2022





# Notes to Standalone Financial Statements

 for the year ended March 31, 2023

## 25. OTHER FINANCIAL LIABILITIES : CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Employee related Liabilities		211.67	185.81
Liability for Capital goods		31.70	233.91
Interest accrued but not due on loans		11.58	14.74
Unclaimed Dividends	25.1	20.93	28.71
Outstanding Liability for Expenses		100.51	157.97
Mark to Market on Derivative Financial Instruments		38.51	-
<b>Total</b>		<b>414.90</b>	<b>621.14</b>

25.1 There are no amounts due for payment to Investor Education and Protection Fund As at March 31, 2023 and March 31, 2022

## 26. OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Statutory Liabilities		61.01	82.16
Advances from Customers		388.72	522.61
Deferred Income on Capital Subsidy		83.84	75.12
<b>Total</b>		<b>533.57</b>	<b>679.89</b>

## 27. PROVISIONS:CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Provisions for Employee Benefit			
Gratuity		14.21	52.22
<b>Total</b>		<b>14.21</b>	<b>52.22</b>

## 28. REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	28.1	18,467.49	12,051.96
Sale of power		41.12	43.64
Sale of Services		108.89	2.03
		<b>18,617.50</b>	<b>12,097.63</b>
<b>Other operating revenue</b>			
Export Incentives		329.69	213.07
<b>Total</b>		<b>18,947.19</b>	<b>12,310.70</b>

### 28.1 Disclosures pursuant to Ind AS 115:

#### a. Contract Balances

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Contract Assets</b>		
Trade Receivables	2,241.88	2,593.19
<b>Contract Liabilities</b>		
Advances Received from Customers	388.72	522.61

b. Revenue recognised from contract liability outstanding at the beginning of the year amounted to ₹522.61 lakhs.

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 28. REVENUE FROM OPERATIONS (Contd.)

#### c. Reconciliation of revenue as recognised in standalone statement of profit and Loss with the contracted price

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue as per Contracted Price	18,730.46	12,164.86
Less:		
Discounts and Incentives	112.96	67.23
<b>Total</b>	<b>18,617.50</b>	<b>12,097.63</b>

#### d. Revenue from contracts with customers disaggregated based on geography

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Customers outside India	11,541.65	7,273.70
Revenue from Customers within India	7,075.85	4,823.93
<b>Total</b>	<b>18,617.50</b>	<b>12,097.63</b>

e. There are transactions with one external customer which amounts to 10% or more of the Company's revenue.

### 29. OTHER INCOME

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
<b>Interest Income from financial assets measured at amortised cost</b>			
On fixed deposits		145.24	125.50
Others		20.90	13.56
		<b>166.14</b>	<b>139.06</b>
<b>Other non operating income</b>			
Fair Value Gain on Investments measured at FVTPL		12.74	-
Deferred Income on Government grant		79.35	70.71
Rent		36.20	33.80
Provisions/Liabilities no longer required written back		15.66	15.71
Others		0.12	4.98
<b>Total</b>		<b>310.21</b>	<b>264.26</b>

### 30. COST OF MATERIAL CONSUMED

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Inventory at the beginning of the year		661.09	432.21
Add : Purchases		7,240.21	5,503.12
		<b>7,901.30</b>	<b>5,935.33</b>
Less : Inventory at the end of the year		726.98	661.09
Less: Loss of stock due to fire		-	-
<b>Total</b>		<b>7,174.32</b>	<b>5,274.24</b>



## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 31. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
<b>Inventories at the beginning of the year</b>			
Finished Goods		1,291.10	853.13
Work-in-Progress		975.99	521.21
	(A)	<b>2,267.09</b>	<b>1,374.34</b>
<b>Inventories at the end of the year</b>			
Finished Goods		1,816.33	1,291.10
Work-in-Progress		920.50	975.99
	(B)	<b>2,736.83</b>	<b>2,267.09</b>
<b>Total</b>	A-B	<b>(469.74)</b>	<b>(892.75)</b>

### 32. EMPLOYEE BENEFIT EXPENSE

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus		2,515.39	1,992.01
Contribution to provident and other fund		124.78	97.72
Staff welfare expenses		105.04	58.94
Share Based Payment	49	54.01	11.59
<b>Total</b>		<b>2,799.22</b>	<b>2,160.26</b>

### 33. FINANCE COST

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Interest on Borrowings		255.70	138.20
Interest on Lease liabilities		57.85	54.11
Interest Others		25.02	2.56
<b>Total</b>		<b>338.57</b>	<b>194.87</b>

### 34. DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of Property, Plant and Equipment		1,238.21	1,013.34
Depreciation on ROU Assets		156.16	145.01
Amortisation of Intangible assets		11.31	27.74
<b>Total</b>		<b>1,405.68</b>	<b>1,186.09</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 35. OTHER EXPENSES

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Power and Fuel		1,179.66	695.59
Labour Charges		522.46	281.82
Repairs and Maintenance:			
Plant and Machinery		249.74	164.18
Others		185.76	148.11
Commission and Brokerage		236.74	202.75
Freight and Forwarding Expense		397.58	372.14
Selling and Distribution Expenses		131.43	92.77
Advertisement, Sales Promotion and Marketing Fees		85.71	44.43
Travelling and Conveyance		265.74	126.02
Legal and Professional Charges		150.48	102.62
Rates and taxes		54.34	70.63
Rent		23.57	28.90
Insurance Charges		75.06	66.78
Expenditure on Corporate Social Responsibility		36.09	41.56
Bad Debts written off (Net of Reversal of Provision of ₹ Nil ; March 31, 2022 : ₹1.64 lakhs)		8.88	53.76
Loss/(Gain) on Foreign Exchange		52.55	(177.91)
Loss on Sale of Property Plant and Equipment		20.41	-
Remuneration to Statutory Auditors			
Statutory Audit Fees (Inc. Limited Reviews)		12.00	12.00
Other Expenses		306.13	165.91
<b>Total</b>		<b>3,994.33</b>	<b>2,492.06</b>

### 36. TAX EXPENSE

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Current Tax	36.2	987.61	463.72
Deferred Tax		(68.64)	51.19
Tax of Earlier Years		5.78	4.67
<b>Total</b>		<b>924.75</b>	<b>519.58</b>

36.1 Income tax has been provided based on the rates mentioned under section 115BAA of the Income tax Act 1961.

36.2 Reconciliation of estimated Income Tax expense at Indian statutory Income tax rate to income tax expense reported in statement of Profit & Loss.

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before Income tax expense	3,978.29	2108.51
Indian Statutory income tax rate	25.17%	25.17%
<b>Estimated Income tax Expense</b>	<b>1,001.22</b>	<b>530.65</b>
<b>Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense</b>		
Expenses not deductible	12.43	11.11
Expenses deductible	(37.31)	(27.84)
Effect of Tax of earlier years	5.78	4.67
Others	(57.37)	0.99
	<b>924.75</b>	<b>519.58</b>



# Notes to Standalone Financial Statements

 for the year ended March 31, 2023

## 37. EARNING PER SHARE

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Nominal Value of Equity Shares (₹)		10.00	10.00
Profit Attributable to the Equity shareholders of the Company (₹ in lakhs)		3,053.54	1,588.93
Weighted average number of equity shares for calculation of basic earning per share (Nos.)		2,72,92,486	2,73,83,065
Weighted average number of equity shares for calculation of diluted earning per share (Nos.)		2,73,94,991	2,74,01,292
Basic Earning per share		11.19	5.80
Diluted Earning per share	37.1	11.15	5.80

**37.1** Stock Options granted to employees under ESOP scheme are considered to be potential equity shares. The same is considered in determination of diluted earnings per share. The stock options are not included in the determination of Basic Earning per share. The details relating to stock options are given in note no 49.

## 38. CONTINGENT LIABILITY AND COMMITMENTS TO THE EXTENT NOT PROVIDED FOR

### 38.1 Contingent Liabilities

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
A. Claims/Disputes/Demands not acknowledged as debts		
Demand from Tax Authorities	283.30	291.59

### 38.2 Commitments

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	101.24	607.20
Custom duty on capital goods imported under Export promotional capital goods scheme (EPCG) scheme, against which export obligation is to be fulfilled #1	523.91	474.97

#1 Export obligation for licences amounting to ₹278.18 lakhs (March 31, 2022: ₹351.39 lakhs) has been been fulfilled, however procedural formalities for closure of EPCG licenses are pending.

## 39. DETAILS OF ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for borrowings are:-

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non Current:</b>		
<b>First Charge/Second Charge</b>		
<b>Non-Financial Assets</b>		
Land and Building	3,843.91	3,685.75
Plant and Machinery	2,243.92	2,233.16
Other Property Plant and Equipment	233.31	193.27
Vehicle	54.65	63.50
<b>Financial Assets</b>		
Fixed Deposits	28.00	223.00

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 39. DETAILS OF ASSETS PLEDGED AS SECURITY (Contd.)

The carrying amount of assets pledged as security for borrowings are:-

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current:</b>		
<b>First Charge/Second Charge</b>		
<b>Non-Financial Assets</b>		
Inventories	3,651.40	3,085.33
Other Non Financial Assets (Excluding Prepaid Balances and Balances with Govt Authorities)	23.06	740.00
<b>Financial Assets</b>		
Trade Receivables	2,228.04	2,572.78
Cash & Cash Equivalents	103.54	149.44
Other Bank Balances	160.46	1,330.42
Other Current Assets	821.67	632.45
<b>Total</b>	<b>13,391.96</b>	<b>14,909.10</b>

### 40. DISCLOSURE OF TRADE PAYABLES AS REQUIRED UNDER SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006, BASED ON THE CONFIRMATION AND INFORMATION RECEIVED BY THE COMPANY FROM THE SUPPLIERS REGARDING THE STATUS UNDER THE ACT.

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due	38.65	100.50
Interest due on above	-	-
Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest due and payable for the period of delay;	-	-
Interest accrued and remaining unpaid as at year end	-	-
Further remaining due and payable in the succeeding year	-	-

### 41. LEASES

#### 41.1 Future payment of lease liabilities on an undiscounted basis:-

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 1 year	202.17	169.17
One to five years	413.95	480.35
More than 5 years	344.56	-
<b>Total Undiscounted lease liabilities</b>	<b>960.68</b>	<b>649.52</b>

#### 41.2 Amounts recognised in profit and loss

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Interest Expense on lease liabilities	57.85	54.11
Depreciation expense of ROU assets	156.16	145.01
Expense on short term leases (included in other expenses)	23.57	28.90
<b>Total</b>	<b>237.58</b>	<b>228.02</b>

41.3 Total cash outflow during the year was ₹183.87 lakhs (March 31, 2022: ₹168.74 lakhs) except for short term lease and low value assets.



# Notes to Standalone Financial Statements

 for the year ended March 31, 2023

## 42 SEGMENT REPORTING

In accordance with Ind AS 108 on "Operating segments" information has been given in the Consolidated Financial Statement of the Company and therefore no separate disclosure on segment information is given in the Standalone financial Statements.

## 43. CORPORATE SOCIAL RESPONSIBILITY

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount required to be spent by the company	35.57	41.56
Amount Spent during the year on: -		
(i) on construction of Asset	-	-
(ii) on purpose other than (i) above	36.09	41.56
Excess/(Shortfall) at the end of the year	0.52	-
Total of Previous Year's Shortfall	-	-
Reason for Shortfall	NA	NA
Nature of CSR Activities	As per Schedule VII	
Details of Related Party Transactions	-	-
Whether a provision is made in respect of liability incurred by entering into a contractual obligation?	NA	NA

## 44 RELATED PARTY TRANSACTIONS

<b>Names of related parties and related party relationship-where control exists</b>	Subsidiary- Orbit Inc
<b>Related parties with whom transactions have taken place during the year</b>	Associate- Rainbow Line Trading (L.L.C.)
<b>Key management personnel ("KMP")</b>	Mr. Pankaj Seth - Managing director Mrs. Anisha Seth - Whole time director Mr. Varun Daga- Non Executive Director Mr. Pardeep Khosla- Independent Director Mr. Sunil Buch- Independent Director Mrs. Chetna Malaviya- Independent Director Mr. Saumil Marfatia -Independent Director upto May 24, 2021 Mr. Mukesh Deopura - Chief Financial Officer upto Oct 29, 2021 Mr. Rahul Tiwari - Chief Financial Officer with effect from Dec 08, 2021 Ms. Neha Devpura - Company Secretary upto Jan 31, 2022 Mr. Ankit Jain- Company Secretary with effect from Feb 11, 2022
<b>Relatives of key management personnel</b>	Mrs. Vishakha Seth Mehra - Daughter of Mr. Pankaj Seth & Mrs. Anisha 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 & Mrs. Anisha Seth Mrs. Sujata Anil Arora- Sister of Mr. Pankaj Seth Mrs. Rama Shyam Sundar Seth- Mother of Mr. Pankaj Seth Mrs. Chanda Deopura - Wife of Mr. Mukesh Deopura upto Oct 29, 2021
<b>Enterprises owned or significantly influenced by key management personnel or their relatives</b>	M/s Mediaman Multitrade Pvt Ltd.

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 44 RELATED PARTY TRANSACTIONS (contd...)

44.1 The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	For the year ended March 31, 2023				For the year ended March 31, 2022			
	Subsidiary	Associate	KMP & Relatives of KMP	Other Related Parties	Subsidiary	Associate	KMP & Relatives of KMP	Other Related Parties
Sale of Goods	1,094.19	2,918.39	-	-	808.53	2,184.06	-	-
Purchase of Goods	-	0.55	-	-	-	0.08	-	-
Remuneration to KMP	-	-	505.52	-	-	-	448.47	-
Remuneration to relatives of KMP	-	-	69.25	-	-	-	71.43	-
Sitting Fees	-	-	4.54	-	-	-	5.93	-
Rent Payments	-	-	3.60	-	-	-	3.60	-
Consultancy Payments	-	-	1.38	-	-	-	1.38	-
Buyback of shares	-	-	464.70	132.26	-	-	-	-

₹ in Lakhs

### 44.2 Balances Outstanding:

Particulars	As at March 31, 2023				As at March 31, 2022			
	Subsidiary	Associate	KMP & Relatives of KMP	Other Related Parties	Subsidiary	Associate	KMP & Relatives of KMP	Other Related Parties
Amounts Payable	-	-	20.33	-	-	-	3.57	-
Amounts Receivable	349.06	35.05	0.10	-	307.94	254.24	-	-

₹ in Lakhs

### 44.3 Remuneration to Key Managerial Personnel

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Short-term Employment Benefits	505.52	448.47
Post-Employment Benefits	2.08	47.81

₹ in Lakhs

### 44.5 Terms and Conditions of Transaction with related Party

Transactions with related party are carried out in the normal course of business.

## 45 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014.

### 45.1 Defined Contribution plan:

The amounts of contribution to provident fund and ESIC recognized as expenses is ₹70.00 lakhs (March 31, 2022: ₹55.57 lakhs) for the year ended March 31, 2023.

### 45.2 Defined Benefit plan:

The Company sponsors unfunded defined benefit plans for qualifying employee therefore there are no plan assets which are maintained exclusively thereof. In computation of gratuity liability, Project Unit Credit Method is used.

### 45.3 Risk Exposures:

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
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**Notes to Standalone Financial Statements** for the year ended March 31, 2023**45 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014. (contd...)****45.3 Risk Exposures:(contd...)**

Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**45.4 Principal assumptions used for the purpose of actuarial valuation**

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.20%	6.90%
Expected rate of salary increase	7.00%	7.00%
Withdrawal Rate	5%	5%
Mortality Rate	Indian Assured lives (2006-08) ultimate mortality rates	Indian Assured lives (2006-08) ultimate mortality rates
Retirement Rate	58 yrs	58 yrs

**45.5 Amounts recognised in Financial Statements****(a) Amounts recognised in Statement of Profit and Loss in respect of defined benefit plans** ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Service cost:		
Current service cost	35.47	29.51
Interest Cost on net Defined Benefit Obligations	13.75	9.33
<b>Expenses Recognised</b>	<b>49.22</b>	<b>38.84</b>

**(b) Amounts recognised in Other comprehensive income in respect of defined benefit plans** ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Net Actuarial (Gain)/loss	(10.76)	42.90
<b>Expenses Recognised</b>	<b>(10.76)</b>	<b>42.90</b>

**(c) Amounts recognised in Balance Sheet in respect of defined benefit plans** ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Present Value of the Defined Benefit Obligations	(230.44)	(206.75)
<b>Net (Liability)/Asset as on Balance sheet date</b>	<b>(230.44)</b>	<b>(206.75)</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 45 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014. (contd...)

#### 45.6 Movements in present value of defined benefit obligation ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligations	206.75	151.55
Current service cost	35.47	29.51
Interest cost	13.75	9.33
Remeasurement (Gains) / losses		
Actuarial (gains) / losses on Defined Benefit Obligation	(10.76)	42.90
Benefits paid	(14.77)	(26.54)
<b>Closing defined benefit obligation</b>	<b>230.44</b>	<b>206.75</b>

#### 45.7 Reconciliation ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Net Liability	206.75	151.55
Add: Employer Expenses (Expenses recognised in the statement of Profit and Loss Account)	49.22	38.84
Add: Transfer to Other Comprehensive Income	(10.76)	42.90
Less: Benefit Paid	(14.77)	(26.54)
<b>Closing Net Liability</b>	<b>230.44</b>	<b>206.75</b>

#### 45.8 Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate is increased by 1%	(19.41)	(15.16)
Discount Rate is decreased by 1%	22.63	17.88
Salary Growth Rate increased by 1%	20.67	17.35
Salary Growth Rate decreased by 1%	(18.08)	(15.15)

## 46 FAIR VALUE MEASUREMENT

### 46.1 Methods and assumptions used to estimate the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non-current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term loans, long term security deposits given and remaining non-current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair values of long term security deposits taken, non-current borrowings and remaining non-current



# Notes to Standalone Financial Statements

 for the year ended March 31, 2023

## 46 FAIR VALUE MEASUREMENT (contd...)

financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

- d. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

### 46.2 Categories of financial instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities. This includes traded bonds and mutual funds as the case may be, that have quoted price/rate/value

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

₹ in Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Values	Fair Values	Carrying Values	Fair Values
<b>Financial assets</b>				
<b>Measured at amortised cost :</b>				
Investments in Government security	0.37	0.37	0.37	0.37
Trade receivables	2,228.04	2,228.04	2,572.78	2,572.78
Cash and Bank balances	284.93	284.93	1,508.57	1,508.57
Loans	7.86	7.86	4.18	4.18
Other financial assets	1,522.16	1,522.16	1,675.82	1,675.82
<b>Total (A)</b>	<b>4,043.36</b>	<b>4,043.36</b>	<b>5,761.71</b>	<b>5,761.71</b>
<b>Measured at fair value through profit or loss</b>				
Derivative Instruments	-	-	53.64	53.64
Investment in equity shares of other entity	1.00	1.00	1.00	1.00
Investment in Mutual Funds	1,612.74	1,612.74	-	-
<b>Total (B)</b>	<b>1,613.74</b>	<b>1,613.74</b>	<b>54.64</b>	<b>54.64</b>
<b>Total Financial assets (A+B)</b>	<b>5,657.10</b>	<b>5,657.10</b>	<b>5,816.35</b>	<b>5,816.35</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost :</b>				
Borrowing	2,537.26	2,537.26	3,917.24	3,917.24
Trade payables	893.21	893.21	805.74	805.74
Lease Liabilities	680.02	680.02	550.05	550.05
Other financial liabilities	424.40	424.40	630.14	630.14
<b>Total (A)</b>	<b>4,534.89</b>	<b>4,534.89</b>	<b>5,903.16</b>	<b>5,903.16</b>
<b>Measured at fair value through profit or loss</b>				
Derivative Instruments	38.51	38.51	-	-
<b>Total (B)</b>	<b>38.51</b>	<b>38.51</b>	<b>-</b>	<b>-</b>
<b>Total Financial Liabilities (A+B)</b>	<b>4,573.40</b>	<b>4,573.40</b>	<b>5,903.16</b>	<b>5,903.16</b>

### 46.3 Level wise disclosure of financial instruments

Particulars	As at March 31, 2023	As at March 31, 2022	Level	Valuation techniques and key inputs
Investment in Mutual funds	1,612.74	-	1	Net Asset Value of the Scheme
Foreign currency forward contracts - Assets/(Liabilities)	(38.51)	53.64	2	Quotes from Banks

# Notes to Standalone Financial Statements for the year ended March 31, 2023

## 47 FINANCIAL RISK MANAGEMENT

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The details of different types of risk and management policy to address these risks are listed below:

The Company's activities are exposed to various risks viz. Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows polices set up by the Board of Directors / Management.

### A. Credit Risk

Credit risk arises from the possibility that counter party will cause financial loss to the Company by failing to discharge its obligation as agreed.

Credit risks from balances with banks are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks having high credit-ratings assigned by credit-rating agencies.

Based on the industry practices and business environment in which the Company operates, management considers that the trade receivables are in default if the payment are more than 2 years past due.

Trade receivables primarily consists of Outstanding against exports sales and sales to certain domestic customers with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

For ageing of Trade Receivables and movement of provision refer note 10.

### B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company liquidity risk management policies include to, at all times ensure sufficient liquidity to meet its liabilities when they are due, by maintaining adequate sources of financing from banks at an optimised cost. In addition, processes and policies related to such risks are overseen by senior management. The Company's senior management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Maturity of Financial Liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities as on reporting date

₹ in Lakhs

Particulars	As at March 31, 2023			
	<1 Year	1-5 Years	> 5 Years	Total
Borrowings	792.51	1,744.75	-	2,537.26
Trade Payables	893.21	-	-	893.21
Lease Liabilities	146.68	303.90	229.44	680.02
Other Financial Liabilities	414.90	9.50	-	424.40

₹ in Lakhs

Particulars	As at March 31, 2022			
	<1 Year	1-5 Years	> 5 Years	Total
Borrowings	2,002.60	1,914.64	-	3,917.24
Trade Payables	805.74	-	-	805.74
Lease Liabilities	124.73	425.32	-	550.05
Other Financial Liabilities	621.14	9.00	-	630.14



# Notes to Standalone Financial Statements

 for the year ended March 31, 2023

## 47 FINANCIAL RISK MANAGEMENT (contd...)

### Financing arrangements

The Company has sufficient sanctioned line of credit from its bankers / financiers; commensurate to its business requirements. The Company reviews its line of credit available with bankers and lenders from time to time to ensure that at all point of time there is sufficient availability of line of credit to handle peak business cycle.

The Company pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories.

### C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed in the ordinary course of business to risks related to changes in foreign currency exchange rate and interest rate.

#### Market Risk – Foreign Exchange

Foreign exchange risk arises on all recognised monetary assets and liabilities which are denominated in a currency other than the functional currency of the Company. However, foreign exchange exposure mainly arises from trade receivable and trade payables denominated in foreign currencies.

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view as per polices set by Management.

The Company does not enter into or trade financial instrument including derivative for speculative purpose.

The carrying amount of the company's foreign denominated monetary assets and liabilities at the end of the reporting period are as follows:-

₹ in Lakhs

Currencies	Liabilities		Assets	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
US Dollar (USD)	3.33	53.64	1,126.28	1,401.24
EURO	-	26.21	2.68	-
British Pound (GBP)	-	0.52	7.49	0.86

### C.1 Foreign Currency Exposure

Particulars	Balance As at March 31, 2023		
	USD	EURO	GBP
Trade receivables	1,126.28	2.68	7.49
Trade payables	3.33	-	-

Particulars	Balance As at March 31, 2022		
	USD	EURO	GBP
Trade receivables	1,401.24	-	0.86
Trade payables	-	26.21	0.52
Other Financial Liabilities	53.64	-	-

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 47 FINANCIAL RISK MANAGEMENT (contd...)

#### C.2 Particulars of un-hedged foreign currency asset / liability as at Balance Sheet date

Currencies	Nature	As at March 31, 2023		As at March 31, 2022	
		Amount in Foreign Currency (Lakhs)	Amount in INR (Lakhs)	Amount in Foreign Currency (Lakhs)	Amount in INR (Lakhs)
EURO	Asset- Export Receivables	0.03	2.68	-	-
USD	Liability- Import Payables	0.04	3.33	-	-
EURO	Liability- Import Payables	-	-	0.31	26.21
GBP	Asset- Export Receivables	0.07	7.49	0.01	0.86

#### C.3 Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

Particulars	As at March 31, 2023		As at March 31, 2022	
	1% Increase	1% decrease	1% Increase	1% decrease
EURO	0.02	(0.02)	(0.26)	0.26
USD	(0.02)	0.02	-	-
GBP	0.05	(0.05)	-	-

### 48 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to maximise shareholder's value. In order to maintain or achieve a capital structure that maximises the shareholder value, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. As at March 31, 2023, the Company has only one class of equity shares and has no debts. Hence, there are no externally imposed capital requirements.

The Company's capital requirement is mainly to fund its business expansion and repayment of borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings

The Company has adhered to material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements with respect to payment of principal and interest. No lender has raised any matter that may lead to breach of covenants stipulated in the underlying documents.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	As at March 31, 2023	As at March 31, 2022
Net Debt (₹ in Lakhs)	2,433.72	3,767.79
Total Equity (₹ in Lakhs)	20,132.37	18,278.16
Net Debt to Equity Ratio	0.12	0.21

### 49 EMPLOYEE STOCK OPTION PLAN

Disclosure is hereby given in pursuant to Ind AS 102 "Share Based Payment"

- 49.1 OEL Employee Stock Option Scheme 2021 (hereinafter referred to as the "ESOP scheme"), was approved by the shareholders in the Annual General meeting dated September 29, 2021. The plan provides for issue of options to the eligible employees specified in the ESOP scheme to exercise the option granted for purchase of equity shares in the Company at the exercise price recommended by the Nomination and remuneration committee i.e. ₹56/- being the exercise price for share of ₹10/- each



# Notes to Standalone Financial Statements for the year ended March 31, 2023

## 49 EMPLOYEE STOCK OPTION PLAN (contd...)

Particulars	Details
Name of the Plan	Orbit Exports Limited Employee Stock Option Scheme 2021
Method used to account for the Employee share based payment plan	Fair Value
Stock Options approved (No. of shares)	10,00,000
Persons Entitled	Eligible Employees as per scheme
Options Grant Date during the year	January 25, 2022
Vesting Period	1-4 years from the date of grant
Exercise Period	Maximum 1 year from the date of vesting of options
Lock-in-Period	No Lock-in period after exercise

### 49.2 Details of options granted during the year

Particulars	Options Granted (Date :- January 25, 2022)
No. of ESOPs granted	2,16,000
Vesting Schedule (%)	25% each at first, second, third and Fourth year
Exercise Period (In years)	Within 1 year of Vesting
Exercise Price (In ₹)	₹56/-
Market price on the date of grant (In ₹)	₹100/-

### 49.3 The Details of activity under the scheme are summarized below

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	No. of Options	WAEP(₹)	No. of Options	WAEP(₹)
Outstanding at the beginning of the year	2,16,000	56.00	8,000	174.25
Granted during the year	-	-	2,16,000	56.00
Forfeited during the year	18,000	56.00	8,000	174.25
Exercised during the year	-	-	-	-
Outstanding at end of the year	1,98,000	56.00	2,16,000	56.00
Exercisable at end of the year	1,98,000	56.00	-	-

### 49.4 The Black Scholes valuation model has been used for computing weighted average fair value of stock options granted during the year considering the following inputs:-

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
Expected Exercise Date	July 25, 2023	July 25, 2024	July 25, 2025	July 25, 2026
Grant Date	Jan 25, 2022	Jan 25, 2022	Jan 25, 2022	Jan 25, 2022
Stock Price (₹)	100.00	100.00	100.00	100.00
Volatility (%)	56.80	57.12	53.72	50.84
Risk Free Rate (%)	6.66	6.66	6.66	6.66
Exercise Price (₹)	56.00	56.00	56.00	56.00
Time to Expiration (Years)	1.5	2.5	3.5	4.5
Dividend Yield (%)	0.00	0.00	0.00	0.00

49.5 During the year ended March 31, 2023, the Company has recorded an employee stock compensation expense of ₹54.01 lakhs (March 31, 2022 : ₹11.59 lakhs ) in the statement of Profit and Loss and the balance in Share Based Payment Reserve Account as at March 31, 2022 is ₹65.60 lakhs (March 31, 2022 : ₹11.59 lakhs).

49.6 The remaining life for option outstanding as on March 31, 2023 is 2.33 years

## 50 EXCEPTIONAL ITEM

Exceptional Item of ₹51.68 lakhs for the year ended March 31, 2022 represents loss due to major fire in the financial year 2020-21 at the Company's warehouse located in Bhiwandi, Maharashtra. This loss was in addition to the exceptional loss of ₹178.73 lakhs recognised in the financial year 2020-21. Such losses were recognised based on the loss assessment done by the Insurance Company's appointed Surveyor. However, during the month of December 2022 and January 2023, the Insurance company has settled total claim and in aggregate released a sum of ₹673.86 lakhs with a shortfall of ₹36.73 lakhs. The same has been recognised as exceptional loss for the quarter and year ended March 31, 2023. Accordingly, necessary financial impact has been given in the quarter and year ended March 31, 2023

# Notes to Standalone Financial Statements

for the year ended March 31, 2023

## 51 ADDITIONAL REGULATORY INFORMATION

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

### a. Ratios

The ratios for the ended year March 31, 2023 and March 31, 2022 are as under

Particulars	As at March 31, 2023	As at March 31, 2022	Variance (%)	Reasons
Current Ratio (Current Assets/Current Liabilities)	2.77	2.14	29%	The company has significant reduced its current borrowings
Debt- Equity Ratio (Total Debt (includes Lease Liabilities)/Shareholder's equity)	0.16	0.24	-35%	Improvement in ratio is primarily on account of increase in shareholder's equity and payment of loans
Debt Service Coverage Ratio (Earnings available for debt service/Debt service)	4.32	2.70	60%	Improvement is attributable to higher earnings during the year.
Return on Equity Ratio (Net profits after taxes/Average shareholder's equity)	15.90%	9.08%	75%	Improvement in ratio is primarily on account of increase in shareholder's equity by addition of higher profits
Inventory Turnover Ratio (Sale of Products/Average Inventory)	5.48	5.09	8%	NA
Trade Receivable Turnover Ratio (Revenue/Average Trade Receivables)	7.89	5.63	40%	Reduction in Trade Receivables alongwith growth in revenue helped in improving the ratio
Trade Payables Turnover Ratio (Total Purchases for Goods (credit)/Average Trade Payables for Goods)	8.52	8.32	2%	NA
Net Capital Turnover Ratio (Revenue/Average Working Capital)	3.81	2.44	56%	Improvement is primarily on account of growth in revenue.
Net Profit Ratio (Net profit/Revenue)	16%	13%	25%	Higher revenue has brought cost optimisation leading to increased profits
Return on Capital Employed (Earning before interest and taxes/Capital employed)	18.21%	9.89%	84%	Earnings have significantly increased in the cuurent year on account of revenues
Return on Investment (Interest Income on Fixed Deposit & Fair value gain in MF/Average of Fixed Deposit and Investment in MF)	5.44%	5.26%	4%	NA





## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 51 ADDITIONAL REGULATORY INFORMATION (contd...)

- b. The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company.
- c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d. The Company has a Working Capital limit from HDFC Bank and DBS Bank, comprising of Fund-based limits of ₹3400 Lakhs and non-fund-based limits are the sub-limits of fund based limits. For the said facility, The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities which are in agreement with the books of account other than those as set out below: -

₹ in Lakhs

Name of the Bank	Quarter Ended	Amount as per quarterly return/ Statement	Amount as per Books of Account	Difference	Reason for Variance
HDFC Bank,	June 30,2022	5,474.36	5,474.36	-	
DBS Bank	Sept 30,2022	6,110.30	6,110.30	-	
	Dec 31, 2022	6,270.90	6,270.90	-	
	Mar 31, 2023	4,986.23	4,986.23	-	
HDFC Bank,	June 30,2021	3,949.79	3,863.79	86.00	Because of provisional figures reported to banks earlier to finalisations of quarterly accounts and non inclusion of payables for expenses and goods in transit.
DBS Bank	Sept 30,2021	4,311.85	4,068.42	243.44	
	Dec 31, 2021	4,709.86	4,487.72	222.14	
	Mar 31, 2022	5,046.33	5,177.94	(131.61)	

- e. The Company has not been declared as a willful defaulter by any lender who has powers to declare a Company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- f. The Company does not have any transactions with struck-off companies except the following:

Name of the Struck off Company	Nature of Transactions	No. of Shares held as on March 31, 2023	No. of Shares held as on March 31, 2022	Relationship with Struck off Company
Daman Investments And Securities (P) Ltd	Shares Held	600	600	Shareholder
Pappu Ssr Property Developers Ltd	Shares Held	200	-	Shareholder

- g. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017
- i. The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(Ultimate Beneficiaries), or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Notes to Standalone Financial Statements for the year ended March 31, 2023

### 51 ADDITIONAL REGULATORY INFORMATION (contd...)

- j. The Company has not received any funds from any other person(s) or entity(is), including foreign entities(Funding Party), with the understanding (whether recorded in writing or otherwise) that the Company shall;
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (Ultimate Beneficiaries), or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- k. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- l. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2023 (March 31, 2022 :Nil)

52 Previous year's figures have been re grouped wherever necessary.

As per our report of even date

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

Chartered Accountants  
Firm Reg No. 104767W

**Rajen Ashar**

Partner  
Membership No: 048243  
Place: Mumbai  
Date: May 06, 2023

**For and on behalf of Board of Directors**

**Pankaj Seth**

Managing Director  
DIN:00027554

**Rahul Tiwari**

Chief Financial Officer  
Place: Mumbai  
Date: May 06, 2023

**Anisha Seth**

Whole Time Director  
DIN:00027611

**Ankit Jain**

Company Secretary  
M No: 54805



orbit exports ltd.

# Independent Auditor's Report

To  
the members of  
**Orbit Exports Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

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, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary and associate, the Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2023, and their Consolidated Profit, their Consolidated Total Comprehensive Income, their Consolidated Statement of Changes in Equity and their Consolidated Cash Flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI"), together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules framed thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code

of Ethics. 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

### Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the Consolidated Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, identified above and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the balance part of Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take necessary actions as applicable under the relevant laws and regulations.

### Management and Those Charged with Governance Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation and of the Consolidated Financial Statements that give a true

and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Ind AS and the relevant provisions of the Act. The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associate are responsible for overseeing the financials reporting process of the Group and its associate.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise

professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Consolidated Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have



been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit (a) financial statements of one foreign subsidiary, whose financial statements reflect total assets of ₹1526.39 lakhs as at March 31, 2023, total revenue of ₹1855.17 lakhs and total net profit after tax of ₹20.34 lakhs for the year ended March 31, 2023 and total comprehensive income of ₹20.34 lakhs for the year ended March 31, 2023 and net cash inflows amounting to ₹15.47 lakhs for the year ended on that date, as considered in the preparation of the Consolidated Financial Statements; (b) financial statements of one associate of the Group included in Consolidated Financial results whose financial statements reflects total profit after tax (Group's share) of ₹336.01 lakhs for the year ended March 31, 2023 and total comprehensive income of ₹336.01 lakhs for the year ended March 31, 2023.

These financial statements and other financial information 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 entities.

Our opinion on the Consolidated Financial Statements 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:

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditor's report, we state that reporting under Order is not applicable to subsidiary and associate of the Holding Company as they are incorporated outside India.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiary and associate, as noted referred in the 'other matters' paragraph, 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 relating to preparation of the aforesaid Consolidation Financial Statements have been kept by the Holding Company so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
  - (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 and relevant provisions of the Act;
  - (e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Company are disqualified as on March 31, 2023 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 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and these provisions are not applicable to its subsidiary and associate as these entities are not incorporated in India; and

- (h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors of subsidiary and associate, as noted in the 'Other Matters' paragraph:
- i. The Group and its associate have disclosed details of pending litigations, however, it does not have adverse impact on its financial position. Refer note 38.1 to Consolidated Financial Statements;
  - ii. The Group and its associate have made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company;
  - iv. (a) The Management has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented that no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Holding Company has neither declared nor paid dividend during the year.
  - vi. Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company incorporated in India with effect from April 1, 2023, and accordingly, reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

*Chartered Accountants*

Firm's Registration No: 104767W

**Rajen Ashar**

*Partner*

Place : Mumbai

Dated : May 06, 2023

Membership No: 048243

UDIN: 23048243BGXPY7327



## Annexure A

referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's report of even date, to the members of the Orbit Exports Limited ("The Holding Company") on the Consolidated Financial Statements for the year ended March 31, 2023

### Report on the Internal Financial Controls with reference to Consolidated Financial Statements under section 143(3)(i) of the Act

#### Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of Orbit Exports Limited ("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.

In our opinion, the Holding Company which is company incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2023, based on the internal control with reference to Consolidated Financial Statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India.

#### Management's Responsibility for Internal Financial Controls with reference to Consolidated Financial Statements

The respective Board of Directors of the Holding company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the Holding 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 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 for Internal Financial Controls with reference to Consolidated Financial Statements

Our responsibility is to express an opinion on Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 ICAI. 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 with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements and their operating effectiveness.

Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, 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 judgment, including the assessment of the risks of material misstatement of the Consolidated 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 Holding Company's internal financial controls system with reference to Consolidated Financial Statements.

### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the

company's assets that could have a material effect on the Consolidated Financial Statements.

### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

*Chartered Accountants*

Firm's Registration No: 104767W

**Rajen Ashar**

*Partner*

Place : Mumbai

Dated : May 06, 2023

Membership No: 048243

UDIN: 23048243BGXPRY7327





orbit exports ltd.

# Consolidated Balance Sheet as at March 31, 2023

₹ in Lakhs

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a. Property, Plant and Equipment	2	15,201.42	14,570.24
b. Capital work-in-progress	3	14.98	100.89
c. Intangible assets	4	25.58	31.68
d. Right of Use Assets	5	635.25	519.05
e. Financial Assets			
i) Investments	6	3,243.48	1,294.73
ii) Other financial assets	7	708.35	1,115.90
f. Other Non-Current assets	8	185.36	263.82
<b>Total Non-current Assets</b>		<b>20,014.42</b>	<b>17,896.31</b>
<b>2. CURRENT ASSETS</b>			
a. Inventories	9	4,647.62	3,986.47
b. Financial Assets			
i) Trade receivables	10	2,087.51	2,366.85
ii) Cash and cash equivalents	11	122.56	171.42
iii) Bank balances other than (ii) above	12	181.39	1,359.13
iv) Loans	13	7.86	4.18
v) Other financial assets	14	813.81	628.27
c. Other current assets	15	827.50	1,496.05
<b>Total Current Assets</b>		<b>8,688.25</b>	<b>10,012.37</b>
<b>Total Assets</b>		<b>28,702.67</b>	<b>27,908.68</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
a. Equity Share capital	16	2,697.49	2,738.31
b. Other Equity	17	19,088.31	16,720.53
<b>Total Equity</b>		<b>21,785.80</b>	<b>19,458.84</b>
<b>2. NON-CURRENT LIABILITIES</b>			
a. Financial Liabilities			
i) Borrowings	18	1,744.75	1,914.64
ii) Lease Liabilities	5	533.34	425.32
iii) Other financial liabilities	19	9.50	9.00
b. Deferred tax liabilities (net)	20	1,066.27	1,132.43
c. Other non-current liabilities	21	494.79	460.70
d. Provisions	22	216.23	154.53
<b>Total Non-current Liabilities</b>		<b>4,064.88</b>	<b>4,096.62</b>
<b>3. CURRENT LIABILITIES</b>			
a. Financial Liabilities			
i) Borrowings	23	792.51	2,002.60
ii) Lease Liabilities	5	146.68	124.73
iii) Trade payables	24		
Total outstanding dues of Micro Enterprises and Small Enterprises		38.65	100.50
Total outstanding dues of creditors other than Micro and Small Enterprises		861.96	712.63
iv) Other financial liabilities	25	414.90	624.69
b. Other current liabilities	26	558.21	679.89
c. Provisions	27	14.21	52.22
d. Current Tax Liabilities (net)		24.87	55.96
<b>Total Current Liabilities</b>		<b>2,851.99</b>	<b>4,353.22</b>
<b>Total Equity and Liabilities</b>		<b>28,702.67</b>	<b>27,908.68</b>
Basis of Accounting, Accounting Policies, Significant Judgement and Estimates	1		

As per our report of even date

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

**Rajen Ashar**  
Partner  
Membership No: 048243

Place: Mumbai  
Date: May 06, 2023

For and on behalf of Board of Directors

**Pankaj Seth**  
Managing Director  
DIN:00027554

**Rahul Tiwari**  
Chief Financial Officer

Place: Mumbai  
Date: May 06, 2023

**Anisha Seth**  
Whole Time Director  
DIN:00027611

**Ankit Jain**  
Company Secretary  
M No: 54805

# Consolidated Statement of Profit & Loss for the year ended March 31 2023

₹ in Lakhs

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>INCOME</b>			
Revenue from operations	28	19,714.57	12,674.82
Other income	29	310.21	264.26
<b>Total Income</b>		<b>20,024.78</b>	<b>12,939.08</b>
<b>EXPENSES</b>			
Cost of materials consumed	30	7,323.56	5,421.56
Changes in inventories of Finished Goods and Work- in- Progress	31	(463.79)	(975.51)
Employee benefits expense	32	2,979.89	2,288.30
Finance costs	33	338.57	194.87
Depreciation and amortisation expense	34	1,405.72	1,186.53
Other expenses	35	4,369.69	2,726.60
<b>Total Expenses</b>		<b>15,953.64</b>	<b>10,842.35</b>
Profit / (loss) before share of profit of associate and exceptional items and tax		4,071.14	2,096.73
Share of Profit/(Loss) of Associate		336.01	259.97
<b>Profit / (loss) before exceptional items and tax</b>		<b>4,407.15</b>	<b>2,356.70</b>
Exceptional items	50	36.73	51.68
<b>Profit / (loss) before tax</b>		<b>4,370.42</b>	<b>2,305.02</b>
<b>Tax expenses</b>			
Current tax	36	995.95	469.34
Tax adjustments for earlier years		5.15	4.67
Deferred tax liability / (asset)		(68.88)	51.19
<b>Profit for the year</b>		<b>3,438.20</b>	<b>1,779.81</b>
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans		10.76	(42.90)
Income tax relating to items that will not be reclassified to profit or loss		(2.71)	10.80
<b>Items that will be reclassified to profit or loss</b>			
Foreign Currency Translation Reserve		88.09	13.25
<b>Total other comprehensive income / (loss)</b>		<b>96.14</b>	<b>(18.85)</b>
<b>Total comprehensive income for the period</b>		<b>3,534.34</b>	<b>1,760.96</b>
<b>Profit / (Loss) for the year attributable to:</b>			
Owners of the Parent		3,438.20	1,779.81
Non-controlling interests		-	-
<b>Other Comprehensive Income / (Loss) for the year attributable to :</b>			
Owners of the Parent		96.14	(18.85)
Non-controlling interests		-	-
<b>Total Comprehensive Income / (Loss) for the year attributable to :</b>		<b>3,534.34</b>	<b>1,760.96</b>
Owners of the Parent		-	-
Non-controlling interests		-	-
<b>Earnings per equity share (Face Value of ₹10/- each)</b>			
Basic (in ₹)	37	12.37	6.50
Diluted (in ₹)	37	12.33	6.50
Basis of Accounting, Accounting Policies, Significant Judgement and Estimates	1		

As per our report of even date

**For G.M. Kapadia & Co.**Chartered Accountants  
Firm Reg No. 104767W**Rajen Ashar**Partner  
Membership No: 048243

Place: Mumbai

Date: May 06, 2023

For and on behalf of Board of Directors

**Pankaj Seth**Managing Director  
DIN:00027554**Rahul Tiwari**

Chief Financial Officer

Place: Mumbai

Date: May 06, 2023

**Anisha Seth**Whole Time Director  
DIN:00027611**Ankit Jain**Company Secretary  
M No: 54805



orbit exports ltd.

## Consolidated Statement of Cash flow for the year ended March 31 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flow from operating activities</b>		
Profit/(loss) before tax	4,370.42	2,305.02
<b>Non-cash Adjustment to Profit Before Tax:</b>		
Depreciation and amortisation expense	1,405.72	1,186.53
Share of (Profit) / Loss of Associate	(336.01)	(259.97)
Interest expenses	338.57	194.87
Bad debts written off	8.88	59.01
Amortisation of deferred revenue	(79.35)	(70.71)
Unrealised foreign exchange loss/(gain)	(14.46)	(18.68)
Fair Value Gain on Financial Instruments measured at FVTPL	(12.74)	-
Gain on sale of Mutual Funds	(0.06)	-
Mark-to-market (gain)/loss on derivative financial instruments	38.51	(53.64)
Loss on sale of Property Plant Equipment	20.41	-
Provision for gratuity	34.45	38.85
Interest income	(167.63)	(144.04)
Dividend income	(0.05)	-
Provision for Bad and Doubtful debts	(6.57)	(15.25)
Liabilities no longer required written back	-	(0.46)
Interest income on financial asset at amortised cost	(1.49)	(1.35)
Employee Share Based Payments	54.01	11.60
Other Exceptional Expense/(Income)(net)	36.73	51.68
<b>Operating Profit before Change in operating assets and liabilities</b>	<b>5,689.34</b>	<b>3,283.46</b>
<b>Change in operating assets and liabilities :</b>		
(Increase)/Decrease in trade receivables	337.39	(654.47)
(Increase)/Decrease in inventories	(661.14)	(1,282.80)
(Increase)/Decrease in other financial assets	11.49	1,025.15
(Increase)/Decrease in other current/non-current assets	633.09	(829.75)
Increase/(Decrease) in trade payables	89.50	272.95
Increase/(Decrease) in provisions	-	3.20
Increase/(Decrease) in other current/non-current liabilities	60.22	34.96
Increase/(Decrease) in current financial liabilities	(223.17)	229.70
<b>Cash generated from operations</b>	<b>5,936.72</b>	<b>2,082.40</b>
Direct taxes paid (net of refunds)	(1,032.19)	(453.19)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>4,904.53</b>	<b>1,629.21</b>

## Consolidated Statement of Cash flow for the year ended March 31 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flow from investing activities</b>		
Payments for acquisition of property, plant and equipment including capital advances	(1,878.20)	(2,883.08)
Proceeds from Sale of Property plant and equipment	21.44	-
Repayments / (Disbursements) of loans given	(3.68)	0.29
Interest Received	167.63	124.94
Dividend Received	0.05	-
Redemption of fixed deposit	5,567.96	930.58
Investments made in fixed deposit	(4,203.00)	(1,523.48)
Investments made in Corporate deposit	(500.00)	(1,726.54)
Redemption of Corporate Deposit	500.00	963.44
Investment made in Mutual funds	(1,750.00)	-
Redemption of Mutual Funds	150.06	-
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(1,927.74)</b>	<b>(4,113.85)</b>
<b>Cash flow from Financing Activities</b>		
Proceeds from/(Repayments) of current borrowings	(1,210.09)	1,222.66
Proceeds of non-current borrowings	709.44	2,281.50
(Repayments) of non-current borrowings	(879.33)	(840.49)
Payment for Buyback of Ordinary shares	(1,000.00)	-
Payment for Tax and other expenses on Buyback of Ordinary shares	(261.39)	-
Repayment of Lease liabilities	(183.87)	(168.73)
Dividend deposited with IEPF	(7.78)	(6.67)
Interest and finance charges	(280.72)	(138.19)
<b>Net cash flow from/(used in) in financing activities (C)</b>	<b>(3,113.74)</b>	<b>2,350.08</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+ C)</b>	<b>(136.95)</b>	<b>(134.56)</b>
Cash and cash equivalents at the beginning of the year	171.42	292.73
Exchange Difference on translation of foreign currency	88.09	13.25
<b>Cash and cash equivalents at the end of the year</b>	<b>122.56</b>	<b>171.42</b>

### Notes:-

- The above statement of cash flows has been prepared under the 'Indirect Method' as set out in IND AS 7 'Statement of Cash Flows'
- The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 1.4 (G).
- Figures for the previous year have been re-grouped wherever considered necessary.
- Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- There are no non cash movements in Non Current and Current Borrowings

As per our report of even date

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

**Rajen Ashar**  
Partner  
Membership No: 048243  
Place: Mumbai  
Date: May 06, 2023

For and on behalf of Board of Directors

**Pankaj Seth**  
Managing Director  
DIN:00027554

**Rahul Tiwari**  
Chief Financial Officer  
Place: Mumbai  
Date: May 06, 2023

**Anisha Seth**  
Whole Time Director  
DIN:00027611

**Ankit Jain**  
Company Secretary  
M No: 54805



orbit exports ltd.

## Consolidated Statement of changes in equity for the year ended March 31 2023

### A. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	Amount
Balance as at April 01, 2021	2,738.31
Changes in equity share capital during the year	-
Balance as at March 31, 2022	2,738.31
Balance as at April 01, 2022	2,738.31
Changes in equity share capital during the year	(40.82)
Balance as at March 31, 2023	2,697.49

### B. OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus			OCI	Attributable to owners of parent	Non Controlling Interests	Total
	Share Based Payment Reserve	Capital Redemption Reserve	Retained Earnings	Foreign Currency Translation Reserve			
Balance as at April 01, 2021	-	131.92	14,865.71	(49.67)	14,947.96	-	14,947.96
Profit for the year	-	-	1,519.86	-	1,519.86	-	1,519.86
Share of Associate	-	-	259.97	-	259.97	-	259.97
Employee Shares Options	11.59	-	-	-	11.59	-	11.59
Other Comprehensive Income / (loss)	-	-	(32.10)	13.25	(18.85)	-	(18.85)
Total Comprehensive Income for the year	-	-	1,747.73	13.25	1,760.98	-	1,760.98
Balance as at March 31, 2022	11.59	131.92	16,613.44	(36.42)	16,720.53	-	16,720.53
Balance as on April 01 2022	11.59	131.92	16,613.44	(36.42)	16,720.53	-	16,720.53
Profit for the year	-	-	3,102.19	-	3,102.19	-	3,102.19
Share of Associate	-	-	336.01	-	336.01	-	336.01
Employee Shares Options	54.01	-	-	-	54.01	-	54.01
Transfer/Utilisation on Buyback of shares	-	40.82	(1,000.00)	-	(959.18)	-	(959.18)
Tax and expenses on Buyback of shares	-	-	(261.39)	-	(261.39)	-	(261.39)
Other Comprehensive Income / (loss)	-	-	8.05	88.09	96.14	-	96.14
Total Comprehensive Income for the year	54.01	40.82	2,184.86	88.09	2,367.78	-	2,367.78
Balance as at March 31, 2023	65.60	172.74	18,798.30	51.67	19,088.31	-	19,088.31

As per our report of even date

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

**Rajen Ashar**  
Partner  
Membership No: 048243  
Place: Mumbai  
Date: May 06, 2023

For and on behalf of Board of Directors

**Pankaj Seth**  
Managing Director  
DIN:00027554

**Rahul Tiwari**  
Chief Financial Officer  
Place: Mumbai  
Date: May 06, 2023

**Anisha Seth**  
Whole Time Director  
DIN:00027611

**Ankit Jain**  
Company Secretary  
M No: 54805

# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## 1. BASIS OF ACCOUNTING, ACCOUNTING POLICIES SIGNIFICANT JUDGEMENT AND ESTIMATES

### 1.1 CORPORATE & GENERAL 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 registered office of the company is situated at Mumbai, Maharashtra (India). The Company is the leading novelty fabric manufacturer in India. The equity shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange of India Limited.

#### Authorisation of Consolidated financial statements:

The Board of Directors have approved the financial statements for the year ended March 31, 2023 and authorised for issue on May 06, 2023.

### 1.2 BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENT

#### (A) COMPLIANCE WITH IND AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), and relevant rules issued thereunder 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 consolidated financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards.

#### (B) BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- a. certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- b. defined benefit plans - plan assets measured at fair value.

#### (C) FUNCTIONAL & PRESENTATION CURRENCY

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Holding Company and the currency of the primary economic environment in which the Holding operates. All amounts disclosed in the consolidated financial statement and notes have been rounded off to the nearest Lakhs, except where otherwise indicated

#### (D) PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Balance Sheet, the Statement of Profit and Loss and the Statement of change in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

#### (E) OPERATING CYCLE FOR CURRENT AND NON-CURRENT CLASSIFICATION

The Group presents its assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is treated as current if it is:

- a. expected to be realised or intended to be sold or consumed in normal operating cycle;
- b. held primarily for the purpose of trading;
- c. expected to be realised within twelve months after the reporting period; or
- d. the cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if it is:

- a. it is expected to be settled in normal operating cycle;
- b. it is held primarily for the purpose of trading;
- c. it is due to be settled within twelve months after the reporting period; or



## Notes to Consolidated Financial Statements for the year ended March 31, 2023

- d. there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its normal operating cycle.

### (F) MEASUREMENT OF FAIR VALUES

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable and
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurements unobservable.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

### 1.3 USE OF JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

While preparing consolidated financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are as below:

# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## KEY ASSUMPTIONS:

### (A) FINANCIAL INSTRUMENTS

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### (B) USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Group reviews the useful life of Property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### (C) VALUATION OF INVENTORIES

The Group estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

### (D) ASSETS AND OBLIGATIONS RELATING TO EMPLOYEE BENEFITS

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### (E) RECOGNITION AND MEASUREMENT OF OTHER PROVISIONS

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may, therefore, vary from the amount included in other provisions.

### (F) CRITICAL ACCOUNTING JUDGEMENTS

The Group has equity stake in various entities for strategic reasons concerning its operation. The relationship with these entities have been determined based on principles laid down in Ind AS 110 – Consolidated Financial Statements.

### (G) PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

#### (i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively. Statement of Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.





## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### (ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

### (iii) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group's does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.4 (E) below.

## 1.4 SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the consolidated financial statements.

### (A) REVENUE RECOGNITION

#### a) Revenue From Contracts with Customers

The Group derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns and discounts.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expect to receive in exchange for those products or services.

To recognise revenues, the Group applies the following five step approach:

1. Identify the contract with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognise revenues when a performance obligation is satisfied.

Revenue is measured based on the consideration specified in a contract with a customer and excludes taxes and amounts collected on behalf of third parties.

The Company presents revenue net of Indirect taxes in its statement of Profit & loss.

- a. 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.
- b. Dividend Income is recognised when the Group's right to receive is established which is generally occur when the shareholders approve the dividend.
- c. Revenue from services is recognised when all relevant activities are completed and the right to receive income is established.

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

- d. Revenue in respect of insurance/ other claims, commission, interest for delayed payment etc. is recognised only when it is reasonably certain that the ultimate collection will be made.
- e. For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR).

### (B) PROPERTY, PLANT AND EQUIPMENT

- a. Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.
- b. The cost of an item of Property, Plant and Equipment is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Group in future periods and the cost of the item can be measured reliably. Expenditure incurred after the Property, Plant and Equipment have been put into operations, such as repairs and maintenance expenses are charged to the Consolidated Statement of Profit and Loss during the period in which they are incurred.
- c. An item of Property, Plant and Equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.
- d. The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- e. Long-term lease arrangements in respect of land are treated as Property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land. Cost in respect of the same is amortised over the period of respective lease arrangement.

### (C) INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised, and the related expenditure is reflected in the Consolidated Statement of Profit and Loss in the period in which the expenditure is incurred. Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Consolidated Statement of Profit and Loss.

### (D) DEPRECIATION AND AMORTISATION

Depreciation on Property, Plant and Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II to the Companies Act, 2013, the Group has assessed the estimated useful lives of its Property, Plant and Equipment and has adopted the useful lives and residual value as prescribed therein except following cases which are based on internal technical assessment:

Particulars	Useful Life of Assets
Leasehold Land	Remaining period of Lease
Software	5 Years
Windmill	25 Years
Plant & Machinery	14 - 25 years
Plant & Machinery having more wear and tear	5 Years



## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### (E) IMPAIRMENT OF FINANCIAL ASSETS

Carrying amount of Tangible assets and Intangible assets (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Group's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### (F) INVENTORIES

Raw materials, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition. Cost of raw materials, components and stores and spares which do not meet the recognition criteria under Property, Plant and Equipment is determined on a weighted average basis.

Cost of raw materials, components and stores and spares which do not meet the recognition criteria under Property, Plant and Equipment is determined on a weighted average basis.

Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Provision is made for the cost of obsolescence and other anticipated losses, wherever considered necessary.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The factors that the Group considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, price changes and such other related factors.

### (G) CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents in the consolidated Balance Sheet comprises of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

For the purpose of consolidated statement of cashflows, cash and cash equivalents consist of cash, short-term deposits as defined above, bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value as they are considered as an integral part of the Group's management.

### (H) GOVERNMENT GRANT

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

The above criteria is also used for recognition of incentives under various scheme notified by the Government. When the grant relates to an asset, it is recognised as deferred income and amortised over the useful life of such assets.

# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## (I) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

### Initial Recognition and Measurement- Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Consolidated Statement of Profit and Loss.

### Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual characteristics of financial asset

### Amortised Cost

A financial asset is classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Fair Value Through Profit & Loss (FVTPL)

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### Impairment of Financial Assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### Classification and Subsequent measurement: Financial Liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Consolidated Statement of Profit and Loss.

### Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at



## Notes to Consolidated Financial Statements for the year ended March 31, 2023

amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **Derecognition of Financial Asset and Financial Liabilities**

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### **Offsetting Financial Instruments**

Financial assets and liabilities are offset, and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counter party.

## **(J) FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS**

### **Classification as Debt or Equity:**

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity Instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received.

## **(K) BORROWING COST**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## **(L) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

## **(M) CONTINGENT LIABILITIES ARE DISCLOSED IN THE CASE OF:**

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no realisable estimate is possible;
- A possible obligation from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## (N) GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

### Short-Term Obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Consolidated Statement of Profit and Loss of the year in which the related services are rendered.

### Post-Employment Obligations

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund.

### Gratuity Obligations

The liability or asset recognised in the Consolidated Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Consolidated statement of changes in equity and in the Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Statement Profit and Loss as past service cost.

### Other Long Term Employee Benefit Obligations

The Leave Encashment are presented as short-term provision in the consolidated Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### Bonus Plan

The Group recognises a liability for expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

## (O) TAXES ON INCOME

### Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Consolidated Statement of Profit and Loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.



## Notes to Consolidated Financial Statements for the year ended March 31, 2023

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss is recognised outside the Consolidated Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at Consolidated Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

### (P) SHARE BASED PAYMENT ARRANGEMENTS: -

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 49. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share option's outstanding account.

### (Q) EARNINGS 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, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### (R) FOREIGN CURRENCY TRANSLATION

#### Functional and Presentation Currency

The Group's Consolidated financial statements are prepared in INR, which is also the Group's functional and presentation currency.

#### Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss.

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

In case of advance payment for purchase of assets/goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within other gains / (losses).

### Non-monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### (S) DIVIDEND DISTRIBUTION

The Group recognises a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### (T) LEASES

#### Group as a lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The Group recognises lease liabilities to make lease payments and Right of Use assets representing the right to use the underlying assets as below.

#### Right of Use (ROU) assets

The Group recognises Right of Use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of Use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of Right of Use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of Use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### Lease Liabilities

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are re-measured with a corresponding adjustment to the related ROU assets.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.





## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 2. PROPERTY, PLANT AND EQUIPMENT :

₹ in Lakhs

Particulars	Year Ended March 31, 2023								
	Gross Carrying Amount				Depreciation / Impairment				Net Carrying Amount
	As at April 1, 2022	Addition	Disposal/ Adjustment	As at March 31, 2023	As at April 1, 2022	For the Year	Elimination on disposal	As at March 31, 2023	As at March 31, 2023
Buildings	3,738.71	249.60	-	3,988.31	299.32	112.72	-	412.04	3,576.27
Plant and Machinery#2.1	12,776.18	1,515.48	114.14	14,177.52	3,939.19	999.57	28.77	4,909.99	9,267.53
Furniture, Fixtures and Fittings	483.72	75.60	-	559.32	257.33	39.89	-	297.22	262.10
Computers	81.02	11.51	-	92.53	61.60	7.58	-	69.18	23.35
Office Equipments	133.33	20.58	-	153.91	103.84	6.82	-	110.66	43.25
Electrical Installations	338.43	19.55	-	357.98	140.22	33.60	-	173.82	184.16
Vehicles	144.46	64.80	9.99	199.27	42.39	16.70	7.65	51.44	147.83
<b>Sub total</b>	<b>17,695.85</b>	<b>1,957.12</b>	<b>124.13</b>	<b>19,528.84</b>	<b>4,843.90</b>	<b>1,216.88</b>	<b>36.42</b>	<b>6,024.36</b>	<b>13,504.49</b>
Leasehold Land	1,738.48	-	-	1,738.48	20.19	21.36	-	41.55	1,696.93
<b>Sub total</b>	<b>1,738.48</b>	<b>-</b>	<b>-</b>	<b>1,738.48</b>	<b>20.19</b>	<b>21.36</b>	<b>-</b>	<b>41.55</b>	<b>1,696.93</b>
<b>Total</b>	<b>19,434.33</b>	<b>1,957.12</b>	<b>124.13</b>	<b>21,267.32</b>	<b>4,864.09</b>	<b>1,238.24</b>	<b>36.42</b>	<b>6,065.91</b>	<b>15,201.42</b>

Particulars	Year Ended March 31, 2022								
	Gross Carrying Amount				Depreciation / Impairment				Net Carrying Amount
	As at April 1, 2021	Addition	Disposal/ Adjustment	As at March 31, 2022	As at April 1, 2021	For the Year	Elimination on disposal	As at March 31, 2022	As at March 31, 2022
Buildings	2,149.20	1,589.51	-	3,738.71	218.73	80.59	-	299.32	3,439.39
Plant and Machinery#2.1	9,288.96	3,487.22	-	12,776.18	3,108.89	830.30	-	3,939.19	8,836.99
Furniture, Fixtures and Fittings	403.01	80.71	-	483.72	218.93	38.40	-	257.33	226.39
Computers	66.38	14.64	-	81.02	57.87	3.73	-	61.60	19.42
Office Equipments	109.36	23.97	-	133.33	96.05	7.79	-	103.84	29.49
Electrical Installations	183.21	155.22	-	338.43	114.95	25.27	-	140.22	198.21
Vehicles	122.65	21.81	-	144.46	27.39	15.00	-	42.39	102.07
<b>Sub total</b>	<b>12,322.77</b>	<b>5,373.08</b>	<b>-</b>	<b>17,695.85</b>	<b>3,842.82</b>	<b>1,001.08</b>	<b>-</b>	<b>4,843.90</b>	<b>12,851.95</b>
Leasehold Land	238.11	1,500.37	-	1,738.48	7.49	12.70	-	20.19	1,718.29
<b>Sub total</b>	<b>238.11</b>	<b>1,500.37</b>	<b>-</b>	<b>1,738.48</b>	<b>7.49</b>	<b>12.70</b>	<b>-</b>	<b>20.19</b>	<b>1,718.29</b>
<b>Total</b>	<b>12,560.88</b>	<b>6,873.45</b>	<b>-</b>	<b>19,434.33</b>	<b>3,850.31</b>	<b>1,013.78</b>	<b>-</b>	<b>4,864.09</b>	<b>14,570.24</b>

2.1 During the Financial year ended March 31, 2023, addition to Plant and Machinery includes EPCG amounting to ₹122.15 lakhs ( March 31, 2022:- ₹123.58 Lakhs) in line with the requirements of Ind AS-20.

2.2 There are no Immovable properties whose title deeds are not in the name of the Group.

### 3. CAPITAL WORK-IN-PROGRESS

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Work-in-Progress	14.98	100.89
<b>Total</b>	<b>14.98</b>	<b>100.89</b>

The capital work-in-progress ageing schedule for the years ended March 31, 2023 and March 31, 2022 is as follows

₹ in Lakhs

Particulars	As at March 31, 2023				
	Less Than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in Progress	14.98	-	-	-	14.98

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 3. CAPITAL WORK-IN-PROGRESS (contd...)

The capital work-in-progress ageing schedule for the years ended March 31, 2023 and March 31, 2022 is as follows

₹ in Lakhs

Particulars	As at March 31, 2022				Total
	Less Than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	100.89	-	-	-	100.89

#### Notes:

3.1 There are no Projects in which activity has been suspended.

3.2 There are no projects as on the reporting date which has exceeded cost as compared to the original plan or where cost is overdue.

### 4. INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Year Ended March 31, 2023								Net Carrying Amount
	Gross Carrying Amount				Depreciation / Impairment				
	As at April 1, 2022	Addition	Disposal	As at March 31, 2023	As at April 1, 2022	For the Year	Elimination on disposal	As at March 31, 2023	As at March 31, 2023
ERP Software	160.54	5.21	-	165.75	128.86	11.31	-	140.17	25.58
<b>Total</b>	<b>160.54</b>	<b>5.21</b>	<b>-</b>	<b>165.75</b>	<b>128.86</b>	<b>11.31</b>	<b>-</b>	<b>140.17</b>	<b>25.58</b>

₹ in Lakhs

Particulars	Year Ended March 31, 2022								Net Carrying Amount
	Gross Carrying Amount				Depreciation / Impairment				
	As at April 1, 2021	Addition	Disposal	As at March 31, 2022	As at April 1, 2021	For the Year	Elimination on disposal	As at March 31, 2022	As at March 31, 2022
ERP Software	143.31	17.23	-	160.54	101.13	27.74	-	128.86	31.68
<b>Total</b>	<b>143.31</b>	<b>17.23</b>	<b>-</b>	<b>160.54</b>	<b>101.13</b>	<b>27.74</b>	<b>-</b>	<b>128.86</b>	<b>31.68</b>

### 5. RIGHT OF USE ASSETS AND LEASE LIABILITIES

#### (a) Right of Use Assets

₹ in Lakhs

Particulars	Leasehold Building	Leasehold Land	Total
<b>As on April 01, 2021</b>	<b>658.51</b>	<b>4.11</b>	<b>662.62</b>
Additions during the year	35.27	-	35.27
Deletion during the year	33.83	-	33.83
Depreciation of Right of use assets	144.53	0.48	145.01
<b>Balance as at March 31, 2022</b>	<b>515.42</b>	<b>3.63</b>	<b>519.05</b>
Additions during the year	272.36	-	272.36
Deletion during the year	-	-	-
Depreciation of Right of use assets	155.68	0.48	156.16
<b>Balance as at March 31, 2023</b>	<b>632.10</b>	<b>3.15</b>	<b>635.25</b>



orbit exports ltd.

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 5. RIGHT OF USE ASSETS AND LEASE LIABILITIES

#### (b) Lease Liabilities

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Opening Balance</b>	550.05	668.31
Additions during the year	255.99	34.52
Retirements during the year	-	(38.15)
Interest expense	57.85	54.11
Payment of lease liabilities during the year	(183.87)	(168.74)
<b>Closing Balance</b>	<b>680.02</b>	<b>550.05</b>
Current	146.68	124.73
Non-Current	533.34	425.32

For Maturity Analysis of Leases, refer note 41.

### 6. NON CURRENT INVESTMENTS (Fully Paid up except otherwise stated)

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
<b>Investment in Associate (Measured at Cost)</b>			
Rainbow Line Trading L.L.C.		56.19	56.19
147 (March 31, 2022: 147) shares of AED 1000 each			
Add: Share of Profit(Loss) at the beginning of the year		1,237.17	977.20
Add: Share of Profit/(Loss) of Current year		336.01	259.97
<b>Investments (measured at FVTPL)</b>			
<b>Investment in equity shares of other entity</b>			
The Kurla Nagrik Sahakari Bank Limited		1.00	1.00
10,000 (March 31, 2022: 10,000) shares of ₹10 each			
<b>Investment in Quoted Mutual Funds</b>			
HDFC Nifty G-Sec Dec 2026 Index Fund		1,012.74	-
98,34,284.053 units (March 31, 2022: Nil)			
SBI Cpse Bond Plus SDL Sep 2026 50:50 Index Fund		600.00	-
5760467.788 Units (March 31, 2022:Nil)			
<b>Investments (measured at Amortised Cost)</b>			
<b>Investment in Unquoted Government Security</b>			
National Savings Certificate	6.1	0.37	0.37
		<b>3,243.48</b>	<b>1,294.73</b>
Aggregate amount of quoted investments		1,612.74	-
Aggregate amount of unquoted investments		1,630.74	1,294.73
Aggregate amount of impairment in value of investments		-	-

6.1 The National Savings certificate has been pledged with Sales tax and government authorities

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 7. OTHER FINANCIAL ASSETS: NON CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Fixed deposits with Banks	7.1 & 7.2	28.00	223.00
Fixed Deposits with Financial Institution	7.1	500.00	726.54
Security Deposits		180.35	166.36
<b>Total</b>		<b>708.35</b>	<b>1,115.90</b>

7.1 Refers to fixed deposits with maturities over 12 months from Balance Sheet date.

7.2 Bank Deposits include ₹ Nil (March 31, 2022 : ₹223 lakhs) pledged as collateral security against financial assistance and ₹28 lakhs (March 31, 2022 ₹28 lakhs) in compliance with Court order in a sub judiced matter.

### 8. OTHER NON CURRENT ASSETS

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Capital Advances (Unsecured, Considered good)		31.03	122.38
Prepaid Expenses		79.19	64.50
Deposits paid under Protest		0.46	-
Balance with Government Authorities		74.68	76.94
<b>Total</b>		<b>185.36</b>	<b>263.82</b>

### 9. INVENTORIES (At lower of cost or Net Realisable Value)

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Raw material	9.1	726.98	661.09
Work-in-progress		920.50	975.99
Finished goods		2,711.53	2,192.24
Stores and spares	9.1	288.61	157.15
<b>Total</b>		<b>4,647.62</b>	<b>3,986.47</b>

#### 9.1 The above includes goods-in-transit as under :-

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Raw material	25.28	53.92
Stores and spares	101.02	3.55
<b>Total</b>	<b>126.30</b>	<b>57.47</b>

### 10. TRADE RECEIVABLES

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Trade Receivables Considered good, Unsecured	10.1	2,101.35	2387.26
Less: Allowances for Expected Credit Loss	10.2	(13.84)	(20.41)
<b>Total Trade Receivables considered good, Unsecured</b>		<b>2,087.51</b>	<b>2,366.85</b>
Trade Receivables Credit Impaired		-	-
Less: Allowances for Credit Impairment		-	-
<b>Total Trade Receivables Credit impaired, Unsecured</b>		<b>-</b>	<b>-</b>
<b>Total Trade Receivables</b>		<b>2,087.51</b>	<b>2,366.85</b>

No amount is due from any of the directors or officers of the Group, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

**Notes to Consolidated Financial Statements** for the year ended March 31, 2023**10. TRADE RECEIVABLES** (contd...)**10.1 The ageing of Trade Receivables is as under:-**

₹ in Lakhs

Particulars	Outstanding from due date of Payment as on March 31 2023						Total
	Not Due	0-6 Months	6 -12 Months	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed</b>							
Considered Good	1,174.26	854.18	26.95	25.80	17.06	0.50	2,098.75
Significant Increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>1,174.26</b>	<b>854.18</b>	<b>26.95</b>	<b>25.80</b>	<b>17.06</b>	<b>0.50</b>	<b>2,098.75</b>
<b>Disputed</b>							
Considered Good	-	-	-	-	-	-	-
Significant Increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Unbilled Revenue							2.60
Allowances for Expected Credit Loss							(13.84)
<b>Total</b>							<b>2,087.51</b>

₹ in Lakhs

Particulars	Outstanding from due date of Payment as on March 31 2022						Total
	Not Due	0-6 Months	6 -12 Months	1-2 Years	2-3 years	More than 3 years	
<b>Undisputed</b>							
Considered Good	1,349.83	963.58	22.43	16.53	30.58	0.06	2,383.01
Significant Increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>1,349.83</b>	<b>963.58</b>	<b>22.43</b>	<b>16.53</b>	<b>30.58</b>	<b>0.06</b>	<b>2,383.01</b>
<b>Disputed</b>							
Considered Good	-	-	-	-	-	-	-
Significant Increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Unbilled Revenue							4.25
Allowances for Expected Credit Loss							(20.41)
<b>Total</b>							<b>2,366.85</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 10. TRADE RECEIVABLES (contd...)

#### 10.2 Movement in Impairment allowance of Doubtful Receivables:-

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening	20.41	37.30
Add: Created	-	-
Less: Utilized/Reversed	(6.57)	(16.89)
Closing	13.84	20.41

### 11. CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Balances with Banks			
In Current Accounts		19.85	151.78
In Cash Credit Accounts		82.91	0.03
Cash on hand		19.80	19.61
<b>Total</b>		<b>122.56</b>	<b>171.42</b>

### 12. BANK BALANCES OTHER THAN ABOVE

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Fixed Deposits	12.1 & 12.2	160.46	1,330.42
Unclaimed Dividend Accounts		20.93	28.71
<b>Total</b>		<b>181.39</b>	<b>1,359.13</b>

12.1 Refers to fixed deposits with original maturity of more than 3 months but remaining maturity of less than 12 months.

12.2 Deposits includes ₹160.46 lakhs (March 31, 2022: ₹1194.67 Lakhs) has been held as security against financial assistance from Bank.

### 13. LOANS

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Loan to Employees, Unsecured, Considered good	13.1	7.86	4.18
<b>Total</b>		<b>7.86</b>	<b>4.18</b>

13.1 No amount is due from any of the directors or officers of the Group, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

13.2 During the year, the Holding company has granted unsecured loan to a unrelated body corporate amounting to ₹200 lakhs (FY 2021-22 : ₹50 lakhs) which was repaid during the year in whole along with interest. This inter corporate loan was in line with the provisions of the Section 186 of the Companies Act 2013.

### 14. OTHER FINANCIAL ASSETS: CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Fixed Deposits with Financial Institutions		726.54	500.00
Interest accrued on deposits		80.88	49.63
Mark to Market on Derivative Financial Instruments		-	53.64
Others		6.39	25.00
<b>Total</b>		<b>813.81</b>	<b>628.27</b>



# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## 15. OTHER CURRENT ASSETS

₹ in Lakhs

Particulars	Refer Note No	As at	
		March 31, 2023	March 31, 2022
Advances to Suppliers	15.1	12.96	14.24
Prepaid Expenses		100.22	106.64
Insurance Receivable	50	-	710.59
Others		10.09	15.17
<b>Balances with Govt Authorities</b>			
Export Incentives		57.12	84.02
GST Refund		44.46	124.56
GST Input Tax Credit		602.65	440.83
<b>Total</b>		<b>827.50</b>	<b>1,496.05</b>

15.1 No amount is due from any of the directors or officers of the Group, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

## 16. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Authorised share capital :</b>		
3,50,00,000 (March 31, 2022: 3,50,00,000) Equity shares of ₹10/- each	3,500.00	3,500.00
<b>Issued, Subscribed and Paid up Capital</b>		
2,69,74,902 (March 31, 2022: 2,73,83,065) Equity shares of ₹10/- each fully paid up	2,697.49	2,738.31

### 16.1 Reconciliation of shares outstanding as at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
Equity Shares				
Opening Balance	2,73,83,065	2,738.31	2,73,83,065	2,738.31
Shares extinguished on buyback	(4,08,163)	(40.82)	-	-
Closing Balance	2,69,74,902	2,697.49	2,73,83,065	2,738.31

### 16.2 Rights, Preference and restrictions attached to Equity shares

The Company has only one class of issued shares i.e. Equity Shares having par value of ₹10/- per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

### 16.3 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

### 16.4 Details of Equity Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	%age Holding	No of shares	%age Holding
Mr. Pankaj Seth	1,11,73,045	41.42	1,12,54,361	41.10
Mrs. Anisha Seth	39,99,017	14.82	40,69,270	14.86
Mediaman Multitrade Private Limited	25,77,084	9.55	26,28,940	9.60
Mr. Kaushik Daga	20,28,094	7.52	20,56,830	7.51
Mr. Varun Daga	18,56,246	6.88	18,82,546	6.87

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 16. EQUITY SHARE CAPITAL (Contd.)

#### 16.5 Details of shareholding of promoters

Particulars	As at March 31, 2023		As at March 31, 2022		% change During the year
	No of shares	%age Holding	No of shares	%age Holding	
Mr. Pankaj Seth	1,11,73,045	41.42	1,12,54,361	41.10	-0.72%
Mrs. Anisha Seth	39,99,017	14.82	40,69,270	14.86	-1.73%
Mr. Parth Seth	1,19,138	0.44	1,26,411	0.46	-5.75%
Mrs. Vishakha Seth Mehra	16,657	0.06	17,676	0.06	-5.76%
Pankaj S Seth (HUF)	9,449	0.04	10,026	0.04	-5.76%
Mediaman Multitrade Private Limited	25,77,084	9.55	26,28,940	9.60	-1.97%

16.6 No equity shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

16.7 The Holding Company has bought back 408,163 ordinary shares for an aggregate amount not exceeding ₹1000 lakhs (excluding taxes and transaction cost) being 1.49% of the total paid up equity share capital of the Company at ₹245/-share. The equity shares bought back were extinguished on January 09, 2023. The company has bought back 8,74,791 ordinary shares during the financial year 2019-20.

16.8 No securities convertible into equity shares have been issued by the Company during the year.

16.9 No calls are unpaid by any Director or Officer of the Company during the year.

### 17. OTHER EQUITY

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Retained Earnings	17.1	18,798.30	16,613.44
Capital Redemption Reserve	17.2	172.74	131.92
Share Based Payment Reserve	17.3	65.60	11.59
Foreign Currency Translation Reserve	17.4	51.67	(36.42)
<b>Total</b>		<b>19,088.31</b>	<b>16,720.53</b>

#### Nature/Purpose of Each reserve

- Retained Earnings : Retained earnings are the profits that the Group has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividend and adjustments on account of transition to Ind AS.
- Capital Redemption Reserve : The Group has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.
- Share Based payment Reserve : The fair value of the equity - settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.
- Foreign Currency Translation Reserve : This reserve represents exchange difference arising on account of conversion of foreign operations to company's functional currency.





# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## 17. OTHER EQUITY (Contd.)

The details in changes of Other Equity during the year are as follows:-

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>17.1 Retained Earnings</b>		
Balance at the beginning of the year	16,613.44	14,865.71
Add: Profit for the year	3,102.19	1,519.86
Add: Share of Associate	336.01	259.97
Add: Other Comprehensive income	8.05	(32.10)
Less: Buyback	(1,261.39)	-
Balance at the end of the year	<b>18,798.30</b>	<b>16,613.44</b>
<b>17.2 Capital Redemption Reserve</b>		
Balance at the Beginning and end of the year	131.92	131.92
Add/(Less) changes during the year	40.82	-
Balance at the end of th the year	<b>172.74</b>	<b>131.92</b>
<b>17.3 Share Based Payment Reserve</b>		
Balance at the beginning of the year	11.59	-
Add: Recognition of share based Payment	54.01	11.59
Balance at the end of the year	<b>65.60</b>	<b>11.59</b>
<b>17.4 Foreign Currency Translation Reserve</b>		
Balance at the beginning of the year	(36.42)	(49.67)
Add/(Less) changes during the year	88.09	13.25
Balance at the end of th the year	51.67	(36.42)
<b>Total</b>	<b>19,088.31</b>	<b>16,720.53</b>

## 18. NON CURRENT BORROWINGS

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>			
Term Loan from Banks	18.1(a to c)	2,496.10	2,471.58
Vehicle Loans	18.2	41.16	48.82
Less: Current Maturities Transferred to Short-Term Borrowings		(792.51)	(605.76)
<b>Total</b>		<b>1,744.75</b>	<b>1,914.64</b>

### 18.1 Details of Security

Nature of Security	Terms of Repayment
a. Term Loan ₹1.62 Lakhs (March 31,2021: ₹19.46 Lakhs) is secured by First pari passu charge by way of hypothecation of current assets, entire plant and machinery, movable and immovable fixed assets of the company at Sarigam Location. Further the loan is secured by collateral of the land and building situated at Ashmeeta Textile Park, Kalyan Maharashtra and Plot No. 13 to 20 Sarigam Gujarat along with the personal guarantee of a director of the company.	Repayable in 60 equated monthly installments starting May 2018 and carries an interest rate of 8.06% p.a.
b. Term Loan ₹1,863.89 Lakhs (March 31,2022: ₹2,417.12 Lakhs) is secured by First pari passu charge by way of hypothecation of current assets, entire plant and machinery, movable and immovable fixed assets of the company at Sarigam Location. Further the loan is secured by collateral of the land and building situated at Ashmeeta Textile Park, Kalyan Maharashtra and Plot No. 13 to 20 Sarigam Gujarat along with the personal guarantee of a director of the company.	Repayable in 60 equated monthly installments starting Feb 2021 and carries an interest rate of 8.06% p.a.

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 18. NON CURRENT BORROWINGS (Contd.)

#### 18.1 Details of Security

Nature of Security	Terms of Repayment
c. Term Loan ₹630.59 Lakhs (March 31,2022: ₹35 Lakhs) is secured by First pari passu charge by way of hypothecation of current assets, entire plant and machinery, movable and immovable fixed assets of the company at Sarigam Location. Further the loan is secured by collateral of the land and building situated at Ashmeeta Textile Park, Kalyan Maharashtra and Plot No. 13 to 20 Sarigam Gujarat along with the personal guarantee of a director of the company.	Repayable in 60 equated monthly installments starting Apr 2022 and carries an interest rate of 8.75% p.a

18.2 Vehicle loan is secured against hypothecation of vehicle purchased from the loan repayable in 36 equated monthly installments ending Jan 2024 and carries an interest rate of 7.05% p.a.

18.3 For details of value pledged as security, refer note 39.

### 19. OTHER FINANCIAL LIABILITIES : NON CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Security Deposit		9.50	9.00
<b>Total</b>		<b>9.50</b>	<b>9.00</b>

### 20. DEFERRED TAX LIABILITIES (NET)

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Liabilities</b>			
Arising on account of :			
Property Plant & Equipment, Intangibles and ROU Assets		1,138.65	1,162.96
Fair Value Gain on Financial Instruments		3.21	-
Forward Contracts		-	13.50
<b>Total (A)</b>		<b>1,141.86</b>	<b>1,176.46</b>
<b>Less:Deferred Tax Assets:</b>			
Arising on account of:			
Allowances on Expected Credit Loss		3.48	5.14
Disallowance under Income Tax Act		62.42	38.89
Forward Contracts		9.69	-
<b>Total (B)</b>		<b>75.59</b>	<b>44.03</b>
<b>Total (A-B)</b>		<b>1,066.27</b>	<b>1,132.43</b>

#### 20.1 Movement in deferred tax liability/(asset) during the year ended March 31, 2023

₹ in Lakhs

	As at April 01, 2022	Charge/ (credit) in Statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	As at March 31, 2023
<b>Deferred Tax Liability/Asset :</b>				
Property Plant & Equipment, Intangibles and ROU Assets	1,162.96	(24.31)	-	1,138.65
Fair Value Gain on Financial Instruments	-	3.21	-	3.21
Forward Contracts	13.50	(23.19)	-	(9.69)
Allowances on Expected Credit Loss	(5.14)	1.66	-	(3.48)
Amount Deductible on Payment Basis	(38.89)	(26.24)	2.71	(62.42)
<b>Total</b>	<b>1,132.43</b>	<b>(68.88)</b>	<b>2.71</b>	<b>1,066.27</b>

**Notes to Consolidated Financial Statements** for the year ended March 31, 2023**20. DEFERRED TAX LIABILITIES (NET)** (Contd.)

Movement in deferred tax liability/(asset) during the year ended March 31, 2022

₹ in Lakhs

	As at April 01, 2021	Charge/ (credit) in Statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	As at March 31, 2022
<b>Deferred Tax Liability/Asset :</b>				
Property Plant & Equipment, Intangibles and ROU Assets	1,144.37	18.60	-	1,162.96
Forward Contracts	-	13.50	-	13.50
Allowances on Expected Credit Loss	(9.37)	4.24	-	(5.14)
Amount Deductible on Payment Basis	(42.94)	14.85	(10.80)	(38.89)
<b>Total</b>	<b>1,092.06</b>	<b>51.19</b>	<b>(10.80)</b>	<b>1,132.43</b>

**21. OTHER NON CURRENT LIABILITIES**

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Deferred Income on Capital Subsidy		494.79	460.70
<b>Total</b>		<b>494.79</b>	<b>460.70</b>

**22. PROVISIONS: NON CURRENT**

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Provisions for Employee Benefit			
Gratuity		216.23	154.53
<b>Total</b>		<b>216.23</b>	<b>154.53</b>

**23. CURRENT BORROWINGS**

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Cash Credit/Working capital demand loans (Secured)	23.1	-	1396.84
Current Maturities of Long term Borrowings	23.2	792.51	605.76
<b>Total</b>		<b>792.51</b>	<b>2,002.60</b>

**23.1** Working Capital demand Loans include Export packing Credit of Nil (March 31, 2022: ₹1,381.37 lakhs).

**23.2 Details of security**

- Cash Credit and Working Capital demand loan of Nil (March 31, 2022: ₹498.93 lakhs) is secured by hypothecation of Current Assets, both present and future.
- Cash Credit and Working Capital demand loan of Nil (March 31, 2022: ₹897.91 lakhs) is secured by fixed deposits.

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 24. TRADE PAYABLE

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of Micro Enterprises and Small Enterprises		38.65	100.50
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		861.96	712.63
<b>Total</b>		<b>900.61</b>	<b>813.13</b>

#### 24.1 The ageing of Trade Payables from due date of payment as on March 31, 2023 are:-

₹ in Lakhs

Particulars	Not Due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	38.65	-	-	-	-	38.65
Other than Micro Enterprises and Small Enterprises	772.08	84.95	4.93	-	-	861.96
<b>Total</b>	<b>810.73</b>	<b>84.95</b>	<b>4.93</b>	<b>-</b>	<b>-</b>	<b>900.61</b>

#### 24.1 The ageing of Trade Payables from due date of payment as on March 31, 2022 are:-

₹ in Lakhs

Particulars	Not Due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	99.98	0.52	-	-	-	100.50
Other than Micro Enterprises and Small Enterprises	536.01	171.94	4.68	-	-	712.63
<b>Total</b>	<b>635.99</b>	<b>172.46</b>	<b>4.68</b>	<b>-</b>	<b>-</b>	<b>813.13</b>

24.2 There are no unbilled dues as on March 31, 2023 and March 31, 2022.

### 25. OTHER FINANCIAL LIABILITIES : CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Employee related Liabilities		211.67	186.13
Liability for Capital goods		31.70	233.91
Interest accrued but not due on loans		11.58	14.74
Unclaimed Dividends	25.1	20.93	28.71
Outstanding liability for expense		100.51	161.20
Mark to market on Derivative Financial Instruments		38.51	-
<b>Total</b>		<b>414.90</b>	<b>624.69</b>

25.1 There are no amounts due for payment to Investor Education and Protection Fund As at March 31, 2023 and March 31, 2022

### 26. OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Statutory Liabilities		61.01	82.16
Advances from Customers		388.72	522.61
Deferred Income on Capital Subsidy		83.84	75.12
Others		24.64	-
<b>Total</b>		<b>558.21</b>	<b>679.89</b>



orbit exports ltd.

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 27. PROVISIONS:CURRENT

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
<b>Provisions for Employee Benefit</b>			
Gratuity		14.21	52.22
<b>Total</b>		<b>14.21</b>	<b>52.22</b>

### 28. REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	28.1	19,234.87	12,416.08
Sale of power		41.12	43.64
Sale of Services		108.89	2.03
		<b>19,384.88</b>	<b>12,461.75</b>
<b>Other operating revenue</b>			
Export Incentives		329.69	213.07
<b>Total</b>		<b>19,714.57</b>	<b>12,674.82</b>

#### 28.1 Disclosures pursuant to Ind AS 115:

##### a. Contract Balances

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Contract Assets</b>		
Trade Receivables	2,101.35	2,387.26
<b>Contract Liabilities</b>		
Advances Received from Customers	388.72	522.61

b. Revenue recognised from contract liability outstanding at the beginning of the year amounted to ₹522.61 Lakhs

c. Reconciliation of revenue as recognised in consolidated statement of profit and Loss with the contracted price

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue as per Contracted Price	19,497.84	12,529.63
Less:		
Discounts and Incentives	112.96	67.88
<b>Total</b>	<b>19,384.88</b>	<b>12,461.75</b>

##### d. Revenue from contracts with customers disaggregated based on geography

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Customers outside India	12,309.03	7,637.82
Revenue from Customers within India	7,075.85	4,823.93
<b>Total</b>	<b>19,384.88</b>	<b>12,461.75</b>

e. There are transactions with one external customer which amounts to 10% or more of the Group's revenue

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 29. OTHER INCOME

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
<b>Interest Income from financial assets measured at amortised cost</b>			
On fixed deposits		145.24	125.50
Others		20.90	13.56
		<b>166.14</b>	<b>139.06</b>
<b>Other non operating income</b>			
Fair Value gain on Investments measured at FVTPL		12.74	-
Deferred Income on Government grant		79.35	70.71
Rent		36.20	33.80
Provisions/Liabilities no longer required written back		15.66	15.71
Others		0.12	4.98
<b>Total</b>		<b>310.21</b>	<b>264.26</b>

### 30. COST OF MATERIAL CONSUMED

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Inventory at the beginning of the year		661.09	432.21
Add : Purchases		7,389.45	5,650.44
		<b>8,050.54</b>	<b>6,082.65</b>
Less : Inventory at the end of the year		726.98	661.09
<b>Total</b>		<b>7,323.56</b>	<b>5,421.56</b>

### 31. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
<b>Inventories at the beginning of the year</b>			
Finished Goods		2,192.24	1,671.51
Work-in-Progress		975.99	521.21
	(A)	<b>3,168.24</b>	<b>2,192.72</b>
<b>Inventories at the end of the year</b>			
Finished Goods		2,711.53	2,192.24
Work-in-Progress		920.50	975.99
	(B)	<b>3,632.03</b>	<b>3,168.23</b>
<b>Total A-B</b>		<b>(463.79)</b>	<b>(975.51)</b>

### 32. EMPLOYEE BENEFIT EXPENSE

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus		2,696.06	2,118.08
Contribution to provident and other fund		124.78	97.72
Staff welfare expenses		105.04	60.91
Share Based Payment	49	54.01	11.59
<b>Total</b>		<b>2,979.89</b>	<b>2,288.30</b>



orbit exports ltd.

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 33. FINANCE COST

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Interest on Borrowings		255.70	138.20
Interest on Lease liabilities		57.85	54.11
Interest Others		25.02	2.56
<b>Total</b>		<b>338.57</b>	<b>194.87</b>

### 34. DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of Property, Plant and Equipment		1,238.25	1,013.78
Depreciation on ROU Assets		156.16	145.01
Amortisation of Intangible assets		11.31	27.74
<b>Total</b>		<b>1,405.72</b>	<b>1,186.53</b>

### 35. OTHER EXPENSES

₹ in Lakhs

Particulars	Refer Note No	Year ended March 31, 2023	Year ended March 31, 2022
Power and Fuel		1,179.66	695.59
Labour Charges		579.06	316.63
Repairs and Maintenance:			
Plant and Machinery		249.74	164.18
Others		193.40	154.30
Commission and Brokerage		323.05	205.68
Freight and Forwarding Expense		405.63	379.62
Selling and Distribution Expenses		139.15	92.77
Advertisement, Sales Promotion and Marketing Fees		101.63	60.48
Travelling and Conveyance		278.98	131.92
Legal and Professional Charges		157.98	110.35
Rates and taxes		59.17	74.59
Rent		140.25	134.85
Insurance Charges		102.08	86.60
Expenditure on Corporate Social Responsibility		36.09	41.56
Bad Debts written off (Net of Reversal of Provision of Nil ;March 31, 2022: ₹1.64 lakhs)		8.88	59.01
Loss/(Gain) on Foreign Exchange		52.55	(177.91)
Loss on sale of sale of Property Plant and Equipment		20.41	-
Remuneration to Statutory Auditors			
Statutory Audit Fees (Inc. Limited Reviews)		12.00	12.00
For Other Services		-	-
Other Expenses		329.97	184.38
<b>Total</b>		<b>4,369.69</b>	<b>2,726.60</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 36. TAX EXPENSE

₹ in Lakhs

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Current Tax	36.1	995.95	469.34
Deferred Tax		(68.88)	51.19
Tax of Earlier Years		5.15	4.67
<b>Total</b>		<b>932.22</b>	<b>525.20</b>

36.1 Income tax has been provided based on the rates mentioned under section 115BAA of the Income tax Act 1961.

36.2 Reconciliation of estimated Income Tax expense at Indian statutory Income tax rate to income tax expense reported in statement of Profit & Loss.

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before Income tax expense	4,370.42	2,305.02
Income tax expense at tax rates applicable to individual entities	25.17%	25.17%
<b>Estimated Income tax Expense</b>	<b>1,099.90</b>	<b>580.10</b>
<b>Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense</b>		
Share of Profit of Associate not taxable	(84.56)	(65.43)
Expenses not deductible	12.43	11.11
Expenses deductible	(37.31)	(27.84)
Effect of Tax of earlier years	5.15	4.67
Difference in tax rates of certain entities	(6.02)	21.59
Others	(57.37)	0.99
	<b>932.22</b>	<b>525.20</b>

### 37. EARNING PER SHARE

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Nominal Value of Equity Shares (₹)		10.00	10.00
Profit Attributable to the Equity shareholders of the Group (₹ in Lakhs)		3,438.20	1,779.81
Weighted average number of equity shares for calculation of basic earning per share (Nos)		2,72,92,486	2,73,83,065
Weighted average number of equity shares for calculation of diluted earning per share (Nos)		2,73,94,991	2,74,01,292
Basic Earning per share		12.37	6.50
Diluted Earning per share	37.1	12.33	6.50

37.1 Stock Options granted to employees under ESOP scheme are considered to be potential equity shares. The same is considered in determination of diluted earnings per share. The stock options are not included in the determination of Basic Earning per share. The details relating to stock options are given in note No. 49.





## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 38. CONTINGENT LIABILITY AND COMMITMENTS TO THE EXTENT NOT PROVIDED FOR

#### 38.1 Contingent Liabilities

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
A. Claims/Disputes/Demands not acknowledged as debts		
Demand from tax authorities	283.30	291.59

#### 38.2 Commitments

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	101.24	607.20
Custom duty on capital goods imported under Export promotional capital goods scheme (EPCG) scheme against which export obligation is to be fulfilled #1	523.91	474.97

#1 Export obligation for licences amounting to ₹278.18 lakhs (March 31, 2022: ₹351.39 lakhs) has been been fulfilled, however procedural formalities for closure of EPCG licenses are pending.

### 39. DETAILS OF ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for borrowings are:-

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non Current:</b>		
<b>First Charge/Second Charge</b>		
<b>Non-Financial Assets</b>		
Land and Building	3,843.91	3,685.75
Plant and Machinery	2,243.92	2,233.16
Other Property Plant and Equipment	233.31	193.27
Vehicle	54.65	63.50
Financial Assets		
Fixed Deposits	28.00	223.00
<b>Current:</b>		
<b>First Charge/Second Charge</b>		
<b>Non-Financial Assets</b>		
Inventories	3,651.40	3,085.33
Other Non Financial Assets (Excluding Prepaid Balances and Balances with Govt Authorities)	23.06	740.00
Financial Assets		
Trade Receivables	2,228.04	2,572.78
Cash & Cash Equivalents	103.54	149.44
Other Bank Balances	160.46	1,330.42
Other Current Assets	821.67	632.45
	<b>13,391.96</b>	<b>14,909.10</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 40. DISCLOSURE OF TRADE PAYABLES AS REQUIRED UNDER SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006, BASED ON THE CONFIRMATION AND INFORMATION RECEIVED BY THE GROUP FROM THE SUPPLIERS REGARDING THE STATUS UNDER THE ACT.

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Principal amount due	38.65	100.50
Interest due on above	-	-
Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest due and payable for the period of delay;	-	-
Interest accrued and remaining unpaid as at year end	-	-
Further remaining due and payable in the succeeding year	-	-

### 41. LEASES

#### 41.1 Future payment of lease liabilities on an undiscounted basis:-

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Less than 1 year	202.17	169.17
One to five years	413.95	480.35
More than 5 years	344.56	-
<b>Total Undiscounted lease liabilities</b>	<b>960.68</b>	<b>649.52</b>

#### 41.2 Amounts recognised in profit and loss

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Interest Expense on lease liabilities	57.85	54.11
Depreciation expense of ROU assets	156.16	145.01
Expense on short term leases (included in other expenses)	140.25	134.85
<b>Total</b>	<b>354.26</b>	<b>333.97</b>

41.3 Total cash outflow during the year was ₹183.87 lakhs (March 31, 2022: ₹168.74 lakhs) except for short term lease and low value assets.

### 42 SEGMENT REPORTING

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM and identified as Manufacturing of textile and renewable sources of energy. The gross operating income and profit from renewable sources of energy is below the norms prescribed in Ind AS 108, hence separate disclosures have not been made.



# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## 43. CORPORATE SOCIAL RESPONSIBILITY

₹ in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount required to be spent by the Group	35.57	41.56
Amount Spent During the period/Year		
(i) on Construction of Asset	-	-
(ii) On Purpose other than (i) above	36.09	41.56
Excess/(Shortfall) at the end of the year	0.52	-
Total of Previous Year's Shortfall	-	-
Reason for Shortfall	NA	NA
Nature of CSR Activities	As per Schedule VII	
Details of Related Party Transactions	-	-
Whether a provision is made in respect of liability incurred by entering into a contractual obligation?	NA	NA

## 44. RELATED PARTY TRANSACTIONS

<b>Related parties with whom transactions have taken place during the year</b>	Associate- Rainbow Line Trading (L.L.C.)
<b>Key management personnel ("KMP")</b>	Mr. Pankaj Seth - Managing director Mrs. Anisha Seth - Whole time director Mr. Varun Daga- Non Executive Director Mr. Pardeep Khosla- Independent Director Mr. Sunil Buch- Independent Director Mrs. Chetna Malaviya- Independent Director w.e.f June 22, 2020 Mr. Saumil Marfatia -Independent Director upto May 24, 2021 Mr. Mukesh Deopura - Chief Financial Officer upto Oct 29, 2021 Mr. Rahul Tiwari - Chief Financial Officer with effect from Dec 08, 2021 Ms. Neha Devpura - Company Secretary upto Jan 31, 2022 Mr. Ankit Jain- Company Secretary with effect from Feb 11, 2022
<b>Relatives of key management personnel</b>	Mrs. Vishakha Seth Mehra - Daughter of Mr. Pankaj Seth & Mrs. Anisha 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 & Mrs. Anisha Seth Mrs. Sujata Anil Arora- Sister of Mr. Pankaj Seth Mrs. Rama Shyam Sundar Seth- Mother of Mr. Pankaj Seth Mrs. Chanda Deopura - Wife of Mr. Mukesh Deopura upto Oct 29, 2021
<b>Enterprises owned or significantly influenced by key management personnel or their relatives</b>	Mediaman Multitrade Pvt Ltd.

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 44 RELATED PARTY TRANSACTIONS (contd...)

44.1 The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Associate	KMP & Relatives of KMP	Other Related Parties	Associate	KMP & Relatives of KMP	Other Related Parties
Sale of Goods	2,918.39	-	-	2,184.06	-	-
Purchase of Goods	0.55	-	-	0.08	-	-
Remuneration to KMP	-	505.52	-	-	448.47	-
Remuneration to relatives of KMP	-	69.25	-	-	71.43	-
Sitting Fees	-	4.54	-	-	5.93	-
Rent Payments	-	3.60	-	-	3.60	-
Consultancy Payments	-	1.38	-	-	1.38	-
Buyback of shares	-	464.70	132.26	-	-	-

₹ in Lakhs

### 44.2 Balances Outstanding:

Particulars	As at March 31, 2023			As at March 31, 2022		
	Associate	KMP & Relatives of KMP	Other Related Parties	Associate	KMP & Relatives of KMP	Other Related Parties
Amounts Payable	-	20.33	-	-	3.57	-
Amounts Receivable	35.05	0.10	-	254.24	-	-

₹ in Lakhs

### 44.3 Remuneration to Key Managerial Personnel

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Short-term Employment Benefits	505.52	448.47
Post-Employment Benefits	2.08	47.81

₹ in Lakhs

### 44.5 Terms and Conditions of Transaction with related Party

Transactions with related party are carried out in the normal course of business.

## 45 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014.

### 45.1 Defined Contribution plan:

The amounts of contribution to provident fund and ESIC recognized as expenses is ₹70.00 lakhs (March 31, 2022: ₹55.57 lakhs) for the year ended March 31, 2023.

### 45.2 Defined Benefit plan:

The Group sponsors unfunded defined benefit plans for qualifying employee therefore there are no plan assets which are maintained exclusively thereof. In computation of gratuity liability, Project Unit Credit Method is used.

### 45.3 Risk Exposures:

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
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**Notes to Consolidated Financial Statements** for the year ended March 31, 2023**45 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014. (contd...)****45.3 Risk Exposures:(contd...)**

Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**45.4 Principal assumptions used for the purpose of actuarial valuation**

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.20%	6.90%
Expected rate of salary increase	7.00%	7.00%
Withdrawal Rate	5%	5%
Mortality Rate	Indian Assured lives (2006-08) ultimate mortality rates	Indian Assured lives (2006-08) ultimate mortality rates
Retirement Rate	58 yrs	58 yrs

**45.5 Amounts recognised in Financial Statements****(a) Amounts recognised in Statement of Profit and Loss in respect of defined benefit plans** ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Service cost:		
Current service cost	35.47	29.51
Interest Cost on net Defined Benefit Obligations	13.75	9.33
<b>Expenses Recognised</b>	<b>49.22</b>	<b>38.84</b>

**(b) Amounts recognised in Other comprehensive income in respect of defined benefit plans** ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Net Actuarial (Gain)/loss	(10.76)	42.90
<b>Expenses Recognised</b>	<b>(10.76)</b>	<b>42.90</b>

**(c) Amounts recognised in Balance Sheet in respect of defined benefit plans** ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Present Value of the Defined Benefit Obligations	(230.44)	(206.75)
<b>Net (Liability)/Asset as on Balance sheet date</b>	<b>(230.44)</b>	<b>(206.75)</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 45 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014. (contd...)

#### 45.6 Movements in present value of defined benefit obligation ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligations	206.75	151.55
Current service cost	35.47	29.51
Interest cost	13.75	9.33
Remeasurement (Gains) / losses		
Actuarial (gains) / losses on Defined Benefit Obligation	(10.76)	42.90
Benefits paid	(14.77)	(26.54)
<b>Closing defined benefit obligation</b>	<b>230.44</b>	<b>206.75</b>

#### 45.7 Reconciliation ₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Net Liability	206.75	151.55
Add: Employer Expenses (Expenses recognised in the statement of Profit and Loss Account)	49.22	38.84
Add: Transfer to Other Comprehensive Income	(10.76)	42.90
Less: Benefit Paid	(14.77)	(26.54)
<b>Closing Net Liability</b>	<b>230.44</b>	<b>206.75</b>

#### 45.8 Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate is increased by 1%	(19.41)	(15.16)
Discount Rate is decreased by 1%	22.63	17.88
Salary Growth Rate increased by 1%	20.67	17.35
Salary Growth Rate decreased by 1%	(18.08)	(15.15)

## 46 FAIR VALUE MEASUREMENT

### 46.1 Methods and assumptions used to estimate the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non-current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair values of long term security deposits taken, non-current borrowings and remaining non current



# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## 46 FAIR VALUE MEASUREMENT (contd...)

financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

- d. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

### 46.2 Categories of financial instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities. This includes traded bonds and mutual funds as the case may be, that have quoted price/rate/value

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data

₹ in Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Values	Fair Values	Carrying Values	Fair Values
<b>Financial assets</b>				
<b>Measured at amortised cost :</b>				
Investments in Government security	0.37	0.37	0.37	0.37
Trade receivables	2,087.51	2,087.51	2,366.85	2,366.85
Cash and Bank balances	303.95	303.95	1,530.55	1,530.55
Loans	7.86	7.86	4.18	4.18
Other financial assets	1,522.16	1,522.16	1,690.53	1,690.53
<b>Total (A)</b>	<b>3,921.85</b>	<b>3,921.85</b>	<b>5,592.47</b>	<b>5,592.47</b>
<b>Measured at fair value through profit or loss</b>				
Derivative Instruments	-	-	53.64	53.64
Investment in equity shares of other entity	1.00	1.00	1.00	1.00
Investment in Mutual Funds	1,612.74	1,612.74	-	-
<b>Total (B)</b>	<b>1,613.74</b>	<b>1,613.74</b>	<b>54.64</b>	<b>54.64</b>
<b>Total Financial assets (A+B)</b>	<b>5,535.59</b>	<b>5,535.59</b>	<b>5,647.11</b>	<b>5,647.11</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost :</b>				
Borrowing	2,537.26	2,537.26	3,917.24	3,917.24
Trade payables	900.61	900.61	813.13	813.13
Lease Liabilities	680.02	680.02	550.05	550.05
Other financial liabilities	424.40	424.40	633.69	633.69
<b>Sub total</b>	<b>4,542.29</b>	<b>4,542.29</b>	<b>5,914.11</b>	<b>5,914.11</b>
<b>Measured at fair value through profit or loss</b>				
Derivative Instruments	38.51	38.51	-	-
<b>Total (B)</b>	<b>38.51</b>	<b>38.51</b>	<b>-</b>	<b>-</b>
<b>Total Financial liabilities</b>	<b>4,580.80</b>	<b>4,580.80</b>	<b>5,914.11</b>	<b>5,914.11</b>

### 46.3 Level wise disclosure of financial instruments

Particulars	As at March 31, 2023	As at March 31, 2022	Level	Valuation techniques and key inputs
Investment in Mutual funds	1,612.74	-	1	Net Asset Value of the Scheme
Foreign currency forward contracts - Assets/(Liabilities)	(38.51)	53.64	2	Quotes from Banks

# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## 47 FINANCIAL RISK MANAGEMENT

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board. The details of different types of risk and management policy to address these risks are listed below:

The Group's activities are exposed to various risks viz. Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Group, it uses various instruments and follows policies set up by the Board of Directors / Management.

### A. Credit Risk

Credit risk arises from the possibility that counter party will cause financial loss to the Group by failing to discharge its obligation as agreed.

Credit risks from balances with banks are managed in accordance with the Group policy. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks having high credit-ratings assigned by credit-rating agencies.

Based on the industry practices and business environment in which the Group operates, management considers that the trade receivables are in default if the payment are more than 2 years past due.

Trade receivables primarily consists of Outstanding against exports sales and sales to certain domestic customers with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

For ageing of Trade Receivables and movement of provision refer note 10.

### B. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group liquidity risk management policies include to, at all times ensure sufficient liquidity to meet its liabilities when they are due, by maintaining adequate sources of financing from both domestic and international banks at an optimised cost. In addition, processes and policies related to such risks are overseen by senior management. The Group's senior management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Maturity of Financial Liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date:-

Particulars	As at March 31, 2023			
	<1 Year	1-5 Years	> 5 Years	Total
Borrowings	792.51	1,744.75	-	2,537.26
Trade Payables	900.61	-	-	900.61
Lease Liabilities	146.68	303.90	229.44	680.02
Other Financial Liabilities	414.90	9.50	-	424.40

₹ in Lakhs

Particulars	As at March 31, 2022			
	<1 Year	1-5 Years	> 5 Years	Total
Borrowings	2,002.60	1,914.64	-	3,917.24
Trade Payables	813.13	-	-	813.13
Lease Liabilities	124.73	425.32	-	550.05
Other Financial Liabilities	624.69	9.00	-	633.69

₹ in Lakhs





# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## 47 FINANCIAL RISK MANAGEMENT (contd...)

### Financing arrangements

The Group has sufficient sanctioned line of credit from its bankers / financiers commensurate to its business requirements. The Group reviews its line of credit available with bankers and lenders from time to time to ensure that at all point of time there is sufficient availability of line of credit to handle peak business cycle.

The Group pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories.

### C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed in the ordinary course of business to risks related to changes in foreign currency exchange rate and interest rate.

#### Market Risk – Foreign Exchange

Foreign exchange risk arises on all recognised monetary assets and liabilities which are denominated in a currency other than the functional currency of the Group. The Group has foreign currency trade payables and receivables. However, foreign exchange exposure mainly arises from trade receivable and trade payables denominated in foreign currencies.

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and a portion of its business is transacted in several currencies and therefore the Group is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Group hedges the receivables as well as payables by forming view as per policies set by Management.

The Group does not enter into or trade financial instrument including derivative for speculative purpose.

The Carrying amount of the Group's Foreign denominated assets and liabilities at the end of the reporting period are as follows.:

Particulars	₹ in Lakhs			
	Liabilities		Assets	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
US Dollar (USD)	10.73	61.03	985.75	1,195.32
EURO	-	26.21	2.68	-
British Pound (GBP)	-	0.52	7.49	0.86

### C.1 Foreign Currency Exposure

Particulars	Balance As at March 31, 2023		
	USD	EURO	GBP
Trade receivables	985.75	2.68	7.49
Trade payables	10.73	-	-

Particulars	Balance As at March 31, 2022		
	USD	EURO	GBP
Trade receivables	1,195.32	-	0.86
Trade payables	7.39	26.21	0.52
Forward contracts for payable	53.64	-	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 47 FINANCIAL RISK MANAGEMENT (contd...)

#### C.2 Particulars of un-hedged foreign currency asset / liability as at Balance Sheet date

Currencies	Nature	As at March 31, 2023		As at March 31, 2022	
		Amount in Foreign Currency (Lakhs)	Amount in INR (Lakhs)	Amount in Foreign Currency (Lakhs)	Amount in INR (Lakhs)
EURO	Asset- Export Receivables	0.03	2.68	-	-
EURO	Liability- Import Payables	-	-	0.31	26.21
GBP	Asset- Export Receivables	0.07	7.49	0.01	0.86
USD	Asset-Export Receivables	-	-	1.40	106.30
USD	Liability- Import Payables	0.09	7.40	0.10	7.39

#### C.3 Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

Particulars	As at March 31, 2023		As at March 31, 2022	
	1% Increase	1% decrease	1% Increase	1% decrease
EURO	0.02	(0.02)	(0.26)	0.26
GBP	0.05	(0.05)	-	-
USD	(0.06)	0.06	0.74	(0.74)

### 48 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to maximise shareholder's value. In order to maintain or achieve a capital structure that maximises the shareholder value, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. As at March 31, 2023, the Group has only one class of equity shares. Hence, there are no externally imposed capital requirements.

The Group's capital requirement is mainly to fund its business expansion and repayment of borrowings. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings

The Group has adhered to material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements with respect to payment of principal and interest. No lender has raised any matter that may lead to breach of covenants stipulated in the underlying documents.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	As at March 31, 2023	As at March 31, 2022
Net Debt (₹ in Lakhs)	2,414.70	3,745.82
Total Equity (₹ in Lakhs)	21,785.80	19,458.84
Net Debt to Equity Ratio	0.11	0.19



# Notes to Consolidated Financial Statements for the year ended March 31, 2023

## 49 EMPLOYEE STOCK OPTION PLAN

Disclosure is hereby given in pursuant to Ind AS 102 "Share Based Payment"

**49.1** OEL Employee Stock Option Scheme 2021 (hereinafter referred to as the "ESOP scheme"), was approved by the shareholders in the Annual General meeting dated September 29, 2021. The plan provides for issue of options to the eligible employees specified in the ESOP scheme to exercise the option granted for purchase of equity shares in the Holding Company at the exercise price recommended by the Nomination and remuneration committee i.e. ₹56/- being the exercise price for share of ₹10/- each

Particulars	Details
Name of the Plan	Orbit Exports Limited Employee Stock Option Scheme 2021
Method used to account for the Employee share based payment plan	Fair Value
Stock Options approved (No. of shares)	10,00,000
Persons Entitled	Eligible Employees as per scheme
Options Grant Date during the year	January 25, 2022
Vesting Period	1-4 years from the date of grant
Exercise Period	Maximum 1 year from the date of vesting of options
Lock-in-Period	No Lock-in period after exercise

### 49.2 Details of options granted during the year

Particulars	Options Granted (Date :- January 25, 2022)
No. of options granted	2,16,000
Vesting Schedule (%)	25% each at first, second, third and Fourth year
Exercise Period (In years)	Within 1 year of Vesting
Exercise Price (In ₹)	₹56/-
Market price on the date of grant (In ₹)	₹100/-

### 49.3 The Details of activity under the scheme are summarized below

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	No. of Options	WAEP (₹)	No. of Options	WAEP (₹)
Outstanding at the beginning of the year	2,16,000	56.00	8,000.00	174.25
Granted during the year	-	-	2,16,000.00	56.00
Forfeited during the year	18,000	56.00	8,000.00	174.25
Exercised during the year	-	-	-	-
Outstanding at end of the year	1,98,000	56.00	2,16,000.00	56.00
Exercisable at end of the year	1,98,000	56.00	-	-

### 49.4 The Black Scholes valuation model has been used for computing weighted average fair value of stock options granted during the year considering the following inputs:-

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
Expected Exercise Date	July 25, 2023	July 25, 2024	July 25, 2025	July 25, 2026
Grant Date	Jan 25, 2022	Jan 25, 2022	Jan 25, 2022	Jan 25, 2022
Stock Price (₹)	100.00	100.00	100.00	100.00
Volatility (%)	56.80	57.12	53.72	50.84
Risk Free Rate (%)	6.66	6.66	6.66	6.66
Exercise Price (₹)	56.00	56.00	56.00	56.00
Time to Expiration (Years)	1.5	2.5	3.5	4.5
Dividend Yield (%)	0.00	0.00	0.00	0.00

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 49 EMPLOYEE STOCK OPTION PLAN (contd...)

49.5 During the year ended March 31, 2023, the Holding Company has recorded an employee stock compensation expense of ₹54.01 lakhs (March 31, 2022 : ₹11.59 lakhs ) in the statement of Profit and Loss and the balance in Share Based Payment Reserve Account as at March 31, 2023 is ₹65.60 lakhs (March 31, 2022 : ₹11.59 lakhs).

49.6 The remaining life for option outstanding as on March 31, 2023 is 2.33 years.

### 50 EXCEPTIONAL ITEM

Exceptional Item of ₹51.68 lakhs for the year ended March 31, 2022 represents loss due to major fire in the financial year 2020-21 at the Holding company's warehouse located in Bhiwandi, Maharashtra. This loss was in addition to the exceptional loss of ₹178.73 lakhs recognised in the financial year 2020-21. Such losses were recognised based on the loss assessment done by the Insurance Company's appointed Surveyor. However, during the month of December 2022 and January 2023, the Insurance company has settled total claim and in aggregate released a sum of ₹673.86 lakhs with a shortfall of ₹36.73 lakhs. The same has been recognised as exceptional loss for the quarter and year ended March 31, 2023. Accordingly, necessary financial impact has been given in the quarter and year ended March 31, 2023.

### 51 INDIVIDUAL IMMATERIAL ASSOCIATE

The Group has interests in individually immaterial associate that are accounted for using the equity method

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Aggregate carrying amount of individually immaterial associate	1,629.37	1,293.36
Aggregate amount of the Group's share of :		
Profit / (Loss) from operations	336.01	259.97
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>336.01</b>	<b>259.97</b>
Share of profit/(loss) from associate	336.01	259.97

### 52 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATE

Particulars	₹ in Lakhs									
	Percent- age of owner- ship in- terest as at March 31, 2023	Percent- age of owner- ship in- terest as at March 31, 2022	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit / (Loss)		Share in Other Com- prehensive Income		Share in total Com- prehensive Income	
			% of con- solidated net assets	₹	% of con- solidated profit or loss	₹	% of con- solidated Other Compre- hensive Income	₹	% of con- solidated total Compre- hensive Income	₹
<b>Parent</b>										
Orbit Exports Limited	-	-	87.29	19,015.92	89.64	3,081.85	100.00	96.14	89.92	3,177.99
<b>Subsidiary</b>										
<i>Foreign:</i>										
Orbit Inc.	100.00	100.00	5.24	1,140.51	0.59	20.34	-	-	0.58	20.34
<b>Associate</b>										
<i>Foreign:</i>										
Rainbow Line Trading L.L.C.	49.00	49.00	7.48	1,629.37	9.77	336.01	-	-	9.51	336.01
<b>Total</b>			<b>100.00</b>	<b>21,785.80</b>	<b>100.00</b>	<b>3,438.20</b>	<b>100.00</b>	<b>96.14</b>	<b>100.00</b>	<b>3,534.34</b>



orbit exports ltd.

## Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 52 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATE (contd...)

₹ in Lakhs

Particulars	Percent- age of owner- ship in- terest as at March 31, 2022	Percent- age of owner- ship in- terest as at March 31, 2021	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit / (Loss)		Share in Other Com- prehensive Income		Share in total Com- prehensive Income	
			% of con- solidated net assets	₹	% of con- solidated profit or loss	₹	% of con- solidated Other Compre- hensive Income	₹	% of con- solidated total Compre- hensive Income	₹
<b>Parent</b>										
Orbit Exports Limited	-	-	88.05	17,133.39	84.65	1,506.74	100.00	(18.85)	84.50	1,487.89
<b>Subsidiary</b>										
<i>Foreign:</i>										
Orbit Inc.	100.00	100.00	5.30	1,032.09	0.74	13.11	-	-	0.74	13.11
<b>Associate</b>										
<i>Foreign:</i>										
Rainbow Line Trading L.L.C.	49.00	49.00	6.65	1,293.36	14.61	259.97	-	-	14.76	259.97
<b>Total</b>			<b>100.00</b>	<b>19,458.84</b>	<b>100.00</b>	<b>1,779.82</b>	<b>100.00</b>	<b>(18.85)</b>	<b>100.00</b>	<b>1,760.97</b>

53 Additional Regulatory Information detailed in Clause 6L of General Instructions given in Part I Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Consolidated Financial Statement of the Company.

54 Previous year's figures have been re grouped wherever necessary.

As per our report of even date

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

Chartered Accountants  
Firm Reg No. 104767W

**Rajen Ashar**

Partner  
Membership No: 048243  
Place: Mumbai  
Date: May 06, 2023

**For and on behalf of Board of Directors**

**Pankaj Seth**

Managing Director  
DIN:00027554

**Rahul Tiwari**

Chief Financial Officer  
Place: Mumbai  
Date: May 06, 2023

**Anisha Seth**

Whole Time Director  
DIN:00027611

**Ankit Jain**

Company Secretary  
M No: 54805

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 40th Annual General Meeting ("AGM") of the Members of **ORBIT EXPORTS LIMITED** ("Company") will be held on **Friday, September 22, 2023 at 02:00 p.m.** (IST) by way of Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") to transact the following business:

## ORDINARY BUSINESS:

- To receive, consider and adopt:
  - the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, Reports of the Board of Directors and Auditors thereon; and
  - the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the Report of the Auditors thereon.
- To appoint a Director in place of Mrs. Anisha Seth (DIN: 00027611), Whole-time Director, who retires by rotation and, being eligible, offers herself for re-appointment.

## SPECIAL BUSINESS:

- To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**Appointment of Mr. Chetan Mehra (DIN: 00022021) as an Independent Director w.e.f. August 2, 2023**

**"RESOLVED THAT**, pursuant to the provisions of Sections of 149, 150 and 152 of the Companies Act, 2013 ('Act') read with Schedule IV and other applicable provisions of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 made thereunder (including any statutory modification(s) or re-enactment thereof from time to time), Regulation 17 and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in accordance to the provisions of the Articles of Association of the Company, and the Nomination and Remuneration Policy of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors respectively, Mr. Chetan Mehra (DIN: 00022021) who holds office as an Additional Director of the Company up to the date of this Annual General Meeting in terms of Section 161 of the Act, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable

to retire by rotation, to hold office for a first term of 5 (five) consecutive years with effect from August 2, 2023.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

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

**Appointment of Mr. Parth Seth (DIN: 07684397), as a Director of the Company**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ('Act') and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Parth Seth (DIN: 07684397), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from August 2, 2023 in terms of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at this Annual General Meeting, be and is hereby appointed as a Director and the period of his office shall be liable to determination by retirement of directors by rotation."

- To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**Appointment of Mr. Parth Seth (DIN: 07684397), as an Executive Director of the Company for a period of three years effective from August 2, 2023**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and Rules made thereunder (including any statutory modification(s) or re-enactment thereof from time to time), and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in accordance to the provisions of the Articles of Association of the Company, the Nomination and Remuneration Policy of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors respectively, the consent of the Company be and is hereby accorded to the appointment of Mr. Parth Seth (DIN: 07684397) as an Executive Director of the Company ('Executive Director') for a period of 3 (three) years commencing from August 2, 2023 to August 1, 2026 as per the salary, perquisites, terms and conditions set out in this resolution and the Explanatory statement;



**RESOLVED FURTHER THAT** the total remuneration including perquisites payable to the Executive Director shall be subject to the overall ceilings laid down in Section 197 read with Schedule V of the Companies Act, 2013;

**RESOLVED FURTHER THAT** notwithstanding anything contained hereinabove, where in any financial year during the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the remuneration of the Executive Director shall be decided as per the provisions of Schedule V to the Act including any amendment thereof;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to alter or vary terms of remuneration of the Executive Director as it may deem fit from time to time within the remuneration limits stated in the Explanatory Statement;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

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

**Remuneration of Cost Auditor of the Company**

**"RESOLVED THAT** pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force), consent of the members be and is hereby accorded for the payment of remuneration of Rs. 75,000/- (Rupees Seventy-Five Thousand Only) per annum plus applicable taxes and out of pocket expenses that may be incurred, if any, to M/s. Balwinder & Associates, Cost Accountants (Firm Registration No. 000201) ['Cost Auditor'], re-appointed as Cost Auditor, by the Board of Directors of the Company on the recommendation of Audit Committee, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2023;

**RESOLVED FURTHER THAT** the Board of Directors and Key Managerial Personnel of the Company be

and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

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

**Approval for Material Related Party Transactions**

**"RESOLVED THAT** pursuant to the provisions of Sections 2(76), 188 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with the applicable rules issued thereunder (including any statutory modification(s) or re-enactment thereof), Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circulars SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022 and SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022 and other relevant circulars ('SEBI Circulars'), and based on recommendation of the Audit Committee and the Board of Directors, approval of the members of the Company be and is hereby accorded to enter into Material Related Party Transactions, at arm's length basis and in the ordinary course of business, with Rainbow Line Trading L.L.C., an Associate Company, for an amount not exceeding Rs. 7,500 Lakhs during the Financial Year 2024-25, on such terms and conditions as may be considered appropriate by the Board;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to this resolution, sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary or in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings in this regard;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any committee or to any one or more directors of the Company or any other officer(s) or employee(s) of the Company, as it may consider appropriate in order to give effect to this resolution."

**By order of the Board of Directors of  
ORBIT EXPORTS LIMITED**

**Sonia Gupte**  
Company Secretary  
Membership No. A43003  
August 2, 2023, Mumbai

**Registered Office:-**  
122, Mistry Bhavan, 2nd Floor,  
Dinshaw Wachha Road,  
Churchgate, Mumbai – 400020

## Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act').

### Item No 3:

The Board of Directors approved the appointment of Mr. Chetan Mehra (DIN: 00022021) as an Additional Director with effect from August 2, 2023, in terms of Section 161 of the Act and his appointment as an Independent Director is subject to approval by the members at AGM.

Mr. Chetan Mehra, Serial entrepreneur, Promoter of Weizmann Group has over 39 years of experience in guiding the Group. Weizmann group in the past over three decades has been engaged in Textile Processing and Exports, Money Changing, Housing Finance, Renewable Energy Projects, Digital payments and Family Office investments. After nurturing these projects housed in different companies from infancy and transforming these businesses into a leading entity in the respective fields, he successfully tied up with leading overseas entities for exiting from few of these businesses. He successfully tied up with international player NedWind b.v., for setting up Wind Electric Generators in India and was instrumental in forging a joint venture with Nuon, a leading entity in power generation and distribution in The Netherlands. The power generation from hydro project is in a subsidiary of Windia Infrastructure finance Limited. He is the President of the Renewable Energy Developers Association of Maharashtra (REDAM), and Chairman of the World Institute of Sustainable Energy (WISE). He has served on the financial services and energy sub-committees of the CII and was the Chairman of Laxmi Finance and Leasing Companies Commercial Premises Cooperative Society Ltd. which implemented the commercial project in the prestigious Bandra Kurla complex in Mumbai. He is also an ex-Chairman of the CII-GBC Sub-Committee for Development of Wind Energy.

A brief profile of Mr. Mehra is annexed to this notice, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) along with the details as required under Schedule V of the Act. The Company has received notice under Section 160 of the Act from a member proposing his candidature for the office of Director on the Board of Directors of the Company.

Mr. Mehra has given his consent to act as an Independent Director and has made necessary declarations and disclosures as required under provisions of the Act and Listing Regulations. He has also provided registration and exemption certificate (i.e. he is not required to pass online proficiency self-assessment test) issued by Indian Institute of Corporate Affairs.

Based on the recommendation of the Nomination and Remuneration Committee of the Company and in the opinion of the Board, Mr. Mehra fulfils conditions specified in the Act and the rules made thereunder and that he is independent of the management. Considering

the above and in compliance with the provisions of Section 149, 150 and 152 read with Schedule IV and Companies (Appointment and Qualification of Directors) Rules, 2014 of the Act and applicable provisions of Listing Regulations, it is proposed to appoint Mr. Mehra as an Independent Director, on the Board of Directors of the Company, not liable to retire by rotation, for a term of 5 (Five) consecutive years, effective from August 2, 2023.

The Board of Directors, therefore, recommends the resolution as set out in Item no. 3 of this Notice for approval of the members by way of Special Resolution.

Copy of the draft Letter of Appointment for Mr. Chetan Mehra, setting out the terms and conditions, shall be made available for inspection by the members through electronic mode.

Except Mr. Chetan Mehra, being the appointee, or his relatives, none of the Directors, Key Managerial Personnel or their relatives are interested, financially or otherwise, in the resolution.

### Item No 4 and 5:

Mr. Parth Seth joined the Company as General Manager in the year 2016. He served as a Vice President, Business Development till August 2023. His contribution has been significant to the growth of Ribbons and Made-ups (RMU) division during the previous years and he has also been looking after designing, sales and marketing of Fashion Fabrics. Considering his role in the strategic decisions related business expansion and governance matters, the Board of Directors at their meeting held on August 2, 2023, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Parth Seth (DIN: 07684397) as: (a) an Additional Director on the Board of Directors of the Company in terms of Section 161 of the Act including rules made thereunder, to hold the office as Additional Director up to the date of the next annual general meeting of the Company; and (b) as an Executive Director of the Company ('Executive Director') in terms of Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Act for a period of 3 (three) years from August 2, 2023 to August 1, 2026, subject to approval by the members at general meeting.

Mr. Parth Seth shall act as Key Managerial Personnel (KMP) of the Company pursuant to the provisions of Section 203 read with Section 2(51) of the Act.

The terms and conditions of the remuneration payable to Mr. Parth Seth are as under:

- I. Salary: (i) Rs. 10,12,770 per annum (In the scale of Rs. 10,12,770 to Rs. 15,50,000 per annum) ('Salary per annum'); and (ii) the Salary per annum may be revised based on the recommendation of Nomination and Remuneration Committee and approval of the Board, pursuant to the approval of the members by way





of a special resolution at ensuing Annual General Meeting of the Company.

II. Perquisite and Allowances:

1. House Rent Allowance at the rate of 50% of Basic Salary.
2. Supplementary Allowance Rs. 15,81,632 per annum (In the scale of Rs. 15,81,632 to Rs. 24,83,000 per annum).
3. Provision for use of car with driver.

*Perquisite shall be evaluated as per the provisions of Income tax Act, 1961 or any other rules thereunder or any other statutory modification(s) or re-enactment thereof wherever applicable and in the absence of any such rules, the same shall be evaluated at actual cost.*

III. Others including retiral:

1. Provident Fund, Superannuation or annuity fund: to the extent not taxable under the Income tax Act, 1961.
2. Gratuity: Gratuity payable at a rate not exceeding half month's salary for each completed year of service in accordance with the terms of Payment of Gratuity Act, 1972.
3. Leave: Encashment of leave at the end of the tenure as per rules of the Company.
4. Performance Bonus: As approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee with the overall scale.

IV. Commission: Such remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company at the end of each financial year, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013 or any modification or enactment thereof. The specific amount payable to the Executive Director will be based on performance as evaluated by the Board of Directors, based on the recommendation of Nomination and Remuneration Committee and will be payable annually.

V. Loss of Office: Subject to the provisions of Section 202 and other applicable provisions, if any, of the Act, the Executive Director shall be paid compensation for loss of office. However, such payment shall not exceed the remuneration which he would have earned if he had been in office for his remaining term, based on the remuneration as calculated on the basis as provided in the Act. For the sake of clarity, for this clause, the term remuneration as mentioned above shall not include commission as payable under Section 197 of the Act.

VI. The total remuneration including perquisites payable

to the Executive Director shall be in accordance with the provisions of Section 197 read with Schedule V of the Act (as amended from time to time).

VII. Notwithstanding anything contained hereinabove, during the tenure of the Executive Director, the members of the Company hereby authorise the Board, without requiring to obtain any further approval of members, to revise, amend, alter, vary remuneration and terms of the appointment of the Executive Director:

- (a) and pay remuneration in accordance with the sections 196, 197 and other applicable provisions of the Act; or
- (b) if the Company has no profits or its profits are inadequate, pay remuneration as per the provisions specified in Section II of Part II of Schedule V to the Act, (including statutory modification(s) or enactment(s) thereto, for the time being in force).

A brief profile of Mr. Parth Seth is annexed to this Notice, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) along with the details as required under Schedule V of the Act. The Company has received notice under Section 160 of the Act from a member proposing his candidature for the office of Director on the Board of Directors of the Company. Mr. Parth Seth shall be liable for retirement by rotation in terms of section 152 of the Act.

The Board of Directors recommends the resolution as set out in Item no. 4 of this Notice for approval of the members by way of Ordinary Resolution and resolution as set out in Item no. 5 of this Notice for approval of the members by way of Special Resolution.

Except the following, none of the Directors, Key Managerial Personnel or their relatives are interested, financially or otherwise, in the resolution:

Interested Director	Nature of interest/ Concern	Shareholding in Company
Mr. Parth Seth	Appointee	1,19,138 shares (0.44%)
Mr. Pankaj Seth	Father of Mr. Parth Seth	1,11,73,045 shares (41.36%)
Ms. Anisha Seth	Mother of Mr. Parth Seth	39,99,017 shares (14.80%)

**Item No. 6:**

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), the remuneration payable to the Cost Auditor as recommended by the Audit Committee shall be considered and approved by

the Board of Directors of the Company and thereafter determined by the members of the Company.

The Board of Directors, on the recommendation of the Audit Committee, approved the appointment of M/s. Balwinder & Associates, Cost Accountants (Firm Registration No. 000201), as Cost Auditors to conduct the audit of the cost accounts maintained by the Company and recommended their remuneration of Rs. 75,000/- (Seventy-Five thousand only) for Cost Audit plus applicable taxes and out of pocket expenses for the financial year 2023-24 for members' approval.

The Board of Directors recommends the resolution set forth in Item no. 6 of the Notice for the approval of the members by way of Ordinary resolution.

None of the Directors, Key Managerial Personnel or their Relatives is interested, financially or otherwise, in the resolution.

### Item No. 7:

Pursuant to the provisions of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), all 'material' Related Party Transactions shall require prior approval of the shareholders through resolution. For this purpose,

a transaction with a related party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed Rs. 1,000 crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

M/s. Rainbow Line Trading L.L.C., U.A.E. is a 'Related Party' within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations. M/s. Rainbow Line Trading L.L.C., U.A.E. is an Associate Company of the Company, as the Company holds 49% Shares in M/s. Rainbow Line Trading L.L.C. The Company sells fabrics to M/s. Rainbow Line Trading L.L.C. for sale and distribution in the foreign markets.

The above transaction with Related Party is a Material Related Party Transaction within the meaning of Regulation 23(1) of the Listing Regulations as based on the previous transactions, the estimated value of the transactions to be entered into during the Financial Year 2024-25 is likely to exceed the limit 10% of the annual consolidated turnover of the Company as per last audited financial statements.

Details of Material Related Party Transactions are as follows:

Sr. no.	Description	Details
1	Name of the Related Party	Rainbow Line Trading L.L.C. (RLT)
2	Nature of Relationship with the Company	Associate Company of Orbit Exports Limited ('OEL') as OEL holds 49% shares in Rainbow Line Trading L.L.C.
3	Name of the director or key managerial personnel who is related, if any	Not Applicable
4	Type, material terms and particulars of the proposed transaction	RLT is in the business of textile trading. Sale of Company's product to Rainbow Line Trading L.L.C.
5	Tenure of the proposed transaction	Approval of the members is being sought for Material Related Party Transaction for FY 2024-25.
6	Value of the proposed Transaction	Up to Rs. 7,500 lakhs
7	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	38.69%
8	a) Details of the source of funds in connection with the proposed transaction	Not Applicable
	b) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure.	Not Applicable
	c) Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	Not Applicable
	(d) Purpose for which funds will be utilized	Not Applicable



orbit exports ltd.

Sr. no.	Description	Details
9	Justification as to why the RPT is in the interest of the Company	RLT will help the Company to widen its reach in the international market and develop a larger customer base. The transactions with RLT are directly linked with the Company's profits, and therefore are crucial for the Company's business.
10	Details about valuation, arm's length and ordinary course of business	The sale of Company's product is in the ordinary course of business and on an arm's length.
11	Valuation and other external report, if any, relied upon by the listed entity in relation to the proposed transaction	Not Applicable
12	Any other information relevant or important for the shareholders to take an informed decision	NIL

The Board of Directors recommends the resolution set forth in Item no. 7 of the Notice for the approval of the members by way of Ordinary resolution.

None of the Directors or their Relatives or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out under Item no. 7 of the Notice.

**By order of the Board of Directors of  
ORBIT EXPORTS LIMITED**

**Registered Office:-**  
122, Mistry Bhavan, 2nd Floor,  
Dinshaw Wachha Road,  
Churchgate, Mumbai – 400020

**Sonia Gupte**  
Company Secretary  
Membership No. A43003  
August 2, 2023, Mumbai

### Annexure to the Notice

**Brief profile of directors seeking appointment/re-appointment at the 40th Annual General Meeting pursuant to regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2)**

Name of the Director	Mrs. Anisha Seth	Mr. Chetan Mehra	Mr. Parth Seth
Date of Birth and Age	10/09/1964 58 years	02/10/1966 56 years	01/07/1995 28 years
Date of first appointment on the Board	01/09/2004	02/08/2023	02/08/2023
Qualification	Graduation in Economics (Hons) from Delhi University and Masters in Management Studies from NMIMS, Mumbai University	Graduate in Science	BSc in Management from the London School of Economics and Political Science
Experience and Expertise	Vast experience in Textile industry, she leads the production department and holds the primary responsibility for systems and execution	Over 39 years of experience in Textile Exports, Money Changing, Housing and Consumer Finance.	Expertise in Designing, Sales and Marketing Expert, Strategic Decisions, Business Expansion and Governance Matters
Number of meetings of the Board attended during FY 2022-23	4	Not Applicable	Not Applicable

Name of the Director	Mrs. Anisha Seth	Mr. Chetan Mehra	Mr. Parth Seth
Directorship held in other companies	<ul style="list-style-type: none"> <li>Orbit Inc</li> <li>Mediaman Multitrade Private Limited</li> <li>Newvenue Multitrade Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>Karma Energy Limited</li> <li>Weizmann Limited</li> <li>Pawanraj Energy Limited</li> <li>Vayuraj Power Ventures Private Limited</li> <li>Inspeed Power Private Limited</li> <li>Khandesh Energy Projects Limited</li> <li>Koyna Country Cottages Private Limited</li> <li>True Man Properties Private Limited</li> <li>Batot Hydro Power Limited</li> <li>Upper Deck Resorts Private Limited</li> <li>Codex Solutions Private Limited</li> <li>Weizmann Digital Limited</li> <li>Kotta Enterprises Private Limited</li> <li>Weizmann Corporate Services Limited</li> <li>Advitiya Power Ventures Private Limited</li> <li>Kombai Mettu Energy Projects Limited</li> </ul>	<ul style="list-style-type: none"> <li>Mediaman Multitrade Private Limited</li> </ul>
Membership/ Chairmanship of Committees of other Boards	NIL	Audit Committee – Batot Hydro Power Limited  Stakeholder Relationship Committee – Karma Energy Limited	NIL
Listed entities from which the person has resigned in the past 3 years	NIL	NIL	NIL
Terms and conditions of appointment along with remuneration sought to be paid and remuneration last drawn	Mrs. Anisha Seth is re-appointed as a Director of the Company liable to retire by rotation	As provided in the explanatory statement (Item no. 3) to the Notice	As provided in the explanatory statement (Item no. 5) to the Notice
Shareholding in the Company as on March 31, 2023	39,99,017 equity shares	NIL	1,19,138 equity shares
Relationship with other Directors / Key Managerial Personnel	Spouse of Mr. Pankaj Seth, Managing Director and Mother of Mr. Parth Seth, Executive Director	Not related to any Directors / Key Managerial Personnel.	Son of Mr. Pankaj Seth, Managing Director and Mrs. Anisha Seth, Whole-time Director



Name of the Director	Mrs. Anisha Seth	Mr. Chetan Mehra	Mr. Parth Seth
In case of Independent Director, skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Appointment of an Independent Director with adequate experience and background in the textile industry and finance will help in further growth of the Company and Mr. Mehra has relevant experience and expertise as mentioned above in this table	Not Applicable

**Disclosure as required under Schedule V of the Act are given here under:**

<b>I. General Information:</b>			
(1)	Nature of Industry	Textile Industry	
(2)	Date or expected date of commencement of commercial production	The Company has been engaged in commercial production since the year 1983.	
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
(4)	Financial performance based on given indicators	As provided in the Director's Report.	
(5)	Foreign investments or collaborations, if any.	Company has a Wholly Owned Subsidiary by the name of Orbit Inc. in US and Associate Company Rainbow Line Trading in Dubai in which Company has invested Rs. 778.56 Lakhs and Rs. 56.19 Lakhs respectively.	
<b>II. Information about the appointee:</b>			
	Particulars	Mr. Chetan Mehra	Mr. Parth Seth
1.	Background details	Background details are provided in the above table.	
2.	Past remuneration	As provided in the explanatory statement to the Notice.	
3.	Recognition or awards	-	-
4.	Job profile and suitability	As provided in the brief profile of the directors set out in the previous table and the explanatory statement to the Notice.	
5.	Remuneration proposed	Mr. Mehra will be paid sitting fees at the rate of Rs. 20,000/- per Board Meeting and Rs. 7,500/- per Audit Committee Meeting.	As provided in the explanatory statement to the Notice.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by them of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and similar level positions held in similar sized and positioned businesses.	
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Besides sitting fees as stated above, there is no pecuniary relationship directly or indirectly with the Company or with the managerial personnel of the Company.	Besides the proposed remuneration mentioned in the explanatory statement to the Notice, Mr. Parth Seth is the son of Mr. Pankaj Seth, Managing Director and Mrs. Anisha Seth, Whole-time Director. Details of shares held are provided in the above table.

**III. Other Information:**

1.	Reasons of loss or inadequate profits	Not Applicable.	The proposed remuneration does not fall within the limits specified under Section 197 of the Companies Act, 2013. However, the sum is in line with the Industry Standards for managerial personnel falling under the same cadre.
2.	Steps taken or proposed to be taken for improvement	Not Applicable	The Company has <i>inter alia</i> taken the following steps towards further improvement in profitability: <ul style="list-style-type: none"> <li>• Expansion into domestic markets leading to increase in Company's addressable market and revenue growth.</li> <li>• Launched several new products and increased marketing efforts.</li> <li>• Set up of an inhouse process house.</li> </ul>
3.	Expected increase in productivity and profits in measurable terms	Not Applicable	The Company's profitability grew in FY 22-23 and is expected to increase further in FY 23-24, barring unexpected events and external risks over which the Company has no control. <i>This should not be considered as any guidance about future profitability.</i>

**IV. Disclosures:**

The necessary disclosures required under Para IV of Section II of Part II of Schedule V to the Companies Act, 2013 have been disclosed above in this table and in the explanatory statement to the Notice.



## Notes:

1. An Explanatory Statement pursuant to Section 102 of the Act in respect of the Special Businesses specified above is annexed hereto.
2. The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 02/2021 dated 13th January, 2021, 19/2021 dated 8th December, 2021, 21/2021 dated 14th December, 2021 and 10/2022 dated 28th December, 2022 ('MCA Circulars') and SEBI vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/POD-2/P/CIR/2023/4 dated January 5, 2023 and other applicable circulars ('SEBI Circulars'), has allowed the Companies to conduct the Annual General Meeting ('AGM') through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') up to September 30, 2023, without the physical presence of the members at a common venue.

In compliance with the above MCA Circulars and SEBI Circulars, the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the 40th AGM of the Company will be held on Friday, September 22, 2023 at 2:00 p.m. (IST) through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company situated at 122, 2nd Floor, Mistry Bhavan, Dinshaw Wachha Road, Churchgate, Mumbai – 400020.

3. Since the AGM is being held through VC/OAVM pursuant to MCA Circulars, physical attendance of members has been dispensed with, accordingly, the facility to appoint a proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. Pursuant to the provisions of Section 112 and 113 of the Act read with the MCA Circulars, corporate members/body corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Corporate members/body corporates are requested to send a scanned certified copy of the Board Resolution/Power of Attorney/Authority Letter (pdf/jpeg format) authorizing their representatives to vote through remote e-voting, participate in AGM through VC/OAVM on their behalf and e-vote during the AGM. The said Board Resolution/Power of Attorney/Authority Letter shall be sent to the Scrutinizer by email through their registered email address to [skjaincs1944@gmail.com](mailto:skjaincs1944@gmail.com) with copies marked to the Company at [investors@orbitexports.com](mailto:investors@orbitexports.com).
5. Facility of joining the AGM through VC/OAVM shall

open 15 (Fifteen) minutes before the time scheduled for the AGM and the Members can join the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. However, this number does not include the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who can attend the AGM without any restriction on account of first-come first-served basis.

6. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories as on Friday, August 25, 2023. Members may note that the Notice and Annual Report has been uploaded on the Company's website at <http://orbitexports.com/investor-information/> under 'Annual Reports' tab, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. AGM Notice is also available on the website of NSDL (agency for providing the Remote e-voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The members of the Company may request for physical copy of the Notice and Annual Report from the Company by sending a request at [investors@orbitexports.com](mailto:investors@orbitexports.com), in case they wish to obtain the same.

## 8. Documents open for Inspection:

- (a) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM at <http://orbitexports.com/investor-information/>
- (b) All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investors@orbitexports.com](mailto:investors@orbitexports.com)

## 9. Updation of KYC details and issue of shares in dematerialized form:

- (a) SEBI vide its circular dated March 16, 2023 has mandated shareholders holding securities in

physical form to furnish their PAN, KYC details and Nomination Details before they could avail any investor service. The relevant forms prescribed by SEBI for furnishing the above information are available on the website of the Company at <http://orbitexports.com/investor-information/> under 'KYC' tab and on the website of Link Intime at <https://web.linkintime.co.in/>. The concerned shareholders are requested to update the above details by submitting the prescribed forms to the RTA. The folios wherein even any one of the PAN, Address with PIN Code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities are not available on or after October 01, 2023, such folios shall be frozen by the RTA. Members who are holding shares in demat mode are requested to notify any change in their residential address, Bank A/c details and/ or email address immediately to their respective DP.

- (b) In accordance with the provisions of Section 72 of the Act and the rules made thereunder, the facility for nomination is available for the Members of the Company in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the Form SH-13, and in case a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14, as the case may be. The said forms are available on the Company website at <http://orbitexports.com/investor-information/> under 'KYC' tab and on the website of Link Intime at <https://web.linkintime.co.in/>. Members are requested to submit the said details to their respective DP, in case the shares are held by them in dematerialised form and to the Company/RTA, in case the shares are held by them in physical form.
- (c) As per Regulation 40(1) of the Listing Regulations, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to convert their holdings to dematerialized form. Members can contact the Company or Link Intime for assistance in this regard.

#### 10. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund ('IEPF'):

- (a) Pursuant to Sections 124 and 125 of the Act, and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time ('IEPF Rules'), the dividend which remains unpaid/unclaimed

by the members for a period of seven consecutive years from the date of transfer to the unpaid/unclaimed dividend account of the Company and the corresponding shares shall be transferred to Investor Education and Protection Fund ('IEPF'). During the year, the Company transferred unclaimed final dividend for the financial year 2014-15 and unclaimed interim dividend for the financial year 2015-16 to IEPF, along with the corresponding equity shares as mentioned below:

#### Amount and Equity Shares transferred to IEPF during FY 2022-23

Particulars	Dividend amount transferred (₹)	No. of Equity Shares transferred
Final Dividend FY 2014-15	3,68,870	3,965
Interim Dividend FY 2015-16	4,04,175	6,565
<b>Total</b>	<b>7,73,045</b>	<b>10,530</b>

- (b) The Members whose shares and unclaimed dividend has been transferred to IEPF may claim their dividend(s) and/or shares from the IEPF Authority by following the 'Procedure to claim Refund' as detailed on the website of IEPF Authority at [www.iepf.gov.in/IEPF/refund.html](http://www.iepf.gov.in/IEPF/refund.html).
- (c) The details of shares already transferred to IEPF are also available on the Company's website at <http://orbitexports.com/investor-information/> under 'IEPF' tab. The details of Members whose dividends are lying unpaid/unclaimed with the Company as on March 31, 2023, are available on the Company's website at <http://orbitexports.com/investor-information/> under 'IEPF' tab.
- (d) In case of dividend that has remained unclaimed in respect of financial year 2015-16 and onwards, the Members are requested to approach the Company at [investors@orbitexports.com](mailto:investors@orbitexports.com) with their dividend warrants for revalidation, failing which the unclaimed dividend will be transferred to IEPF as per the dates mentioned herein below.

Financial Year	Dividend Declaration Date	Due Date to Transfer Unclaimed Dividend to IEPF
2015-16 Final Dividend	30-Sep-2016	05-Nov-2023
2016-17 Interim Dividend	25-Jan-2017	02-Mar-2024
2016-17 Final Dividend	11-Sep-2017	17-Oct-2024
2019-20 Interim Dividend	06-Mar-2020	11-Apr-2027





- (e) All shares in respect of which final equity dividend for FY 2015-16 has remained unpaid or unclaimed for seven consecutive years or more shall be transferred by the Company to IEPF by November 5, 2023 along with the unpaid or unclaimed dividend thereon from final equity dividend for financial year 2015-16 onwards. The Company has sent individual intimation letters to concerned Members along with advertisement in the newspapers seeking action from the concerned Members. The details of such Members along with their unpaid/unclaimed dividends and corresponding shares due for transfer to IEPF by November 5, 2023 are available on the Company website at <http://orbitexports.com/investor-information/> under 'IEPF' tab. Such Members are requested to claim their unpaid/unclaimed dividend pertaining to financial year 2015-16 (final) and dividends declared thereafter, by writing a letter to the Company or R&T Agent on or before October 5, 2023.

## 11. E-voting:

- (a) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), Regulation 44 of the Listing Regulations and SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, the Company is providing facility of voting through electronic means ('remote e-voting') and e-voting during the AGM to its Members, in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for remote e-voting, as the authorized agency. The facility of casting votes by Members using remote e-voting as well as e-voting during the AGM will be provided by NSDL. The Members, whose names appear in the Register of Members / Beneficial Owners as on record date/cut-off date i.e. Friday, September 15, 2023 ('Cut-Off Date'), may cast their vote electronically.
- (b) Dr. S. K. Jain, Practicing Company Secretary and Proprietor of M/s S. K. Jain & Co., Company Secretaries (Membership No. FCS 1473 and COP: 3076) has been appointed as the Scrutinizer to scrutinize the process of remote e-voting and e-voting at the AGM in a fair and transparent manner.
- (c) The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting at the AGM, in the presence of at least two witnesses not in the employment of
- the Company and make, not later than 2 (two) working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any person authorized by him in writing who shall countersign the same and the results shall be declared by the Chairman or any person authorized by him thereafter.
- (d) The results declared along with the Scrutiniser's Report shall be placed on the Company's website at <http://orbitexports.com/investor-information/> and on the website of NSDL immediately after the declaration of results by the Chairman or any person authorized by him in writing. The results shall also be forwarded to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

## 12. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

- (a) The remote e-voting period commences on Tuesday, September 19, 2023 (9.00 a.m. IST) and ends on Thursday, September 21, 2023 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Cut-Off Date may cast their vote through remote e-voting facility. The facility for remote e-voting shall remain open for not less than three days and shall close at 5.00 p.m. on Thursday, September 21, 2023. The remote e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the same shall not be allowed to change subsequently.
- (b) Members may participate in the AGM even after exercising their right to vote through remote e-voting but shall not be allowed to vote again during the AGM.
- (c) 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.
- (d) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes Member of the Company after the dispatch of notice but on or before the Cut-off Date, may obtain the User ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company/RTA. However, if the Member is already registered with NSDL for remote e-voting, then existing User ID and Password can be used for casting votes. Members who have forgotten the User ID and Password can reset their Password by using "Forgot User Details/ Password" or "Physical User Reset Password"

option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com) or call on toll free nos. 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquire shares of the Company and becomes a Member of the Company after the dispatch of notice but on or before the Cut-off Date may follow steps mentioned in the Notice of the AGM under

"Access to NSDL e-voting system".





- (e) Any person who is not a Member of the Company as on the Cut-Off Date should treat this Notice for information purposes only.
- (f) The detailed instructions for voting electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

### Step 1: Access to NSDL e-voting system

#### A) Login method for e-voting and joining AGM through VC/OAVM for individual shareholders holding securities in demat mode:

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "<b>Access to e-voting</b>" under e-voting services and you will be able to see e-voting page. Click on company name or <b>e-voting service provider i.e. NSDL</b> and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "<b>Login</b>" which is available under '<b>Shareholder/Member</b>' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or <b>e-voting service provider i.e. NSDL</b> and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p>   </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi/Easiest, can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of <b>e-voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a>. Click on login – My Easi New (Token) and then click on registration option.</li> <li>Alternatively, the user can directly access e-voting page by providing demat account number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered mobile number and email id as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also be able to directly access the system of all e-voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository website after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login method for e-voting and joining AGM through VC/OAVM for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:**

How to Log-in to NSDL e-voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
- Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

6. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID, trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in this Notice.

7. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- b) "Physical User Reset Password" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat

account number/folio number, PAN, name and registered address.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
8. After entering your password, click on agree to "Terms and Conditions" by selecting on the check box.
9. Now, you will have to click on "Login" button.
10. After you click on the "Login" button, home page of e-voting will open.

#### **Step 2: Cast your vote electronically and join AGM through VC/OAVM on NSDL e-voting system.**

##### How to cast your vote electronically and join AGM through VC/OAVM on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" (E-voting Event Number) in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "**EVEN (125337)**" of the Company for which you wish to cast your vote during the remote e-voting period and during the AGM. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you



will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Power of Attorney etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to skjaincs1944@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms.Pallavi Mhatre, Senior Manager, NSDL or Ms. Sarita Mote, Assistant Manager, NSDL at evoting@nsdl.co.in

### Process for those shareholders whose email ids are not registered with the Depositories / Company for procuring user id, password and registration of e-mail ids for e-voting for the resolutions set out in this Notice:

1. Shareholders whose shares are held in physical mode are requested to provide folio no., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to investors@orbitexports.com
2. Shareholders whose shares are held in demat mode are requested to provide DPID-Client ID (16 digit DPID + Client ID or 16 digit beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) to investors@orbitexports.com. If you are an Individual Shareholder holding securities in demat

mode, you are requested to refer to the login method explained at **Step 1 (A) i.e. Login method for e-voting and AGM through VC/OAVM for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholders may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

### 13. INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. Members may follow the same procedure for e-voting on the day of the AGM as mentioned above for remote e-voting.
2. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolution(s) through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have cast their vote through remote e-voting will be eligible to attend the AGM, however, they shall not be entitled to vote at the AGM.
4. The helpline details of the person who may be contacted for any assistance connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

### 14. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access the same by following the steps mentioned above for "Access to NSDL e-voting system". After successful login, the Members will be able to see the link of "VC/OAVM link" placed under "Join General meeting" menu against Company name.

On clicking this link, the Members will be able to attend the AGM. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID/ Password may retrieve the same by following the remote e-voting instructions mentioned above in the Notice, to avoid last minute rush.

2. Members are encouraged to join the AGM through Laptops for better experience.
3. Further Members will be required to allow Camera and use internet with a good speed to avoid any disturbance during the AGM.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Members desiring any information relating to the accounts or any other matter are requested to write to the Company at least 10 days before the AGM date, so as to enable the management to keep the information ready for responding at the AGM.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at investors@orbitexports.com latest by Friday, September 15, 2023. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM.
7. Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.









*orbit exports ltd.*