



Narendra Sharma & Company

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
Polywood Green Building Systems Pvt. Ltd.

REPORT ON THE Ind AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of POLYWOOD GREEN BUILDING SYSTEMS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE Ind AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matter stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Accounting Standards (Ind AS) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under Section 143(11) of the Act.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.





Narendra Sharma & Company

CHARTERED ACCOUNTANTS

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a Director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in its Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act and on the basis of such checks of the books & records of the Company as we considered appropriate and according to the information & explanations given to us, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Jaipur, 29th May, 2018



For NARENDRA SHARMA & CO.

Chartered Accountants

(Firm Regn No. 004983C)

(YOGESH GAUTAM)

Partner

Membership No. 072676



Narendra Sharma & Company

CHARTERED ACCOUNTANTS

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of POLYWOOD GREEN BUILDING SYSTEMS PRIVATE LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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





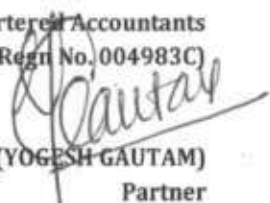
Inherent Limitations of Internal Financial Controls Over Financial Reporting


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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

Jaipur, 29th May, 2018

For NARENDRA SHARMA & CO.
Chartered Accountants
(Firm Regn No. 004983C)

(YOGESH GAUTAM)
Partner
Membership No. 072676





Narendra Sharma & Company

CHARTERED ACCOUNTANTS

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of **POLYWOOD GREEN BUILDING SYSTEMS PRIVATE LIMITED** on the Financial Statements for the year ended on 31st March 2018, we report that:

- (i) In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such physical verification.
 - c. The Company did not have any immovable properties of land (freehold and/or leasehold) and buildings during the year.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence reporting under (iii)(a), (iii)(b) and (iii)(c) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanation given to us in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
 - c. There were no dues pending to be deposited on account of any dispute in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Service Tax, Excise Duty, Cess, Value Added Tax, Goods and Service Tax etc.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institutions. Company has not taken any loan or borrowing from Government and has not issued any debentures.





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- (ix) In our opinion and according to the information and explanations given to us, no money was raised by way of the term loans by the Company during the year. The Company has not raised moneys by way of initial public offer / further public offer (including debt instruments) during the year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or Directors of its subsidiary companies or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Jaipur, 29th May, 2018

For NARENDRA SHARMA & CO.

Chartered Accountants

(Firm Regd No. 004983C)



(YOGESH GAUTAM)

Partner

Membership No. 072676

POLYWOOD GREEN BUILDING SYSTEMS PVT LTD

BALANCE SHEET
As at 31st March, 2018

Particulars		Note	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
A.	ASSETS				
1.	Non-current Assets				
	(a) Property, Plant and Equipment	4	488497	667327	599316
	(b) Capital work-in-progress		0	0	0
	(c) Other Intangible assets		0	0	0
	(d) Financial Assets				
	(i) Investments		0	0	0
	(ii) Loans		0	0	0
	(iii) Others		0	0	0
	(e) Deferred Tax Assets (Net)	5	373611	113392	89690
	(f) Other non-current assets	6	0	0	6000
	Total-Non-current assets		862108	780719	695006
2.	Current assets				
	(a) Inventories	7	29492437	44968342	15742569
	(b) Financial Assets				
	(i) Trade receivables	8	59475606	80686050	54748845
	(ii) Cash and cash equivalents	9	2739175	4197490	4125439
	(iii) Bank balances other than (ii) above		0	0	0
	(iv) Loans	10	262525	594277	745525
	(v) Others	11	2967414	544091	341434
	(c) Other current assets	12	2782689	1189502	227917
	Total Current assets		97719845	132179752	76031729
	Total Assets		98581953	132960471	76726735
B.	EQUITY AND LIABILITIES				
1.	Equity				
	(a) Equity Share capital	13	500000	500000	500000
	(b) Other Equity	14	29988454	19782085	13757388
	Total Equity		30488454	20282085	14257388
2.	LIABILITIES				
	Non-current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	15	7500000	10000000	0
	(ii) Other financial liabilities		0	0	0
	(b) Provisions	16	912593	0	0
	(c) Other non-current liabilities		0	0	0
	Total Non current liabilities		8412593	10000000	0
3.	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings		0	0	0
	(ii) Trade Payables	17	49979296	82414890	29155192
	(iii) Other financial liabilities	18	5918823	10526771	4742517
	(b) Other current liabilities	19	2367473	7920970	28376575
	(c) Provisions	20	1151367	1815755	0
	(d) Current tax liabilities (Net)	21	263947	0	195064
	Total Current liabilities		59680906	102678386	62469347
	Total Equity and Liabilities		98581953	132960471	76726735
	See accompanying notes to the financial statements	1 to 37			

As per our report of even date
For NARENDRA SHARMA & CO.
Chartered Accountants
Firm Regn. No. 004983C



(CA YOGESH GAUTAM)
Partner
M. No. 072676

For POLYWOOD GREEN BUILDING SYSTEMS PVT LTD

(ANITA DHABRIYA)
Director
Din No. 00359317

(SOURABH MATHUR)
Director
Din No. 05252070

Place : Jaipur
Date : 29th May, 2018

POLYWOOD GREEN BUILDING SYSTEMS PVT LTD

STATEMENT OF PROFIT AND LOSS

For the year ended on 31st March, 2018

Sl. No.	Particulars	Note	For the year ended 31 March, 2018	For the year ended 31 March, 2017
I	Revenue			
	Revenue from Operations	22	249697522	332486845
II	Other income	23	167915	125528
III	Total Income (I + II)		249865437	332612373
IV	Expenses			
	(a) Cost of materials consumed		0	0
	(b) Purchase of Traded Goods	24	165747246	304280601
	(c) Changes in inventories of finished goods	25	15475905	(29225773)
	(d) Employee benefits expense	26	17312999	16542024
	(e) Finance costs	27	2425740	1135492
	(f) Depreciation and amortisation expense	28	178830	185926
	(g) Preliminary Expenses written off		0	6000
	(h) Other expenses	29	33773935	31039510
	Total Expenses (IV)		234914655	323963780
V	Profit before Taxes (III - IV)		14950782	8648593
VI	Tax expenses / (credit)	21		
	(a) Current tax expense for current year		4140000	2700000
	(b) Deferred tax		(8109)	(23702)
	(c) Previous year tax		(50384)	(52403)
	Total Tax		4081507	2623895
VII	Profit for the period (V - VI)		10869275	6024698
VIII	Other Comprehensive Income (OCI)			
	Item that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit liabilities		0	0
	- Income tax relating to items that will not be reclassified to profit or loss		0	0
	Other Comprehensive Income for the period After Tax		0	0
IX	Total Comprehensive Income for the period After Tax (VII + VIII)		10869275	6024698
X	Earnings per share (of Rs.10/- each):	30		
	Basic & Diluted		217.39	120.49
	See accompanying notes to the financial statements	1 to 37		

As per our Reports of even date
For NARENDRA SHARMA & CO.
Chartered Accountants
Firm Regn. No. 004983C

(CA YOGESH GAUTAM)
Partner
M. No. 072676

Place : Jaipur
Date : 29.05.2018



For POLYWOOD GREEN BUILDING SYSTEMS PVT LTD

(ANITA DHABRIYA)
Director
Din No. 00359317

(SODRABH MATHUR)
Director
Din No. 05252070

POLYWOOD GREEN BUILDING SYSTEMS PVT LTD

CASH FLOW STATEMENT
For the year ended on 31st March, 2018

Particulars	For the year ended 31 March, 2018		For the year ended 31 March, 2017	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax as per Profit & Loss Statement		14950782		8648593
Adjustment for :				
Depreciation and amortization expenses	178830		185926	
Finance Cost	2425740		1135492	
Interest Income	(167915)		(125528)	
		2436655		1195890
Operating profit before working capital changes		17387437		9844463
Adjustment for :				
(Increase) / Decrease in Trade Receivables	21210444		(25937206)	
(Increase) / Decrease in Inventories	15475905		(29225773)	
(Increase) / Decrease in Other Assets	(3684758)		(906993)	
(Decrease) / Increase in Trade Payables	(32435594)		53259698	
(Decrease) / Increase in Provisions	(666811)		1815755	
(Decrease) / Increase in Other Liabilities	(10161445)		(14866415)	
		(10262258)		(15860934)
Cash generated from / (used in) operations		7125178		(6016451)
Direct Taxes paid		(3825669)		(2647597)
Net cash generated from/(used in) operating activities - (A)		3299510		(8664048)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment for Property, plant and equipment and Capital work in progress and Investment properties			(253937)	
Purchase of long-term investments	0		0	
Sale of tangible fixed assets	0		0	
Sale of long term investments	0		0	
Interest income	167915		125528	
Net cash (used in) investing Activities - (B)		167915		(128409)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Non-Current borrowings	7500000		10000000	
Repayment of Non-Current borrowings	(10000000)		0	
Net Increase/(decrease) in Current borrowings	0		0	
Interest paid	(2425740)		(1135492)	
Net cash(used in) / from financing activities - (C)		(4925740)		8864508
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)		(1458315)		72051
Cash and cash equivalents at the beginning of the year		4197490		4125439
Cash and cash equivalents at the end of the year		2739175		4197490
1. Cash and cash equivalents at the end of year comprises :				
Cash on hand		153470		1104077
Balances with banks				
(i) In current accounts		129035		788953
(ii) In fixed deposit accounts		2456670		2304461
Total		2739175		4197490

In terms of our report attached
For NARENDRA SHARMA & CO.
Chartered Accountants
Firm Regn. No. 004983C

(CA YOGESH GAUTAM)
Partner
M. No. 072676



For POLYWOOD GREEN BUILDING SYSTEMS PVT LTD

(ANITA DHABRIYA)
Director
Din No.00359317

(SOURABH MATHUR)
Director
Din No.05252070

Place : Jaipur
Date : 29th May, 2018

POLYWOOD GREEN BUILDING SYSTEMS PVT LTD

STATEMENT OF CHANGES IN EQUITY

For the year ended on 31st March, 2018

A. Equity share capital

Particulars	Amount
Balance as at April 1, 2016	500000
Changes in equity share capital during the year	0
Balance as at 31st March, 2017	500000
Changes in equity share capital during the year	0
Balance as at 31st March, 2018	500000

B. Other Equity

Particulars	Other Equity			Amount
	Reserve and Surplus			
	General Reserve	Share Premium Account	Retained Earning Account	
Balance as at April 1, 2016	13757388	0	0	13757388
1. Profit for the year	0	0	6024698	6024698
2. Other comprehensive income for the year, net of income tax	0	0	0	0
Total Comprehensive Income for the year	0	0	6024698	6024698
3. Premium received on issue of Shares	0	0	0	0
4. Transfer to / (from) Retained earnings	0	0	0	0
Balance as at 31st March, 2017	13757388	0	6024698	19782085
1. Profit for the year	0	0	10869275	10869275
2. Other comprehensive income for the year, net of income tax	0	0	0	0
3. Gratuity Liability Provision	(915016)	0	0	(915016)
2. Deferred Tax on Gratuity not provided for earlier	252110	0	0	252110
Total Comprehensive Income for the year	(662906)	0	10869275	10206369
3. Premium received on issue of Shares	0	0	0	0
Balance as at 31st March, 2018	13094482	0	16893972	29988454

As per our report of even date

For NARENDRA SHARMA & CO.
Chartered Accountants
Firm Regn. No. 004983C(CA YOGESH SAINI AM)
Partner
M. No. 072676Place : Jaipur
Date : 29th May, 2018

For POLYWOOD GREEN BUILDING SYSTEMS PVT LTD

(ANITA DHABRIYA)
Director
Din No. 00359317

(SOUBASH MATHUR)
Director
Din No. 05252070

Notes forming part of Financial Statements

for the year ended March 31, 2018

1. GENERAL INFORMATION

Polywood Green Building Systems Pvt. Ltd. ("The Company") is a closing held Private Limited Company domiciled and incorporated under the provisions of the erstwhile Companies Act, 1956 in India in 2012. The Company is a wholly owned subsidiary of Dhabriya Polywood Limited since inception, whose equity shares are listed at the Bombay Stock Exchange (BSE). It is headquartered in Jaipur in Rajasthan and having its branch network spread in multiple states to cover all major markets for the activity of trading and works contract.

The financial statements for the year ended 31st March, 2018 were approved by the Board of Directors and authorised for issue on May 29, 2018.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as applicable. The financial statements up to the year ended 31st March, 2017 were prepared in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act ('Previous GAAP'). These are Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer note 36 for an explanation of the transition from previous GAAP to Ind AS and the effect on the Company's financial position, financial performance and cash flows.

3. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPERATION AND PRESENTATION

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This categorization is based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.



B. REVENUE RECOGNITION

Sale of Goods :- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, net of returns and allowances, trade discounts and volume rebates. Sales of products is net of value added tax / sales tax / goods and service tax (GST).

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement with the goods nor it exercises effective control over the goods and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales arrangements.

Income from Services: Revenue from sale of services are recognized when services are rendered and related costs are incurred. Income from services is net of service tax / goods and service tax (GST).

Other Income: Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

C. PROPERTY, PLANT AND EQUIPMENT

On transition to Ind AS the Company has adopted the optional exemption under Ind AS 101 to use the carrying value of the Property, plant and equipment as the deemed cost. Subsequently Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP. Cost of acquisition or construction is inclusive of freight, duties, relevant taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of commissioning of the assets. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets, upto the date of commissioning of the assets. All repair and maintenance costs are recognized in profit or loss as incurred. Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Capital work-in-progress - Assets which are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, plant and equipment is provided to the extent of depreciable amount on the Written Down Value (WDV) Method on the basis of useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 to allocate their cost, net of their residual values, over their estimated useful lives as follows :

- | | |
|------------------------|----------|
| • Furniture & Fixtures | 10 Years |
| • Vehicles | 10 Years |

Depreciation on additions and deletion during the year has been provided on pro rata basis with reference to the date of addition and deletion. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other income or other expenses.



D. IMPAIRMENT OF ASSETS

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized 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. 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 group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated.

Impairment losses, if any, are recognized in the statement of profit and loss. After impairment depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

E. CASH AND CASH EQUIVALENTS

For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts, if any, are shown within borrowings in current liabilities in the balance sheet.

F. TRADE RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

G. INVENTORIES

Inventories are stated at the lower of cost and net realizable value. Cost of materials comprises cost of purchases of materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, whichever applicable.

Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of Weighted Average Cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

H. TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.



I. BORROWING

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

J. BORROWING COST

Borrowing Costs directly attributable to the acquisition, construction and production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Profit and Loss in the period in which they are incurred.

K. EMPLOYEE BENEFITS

Short Term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund (PF) and Employee State Insurance (ESI) to the eligible employees. The Company's contribution is recognized as employee benefit expenses in Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company provides for gratuity, a defined benefit retirement plan to the employees whoever has completed five years of service with the Company at the time of retirement, death while in employment or on termination of employment or otherwise as per the provisions of The Payment of Gratuity Act, 1972. Company accounts for liability of future gratuity benefits bases on an external actuarial valuation on projected unit credit method carried out annually for assessing liability as at the balance sheet date.

L. USE OF ESTIMATES AND JUDGEMENT

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods .

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

(i) Useful lives and residual value of property, plant and equipment and intangible assets :

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.



(ii) Deferred tax assets :

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

M. INCOME TAXES

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss i.e. in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. 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 utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss i.e. in other comprehensive income.

N. CONTINGENT LIABILITIES AND PROVISIONS

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

Provisions are recognized when the Company has a legal / constructive obligation as a result of a past event, for which it is probable that a cash outflow may be required and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

O. EARNING PER SHARE

Basic earnings per share is calculated by dividing the net profit for the current year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate.

P. OPERATING CYCLE

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



**Notes forming part of Financial Statements
for the year ended 31 March, 2018**

4. Property, Plant & Equipment and Capital Work-in-progress

As at 31st March, 2018 and 31st March, 2017

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	Balance as at 01 April, 2017	Additions / Adjustments	Disposals / discard of assets	As at 31 March, 2018	Balance as at 01 April, 2017	Depreciation for the year	Eliminated on disposals / discard of assets	As at 31 March, 2018	As at 31 March, 2017
Furniture & Fixtures	832070	0	0	832070	180428	174759	0	355187	651642
Vehicles	21183	0	0	21183	5498	4071	0	9569	15685
TOTAL	853253	0	0	853253	185926	178830	0	364756	667327
As at 31st March, 2017 and April 1, 2016									
Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	Deemed Cost as at 01 April, 2016	Additions / Adjustments	Disposals / discard of assets	As at 31 March, 2017	Balance as at 01 April, 2016	Depreciation for the year	Eliminated on disposals / discard of assets	As at 31 March, 2017	As at 01 April, 2016
Furniture & Fixtures	578133	253937	0	832070	0	180428	0	180428	578133
Vehicles	21183	0	0	21183	0	5498	0	5498	21183
TOTAL	599316	253937	0	853253	0	185926	0	185926	599316

(i) The Company has adopted to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS i.e. 01 April, 2016, measured as per previous GAAP and use that its deemed cost as at the date of transition as per Ind AS-101. The carrying value as at 01 April, 2016 amounting to Rs.5,99,316/= of property, plant and equipment represents gross cost of Rs.11,63,904/= net of accumulated depreciation of Rs.5,64,588/= as at March 31, 2016.



Notes forming part of Financial Statements
for the year ended 31 March, 2018

5. Deferred tax assets (net)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Tax effect of items constituting deferred tax liability :			
Property, Plant & Equipments	(121501)	(113392)	(89690)
	(121501)	(113392)	(89690)
Tax effect of items constituting deferred tax assets :			
Provision for gratuity	252110	0	0
	252110	0	0
Net Deferred Tax Assets	373611	113392	89690

6. Other Non-Current Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Primary Expenses (to the extent not written off)	0	0	6000
Total	0	0	6000

7. Inventories

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
At Lower of cost or net realization value :			
Finished Goods - Traded	29492437	44968342	15742569
Total	29492437	44968342	15742569

8. Trade Receivables

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Unsecured, considered good : Trade Receivables	59475606	80686050	54748845
Total	59475606	80686050	54748845

* Trade Receivables are expected to realise at least the amount at which they are stated, if realized in the ordinary course of business.

9. Cash and Cash Equivalents

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Cash and Cash Equivalents :			
(a) Cash on hand	153470	1104077	789522
(b) Balances with banks			
(i) In current accounts	129035	788953	2896234
(ii) In fixed deposit accounts	2456670	2304461	439683
Total	2739175	4197490	4125439

10. Loans - Current (Unsecured, Considered Good)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Security & Other Deposits	262525	594277	745525
Total	262525	594277	745525

11. Other Current Financial Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Balance With Government Authorities	1790534	544091	289704
Other Advances recoverable in cash	1176880	0	51730
Total	2967414	544091	341434

12. Other Current Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Advances to Suppliers	750745	365946	0
Prepaid Expenses	1878344	558125	108937
Other Advances recoverable for value to be received	153600	265431	218980
Total	2782689	1189502	327917



Notes forming part of Financial Statements
for the year ended 31 March, 2018

13. Equity Share Capital

Particulars	As at 31 March, 2018		As at 31 March, 2017		As at 01 April, 2016	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
(a) Authorised Equity shares of Rs. 10/- each	50000	500000	50000	500000	50000	500000
(b) Issued Equity shares of Rs. 10/- each	50000	500000	50000	500000	50000	500000
(c) Subscribed and fully paid up Equity shares of Rs. 10/- each	50000	500000	50000	500000	50000	500000
(d) Reconciliation of shares outstanding at the beginning & at the end of the reporting period						
At the beginning of the period	50000	500000	50000	500000	50000	500000
Outstanding at the end of the period	50000	500000	50000	500000	50000	500000
(e) Details of shareholders holding more than 5% equity shares in the Company :	As at 31 March, 2018		As at 31 March, 2017		As at 01 April, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
M/s Dhabriya Polywood Limited	49500	99.00%	49500	99.00%	49500	99.00%
(f) Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates	49500	99.00%	49500	99.00%	49500	99.00%
(g) Terms/rights attached to equity shares	The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity share is entitled to one vote per share and dividend as and when declared by Company.					
	There are no rights, preferences and restrictions attached to any share.					
(h) There is no share reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.						

14. Other Equity

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
(A) General Reserves			
Balance at the Beginning of the Year	19782085	13757388	13757388
Add: Transfer from Retained Earnings	10869275	8024698	0
Less: Gratuity Liability Provision	(915016)	0	0
Less: Deferred Tax on Gratuity not provided for earlier	252110	0	0
Closing balance	29988454	19782085	13757388
(B) Retained Earning Account			
Balance at the Beginning of the Year	0	0	0
Add: Profit for the year	10869275	8024698	0
Add: Other Comprehensive Income for the Year, net of income tax	0	0	0
	10869275	8024698	0
Less : Transfer to General Reserve	(10869275)	(8024698)	0
Closing balance	0	0	0
Total	29988454	19782085	13757388

15. Borrowings - Non-Current

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
UNSECURED - At Amortised Cost From Corporates	7500000	10000000	0
Total	7500000	10000000	0

16. Provisions - Non-Current

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Provision for Employee Benefits : Gratuity Provision	912593	0	0
Total	912593	0	0

17. Trade Payables

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Trade payables*			
Micro, small and medium enterprises	0	0	0
Others	49979296	82414890	29155192
Total	49979296	82414890	29155192

* The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures in relation to amounts unpaid as at the year end together with interest paid/payable under this Act have not been given.



**Notes forming part of Financial Statements
for the year ended 31 March, 2018**

18. Other Financial Liabilities - Current

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Statutory Remittances	1825513	9451759	2896030
Other Payables	4093310	1075012	1846487
Total	5918823	10526771	4742517

19. Other Current Liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Advance from customers	2367473	7920970	28376575
Total	2367473	7920970	28376575

20. Provisions - Current

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Provision for Expenses	1148944	1815755	0
Provision for Employee Benefits - Gratuity	2423	0	0
Total	1151367	1815755	0

21. Income Taxes

a) Income Tax Expenses

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Current Tax :		
- Current Tax	4140000	2700000
- Tax pertaining to earlier years	(50384)	(52403)
Deferred Tax	(8109)	(23702)
Total	4081507	2623895

A reconciliation of income tax expenses applicable to accounting profit before tax at the statutory income tax rate to income tax expenses recognized for the year is indicated below :

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Profit before tax	14950782	8645593
Enacted tax rate in India	27.553%	30.900%
Expected income tax expenses at statutory tax rate	4119314	2672415
Tax Impact on account of		
Depreciation under income tax act	20394	23702
Expenses allowed only on payment basis	0	0
Expenses not deductible in determining taxable profits	0	309
Others	292	3574
Tax expenses pertaining to current year	4140000	2700000
Effective Income Tax Rate	27.691%	31.219%

b) Current Tax Liability (Net)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Provision for Income Tax	4140000	2700000	1660000
Less : Advance Tax and TDS	3876053	2700000	1464936
Net Provision for Income Tax	263947	0	195064
Total	263947	0	195064

22. Revenue From Operations

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Sale of Products (A)		
Manufactured Goods	0	0
Traded Goods	243769396	320721284
Less: Sales Return	(120401)	0
	243648995	320721284
Sale of Services (B)		
Installation and Fixing Income	6048527	11765561
Total(A+B)	249697522	332486845



Notes forming part of Financial Statements
for the year ended 31 March, 2018

23. Other Income

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Interest Income	167915	125528
Total	167915	125528

24. Purchase of Stock in Trade

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Purchase of Trading Goods	165747246	304280601
Total	165747246	304280601

25. Changes in Inventories of Finished Goods, W.I.P. & Stock in Trade

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Inventories at the end of the year: Finished Goods - Trading	29492437	44968342
TOTAL	29492437	44968342
Inventories at the beginning of the year: Finished Goods - Trading	44968342	15742569
TOTAL	44968342	15742569
Net (increase) / decrease	15475905	(29225773)

26. Employees Benefit Expense

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Salary, Wages and Bonus to Employees	17223142	16436681
Contributions to Provident Fund	56085	41870
Staff Welfare Expenses	33772	63473
Total	17312999	16542024

27. Finance Cost

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Interest expense	1748250	672892
Bank Charges & other financial charges	677489	462600
Total	2425740	1135492

28. Depreciation and Amortization Expense

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Depreciation on Property, Plant and Equipment	178830	185926
Total	178830	185926

29. Other Expenses

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Installation & Fixing charges	19705997	9619055
Carriage inward	1265597	1761927
Electricity Expenses	17569	88906
Glass Hardware & Fitting Expenses	79918	90869
Work Contract Execution Expenses	8063868	12962111
Audit Fees	34500	34500
Internet Expenses	41442	38935
Insurance Charges	197355	181378
Legal & Professional expenses	66400	63861
Office /Branch and Misc. Expenses	215687	199353
Office & Godown Rents	1327510	2914872
Postage & Telegram Expenses	23037	10562
Computer Repair & Maintenance	20449	26450
Vehicle Repair & Maintenance	69781	97467
Advertisement & Exhibition Expenses	14200	38465
Printing & Stationary	104083	36247
Commission on Sales	232359	514183
Discount and Rate Differences	12638	56507
Cartage Outward	115156	110097
Registration and filing fee	23950	9732
Telephone & Postage expenses	284657	333508
Conveyance Expenses	1145865	1216585
Travelling Expenses	711939	631940
Total	33773935	31039510



**Notes forming part of Financial Statements
for the year ended 31 March, 2018**

30. Earning Per Share

Particulars	2017-18	2016-17
(a) Net Profit after Tax as per Statement of Profit & Loss	10869275	6024698
(b) Net Profit available to Equity Shareholders	10869275	6024698
(c) Number of equity shares at year end	50000	50000
(d) Weighted Average No. of Equity Shares	50000	50000
(e) Basic / Diluted Earning per Share (b)/(d)	217.39	120.49
(f) Face value per equity share	10.00	10.00

31. Employee Benefits

a) Contribution to Provident Fund and Employees State Insurance

Contribution to Defined Contribution Plans, recognized as an expenses for the year is as under :

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Employer's contribution to provident fund (includes pension fund)	56085	41870
Employer's contribution to Employees State Insurance	247468	92186

b) Gratuity

The following table summarizes the components of expense recognized in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet according to Actuarial Report :

Particulars	31 March, 2018
1. Amounts Recognized in Statement of Profit and Loss	
a. Current Service Cost	0
b. Interest on Defined Benefit Obligation	0
c. Past Service Cost	0
Total amount included in "Employee Benefit Expense" (Note 26)	0
2. Amounts Recognized in other comprehensive income (OCI)	
a. Net cumulative unrecognized actuarial Losses/ (Gains) opening	0
b. Net Actuarial Losses/ (Gains) Recognized in Year	0
Unrecognized actuarial Losses/ (Gains) for the year	0
3. Amount Recognized in Balance Sheet	
a. Present Value of Unfunded Obligations	915016
Net Liability	915016
b. Net Liability is bifurcated as follows:	
Current	2423
Non Current	912593
Net Liability	915016
4. Reconciliation of present value of defined benefit obligations	
a. Present value of obligation as at the beginning of the period	0
b. Current Service Cost	0
c. Interest Cost	0
d. Actuarial Losses/ (Gain)	0
e. Past Service Cost - recognized th. Reserve	915016
f. Benefits Paid	0
g. Present value of obligation as at the end of the period	915016
5. Actuarial Assumptions of the defined benefit obligations	
a. Discount Rate (p.a.)	7.75%
b. Salary Escalation Rate (p.a.)	6.00%

32. Segment Reporting

In accordance with para 4 of Ind AS 108 - Operating Segments, since the company operates in one segment only therefore no separate segment reported.

33. Contingent Liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a) Performance Bank Guarantees given to third parties for contractual obligations	23026304	19110334	13510255



**Notes forming part of Financial Statements
for the year ended 31 March, 2018**

34. Related Party Disclosures

a) Related Parties and their relationship
I. Holding Company
* Dhabriya Polywood Limited
II. Key Management Personnels
* Mrs. Anita Dhabriya, Director
* Mr. Sourabh Mathur, Director
III. Enterprises over which Key Managerial Personnels are able to exercise Significant influence / control :
* Polywood Profiles Pvt Ltd
* Polywood India Limited
* Dynasty Modular Furnitures Pvt Ltd

b) Transactions with related parties for the year ended 31st March, 2018

Nature of Transactions	Holding Company		Enterprises over which KMP exercise significant influence / control		Key Management Personnel and their relatives	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Remuneration to Key Management Personnels	0	0	0	0	0	0
Salary to Employees	0	0	0	0	1200000	1200000
Sales of Goods	931996	0	2337171	588740	0	0
Purchase of Goods	133828869	253915320	39690829	49893539	0	0
Balance as at 31st March						
Provision - Current	0	0	0	0	90421	89700
Trade Payable	46154241	75844437	3825055	6361702	0	0

35. Financial Instruments

a. Capital Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stakeholders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2018 and March 31, 2017.

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, bank balances other than cash and cash equivalents.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Long term borrowings	7500000	10000000	0
Less : Cash and cash equivalents	(2739175)	(4197490)	(4125439)
Less : Bank Balances other than Cash and cash equivalents	0	0	0
Net Debt	4760825	5802510	(4125439)
Total Equity	30488454	20282085	14257388
Gearing Ratio	0.16	0.29	(0.29)

b. Categories of financial instruments

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
Measured at amortised cost						
Loans	262525	262525	594277	594277	745525	745525
Other Financial Assets	2967414	2967414	544091	544091	341434	341434
Trade Receivables	59475606	59475606	80686050	80686050	54748845	54748845
Cash and Cash equivalents	2739175	2739175	4197490	4197490	4125439	4125439
Non current Investment	0	0	0	0	0	0
Total Financial Assets at amortised cost (A)	65444719	65444719	86021909	86021909	59961243	59961243
Measured at Fair Value through other comprehensive income (B)	0	0	0	0	0	0
Measured at fair value through profit and loss (C)	0	0	0	0	0	0
Total Financial Assets (A+B+C)	65444719	65444719	86021909	86021909	59961243	59961243



**Notes forming part of Financial Statements
for the year ended 31 March, 2018**

Financial Liabilities						
Measured at amortised cost						
Long Term Borrowings	7500000	7500000	10000000	10000000	0	0
Current Maturities of Long Term Borrowings	0	0	0	0	0	0
Short Term Borrowings	0	0	0	0	0	0
Trade Payables	49979296	49979296	82414890	82414890	29155192	29155192
Other Financial Liabilities	5918823	5918823	10526771	10526771	4742517	4742517
Total Financial Liabilities carried at amortised cost	63398119	63398119	102941661	102941661	33897709	33897709

b. Financial Risk Management objects and policies

In its ordinary operations, the company's activities expose it to the various types of risks, which are associated with the financial instruments and markets in which it operates. The Company has a risk management policy which covers the foreign exchanges risks and other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The following is the summary of the main risks.

Market Risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the change in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest-bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest-bearing investments will fluctuate because of fluctuations in the interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations.

Foreign Currency Risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD related to the imports of its raw material and capital assets. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR).

Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Company's credit risk arise principally from the trade receivables and advances. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/economic conditions, market reputation, expected business etc. Based on that credit limit and credit terms are decided. Outstanding customer receivables are regularly monitored. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentrations of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Expected contractual maturity for financial liabilities :

Particulars	Less Than 1 year	1 to 5 years	More than 5 years	Total
As at March 31, 2018				
Borrowings	0	7500000	0	7500000
Trade and Other payables	49979296	0	0	49979296
Other Financial Liabilities	5918823	0	0	5918823
Total	55898119	7500000	0	63398119
As at March 31, 2017				
Borrowings	0	10000000	0	10000000
Trade and Other payables	82414890	0	0	82414890
Other Financial Liabilities	10526771	0	0	10526771
Total	92941661	10000000	0	102941661



**Notes forming part of Financial Statements
for the year ended 31 March, 2018**

36. First time adoption of IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (The company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and Exceptions Availed on first time adoption of Ind AS 101

In preparing these Ind AS financial statements, the Company has availed certain optional exemptions and mandatory exceptions in accordance with Ind AS 101 from IGAAP to Ind AS, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and IGAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its IGAAP financial statements, including the Balance Sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

Ind AS optional exemptions

Deemed Cost for Property, plant and equipment and investment property

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for investment properties covered by Ind AS 40 "Investment Property". Accordingly, the Company has elected to measure all of its property, plant and equipment, capital work-in-progress and investment property at their previous GAAP carrying value as at the transition date i.e. April 01, 2016.

Ind AS mandatory exceptions

Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP except where Ind AS required a different basis for estimates as compared to the previous GAAP.

Reconciliations between GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from GAAP to Ind AS.

The presentation requirements under GAAP differs from Ind AS and hence the GAAP information has been reclassified for ease of reconciliation with Ind AS. The reclassified GAAP information is derived based on the audited financial statements of the Company for the year ended March 31, 2016 and March 31, 2017.

A. Reconciliation of Balance Sheet as at April 01, 2016 (Date of Transition to Ind AS) and March 31, 2017

Particulars	Note	As at 31.03.2017			As at 01.04.2016		
		Amount as previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS							
Non-current Assets							
(a) Property, Plant and Equipment	4	667327	0	667327	599316	0	599316
(b) Capital work-in-progress		0	0	0	0	0	0
(c) Investment Property		0	0	0	0	0	0
(d) Financial Assets							
(i) Investments		0	0	0	0	0	0
(ii) Loans		0	0	0	0	0	0
(iii) Others		0	0	0	0	0	0
(e) Deferred Tax Assets (Net)	5	113392	0	113392	89690	0	89690
(f) Other non-current assets	6	594277	(594277)	0	745525	(739525)	6000
Total-Non-current assets		1374996	(594277)	780719	1434531	(739525)	695006
Current assets							
(a) Inventories	7	44968342	0	44968342	15742569	0	15742569
(b) Financial Assets							
(i) Trade receivables	8	80686050	0	80686050	54748845	0	54748845
(ii) Cash and cash equivalents	9	4197490	0	4197490	4125439	0	4125439
(iii) Bank balances other than (iii) above		0	0	0	0	0	0
(iv) Loans	10	0	594277	594277	0	745525	745525
(v) Others	11	1175468	(631377)	544091	566414	(224980)	341434
(c) Other current assets	12	558125	631377	1189502	108937	218980	327917
Total Current assets		131585475	594277	132179752	75292204	739525	76031729
Total Assets		132960471	0	132960471	76726735	0	76726735



**Notes forming part of Financial Statements
for the year ended 31 March, 2018**

EQUITY AND LIABILITIES							
Equity							
(a) Equity Share capital	13	500000	0	500000	500000	0	500000
(b) Other Equity	14	19782085	0	19782085	13757388	0	13757388
Total Equity		20282085	0	20282085	14257388	0	14257388
LIABILITIES							
Non-current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	15	10000000	0	10000000	0	0	0
(ii) Other financial liabilities		0	0	0	0	0	0
(b) Provisions	16	0	0	0	0	0	0
(d) Other non-current liabilities		0	0	0	0	0	0
Total Non current liabilities		10000000	0	10000000	0	0	0
Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings		0	0	0	0	0	0
(ii) Trade Payables	17	82414890	0	82414890	29155192	0	29155192
(iii) Other financial liabilities	18	0	10526771	10526771	0	4742517	4742517
(b) Other current liabilities	19	20262516	(12341546)	7920970	33119092	(4742517)	28376575
(c) Provisions	20	980	1814775	1815755	195064	(195064)	0
(d) Current tax liabilities (Net)	21	0	0	0	0	195064	195064
Total Current liabilities		102678386	0	102678386	62469348	0	62469347
Total Equity and Liabilities		132960471	0	132960471	76726735	0	76726735

B. Reconciliation of Total comprehensive income for the year ended March 31, 2017

Particulars	Note	Amount as per GAAP	Effects of Transition to Ind AS	Amount as per Ind AS
Revenue				
Revenue from Operations	22	332486845	0	332486845
Other Income	23	125528	0	125528
Total Income (I + II)		332612373	0	332612373
Expenses				
a) Cost of materials consumed		0	0	0
b) Purchases of stock-in-trade	24	304280601	0	304280601
c) Changed in inventories of finished goods, work-in-progress and stock-in-trade	25	(29225773)	0	(29225773)
d) Employee Benefits Expenses	26	16542024	0	16542024
e) Finance Cost	27	1135492	0	1135492
f) Depreciation and amortization expenses	28	185926	0	185926
g) Preliminary Expenses written off		6000	0	6000
h) Other expenses	29	31039510	0	31039510
Total Expenses (IV)		323963780	0	323963780
Profit before Taxes (III - IV)		8648593	0	8648593
Tax expenses / (credit)				
- Current Tax	21	2700000	0	2700000
- Deferred Tax		(23702)	0	(23702)
- Short / (Excess) provision for Taxes of earlier years		(52403)	0	(52403)
Total Tax		2623895	0	2623895
Profit for the period (V - VI)		6024698	0	6024698
Other Comprehensive Income (OCI)				
Item that will not be reclassified to profit or loss				
- Remeasurements of the defined benefit liabilities		0	0	0
- Income tax relating to items that will not be reclassified to profit or loss		0	0	0
Other Comprehensive Income for the period After Tax		0	0	0
Total Comprehensive Income for the period After Tax (VII + VIII)		6024698	0	6024698

C. Reconciliation of Total Equity as at April 01, 2016 (Date of Transition to Ind AS) and March 31, 2017

Particulars	As at 31 March, 2017	As at 01 April, 2016
Total Equity (Shareholder's Funds) as per Previous GAAP	20282085	14257388
Adjustment on account of transition to Ind AS	0	0
Total Equity (Shareholder's Funds) as per Ind AS	20282085	14257388



**Notes forming part of Financial Statements
for the year ended 31 March, 2018**

D. Reconciliation of Total Comprehensive Income for the year ended 31 March, 2017

Particulars	For the year ended 31 March, 2017
Net Profit reported under previous GAAP	6024698
Adjustment on account of transition to Ind AS	0
Net Profit as reported under Ind AS	6024698
Other Comprehensive Income	0
Tax adjustments on above OCI	0
Total Comprehensive Income as reported under Ind AS	6024698

E. Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(8664048)	0	(8664048)
Net cash flow from investing activities	(128409)	0	(128409)
Net cash flow from financing activities	8864508	0	8864508
Net increase/(decrease) in cash and cash equivalents	72051	0	72051
Cash and cash equivalents as at April 1, 2016	4125439	0	4125439
Cash and cash equivalents as at March 31, 2017	4197490	0	4197490

Footnotes to Reconciliation

- Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements.
- Under previous GAAP, the Company was not required to present other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind-AS. Further, Ind-AS profit or loss is reconciled to total comprehensive income as per Ind-AS.

37. Other Notes

- * Company does not have any long-term contract including derivative contract for which there are any material foreseeable losses.
- * There are no amounts which are required to be transferred to the Investor Education and Protection Fund.
- * Previous year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary.

As per our Report of even date
For **NARENDRA SHARMA & CO.**
Chartered Accountants
Firm Regn. No. 004983C

(CA YOGESH GAUTAM)
Partner
M. No. 072676



For **POLYWOOD GREEN BUILDING SYSTEMS PVT LTD**

(ANITA DHABRIYA)
Director
Din No.00359317

(SOURABH MATHUR)
Director
Din No.05252070

PLACE : Jaipur
Date : 29th May, 2018