Notes to Standalone Financial Statements for the year ended March 31, 2019

Background

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

Authorisation of standalone financial statements

The standalone financial statements were authorized for issue in accordance with a resolution of the directors on May 13,2019.

1. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of these standalone financial statements.

1.1 Basis of Preparation

(i) 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 there under 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.

(ii) Historical cost convention

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.

1.2 Rounding of Amounts

All amounts disclosed in the standalone financial statement and notes have been rounded off to the nearest Lakhs, except where otherwise indicated.

1.3 Current versus 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;

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.

Notes to Standalone Financial Statements for the year ended March 31, 2019

1.4 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 judgmentsin applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements are as below:

Key assumptions:

(i) Financial Instruments: (Refer note 4.10)

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 anarm's length transaction at the reporting date.

(ii) Useful lives of Property, Plant and Equipment and Intangible assets: (Refer notes 1.6, 1.7 and 1.8)

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.

(iii) Valuation of inventories: (Refer note 1.10)

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.

(iv) Assets and obligations relating to employee benefits: (Refer note 4.08)

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.

(v) Recognition and measurement of other Provisions:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow ofresources, 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.

1.5 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.

Effective April 01, 2018 the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as at April 01, 2018. In accordance with the cumulative catch-up transition method, the comparatives are not required to adjust retrospectively. The effect on adoption of Ind AS 115 was insignificant.

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.

Notes to Standalone Financial Statements for the year ended March 31, 2019

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 amountscollected on behalf of third parties.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognised over time :

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

b) Export incentives are accounted on accrual basis and include the estimated value of export incentives receivable under the Duty Draw Back Scheme and other applicable schemes.

c) Dividend Income is recognised when the Company's right to receive is established which generally occurs whenthe shareholders approve the dividend.

d) Revenue from services is recognised when all relevant activities are completed and the right to receive income is established.

e) 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.

f) For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate method (EIR).

1.6 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 costsdirectly 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, ifany, 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) Lease arrangements for land are identified as finance lease, in case such arrangements result in transfer of the

Notes to Standalone Financial Statements for the year ended March 31, 2019

related risks and rewards to the Company. Accordingly, the Company identifies any land lease arrangement with a term in excess of 50 years as a finance lease.

1.7 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 periodin 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.

1.8 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:

Particulars	Useful Life of Assets
Leasehold Land	Remaining period of Lease
Software	5 Years
Windmill	25 Years
Plant & Machinery	14 Years

1.9 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.

1.10 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 andspares 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.

Notes to Standalone Financial Statements for the year ended March 31, 2019

1.11 Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprises of cash at banks and in hand and short-term deposits withan original maturity of three months or less, which are subject to insignificant risk of change in value.

For the purpose of statement of cash flows, 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.

1.12 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.

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.

1.13 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.

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.

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.

Notes to Standalone Financial Statements for the year ended March 31, 2019

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.

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 interestrate, 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 assetand settle the liability simultaneously. The legally enforceable right must not be contingent on future events and mustbe enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

1.14 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.

1.15 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

Notes to Standalone Financial Statements for the year ended March 31, 2019

(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.

1.16 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.

1.17 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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settlethe 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.

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.

1.18 Gratuity and other Post-Employment Benefits

a) 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.

b) 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.

Notes to Standalone Financial Statements for the year ended March 31, 2019

c) 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.

d) 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.

1.19 Taxes on Income

(i) Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computedin 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.

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.

(ii) 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.

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.

(iii) MAT Credit:

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the Statement of Profit and Loss and corresponding debit is done to the Deferred Tax Asset as unused tax credit.

1.20 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.

Notes to Standalone Financial Statements for the year ended March 31, 2019

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.

1.21 Foreign currency translation

a) Functional and presentation currency

The Company's financial statements are prepared in INR, which is also the Company's functional and presentation currency.

b) 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 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.

1.22 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.

1.23 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

As a lessee

Finance Lease

Leases of Property, Plant and Equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Notes to Standalone Financial Statements for the year ended March 31, 2019

2.01 Property, plant and equipment

₹ in Lakhs

Particulars	Gross Carrying Amount				Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2018	Addition	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:										
Buildings	1,870.10	-	-	**1,870.10**	74.28	37.39	-	**111.67**	**1,758.43**	1,795.82
Plant and Machinery	7,604.49	1,972.08	71.74	**9,504.83**	1,081.37	687.64	23.55	**1,745.46**	**7,759.37**	6,523.12
Furniture, Fixtures and Fittings	387.82	10.26	-	**398.08**	78.21	44.95	-	**123.16**	**274.92**	309.62
Computers	49.59	9.64	-	**59.23**	33.17	10.26	-	**43.43**	**15.79**	16.43
Office Equipments	102.75	7.24	-	**109.99**	38.98	21.51	-	**60.49**	**49.50**	63.76
Electrical Installations	177.89	5.56	-	**183.45**	47.14	24.06	-	**71.20**	**112.25**	130.75
Vehicles	55.84	-	9.61	**46.23**	10.09	7.16	3.75	**13.50**	**32.73**	45.75
Total (A)	**10,248.48**	**2,004.78**	**81.35**	**12,171.91**	**1,363.23**	**832.97**	**27.30**	**2,168.92**	**10,002.99**	**8,885.25**
Assets taken on Finance Lease: #										
Leasehold Land	216.13	**30.00**	-	**246.13**	5.17	2.85	-	**8.02**	**238.11**	210.95
Total (B)	**216.13**	**30.00**	**-**	**246.13**	**5.17**	**2.85**	**-**	**8.02**	**238.11**	**210.95**
Total (A+B)	**10,464.61**	**2,034.78**	**81.35**	**12,418.04**	**1,368.40**	**835.82**	**27.30**	**2,176.93**	**10,241.10**	9,096.20
Capital Work in Progress	182.82	2,054.75	2,039.80	197.76	-	-	-	-	197.76	182.82
Total (C)	**182.82**	**2,054.75**	**2,039.80**	**197.76**	**-**	**-**	**-**	**-**	**197.76**	**182.82**

The Leasehold Land classified as Finance Lease is recognised under Property, Plant and Equipment as substantially all the significant risk and rewards incidental to ownership of land under lease have been transferred to the Company.

Notes to Standalone Financial Statements for the year ended March 31, 2019

2.01 Property, plant and equipment (Cont.)

₹ in Lakhs

Particulars	Gross Carrying Amount				Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2017	Addition	Disposal	As at March 31, 2018	As at April 1, 2017	For the Year	Elimination on disposal	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Own Assets:										
Buildings	1,859.56	10.54	-	1,870.10	37.14	37.14	-	74.28	1,795.82	1,822.42
Plant and Machinery	5,967.34	1,637.15	-	7,604.49	519.26	562.11	-	1,081.37	6,523.12	5,448.07
Furniture, Fixtures and Fittings	304.04	83.78	-	387.82	36.94	41.27	-	78.21	309.62	267.11
Computers	41.77	7.82	-	49.59	18.32	14.86	-	33.17	16.43	23.46
Office Equipments	81.97	20.78	-	102.75	21.15	17.83	-	38.98	63.76	60.81
Electrical Installations	172.94	4.95	-	177.89	23.54	23.60	-	47.14	130.75	149.39
Vehicles	29.45	26.39	-	55.84	4.34	5.75	-	10.09	45.75	25.11
Total (a)	**8,457.07**	**1,791.41**	**-**	**10,248.48**	**660.69**	**702.55**	**-**	**1,363.23**	**8,885.25**	**7,796.37**
Assets taken on Finance Lease: #										
Leasehold Land	216.13	-	-	216.13	2.60	2.57	-	5.17	210.95	213.52
Total (B)	**216.13**	**-**	**-**	**216.13**	**2.60**	**2.57**	**-**	**5.17**	**210.95**	**213.52**
Total (A+B)	**8,673.20**	**1,791.41**	**-**	**10,464.61**	**663.29**	**705.12**	**-**	**1,368.40**	**9,096.20**	**8,009.89**
Capital Work in Progress	20.81	1,963.61	1,801.60	182.82	-	-	-	-	182.82	20.81
Total (C)	**20.81**	**1,963.61**	**1,801.60**	**182.82**	**-**	**-**	**-**	**-**	**182.82**	**20.81**

The Leasehold Land classified as Finance Lease is recognised under Property, Plant & Equipment as substantially all the significant risk and rewards incidental to ownership of land under lease have been transferred to the Company.

Notes to Standalone Financial Statements for the year ended March 31, 2019

2.02 Intangible Assets

₹ in Lakhs

Particulars	Gross Carrying Amount				Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2018	Addition	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
ERP Software	108.97	5.03	-	**114.00**	32.96	19.76	-	**52.72**	**61.28**	76.02
Total	108.97	5.03	-	**114.00**	32.96	19.76	-	**52.72**	**61.28**	76.02

₹ in Lakhs

Particulars	Gross Carrying Amount				Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2017	Addition	Disposal	As at March 31, 2018	As at April 1, 2017	For the Year	Elimination on disposal	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
ERP Software	98.79	10.18	-	108.97	15.64	17.32	-	32.96	76.02	83.15
Total	98.79	10.18	-	**108.97**	15.64	17.32	-	**32.96**	**76.02**	83.15

Range of remaining period of amortisation as at March 31, 2019 of intangible assets is as below:

₹ in Lakhs

Assets	< 5 Years
ERP Software	61.28

Notes to Standalone Financial Statements for the year ended March 31, 2019

2.03 Non Current Investments

₹ in Lakhs unless otherwise stated

Particulars	Face value	As at March 31, 2019		As at March 31, 2018	
		No of Shares	Amount	No of Shares	Amount
Investments (measured at cost) **Investment in Subsidiaries and Associates** **Unquoted (fully paid up)** **(i) Investment in Equity Shares of Subsidiaries**					
Orbit Inc.	$1	**1,000,000**	**633.97**	1,000,000	633.97
Excellere (UK) Limited	£ 1	**1,000.00**	**0.82**	1,000	0.82
(ii) Investment in Equity Shares of Associate					
Rainbow Line Trading L.L.C.	AED 1,000	**147**	**56.19**	147	56.19
Investments (measured at FVTPL) **Investment in equity shares of other entities**					
The Kurla Nagrik Sahakari Bank Limited	₹ 10	**10,000**	**1.00**	10,000	1.00
Investment (measured at amortised cost) **Unquoted** **(i) Investments in Government securities**					
National Savings Certificate*			**0.37**		0.69
Total non - current investments		**-**	**692.35**		692.67
Aggregate amount of quoted investments **Aggregate amount of unquoted investments** **Aggregate amount of impairment in value of investments**			**-** **692.35** **-**		- 692.67 -

*Lodged with Sales tax and Government authorities

2.04 Loans

₹ in Lakhs

Particulars	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Security Deposits - Utility				
Unsecured, considered good	**82.73**	62.52	**-**	-
Total (A)	**82.73**	62.52	**-**	-
Security Deposits - Rental				
Unsecured, considered good	**68.52**	59.24	**-**	-
Total (B)	**68.52**	59.24	**-**	-
Loans to employees				
Unsecured, considered good	**-**	-	**2.79**	3.66
Total (C)	**-**	-	**2.79**	3.66
Total (A+B+C)	**151.25**	121.76	**2.79**	3.66

Note : 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, 2019

2.05 Other Financial Assets

₹ in Lakhs

Particulars	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Bank deposits with more than twelve months of original maturity	**24.65**	47.50	**-**	-
Dividend Receivable	**-**	-	**-**	0.12
Others	**-**	-	**8.05**	1.08
Interest accrued but not due on bank deposits	**-**	-	**56.80**	60.64
Rent Receivable	**-**	-	**3.24**	3.00
Interest Receivable	**-**	-	**-**	2.85
Receivable from Related Party	**-**	-	**0.80**	0.80
Forward Contracts - Assets	**-**	-	**114.48**	31.48
Total	**24.65**	47.50	**183.37**	99.97

Note: The Company has a process whereby periodically all long-term contacts are assessed for material forseeable losses. At the year end, the Company has reviewed and ensured that adequate provision, as required under any law/ accounting standards for material forseeable losses on such long term contracts including derivative contracts, has been made in the books of account.

2.06 Deferred Tax Assets / Liabilities (Net)

Significant components of deferred tax assets / (liabilities) recognised in the financial statements are as follows

₹ in Lakhs

Particulars	Non Current	
	As at March 31, 2019	As at March 31, 2018
Deductible temporary differences		
Provision for employee benefit	**27.87**	42.94
Allowance for doubtful debts	**23.90**	11.29
Deferred tax impact on OCI	**10.22**	-
MAT Credit Available	**36.44**	-
Taxable temporary differences		
Property, Plant and Equipment	**(1300.98)**	(1013.28)
Forward Contracts	**(0.21)**	(9.18)
Total	**(1202.76)**	(968.23)

Notes to Standalone Financial Statements for the year ended March 31, 2019

₹ in Lakhs

	As at March 31, 2019	**(Charged)/ Credited to Profit and Loss/ OCI/ /Retained Earning**	As at March 31, 2018	(Charged)/ Credited to Profit and Loss/ OCI/ Retained Earning	As at March 31, 2017
Deferred tax (liabilities)/ assets in relation to :					
Property, Plant and Equipment	**(1300.98)**	**(287.70)**	(1013.28)	(22.92)	(990.36)
Forward Contract	**(0.21)**	**8.97**	(9.18)	(9.18)	-
Provision for employee benefit	**27.87**	**(15.07)**	42.94	8.52	34.42
Allowance for doubtful debts	**23.90**	**12.61**	11.29	0.05	11.24
Deferred tax impact on OCI	**10.22**	**10.22**	-	(0.01)	-
MAT Credit Available	**36.44**	**36.44**	-	-	-
Others	**-**	**-**	-	(0.15)	0.15
Total	**(1202.76)**	**(234.53)**	(968.23)	(23.69)	(944.55)

2.07 Other Assets

₹ in Lakhs

Particulars	**Non Current**		**Current**	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Capital Advances	**64.08**	672.23	**-**	-
Advances other than Capital Advances				
Prepaid expenses	**14.09**	13.76	**66.63**	61.41
Staff Advances	**-**	-	**12.07**	4.78
Advances to suppliers	**-**	-	**47.07**	17.59
Balances with governmental authorities				
Electricity Duty Receivable	**-**	-	**10.70**	6.90
GST Refund receivable	**-**	-	**94.96**	160.51
VAT/Sales tax Receivable	**52.27**	-	**-**	62.54
MEIS & Duty draw back receivable	**-**	-	**171.46**	170.55
Subsidy Receivable	**-**	-	**127.43**	135.06
Accrued Interest on Windmill	**39.67**	76.97	**37.30**	48.73
GST Receivable	**-**	-	**73.91**	188.36
Total	**170.11**	762.96	**641.52**	856.44

Note : 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, 2019

2.08 Inventories (Valued at lower of cost or net realisable value, unless otherwise stated)

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Raw material:		
In hand	**678.16**	621.82
Goods-in-transit	**40.78**	25.07
Stores and spares	**58.94**	62.41
Work-in-progress	**347.02**	258.52
Finished goods	**1,701.60**	1,772.98
Total	**2,826.50**	2,740.80

2.09 Trade Receivable

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good	**3,085.89**	3,116.15
Unsecured, credit impaired	**82.09**	47.59
Total	**3,167.98**	3,163.74
Less : Provision for impairment	**(82.09)**	(47.59)
Total	**3,085.89**	3,116.15

Note : 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.

2.10 Cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks:		
In current accounts		
Escrow Account**	**25.00**	-
Cash Credit***	**81.26**	43.60
Others	**184.28**	52.13
Deposits with original maturity of less than 3 months	**581.26**	189.56
Cash on hand	**18.31**	14.57
Total	**890.11**	299.86

** The Company can utilise these balances only towards buyback of shares.

*** Cash Credit facility sanctioned to the Company is secured by hypothecation of Inventory, Book Debts and entire current assets of the Company, present and future, on pari passu basis.

Notes to Standalone Financial Statements for the year ended March 31, 2019

2.11 Bank Balances

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits with original maturity for more than 3 months but less than 12 months	**1,519.30**	558.52
Unclaimed dividend accounts	**36.93**	37.06
Total	**1,556.23**	595.58

Note : The Fixed Deposits aggregating to ₹ 22.23 Lakhs (March 31, 2018: ₹ 21 Lakhs) has been pledged with State Bank of India, ₹ 262.96 Lakhs (March 31, 2018: ₹ 300 Lakhs) has been pledged with HDFC Bank and ₹ 125 Lakhs (March 31, 2018: ₹ 125 Lakhs) has been pledged with DBS Bank as collateral security against the financial assistance extended by the respective banks and ₹ 0.36 Lakhs (March 31, 2018: ₹ 0.34 Lakhs) with Central Bank of India.

2.12 Tax Assets (net)

₹ in Lakhs

Particulars	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Tax assets :				
Taxes paid	**47.06**	-	**3,078.43**	5,005.76
Total (A)	**47.06**	-	**3,078.43**	5,005.76
Tax liabilities :				
Provision for Taxation	**-**	-	**3,050.78**	4,936.98
Total (B)	**-**	-	**3,050.78**	4,936.98
Total (A-B)	**47.06**	-	**27.65**	68.78

2.13 Equity Share Capital

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised share capital :		
3,50,00,000 (March 31, 2018: 3,50,00,000) Equity shares of Rs.10/- each	**3,500.00**	3,500.00
Total	**3,500.00**	3,500.00
Issued, Subscribed and Paid up Capital		
2,82,57,856 (March 31, 2018: 2,82,57,856) Equity shares of Rs.10/- each fully paid up	**2,825.79**	2,825.79
Total	**2,825.79**	2,825.79

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period :

Equity shares	As at March 31, 2019	As at March 31, 2018
	No. of Shares	No. of Shares
At the beginning of the period	**2,82,57,856**	2,87,02,300
Less: Buyback of shares	**-**	(4,44,444)
Outstanding at the end of the period	**2,82,57,856**	2,82,57,856

Notes to Standalone Financial Statements for the year ended March 31, 2019

The Board of Directors, as its meeting held on March 18, 2019 approved the buyback of the Company's fully paid-up equity shares of the face value of Rs.10 each from its shareholders/beneficial owners excluding promoters, promoter group and persons acting in concert, via the "open market" route through the stock exchanges, for a total amount not exceeding ₹ 1,000 Lakhs ("Maximum Buyback Size"), and at a price not exceeding ₹ 130 per Equity Share ("Maximum Buyback Price").

The indicative maximum number of Equity Shares that can be bought back at the above maximum price would be 7,69,230. If the Equity Shares are bought back at a price below the Maximum Buyback Price of ₹ 130, the actual number of equity shares bought back could exceed the above indicative Maximum Buyback quantity but will always be subject to the Maximum Buyback Size.

The Buyback shall be from the open market purchases through the stock exchanges, by the order matching mechanism except 'all or none' order matching system, as provided under the Buyback Regulations.

The Company has deposited the required amount in a separate bank account and the same is funded from its free reserves, current surplus and/ or cash and cash equivalents and/or internal accruals and / or liquid resources and / or such other permissible sources of funds of the Company.

The buyback of equity shares through the stock exchanges commenced on March 29, 2019 and is expected to be completed by September 28, 2019 or reaching the Maximum Buyback Size or at such earlier date as may be determined by the Board/ Buy-back Committee, subject to the Company having deployed an amount equivalent to the minimum Buy-back size, whichever is earlier.

During the period from March 29, 2019 to March 31, 2019, Nil equity shares were purchased from the stock exchange and therefore not extinguished any shares as of March 31, 2019.

In the previous year, the Company bought back 4,44,444 equity shares for an aggregate amount of ₹ 799.99 Lakhs being 6.70% of the fully paid-up equity share capital and free reserves at ₹ 180/- per equity share. The equity shares bought back were extinguished on March 8, 2018.

b. Rights, preference and restrictions attached to equity shares:

Equity Shares

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

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

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

c. Details of share holders holding more than 5% shares in the company

Name of the shareholder	**As at March 31, 2019**		As at March 31, 2018	
	No. of Shares	**% of holding**	No. of Shares	% of holding
Mr. Pankaj Seth	**1,13,22,112**	**40.07**	1,12,83,186	39.93
Mrs. Anisha Seth	**38,13,853**	**13.50**	37,81,790	13.38
M/s. Mediaman Multitrade Pvt. Ltd.	**25,38,780**	**8.98**	25,38,780	8.98
Mr. Kaushik Daga	**21,12,396**	**7.48**	21,12,396	7.48
Mr. Varun Daga	**20,91,971**	**7.40**	20,91,772	7.40

d. Aggregate number of shares issued as bonus during 5 years immediately preceding March 31, 2019

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

*Bonus shares were issued by capitalisation of balance in securities premium and general reserve amounting to ₹ 1,435.12 Lakhs in the ratio of one equity share for every one equity share held by member(s) having face value of ₹ 10 each held on the record date.

Basic and diluted earnings per share for the previous periods has been presented to reflect the adjustment for bonus share in accordance with Indian Accounting Standard 33 Earnings Per Share.

Notes to Standalone Financial Statements for the year ended March 31, 2019

Additional Disclosure

Terms of Warrant

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

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

2.14 Other Equity

₹ in Lakhs

Particulars	**As at March 31, 2019**	As at March 31, 2018
General reserve	**31.08**	31.08
Retained Earnings	**13,397.49**	11,075.62
Capital Redemption Reserve	**44.44**	44.44
Total	**13,473.03**	11,151.14

Description of the nature and purpose of each reserve within equity is as follows:

(a) General Reserve :

The Company had transferred a portion of the net profit of the Company before declaring dividend to the general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve before declaration of dividend is not required under the Companies Act, 2013.

(b) 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.

(c) 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.

2.15 Borrowings

₹ in Lakhs

Particulars	**Non current**	
	As at March 31, 2019	As at March 31, 2018
Term Loans		
Secured		
From Banks	**980.13**	1,400.40
Less : Current maturities of non-current borrowings (refer Note 2.17)	**372.34**	883.71
Total	**607.79**	516.69

Notes to Standalone Financial Statements for the year ended March 31, 2019

(a) Nature of Security and terms of repayment for secured borrowings:

₹ in Lakhs

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2019	As at March 31, 2018
1	Term loan - 2 from State Bank of India, Details of securities are mentioned below*	Repayable in 60 monthly installments commencing from Jan 1, 2014, exclusive of a moratorium period of 12 months, 39 monthly installments of ₹ 20 Lakhs each, next 12 installments of ₹ 252 Lakhs and last 9 installments of ₹ 193 Lakhs. Last installment is due in Dec, 2018.	**-**	215.68
2	Term loan - 3 from State Bank of India, Details of securities are mentioned below*	Repayable in 60 monthly installments commencing from Aug 1, 2014, exclusive of a moratorium period of 12 months, 36 monthly installments of ₹ 15 Lakhs each, next 23 installments of ₹ 16 Lakhs each and last installment of ₹ 17 Lakhs. Last installment is due in July, 2019.	**65.00**	275.15
3	Term loan - 1 from HDFC Bank Limited. Details of securities are mentioned below**	Repayable in 60 equated monthly installments from October 2014 till September, 2019.	**87.08**	282.11
4	Term loan - 2 from HDFC Bank Limited. Details of securities are mentioned below**	Repayable in multiple equated monthly installments starting from September, 2015 till September, 2019.	**55.94**	221.12
5	Term loan - 3 from HDFC Bank Limited. Details of securities are mentioned below**	Repayable in 60 equated monthly installments starting from May, 2018 till May, 2023	**772.11**	406.34
*	Primary Security: The Company has provided hypothecation on entire present and future stocks of trading goods and book debts, receivables, actionable claims and all present and future claims and first pari passu charge on entire Property, Plant and Equipment (excluding Plant and Machineries financed by other banks/ financial institutions of the borrower) as primary security. Collateral Security: Equitable Mortgage and hypothecation charge over entire Property, Plant and Equipment of the Company including Land and Building, Plant and Machineries, situated at Plot No.6, 7 and 8, Village Mahuvej, Taluka Mangrol, Dist- Surat - 394102; Guarantee: Personal Guarantee of Promoter Directors, Mr. Pankaj Seth and Mrs. Anisha Seth.			
**	Primary Security: Hypotheciation by way of First Pari Passu Charge on entire Current Assets of Company (Including Stock and Book Debts both present and future) with State Bank of India and DBS for entire limit and Hypothecation by way of first and exclusive charge on Plant and Machinery funded by HDFC Bank Limited. Collateral Security: Equitable Mortgage of the Textile building bearing No.B-12, Asmeeta Texpa ITP, MIDC Plot No.1, Additional Kalyan Bhiwandi Industrial Area, Village - Kon, Sub-District Bhiwandi, District Thane, Guarantee: Personal Guarantee of Mr. Pankaj Seth, Promoter Director.			

(b) Assets pledged as security:

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Inventories	**2,826.50**	2,740.80
Receivables	**3,085.90**	3,116.15
Non Current		
Property plant and equipment of the compay including Land and Building, Plant and Machineries situated at Surat	**7,890.35**	6,625.03
Asmeeta Textile Building located at Kalyan	**762.80**	771.45
Total	**14,565.55**	13,253.43

Notes to Standalone Financial Statements for the year ended March 31, 2019

2.16 Trade Payables

₹ in Lakhs

Particulars	Current	
	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of Micro Enterprises and Small Enterprises (refer note 4.15)	**125.22**	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	**206.45**	344.94
Total	**331.67**	344.94

2.17 Other Financial Liabilities

₹ in Lakhs

Particulars	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Current maturities of non-current borrowings	**-**	-	**372.34**	883.71
Salary and reimbursement expenses payable	**-**	-	**106.39**	110.64
Interest accrued but not due on loans	**-**	-	**5.82**	3.37
Unclaimed dividends*	**-**	-	**36.93**	39.36
Security deposit	**9.00**	9.00	**-**	-
Subscription Amount payable	**-**	-	**0.91**	0.91
Liability for Expenses & Capital Goods	**-**	-	**303.97**	279.94
Payable for acquisition of Property, Plant and Equipment	**300.00**	450.00	**149.50**	299.50
Total	**309.00**	459.00	**975.86**	1,617.43

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2019 (March 31, 2018: Nil)

Details of Current maturities of non-current borrowings

₹ in Lakhs

Particulars	**As at March 31, 2019**	As at March 31, 2018
Term Loan		
Secured:		
From Bank	**372.34**	883.71
Total	**372.34**	883.71

2.18 Other Liabilities

₹ in Lakhs

Particulars	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Statutory Liabilities	**-**	-	**34.11**	39.33
Advance from Customers	**-**	-	**182.15**	162.68
Deferred Income for Captial Subsidy	**549.25**	369.92	**66.30**	47.99
Total	**549.25**	369.92	**282.56**	250.00

Notes to Standalone Financial Statements for the year ended March 31, 2019

2.19 Provisions

₹ in Lakhs

Particulars	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Employee benefits :				
Provision for Bonus	**-**	-	**15.01**	15.15
Provision for Leave Encashment	**-**	-	**5.64**	11.27
Provision for Gratuity	**95.86**	119.13	**14.30**	1.92
Total (A)	**95.86**	119.13	**34.95**	28.34
Others :				
Other Expenses	**-**	-	**42.35**	22.22
Total (B)	**-**	-	**42.35**	22.22
Total (A+B)	**95.86**	119.13	**77.30**	50.56

2.20 Current Tax Liabilities (Net)

₹ in Lakhs

Particulars	**As at March 31, 2019**	As at March 31, 2018
Provision for Taxation (Net of advance tax)	**68.75**	88.34
Total	**68.75**	88.34

3.01 Revenue from operations

₹ in Lakhs

Particulars	**2018-19**	2017-18
Revenue from operations:		
Sale of products	**12,939.18**	12,476.39
Sale of Power	**42.30**	44.28
Sale of Services	**10.45**	-
Total (A)	**12,991.93**	12,520.67
Other operating revenue		
Export Incentives	**346.58**	502.37
Total (B)	**346.58**	502.37
Total (A+B)	**13,338.51**	13,023.04

Revenue from contracts with customers :

I. Revenue from contracts with customers disaggregated based on geography

₹ in Lakhs

Particulars	**Year ended March 31, 2019**
Domestic	**4,230.29**
Exports	**8,761.64**
Total	**12,991.93**

Notes to Standalone Financial Statements for the year ended March 31, 2019

II. Reconciliation of gross revenue with the revenue from contracts with customers

₹ in Lakhs

Particulars	Year ended March 31, 2019
Gross Revenue	**13,057.27**
Less : Discounts and incentives	**65.34**
Net Revenue recognised from Contracts with Customers	**12,991.93**

III. Revenue recognised from Contract liability (Advances from Customers)

₹ in Lakhs

Particulars	Year ended March 31, 2019
Closing contract liability	**593.48**

The contract liability outstanding at the beginning of the year was ₹ 652.72 lakhs of which ₹ 651.19 lakhs has been recognised as revenue during the year ended March 31, 2019

There are transactions with one external customer which amount to 10% or more of the Company's revenue.

3.02 Other Income

₹ in Lakhs

Particulars	2018-19	2017-18
Interest Income on financial assets		
Bank Deposits (at amortized cost)	**123.90**	58.36
Unwinding of interest on security deposits	**5.04**	4.26
Other Non-Operating Income		
Government Assistant	**58.67**	47.99
Rent Income	**36.45**	8.70
Other	**1.27**	-
Dividend Income	**0.03**	0.12
Other gains and losses		
Net gain on foreign exchange fluctuation	**112.82**	237.96
Total	**338.18**	357.39

3.03 Cost of Material Consumed

₹ in Lakhs

Particulars	2018-19	2017-18
Inventory at the beginning of the year	**646.89**	559.43
Add : Purchases	**4,951.93**	4,829.25
	5,598.82	5,388.68
Less : Closing Inventory	**711.52**	646.89
Inventory at the end of the year	**4,887.30**	4,741.79

Notes to Standalone Financial Statements for the year ended March 31, 2019

3.04 Changes in Inventories

₹ in Lakhs

Particulars	2018-19	2017-18
Inventories at the end of the year (including in-transit)		
Work-in-Progress	**347.02**	258.52
Finished Goods	**1,701.60**	1,772.98
Total (A)	**2,048.62**	2,031.50
Inventories at the beginning of the year (including in-transit)		
Work-in-Progress	**258.52**	279.28
Finished Goods	**1,772.98**	1,616.15
Total (B)	**2,031.50**	1,895.43
Total (B - A)	**(17.12)**	(136.07)

3.05 Employee Benefit Expenses

₹ in Lakhs

Particulars	2018-19	2017-18
Salaries, wages and bonus	**1,908.93**	1,616.56
Contribution to provident and other fund	**136.03**	124.67
Staff welfare expenses	**34.15**	38.56
Total	**2,079.11**	1,779.79

3.06 Finance Cost

₹ in Lakhs

Particulars	2018-19	2017-18
Interest and Finance charges on financial liabilities :		
Interest on borrowings	**147.03**	53.50
Total	**147.03**	53.50

3.07 Depreciation Amortization and Impairment Expense

₹ in Lakhs

Particulars	2018-19	2017-18
Depreciation of Property, Plant and Equipment	**835.81**	705.12
Amortisation of Intangible assets	**19.76**	17.32
Total	**855.57**	722.44

3.08 Other Expenses

₹ in Lakhs

Particulars	2018-19	2017-18
Power and Fuel	**430.16**	576.50
Labour Charges	**119.20**	71.30
Bad Debts written off	**17.57**	27.11
Electricity Expenses	**17.88**	15.67
Rates and taxes	**12.50**	30.68
Legal and Professional Charges	**105.35**	151.69
Advertisement, Sales Promotion and Marketing Fees	**97.51**	102.14

Notes to Standalone Financial Statements for the year ended March 31, 2019

Particulars	2018-19	2017-18
Travelling and Conveyance	**275.90**	256.25
Commission and Brokerage	**241.00**	268.41
Freight and Forwarding Expense	**302.57**	247.53
Selling and Distribution Expenses	**89.54**	176.46
Postage and Telephone	**87.52**	71.08
Bank Charges	**39.04**	85.50
Security Expense	**28.36**	25.75
Repairs and Maintenance:		
Plant and Machinery	**119.70**	97.25
IT Related	**61.91**	86.18
Others	**58.06**	57.64
Rent	**281.70**	250.61
Printing and Stationery	**16.37**	17.47
Miscellaneous Expenses	**10.07**	10.46
Recruitment Charges	**16.61**	15.40
CSR Expenses	**116.06**	12.30
Insurance Charges	**48.11**	37.74
Impairment of trade receivable	**34.50**	6.25
Membership and Subscription	**6.97**	3.35
Loss on disposal of property, plant and equipment	**35.09**	-
Remuneration to statutory auditor		
Statutory Audit Fees	**9.50**	9.50
Limited Review Fees	**3.00**	3.00
Total	**2,681.75**	2,713.22

3.09 Tax expenses

₹ in Lakhs

Particulars	2018-19	2017-18
(a) Income tax expenses :		
Current tax	**655.74**	995.46
Tax adjustments for earlier years	**(148.82)**	(4.27)
Deferred tax liability / (asset) incl. MAT credit (refer note 2.06)	**224.31**	23.69
Total	**731.23**	1,014.88
(b) Income tax recognised in other comprehensive income		
Deferred tax impact on the defined benefit plans	**10.22**	-
I. Reconciliation of current rate of tax and effective rate of tax:		
Net profit / (loss) before tax	**3,043.05**	3,505.76
Effective tax rate applicable to the Company	**29.12%**	34.61%
Tax amount at the enacted income tax rate	**886.14**	1,213.27
Add: Expenses not deductible in determining taxable profits	**375.88**	295.46
Less: Allowances/Deductibles	**(620.60)**	(486.12)
Less: Allowances/Deductibles - Income claimed exempt u/s 80IA(4)(iv)	**(22.11)**	(27.15)
Income tax expenses - Net	**619.31**	995.46

Notes to Standalone Financial Statements for the year ended March 31, 2019

Particulars	2018-19	2017-18
Tax liability as per Minimum Alternate Tax on book profits		
Minimum Alternate Tax rate	**21.55%**	21.55%
Computed tax liability on book profit	**655.74**	755.46
Minimum Alternate tax on book profit	**655.74**	755.46

II. Reconciliation of Deferred Tax

₹ in Lakhs

Particulars	As at March 31, 2019	(Charged)/ Credited to Profit and Loss/ OCI// Retained Earning	As at March 31, 2018
Deferred tax (liabilities)/assets in relation to :			
Property, Plant and Equipment	**(1,300.98)**	**(287.70)**	(1,013.28)
Forward Contract	**(0.21)**	**8.97**	(9.18)
Provision for employee benefit	**27.87**	**(15.07)**	42.94
Allowance for doubtful debts	**23.90**	**12.61**	11.29
Deferred tax impact on OCI	**10.22**	**10.22**	-
MAT Credit Available	**36.44**	**36.44**	-
Total	**(1,202.76)**	**(234.53)**	(968.23)

4.01 Earning per share

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Basic earnings per share :		
Attributable to equity holders of the Company	**8.18**	8.69
Diluted earnings per share :		
Attributable to equity holders of the Company	**8.18**	8.69
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit attributable to equity holders of the Company used in calculating basic earning per shares (₹ in Lakhs)	**2,311.81**	2,490.88
Diluted earnings per share		
Profit attributable to equity holders of the Company used in calculating diluted earning per shares (₹ in Lakhs)	**2,311.81**	2,490.88
Weighted average number of Equity shares used as the denominator in calculating basic earnings per share	**2,82,57,856**	2,86,71,859
Weighted average number of Equity shares used as the denominator in calculating diluted earnings per share	**2,82,57,856**	2,86,71,859

Notes to Standalone Financial Statements for the year ended March 31, 2019

4.02 Leases

Operating Leases (As Lessee)

The Company's significant leasing arrangements in terms of Ind AS 17 on lease are in respect of Operating Leases for Building and Vehicles. The period of these leasing arrangements, which are cancellable in nature range between eleven months to five years and are renewable by mutual consent.

Details of Non cancellable Leases are as under:

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Due not later than one year	**273.36**	235.27
Due later than one year but not later than five years from the balance sheet date	**223.99**	437.09
Total	**497.35**	672.36

Rental Expenses debited to the Statement of Profit and Loss ₹ 250.37 Lakhs (March 31, 2018: ₹ 225.24 Lakhs).

Details of Cancellable Leases are as under:

Lease Expenses debited to the Statement of Profit and Loss ₹ 31.33 Lakhs (March 31, 2018: ₹ 25.37 Lakhs). Some of these lease agreements have price escalation clauses.

Operating Leases (As Lessor)

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Gross Carrying Amount of Assets capitalized as Building and given on operating lease	**68.78**	68.78
Accumulated Depreciation at the beginning of the year	**(4.53)**	(2.26)
Depreciation for the year	**(2.26)**	(2.26)
Total	**61.99**	64.26

Details of Non Cancellable lease are as under:

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Receivable in the next one year	**38.40**	36.60
Receivable after next one year but Before next five years	**26.40**	64.80
Receivable after five years	**-**	-
Total	**64.80**	101.40

Rental income of ₹ 36.45 Lakhs (March 31, 2018 : ₹ 8.70 Lakhs) in respect of property at Dombivali have been recognised in Statement of Profit and Loss.

4.03 Contingent Liabilities

(a) The Company's pending litigations comprise of proceedings pending with Income Tax and other government authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made an adequate provision in the standalone financial statements and appropriate disclosure for contingent liabilities is given below :-

Notes to Standalone Financial Statements for the year ended March 31, 2019

₹ in Lakhs

Particulars	2018-19	2017-18
Income tax dues where the matters are pending before appellate authority	-	114.28
Penalty on duty drawback	-	1.83
Total	-	116.11

(b) The Supreme Court, in a judgement dated February 28, 2019, has stipulated the components of salary that need to be taken into account for computing the contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company will account for the impact of the judgement after clarification is obtained in interpreting aspects of the judgement and after knowing the effective date of its application. The Company does not expect the impact to be material on the financial statements of the Company for the year ended March 31, 2019. Accordingly, no adjustments have been made in the accompanying financial statements.

4.04 Contingent Assets

₹ in Lakhs

Particulars	2018-19	2017-18
Late Payment Surcharge due with Jodhpur Discom (JVVNL)	-	8.17
Total	-	8.17

4.05 Capital and other Commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 53.90 Lakhs (March 31, 2018 : ₹ 720.13 Lakhs).

b) Export obligations under Export Promotion Capital Goods Scheme (EPCG) towards import of capital goods at concessional rate of custom duty (duty amount involved is March 31, 2019: ₹ 351.39* lakhs, March 31, 2018: ₹ 98.34 lakhs).

* Export obligation for this year has already been fulfilled, however, procedural formalities for the closure of the EPCG Licenses are pending.

4.06 The Company has two segments Manufacturing of Textile and Windmill Power Generation. The gross operating income and profit from the Windmill Power Generation segment is below the norms prescribed in Ind AS 108, hence separate disclosure have not been made.

4.07 Corporate Social Responsibility

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

The company is required to spend ₹ 64.57 Lakhs; (March 31, 2018: ₹ 71.28 Lakhs) on CSR activities.

Amount spend during the year is as follows:

Particulars	2018-19			2017-18		
	Paid	Yet to be paid	Total	Paid	Yet to be paid	Total
On construction/ acquisition of any assets	-	-	-	-	-	-
On purpose other than above	116.06*	64.57	64.57	12.30	58.98	71.28

* During the Financial Year 2018-19, the Company had spent ₹ 116.06 Lakhs towards CSR Expenditure. Out of the above spent amount, ₹ 40.11 Lakhs is towards the Financial Year 2014-15; ₹ 56.34 Lakhs for the Financial Year 2015-16 and ₹ 19.61 Lakhs for the Financial Year 2016-17.

4.08 Employee Benefit Plans

1. Defined contribution plans

The amounts of contribution to provident fund and ESIC recognized as expenses during the year is ₹ 109.99 Lakhs (March 31, 2018: ₹ 94.13 Lakhs) for the year ended March 31, 2019.

Notes to Standalone Financial Statements for the year ended March 31, 2019

2. Defined Benefits Plans

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.

These plans typically expose the Company to Actuarial risks such as : investment risk, longetivity risk and salary risk. No other post-retirement benefit are provided to the employees.

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.
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.

3. Principal assumptions used for the purpose of actuarial valuation

Particulars	As at March 31, 2019	As at March 31, 2018
Discount rate	**7.75%**	7.75%
Expected rate of salary increase	**6.50%**	6.50%
Withdrawal Rate	**1% at all ages**	1% at all ages
Mortality Rate	**Indian Assured lives (2006-08) ultimate mortality rates**	Indian Assured lives (2006-08) ultimate mortality rates
Retirement Rate	**58 Years**	58 Years

4. (a) Amounts recognised in Statement of Profit and Loss in respect of defined benefit plans

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Service cost:		
Current service cost	**16.66**	23.84
Interest Cost on net Defined Benefit Obligations	**9.38**	6.38
Net Acturial (Gain)/loss	**-**	-
Components of defined benefits cost recognised in Statement of Profit and Loss	**26.04**	30.22

4. (b) Amounts recognised in Other Comprehensive Income in respect of defined benefit plans

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Remeasurement of net defined benefit liability		
Return on plan assets(excluding amount included in net interest expense)	**-**	-
Net Acturial (Gain)/ Loss	**(35.09)**	9.03
Components of defined benefits cost recognised in Other Comprehensive Income	**(35.09)**	9.03

Notes to Standalone Financial Statements for the year ended March 31, 2019

4. (c) Amounts recognised in Balance Sheet in respect of defined benefit plans

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Present Value of the Defined Benefit Obligations	**110.15**	121.05
Fair Value of Plan Assets	**-**	-
Liability Recognised in the Balance Sheet	**110.15**	121.05

5. (a) Movements in present value of defined benefit obligation

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Opening defined benefit obligations	**121.05**	85.08
Current service cost	**16.66**	23.84
Interest cost	**9.38**	6.38
Remeasurement (Gains) / losses		
Actuarial (gains) / losses on Defined Benefit Obligation	**(35.09)**	9.03
Past service cost, including losses / (gains) on curtailments	**-**	-
Benefits paid	**(1.85)**	(3.28)
Closing defined benefit obligation	**110.15**	121.05

5. (b) Reconciliation

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Net Liability	**121.05**	85.08
Add: Employer Expenses (Expenses recognised in the statement of Profit and Loss account)	**26.04**	30.22
Add: Trasfer to Other Comprehensive Income	**(35.09)**	9.03
Less: Benefit Paid	**(1.85)**	(3.28)
Closing Net Liability	**110.15**	121.05

6. 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.

Key assumptions for determination of Defined Benefit Obligation are Discount Rate (i.e. Interest Rate) and Salary Growth Rate:

Notes to Standalone Financial Statements for the year ended March 31, 2019

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Discount Rate is increased by 1%	**(9.36)**	(12.59)
Discount Rate is decreased by 1%	**10.49**	15.28
Salary Growth Rate increased by 1%	**(8.66)**	15.32
Salary Growth Rate decreased by 1%	**9.63**	(12.83)

4.09 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, 2019, the Company has only one class of equity shares and has no debts. Hence, there are no externally imposed capital requirements.

₹ in Lakhs

Dividends	2018-19	2017-18
Dividend on equity shares paid during the year		
Final dividend for the year ended March 31, 2019 of Nil /- (March 31, 2018 - ₹ 0.60) per equity share of ₹ 10/- each	-	172.21
Interim dividend for the year ended March 31, 2019 of ₹ Nil /- (March 31, 2018 - ₹ Nil /- (Pre Bonus)) per equity share of ₹ 10/- each	-	-
Dividend distribution tax on the above dividends	-	35.06

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.

₹ in Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Net Debt	115.03	1,100.54
Total Equity	16,298.82	13,976.93
Net Debt to Equity Ratio	0.01	0.08

4.10 Financial Instruments

(i) 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:

a) 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.

Notes to Standalone Financial Statements for the year ended March 31, 2019

b) 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.

c) The fair values of long term security deposits taken, non-current borrowings and remaining non current 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.

(ii) 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.

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, 2019		As at March 31, 2018	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost :				
Investment in bonds	-	-	-	-
Investments in Government securities	**0.37**	**0.37**	0.69	0.69
Trade receivables	**3,085.90**	**3,085.90**	3,116.15	3,116.15
Cash and Bank balances	**2,470.99**	**2,470.99**	942.94	942.94
Loans	**154.03**	**154.03**	125.42	125.42
Other financial assets	**68.89**	**68.89**	68.49	68.49
Total (A)	**5,780.18**	**5,780.18**	4,253.69	4,253.69
Measured at fair value through profit or loss				
Investment in equity shares of other entities	1.00	1.00	1.00	1.00
Derivative Instruments	114.48	114.48	31.48	31.48
Total (B)	**115.48**	**115.48**	32.48	32.48
Total Financial assets (A+B)	**5,895.66**	**5,895.66**	4,286.17	4,286.17
Financial liabilities				
Measured at amortised cost :				
Borrowing#	980.13	980.13	1,400.40	1,400.40
Trade payables	331.67	331.67	344.94	344.94
Other financial liabilities	912.52	912.52	1,192.72	1,192.72
Total Financial liabilities	**2,224.32**	**2,224.32**	2,938.06	2,938.06

includes current maturities of long term debts

Notes to Standalone Financial Statements for the year ended March 31, 2019

(iii) Level wise disclosure of financial instruments

₹ in Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018	Level	Valuation techniques and key inputs
Foreign currency forward contracts - Assets	**114.48**	31.48	2	Quotes from banks

4.11 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.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

₹ in Lakhs

Age of Receivables	As at March 31, 2019	As at March 31, 2018
Within the credit period	**1824.83**	1,940.17
1-90 days past due	**1040.84**	888.60
91-180 days past due	**102.93**	72.41
181-270 days past due	**116.35**	139.74
More than 270 days past due	**83.03**	122.82
Total	**3,167.98**	3,163.74

₹ in Lakhs

Movement in the expected credit allowance	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	**47.59**	32.47
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**34.50**	15.12
Total	**82.09**	47.59

The Company is taking adequate steps for recovery of overdue debts and advances and wherever necessary, adequate provisions as per expected credit loss model have been made.

Notes to Standalone Financial Statements for the year ended March 31, 2019

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 both domestic and international 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 at the reporting date based on contractual undiscounted payments.

₹ in Lakhs

As on March 31, 2019	**< 1 Year**	**1 - 5 Year**	**> 5 Year**	**Total**
Borrowings	**372.34**	**607.79**	**-**	**980.13**
Trade Payables	**331.67**	**-**	**-**	**331.67**
Other Financial Liabilities	**975.86**	**309.00**	**-**	**1,284.86**

₹ in Lakhs

As on March 31, 2018	< 1 Year	1 - 5 Year	> 5 Year	Total
Borrowings	968.44	566.23	-	1,534.67
Trade Payables	344.94	-	-	344.94
Other Financial Liabilities	1,617.43	459.00	-	2,076.43

Financing arrangements

The Company has sufficient sanctioned line of credit from its bankers / financers; 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.

(i) 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. The Company 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 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 after discussion with Forex Consultant and as per polices set by Management.

Notes to Standalone Financial Statements for the year ended March 31, 2019

The Company does not enter into or trade financial instrument including derivative for speculative purpose.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

₹ in Lakhs

Currencies	Liabilities		Assets	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
US Dollar (USD)	**45.33**	54.53	**2,490.68**	2,406.65
EURO	**0.57**	0.22	**0.71**	53.52
British Pound (GBP)	**0.20**	8.24	**12.60**	32.61

Foreign Currency Exposure

₹ in Lakhs

Foreign currency exposure as at March 31, 2019	**USD**	**EURO**	**GBP**
Trade receivables	**2,376.20**	**0.71**	**12.60**
Trade payables	**45.33**	**0.57**	**0.20**
Forward contracts for receivable	**114.48**	**-**	**-**

₹ in Lakhs

Foreign currency exposure as at March 31, 2018	USD	EURO	GBP
Trade receivables	2,375.17	53.52	32.61
Trade payables	54.53	0.22	8.24
Forward contracts for receivable	31.48	-	-

Particulars of un-hedged foreign currency asset / liability as at Balance Sheet date

Figures in Lakhs

Currency	Nature	**As at March 31, 2019**		As at March 31, 2018	
		Amount (In FCY)	**Amount (In ₹)**	Amount (In FCY)	Amount (In ₹)
EURO	Asset- Export Receivables	**0.01**	**0.71**	0.66	53.52
GBP	Asset- Export Receivables	**0.14**	**12.60**	0.35	32.61

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

₹ in Lakhs

Currencies	Impact on profit after Tax and Equity			
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
	1% increase	1% increase	**1% decrease**	1% decrease
EURO	**0.01**	0.54	**(0.01)**	(0.54)
GBP	**0.13**	0.33	**(0.13)**	(0.33)

Notes to Standalone Financial Statements for the year ended March 31, 2019

4.12 Related party disclosures

(a) Names of related parties and related party relationship-where control exists

Subsidiary- Orbit Inc

Subsidiary - Excellere (UK) Limited

(b) Related parties with whom transactions have taken place during the year

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

(c) Key management personnel

Mr. Pankaj Seth - Managing director

Mrs. Anisha Seth -Whole time director

Mr. Bruce Kievel - Executive Director

Mr. Mukesh Deopura - Chief Financial Officer

Mrs. Neha Poddar - Company Secretary

(d) Relatives of key management personnel

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

Mrs. Sangeeta Bhatia - Sister of Mr. Pankaj Seth

Mr. Shyamsunder Seth - Father of Mr. Pankaj Seth

Mr. Parth Seth - Son of Mr. Pankaj Seth

Mr. Prachya Thongnak - Son of Mr. Bruce Kievel

Mrs. Chanda Deopura - Wife of Mr. Mukesh Deopura

(e) Enterprises owned or significantly influenced by key management personnel or their relatives

Golden Bo Tree Impex Co Ltd.

M/s Mediaman Multitrade Pvt Ltd.

Orbit Foundation

(f) Non-Executive Directors

Mr. Gopikrishna Bubna (till 04.02.2019)

Mr. Balkrishna Patil

Mr. Saumil Marfatia

Mr. Pardeep Khosla

Mr. Varun Daga

Mr. Sunil Buch (w.e.f. 04.02.2019)

Notes to Standalone Financial Statements for the year ended March 31, 2019

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Lakhs

Name	Relationship	Nature of Transaction	Amount of transaction in FY 2018-19	Amount outstanding as on 31.03.19 (Payable)/ Receivable	Amount of transaction in FY 2017-18	Amount outstanding as on 31.03.18 (Payable)/ Receivable
Mr. Pankaj Seth	Managing Director	Remuneration	**233.00**	**(0.13)**	156.00	(13.00)
Mr. Pankaj Seth	Managing Director	Dividend	**-**	**-**	67.70	-
Mr. Pankaj Seth	Managing Director	Rent	**3.60**	**-**	3.60	(3.60)
Mrs. Anisha Seth	Whole Time Director	Remuneration	**233.00**	**(0.76)**	151.00	(12.60)
Mrs. Anisha Seth	Whole Time Director	Dividend	**-**	**-**	22.69	-
Mr. Mukesh Deopura	CFO, KMP	Salary	**29.87**	**(2.37)**	29.87	(2.38)
Mrs. Neha Poddar	CS, KMP	Salary	**8.89**	**(0.74)**	8.39	(0.69)
Mrs. Vishakha Seth Mehra	Daughter of Mr. Pankaj Seth	Salary	**28.22**	**(2.36)**	24.51	(2.14)
Mrs. Sangeeta Bhatia	Sister of Mr. Pankaj Seth	Salary	**2.34**	**(0.20)**	2.34	(0.20)
Mr. Shyamsunder Seth	Father of Mr. Pankaj Seth	Consultancy Fees	**1.38**	**(0.12)**	1.38	(0.12)
Mr. Parth Seth	Son of Mr. Pankaj Seth	Salary	**12.10**	**(0.97)**	10.09	(0.97)
Mr. Prachya Thongnak	Son of Mr. Bruce Kievel	Consultancy Fees	**29.68**	**-**	34.93	-
Mrs. Chanda Deopura	Wife of Mr. Mukesh Deopura	Salary	**18.50**	**(1.45)**	16.77	(1.47)
Mediaman Multitrade Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	Dividend	**-**	**-**	15.17	-
Orbit Inc	Subsidiary Company	Sales	**742.93**	**510.95**	504.75	468.38
Orbit Inc	Subsidiary Company	Investment in Shares Capital	**-**	**-**	-	-
Rainbow Line Trading LLC	Associate	Sales		**1,012.91**	2,550.39	1,017.86
Excellere (UK) Limited	Subsidiary Company	Investment in Shares Capital	**-**	**-**	0.82	(0.82)
Orbit Foundation	Enterprises owned or significantly influenced by key management personnel or their relatives	CSR activity	**1.06**	**-**	2.30	-
Golden Bo Tree Impex Co Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	Commission	**34.38**	**(5.42)**	33.27	(11.78)
Mr. Gopikrishna Bubna	Non-Executive Director	Sitting Fees	**0.75**	**-**	0.82	-
Mr. Balkrishna Patil	Non-Executive Director	Sitting Fees	**0.38**	**-**	0.47	-
Mr. Saumil Marfatia	Non-Executive Director	Sitting Fees	**0.44**	**(0.15)**	0.39	-
Mr. Pardeep Khosla	Non-Executive Director	Sitting Fees	**0.71**	**(0.30)**	0.62	-
Mr. Varun Daga	Non-Executive Director	Sitting Fees	**0.61**	**(0.15)**	0.46	-
Mr. Sunil Buch	Non-Executive Director	Sitting Fees	**0.35**	**(0.25)**	-	-

*Reimbursement of expenses are not included in above statement

Notes to Standalone Financial Statements for the year ended March 31, 2019

Compensation to key management personnel

₹ in Lakhs

Particulars	Amount of transaction in FY 2018-19	Amount of transaction in FY 2017-18
Short-term employee benefits	**504.76**	345.26
Post-employment benefits	**44.07**	42.85
Sitting Fees	**3.23**	2.76
Total	**552.06**	390.87

4.13 Employee Stock Option Plan

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

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

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

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

Sr. No	Particulars	As at March 31, 2019		As at March 31, 2018	
		No. of Shares	Weighted Average Exercise Price in ₹	No. of Shares	Weighted Average Exercise Price in ₹
A	a. Options Outstanding at the beginning of the year	**1,64,000**	**171.16**	1,64,000	171.16
	b. Options granted during the year - Option II	**-**	**-**	-	-
	c. Options granted during the year - Option III	**-**	**-**	-	-
	d. Exercised during the year - Option I	**-**	**-**	-	-
	e. Exercised during the year - Option II	**-**	**-**	-	-
	f. Exercised during the year - Option III	**-**	**-**	-	-
	g. Lapsed during the year - Option I	**-**	**-**	-	-
	h. Lapsed during the year - Option II	**8,000**	**171.00**	-	-
	i. Lapsed during the year - Option III	**-**	**-**	-	-
B	a. Outstanding at the end of the year	**1,56,000**	**171.17**	1,64,000	171.16
	b. Adjusted (Bonus 1:1) options granted and outstanding at the end of the year	**-**	**-**	-	-
C	a. Exercisable at the end of the year - Option I	**-**	**-**	-	-
	b. Exercisable at the end of the year - Option II	**1,48,000**	**171.00**	1,56,000	171.00
	c. Exercisable at the end of the year - Option III	**8,000**	**174.25**	8,000	174.25
	d. Adjusted (Bonus 1:1) options exercisable at the end of the year - Option II	**-**	**-**	-	-
	e. Adjusted (Bonus 1:1) options exercisable at the end of the year - Option III	**-**	**-**	-	-

Notes to Standalone Financial Statements for the year ended March 31, 2019

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Sr. No		Expiry Date	Exercise Price	Shares Options Outstanding as on	
				As at March 31, 2019	As at March 31, 2018
1	September 13, 2013	March 12, 2019	69.75	**-**	-
2	January 27, 2015	June 26, 2020	342.00	**1,48,000***	1,56,000*
3	December 24, 2015	June 23, 2021	348.50	**8,000***	8,000*
	Total			**1,56,000**	1,64,000

* Adjusted against Issue of Bonus Shares in the ratio of 1:1

4.14 Recent accounting pronouncements

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116 Leases which replaces the existingInd AS 17 Leases. The new standard will come into force from April 01, 2019.

The core principle of the new standard lies in identifying whether the contract is or contains a lease. A contract is, or contains, alease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.The new standard modifies the accounting of leases in the books of lessee. At the commencement date, a lessee shall recognisea right-of-use asset and a lease liability, for all leases with a term of more than 12 months, unless the underlying asset is of a lowvalue. The accounting for leases in the books of the lessor is substantially similar to the requirements of Ind AS 17.

The standard allows for two methods of transition: the full retrospective approach, requires entities to retrospectively applythe new standard to each prior reporting period presented and the entities need to adjust equity at the beginning of the earliestcomparative period presented, or the modified retrospective approach, under which the date of initial application of the new

leases standard, lessees recognise the cumulative effect of initial application as an adjustment to the opening balance of equityas of annual periods beginning on or after April 01, 2019.

The Company will adopt this standard using modified retrospective method effective April 01, 2019, and accordingly, thecomparative for year ended March 31, 2019, will not be retrospectively adjusted. The effect on adoption of Ind AS 116 is expectedto be insignificant.

4.15 According to the information available with the management, on the basis of intimation received from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the Company has amounts due to micro and small enterprises under the said Act as at March 31, 2019 as follows :

₹ in Lakhs

Sr. No.	Particulars	Current	
		As at March 31, 2019	As at March 31, 2018
a)	Principal amount due	**125.22**	-
b)	Interest due on above	**-**	-
c)	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	**-**	-
d)	Amount of interest due and payable for the period of delay;	**0.02**	-
e)	Amount of interest accrued and remaining unpaid as at year end	**-**	-
f)	Amount of further remaining due and payable in the succeeding year	**-**	-

Notes to Standalone Financial Statements for the year ended March 31, 2019

4.16 Figures for the previous year have been regrouped / reclassified /restated wherever considered necessary.

As per our report of even date

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

Atul Shah
Partner
Membership No. 39569

Place : Mumbai
Date : May 13, 2019

For and on behalf of the Board of Directors

Pankaj Seth
Managing Director
DIN : 00027554

Anisha Seth
Whole-time Director
DIN : 00027611

Mukesh Deopura
Chief Financial Officer

Neha Poddar
Company Secretary

Place : Mumbai
Date : May 13, 2019