Notes to the financial statement for the year ended 31st March, 2019

1. Corporate Information

Uniply Decor Limited (the 'Company') is a public limited company domiciled in India incorporated under the provisions of the Companies Act. Its shares are listed on one recognised stock exchange in India. The registered office of the Company is located at No. 572, Anna Salai, Chennai – 600018, Tamilnadu, India.

Company is engaged in the business of manufacturing plywood and allied products, medium density fibre boards and allied products through its factories at Chennai and Bachau in Kutch District, Gujarat. Company is also engaged in trading in plywood and allied products. It has branches and dealers' network spread all over the country. The Company sources material locally and also imports raw materials for manufacturing and also finished goods for trading. The goods are sold in domestic markets.

These standalone financial statements are approved for issue by the companies' Board of Directors on May 30, 2019.

2. Basis of Preparation of Financial Statements

Statement of compliance and basis of preparation of financial statements

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the companies (Indian Accounting standards) Rules, 2015, read with companies (Indian Accounting Standards) Amendment Rules, 2016, as amended and notified under section 133 of the companies Act, 2013 (the Act) and other relevant provisions of the Act. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Companies management evaluates all recently issued or revised accounting standards on an on-going basis. The financial statements are presented in Indian Rupees (INR) and all values are rounded off to the nearest Rupee, except otherwise indicated. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

The financial statements have been prepared on a historical cost basis except for certain financial assets and liabilities, which have been measured at fair value (refer accounting policy regarding financial instruments).

3. Accounting Estimates and Assumptions:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

4.1 Property, Plant and Equipment

Property, Plant and Equipment are stated at deemed cost (net of tax/ duty credit availed) less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, trial run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses

Property, Plant and Equipments are depreciated and/or amortised on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units. Where the historical cost of a depreciable asset undergoes a change due to increase or decrease in long term liability on account of exchange fluctuations, the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.

Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows:

Buildings	30 years
Plant and Equipments	10 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipments	5 years
Computers	3 years
Interiors in Rented buildings	3 Years

At each balance sheet date, the Company reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

4.2 Intangible Assets

Internally generated intangible asset under development stage is recognized when it is demonstrated that it is technically feasible to use the same and the cost incurred for developing the same is ascertained. Technical Know-how so developed internally is amortised on a straight- line basis over its estimated useful life.

Intangible assets acquired by payment e.g., Trademarks, Computer Software and Technical Know-how are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.

The Company has made an impairment study in respect of Goodwill and it is of the opinion there is no impairment loss during the year

At each balance sheet date, the Company reviews the carrying amount of intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

4.3 Inventories

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

Similarly, Custom Duty on imported material in transit/lying in bonded warehouse is accounted for at the time of import/ bonding of materials

Stock of Raw Materials, Stores and spare parts are valued at lower of cost or net realizable value; and of those in transit and at port related to these items are valued at lower of cost to date or net realizable value. Slow and non-moving material, obsolete, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

Goods-in-process is valued at lower of cost or net realizable value.

Stock of Finished goods is valued at lower of cost or net realizable value.

Stock-in-trade is valued at lower of cost or net realizable value.

Waste and scraps are accounted at estimated realizable value.

4.4 Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments (excluding pledged term deposits) with an original maturity of three months or less.

4.5 Financial Assets

The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortised cost.

Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date. They are recognised initially and subsequently measured at amortised cost

The Company assesses the expected credit losses associated with its assets carried at amortised cost. Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the provision for such impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to Profit and Loss.

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

Investments that are readily realizable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as Non-Current/Long-term Investments. Current investments are carried at lower of cost or market value on individual investment basis. Non Current Investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the diminution in the value of Investments.

4.6 Financial Liabilities

Borrowings are initially recognised and subsequently measured at amortised cost, net of transaction costs incurred. The transaction costs is amortised over the period of borrowings using the effective interest method in Capital Work in Progress upto the commencement of related Plant, Property and Equipment and subsequently under finance costs in profit and loss account.

Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

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.

Trade Payables represent liabilities for goods and services provided to the Company upto to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially and subsequently measured at amortised cost.

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.7 Equity

Equity Shares are classified as equity. Provision is made for the amount of any dividend declared and dividend distribution tax thereon, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

4.8 Revenue Recognition

Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Company which result in increase in Equity, other than increases relating to contributions from equity participants. 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. Revenue is measured at the fair value of the consideration received or receivable.

Sale of Goods: Revenue from sales of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss includes the value of self-consumption, but excludes inter-transfers, returns, trade discounts, cash discounts, other benefits passed to customers in kind, Goods and Service Tax.

The Company collects Goods and Service Tax on behalf of the government and therefore, it is not an economic benefit flowing to the Company and hence excluded from Revenue.

Interest: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends: Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

Insurance Claims: Insurance Claims are accounted for on acceptance and when there is a reasonable certainty of receiving the same, on grounds of prudence.

4.9 Foreign Currency Transaction

The Company's financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

4.10 Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post Employment and Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

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 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. 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 of the defined benefit obligation are recognised 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.

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

4.11 Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of borrowings.

General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.

All other borrowing costs are expensed in the period in which they are incurred.

4.12 Related Party Transactions

A related party is a person or entity that is related to the reporting entity preparing its financial statements

a) A person or a close member of that person's family is related to a reporting entity if that person; (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b) An entity is related to a reporting entity if any of the following conditions applies; (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others); (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); (iii) Both entities are joint ventures of the same third party; (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) The entity is controlled or jointly controlled by a person identified in (a); (vi) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);

c) A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity. Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

d) Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on Financial Statements.

4.13 Earnings per Share

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

4.14 Accounting for Taxes on Income

Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

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 liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilized.

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 assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income. As such, deferred tax is also recognized in other comprehensive income.

Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities related to taxes on income levied by same governing taxation laws

MAT (Minimum Alternate Tax) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay

Notes to the financial statement for the year ended 31st March, 2019

normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

4.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions are made when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.

Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible;

Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

4.16 Current and Non-Current

Classification:-

The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is current when it is (a) expected to be realized or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized within twelve months after the reporting period; (d) Cash and 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 current when (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 discharged within twelve months after the reporting period; (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.

4.17 Fair Value Measurement

The Company measures financial instruments such as certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

4.18 Critical accounting judgments and key sources of estimation uncertainty

The preparation of these financial statements in conformity with recognition and measurement principles of IND AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amount of income and expenses for the period presented.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period if the revision affects both current and future periods.

Key Sources of estimation uncertainty.

The following are the key assumptions concerning the future, and other key source of estimation uncertainty at the end of the reporting period that may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- Impairment of Goodwill

  Determining whether goodwill is impaired requires an estimation of the value in use of the cash generation units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flow are less than expected, a material impairment loss may arise.

- Employee Benefits – Defined benefit obligations

  The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumption about discount rates, expected rates of return on assets, future salary increases, morality rates and future pension increases.

- Useful lives of property, plant and equipment

  The Company reviews the useful life of property plant and equipment at the end of each reporting period. This reassessment may result in depreciation expenses in future periods.

- Recoverability of Deferred Tax Asset

  The deferred tax assets recognized primarily relate to business losses, Minimum Alternate Tax [MAT] credit and other deductible temporary differences. The deferred tax asset has been recognized on the basis of management estimate that its recovery is probable in the foreseeable future.

4.18 Segment Reporting

The Company is in only one segment of business. Hence, Segment Reporting doesn't apply to the Company.

Notes to the financial statement for the year ended 31st March, 2019

Note 5 Property, Plant and Equipment

(In ₹)

Particulars	Gross Block				Accumulated Depreciaiton				Net Block	
	Balance as at 01-Apr-18	Additions	Deletions	Balance as at 31-Mar-19	Balance as at 01-Apr-18	Depreciation charge for the year	On Disposals	Balance as at 31-Mar-19	Balance as at 31-Mar-19	Balance as at 31-Mar-18
Land	13,95,20,000	1,20,87,808	-	15,16,07,808	-	-		-	15,16,07,808	13,95,20,000
Factory Building	15,29,06,094	2,08,965	-	15,31,15,060	25,51,624	54,37,840		79,89,464	14,51,25,596	15,03,54,471
Plant & Machinery	8,72,07,822	63,35,884		9,35,43,706	72,50,655	87,68,950		1,60,19,605	7,75,24,101	7,99,57,167
Furniture & Fixtures	42,40,000	52,06,270		94,46,270	2,01,400	9,11,140	-	11,12,540	83,33,730	40,38,600
Vehicles	76,96,090	29,39,560	-	1,06,35,649	4,19,200	12,48,115		16,67,315	89,68,334	72,76,889
Office Equipment	9,16,418	2,80,431	-	11,96,849	87,059	2,11,760		2,98,819	8,98,030	8,29,359
Computers	6,68,566	15,98,913	(79,633)	21,87,846	1,05,857	7,02,090	(25,295)	7,82,652	14,05,194	5,62,709
Electrical & Fittings	31,50,000	-	-	31,50,000	1,49,625	3,93,835		5,43,460	26,06,540	30,00,375
Total	**39,63,04,990**	**2,86,57,831**	**79,633**	**42,48,83,188**	**1,07,65,420**	**1,76,73,730**	**25,295**	**2,84,13,855**	**39,64,69,333**	**38,55,39,570**
Capital WIP		**4,47,75,906**		**4,47,75,906**					**4,47,75,906**	

Note 5.1 Other Intangible Assets

(In ₹)

Particulars	Gross Block				Accumulated Depreciaiton				Net Block	
	Balance as at 01-Apr-18	Additions	Deletions	Balance as at 31-Mar-19	Balance as at 01-Apr-18	Depreciation charge for the year	On Disposals	Balance as at 31-Mar-19	Balance as at 31-Mar-19	Balance as at 31-Mar-18
Intangible Assets										
Goodwill	81,23,82,174	-	-	81,23,82,174	2,26,329	-		2,26,329	81,21,55,845	81,21,55,845
Total	**81,23,82,174**	**-**	**-**	**81,23,82,174**	**2,26,329**	**-**	**-**	**2,26,329**	**81,21,55,845**	**81,21,55,845**

Note 5 Property, Plant and Equipment

(In ₹)

Particulars	Gross Block				Accumulated Depreciaiton				Net Block	
	Balance as at 01-Apr-17	Additions	Deletions	Balance as at 31-Mar-18	Balance as at 01-Apr-17	Depreciation charge for the year	On Disposals	Balance as at 31-Mar-18	Balance as at 31-Mar-18	Balance as at 31-Mar-17
Land	-	13,95,20,000	-	13,95,20,000	-	-	-	-	13,95,20,000	-
Factory Building *	-	15,29,06,094	-	15,29,06,094	-	25,51,624	-	25,51,624	15,03,54,470	-
Plant & Machinery	97,49,173	7,75,42,379	(83,730)	8,72,07,822	23,67,343	48,83,312	-	72,50,655	7,99,57,167	73,81,830
Furniture & Fixtures	18,76,659	42,40,000	(18,76,659)	42,40,000	3,30,073	2,01,400	(3,30,073)	2,01,400	40,38,600	15,46,586
Vehicles	7,78,046	72,19,372	(3,01,328)	76,96,090	89,321	5,36,647	(2,06,768)	4,19,200	72,76,890	6,88,725
Office Equipment	2,99,051	9,16,418	(2,99,051)	9,16,418	1,46,809	87,059	(1,46,809)	87,059	8,29,359	1,52,242
Computers	31,075	6,68,566	(31,075)	6,68,566	10,086	1,05,857	(10,086)	1,05,857	5,62,709	20,989
Electrical & Fittings	3,90,884	31,50,000	(3,90,884)	31,50,000	36,992	1,49,625	(36,992)	1,49,625	30,00,375	3,53,892
Total	**1,31,24,888**	**38,61,62,829**	**(29,82,727)**	**39,63,04,990**	**29,80,624**	**85,15,524**	**(7,30,728)**	**1,07,65,420**	**38,55,39,570**	**1,01,44,264**

Note 5.1 Other Intangible Assets

(In ₹)

Particulars	Gross Block				Accumulated Depreciaiton				Net Block	
	Balance as at 01-Apr-17	Additions	Deletions	Balance as at 31-Mar-18	Balance as at 01-Apr-17	Depreciation charge for the year	On Disposals	Balance as at 31-Mar-18	Balance as at 31-Mar-18	Balance as at 31-Mar-17
Intangible Assets										
Goodwill	2,26,329	81,21,55,845	-	81,23,82,174	-	2,26,329	-	2,26,329	81,21,55,845	2,26,329
Total	**2,26,329**	**81,21,55,845**	**-**	**81,23,82,174**	**-**	**2,26,329**	**-**	**2,26,329**	**81,21,55,845**	**2,26,329**

Notes to the financial statement for the year ended 31st March, 2019

Note 6 Other Financial Assets

(In ₹)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Non Current	Current	Non Current	Current
Security Deposits	1,05,83,186		1,12,78,672	
Other Advances		11,501		54,565
Advances to Staff and Others		5,47,908	5,25,201	9,94,066
Inter Corporate Deposits*	1,09,00,00,000	10,00,00,000	97,00,00,000	
Total	**1,10,05,83,186**	**10,05,59,409**	**98,18,03,873**	**10,48,631**

* Disclosure pursuant to section 186 of the Companies Act, 2013, the Company has granted Loan to M/s. Uniply Industries Limited for ₹1,19,00,00,000/- towards General Corporate Purpose and carries Interest @ 10%.

Note 7 Deferred Tax Assets/(Liabilities) (net)

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Tax Assets		
Employee Benefits	23,14,000	18,82,000
Carried forward loss	3,17,58,000	2,13,70,000
Total Tax Assets (i)	**3,40,72,000**	**2,32,52,000**
Tax Liabilities		
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	7,63,17,000	2,83,83,000
Total Tax Liabilities (ii)	**7,63,17,000**	**2,83,83,000**
Total (i)-(ii)	**(4,22,45,000)**	**(51,31,000)**

DTA/(DTL) are the amounts of Income Tax recoverable/Payable in future periods in respect of taxable temporary difference

Note 8 Other Assets

(In ₹)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Non Current	Current	Non Current	Current
Prepaid Expenses		15,34,099	-	16,61,542
Capital Advances	43,30,36,239		27,77,00,000	-
Balance with Statutory Authorities		1,20,88,083	14,60,564	2,28,45,518
Advance to Suppliers		40,43,839	-	69,49,517
Income Tax		3,81,125	-	3,81,125
MAT Credit Entitlement	3,47,55,000		73,55,000	-
Total	**46,77,91,239**	**1,80,47,146**	**28,65,15,564**	**3,18,37,702**

Notes to the financial statement for the year ended 31st March, 2019

Note 9 Inventories

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Inventories (lower of cost or net realisable value)		
As Certified by the Management		
Raw Material	88,86,851	9,75,63,737
Work In Process	4,45,10,910	1,90,21,634
Finished Goods	12,55,61,970	13,07,31,600
Stock-in-Trade	1,12,07,275	4,23,840
Consumables	1,74,23,138	1,73,33,385
Total	**20,75,90,144**	**26,50,74,196**

a) The method of valuation of inventories are stated in Note 4.3

b) All the above inventories are expected to be recovered within twelve months.

Note 10 Trade Receivables

(In ₹)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Non Current	Current	Non Current	Current
Trade Receivables (Unsecured)				
Considered Doubtful	-	-	-	-
Considered Good	-	47,65,89,888	-	47,58,55,383
Total	**-**	**47,65,89,888**	**-**	**47,58,55,383**
Due from Companies in which companies director are interested	**-**	**33,78,94,180**	**-**	**-**

Trade receivables are generally due between 60 to 90 days.

The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The credit limit and the credit period are reviewed regularly at periodical intervals.

Note 11 Cash and Cash Equivalents

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
11.1 Balances with Banks		
In Current Accounts	4,68,941	30,61,904
Cash on hand	18,67,418	25,58,519
Total (i)	**23,36,359**	**56,20,423**
11.2 Other Bank Balance other than above		
Unpaid Dividend Account - Earmarked Fund	5,92,253	5,92,254
Total (ii)	**5,92,253**	**5,92,254**
Total (i)+(ii)	**29,28,612**	**62,12,677**

During the year, the Company has not entered into any non-cash transactions on investing and financing activities.

Note 12 Equity Share Capital

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Authorised Share Capital		
15,00,00,000 Equity Shares of ₹2/- each	30,00,00,000	30,00,00,000
Issued, Subscribed and Paid up		
12,23,42,850 Equity Shares of ₹2/- each	24,46,85,700	24,46,85,700
Total	**24,46,85,700**	**24,46,85,700**

During the year, the Company has not entered into any non-cash transactions on investing and financing activities.

12.1 Reconciliation of Shares outstanding at the beginning and at the end of reporting period

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
At the beginning of the year	12,23,42,850	1,52,42,850
Add: Share issued during the year	-	10,71,00,000
At the end of the year	**12,23,42,850**	**12,23,42,850**

12.2 Details of Shareholders holding more than 5% shares in the Company

(In ₹)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Super Band Private Ltd.	1,63,95,500	13.40%	1,68,55,500	13.78%
Uniply Industries Ltd.	4,65,58,249	38.06%	4,57,71,359	37.41%

Terms/Rights attached to the Equity Shares:-

a) The Company has issued only one class of equity shares having a par value of ₹2/- per share. Each holder of equity share is entitled to one vote per share. Repayment of Capital will be in proportion to the number of equity shares held by the shareholders.

Note 13 Other Equity

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
General Reserve	50,00,000	50,00,000
Share Premium	2,46,33,00,000	2,46,33,00,000
Retained Earnings	16,16,14,852	7,22,76,107
Other Comprehensive Income	(7,539)	(55,368)
Total	**2,62,99,07,313**	**2,54,05,20,739**

Notes to the financial statement for the year ended 31st March, 2019

13.1 General Reserve

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Balance at the beginning of the year	50,00,000	50,00,000
Balance at the end of the year	50,00,000	50,00,000

13.2 Share Premium

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Balance at the beginning of the year	2,46,33,00,000	-
Add: Received against share issued	-	2,46,33,00,000
Balance at the end of the year	**2,46,33,00,000**	**2,46,33,00,000**

13.3 Retained Earnings

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Balance at the beginning of the year	7,22,76,107	4,38,94,404
Add: Profit for the year	8,93,38,745	2,83,81,703
Balance at the end of the year	**16,16,14,852**	**7,22,76,107**

Note 14 Borrowings

(In ₹)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Non-current	Current	Non-current	Current
Secured				
Long term Deferred Liabilities				
Financial Lease obligations from Bank (Secured)				
- ICICI Eicher Vehicle Loan	-		-	4,72,217
- Kotak Mahindra Prime Ltd - Car Loan	12,93,110	8,83,263	70,554	5,48,080
- HDFC Bank LTD - Car Loan	62,423	3,55,567	3,64,306	3,78,756
- Yes Bank - Capex Loan	4,01,38,820	26,75,921		
Cash Credit from Bank - Yes Bank		39,00,03,998	-	22,64,25,164
Total Secured (i)	**4,14,94,353**	**39,39,18,749**	**4,34,860**	**22,78,24,217**
Unsecured	-	-	-	-
Inter Corporate Loans		-	-	-
Total Unsecured (ii)	-	-	-	-
Total	**4,14,94,353**	**39,39,18,749**	**4,34,860**	**22,78,24,217**

a) Hire Purchase Loan from Kotak Mahindra Bank - The Loan is secured by hypothecation of respective asset. The Loan is repayable in

   i) 36 EMI of ₹24,340/- ending on June 2019

   ii) 36 EMI of ₹32,000/- ending on November 2019

   iii) 36 EMI of ₹23340/- ending on Aug 2021

   iv) 36 EMI of ₹26550/- ending on Jun 2021

b) Hire Purchase Loan from HDFC Bank - The Loan is secured by hypothecation of respective asset. The Loan is repayable in 36 EMI of ₹31,563/- ending on May 2020.

c) Term Loan from Yes Bank is secured by Entire Current Assets and Movable Fixed Assets of the Company, both present and future. Further secured by personal guarantee of Mr. Keshav Kantamneni, the Executive Chairman of the Company and undated cheque for the entire facility amount with declaration, from both Mr. Kesav Kantamneni & the Company. The Term Loan is repayable in 16 quaterly installment staring from Jan 2020 and carries interest @ 12.30% p.a.

d) Cash Credit from Yes Bank is secured by hypothecation of Stock, Receivables, Other Current Assets and Fixed Assets of Chennai Plant. Further secured by personal guarantee of Mr. Keshav Kantamneni, the Executive Chairman of the Company and undated cheque for the entire facility amount with declaration, from both Mr. Kesav Kantamneni & the Company. The Cash Credit is repayable on demand and carries interest @ 11.65% p.a.

Note 15 Provisions

(In ₹)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Non Current	Current	Non Current	Current
Employee Benefits - Gratuity payable	68,92,152	20,09,363	60,35,712	7,29,689
Provision for Taxation	-	1,23,04,511	-	84,00,000
Total	**68,92,152**	**1,43,13,874**	**60,35,712**	**91,29,689**

1. The movement represents the provision created for the year arising out of the actuarial valuation after considering the actual settlements made during the year.
2. Provision for Taxation is the net off Advance Tax, TDS receivable

Note 16 Trade Payables

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Dues to Micro and Small Enterprises		
Trade Payables - For Goods	53,09,054	29,67,870
Trade Payables - For Expenses	16,74,418	9,49,765
Total	**69,83,472**	**39,17,635**
Dues other than to Micro and Small Enterprises		
Trade Payables - For Goods	5,39,92,666	13,92,11,479
Trade Payables - For Expenses	6,14,47,268	5,12,86,873
Total	**11,54,39,934**	**19,04,98,352**
Grand Total	**12,24,23,406**	**19,44,15,987**

Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 30 to 60 days.

Notes to the financial statement for the year ended 31st March, 2019

Note 17 Other financial liabilities

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Unpaid Dividend for 2011-12	3,33,332	3,33,332
Unpaid Dividend for 2012-13	2,58,921	2,58,921
Capital Creditors	-	31,271
Total	**5,92,253**	**6,23,524**

There is no amount which has fallen due as at Balance sheet date to be credited to Investor Education and Protection Fund. The unclaimed dividend portion are kept separately in earmarked bank account - Refer Note 12

Note 18 Other current liabilities

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Statutory Dues	12,38,01,257	1,24,89,415
Advance From Customers	72,16,651	47,52,598
Total	**13,10,17,908**	**1,72,42,013**

Note 19 Revenue from Operations

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Sales - Manufactured Goods/Traded Goods (Net)		
Sale of Products	1,55,15,30,424	94,80,71,429
Total	**1,55,15,30,424**	**94,80,71,429**
Details of Products Sold		
Manufactured Goods/Traded Goods:-		
Plywood, Veneer & Timber	1,54,61,84,150	93,86,29,502
Other Goods	53,46,274	94,41,927
	1,55,15,30,424	**94,80,71,429**

Note 20 Other Income

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Interest Income	9,30,35,630	2,46,25,743
Rental Income	16,00,000	-
Profit on Sale of Fixed Asset	19,669	-
Creditors Write Back	22,05,817	-
Other Income	35,356	-
Total	**9,68,96,472**	**2,46,25,743**

Note 21 Cost of Materials Consumed

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
A) Consumption of Raw Materials		
Inventories at the beginning of the year	9,75,63,737	-
Add : Purchases of Raw Materials	21,76,03,887	32,52,02,716
	31,51,67,624	32,52,02,716
Less : Inventories at the end of the year	88,86,851	9,75,63,737
Total (i)	**30,62,80,773**	**22,76,38,979**
Details of Material Purchased		
Core & Face Veneer	16,07,76,608	10,03,80,945
Other Raw Materials	5,68,27,279	22,48,21,771
	21,76,03,887	**32,52,02,716**
B) Consumption of Consumables		
Inventories at the beginning of the year	1,73,33,385	-
Add : Purchases of Consumables	8,79,21,271	4,82,51,312
	10,52,54,656	4,82,51,312
Less : Inventories at the end of the year	1,74,23,138	1,73,33,385
Total (ii)	**8,78,31,518**	**3,09,17,927**
Total (i)+(ii)	**39,41,12,291**	**25,85,56,906**

Note 22 Purchases of Stock in Trade

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Purchase of Trading Materials	63,16,52,987	51,20,53,718
Freight & Octroi on Trading Materials	2,59,35,161	2,50,56,049
Total	**65,75,88,148**	**53,71,09,767**

Note 23 Changes in Inventories of Finished Goods, Work-in-Progress And Stock-in-Trade

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Inventories at the beginning of the year		
Work-in Process	1,90,21,634	-
Finished Goods	13,07,31,600	-
Traded Goods	4,23,840	2,53,26,752
	15,01,77,074	2,53,26,752

Notes to the financial statement for the year ended 31st March, 2019

Note 23 Changes in Inventories of Finished Goods, Work-in-Progress And Stock-in-Trade (Contd.)

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Inventories at the end of the year		
Work-in Process	4,45,10,910	1,90,21,634
Finished Goods	12,55,61,970	13,07,31,600
Traded Goods	1,12,07,275	4,23,840
	18,12,80,155	**15,01,77,074**
Total	**(3,11,03,081)**	**(12,48,50,322)**

Note 24 Employee Benefits Expense

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Salaries, Wages, Bonus, Exgratia etc	14,86,61,422	6,62,63,462
Contract Labour Charges	5,99,77,688	2,06,59,161
Director's Remuneration	2,51,08,684	1,61,45,632
Contribution to P.F, E.S.I and Other Statutory Funds	77,88,036	38,34,306
Gratuity	32,49,556	76,645
Employees Welfare Expenses	19,60,938	23,86,899
Total	**24,67,46,324**	**10,93,66,105**

Note 25 Finance Cost

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Interest Costs	3,43,85,068	88,07,109
Other Borrowing Costs	31,42,759	15,46,859
Total	**3,75,27,827**	**1,03,53,968**

Note 26 Other Expenses

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Power and Fuels	2,00,57,569	1,12,55,548
Legal & Professional Fees	30,40,428	75,07,852
Travelling & Conveyance Expenses	1,20,58,519	1,04,34,838
General Expenses	21,94,130	9,01,233
Insurance	9,76,395	9,25,847
Postage & Telephone	12,00,344	14,66,407

Note 26 Other Expenses (Contd.)

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Printing & Stationery	5,70,338	8,09,105
Product Promotion Expenses	-	15,85,116
Rates & Taxes	1,57,52,097	34,63,395
Rent	1,20,12,657	1,09,95,188
Repairs & Maintainance	-	
- Plant & Machinery	75,24,098	34,51,477
- Building	7,91,792	11,04,463
- Others	39,94,887	38,84,158
Vehicle Expenses	3,92,247	3,16,014
Security Services	34,88,773	26,85,445
Sales Promotion Expenses	52,99,704	37,09,762
Auditors Remuneration	5,55,000	5,75,000
Transportation & Forwarding Charges	2,88,32,955	1,82,66,083
Testing Expenses	5,81,030	32,486
Advertisement	25,75,369	9,72,963
Listing Fees	2,50,000	38,83,075
Registrar Expenses & Demat Charges	1,38,165	20,87,773
Royalty	7,50,00,000	3,75,00,000
Donation	8,05,000	-
Sitting Fees	3,75,000	3,80,000
Bad debts	4,62,415	-
Total	**19,89,28,912**	**12,81,93,228**
Payment to Auditors		
As Auditor		
For Audit Fee	5,00,000	5,00,000
For Certification	55,000	75,000
Total	**5,55,000**	**5,75,000**

Note 27 Exceptional Item

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Loss on Sale of Assets	-	91,49,964
Total	**-**	**91,49,964**

Notes to the financial statement for the year ended 31st March, 2019

Note 28 Income tax relating to continuing operations

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Profit before tax	12,69,52,745	3,60,75,703
Enacted tax rates in India	26.00%	33.06%
Income tax expenses calculated	3,30,08,000	1,19,28,000
Tax Impact on Disallowance on account of late payment of Statutory Dues	22,17,000	2,30,000
Tax Impact on retirement benefits	5,55,000	
Expenses not allowed on Income Tax (Capital Expenses)	-	6,45,000
Tax Impact on Difference in tax rate in future	-	(51,09,000)
Effects of Change in Tax Rate	18,34,000	-
Income tax expenses Recognised in Statement of Profit & Loss A/c	3,76,14,000	76,94,000

Note 29 Earnings Per Share

In terms of Ind AS-33 on "Earning Per Share" the calculation of EPS is given below:-

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Profit as per the Statement of Profit & Loss	8,93,86,574	2,83,26,335
Profit Available for Equity Shareholders	8,93,86,574	2,83,26,335
Weighted Average number of Equity Shares outstanding during the year	12,23,42,850	6,80,59,288
Nominal Value of Equity Shares (₹)	2/-	2/-
Basic and Diluted Earnings per Share (EPS)	0.73	0.42

Note 30 Contingent Liabilities and Commitments

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
A. Contingent Liabilities		
a) No provision is considered necessary for disputed income tax, sales tax, service tax, excise duty and customs duty demands which are under various stages of appeal proceedings as given below		
i. Income Tax Act, 1961	-	-
ii. Central Sales Tax Act,1956 & Local Sales Tax laws of various states	-	-
iii. Central Excise Act,1944	-	-
iv. Service Tax, 1994	-	-
In respect of the above demands disputed by the Company, appeals filed are pending before respective appellate authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals. No reimbursements are expected.		
B. Commitments:		
Estimated amount of contracts remaining to be executed (net of advances):		
i. Towards Purchase of Assets	-	14,23,00,000
ii. Towards Automation of Production	3,69,29,980	-
C. The Company did not have any long term contracts and there were no losses on derivative contracts	-	-

Note 31 Expenditure In Foreign Currency

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Value of Imports (CIF Value Basis)	4,68,86,823	10,54,59,261
Foregin Travel Expenses	2,67,870	3,87,089
Total	**4,71,54,693**	**10,58,46,350**

Note 32 Employee Benefits

i. Defined contribution plans:

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

ii. Defined Benefit Plan:

Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

iii. Acturial Valuation of Gratuity Liability :

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
a) Defined Benefit Cost		
Current Service Cost	26,69,029	53,657
Interest Expense on Defined Benefit Obligation (DBO)	5,96,694	33,479
Less: Return on Plan Assets	(16,167)	(10,491)
Defined Benefit Cost included in Profit and Loss	**32,49,556**	**76,645**
Remeasurements - Due to Financial Assumptions	(9,04,714)	6,864
Remeasurements - Due to Demographic assumptions	5,53,534	-
Remeasurements - Due to Acturial Valuation on Plan Assets	2,514	
Remeasurements - Due to Experience Adjustments	3,00,837	48,504
Defined Benefit Cost included in Other Comprehensive Income	**(47,829)**	**55,368**
Total Defined Benefit Cost in Profit and Loss and OCI	**32,01,727**	**1,32,013**
b) Movement in Defined benefit liability:		
Opening Defined Benefit Obligation	69,65,112	10,50,872
Interest Expense on Defined Benefit Obligation (DBO)	5,96,694	33,479
Current Service Cost/Liability assigned on slump purchase	26,69,029	58,53,680
Acturial Gain or (Loss)Remeasurements of Plan Assets	(2,514)	

Notes to the financial statement for the year ended 31st March, 2019

iii. Acturial Valuation of Gratuity Liability : (Contd.)

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Total Remeasurements included in OCI	(47,829)	55,368
Less: Benefits paid	(10,65,613)	(28,287)
Closing benefit obligation	**91,14,879**	**69,65,112**
Less: Fair value of plan assets	2,13,364	1,99,711
Net Obligation	**89,01,515**	**67,65,401**
Current Liabilities of Closing benefit obligation	20,09,363	7,29,689
Non-Current Liabilities of Closing benefit obligation	68,92,152	60,35,712
c) Actuarial assumptions:		
Mortality Table	IAC Mortality (2006-08)	IAC Mortality (2006-08)
Discount Rate (per annum)	7.76%	7.70%
Rate of escalation in salary (per annum)	10.00%	10.00%
Withdrawal rate	7.07%	7.07%

Note 33 Related Party Disclosures

Listed of Related Parties

Related party relationships are as identified by the Management and relied upon by the Auditors

a) Names of related parties and description of relationship

S. No	Relationship		Name
a)	**List of related parties where control exists**		
i)	Enterprise where key managerial personnel along with their relatives exercise significant influence	1	M/s. Nxtwater Private Limited
		2	M/s. Vector Cyber Parks Private Limited
		3	M/s. Vector Infrastructure Project Solutions Limited
		4	M/s. Fourshore Advanced Metal Forgings Private Limited
		5	M/s. KKN Holdings Private Limited
		6	M/s. Uniply Industries Limited
		7	M/s. Panther Capital LLP
		8	M/s. Kasg Finnaissance Consulting Private Limited
		9	M/s. Vector Projects (India) Private Limited
		10	M/s. Forge Point Limited
		11	M/s. Uniply Blaze Private Limited
		12	M/s. Mrj Marketing Private Limited
		13	M/s. Mrj Creations Private Limited

Notes to the financial statement for the year ended 31st March, 2019

a) Names of related parties and description of relationship (Contd.)

S. No	Relationship		Name
		14	M/s. Jalaram Veneers & Floors Private Limited
		15	M/s. Mrj Trading Private Limited
		16	M/s. S. Viswanathan Printers and Publishers Private Ltd
ii)	Key Managerial Personnel (KMP)	1	Mr. Keshav Kantamneni - Chairman
		2	Mr. Sethuraman Srinivasan - Managing Director
		3	Mr. Ramesh Kumar Malpani - Joint Managing Director
		4	Mr. MR Jhunjhunwala - Whole Time Director
		5	Mr. George Ninan - Chief Financial Officer
		6	Mr. Sunil Kumar Deo - Company Secretary
iii)	Relatives Of Key Managerial Personnel (KMP)	1	Mrs. Padma M Jhunjhunwala
iv)	Non-executive directors	1	Mr. Subrahmaniya Sivam Ramamurthy
		2	Mr.Parul Satyan Bhatt
		3	Mrs.Reena Bhatwal
		4	Mr. Ramgopal Lakshmi Ratan

b) Transactions with related parties

S. No	Name of the Related Parties	Nature of Transaction	31-Mar-19	31-Mar-18
1.	M/s. Uniply Industries Limited	Sales	58,74,27,266	26,36,75,620
		Interest Income	9,26,25,000	2,42,50,000
		Rental Income	9,00,000	
		Purchases	2,57,49,567	4,43,98,804
		Puchase of Fixed Assets	4,59,600	-
		Purchase on Slump Sale Basis	-	1,47,00,00,000
		Rent Expenses	34,19,400	26,81,400
		Royalty Expenses	7,50,00,000	3,75,00,000
		Receivable at the end	33,20,55,467	10,20,24,663
		Intercoporate Deposit Receivable	1,19,00,00,000	97,00,00,000
2.	M/s. KKN Holdings Private Limited (Formely FOIPL)	Sales	-	97,364
3.	M/s. Vector Projects India Private Limited	Sales	1,89,56,383	13,17,72,263
		Rental Income	13,70,000	-
		Purchases	23,06,93,368	32,97,48,003
		Receivable at the end	56,35,791	14,23,29,572
4.	M/s.Jalaram Veneers & Floors Private Limited	Sales	95,22,028	32,15,097
		Purchase of Fixed Asset	1,51,070	-
		Receivable at the end	16,327	-

Notes to the financial statement for the year ended 31st March, 2019

b) Transactions with related parties (Contd.)

S. No	Name of the Related Parties	Nature of Transaction	31-Mar-19	31-Mar-18
5.	M/.s. MRJ Trading Private Limited	Purchases	84,001	
		Purchase of fixed assets	24,262	29,500
6.	M/s. S. Vishwanathan Printers & Publishers Private Ltd	Sales	23,97,19,632	9,53,76,066
		Rental Income	3,00,000	-
		Purchases	24,21,16,609	19,71,50,242
		Rent Expeneses	-	3,20,000
		Rental Advance	-	3,00,000
7.	Mr. Keshav Kantamneni	Director Remuneration	46,00,000	14,00,000
		Rent	24,00,000	12,00,000
8.	Mr. Sethuraman Srinivasan	Director Remuneration	56,50,000	71,00,000
		Rent	6,00,000	3,00,000
9.	Mr. Ramesh Kumar Malpani	Director Remuneration	1,02,18,516	51,09,258
10.	Mr. MR Jhunjhunwala	Director Remuneration	46,40,168	23,11,374
11.	Mr. Jitendra Pareek	Director Remuneration		2,25,000
12.	Mr. Subrahmaniya Sivam Ramamurthy	Sitting fees	1,00,000	1,45,000
13.	Mr. Mr. Parulsatyan Bhatt	Sitting fees	1,00,000	85,000
14.	Mrs. Reena Bhatwal	Sitting fees	1,00,000	75,000
15.	Mr. Ramgopal Lakshmi Ratan	Sitting fees	75,000	75,000
16.	Mrs. Padma M Jhunjhunwala	Rent	6,00,000	3,00,000
17.	Mr.Rasmiranjan Parida	Salary	-	2,02,258
18.	Mr. George Ninan	Salary	38,97,183	12,47,207
20.	Mr.Sunil Kumar Deo	Salary	7,04,676	2,46,688

Terms and conditions of transactions with related parties:

All transactions with these related parties are priced on an arm's length basis and resulting outstanding balances are to be settled in due course. None of the balance is secured.

No trade or other receivables are due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private limited companies respectively in which any director is a partner or a director or a member.

Note 34 Financial Instruments

(i) Capital 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 holders of the Company. The primary objective of the Company's Capital management is to maximise the shareholder value

The Company's objective when managing capital are to

• Safeguard their ability to continue as a going concern, so that they can continue to provide return for shareholders and benefits for other stakeholders and

• Maintain an optimal capital structure to reduce the weighted average cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares, or sell non-core assets to reduce the debt.

Debt to Equity ratio

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Debt	43,54,13,102	22,82,59,077
Equity	2,87,45,93,013	2,78,52,06,439
Debt to Equity ratio	**0.15**	**0.08**

ii) Categories of financial instruments

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
A. **Financial assets**		
Measured at fair value through Profit or Loss FVTPL) - Mandatorily measured:		
- Equity and other investments	-	-
Measured at Amortised cost		
- Cash and bank balances	29,28,612	62,12,677
- Other financial assets	1,20,11,42,595	98,28,52,504
Measured at fair value through Other Comprehensive Income (FVTOCI)		
- Investments in equity instruments designated upon initial recognition	-	-
Measured at cost		
- Investments in Equity instruments in subsidiaries, joint ventures and associate	-	-
B. **Financial liabilities**		
Measured at amortised cost (including trade payable balances)	43,60,05,355	22,88,82,601

Notes to the financial statement for the year ended 31st March, 2019

Note 35 Risk Management Framework

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. The general conditions for compliance with the requirements for proper and future-oriented risk management within the Company are set out in the risk management policies. These policies aim at encouraging all members of staff to responsibly deal with risks as well as supporting a sustained process to improve risk awareness. The guidelines on risk management specify risk management processes, compulsory limitations, and the application of financial instruments. The risk management system aims at identifying, analyzing, managing, controlling and communicating risks promptly throughout the Company. Risk management reporting is a continuous process and part of regular Group reporting. In addition, our Corporate Function Internal Auditing regularly checks whether Company complies with risk management system requirements.

The Company is exposed to credit, liquidity and market risks (foreign currency risk and interest risk) during the course of ordinary activities. The aim of risk management is to limit the risks arising from operating activities and associated financing requirements by applying selected derivative and non-derivative hedging instruments. In order to minimise any adverse effects on the financial performance of the Company, it has taken various measures. This note explains the source of risk which the entity is exposed to and how the entity manages the risk and impact of the same in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets measured at amortised cost.	Ageing analysis, external credit rating (wherever available)	Diversification of bank deposits, credit limits and letters of credit
Liquidity Risk	Borrowings, trade payables and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Management follows established risk management policies
(a) Foreign Currency Risk	Financial assets and financial liabilities	Sensitivity analysis	Management follows established risk management policies
(b) Interest Rate Risk	Long term borrowings at variable rates	Sensitivity analysis Interest rate movements	Interest rate swaps

(i) Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis to mitigate impairment loss on receivables. Credit evaluations are performed on all customers requiring credit over a certain amount before the Company's standard payment and delivery terms and conditions are offered. The Company does not secure its financial assets with collaterals.

Notes to the financial statement for the year ended 31st March, 2019

Trade receivable

Trade receivables are primarily unsecured and are derived from revenue earned from customers. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. Details of balances of trade receivables as on reporting date are stated below :

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Trade and other receivables	**47,65,89,888**	**47,58,55,383**

Cash and cash equivalents are neither past due nor impaired.

In case of other financial assets, there are no indicators as at March 31, 2019 that defaults in payment obligations will occur.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base. Details of concentration percentage of revenue generated from top customer and top five customers are stated below :

(In ₹)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Revenue from a top customer	69,40,49,178	31,30,07,735
Revenue from a top five customers	1,10,01,82,431	65,14,71,156

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	< 1 year	1 - 5 years	> 5 years	Total
31st March 2019				
Borrowings (Including current maturities)*	39,39,18,749	4,14,94,353	-	43,54,13,102
Trade payables	12,24,23,406	-	-	12,24,23,406
Other financial liabilities	5,92,253	-	-	5,92,253
	51,69,34,408	**4,14,94,353**	**-**	**55,84,28,761**
31st March 2018				
Borrowings (Including current maturities)*	22,78,24,217	4,34,860		22,82,59,077
Trade payables	19,44,15,987	-	-	19,44,15,987
Other financial liabilities	6,23,524	-	-	6,23,524
	42,28,63,728	**4,34,860**	**-**	**42,32,98,588**

Notes to the financial statement for the year ended 31st March, 2019

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import of materials. The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Note 36 Event after reporting period

No significant event is to be reported between the closing date and that of the meeting of Board of Directors

As per our report attached

For **Lily & Geetha Associates**
Chartered Accountants
FRN:006982S

Mathy Sam
Partner
Membership No: 206624

Place: Chennai
Date: 30th May, 2019

For and on behalf of the Board of Directors

Keshav Kantamneni *Chairman*	**Sethuraman Srinivasan** *Managing Director*	**M.R. Jhunjhunwala** *Whole-time Director*	**Reena Bathwal** *Independent Director*
Subrahmaniya Sivam Ramamurthy *Independent Director*	**George Ninan** *Chief Financial Officer*	**Sunil Kumar Deo** *Company Secretary*	