



SHARP & TANNAN

Chartered Accountants

Independent Auditors' Report To the Board of Directors of Orbit Corporation Limited

We have audited the accompanying consolidated financial statements of Orbit Corporation Limited ("the Company") and its subsidiaries ("the Orbit Group") which comprise the consolidated balance sheet as at March 31, 2014, and the consolidated statement of profit and loss and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness on the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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



Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai - 400 020, India.

Tel. (22) 2204 7722/23, 6633 8343 - 47 Fax (22) 6633 8352 E-mail : admin.mumbai@sharpandtannan.com

Farook M. Kobla	Shreedhar T. Kunte	Milind P. Phadke	L. Vaidyanathan	Ramnath D. Kare	Ashwin B. Chopra
Edwin Augustine	Raghunath P. Acharya	Firdosh D. Buchia	Tirtharaj A. Khot	Pavan K. Aggarwal	

Also at Pune. Associate Offices : Bangalore, Chennai, Goa, Hyderabad & New Delhi

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the consolidated balance sheet, of the state of affairs of the Orbit Group as at March 31, 2014;
- in the case of the consolidated statement of profit and loss, of the loss of the Orbit Group for the year ended on that date; and
- in the case of the consolidated cash flow statement, of the cash flows of the Orbit Group for the year ended on that date.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 27(2(a)) to the financial statements as regards the income tax demands received by the Company for the assessment years 2004-05 to 2010-11 amounting to Rs. 1719.91 millions. The Company has filed appeals against these demands and the matter is sub-judice..

Other matters

In respect of the financial statements of certain subsidiaries, we did not carry out the audit. These financial statements have been certified by management and have been furnished to us, and in our opinion, insofar as it relates to the amounts included in respect of the subsidiaries, are based solely on these certified financial statements. The details of assets, revenues and net cash flows in respect of these subsidiaries, to the extent to which they are reflected in the consolidated financial statements are given below:

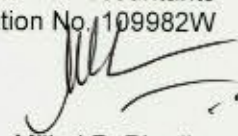
Certified by management :		Rs in Millions	Rs in Millions	Rs in Millions
		Total assets	Total revenues	Net cash inflows / (outflows)
A	Subsidiaries	6000.27	150.35	1051.18

Our opinion is not qualified in respect of these matters.



Mumbai, May 29, 2014

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W


Milind P. Phadke
Partner

Membership No. 33013