

# *Annual Report 2016 - 2017*



## **The Western India Plywoods Limited**

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CIN-L20211KL1945PLC001708



## BOARD OF DIRECTORS

### CHAIRMAN:

Shri. T. Balakrishnan

### DIRECTORS:

Shri Y.H Malegam  
Shri Jyothi Kumar B  
Shri Ranjith Kuruvila  
Smt. Pushya Sitaraman

### MANAGING DIRECTOR:

Shri P.K Mayan Mohamed

### COMPANY SECRETARY & GENERAL MANAGER (FINANCE)

Shri R Balakrishnan

### CHIEF FINANCIAL OFFICER

Shri Sathyakrishnan B

### AUDITORS:

M/s. Varma & Varma  
Chartered Accountants  
Kochi

### BANKERS:

State Bank of India  
Dena Bank  
Canara Bank  
Bank of India  
Indian Overseas Bank

### REGISTRARS:

M/s. Cameo Corporate  
Services Ltd.  
Subramanian Buildings  
No. 1, Club House Road  
Chennai - 600 002  
Tel: 044 - 28460390

### REGISTERED OFFICE:

Mill Road, Baliapattam  
Kannur - 670 010, Kerala.  
Tel: 0497-2778151 (4 lines)  
Fax: 0497-2778181.  
E-mail: westernply@gmail.com  
mail@wipltd.in Web: www.wipltd.in  
CIN-L20211KL1945PLC001708



**Shri. T. Balakrishnan**  
*Chairman*



**Shri P.K Mayan Mohamed**  
*Managing Director*



**Shri Y.H Malegam**  
*Director*



**Shri Jyothi Kumar B**  
*Director*



**Shri Ranjith Kuruvila**  
*Director*



**Smt. Pushya Sitaraman**  
*Director*



**Shri R Balakrishnan**  
*Company Secretary &  
General Manager (Finance)*



**Shri Sathyakrishnan B**  
*Chief Financial Officer*



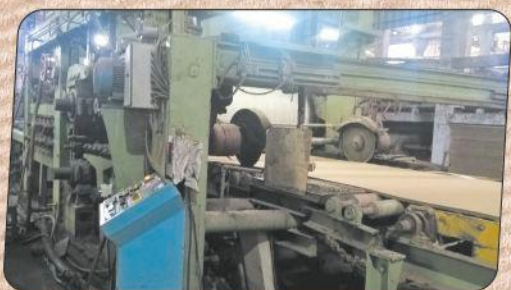


*introducing*

## fibre insulation boards

WIP's Fibre Insulation Board is soft, resilient, light coloured sheet material 7.5 to 25 mm thick, manufactured from wood fibres. Our Fibre Insulation Boards are highly suitable for ceiling, partitions and panels

***Fibre Insulation Boards of WIP are comparable with the best in the world.***





Weston is the largest selling hardboard brand in India

WIP is the India's first hardboard manufacturer, and also the first to bag ISO 9002-1994 certification. Industry leaders world over shop at WIP for quality special grade hardboard. Cars from most top line auto makers don WIP hardboard.

The fully computerised control room of Hardboard Plant - 3



Western India Plywoods Limited has been the undisputed leader in hardboards ever since production started in 1960. Manufactured to meet the Indian Standard 1658 for standard boards, the Weston products find extensive use in automobiles, interiors and the packing industry. They are exported to 24 countries, including the highly competitive European, Middle east and North American markets.

- ▶ State-of-the-art Swedish production line
- ▶ Uses only plantation timber/agro waste as raw material
- ▶ Capacity of 120 tonne a day
- ▶ Zero-waste process

## THE WESTON RANGE

### Features

- Engineered to meet IS:1658 norms
- Good mechanical properties due to high density
- No formaldehyde emission

### Applications

- Automotive interior trims
- Show heel manufacture
- fibre drum lid manufacture
- Clock backing
- Photo frame backing
- Furniture elements
- Partitions
- Writing pads
- Door skins.

#### STANDARD HARDBOARD



Oil-tempered hardboard is manufactured by impregnating hardboard with specially treated oil, making it moisture resistant and giving it higher bending strength values.

#### OIL/HEAT TEMPERED



Heat tempered hardboard is manufactured by post-curing the finished hardboard at high temperatures in specially designed chambers. This process enhances the inter-fibre cross-linking of lignin natural binders.

### Features

- Enhanced mechanical properties
- Improved reduction in water absorption characteristics

### Applications

- Automobile interior door trims
- Shoe heels

### Features

- Pre-drilled with evenly spaced holes
- Available in standard and tempered form
- Available pre-finished in the desired colour

### Applications

- Cladding material meeting acoustic requirements
- Embossed hardboard for interior partitions

#### PERFORATED





# WESTIND ULTRAKLIK



WIP's engineered wood flooring range is technically a two-ply wood flooring consisting of a cross-laminated plywood base and a wear layer of the client's choice. This format is the most stable and mechanically resilient construction among all wood flooring variants available in the market today.

The flooring panels are finished using a high performance seven-layer UV floor coating system on a custom built Italian UV lacquering line.

A unique feature of Ultraklik is its micro-bevelled edges on all four sides which create an exquisite 'V' groove between the flooring elements, lending a touch sophistication to the meticulously planned interiors. With a closed depth of 0.4 mm, it ensures that there is no collection of dust between the flooring panels. It also facilitates easy cleaning.

WESTIND, ULTRAKLIK engineered wood floors exude a magical aura that is unique to wood flooring derived from mother nature's treasure chest of exotic hardwoods.

## **Features**

- Eco friendly construction
- Seven - layer UV-cured lacquer finish
- BWP panel construction
- Glueless installation with WIPKLIK system
- Micro-bevelled edges
- Easy laying, easy maintenance, affordable
- Wide range: suitable for homes and offices

## **ENGINEERED WOODEN FLOORS**

Westind Ultraklik uses no adhesives for installation; the unique WIPKLIK lock-in system does the job. The glueless joints eliminate odour and emissions, the two problems generally associated with wooden floors. The high precision profiling acts to pull the floor together eliminating the shut lines and lending a touch of class to the overall ambience of the interior.

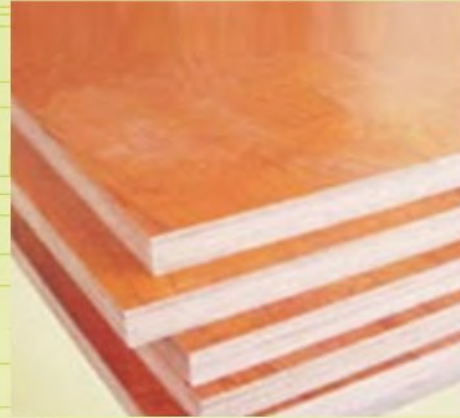


## WIP PRODUCTS



### PLYWOODS

WIP specializes in exquisite/moulded plywood furniture which will exceed.



### DENSIFIED LAMINATES

Densified Wood Laminates are made from thin veneers impregnated with synthetic resin adhesives



### HARD BOARDS

An eco-friendly wood based panel manufactured using plantation species of timber, is an extremely



### DECORATIVE FLOORINGS

WIP's exquisite range of decorative wooden floor panels for residences and Commercial Venues.



### FURNITURES

WIP specializes in exquisite/moulded plywood furniture which will exceed your expectations



### OTHERS

WIP specializes in exquisite/moulded plywood bility.

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## DIRECTORS' REPORT

We are pleased to present the report on our business and operations for the year ended 31<sup>st</sup> March, 2017.

### 1. Financial Summary

(Rs. In Lakhs)

PARTICULARS	Year Ended 31 <sup>st</sup> March 2017	Year Ended 31 <sup>st</sup> March 2016
Revenue from operations (Gross)	8,946.65	9350.93
Less: Excise Duty	841.40	886.40
Revenue from Operations(Net)	8105.25	8464.53
Operational Expenditure	7743.79	7671.00
Operating profit before Depreciation, Interest, Tax & Exceptional and Extraordinary Item	361.46	793.53
Finance Cost	315.77	317.48
Depreciation and amortization expense	204.40	193.16
Exceptional Items- Income	261.30	-
Extraordinary Item- Expense	-	40.09
Other Income	71.96	30.38
Profit Before Tax	174.55	273.18
a) Current Tax	55.74	116.55
b) Deferred Tax	2.67	(24.00)
Profit After Tax	116.14	180.63
Balance in Profit & Loss account brought forward	1349.56	1254.16
Dividend Proposed	-	70.81
Tax on Dividend proposed	-	14.42
Balance carried to Balance Sheet	1,465.70	1349.56

### 2. Company's Performance

During the year 2016-17, the company achieved revenue from operations of Rs 8946.65 Lakhs as against Rs.9350.93 Lakhs and Profit Before Tax of Rs 174.55 Lakhs for the year under review as against Rs 273.18 Lakhs during the previous year.

### 3. Change in Share Capitals

During the year, no shares have been issued.

### 4. Appropriation made from the profits

- a. Transfer to Reserves: Nil
- b. Dividend

Due to the reduced profit after tax and in view of the projected cash requirements in the coming year, the Directors do not propose equity dividend for the year 2016-17.

### 5. Fixed Deposit

The Company has not accepted any fixed deposits during the year under review.



6. **Material changes and commitments, if any**, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of report.

7. **Change in the Nature of Business, if any**

There was no change in the nature of business of the Company during the Financial Year 2016-17.

8. **Significant or Material Orders passed by Regulators / Courts / Tribunals**

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

9. **Board of Directors & it's Committees**

**a. Composition of the Board of Directors**

The present Board consists of Shri T Balakrishnan as Chairman, Shri Y H Malegam, Smts Pushya Sitaraman, Shri B Jyothikumar as directors. Shri P K Mayan Mohamed is the present Managing Director. Shri Ranjith Kuruvilla resigned from the Board during the year due to health reasons.

Shri Y H Malegam, Shri T Balakrishnan and Smt Pushya Sitaraman are the independent directors of the Company, The Company has also complied with Section 149(1) of the Companies Act regarding appointment of women director. Shri Ranjith Kuruvilla is appointed as Additional Director by the Board on 7-8-2017.

**b. Details of Directors & KMP**

Details of the same have been given in Corporate Governance Report.

**c. Declaration by Independent Directors**

The Company has received necessary declarations from the Independent Directors stating that they meet the criteria of independence as specified in Section 149(6) of the Companies Act.

**d. No of Meeting of Board of Directors**

The Board of Directors of the Company met 4 times during the financial year 2016-17 on 25<sup>th</sup> May 2016, 13<sup>th</sup> August, 2016, 7<sup>th</sup> November 2016 and 11<sup>th</sup> February 2017.

**e. Committees of the Board.**

The sub-committees of the Board comprises of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee.

**f. Performance Evaluation**

Pursuant to the provisions of Companies Act, 2013 the Board of Directors, has carried out an annual performance evaluation of its own, Sub Committees of Board and individual directors, based on the criteria laid down in the Nomination ,Remuneration and Evaluation Policy of the Company.

The performance evaluation of the Board was carried out on a questionnaire template on the basis of criteria such as flow of information to the Board, effective role played by the Board in decision making etc. The performance of evaluation of various Sub-Committees of the Board were carried out on the basis of criteria such as constitution of the subcommittees in accordance with the provisions of the Companies Act, 2013, effective functioning of the committees as per the terms of reference etc.



The performance of evaluation of individual Directors was carried out both by the Nomination and Remuneration Committee and the Board on the basis of criteria such as active participation in the Board deliberations, contributions made for adoption of better corporate governance practice by the Company etc.

A separate meeting of Independent Directors of the Company was held during the year under review, in which the members evaluated the performance of the Chairman on the basis of criteria such as giving guidance to the Board and ensuring the independence of the Board etc. The performance of the non-independent directors was also evaluated on the basis of their contribution to the Board deliberations.

The details of programme for familiarisation of independent directors of your company are available on your company's website [www.wipltd.in](http://www.wipltd.in)

**g. Directors Responsibility Statement**

In terms of the requirements of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, Board of Directors of the Company, hereby state and confirm that:

- i) In the preparation of the annual accounts, the applicable accounting Standards had been followed. Proper explanation relating to material departures, if any, is provided wherever applicable;
- ii) Such accounting policies were selected and applied consistently and had made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period;
- iii) Proper and sufficient care were taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts were prepared on a going concern basis
- v) The internal financial controls to be followed by the Company were laid down and such internal financial controls were adequate and were operating effectively; and
- vi) Proper systems to ensure compliance with the provisions of all applicable laws were devised and such systems were adequate and operating effectively.

**10. Audit Related Matters**

**a. Statutory Auditors**

The Auditors Report for the financial year 2016-17 does not contain any qualification, reservation or adverse remarks.

M/s Varma & Varma, Chartered Accountants (FRN 004532S) were appointed as statutory auditors till the conclusion of 72<sup>nd</sup> Annual General Meeting. The Directors propose appointment of M/s Sankar & Moorthy, Chartered Accountants (FRN No. 003575S), as Statutory Auditors of the Company subject to the approval of the shareholders in the forthcoming Annual General Meeting.

**Secretarial Auditors**

The Board of Directors, pursuant to the provisions of Section 204 of the Companies Act, 2013, appointed M/s. Gopimohan, Satheesan & Associates, Company Secretaries, Kochi, as the Secretarial Auditor of the Company, to carry out the Secretarial Audit for the Financial Year 2016-17.



### Secretarial Audit Report:

Secretarial Audit Report is attached as Annexure I

The Secretarial Auditors has confirmed that the company has complied with the provisions of applicable acts, rules etc. . The following observations were made

1. Updation of charges maintained by Ministry of Corporate Affairs.  
These relate to loans which were fully repaid more than 20 years ago. Most of the lenders are no longer in existence. It is presumed that all relevant forms were filed at the correct time. The audited Balance sheet does not show any such loan outstanding.
2. License from Pollution Control Board.  
The Company has already applied to the Pollution Control Board with relevant fees and the same is being processed by Pollution Control Board.
3. Extension of Preference Shares  
As regards filing of MGT-14 with ROC, the same was done on 05.08.2017.

## 11. Policy Matters

### a. Nomination, Remuneration and Evaluation Policy

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013 the Nomination and Remuneration Committee of the Company has formulated and recommended to the Board a policy containing the criteria for determining qualifications, positive attributes and independence of a director and the remuneration for the directors, Key Managerial Personnel and other employees ensuring that it covers the matters mentioned in Section 178(4) of the Act. Nomination Remuneration and Evaluation policy approved by the Board is given in Annexure 2 to this Report.

### b. Vigil Mechanism/Whistle Blower Policy

The Company has a Whistle Blower policy to enable its employees and Directors to report any genuine grievances, illegal or unethical behavior, suspected fraud or violation of laws, rules and regulations. The Whistle blower also has access to the Audit Committee Chairman.

The said policy has been amended in line with the provisions of Companies Act, 2013 and it provides for adequate protection to the whistle blower against victimization or discriminatory practices.

The vigil mechanism is available on your Company's website [www.wipltd.in](http://www.wipltd.in).

### c. Corporate Social Responsibility Policy

The Corporate Social Responsibility Rules, 2014 are not applicable to the Company for financial year 2016-17.

### d. Risk Management Policy

#### Risk Management

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans. The Board members are informed about the risk assessment and minimization procedures. The Board is responsible for framing, implementing and monitoring the risk management plan for the company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviours together govern the business of the Company and manage associated risks. Some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

## 12. Other Matters

### a. Internal Financial Controls

The Company had adequate internal financial controls in place with reference to the financial statements. During the year under review, the controls were evaluated and no significant weakness was identified in design or operations of the controls.

M/s Krishnamoorthy & Krishnamoorthy, Chartered Accountants, the Company's internal auditors have submitted report on the Control Systems, Procedures etc.

### b. Financial Position and Performance of Subsidiaries, Joint Ventures and Associates.

Pursuant to Section 136 of the Companies Act, 2013, the Companies are exempted from attaching the Audited Financial Statements and other particulars of its subsidiary companies along with the Annual Report of the Company. However, a statement containing salient features of the financial statement of the subsidiary companies in form AOC-1 is attached as part of the Directors' Report-**Annexure 3**. The full text of the audited financial of subsidiary Companies are available on the Company's website [www.wipltd.in](http://www.wipltd.in)

### c. Any revision made in the financial statements or Boards Report

The Company has not revised the Financial Statements or Board's Report in respect of any of the three preceding financial years.

### d. Employee Stock Option

The Company does not have a Employee stock option Scheme.

### e. Code of Conduct

Declaration signed by the Managing Director affirming compliance with the Code of Conduct by the Directors and Senior Management of the Company for the Financial Year 2016-17 forms part of the Corporate Governance Report

### f. Extract of Annual Return

Extract of the Annual Return in Form No. MGT -9 forms part of the Board's Report and is annexed herewith as **Annexure 4**

### g. Management Discussion and Analysis Report

As per the Listing regulations, a detailed review of the developments in the industry, performance of the Company, opportunities and risks, internal control systems, outlook etc. of the Company is given under the head Management Discussion and Analysis Report, which forms part of this Annual Report.

### h. Particulars of Loans, Guarantees and investments

During the year no loans, guarantees and investments were made.

### i. Related Party Transactions

All Related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially related party transactions made by the Company with Directors, Key Managerial Personnel who may have a potential conflict with the interest of the Company at large.

Where related party transactions took place they were placed before the Audit Committee and also to the Board for Approval. Since all related party transactions entered into by the Company were in the ordinary course of business and on arms length basis, Form AOC-2 is not applicable to the Company.

The policy on related party transactions as approved by the Audit Committee and the Board is available on the Company's website [www.wipltd.in](http://www.wipltd.in).



**j. Listing of shares**

The equity shares of the Company are listed with National Stock Exchange of India Ltd, Mumbai with effect from 07.04.2017.

**k. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is furnished in **Annexure 5** and forms part of this Report.

**l. Remuneration Details of Directors, Key Managerial Personnel and Employees**

None of the directors, Key Managerial Personnel and other employees is in receipt of remuneration exceeding the limits prescribed under Sections 134 and 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended.

**m. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The Company is committed in providing and promoting a safe and healthy work environment for all its employees. It has zero tolerance towards sexual harassment at the workplace and has adopted a policy for 'Prevention and Redressal of Sexual Harassment at the Workplace' in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under for prevention and redressal of complaints of sexual harassment at work place along with a structured reporting and redressal mechanism. The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action. The policy has been circulated among the employees of the Company and the same is exhibited in the notice Board of the Company. During the year under review, the Company has not received any complaint of sexual harassment.

**13. Acknowledgement**

The Board wishes to place on record its sincere appreciation to the Company's customers, vendors, central and state government bodies, auditors, registrar, bankers and KSIDC for their continued support to the Company during the year under review. The Directors also wish to place on record their appreciation for the dedicated efforts of the employees at all levels. Finally, the Board expresses its gratitude to the members for their continued trust, co-operation and support.

For and on behalf of the Board of Directors

Sd/-

**Shri T. Balakrishnan**

Chairman

Place: Trivandrum

Date : 07-08-2017

## ANNEXURE-1

### SECRETARIAL AUDIT REPORT

**For the Financial Year ended on 31<sup>st</sup> March 2017**

(Pursuant to section 204(1) of the Companies Act, 2013 and the Rules made there under)

To

The Members

**WESTERN INDIA PLYWOODS LIMITED**

MILL ROAD BALIAPATAM CANNANORE, KERALA- 670010, INDIA

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WESTERN INDIA PLYWOODS LIMITED, bearing CIN: L20211KL1945PLC001708** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The equity shares of the Company was listed in Cochin Stock Exchange and Madras Stock Exchange, which were not carrying out any trading activities for the last several years and are practically non-operational and therefore, our audit has not covered the Compliance or otherwise of the Securities Exchange Board of India Act, 1992 ('SEBI') and allied Rules, Regulations, Circulars and Directions issued by SEBI.

However the equity shares of the Company has been listed on the National Stock Exchange of India Limited with effect from 07.04.2017. and consequently the Securities and Exchange Board of India Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 are applicable from the Financial Year 2017-18 onwards and does not apply to the period under report.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of The Companies Act, 2013 (herein after called "The Act") and the rules made thereunder and other laws applicable to the Company.

1. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc mentioned above subject to the following observations:
  - (i) The Register of Charges, as maintained by the Company and also evidenced in the website of the Ministry of Corporate Affairs requires updating as returns/forms relating to many of the charges satisfied and not appearing in the Balance Sheet for years together are yet to be filed by the Company.
  - (ii) The preference shares outstanding as at 31/03/2017 were redeemable on 30<sup>th</sup> January , 2017 and carried cumulative dividend @ 6% up to that date. Based on the request from the Preference Shareholders, Vigfin Holdings Private Limited (beneficially holding 100% of the Preference Share capital), the redemption of the said preference shares is extended up to 31<sup>st</sup> January , 2018 with cumulative dividend @ 8%. However the e-form MGT-14 pursuant to Section 117(1) of the Companies Act ,2013 has been filed with the Registrar of Companies only on 05.08.2017, even though the Board of Directors of the Company had duly approved the said proposal at its 411<sup>th</sup> meeting held on 07/11/2016 .
2. In respect of the compliance with the Foreign Exchange Management Act, 1999 and the rules and regulations made there under the Company has complied with the provisions laid down therein.
3. In respect of other laws including Acts relating to employees and labour regulations, welfare and connected activities, specifically applicable to the Company, we have relied on information/ records /compliance checklists duly certified and produced by the Company during the course of our audit and the reporting is limited to that extent. However the following may be taken note of:



- i . The company has applied for renewal of the licence granted to them by the Kerala State Pollution Control Board which is pending with the authorities.

Since the Company has engaged Statutory Auditors and Internal Auditors for the period under review, we are not reporting on the areas exclusive to them like Compliance under the Direct Tax Laws and Indirect tax Laws.

**We further report that:**

The following Rules issued under the Companies Act, 2013 are not applicable to the Company during the financial year 2016-17:

1. Companies (Prospectus and Allotment of Securities) Rules, 2014 as the Company has not issued any shares or other securities.
2. Companies (Issue of Global Depository Receipts) Rules, 2014 as the Company has not issued any Global Depository Receipts.
3. Companies (Share Capital and Debentures) Rules, 2014 except the transfer of shares.
4. Companies (Acceptance of Deposits) Rules, 2014 as the Company has not accepted any public deposits.
5. Companies (Corporate Social Responsibility Policy) Rules, 2014.
6. Companies (Inspection, investigation and inquiry) Rules, 2014 as no inspection or investigation were ordered on the affairs of the Company.

The Company has complied with the following Rules, issued under the Companies Act, 2013:

1. Companies (Registration of Charges) Rules, 2014.
2. Companies (Management and Administration) Rules, 2014.
3. Companies (Accounts) Rules, 2014.
4. Companies (Declaration and Payment of Dividend) Rules, 2014.
5. Companies (Audit and Auditors) Rules, 2014
6. Companies (Appointment and Qualification of Directors) Rules, 2014
7. Companies (Meeting of Board and its Powers) Rules, 2014.
8. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and general meetings.

**Subject to the above, we report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All the decisions taken at the Board Meetings were properly captured and recorded in the minutes.
3. We further report that there is scope for improving the systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
4. During the year under review Shri. Ranjit Kuruvilla has resigned from the Board with effect from 10/02/2017 and the Company has complied with the requirements of the Companies Act relating to the cessation. Also the Company has complied with the requirements of the Companies Act, 2013 in the event of Shri.B.Jyotikumar being nominated by KSIDC in place of Shri.M R Karmachandran on the Board.

Place: Ernakulam  
Date: 05.08.2017

**Sandeep Kumar.S**  
CP No: 9450, FCS No: 8348  
Partner, Gopimohan Satheeshan & Associates

## ANNEXURE-2

### NOMINATION AND REMUNERATION POLICY FOR THE MEMBERS OF BOARD AND EXECUTIVE MANAGEMENT

#### 1. Preamble

- 1.1 The Remuneration Policy of THE WESTERN INDIA PLYWOODS LIMITED (the “Company”) is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and teamwork, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company’s objectives for good corporate governance as well as sustained long-term value creation for shareholders.
- 1.2 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors (“Board”), Key Managerial Personnel (“KMP”) and the Senior Management Personnel (“SMP”) of the Company (collectively referred to as “Executives”).

#### 2. Definitions

- 2.1 Key Managerial Personnel: Key Managerial Personnel means—
  - (i) Chief Executive Officer or the managing director or the manager;
  - (ii) Company Secretary,
  - (iii) Whole-time Director;
  - (iv) Chief Financial Officer; and
  - (v) Such other officer as may be prescribed under the Companies Act, 2013
- 2.2 Senior Management : The expression “senior management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

#### 3. Objectives

- 3.1 The main objective of this Policy is constitution of the Nomination and Remuneration Committee and align its functions in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules.
- 3.2 The Key Objectives of the Committee would be:
  - 3.2.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
  - 3.2.2 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
  - 3.2.3 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 3.3 Key Objectives of the Policy would be
  - 3.3.1 The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and Executive level.
  - 3.3.2 The remuneration policy seeks to enable the company to provide a balanced and performance-related compensation package, taking into account interests of shareholders, industry standards and relevant Indian corporate regulations.



- 3.3.3 The remuneration policy will ensure that the interests of Board members and Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the “pay-for-performance” principle.
- 3.3.4 The remuneration policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### **4. Principles of remuneration**

- 4.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be designed in a manner that is consistent with, supports and reinforces the achievement of the Company’s vision and strategy.
- 4.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- 4.3 Internal equity: The Company shall remunerate the board members and the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative status in relation to other positions within the Company.
- 4.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people and the influence of external remuneration pressures.
- 4.5 Flexibility: Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.
- 4.6 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

#### **5. Nomination and Remuneration Committee**

- 5.1 The Remuneration Committee of the Board of Directors shall be re-named as Nomination and Remuneration Committee. Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.
- 5.2 The Committee shall be responsible for
- 5.2.1 Formulating framework and/or policy for remuneration, terms of employment including service contracts, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;
  - 5.2.2 Formulating criteria for evaluation of Independent Directors and the Board.
  - 5.2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Director.
  - 5.2.3 Identifying persons who are qualified to become directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.
  - 5.2.4 Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

**5.3 The Committee shall:**

- 5.3.1 Review the ongoing appropriateness and relevance of the remuneration policy;
- 5.3.2 Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
- 5.3.3 Obtain reliable, up-to-date information about remuneration in other companies;
- 5.3.4 Ensure that no director or Executive is involved in any decisions as to their own remuneration.

**6. Selection and appointment of the Board Members**

The Committee shall follow the criteria for membership in the Board

- 6.1 The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required for the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's operations.
- 6.2 In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics and social perspective, educational and professional background and personal achievements.
- 6.3 In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- 6.4 The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

**7. Procedure for selection and appointment of Executives other than Board Members**

- 7.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;
- 7.2 The Committee may conduct a wide-ranging search for candidates for the positions of Employees within the Company, and on the human resources market;
- 7.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;
- 7.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of the Employees;
- 7.5 Before the selection of Employee, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Management Committee and Board of Directors;
- 7.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

**8. Compensation Structure**

**8.1 Remuneration to Non-Executive Directors:**

- 8.1.1 The Non-executive Directors of the company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committee. The sitting fees paid to the Non-executive Directors for attending meetings of Board of Directors and for attending the Committees thereof will be fixed by the Board from time to time within the limits prescribed under the Companies Act, 2013. Beside the sitting fees they are also entitled to reimbursement of expenses. The Non-executive Directors of the Company are not paid any other remuneration.



- 8.1.2 The sitting fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified or implemented from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.
- 8.2 Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) and Senior Management Personnel (s) (SMPs):
- 8.2.1 The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs, KMPs and SMPs are subjected to the approval of the Board of Directors in due compliance of the provisions of Companies Act, 2013. The remuneration for the KMP and the SMP at the time of the appointment and revision has to be approved by the Board but subsequent annual increments shall be approved by the Managing Director of the Company as per the HR policy of the Company.
- 8.2.2 Remuneration packages for Whole Time Directors are designed subject to the limits laid down under the Companies Act, 2013 to remunerate them fairly and responsibly. The remuneration of MD/WTDs, KMPs and SMPs comprises of salary, bonus, perquisites and also retirement benefits like P.F., Gratuity, etc as per Rules of the Company.
- 8.2.3 Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance - oriented environment and reward achievement of meaningful targets over the short and long -term.
- 8.3 As a policy, the Executive Directors are not paid sitting fee.

## **9. Approval and publication**

- 9.1 This remuneration policy as recommended by the Committee and approved by the Board is hosted on the Company's website.
- 9.3 The policy shall form part of Director's report to be issued by the Board of Directors in terms of Companies Act, 2013

### ANNEXURE-3

#### FORM AOC-1

(Pursuant to first Proviso to sub section (3) of Section 129 read with Rule 5 of Companies( Accounts) Rules, 2014

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

#### PART A: SUBSIDIARIES

(Information in respect of each subsidiary to be presented with Amount in Rs in Lakhs)

Sl.No	Particulars	Name of the subsidiary			
		The Kohinoor Saw Mills Co Ltd	Southern Veneers & Woodworks Ltd.	ERA & WIP Timber JV SDN BHD	Mayabandar Doors Ltd
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A	N.A	N.A
2	Reporting currency and Exchange Rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A	N.A	MYR MYR = 13.65	N.A
3	Share Capital	5.00	50.00	392.25	631.75
4	Reserves & Surplus	(13.54)	(0.10)	4.44	(483.21)
5	Total Assets	1.15	52.06	529.11	297.62
6	Total Liabilities	1.15	52.06	529.11	297.62
7	Investments	-	-	-	-
8	Turnover	-	4.53	653.06	377.76
9	Profit before Taxation	0.29	(16.90)	(16.17)	(91.71)
10	Provision for Taxation	0.01	0.00	3.11	-
11	Profit after Taxation	0.28	(16.90)	(19.28)	(91.71)
12	Proposed Dividend	-	-	-	-
13	% of Shareholding	90.82%	100%	65.87%	88.68%

#### PART B: ASSOCIATES / JOINT VENTURE

Not applicable



**ANNEXURE-4**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2017**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L20211KL1945PLC001708
2	Registration Date	15.01.1945
3	Name of the Company	THE WESTERN INDIA PLYWOODS LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares
5	Address of the Registered office & contact details	Mill road, Baliapatam, Kannur- 670010, Kerala Ph: 0497-2778151, Fax: 0497-2778181 E-mail: westernply@gmail.com Website: www.wipltd.in
6	Whether listed company	Yes, National Stock Exchange
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	The dematting and physical transfers of shares of the Company are carried out by: M/s Cameo Corporate Services Ltd. "Subramanian Building", No. 1, Club House Road Chennai- 600002 Tel: 044-28460390, Telefax: 044-28460129 E-mail: murali@cameoindia.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
1	Hardboard	20213	57.24
2	Plywood	20211	15.37
3	Densified Wood	20213	16.29

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	Kohinoor Saw Mills Co. Ltd. Mill Road, Baliapatam, Cannanore, Kerala, India, 670010	U02002KL1923 PLC001503	Subsidiary	90.82%	Section 2(87) (ii) of the Companies Act 2013
2	Mayabandar Doors Limited, Building situated in Survey No. 92/3,96,97, Bannur Road, Bhugathagally, Mysore, Karnataka, 570010	U20101KA1983 PLC070571	Subsidiary	88.68%	Section 2(87)(ii) of the Companies Act 2013
3	ERA&WIP Timber JV SDN BHD, 8-4-13A, Sunny Point Complex, Jalan Batu Uban, 11700, Penang	Regn. No: 769295-W	Subsidiary	65.87%	Section 2(87)(ii) of the Companies Act 2013
4	Southern Veneers and Wood Works Limited Venus Corner, Chettamcoon Road, Koduvally, Kerala, India, 670101	U85110KL1970 PLC026165	Subsidiary	100.00%	Section 2(87)(ii) of the Companies Act 2013

#### IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

##### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	922020	2593880	3,515,900	41.43%	1414150	2155010	3,569,160	42.05%	1.51%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.			-	0.00%			-	0.00%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	922,020	2,593,880	3,515,900	41.43%	1,414,150	2,155,010	3,569,160	42.05%	1.51%
<b>(2) Foreign</b>									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	922,020	2,593,880	3,515,900	41.43%	1,414,150	2,155,010	3,569,160	42.05%	1.51%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%			-	0.00%	0.00%
b) Banks / FI				0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%	4570		4,570	0.05%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies	877,320	152,810	1,030,130	12.14%	877,320	152,810	1,030,130	12.14%	0.00%
g) FIIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>877,320</b>	<b>152,810</b>	<b>1,030,130</b>	<b>12.14%</b>	<b>881,890</b>	<b>152,810</b>	<b>1,034,700</b>	<b>12.19%</b>	<b>0.44%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	8700	89,050	97,750	1.15%	58995	89050	148,045	1.74%	51.45%
ii) Overseas			-	0.00%			-	0.00%	0.00%



b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	429458	868600	1,298,058	15.29%	415133	881560	1,296,693	15.28%	-0.11%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	422290	374320	796,610	9.39%	403510	374320	777,830	9.16%	-2.36%
c) Others (specify)	0	1654130	1,654,130	19.49%	0	1564340	1,564,340	18.43%	-5.43%
Non Resident Indians	4295	0	4,295	0.05%	7975	0	7,975	0.09%	85.68%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Hindu undivided families	85877	4590	90,467	1.07%	84007	4590	88,597	1.04%	-2.07%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>950,620</b>	<b>2,990,690</b>	<b>3,941,310</b>	<b>46.44%</b>	<b>969,620</b>	<b>2,913,860</b>	<b>3,883,480</b>	<b>45.76%</b>	<b>-1.47%</b>
<b>Total Public (B)</b>	<b>1,827,940</b>	<b>3,143,500</b>	<b>4,971,440</b>	<b>58.57%</b>	<b>1,851,510</b>	<b>3,066,670</b>	<b>4,918,180</b>	<b>57.95%</b>	<b>-1.07%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00%				0.00%	0.00%
<b>Grand Total (A + B + C)</b>	<b>2,749,960</b>	<b>5,737,380</b>	<b>8,487,340</b>	<b>100.00%</b>	<b>3,265,660</b>	<b>5,221,680</b>	<b>8,487,340</b>	<b>100.00%</b>	<b>0.00%</b>

**(ii) Shareholding of Promoter Group**

S No	Shareholder's Name	Shareholding at the beginning of the year 31.03.2016			Shareholding at the end of the year 31.03.2017			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of shares Pledged/ encumbe-red to total shares	No. Shares	% of total Shares of the company	% of shares Pledged / encumbe-red to total shares	
1	ADAIKALAVAN RAMANATHAN	8500	0.10%		8,500	0.10%		0.00%
2	AHAMED KUTTY PK	105496	1.24%		105,496	1.24%		0.00%
3	AHAMEDKUTTY P K M	27310	0.32%		27,310	0.32%		0.00%
4	ALEY INDIRA KURIVILLA	67530	0.80%		67,530	0.80%		0.00%
5	AMINA K M	45212	0.53%		45,212	0.53%		0.00%
6	AMINA P K	31220	0.37%		31,220	0.37%		0.00%
7	ASIF MOHAMED P K	86120	1.01%		86,120	1.01%		0.00%
8	AYISHA P K M	26460	0.31%		26,460	0.31%		0.00%
9	AYSHA P K	52748	0.62%		52,748	0.62%		0.00%
10	AYSHA TANYA	2500	0.03%		2,500	0.03%		0.00%
11	DIVYA ANJALI RAMANATHAN	24960	0.29%		24,960	0.29%		0.00%
12	FAIZAL P K	43470	0.51%		43,470	0.51%		0.00%
13	FATHIMA MUBEENA HASHIM	630	0.01%		630	0.01%		0.00%
14	HARIS P K	309140	3.64%		309,140	3.64%		0.00%
15	JAMEELA P K	303320	3.57%		303,320	3.57%		0.00%

16	JEYALAKSHMI RAMANATHAN	110950	1.31%		110,950	1.31%		0.00%
17	KADEEJA P K	52748	0.62%		52,748	0.62%		0.00%
18	KADER KUTTY P K	105496	1.24%		105,496	1.24%		0.00%
19	KADERKUTTY P K M	27060	0.32%		27,060	0.32%		0.00%
20	KHADEEJA P K M	26580	0.31%		26,580	0.31%		0.00%
21	KURUVILLA A	13,500	0.16%		13,500	0.16%		0.00%
22	KURUVILLA E J	7,900	0.09%		7,900	0.09%		0.00%
23	LIZA MAYAN MOHAMED	43,110	0.51%		43,110	0.51%		0.00%
24	MARIAM MOHAMED P K	106860	1.26%		106,860	1.26%		0.00%
25	MAYAN MOHAMED P K	84,350	0.99%	65650	92610	1.09%	65650	9.79%
26	MEHABOOB MOHAMED P K	64,820	0.76%		64,820	0.76%		0.00%
27	MOHAMED P K	315740	3.72%	284110	315,740	3.72%	284110	0.00%
28	MUBEENA SHARIFF	2500	0.03%		2,500	0.03%		0.00%
29	NASREEN P K	52140	0.61%		52,140	0.61%		0.00%
30	NIDHYA RAJESWARI GUHAN	22690	0.27%		22,690	0.27%		0.00%
31	PRADEEP KURUVILLA E	9,050	0.11%		9,050	0.11%		0.00%
32	PRAKASH KURUVILLA E	34,900	0.41%		34,900	0.41%		0.00%
33	PUTHIYA KOTTAL HASHIM	266140	3.14%		266,140	3.14%		0.00%
34	R.MUTHATHA	57500	0.68%		57,500	0.68%		0.00%
35	RAFIA P K	323,420	3.81%		323,420	3.81%		0.00%
36	RAMANATHAN RAMASWAMY	31630	0.37%		31,630	0.37%		0.00%
37	RANJITH KURUVILLA E	157,910	1.86%		202,910	2.39%		28.50%
38	RAZIA P K	37530	0.44%		37,530	0.44%		0.00%
39	SADIA ZULEKHA HASHIM	5390	0.06%		5,390	0.06%		0.00%
40	SALIM P K	25170	0.30%		25,170	0.30%		0.00%
41	SAQUIB MOHAMED P K	60,370	0.71%		60,370	0.71%		0.00%
42	SAYEEDA P K	35710	0.42%		35,710	0.42%		0.00%
43	SEETHA SUBRAMANIAN	45040	0.53%		45,040	0.53%		0.00%
44	SHAMEEM P K	40090	0.47%		40,090	0.47%		0.00%
45	SHEREEN SALIM	2500	0.03%		2,500	0.03%		0.00%
46	THEIVANAI RATHNA RAMANATHAN	26120	0.31%		26,120	0.31%		0.00%
47	UMAIBAN	5500	0.06%		5,500	0.06%		0.00%
48	VALLI MUTHURAMAN	57500	0.68%		57,500	0.68%		0.00%
49	VELLACHI RAMANATHAN	51050	0.60%		51,050	0.60%		0.00%
50	VIJAYA BHASKAR MENON	16510	0.19%		16,510	0.19%		0.00%
51	VISALAKSHI RAMANTHAN	53630	0.63%		53,630	0.63%		0.00%
52	ZAIN MOHAMED MEHABOOB	2180	0.03%		2,180	0.03%		0.00%
	<b>TOTAL</b>	<b>3,515,900</b>	<b>41.43%</b>	<b>349,760</b>	<b>3,569,160</b>	<b>42.05%</b>	<b>349,760</b>	<b>1.51%</b>



**(iii) Change in Promoters' Shareholding (Please specify, if there is no change)**

S No	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	<b>MAYAN MOHAMED P K</b>				
	At the beginning of the year	84,350	0.99%	84,350	0.99%
	Add: Purchase during the year	8,260	0.10%	92,610	1.09%
	At the end of the year	-	0.00%	92,610	1.09%
	<b>RANJIT KURUVILLA E</b>				
	At the beginning of the year	157,910	1.86%	157,910	1.86%
	Add: Purchase during the year	45,000	0.53%	202,910	2.39%
	At the end of the year	-	0.00%	202,910	2.39%

**(iv) Shareholding Pattern of top ten Shareholders**
*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

S No	Name of Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	LIFE INSURANCE CORPORATION OF INDIA	916860	10.80%	916,860	10.80%
2	SHABIR SHARIF	45,000	0.53%	45,000	0.53%
3	MOHAMED NIZAR P M	105000	1.24%	105,000	1.24%
4	NATIONAL INSURANCE COMPANY LTD	71970	0.85%	71,970	0.85%
5	UMAYAL.R.	69400	0.82%	69,400	0.82%
6	JITENDRA MANSUKHLAL PAREKH	66500	0.78%	66,500	0.78%
7	JALEEL M.C.M	66000	0.78%	66,000	0.78%
8	ABDULLA K.U	50000	0.59%	50,000	0.59%
9	SHAMEEM ABDULLA B K	50000	0.59%	50,000	0.59%
10	SHABIR SHARIF	45,000	0.53%	45,000	0.53%

**(v) Shareholding of Directors and Key Managerial Personnel:**

S No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	P K Mayan Mohamed	84,350	0.99%	92,610	1.09%
2	T Balakrishnan	-	0.00%	-	0.00%
3	Y H Malegam	3,140	0.04%	3,140	0.04%
4	Pushya Sitaraman	0	0.00%	0	0.00%
5	M R Karmachandran		0.00%		0.00%
6	Ranjith Kuruvilla	1,57,910	1.86%	2,02,910	2.39%
7	Jyothikumar	0	0.00%	0	0.00%
8	R Balakrishnan	0	0.00%	-	0.00%
9	Sathyakrishnan B	0	0.00%	-	0.00%

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	307,770,576.00	1,445,905.00		309,216,481.00
ii) Interest accrued and due	-			-
iii) Interest accrued but not due	100,276.00	-		100,276.00
<b>Total (i + ii + iii)</b>	<b>307,870,852.00</b>	<b>1,445,905.00</b>	<b>-</b>	<b>309,316,757.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	14,017.00		14,017.00
* Reduction	3,841,104.00			3,841,104.00
<b>Net Change</b>	<b>3,841,104.00</b>	<b>14,017.00</b>	<b>-</b>	<b>3,855,121.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	303,910,482.00	1,459,922.00		305,370,404.00
ii) Interest accrued and due		-		-
iii) Interest accrued but not due	119,266.00		-	119,266.00
<b>Total (i + ii + iii)</b>	<b>304,029,748.00</b>	<b>1,459,922.00</b>	<b>-</b>	<b>305,489,670.00</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S No	Particulars of Remuneration  Name Designation	Name of MD/WTD/ Manager P K MAYAN MOHAMED Managing Director	Total Amount (Rs)
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	3,600,000 67,538	3,600,000 67,538 -
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as 1% of profit - others, specify	216,734	- 216,734 -
5	Others, Provident Fund Total (A) Ceiling as per the Act	288,000 4,172,272	288,000 4,172,272



**B. Remuneration to other Directors**

S No	Particulars of Remuneration	Name of Directors						Total Amount (Rs.)
		Y H MALEGAM	E RANJITH KURUVILA	MR KARMA-CHANDRAN	T BALAKRISHNAN	PUSHYA SITHARAMAN	JYOTHI KUMAR	
1	Independent Directors Fee for attending board/committee meetings Commission Others, please specify	45,000	-		60,000	20,000		125,000 - -
	Total (1)	45,000	-	-	60,000	20,000	-	125,000
2	Other Non-Executive Directors Fee for attending board/committee meetings Commission Others, please specify			30,000			10,000	40,000 - - -
	Total (2)	-	-	30,000	-	-	10,000	40,000
	Total (B) = (1 + 2)	45,000	-	30,000	60,000	20,000	10,000	165,000
	Total Managerial Remuneration							4,337,272

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTG**

SN.	Particulars of Remuneration	Name Designation	Name of Key Managerial Personnel		Total Amount (Rs/Lac)
			R.Balakrishnan Company Secretary	Sathyakrishnan.B Chief Financial Officer	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		6.77	6.17	12.94
			-		-
2	Stock Option				-
3	Sweat Equity				-
4	Commission - as % of profit - others, specify				- -
5	Others, please specify				-
	Total		6.77	6.17	12.94

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description		Details of Penalty / Punishment/ Compounding fees imposed		Authority [RD / NCLT/ COURT]		Appeal made, if any (give Details)
<b>A. COMPANY</b>								
Penalty	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>								
Penalty	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>								
Penalty	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

## ANNEXURE-5

### (A) CONSERVATION OF ENERGY

- a. Energy conservation measures taken:
  - 1) Monitoring and controlling of operation of higher HP Defibrator No. 2 to reduce power consumption (Implemented).
  - 2) Connecting under loaded pump motors in star to increase the efficiency of pump (Pumps are identified and work is in progress).
  - 3) Improved power factor by replacing faulty capacitors (Implemented).
- b) Additional investments/ proposals being implemented for reduction of Consumption of energy: Constituted Energy Audit Cell has started functioning by carrying out electrical energy audit in various plants.

### (B) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

#### Efforts made in brief towards technology absorption, adaptation & innovation.

- Installed and commissioned a sophisticated equipment, Cone Calorimeter in R&D unit for the evaluation of fire resistant properties of Compreg.
- Recycled fibers from sludge residues of BNPM, TNPL and HNL were used for Fiberboard manufacture.
- Developed Low Density Fiberboard (Softboard) using hardwood pulp.
- Studied the use of Arecanut (Areca Catechu) leaf sheaths for partial replacement of wood veneers for the making of plywood.

#### Benefits derived as a result of the above efforts.

- Quality improvement of Densified wood products.
- The company has made much progress in using industrial residues of cellulose-based units by successfully replacing wood pulp with ETP sludge residues of BNPM and also screening waste of TNPL. Efforts are also on to make use of de-inking waste from paper mills.
- A new product, Softboard has been added successfully to the product list of the company.
- Cost reduction by the use of low cost, non-wood raw materials.

### R&D HIGHLIGHTS FOR 2016-2017

1. **Specific areas in R&D carried out by the company:** Wood preservation, Development of Wood-based panel products, Synthetic adhesives and waste management.
2. **Benefits derived as a result of the above R&D addition:** New product development, Cost reduction and recognition of excellence relating to wood panel products and recycling.
3. **Future plan of action:**  
To undertake new research projects on:
  - a) Developing Bamboo mat overlaid hardboard and veneered hardboard.
  - b) Finding new methods of recycling the saw dust and boiler ash generated from the manufacturing units.
  - c) Developing Densified Wood products with enhanced fire retardant properties.
  - d) Developing Flexi-ply using wood veneer and non-wood lignocellulosic materials.
  - e) Using Coir needle felt mats along with wood veneers to obtain a composite panel.



**Expenditure on R & D:**

a) Capital	:	Nil
b) Recurring (Salaries)	:	18.16 Lakhs
c) Others	:	2.36 Lakhs
d) Total R & D	:	20.52 Lakhs
e) % of Total Turnover	:	0.23%

**ISO CERTIFICATION**

The Certification for ISO 9001-2008 was done by M/s Bureau Veritas Certification (I) private Ltd and the certificate for manufacturing and sales of Hardboard, Wiplac, pre-finished Boards, Plywood, Blockboard, Flush Doors, Densified Wood products and pre-compressed Press Boards is valid up to October, 2017

**FOREIGN EXCHANGE EARNINGS AND OUTGO: (Rs in Lakhs)**

	<b>2016-17</b>	<b>2015-16</b>
Foreign Exchange Earned-FOB	1184.46	1345.15
Expenditure in Foreign Exchange		
Raw Materials	684.62	771.52
Spares	25.87	10.26
Commission	13.92	10.57
Other Matters	5.43	2.45

**(Details pursuant to Provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

Relevant Clause u/r 5(1)	Prescribed Requirement	Particulars								
(1)	Ratio of the remuneration of Managing Director to the median remuneration of the employee of the company for the Financial year.	<table><tr><th><u>Name</u></th><th><u>Ratio to Median</u></th></tr><tr><td>Shri P K Mayan Mohamed</td><td>18.28</td></tr></table>	<u>Name</u>	<u>Ratio to Median</u>	Shri P K Mayan Mohamed	18.28				
<u>Name</u>	<u>Ratio to Median</u>									
Shri P K Mayan Mohamed	18.28									
(2)	Percentage increase in remuneration of each Director, Chief Financial officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial year	<table><tr><th><u>Name</u></th><th><u>% increase in the CTC</u></th></tr><tr><td>Shri P K Mayan Mohamed</td><td>-3 %</td></tr><tr><td>Shri R Balakrishnan (CS)</td><td>1 %</td></tr><tr><td>Shri Sathyakrishnan B (CFO)</td><td>1 %</td></tr></table>	<u>Name</u>	<u>% increase in the CTC</u>	Shri P K Mayan Mohamed	-3 %	Shri R Balakrishnan (CS)	1 %	Shri Sathyakrishnan B (CFO)	1 %
<u>Name</u>	<u>% increase in the CTC</u>									
Shri P K Mayan Mohamed	-3 %									
Shri R Balakrishnan (CS)	1 %									
Shri Sathyakrishnan B (CFO)	1 %									
(3)	Percentage increase in the median remuneration of employees in the Financial year.	31 %								
(4)	Number of permanent employees on the rolls of the Company	310 in FY 2016-17 (360 in FY 2015-16)								
(5)	Explanation on the relationship between average increase in remuneration and Company performance	The average annual increase based on individual performance was 10%. The percentage of annual increase is based on the company performance.								

(6)	Comparison of the remuneration of the key managerial personnel (KMP) against the performance of the Company	<table><tr><th>Particulars</th><th>Amount &amp; percentage</th></tr><tr><td>Total amount of remuneration of KMP</td><td>54.66 Lakhs</td></tr><tr><td>Revenue for the Financial year 2016-17</td><td>8105 Lakhs</td></tr><tr><td>Remuneration of KMP as % of revenue</td><td>0.67%</td></tr><tr><td>Profit Before Tax for the financial year 2016-17</td><td>174.55 Lakhs</td></tr><tr><td>Remuneration of KMP as a % of profit before tax</td><td>31.31%</td></tr></table>						Particulars	Amount & percentage	Total amount of remuneration of KMP	54.66 Lakhs	Revenue for the Financial year 2016-17	8105 Lakhs	Remuneration of KMP as % of revenue	0.67%	Profit Before Tax for the financial year 2016-17	174.55 Lakhs	Remuneration of KMP as a % of profit before tax	31.31%
Particulars	Amount & percentage																		
Total amount of remuneration of KMP	54.66 Lakhs																		
Revenue for the Financial year 2016-17	8105 Lakhs																		
Remuneration of KMP as % of revenue	0.67%																		
Profit Before Tax for the financial year 2016-17	174.55 Lakhs																		
Remuneration of KMP as a % of profit before tax	31.31%																		
(7)	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public officer.	N.A The Shares of the Company were listed on National Stock Exchange on 07.04.2017																	
(8)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentage increase made in the salary of employees other than the managerial personnel in the financial year was 15.34%																	
(9)	Comparison of the each remuneration of the key managerial personnel against the performance of the company.	Name of Director	Remuneration FY 2016-17 (Rs in Lakhs)	Revenue in FY 2016-17 (Rs in Lakhs)	% to Revenue	PBT (Rs in Lakhs)	% to PBT												
		P K Mayan Mohamed (MD)	41.72	8105.25	0.51%	174.55	23.90%												
		R Balakrishnan (CS)	6.77	8105.25	0.08%	174.55	3.88%												
		Sathyakrishnan B (CFO)	6.17	8105.25	0.08%	174.55	3.53%												
(10)	Key parameters for any variable component of remuneration availed by the directors.	Variable pay to the Directors is linked to the financial performance of the company.																	
(11)	Ratio of the remuneration of the highest paid Director to that of the employees who are not Directors, but receive remuneration in excess of the highest paid Director during the year.	No employee has received remuneration in excess of the highest paid Director during the year under review.																	
(12)	Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration is as per the Nomination remuneration and Evaluation policy for the Directors, key managerial personnel and other employees of the company. Formulated pursuant to the provisions of section 178 of the companies Act, 2013																	

## REPORT ON CORPORATE GOVERNANCE

The Board of Directors present the Report on the compliance of Corporate Governance for the financial year ended 31.03.2017

### CORPORATE GOVERNANCE PHILOSOPHY

As an ISO 9001-2008 unit engaged in manufacture and sale of a range of wood products, the Company assures product quality and accountability and integrity in its operation and also in its relation with shareholders, customers, employees, Government and other business associates.

The Company strives towards ensuring transparency and professionalism in all decisions and spheres of operation, achieving excellence in Corporate Governance by conforming to the prevalent mandatory guidelines on Corporate Governance.

### BOARD OF DIRECTORS

#### Composition:

The Board comprises of eminent persons with considerable professional experience in various fields. The Details of Board Composition as on 31.03.2017 are appended below.

Name & Position of the Director	Category	No of Shares held in WIP	Attendance at		Directorships & Chairmanship/ Membership in Board Committees in Listed Companies including WIP as on 31.03.2017		
			Board Meeting	Last AGM	Director	Committee Member	Committee Chairman
Shri T Balakrishnan Chairman	Non-Executive Independent	-	4	Yes	1	1	1
Shri Y H Malegam Director	Non-Executive Independent	3140	3	-	3	3	2
Smt Pushya Sitaraman Director	Non-Executive Independent	-	2	-	1	1	1
Shri Jyothi Kumar B Nominee Director	Nominee KSIDC(Lender)	-	1	-	1	-	-
Shri P K Mayan Mohamed Managing Director	Promoter, Executive	92610	4	Yes	1	1	-

### Familiarisation programme

The Company has fully recognized the need of keeping the Directors especially the Independent Directors abreast of the changes in the corporate sector, be it any new trends and mandates in Corporate Governance practices, or the governing legal provisions in the corporate law. In that direction, the company has, at the time of appointment of Independent Directors issued them formal letters of appointment which explains the role, function, duties and responsibilities expected of them as Director of the Company. It is also explained in detail to the Director, the compliances required from him under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 and his affirmation taken in respect of the same. The Company wishes to follow this up with required training for the Directors in relevant disciplines. The web link where details of Familiarization Programme imparted to Independent Director disclosed is: [www.wipltd.in](http://www.wipltd.in)



## BOARD MEETINGS AND ANNUAL GENERAL MEETING

### Board Meeting:

During the year 4 Board meetings were held, the dates being 25.05.2016, 13.08.2016, 07.11.2016, and 11.02.2017.

The last AGM was held 29.09.2016

### AUDIT COMMITTEE

The Company has constituted an Audit Committee as required under the Companies Act and under the SEBI (LODR) Regulations with the Stock Exchange. At present there are three members, viz Shri T. Balakrishnan (Chairman), Smt. Pushya Sitaraman and Shri Y H Malegam.

The role, terms of reference and the authority and power of the Audit Committee are in conformity with the requirements of the Companies Act and the SEBI (LODR) Regulations.

The essential functions of the Committee include review of systems and procedures, overseeing the functioning of internal audit, the effectiveness of controls and regulatory compliances. It also reviews with management, the Company's financial statements, and financial reporting process, disclosure of financial information and observations of auditors before submission to the Board. It recommends the appointment of Statutory Auditors and their fees.

The audit committee has the following scope.

1. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(5) of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by Management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
2. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
3. Discussion with internal auditors any significant findings and follow up there on.
4. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
5. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
6. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
7. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

8. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
9. Review and monitor the auditor's independence and performance, and effectiveness of Audit Process.
10. Examination of the financial statement and the auditor's report thereon.
11. Approval or any subsequent modification of transaction of the company with related parties.
12. Scrutiny of inter corporate loans and investments.
13. Valuation of undertakings or assets of the Company wherever it is necessary
14. Evaluation of Internal Financial Controls and Risk Management systems.

The Committee held four meetings during the year, on 25.05.2016, 13.08.2016, 07.11.2016 and 11.02.2017 to discuss, inter-alia, the Internal Audit and Internal Control system and limited review carried out by Statutory Auditors. Smt Pushya Sitaraman was nominated to the Audit Committee in place of Shri M R Karmachandran who ceased to be a director on 07.11.2016.

The attendances of the members at the Audit Committee meeting held during the year were as follows:

Sl. No.	Name of Director	No of Meetings attended
1	Shri. T Balakrishnan – Chairman	4
2	Shri. Y.H. Malegam	3
3	Shri. Pushya Sitaraman(w.e.f 07-11-2016)	-
4	M. R. Karmachandran	2

Shri, T Balakrishnan, chaired the Annual General Meeting held on 29.09.2016 at the Registered Office of the Company at Baliapatam and clarified the queries from shareholders.

## REMUNERATION OF DIRECTORS

### NOMINATION AND REMUNERATION COMMITTEE

The Company's Nomination and Remuneration Committee consists of the following 3 Non-Executive Independent Directors, to encourage good corporate governance.

1. Shri. Y.H. Malegam - Chairman
2. Shri T Balakrishnan
3. Shri Pushya Sitaraman

No meeting of the above Committee was held during the year as there was no item for consideration by the Committee.

The broad terms of reference of Nomination and Remuneration Committee includes the following

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration for the directors, Key Managerial Personnel and other employees.
2. Formulation of Criteria for evaluation of Independent Directors and the Board.
3. Devising suitable policy on Board diversity
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

### Performance evaluation criteria for Independent Directors.

Schedule IV of the Companies Act, 2013 states that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The criteria for evaluation of performance of Independent Directors are as follows:

- \* Highest Personal and Professional ethics, integrity and values.
- \* Inquisitive and objective perspective, practical wisdom and mature judgment.
- \* Demonstrated intelligence, maturity, wisdom and independent judgment.
- \* Self-confidence to contribute to Board deliberations, and stature such that other board members will respect his or her view.
- \* The willingness and commitment to devote the extensive time necessary to fulfill his/her duties.
- \* The ability to communicate effectively and collaborate with other Board members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including a willingness to listen and respect the views of others.
- \* The skills, Knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable company or organization, including but not limited to relevant experience in manufacturing, international operations, public service, finance, accounting, strategic planning, supply chain, technology and marketing.
- \* Commitment, including guidance provided to the Senior Management outside of Board/ Committee Meetings.
- \* Effective deployment of knowledge and expertise.
- \* Effective management of relationship with various stakeholders.
- \* Independence of behaviour and judgement.
- \* Maintenance of confidentiality of critical issues

### Details of Remuneration:

The Non-Executive Directors received a sitting fee of Rs.10,000/- per Board Meeting and Rs.5,000/- per Committee Meeting.

### Remuneration paid to Directors:

The details of Remuneration to Non-Executive Directors during the year 2016-17 are given below:

(Amount in Rs.)

Name of Directors	Board Meetings	Committee Meetings	Total
Shri Y H Malegam	30,000	15,000	45,000
Shri M R Karmachandran (KSIDC)	20,000	10,000	30,000
Shri T Balakrishnan	40,000	20,000	60,000
Smt Pushya Sitaraman	20,000	-	20,000
Shri Jyothi Kumar B. (KSIDC)	10,000	-	10,000
<b>Total</b>	<b>1,20,000</b>	<b>45,000</b>	<b>1,65,000</b>

Details of Remuneration paid or payable to the Directors during the financial year FY 2016-17 are as follows:

Name	Salary	Retirement Benefits	Perquisite	Commission	Sitting fee	Total
Shri P K Mayan Mohamed	36,00,000	2,88,000	67,538	2,16,734	-	41,72,272
Shri Y H Malegam	-	-	-	-	45,000	45,000
Shri M R Karmachandran	-	-	-	-	30,000	30,000
Shri T Balakrishnan	-	-	-	-	60,000	60,000
Smt Pushya Sitaraman	-	-	-	-	20,000	20,000
Shri Jyothi Kumar B.	-	-	-	-	10,000	10,000



## STOCK OPTIONS

The Company does not have a scheme for grant of stock options either to the working Directors or employees.

## INVESTORS' SERVICE

### Stakeholder's Relationship Committee

A Stakeholder's Relationship Committee has been constituted by the Board as per provisions of the Listing Agreement.

The Committee constitutes of the following members.

1. Smt Pushya Sitaraman- Chairperson
2. Shri P K Mayan Mohamed – Member

Stakeholder's Relationship Committee is authorized to:

1. Monitor the system of share transfer, transmission, sub-division & consolidation of share certificates and issue of duplicate Certificates.
2. Deal with all investor related issues including re-dressal of complaints from shareholders relating to transfer of shares, non- receipt of balance sheet etc.
3. To delegate such powers to company's officers, as may be necessary, including powers to approve transfers, transmissions, authenticate share certificates and to take other actions in relation to Shareholder related matters.

There was no Stakeholders' Relationship Committee Meeting during the year 2016-2017.

Name and designation of compliance Officer: Shri R Balakrishnan,  
GM (Finance) & Company Secretary

Statistics of Shareholders' complaints received/redressed, during the year ended	
No. of shareholders complaints received and redressed	Nil
No. of complaints not resolved to the satisfaction of Shareholders	Nil
No. of pending share transfers/transmission as on 31.03.2017	Nil

## GENERAL BODY MEETINGS

### Last three Annual General Meetings

27.09.2014	Registered Office, Mill Road, Baliapatam, Cannanore-670 010	03 P M
26.09.2015	Registered Office, Mill Road, Baliapatam, Cannanore-670 010	10 AM
29.09.2016	Registered Office, Mill Road, Baliapatam, Cannanore-670 010	10 AM

## DETAILS OF SPECIAL RESOLUTIONS PASSED AT AGM DURING THE LAST 3 YEARS

At the 71<sup>st</sup> AGM held on 29.09.2016 no special resolution was passed.

At the 70<sup>th</sup> AGM held on 26.09.2015 three special resolutions were passed pertaining to

1. Appointment of Managing Director
2. Adoption of new set of Articles of Association.
3. Approval of Borrowing Limits

At the 69<sup>th</sup> AGM held on 27.9.2014 one special Resolution was passed pertaining to appointment of Managing Director

## POSTAL BALLOT

During last year, there was no business which had to be conducted through postal ballot.

## DISCLOSURES

- i) Disclosures on materially significant related party transactions that may have potential conflict with the Interest of Company at large.  
Details of transactions of a material nature with any of the related parties as specified in Accounting Standard 18 notified under Companies (Accounting Standard) Rules, 2006 have been reported in the Notes to the Accounts. There was no transaction of a material nature with any of the related parties, which was in conflict with the interest of the Company.
- ii) There were no instances of non-compliance by the company leading to imposition of penalties, strictures by the stock exchange or SEBI or any other statutory authority, on matters related to capital markets during the last three years.
- (iii) No personnel of the company has been denied access to the Audit Committee of the company (in respect of matters involving alleged misconduct). The company has provided protection to whistle blowers" from unfair termination and other unfair or prejudicial employment practices. The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined frame work. The Company has adopted measures for airing concerns about unethical behavior, both for the Directors and employees. This has been made part of the machinery of Audit Committee and informed in the official website of the company
- (iv) Pursuant to proviso to Section 177 (10) of the Companies Act, 2013 a 'Vigil mechanism' has been constituted as a part of the function of Audit Committee of Board. The vigil mechanism provides for adequate safeguards against victimization of directors or employees or any other person who avail the mechanism and also provides for direct access to the chairperson of the Audit Committee in appropriate cases. The Committee shall oversee Vigil Mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.
- (v) The Company has complied with all the mandatory requirements prescribed under Chapter 4 of the SEBI(LODR) Regulations. The Company has adopted discretionary requirements as per Part E of Schedule II, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as follows:
  - a) The Company has appointed separate persons to the post of Chairperson and Managing Director.
  - b) The Internal Auditors report directly to the Audit Committee of the Board.
- (vi) The Company does not have material listed /unlisted subsidiary as defined under SEBI(LODR) Regulations. The policy for determining material subsidiary and policy on dealing with related party transactions are available on your Company's Website [www.wipltd.in](http://www.wipltd.in)
- (vii) The transactions with related parties were reviewed by the Audit Committee on a quarterly basis in their meetings.

## MEANS OF COMMUNICATION

Quarterly results are published in the Business Line and a Malayalam newspaper. Immediately after the approval by the Board of Directors, the financial results are transmitted to the Stock Exchanges where the shares of company are listed. The results are also published in the Company's official website.

## GENERAL SHAREHOLDER INFORMATION

Annual General Meeting 2017	13.09.2017
Financial Calendar:	
a) Date of Book Closure	The Share Transfer Books of the Company will remain closed from (05.09.2017 to 13.09.2017)
b) Financial Results	Result for the period      Expected date of Completion First Quarter - 13.09.2017 Second Quarter & Half-Yearly - 15.11.2017 Third Quarter - 15.02.2017 Audited Financial Result - 31.05.2017

c) Listing in Stock Exchanges	The company got listed with NSE with effect from 07.04.2017 and listing fees was paid. National Stock Exchange Exchange Plaza, Plot No C/1, G-Block, Bandra-Kurla Complex, Bandra East Mumbai- 400051 Stock Symbol: WIPL
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The NSE listing process was completed on 07.04.2017. Hence no market price for the year 2016-17 is available.

### Unpaid Dividend Amount

As per the provisions of Section 124(5) of the Companies Act, 2013, the Company is required to transfer the unpaid dividend amount which is unclaimed for a period of seven years from the date of declaration of dividend to the Investor Education and Protection Fund (IEPF) setup by Central Government.

Members who have not encashed their Dividend warrants within the validity period may write to the Company at its Registered Office for obtaining payment through demand drafts.

Given below is the due date of the transfer of the unclaimed dividend amount to IEPF by the company.

Financial Year	Dividend per Share (Rs)	Date of Declaration of Dividend	Due date of transfer to IEPF	Account balance as on 31.03.2017 (Rs)
FY 2009-10	1.00	07.08.2010	14.09.2017	6,46,400
FY 2010-11	1.00	13.08.2011	20.09.2018	5,32,987
FY 2011-12	1.20	13.08.2012	20.09.2019	10,02,484
FY 2012-13	0.60	12.08.2013	19.09.2020	6,24,427
FY 2013-14	0.60	27.09.2014	04.11.2021	8,95,489
FY 2014-15	0.70	26.09.2015	03.11.2022	7,75,466
FY 2015-16	0.70	29.09.2016	06.11.2023	8,06,348

Name of Depositories with whom the Company has entered into Agreement:

#### National Securities Depository Ltd. (NSDL).

ISIN Code: INE 215 F01023

Trade World, A Wing, 5<sup>th</sup> Floor, Kamala Mills Compound, SenapatiBapat Marg, Lower Parel, Mumbai – 400 013.

Ph: (022) 24994200, 4972980, Fax: (022) 24976351.

E-mail: info@nsdl.co.in

Central Depository Services (India) Limited

ISIN Code: INE 215 F01023

PhirozeJeejeebhoy Towers, 17<sup>th</sup> Floor, Dalal Street, Mumbai-400023. Ph: 22723333 Fax: 22722072

#### Registrar & Transfer Agents:

The dematting and physical transfers of shares of the Company are carried out by:

M/s Cameo Corporate Services Ltd., "Subramanian Building", No.1, Club House Road, Chennai – 600 002

Tel: 044-28460390 Telefax: 044-28460129 E-mail: cameo@cameoindia.com

The physical transfer of shares, which was handled by the Company directly, has also been handed over to the Registrars and Transfer Agents, M/s Cameo Corporate Services, Chennai, as per directions of SEBI. Shareholders may contact/write to the Secretarial Department of the Company for assistance/information when required.

### Share Transfer System:

Approval of Share transfers/transmission and other investor related matters are dealt with by a Sub Committee consisting of Shri P K Mayan Mohamed, Managing Director and Shri R Balakrishnan GM(Finance) & Company Secretary.



### Trading in Shares through Stock Exchanges:

The Equity shares of the company was listed in NSE on 07.04.2017

### DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH 2017

Shareholder category	No. of shares	Percentage
Promoters	35,69,160	42.05
Financial Institutions	10,30,130	12.14
Bodies Corporate	1,48,045	1.74
Public	37,40,005	44.07
<b>Total</b>	<b>84,87,340</b>	<b>100.00</b>

### DISTRIBUTION OF SHAREHOLDING ACCORDING TO SIZE OF HOLDING

Share or debenture holding			Share/Debenture holders		Share/Debenture Amount	
Rs..	Rs..		Number	% of Total	Rs..	% of Total
10	to 5000		604	37.3069	12,96,460	1.5275
5001	to 10000		295	18.2211	23,43,440	2.7611
10001	to 20000		264	16.3063	39,67,300	4.6743
20001	to 30000		100	6.1766	24,98,900	2.9442
30001	to 40000		69	4.2618	24,28,300	2.8610
40001	to 50000		46	2.8412	21,34,600	2.5150
50001	to 100000		125	7.7208	95,75,950	11.2826
100001	and above		116	7.1649	6,06,28,450	71.4339
<b>Total</b>			<b>1619</b>	<b>100.0000</b>	<b>84873400</b>	<b>100.0000</b>

### DEMATERIALISATION OF SHARES :

The Company has entered into agreement with National Securities Depository Services Ltd. (NSDL) from 15<sup>th</sup> March 2003 onwards and with Central Depository Services (India) Ltd., (CDSL) from 3<sup>rd</sup> July 2004 onwards for having the Company's Shares traded in electronic form. As on 31-03-2017, 37.38% (31,72,760 Shares) of Equity Capital are held in dematerialized form with NSDL and 1.09% (92,900 Shares) with CDSL.

### PLANT LOCATION:

Mill Road , Baliapatam, Cannanore – 670 010, Kerala.

### OFFICE AND ADDRESS FOR COMMUNICATION

Registered Office: Mill Road Baliapatam Cannanore-670 010 Kerala.  
 Phone : 0497-2778151 (4 Lines)  
 Fax : 0497-2778181  
 E-mail : westernply@gmail.com / mail@wipltd.in  
 Website : www.wipltd.in

On behalf of the Board of Directors

Place: Trivandrum  
 Date : 07.08.2017

**T. Balakrishnan**  
 Chairman

## **CONFIRMATION OF CODE OF CONDUCT**

To  
The Members of the Western India Plywoods Ltd

I hereby confirm that for the financial year ended 31-03-2017, all the Board members and the Senior Management Personnel have affirmed compliance with the code of conduct framed by the Company.

Place: Kochi  
Date: 27.05.2017

Sd/-  
**P K Mayan Mohamed**  
Managing Director

The code is posted on your Company's website [www.wipltd.in](http://www.wipltd.in)

## **CERTIFICATE OF CEO AND CFO ON FINANCIAL STATEMENTS UNDER REGULATION 17(8) AND PART B OF SCHEDULE II OF SEBI(LODR) REGULATIONS, 2015**

To  
The Board Directors of the Western India Plywoods Limited

We, P.K Mayan Mohamed, Managing Director and Sathyakrishnan B, Chief Financial Officer of the Western India Plywoods Ltd, hereby certify that:

- a) We have reviewed financial statements and the cash flow statements for the financial year ended March 31, 2017 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that:
  - i. there have been no significant changes in accounting policies during the year and
  - ii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
  - iii. Significant Changes in Internal Control over Financial Reporting over the year.

Place: Kochi  
Date: 27.05.2017

**P K Mayan Mohamed**  
Managing Director

**Sathyakrishnan B**  
Chief Financial Officer

## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The Members  
The Western India Plywoods Limited  
Kannur

We have examined the compliance of conditions of Corporate Governance by The Western India Plywoods Limited ("the company") for the year ended on 31<sup>st</sup> March, 2017, as stipulated in the relevant provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the company's management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement / Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

**VIJAY NARAYAN GOVIND**  
Partner  
M. No. 203094

Place: Kochi  
Date : 05.08.2017

## MANAGEMENT DISCUSSION AND ANALYSIS

This report is prepared in compliance with the requirement of the Corporate Governance code. It covers both performance and outlook of the company. The Management accepts its responsibility for the integrated objectivity of the financial statements

### 1) **INDUSTRY STRUCTURE AND DEVELOPMENT:**

The Company is a leading supplier to Railways, Defence, Electrical, Transport, Automobiles, and construction industries. We are the leading manufacturers of Hardboard and Soft board in India. We were able to start commercial production of Soft board as part of diversification of one Hardboard plant. As there is shortage of raw materials in the country the company had started a joint venture in Malaysia. The Malaysian Joint venture company, over the years has streamlined the production and is able to meet our requirement of veneers for production of high quality plywood. As regards Hardboard production the major raw materials is supplied by the Forest Department of Kerala Government. The price of raw materials, other consumables and wages had gone up and the company could not fully absorb the increased cost in the final product. This has affected the bottom line. However, by diversification into new value added products and improving the soft board production, better market strategies and methods the company is hopeful of overcoming such problems.

**2) OPPORTUNITIES AND THREATS:**

As there is boom predicted in the construction industry and automobile sector the demand for our products are expected to improve. As regards plywood there is stiff competition from the small scale and unorganized sector. However, after the introduction of GST tax evasion by unauthorised sector will hopefully be stopped. This will give a level playing field for our company. Another threat faced by the company is cheap imports from neighbouring countries. Due to the high foreign exchange rate for dollar imports have become costlier and the customers have come back for buying our products. The company has been in the manufacture of wood products for the last 71 years and has got a good market net work in the field. More over the quality conscious customers have always preferred our products. The company has a well established R&D unit approved by the Central Government which is developing new products.

**3) PRODUCT WISE PERFORMANCE**
*(Rs in Lakhs)*

Sl.No	PRODUCT	2016-17	2015-16
1	Hardboard	5085.93	5499.37
2	Plywood	1365.60	1435.93
3	Densified wood	1447.06	1532.88
4	Pre-compressed Board	342.14	293.94
5	Pre-finished board	92.58	124.17
6	Furniture	208.63	228.11
7	Veneer	95.97	103.46
8	Other sales	66.81	105.52
9	Soft Board	180.85	-
	<b>Total</b>	<b>8885.57</b>	<b>9323.38</b>

**4) INDUSTRIAL RELATIONS:**

The industrial segment was peaceful during the year. The Management wishes to acknowledge the efforts made by employees in the working of the Company.

**5) INTERNAL CONTROL SYSTEM**

The Company has a well defined internal control system to ensure that the assets are safe and transactions are authorised, recorded and correctly reported. The Board is of the view that existing control methods which are reviewed periodically are operating satisfactorily.

**6) MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS INCLUDING NO. OF PEOPLE EMPLOYED:**

The man power strength of the Company as on 31.03.2017 was 310. Being an ISO 9001-2008 certified Company, the company conducts regular training programmes for the employees to impress on them the need for quality, productivity and transparency. These measures have helped to achieve cost effectiveness and improve the overall operational efficiency.

**7) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

The overall slowdown in the economy and reduced demand in electrical, transport industries has helped to reduced the turnover.

**8) CAUTIONARY STATEMENT:**

As stated earlier statements in the management discussion and analysis report are in accordance with the Company's objectives, projections, estimates and expectations and may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied and changes in Government regulations, tax laws and other statutes may effect the working of the Company.

**9) INFORMATION ON NON-MANDATORY REQUIREMENTS**

The Company has not issued any GDR/ADR/Warrants or any convertible instruments.

The Company is not maintaining a separate office for the Chairman.

Place: Trivandrum  
Date: 07.08.2017

On behalf of the Board of Directors  
Chairman



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of The Western India Plywoods Limited,  
Kannur

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of The Western India Plywoods Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 standalone financial statements based on 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.

We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to Note No. 12.01 to the standalone financial statements which states that, in view of the business plans of the subsidiary company, M/s Mayabandar Doors Limited, which is expected to bring in positive cash flows in the near future and the estimated realisable value of the assets at the Unit, the management is of the opinion that no diminution in value of investments in the subsidiary company is anticipated at this stage.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 B".
  - (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, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. Refer Note 16.03 to the standalone financial statements.

For **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

**VIJAY NARAYAN GOVIND**  
Partner  
M. No. 203094

Place: Kochi  
Date : 27.05.2017

**ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF THE WESTERN INDIA PLYWOODS LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) We are informed that fixed assets of the company are physically verified by the management in accordance with a phased programme at reasonable intervals and that no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us, the records of the company examined by us and based on the details of land and buildings furnished to us by the company, the title deeds of immovable properties are held in the name of the Company.
2. We are informed that the physical verification of inventory (other than stock of timber lying in the pond and finished goods lying with agency depots) has been conducted by the management at the year end and that no material discrepancies were noticed on such verification.
3. According to the information and explanations given to us and the records of the company examined by us, 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 Act. Accordingly, the reporting requirements under clauses (iii) (a) to (c) of paragraph 3 of the Order are not applicable.
4. According to the information and explanations given to us and the records of the company examined by us, the company has complied with the provisions of sections 185 and 186 of the Act in respect of investments, as applicable. The company has not granted any loans or given any security or guarantee for which the provisions of sections 185 and 186 of the Act are applicable.
5. The Company has not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.
6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for the company at this stage.
7. (a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues, as applicable to the Company to the appropriate authorities during the year.  
  
There are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they become payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed amounts due to be deposited under sales tax, service tax, duty of customs, duty of excise and value added tax and the following disputed amounts of income tax have not been deposited with the authorities as at March 31, 2017:

Nature of dues	Statute	Amount (Rs in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax	Income Tax Act, 1961	20.17	2009-10 (AY 2010-11)	Commissioner of Income Tax (Appeals)
Income Tax	Income Tax Act, 1961	25.41	2011-12 (AY 2012-13)	Commissioner of Income Tax (Appeals)
Income Tax	Income Tax Act, 1961	12.91	2012-13 (AY 2013-14)	Commissioner of Income Tax (Appeals)

8. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings to financial institution or banks. The Company has not taken any loans or borrowings from government or raised any money by way of issue of debentures.
9. According to the information and explanations given to us and the records of the Company examined by us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and the term loans availed by the company have been applied for the purpose for which the loans were obtained.
10. During the course of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the management.
11. According to the information and explanations given to us and the records of the Company examined by us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act.
12. The company is not a Nidhi Company. Accordingly, the reporting requirements under clause (xii) of paragraph 3 of the Order are not applicable.
13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in Note 30 to the standalone financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and the records of the Company examined by us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the reporting requirements under clause (xiv) of the paragraph 3 of the order are not applicable.
15. According to the information and explanations given to us and the records of the Company examined by us, the company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of paragraph 3 of the Order is not applicable.
16. According to the information and explanations given to us and the records of the Company examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) of paragraph 3 of the Order is not applicable.

For **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

**VIJAY NARAYAN GOVIND**  
Partner  
M. No. 203094

Place: Kochi  
Date : 27.05.2017



**ANNEXURE B REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF THE WESTERN INDIA PLYWOODS LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

**Report on the Internal Financial Controls 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 The Western India Plywoods Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone 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 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.

**Auditors’ 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 on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 misstatement 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, 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 issued by the Institute of Chartered Accountants of India.

### **Emphasis of Matter**

We draw attention to Note No 33 to the standalone financial statements regarding the existence of internal controls over financial reporting, which has been reviewed/tested by the management/internal auditors on an ongoing basis, based on which there are no material weakness/deficiencies and that further strengthening of the internal control system/improvements thereof are being assessed/carried out by the management on a continuing basis.

Our opinion is not modified in respect of this matter.

For **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

**VIJAY NARAYAN GOVIND**  
Partner  
M. No. 203094

Place: Kochi  
Date : 27.05.2017

## BALANCE SHEET AS AT 31.03.2017

	Note No.	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	02	103,873,400	103,873,400
(b) Reserves and Surplus	03	315,226,786	303,612,763
		<b>419,100,186</b>	<b>407,486,163</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowings	04	49,973,442	75,792,770
(b) Deferred Tax Liabilities (Net)	05	22,130,000	21,863,000
(c) Long Term Provisions	06	1,702,684	1,819,973
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	07	235,226,789	200,846,685
(b) Trade Payables	08		
i. Total outstanding dues of micro enterprises and small enterprises ; and		-	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		105,056,871	79,790,086
(c) Other Current Liabilities	09	67,306,584	77,633,583
(d) Short Term Provisions	10	11,238,783	20,407,612
<b>TOTAL</b>		<b>911,735,339</b>	<b>885,639,872</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets- (Property, Plant and Equipment)		173,983,673	151,387,306
(ii) Capital Work-in-Progress		6,648,470	30,657,772
(b) Non-Current Investments	12	108,065,529	107,685,529
(c) Long-Term Loans and Advances	13	10,659,714	13,210,917
<b>(2) Current assets</b>			
(a) Inventories	14	375,582,717	371,884,182
(b) Trade Receivables	15	136,380,496	137,271,465
(c) Cash and Cash Equivalents	16	51,748,059	51,147,267
(d) Short-Term Loans and Advances	17	22,605,220	21,428,336
(e) Other Current Assets	18	26,061,461	967,098
<b>TOTAL</b>		<b>911,735,339</b>	<b>885,639,872</b>
Significant Accounting Policies and Notes on Accounts The accompanying notes form an integral part of the financial statements	1 to 37		

For and on behalf of the Board of Directors

**P.K MAYAN MOHAMED**

Managing Director  
(DIN 00026897)

**T. BALAKRISHNAN**

Chairman  
(DIN 00052922)

**R. BALAKRISHNAN**

G.M.(Finance) & Company  
Secretary (M No 7119)

**SATHYAKRISHNAN.B**

Chief Financial Officer

Place: Kochi

Date : 27-05-2017

As per our separate report of even date attached

For **M/s. Varma & Varma**

Chartered Accountants  
(FRN - 004532S)

**VIJAY NARAYAN GOVIND**

Partner

M. No: 203094

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017

	Note No.	For the year ended 31 <sup>st</sup> March 2017 (Rs.)	For the year ended 31 <sup>st</sup> March 2016 (Rs.)
<b>REVENUE</b>			
I. Revenue from Operations (Gross)	19	894,665,699	935,093,253
Less: Excise Duty		84,140,307	88,640,214
Revenue from Operations (Net)		<b>810,525,392</b>	<b>846,453,039</b>
II. Other Income	20	7,195,846	3,038,642
<b>III. Total Revenue</b>		<b>817,721,238</b>	<b>849,491,681</b>
<b>IV. EXPENDITURE</b>			
a. Cost of Materials Consumed	21	357,156,992	359,091,534
b. Purchases of stock-in-trade	22	-	1,879,398
c. Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	23	(15,526,739)	12,809,989
d. Employee Benefits Expense	24	158,475,326	139,292,228
e. Finance costs	25	31,576,714	31,748,465
f. Depreciation	11	20,439,506	19,316,014
g. Other Expenses	26	274,274,865	254,025,846
<b>Total Expenses</b>		<b>826,396,664</b>	<b>818,163,474</b>
<b>V. Profit/(Loss) before Exceptional and Extraordinary items and tax (III-IV)</b>		<b>(8,675,426)</b>	<b>31,328,207</b>
VI. Exceptional Item	27	26,130,449	-
<b>VII. Profit/(Loss) before Extraordinary items and tax (V + VI)</b>		<b>17,455,023</b>	<b>31,328,207</b>
VIII. Extraordinary items- Loss on Fire	29	-	(4,009,790)
<b>IX. Profit/(Loss) before tax(VII-VIII)</b>		<b>17,455,023</b>	<b>27,318,417</b>
X. Tax Expense:			
- Current Tax		5,574,000	11,654,671
- Deferred Tax		267,000	(2,400,000)
		<b>5,841,000</b>	<b>9,254,671</b>
<b>XI. Profit/(Loss) after tax for the year (IX-X)</b>		<b>11,614,023</b>	<b>18,063,746</b>
XII. Earnings per Equity Share (Nominal Value of Rs 10/- (Rs 10/-) (Basic & Diluted) before extraordinary item	28	<b>1.20</b>	<b>2.28</b>
XIII. Earnings per Equity Share (Nominal Value of Rs 10/- (Rs 10/-) (Basic & Diluted) after extraordinary item	28	<b>1.20</b>	<b>1.97</b>
Significant Accounting Policies and Notes on accounts 1 to 37			

For and on behalf of the Board of Directors

As per our separate report of even date attached

**P.K MAYAN MOHAMED**

Managing Director  
(DIN 00026897)

**T. BALAKRISHNAN**

Chairman  
(DIN 00052922)

**R. BALAKRISHNAN**

G.M.(Finance) & Company  
Secretary (M No 7119)

**SATHYAKRISHNAN.B**

Chief Financial Officer

Place: Kochi

Date : 27-05-2017

For M/s. Varma &amp; Varma

Chartered Accountants  
(FRN - 004532S)

**VIJAY NARAYAN GOVIND**

Partner

M. No: 203094



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2017

	For the year ended 31 <sup>st</sup> March 2017 (Rs.)	For the year ended 31 <sup>st</sup> March 2016 (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit/(Loss) for the year after tax</b>	<b>11,614,023</b>	<b>18,063,746</b>
Add/(Less): Adjustments for Non-cash items:		
Depreciation	20,439,506	19,316,014
Provision for Taxation	5,574,000	11,654,671
Deferred tax	267,000	(2,400,000)
Interest Income	(1,673,955)	(1,082,661)
Interest on Debenture	(2,361,130)	-
Dividend Income	(23,750)	(20,000)
Interest Expense	31,660,765	32,032,303
Exceptional Item - Insurance claim including interest	(26,130,449)	-
Extraordinary Item - Loss by Fire	-	1,455,067
(Profit)/Loss on Sale of Assets	57,720	-
Provision/ creditors no longer required written back	(952,926)	-
Provision for doubtful debts/Advances	335,163	3,451,554
Bad debts written off	-	1,468,369
	27,191,944	65,875,317
<b>Operating Profit before Working Capital Changes</b>	<b>38,805,967</b>	<b>83,939,063</b>
<b>Adjustment for changes in:</b>		
(Increase)/ Decrease Inventories	(3,698,535)	13,720,860
(Increase)/ Decrease Trade Receivables & Other Current Assets	(587,426)	39,933,907
(Increase)/ Decrease Loans and Advances	(1,115,291)	(41,225)
(Increase)/ Decrease Trade Payables and Other Current Liabilities	29,676,799	8,972,942
	<b>24,275,547</b>	<b>62,586,484</b>
<b>Cash generated from Operations</b>	<b>63,081,514</b>	<b>146,525,547</b>
Less: Income Tax Paid	9,247,780	14,885,915
<b>Cash Flow before exceptional Item</b>	<b>53,833,734</b>	<b>131,639,632</b>
Add: Insurance Claim Received	<b>5,093,815</b>	-
<b>Net Cash from Operating Activities Total (A)</b>	<b>58,927,549</b>	<b>131,639,632</b>

<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Investments	-		(18,000,000)	
Sale of Fixed Assets	1,184,593		-	
Purchase of Fixed Assets-including Capital Work in progress	(17,934,130)		(33,416,672)	
Capital Advances	-		1,265,247	
Interest received	1,848,369		1,161,358	
Dividend Income	23,750		20,000	
<b>Total ( B )</b>		<b>(14,877,418)</b>		<b>(48,970,067)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase/(Decrease) in Long term borrowings	(38,226,181)		(1,715,078)	
Increase/(Decrease) in Short term borrowings	34,380,104		(34,586,912)	
Interest paid	(31,641,775)		(32,396,419)	
Dividend Paid	(6,519,930)		(6,113,718)	
Corporate Dividend tax paid	(1,441,557)		(1,441,553)	
<b>Total ( C )</b>		<b>(43,449,339)</b>		<b>(76,253,680)</b>
<b>Total Cash Flow for the year ( A + B + C )</b>		<b>600,792</b>		<b>6,415,885</b>
Add: Opening Cash and Cash Equivalents		51,147,267		44,731,382
<b>Closing Cash and Cash Equivalents</b>		<b>51,748,059</b>		<b>51,147,267</b>

Cash and cash equivalents at the end of the year includes Rs 52,83,602/- (Rs 47,22,394/-) deposited in Unclaimed Dividend Account which is earmarked for payment of dividend and cannot be used for any other purpose.

Cash and cash equivalents at the end of the year includes balances with banks in deposit accounts Rs 1,37,09,644/- (Rs 70,17,897/-) held as security for availing Letter of Credit and Bank guarantee facilities from various banks.

For and on behalf of the Board of Directors

As per our separate report of even date attached

**P.K MAYAN MOHAMED**  
Managing Director  
(DIN 00026897)

**T. BALAKRISHNAN**  
Chairman  
(DIN 00052922)

**R. BALAKRISHNAN**  
G.M.(Finance) & Company  
Secretary (M No 7119)

**SATHYAKRISHNAN.B**  
Chief Financial Officer

For **M/s. Varma & Varma**  
Chartered Accountants  
(FRN - 004532S)

**VIJAY NARAYAN GOVIND**  
Partner  
M. No: 203094

Place: Kochi  
Date: 27.05.2017

## NOTE - 1

### SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

**a. Basis of preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP'). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

**b. Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known /materialised.

**c. Revenue recognition**

Sales are recognized on transfer of title of the goods to the respective parties and are inclusive of Excise Duty, but exclusive of Sales tax and Value Added Tax.

Export incentives are recognized on accrual basis, (except when there are significant uncertainties) based on estimated reliable value of such settlements.

Other income is recognized on accrual basis, (except when there are significant uncertainties).

**d. Tangible Assets (Property, Plant and Equipment)**

Property, Plant and Equipments are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost of assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress.

**e. Depreciation/ Amortisation**

Depreciation on Tangible assets (Property, Plant and Equipment), is provided on Straight Line Method based on the useful lives prescribed in Schedule II of the Companies Act, 2013, based on a review by the management at the year end.

**f. Impairment of Assets**

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**g. Foreign Currency Transactions, Forward Contracts**

Transactions in Foreign currency during the year are accounted at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities other than forward contracts, outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the year-end. The exchange gain/loss arising during the year are adjusted to the Statement of Profit and Loss.

Premium or discount arising on inception of forward exchange contracts, which are intended to hedge the foreign currency risk of existing assets or liabilities has been amortised as income /expense over the life of the contract and exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

**h. Investments**

Non -Current Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

**i. Inventories**

Inventories are valued at lower of cost or net realisable value, item wise. For this purpose, the cost of bought-out inventories comprise of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on a weighted average basis. The cost of manufactured inventories comprises of the direct cost of production plus appropriate overheads. The net realizable value of bought out inventories is taken at their current replacement value.

**j. Employee Benefits:**

**i. Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

**ii. Defined Contribution Plans**

The company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year.

**iii. Defined Benefit Plans**

Payment of Gratuity to employees is covered by the Group Gratuity cum Assurance Scheme of the LIC of India, which is a defined benefit scheme and the company makes contributions under the said scheme. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.



**iv. Long Term Employee Benefits**

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

**k. Research and Development**

Capital expenditure ( net of recoveries ) on Research & Development is capitalized as fixed assets and depreciated in accordance with the depreciation policy of the company.

The revenue expenditure ( net of recoveries ) on Research & Development is charged to the Statement of Profit and Loss in the year in which it is incurred.

**l. Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that takes substantial period of time to get ready for their intended use, are capitalised. Other borrowing costs are recognized as expenditure for the period in which they are incurred.

**m. Income Tax**

Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Deferred Tax assets/ liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognised if there is a virtual certainty that sufficient future taxable income will be available to realise the same. Deferred Tax Assets/Liabilities is measured, using the tax rate enacted or substantively enacted by the Balance sheet date.

**n. Earnings Per Share**

Basic/ diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/ dilutive potential equity shares outstanding as at the end of the year as the case may be.

**o. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are neither recognized nor disclosed in the accounts.

## NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>02</b>	<b>SHARE CAPITAL</b>		
	<b>Authorised:</b>		
	1,00,00,000 (1,00,00,000) Equity Shares of Rs.10/- each	100,000,000	100,000,000
	15,00,000 ( 15,00,000 ) Redeemable Preference Shares of Rs.100/- each	150,000,000	150,000,000
	<b>TOTAL</b>	<b>250,000,000</b>	<b>250,000,000</b>
	<b>Issued:</b>		
	86,32,470 (86,32,470) Equity Shares of Rs.10/- each	86,324,700	86,324,700
	1,90,000 (1,90,000) 8% (6%) Redeemable Cumulative Preference Shares of Rs.100/- each	19,000,000	19,000,000
	<b>TOTAL</b>	<b>105,324,700</b>	<b>105,324,700</b>
	<b>Subscribed &amp; Paid Up</b>		
	84,87,340 (84,87,340) Equity Shares of Rs. 10/- each fully paid up	84,873,400	84,873,400
	1,90,000 (1,90,000) 8% (6%) Redeemable Cumulative Preference Shares of Rs.100/- each	19,000,000	19,000,000
		<b>103,873,400</b>	<b>103,873,400</b>

### 02.01 Reconciliation of Shares at the beginning and at the end of the financial year.

		31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
		No. of shares	Amount (Rs)	No. of shares	Amount (Rs)
a)	<b>Equity Shares</b>				
	At the beginning of the year	8,487,340	84,873,400	8,487,340	84,873,400
	Add: Shares Issued during the year	-	-	-	-
	At the end of the year	8,487,340	84,873,400	8,487,340	84,873,400
b)	<b>Preference Shares</b>				
	8% (6%) Redeemable Cumulative Preference Shares of Rs.100/- each				
	At the beginning of the year	190,000	19,000,000	190,000	19,000,000
	Add: Issued during the year				
	At the end of the year	190,000	19,000,000	190,000	19,000,000

### 02.02 Terms/ Rights Attached to Equity Shares

The Company has only one class of shares referred to as equity shares with a face value of Rs.10/- each. Each holder of an equity share is entitled to one vote per share.

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

### 2.03 Terms of redemption of Preference Shares

Each holder of preference share is entitled to one vote per share on a resolution placed before the Company which directly affect the rights attached to the preference shareholders. All Preference Shares outstanding at the year end were redeemable on 30th January, 2017 and carried cumulative dividend @ 6% upto that date. The redemption of the said preference shares is extended upto 31st January, 2018 with cumulative dividend @ 8%.

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

		31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
		% of holding	No. of shares	% of holding	No. of shares
	<b>a) Equity Shares</b>				
	Life Insurance Corporation of India	10.80%	916,860	10.80%	916,860
	<b>b) 8% (6%) Redeemable Cumulative Preference Shares of Rs.100/- each</b>				
	Vigfin Holdings Private Limited	100%	190,000	100%	190,000

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
<b>03</b>	<b>RESERVES &amp; SURPLUS</b>		
	Capital Reserve	1,503,230	1,503,230
	Capital Redemption Reserve	113,000,000	113,000,000
	Securities Premium Account	44,196,050	44,196,050
	Export Profit Reserve	1,924,094	1,924,094
	General reserve	8,032,000	8,032,000
	Surplus		
	Opening Balance	134,957,389	125,416,338
	Add : Net Profit/(Loss) after tax as per Statement of Profit & Loss	11,614,023	18,063,746
	<b>Amount available for Appropriations</b>	<b>146,571,412</b>	<b>143,480,084</b>
	Less: Appropriations		
	Proposed Dividend - Preference Shares (Refer Note no 3.01)	-	1,140,000
	Proposed Dividend - Equity Share (Refer Note no 3.02)	-	5,941,138
	Tax on Proposed Dividend	-	1,441,557
	<b>Closing balance</b>	<b>146,571,412</b>	<b>134,957,389</b>
	<b>TOTAL</b>	<b>315,226,786</b>	<b>303,612,763</b>

**3.01** Preference Dividend of Rs 5.01/- (Rs 5.01/-) per share upto 30th January, 2017 and Rs 1.32/- (Rs 0.99/-) per share from 31st January, 2017 to 31st March, 2017 has been proposed @ 6% (6%) upto 30th January, 2017 and @ 8% (6%) from 31st January, 2017 to 31st March, 2017 on the face value of Cumulative Redeemable Preference Shares by the Board which is subject to approval by the shareholders in the ensuing Annual General Meeting.

**3.02** The Board of Directors has proposed an equity dividend of Rs Nil (Rs 0.70) per share for the financial year ended 31.03.2017 at their meeting held on 27th May, 2017, which is subject to approval by the share holders in the ensuing Annual General Meeting.

**3.03** In accordance with the revised Accounting Standard - 4 'Contingencies and Events occurring after the Balance Sheet Date' (effective from 01.04.2016) proposed dividend for the year and Corporate Dividend Tax thereon has not been recognised as a distribution of profit in the current year's accounts.

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
<b>04</b>	<b>LONG TERM BORROWINGS</b>		
	<u>Secured Loans (See Note No 04.01 &amp; 04.02)</u>		
	Term Loan:		
	- From Banks	16,079,398	25,110,181
	- From Others	33,894,044	50,682,589
	<b>TOTAL</b>	<b>49,973,442</b>	<b>75,792,770</b>
	Refer Note No.09 for current maturities of the above loans.		

#### **4.01 Details of Security**

##### **a) From Banks**

###### **(i) Term Loan from Axis Bank Ltd**

Secured by equitable mortgage of 386.75 cents of commercial/residential land of the company and also by the personal guarantee of the Managing Director. It is further secured by way of personal guarantee of new shareholder Directors who takes over the rights/shares of former Managing Director Late. Mr. P.K. Mohamed.

###### **(ii) Term Loan from ICICI Bank Ltd**

Secured by hypothecation of the assets procured by availing the said loan and also by the personal guarantee of the Managing Director

###### **(iii) Term Loan from HDFC Bank**

Secured by hypothecation of the assets procured by availing the said loan and also by the personal guarantee of the Managing Director

##### **b) From Others**

###### **(i) KSIDC Loan I & Loan II**

Secured on pari passu basis by mortgage of all immovable properties, present and future, and movable properties, including Machinery, Machinery spares, Tools and Accessories, present and future (save and except book debts), subject to prior charges created or to be created, except exclusive charge given to Axis bank Ltd for loan availed. The loans are also secured by way of mortgage of land of the subsidiary company M/s Kohinoor Saw Mill Company Ltd together with Buildings, Plant and Machinery and Fixed Assets and Fittings thereon and also charge on 3.10 Acres of Land, Buildings, Plant and Machinery and Fixed Assets and Fittings of Subsidiary company M/s Southern Veneers and Woodworks Ltd; and by personal guarantee of the Managing Director.

**(ii) KSIDC Loan III**

Working Capital Term loan, secured by an extension of existing charge on all assets, movable and immovable, of the Company and collateral securities mortgaged in favour of KSIDC against existing term loans. The loan is further secured by way of personal guarantee of the Managing Director.

**04.02 Repayment and other terms**
*(Figures in Rs)*

Particulars	Terms	Non Current	Current
<b>From Banks</b>			
Axis Bank	The term loan was availed during the year 2015 and carries interest at a rate of 1.5% above the Bank's MCLR currently at 8.25%, presently applicable rate being 9.75%. The rate of interest is subject to revision from time to time at the discretion of the bank. The loan is repayable in 59 installments of Rs. 6,67,000/- and final installment at Rs. 6,47,000/- commencing from March, 2015.	14,654,000 (22,658,000)	8,004,000 (8,004,000)
ICICI Bank	Loan was taken during the year 2013 and carries interest rate of 10.25%. The loan is repayable in 60 equated monthly installments of Rs 74,165/- each from February, 2014.	639,852 (1,420,226)	780,374 (704,646)
HDFC Bank	Loan was taken during the year 2015 and carries an interest rate of 9.65%. The loan is repayable in 60 equated monthly installments of Rs 27,940/- each from December, 2015.	785,546 (1,031,955)	246,409 (223,829)
<b>From Others</b>			
KSIDC Loan I	Loan was taken during the year 2006 and carries interest rate of 9%. The loan is repayable in 17 equal half yearly installments of Rs 1,08,82,352/- each from November, 2009.	- (10,882,356)	404,096 (10,409,257)
KSIDC Loan II	Loan was taken during the year 2009 and carries interest rate of 9%. The loan is repayable in 15 equal half yearly installments of Rs 16,17,647/- each from November, 2009.	1,564,834 (4,800,233)	3,235,294 (3,235,294)
KSIDC Loan III	Loan was taken during the year 2015 and carries interest rate of 10.75%. The loan is repayable in 20 equal quarterly installments of Rs 25,00,000/- each from November, 2015, with a repayment holiday for the principal for 3 quarters from 15.11.2016.	32,329,210 (35,000,000)	7,500,000 (10,000,000)
<b>Current Year</b>		<b>49,973,442</b>	<b>20,170,173</b>
<i>Previous Year</i>		<i>(75,792,770)</i>	<i>(32,577,026)</i>



Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
5.	<b>DEFERRED TAX LIABILITIES (Net)</b>		
	<b>A. Deferred Tax Liability</b>		
	On excess of net book value over Income tax written down value of fixed assets	31,044,000	30,826,000
	Gross Deferred Tax Liability	31,044,000	30,826,000
	<b>B. Deferred Tax Assets</b>		
	On Provisions/other disallowances	8,914,000	8,963,000
	Gross Deferred Tax Asset	<b>8,914,000</b>	<b>8,963,000</b>
	Net Deferred Tax Liability	<b>22,130,000</b>	<b>21,863,000</b>
6.	<b>Long Term Provisions</b>		
	Provision for employee benefits ( Note No. 6.01)		
	For Compensated absences	1,702,684	1,819,973
		<b>1,702,684</b>	<b>1,819,973</b>

#### 06.01 Disclosures required under Accounting Standard 15 - "Employee Benefits"

##### a. Defined Contribution Plans

During the year the following amounts have been recognised in the Statement of Profit and Loss on account of defined contribution plans:

Particulars	2016-17 (Rs)	2015-16 (Rs)
Employers contribution to Provident Fund	8,424,794	8,080,173
Employers contribution to Employee's State Insurance	3,336,470	3,003,974

b.	Defined Benefit Plans - Gratuity: Funded Obligation	Current Year	Previous Year
i.	Actuarial Assumptions		
	Discount Rate (per annum)	8.00%	8.00%
	Expected return on plan assets	8.00%	8.00%
	Salary escalation rate*	5.00%	5.00%
	Mortality rate	Indian Assured Lives (1994-1996)	Indian Assured Lives (1994-1996)
		Ultimate	Ultimate

\*The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii.	Reconciliation of present value of obligation	Current Year (Rs)	Previous Year (Rs)
	Present value of obligation at the beginning of the year	37,167,405	37,481,474
	Current Service Cost	2,001,126	1,621,399
	Interest Cost	3,053,437	3,066,174
	Actuarial (gain)/ loss	4,966,793	3,840,755
	Benefits Paid	(5,604,637)	(8,842,397)
	Present value of obligation at the end of the year	<b>41,584,124</b>	<b>37,167,405</b>

iii.	Reconciliation of fair value of plan assets	Current Year (Rs)	Previous Year (Rs)
	Fair value of plan assets at the beginning of the year	33,890,663	28,614,132
	Expected return on plan assets	2,711,253	2,289,130
	Actuarial (gain)/ loss	(11,637)	380,703
	Contributions	4,500,000	11,449,095
	Benefits paid	(5,604,637)	(8,842,397)
	Assets distributed on settlement (if applicable)	-	-
	Fair value of plan assets at the end of the year	<b>35,485,642</b>	<b>33,890,663</b>
iv.	<b>Description of Plan Assets</b> Insurer Managed Funds (LIC of India)	35,485,642	33,890,663

v.	Net (Asset)/ Liability recognized in the Balance Sheet as at year end	2016-17 (Rs)	2015-16 (Rs)	2014-15 (Rs)	2013-14 (Rs)	2012-13 (Rs)
	Present value of obligation at the end of the year	41,584,124	37,167,405	37,481,474	42,542,663	45,367,400
	Fair value of plan assets at the end of the year	35,485,642	33,890,663	28,614,132	29,964,326	13,483,864
	Net present value of funded obligation recognized as (asset)/ liability in the Balance Sheet	6,098,482	3,276,742	8,867,342	12,578,337	31,883,536

vi.	Expenses recognized in the Statement of Profit and Loss	Current Year (Rs)	Previous Year (Rs)
	Current Service Cost	2,001,126	1,621,399
	Interest Cost	3,053,437	3,066,174
	Actuarial (gain)/ loss recognized in the period	4,978,430	3,460,052
	Past Service Cost (if applicable)	-	-
	Expected return on plan assets	(2,711,253)	(2,289,130)
	Total expenses recognized in the Statement of Profit and Loss for the year	<b>7,321,740</b>	<b>5,858,495</b>

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

**c. Long Term Employee Benefits**  
**Compensated absences (Vesting and Non Vesting): Unfunded Obligation**

i.	Actuarial Assumptions	Current Year	Previous Year
	Discount Rate (per annum)	8.00%	8.00%
	Salary escalation rate*	5.00%	5.00%
	Mortality rate	Indian Assured Lives Mortality (1994-1996) Ultimated	Indian Assured Lives Mortality (1994-1996) Ultimated

\*The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii.	Reconciliation of present value of obligation	Current Year (Rs)	Previous Year (Rs)
	Present value of obligation at the beginning of the year	2,114,862	2,036,846
	Current Service Cost	297,933	393,975
	Interest Cost	181,106	178,706
	Actuarial (gain)/ loss	(167,686)	(274,308)
	Benefits Paid	(222,736)	(220,357)
	Present value of obligation at the end of the year	2,203,479	2,114,862
iii.	<b>Net (Asset)/ Liability recognized in the Balance Sheet as at year end</b>		
	Present value of obligation at the end of the year	2,203,479	2,114,862
	Fair value of plan assets at the end of the year	-	-
	Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet	2,203,479	2,114,862
iv.	<b>Expenses recognized in the Statement of Profit and Loss</b>		
	Current Service Cost	297,933	393,975
	Interest Cost	181,106	178,706
	Actuarial (gain)/ loss recognized in the period	(167,686)	(274,308)
	Past Service Cost (if applicable)	-	-
	Total expenses recognized in the Statement of Profit and Loss for the year	311,353	298,373

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
<b>07</b>	<b>SHORT TERM BORROWINGS</b>		
	Loans repayable on demand		
	- Working capital loans from Banks (Secured) (Note 7.01)	214,835,887	178,310,808
	Loan from related parties (Unsecured)		
	- From Directors (Note 7.02)	172,805	158,788
	- From Others - Estate of Late Mr P K Mohamed (Note 7.02)	1,287,117	1,287,117
	Others		
	- Buyers credit from Banks (Secured) (Note 7.03)	18,930,980	21,089,972
		<b>235,226,789</b>	<b>200,846,685</b>

**7.01** Working Capital loans availed from banks are repayable on demand and are secured by hypothecation of Raw Materials, Work In Process, Finished Goods, Receivables and other current assets of the Company. The above loans are also secured by pari passu second charge over the entire fixed assets of the company and the personal guarantee of the Managing Director.

**7.02** Loan from the Directors and Others are repayable on demand.

**7.03** Buyers credit from Dena Bank has been availed under the existing limits of Letter of Credit sanctioned by the bank and are secured by goods procured under the said facility. The above loans are also secured by pari passu second charge over the entire fixed assets of the company and the personal guarantee of the Managing Director. Buyers Credit from banks are repayable within a period of 180 days from the date of said loan.

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
<b>08</b>	<b>TRADE PAYABLES</b>		
	i) Total outstanding dues of Micro enterprises and small enterprises (Refer Note 8.01)	-	-
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	105,056,871	79,790,086
		<b>105,056,871</b>	<b>79,790,086</b>

**8.01** The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006 and the same is in progress. Based on available information, there are no balance outstanding as payable to such suppliers as at the year end. In the opinion of the management there are no amounts paid/payable towards interest under the said statute.

**8.02** Trade payable includes dues to subsidiary companies:  
- ERA & WIP Timber JV SDN BHD Rs 1,53,04,306 /- (Rs 1,61,62,055/-)  
- Southern Veneers and Woodworks Limited Rs 29,28,865/- (Rs. 44,05,662/-)

Note No	Particulars	As at 31 <sup>st</sup> March, 2017 (Rs)	As at 31 <sup>st</sup> March, 2016 (Rs)
<b>9.</b>	<b>Other Current Liabilities</b>		
	Current Maturities of Long Term Debts (Note No. 4.02)	20,170,173	32,577,026
	Unpaid Dividend (Note No. 9.01)	5,283,602	4,722,394
	Interest Accrued but not due on Borrowings	119,266	100,276
	Other Payables -		
	- Statutory Dues	5,449,690	5,199,021
	- Advance from customers	9,407,077	10,792,507
	- Trade Deposits	2,907,162	2,907,162
	- Excise Duty on closing stock	23,825,654	21,189,980
	- Other current liabilities	143,960	145,217
		<b>67,306,584</b>	<b>77,633,583</b>

**9.01** Does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund

## 10. Short Term Provisions

Note No	Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	Provision for Employee Benefits (See Note 6.01)		
	For Gratuity	6,098,482	3,276,742
	For Compensated Absences	500,795	294,889
		<b>6,599,277</b>	<b>3,571,631</b>
	Other Provisions		
	For Income Tax	4,639,506	8,313,286
	For Corporate Dividend (See Note 3.01, 3.02 & 3.03)	-	7,081,138
	For Corporate Dividend Tax (See Note 3.01, 3.02 & 3.03)	-	1,441,557
		<b>11,238,783</b>	<b>20,407,612</b>

**NOTE 11 - FIXED ASSETS  
TANGIBLE ASSETS (PROPERTY, PLANT AND EQUIPMENT)**

[Figures in Rupees]

Particulars	GROSS BLOCK - AT COST			DEPRECIATION				NET BLOCK	
	As at 01.04.2016	Additions during the year	Adjustments /Deductions during the year	As at 31.03.2017	As at 01.04.2016	For the year	Adjustments /Deductions during the period (Refer Note 11.01)	As at 31.03.2017	As at 31.03.2016
Free Hold Land	4,080,685 (4,080,685)	-	-	4,080,685 (4,080,685)	-	-	-	4,080,685 (4,080,685)	4,080,685 (4,080,685)
Lease Hold Land	241,921 (241,921)	-	-	241,921 (241,921)	-	-	-	241,921 (241,921)	241,921 (241,921)
Buildings	21,625,312 (21,625,312)	6,255,667	-	27,880,979 (21,625,312)	15,131,278 (14,556,222)	454,843 (575,056)	-	15,586,121 (15,131,278)	12,294,858 (6,494,034)
Plant & Equipment	1,189,743,293 (1,190,592,038)	35,735,265 (2,722,630)	-	1,225,478,558 (1,189,743,293)	1,059,548,011 (1,045,655,422)	17,562,692 (16,294,998)	-	1,077,110,703 (1,059,548,011)	148,367,855 (130,195,282)
Vehicles	28,046,469 (26,442,761)	2,068,048 (1,603,708)	2,367,402	27,747,115 (28,046,469)	18,108,992 (15,891,586)	2,266,304 (2,217,406)	1,125,090	19,250,206 (18,108,992)	8,496,909 (9,937,477)
Office Equipments	1,670,343 (1,617,143)	97,212 (53,200)	-	1,767,555 (1,670,343)	1,487,802 (1,412,667)	51,675 (75,135)	-	1,539,477 (1,487,802)	182,541 (204,476)
Furniture & Fittings	330,455 (330,455)	-	-	330,455 (330,455)	314,172 (314,172)	-	-	314,172 (314,172)	16,283 (16,283)
Computer	3,341,174 (3,198,349)	121,993 (142,825)	-	3,463,167 (3,341,174)	3,102,091 (2,948,672)	103,992 (153,419)	-	3,206,083 (3,102,091)	239,083 (249,677)
Current Year	1,249,079,652	44,278,185	2,367,402	1,290,990,435	1,097,692,346	20,439,506	1,125,090	1,117,006,762	173,983,673
Previous Year	(1,248,128,664)	(4,522,363)	(3,571,375)	(1,249,079,652)	(1,080,778,741)	(19,316,014)	(2,402,409)	(1,097,692,346)	(151,387,306)
Capital Work in Progress									
Plant & Equipment- Softboard (Refer Note 11.01)	26,019,774 (674,564)	6,842,351 (25,631,311)	32,862,125 (286,101)	- (26,019,774)	-	-	-	-	26,019,774 (674,564)
Other Plant & Equipment	4,637,998 (1,375,000)	4,792,421 (3,262,998)	2,781,949.00	6,648,470 (4,637,998)	-	-	-	-	4,637,998 (1,375,000)
Current Year	30,657,772	11,634,772	35,644,074	6,648,470	-	-	-	-	6,648,470
Previous Year	(2,049,564)	(28,894,309)	(286,101)	(30,657,772)	-	-	-	-	(30,657,772)

**Note 11.01**

Additions during the year include borrowing cost of Rs 2,60,994 (Rs 4,69,847) capitalised during the year as per Accounting Standard 16 on "Borrowing Costs".



Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
<b>12</b>	<b>NON CURRENT INVESTMENT</b>		
<b>1)</b>	<b><u>Investment in equity instruments (at Cost) - Long Term</u></b>		
	<b>Unquoted (Trade):</b>		
<b>(a)</b>	<b>In Subsidiary Companies</b>		
	50,000 (50,000) Equity Shares of Rs. 100/- each in Southern Veneers & Woodworks Limited	5,000,000	5,000,000
	4,540 (4,540) Equity Shares of Rs. 100/- each in Kohinoor Saw Mill Company Limited.	454,100	454,100
	18,11,500 (18,11,500) Equity Shares of Malaysian Ringgit 1/- each in ERA & WIP Timber JV SDN BHD, Malaysia (Refer Note No 12.02)	26,498,870	26,498,870
	99,101 (99,101) Equity Shares of Rs 100/- each in Mayabandar Doors Ltd. (Refer Note 12.01)	23,225,459	23,225,459
		<b>55,178,429</b>	<b>55,178,429</b>
<b>(b)</b>	<b><u>Others</u></b>		
	6,000 (6,000) Equity Shares of Rs. 100/- each in Kutty Flush Doors and Furniture Co. (P) Ltd.	325,100	325,100
	<b>Quoted (Non- Trade) :</b>		
	2500 (2500) Equity Shares of Rs. 2/- (Rs.2/-) each in HDFC Bank Ltd.	5,000	5,000
	<b>Listed but quote not available</b>		
	10,000 (10,000) Equity Shares of Rs. 10/- each in Keltron Component Complex Ltd	100,000	100,000
	Less : Provision for diminution in value of investments	(100,000)	(100,000)
		-	-
	<b>Unquoted (Non Trade) :</b>		
	10,000 (10,000) Equity Shares of Rs. 10/- each in Transformers and Electricals Kerala Ltd.	100,000	100,000
	5,000 (5,000) Equity Shares of Rs. 10/- each in SAIL-SCL Kerala Ltd. (formerly known as Steel Complex Limited)	50,000	50,000
	Less : Provision for diminution in value of investments	(50,000)	(50,000)
		<b>100,000</b>	<b>100,000</b>
<b>2)</b>	<b><u>Investment in the Preference Shares</u></b>		
	<b>Unquoted - (Trade) :</b>		
	<b>In Subsidiary Company</b>		
	3,40,000 (3,40,000) 6% Non-Cumulative Redeemable Preference Shares of Rs 100/- each in Mayabandar Doors Ltd. (Refer Note 12.01)	34,000,000	34,000,000
	1,80,000 (1,80,000) 8% Cumulative Redeemable Preference Shares of Rs 100/- each in Mayabandar Doors Ltd.(Refer Note 12.01)	18,000,000	18,000,000
		<b>52,000,000</b>	<b>52,000,000</b>

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
3)	<b><u>Investment in Debentures</u></b> <b>Unquoted - (Trade):</b> 150 ( 150) Debentures of Rs. 10,000/- each in Kutty Flush Doors and Furniture Co. (P) Ltd. Less : Provision for diminution in value of investments	1,500,000 (1,120,000) 380,000	1,500,000 (1,500,000) -
4)	<b><u>Investment in Government and Trust Securities</u></b> National Savings Certificates	77,000	77,000
	<b>TOTAL INVESTMENTS</b>	<b>108,065,529</b>	<b>107,685,529</b>
	Aggregate amount of Quoted Investments	5,000	5,000
	Aggregate Market Value of Quoted investments	3,606,375	2,677,875
	Aggregate amount of Unquoted Investments	108,060,529	107,680,529
	Provision for Diminution in value of investments	1,270,000	1,650,000

**12.01** In view of the business plans of the subsidiary company M/s Mayabandar Doors Limited which is expected to bring in positive cash flows in the near future and the estimated realisable value of the assets at the Unit, the management is of the opinion that no diminution in value of investment in subsidiary company is anticipated at this stage.

**12.02** The company had entered into an agreement with M/s Era Intermerge SDN BHD in an earlier year for setting up a Joint Venture entity (ERA & WIP Timber JV SDN BHD) in Malaysia as per which the company would have 45% share in ownership and voting in the JV. Pending completion of certain formalities in Malaysia, the Joint Venturer M/s ERA Intermerge SDN BHD has been unable to make their agreed share of investment, as a result of which the share holding of the company in the entity as at 31st March 2017 is 65.87% (65.87%). Accordingly the entity, ERA& WIP Timber JV SDN BHD has been treated as a subsidiary in the books of account of the company and disclosures under Accounting Standard (AS)- 27 Financial Reporting of Interests in Joint Ventures are not applicable at this stage.

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
13	<b>LONG TERM LOANS AND ADVANCES</b> <b>(Unsecured, considered good)</b> Capital Advances Security deposit Advances - Subsidiary - ERA & WIP Timber JV SDN BHD (Refer Note No-13.01) - Building Tax	- 10,494,724 3,504 161,486	2,334,753 10,442,626 3,504 430,034
	<b>(Unsecured, considered doubtful)</b> Security Deposits Less: Provision for doubtful security deposits	953,777 (953,777)	798,921 (798,921)
		-	-
	Other loans and advances Advances recoverable in cash or in kind or value to be received Less: Provision for doubtful advances	1,616,132 (1,616,132) -	1,616,132 (1,616,132) -
	<b>TOTAL</b>	<b>10,659,714</b>	<b>13,210,917</b>

**13.01** Represents advance towards Capital Contribution Rs 3,504/- (Rs 3,504/-)

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
<b>14</b>	<b>INVENTORIES</b>		
	Raw Materials (including stock in transit Rs.30,36,285/- (Rs. 17,89,436/-) )	20,665,891	30,060,082
	Work-in-progress (Veneer and Sawnd Timber)	51,733,324	45,618,729
	Finished Goods (Refer Note 14.02) (including stock in transit Rs 11,56,328 /- (Rs 7,97,156/-) )	262,179,941	252,767,797
	Stores and Spares (including stock in transit Rs Nil/- (Rs Nil/-))	41,003,561	43,437,574
		<b>375,582,717</b>	<b>371,884,182</b>

**14.01** Method of valuation of inventories - See Note 1(i) of Significant Accounting Policies.

**14.02** Details of closing inventory of finished goods

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
	Plywood	61,746,399	78,327,702
	Hardboard	51,845,948	45,338,408
	Compreg	140,767,642	123,407,752
	Softboard	1,231,776	-
	Others	6,588,176	5,693,935
		<b>262,179,941</b>	<b>252,767,797</b>

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
<b>15</b>	<b>TRADE RECEIVABLES</b>		
	Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, Considered Good	10,762,896	19,149,724
	Considered Doubtful	17,343,665	17,916,591
	Less: Provision for doubtful debts	(17,343,665)	(17,916,591)
		10,762,896	19,149,724
	Other Debts		
	Unsecured, Considered Good	125,617,600	118,121,741
		<b>136,380,496</b>	<b>137,271,465</b>

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
<b>16</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash on hand	1,269,952	606,760
	Cheques on hand	1,331,327	2,349,581
	Balance with Banks		
	- in Current Accounts (See Note 16.01)	35,437,136	31,171,591
	- in Deposit Accounts (See Note 16.02)	13,709,644	17,019,335
		<b>51,748,059</b>	<b>51,147,267</b>

**16.01** Balance with banks in Current Account include amount deposited in Unclaimed Dividend Account of Rs 52,83,602/- (Rs 47,22,394/-) which is earmarked for payment of dividend and cannot be used for any other purpose.

**16.02** Balances with banks in deposit accounts Rs 1,37,09,644/- (Rs 70,17,897/-) which represents Margin money deposits held as security for availing Letter of Credit and Bank guarantee facilities from various banks.

**16.03** The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are as provided in the Table below:

Particulars	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	3,905,500	443,459	4,348,959
(+) Permitted Receipts	-	9,129,607	9,129,607
(-) Permitted Payments	39,000	6,945,490	6,984,490
(-) Amount Deposited in Banks	3,866,500	1,645,510	5,512,010
Closing Cash in Hand as on 30.12.2016	-	982,066	982,066

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs)	As at 31 <sup>st</sup> March 2016 (Rs)
<b>17</b>	<b>SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)</b>		
	Loans and advances to related parties (Subsidiary companies)		
	- The Kohinoor Saw Mill Company Limited	-	16,870
	Others		
	- Advance recoverable in cash or kind	12,588,793	13,188,449
	- Advance to Employees	4,144,951	3,956,545
	- Balance with Central Excise, Customs etc.	5,871,476	4,266,472
		<b>22,605,220</b>	<b>21,428,336</b>
<b>18.</b>	<b>Other Current Assets</b>		
	Interest Receivable	38,335	212,749
	Insurance Claim Recievable	21,036,634	-
	Interest on Non-Convertible Debenture Receivable	2,361,130	-
	Value Added Tax refund receivable	78,830	49,050
	Drawback Claim/ Duty Scrips receivable		
	- Unsecured, Considered Good	2,546,532	705,299
	- Unsecured, Considered Doubtful	343,900	163,593
	Less: Provision for Doubtful Claims	(343,900)	(163,593)
		<b>2,546,532</b>	<b>705,299</b>
		<b>26,061,461</b>	<b>967,098</b>

Note No	Particulars	For the year Ended 31 <sup>st</sup> March 2017 (Rs.)	For the year Ended 31 <sup>st</sup> March 2016 (Rs.)
<b>19</b>	<b>REVENUE FROM OPERATIONS</b>		
	<b>SALE OF PRODUCTS</b>		
	Plywood	136,560,122	143,592,773
	Hardboard	508,593,073	549,936,581
	SoftBoard	18,084,600	-
	Pre Compressed Board	34,214,356	29,393,477
	Compreg	144,706,176	153,288,174
	Pre Finished Board	9,258,590	12,416,983
	Furniture	20,862,944	22,810,598
	Veneer	9,597,192	10,346,350
	Other Miscellaneous Sales	6,680,817	10,552,837
		<b>888,557,870</b>	<b>932,337,773</b>
	<b>OTHER OPERATING REVENUE</b>		
	Export Incentives	6,107,829	2,755,480
		<b>6,107,829</b>	<b>2,755,480</b>
	Revenue from Operations (Gross)	<b>894,665,699</b>	<b>935,093,253</b>
	Less: Excise Duty	84,140,307	88,640,214
	<b>Revenue from Operations (Net)</b>	<b>810,525,392</b>	<b>846,453,039</b>
<b>20.</b>	<b>Other Income</b>		
	Job Work Charges	475,535	26,619
	Refund of Value Added Tax	3,040,029	-
	Dividend Income	23,750	20,000
	Net gain on foreign currency translation	22,306	1,148,117
	Excise Duty on Closing Stock	-	1,842,641
	Miscellaneous Income	12,604	1,265
	Liabilities/Provisions no longer required written back	1,260,492	-
	Interest/ Premium on redemption of Debenture (See Note 20.01)	2,361,130	-
		<b>7,195,846</b>	<b>3,038,642</b>
<b>20.01</b>	Represents interest/premium on redemption of debentures fallen due recognised to the extent actually realised subsequent to the balance sheet date.		
<b>21.</b>	<b>Cost of Materials Consumed</b>		
	Inventory at the beginning of the year	30,060,082	26,212,600
	Add: Purchases	347,762,801	363,583,370
	Less: Loss due to Fire	-	644,354
	Less : Inventory in Transit	3,036,285	1,789,436
	Less: Inventory at the end of the year	17,629,606	28,270,646
		<b>357,156,992</b>	<b>359,091,534</b>



Note No	Particulars	For the year Ended 31 <sup>st</sup> March 2017 (Rs.)	For the year Ended 31 <sup>st</sup> March 2016 (Rs.)
<b>21.01</b>	<b>Details of raw materials consumed</b>		
	Timber	19,142,443	19,313,731
	Firewood	151,708,427	155,742,396
	Veneer	127,024,365	122,061,382
	Others	59,281,757	61,974,025
		<b>357,156,992</b>	<b>359,091,534</b>
<b>22.</b>	<b>Purchase of Traded Goods</b>		
	Veneer	-	1,879,398
		-	<b>1,879,398</b>
<b>23.</b>	<b>Changes in Inventories of Finished Goods and Work in Progress</b>		
	Inventory at the beginning of the year		
	Finished Goods (Refer Note 14.02)	252,767,797	269,351,555
	Work-in-progress	45,618,729	41,844,960
		298,386,526	311,196,515
	Inventory at the end of the year		
	Finished Goods (Refer Note 14.02)	262,179,941	252,767,797
	Work-in-progress	51,733,324	45,618,729
		313,913,265	298,386,526
	<b>(Increase) /decrease in Inventory</b>	<b>(15,526,739)</b>	<b>12,809,989</b>
<b>24.</b>	<b>Employee Benefit Expenses</b>		
	Salaries, Wages and Bonus	134,468,981	118,436,698
	Contribution to Provident and Other Funds	11,761,264	11,084,147
	Workmen and Staff Welfare Expenses	4,611,988	3,614,515
	Gratuity	7,321,740	5,858,495
	Leave Encashment	311,353	298,373
		<b>158,475,326</b>	<b>139,292,228</b>
<b>25.</b>	<b>Finance Costs</b>		
	Interest expenses	32,213,038	32,032,303
	Less: Interest received	(1,673,955)	(1,082,661)
	Net	30,539,083	30,949,642
	Other Borrowing Cost	1,037,631	798,823
		<b>31,576,714</b>	<b>31,748,465</b>

Note No	Particulars	For the year Ended 31 <sup>st</sup> March 2017 (Rs.)	For the year Ended 31 <sup>st</sup> March 2016 (Rs.)
<b>26</b>	<b>OTHER EXPENSES</b>		
	Consumption of stores and spares	3,139,741	1,583,196
	Packing and Forwarding cost	19,227,297	16,666,691
	Freight	26,787,890	27,575,159
	Power & Fuel	149,905,128	142,694,905
	Job Work Charges	2,753,760	1,558,448
	Rent	2,034,560	1,581,307
	Repairs to Machinery	28,401,705	22,979,028
	Repairs to Building	2,965,044	1,111,098
	Repairs to Others	2,049,697	1,358,727
	Commission and Discount	10,051,018	9,657,807
	Insurance	3,107,457	2,700,903
	Rates & Taxes	5,522,199	4,503,643
	Payments to Auditors (See Note 26.01)	900,049	964,056
	Bad debts/ Irrecoverable deposits and advances		1,468,369
	Less Provision made	-	(1,468,369)
	Provision for irrecoverable debts/advances	335,163	3,451,554
	Travelling expenses	7,026,514	6,147,520
	Directors Sitting fees	165,000	195,000
	Legal & Professional Charges	1,011,913	1,164,234
	Security Charges	2,729,043	2,420,637
	Bank Charges	752,506	328,040
	Excise Duty on closing stock	1,045,794	-
	Loss on Sale of Assets	57,720	-
	Miscellaneous expenses	4,305,667	5,383,893
		<b>274,274,865</b>	<b>254,025,846</b>
<b>26.01</b>	<b>Payments to Auditors</b>		
	a) Statutory audit fee	450,000	450,000
	b) Other services		
	i) Taxation matters (including tax audit)	152,500	156,000
	ii) Others	268,000	275,000
	c) Reimbursement of Expenses	29,549	83,056
		<b>900,049</b>	<b>964,056</b>
<b>27.</b>	<b>Exceptional Item</b>		
	Insurance claim (See Note 27.01)	26,130,449	-
		<b>26,130,449</b>	-
<b>27.01</b>	Represents insurance claims for earlier years (including interest Rs 1,10,97,344) recognised as income on the basis of actual receipts/favourable judicial order during the year/subsequent to the balance sheet date.		

Note No	Particulars	For the year Ended 31 <sup>st</sup> March 2017 (Rs.)	For the year Ended 31 <sup>st</sup> March 2016 (Rs.)
<b>28.</b>	<b>Earnings per equity share</b>		
	Profit after taxation (Rs)	11,614,023	18,063,746
	Less: Dividend on preference shares & Tax thereon	1,447,288	1,372,082
	Net profit available to equity shareholders after Extra ordinary item	10,166,735	16,691,664
	Add: Extra ordinary Item (Net of Tax)	-	2,684,033
	Net profit available to equity shareholders before Extra ordinary item	10,166,735	19,375,697
	Weighted Average Number of Equity Shares of Rs. 10/- each (fully paid-up)	8,487,340	8,487,340
	<b>Earnings per share - Basic &amp; Diluted (Rs) before Extraordinary item</b>	<b>1.20</b>	<b>2.28</b>
	<b>Earnings per share - Basic &amp; Diluted (Rs) after Extraordinary item</b>	<b>1.20</b>	<b>1.97</b>

**29.** Loss by fire represents loss of machinery / stock / spares due to fire in the factory premises during the previous year. No credit was taken in the previous year in respect of claims lodged with the insurance company which were pending. During the year, Company has received an amount of Rs 42,74,938/- in respect of claim lodged with the insurance company included under the head "Insurance Claim" disclosed under "Exceptional Item"

**30. Disclosure of transactions with related parties as required by Accounting Standard – 18 on related party disclosures as prescribed by Companies (Accounting standards) Rules, 2006.**

**Subsidiary Companies**

The Kohinoor Saw Mills Company Limited  
Southern Veneers & Wood Works Limited  
ERA & WIP Timber (JV) SDN BHD  
Mayabandar Doors Limited

**Key Managerial Personnel**

Mr. P.K. Mayan Mohamed- Managing Director

**Relatives of Key Managerial Personnel**

Mrs P K Mariam Mohamed, Mr P K Mehaboob Mohamed  
Mr P K Saquib Mohamed, Mr P K Asif Mohamed  
Mrs Liza Mayan, Estate of Late P K Mohamed

**Enterprise over which key management personnel or their relatives are able to exercise significant control**

Windmach Sports Goods (P) Ltd  
Classic Sports Goods (P) Ltd  
Western Fibre and Allied Products (P) Ltd  
Western Food & Beverages  
Citius Builders and Developers LLP  
M/s Kushal Boards

*(Figures in Rupees)*

Particulars	Subsidiaries	Key Management Personnel	Relatives of key Management Personnel	*Enterprises	Total
<b>Purchases of Goods / Assets</b>					
ERA & WIP Timber JV SDN. BHD	50,896,797 (57,843,416)				50,896,797 (57,843,416)
Mayabandar Doors Limited	553,100 (503,468)				553,100 (503,468)
<b>Sale of Goods/Assets :</b>					
ERA & WIP Timber JV SDN, BHD	799,001 (4,105,990)				799,001 (4,105,990)
Mayabandar Doors Limited	6,050,264 (6,005,027)				6,050,264 (6,005,027)
Windmach Sports Accessories (P) Limited				465,437 (330,486)	465,437 (330,486)
Kushal Boards				154,589 (1,062,831)	154,589 (1,062,831)
<b>Lease Rent Paid</b>					
The Kohinoor Saw Mills Company Limited	168,000 (168,000)				168,000 (168,000)
Southern Veneers & Woodworks Limited	178,000 (178,000)				178,000 (178,000)
<b>Services Received :</b>					
Southern Veneers & Woodworks Limited	457,914 (3,715,904)				457,914 (3,715,904)
P K Mayan Mohamed		3,884,272 (4,010,631)			3,884,272 (4,010,631)
Others			554,051 (541,216)		554,051 (541,216)
<b>Finance(Interest on Loan / Fixed Deposit/Payables) :</b>					
P K Mayan Mohamed		15,575 (13,002)			15,575 (13,002)
<b>Investment into Preference Shares</b>					
Mayabandar Doors Limited (1,80,000 8% Cumulative Redeemable Preference Shares of Rs 100/- each)	- (18,000,000)				- (18,000,000)
<b>Balance as on 31.03.2017</b>					
<b>Investments</b>					
Southern Veneers & Wood Works Limited	5,000,000 (5,000,000)				5,000,000 (5,000,000)
The Kohinoor Saw Mills Company Limited	454,100 (454,100)				454,100 (454,100)
Mayabandar Doors Ltd	75,225,459 (75,225,459)				75,225,459 (75,225,459)
ERA & WIP Timber JV SDN. BHD	26,498,870 (26,498,870)				26,498,870 (26,498,870)

<b>Amounts Receivables</b>					
The Kohinoor Saw Mill Company Ltd (towards expenses incurred)	- (16,870)				- (16,870)
The Kohinoor Saw Mill Company Ltd (towards lease rent deposit)	950,000 (950,000)				950,000 (950,000)
ERA & WIP Timber JV SDN. BHD (Advance for shares)	3,504 (3,504)				3,504 (3,504)
ERA & WIP Timber JV SDN. BHD (Towards Sales made)	503,954 (3,530,411)				503,954 (3,530,411)
Mayabandar Doors Limited (Towards sale of goods)	4,523,829 (9,465,074)				4,523,829 (9,465,074)
Kushal Boards (Towards sale of goods)	334,633 (380,044)				334,633 (380,044)
<b>Amounts Payable:</b>					
Southern Veneers & Wood Works Limited	2,928,865 (4,405,662)				2,928,865 (4,405,662)
ERA & WIP Timber JV SDN. BHD (Towards Purchase of goods)	15,304,306 (16,162,055)				15,304,306 (16,162,055)
P K Mayan Mohamed		172,805 (158,788)			172,805 (158,788)
Estate of Late P K Mohamed			1,287,117 (1,287,117)		1,287,117 (1,287,117)

### 3.1 Segment Information

The company is engaged in the business of manufacture and sale of wood based products which form broadly part of one product group and hence constitute a single business segment. However, based on geographical factors, reportable geographic segments have been identified as export sales and domestic sales. The segment wise information pertaining to the reportable geographical segments as above is as follows:

	<b>Export (Rs)</b>	<b>Domestic (Rs)</b>	<b>Total (Rs)</b>
Segment Revenue - Income from Operations	125,150,372 (141,718,034)	679,267,191 (701,979,525)	804,417,563 (843,697,559)
Segment results	653,678 (4,745,189)	20,442,603 (58,776,998)	21,096,281 (63,522,187)
Unallocated Expenditure			1,875,275 (1,614,897)
Unallocated Income			3,680,282 (1,169,382)
Interest Expenses			31,576,714 (31,748,465)
Exceptional Income - Insurance Claim (Refer note 27.01)			26,130,449 (0)
Extraordinary Expense- Loss by fire (Refer note 29)			- (4,009,790)
Profit after extraordinary items ,but before taxation			<b>17,455,023</b> <b>(27,318,417)</b>



Capital employed as also assets and liabilities of the Company are not capable of being stated separately segment-wise since all the assets and liabilities are held under composite undertaking for both the geographic segments.

- 32 The details of Provisions and Contingent Liabilities are as under. (Disclosed in terms of Accounting Standard – 29 on Provisions, Contingent Liabilities & Contingent Assets notified by the Companies (Accounting Standards) Rules, 2006.)

32.01	Contingent Liabilities	31.03.2017 (Rs)	31.03.2016 (Rs)
	a) Letters of credit	9,397,200	4,394,049
	b) Bank guarantees	7,465,094	7,498,194
	c) Bills discounted	1,630,251	2,262,021

- 32.02 Estimated amount of contract remaining to be executed on capital account and not provided for Rs Nil/- (Rs Nil/-)

- 33 The company has an internal control system in place, including in relation to internal controls over financials reporting, which is commensurate with the nature and size of its operations. These internal controls are reviewed/tested by the management/internal auditors on an ongoing basis and there are no material weaknesses/ deficiencies. Further strengthening of the internal control systems/improvements are being assessed/carried out by the management on a continuing basis.

#### 34 Additional Information

34.01	Value of imports calculated on CIF basis	2016-17 (Rs)	2015-16 (Rs)
	Raw Materials	68,462,300	77,152,198
	Components & Spare parts	2,587,545	1,026,411

34.02	Expenditure in Foreign Currency	2016-17 (Rs)	2015-16 (Rs)
	Commission	1,392,156	1,057,247
	Other Matters	543,160	245,964

#### 34.03 Details of Consumption of imported and indigenous items

	Raw Materials	2016-17 (Rupees)		2015-16 (Rupees)	
	Imported	79,841,742	22%	70,223,978	20%
	Indigenous	277,315,250	78%	288,867,556	80%
	Total	357,156,992	100%	359,091,534	100%

	Stores, Spares & Consumables	2016-17 (Rupees)		2015-16 (Rupees)	
	Imported	2,586,300	12%	1,026,411	5%
	Indigenous	19,480,151	88%	20,324,981	95%
	Total	22,066,451	100%	21,351,392	100%

34.04	Earnings in Foreign Exchange	2016-17 (Rs)	2015-16 (Rs)
	Export of goods on FOB basis	118,446,514	134,515,332

**35 Particulars of un-hedged foreign currency exposures as at Balance sheet date are as under:**

Particulars	As at 3 <sup>1st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
	Foreign currency	INR	Foreign currency	INR
Receivables:				
USD	225,354	14,445,191	297,610	19,618,424
MYR	223	3,504	223	3,504
GBP	684	54,467		
EURO	564	38,414		
Payables:				
USD	65,153	4,274,063	618,709	41,311,189
GBP		-	8,493	643,626
MYR	984,200	15,304,305		

36 In the opinion of the Directors, Loans and Advances and Other Current Assets have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.

37 The figures in brackets, unless otherwise stated represents figures for the previous year. Figures of the previous year have been regrouped/recast where ever necessary to suit the classification/disclosure of the current year. Figures have been rounded off to the nearest Rupee.

For and on behalf of the Board of Directors

**P.K MAYAN MOHAMED**  
Managing Director  
(DIN 00026897)

**T. BALAKRISHNAN**  
Chairman  
(DIN 00052922)

**R. BALAKRISHNAN**  
G.M.(Finance) & Company  
Secretary (M No 7119)

**SATHYAKRISHNAN.B**  
Chief Financial Officer

Place: Kochi  
Date: 27-05-2017

As per our separate report of even date attached

For **M/s. Varma & Varma**  
Chartered Accountants  
(FRN - 004532S)

**VIJAY NARAYAN GOVIND**  
Partner  
M. No: 203094

## **INDEPENDENT AUDITOR'S REPORT**

To The Members of The Western India Plywoods Limited  
Kannur

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of The Western India Plywoods Limited (hereinafter referred to as "the Holding Company") and its four subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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.

We conducted our audit 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated 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 sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to Note No 13.02 to the consolidated financial statements which states that in view of the business plans of the subsidiary company, M/s Mayabandar Doors Limited, which is expected to bring in positive cash flows in the near future and the estimated realisable value of the assets at the Unit, the management of the subsidiary is of the opinion that there is no diminution in value of the fixed assets of the subsidiary company within the meaning of Accounting Standard – 28 on Impairment of Assets, as notified by Companies (Accounting Standards) Rules, 2006.

Our opinion is not modified in respect of this matter.

### **Other Matters**

We did not audit the financial statements/financial information of the subsidiaries M/s Southern Veneers and Woodworks Limited, M/s Mayabandar Doors Limited and M/s ERA & WIP Timber JV SDN BHD ("foreign subsidiary") whose financial statements reflect total assets of Rs.878.80 Lakhs and net assets of Rs 570.82 Lakhs as at March 31, 2017, total revenues of Rs 1039.21 Lakhs and net cash flows amounting to Rs 3.61 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of the section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

One of the subsidiaries M/s ERA & WIP Timber JV SDN BHD is located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in its respective country and which has been audited by other auditor under generally accepted auditing standards applicable in its respective country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of other subsidiaries, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the Directors of the Holding Company and one subsidiary company audited by us, as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors such companies and the reports of the statutory auditors of other subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2017 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 Group companies incorporated in India 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'other matter' paragraph:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer to Note No 39.01, to the consolidated financial statements.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and its Subsidiary Companies incorporated in India.
    - iv. The Group has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation and the reports of the other auditors, we report that the disclosures are in accordance with the books of account maintained by the respective companies incorporated in India, for the purpose of preparation of the consolidated financial statements and as produced to us and to the other auditors by the Management of the Holding Company and of the respective companies incorporated in India. Refer to Note no 18.03 to the consolidated financial statements.

For **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

**VIJAY NARAYAN GOVIND**  
Partner  
M. No. 203094

Place: Kochi  
Date : 27.05.2017



**ANNEXURE A REFERRED TO IN PARAGRAPH 1(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE WESTERN INDIA PLYWOODS LIMITED AND IT’S FOUR SUBSIDIARIES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of The Western India Plywoods Limited (“hereinafter referred to as “the Holding Company”) and its four subsidiaries, three of which are companies incorporated in India, as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of the Holding Company and its three subsidiary companies, which are companies incorporated in India, (collectively referred to as the “Group”) as of that date.

**Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company and its three subsidiary companies, which are companies incorporated in India, are 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of the reports referred to in the ‘Other matter’ paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Group’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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, the Holding Company and its three subsidiary companies, which are companies incorporated in India, have, 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, 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Emphasis of Matter

We draw attention to Note No 36 to the consolidated financial statements regarding the existence of internal controls over financial reporting in respect of the holding company, which has been reviewed/tested by the management/internal auditors on an ongoing basis, based on which there are no material weakness/deficiencies and that further strengthening of the internal control system/improvements thereof are being assessed/carried out by the management on a continuing basis.

Our opinion is not modified in respect of this matter.

### Other Matter

Our aforesaid report under Section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

**VIJAY NARAYAN GOVIND**  
Partner  
M. No. 203094

Place: Kochi  
Date : 27.05.2017

## CONSOLIDATED BALANCE SHEET AS AT 31.03.2017

	Note No	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	03	103,873,400	103,873,400
(b) Reserves and Surplus	04	279,755,383	283,968,142
(c) Minority Interest	05	12,461,273	13,949,188
		<b>396,090,056</b>	<b>401,790,730</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowings	06	49,973,442	75,792,770
(b) Deferred Tax Liabilities (Net)	07	22,130,000	21,863,000
(c) Long Term Provisions	08	3,129,021	3,087,837
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	09	237,566,193	208,785,341
(b) Trade Payables	10		
i. Total outstanding dues of micro enterprises and small enterprises ; and		-	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises			
(c) Other Current Liabilities	11	104,251,980	64,531,618
(d) Short Term Provisions	12	71,159,728	81,354,279
		11,902,554	21,188,117
<b>TOTAL</b>		<b>896,202,974</b>	<b>878,393,692</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	13		
(i) Tangible Assets-(Property, Plant and Equipment)		214,770,372	201,013,104
(ii) Intangible Assets			
(iii) Capital Work-in-Progress		6,648,470	30,657,772
(b) Goodwill on consolidation	35	28,011,446	28,011,446
(c) Non-Current Investments	14	887,100	507,100
(d) Long-Term Loans and Advances	15	11,568,515	15,115,284
<b>(2) Current assets</b>			
(a) Inventories	16	382,231,531	381,234,953
(b) Trade Receivables	17	144,172,387	145,436,358
(c) Cash and Cash Equivalents	18	54,693,595	53,731,760
(d) Short-Term Loans and Advances	19	27,158,097	21,718,817
(e) Other Current Assets	20	26,061,461	967,098
<b>TOTAL</b>		<b>896,202,974</b>	<b>878,393,692</b>
Significant Accounting Policies and Notes on Accounts 1 to 42			
The accompanying notes form an integral part of the financial statements			

For and on behalf of the Board of Directors

As per our separate report of even date attached

**P.K MAYAN MOHAMED**  
Managing Director  
(DIN 00026897)

**T. BALAKRISHNAN**  
Chairman  
(DIN 00052922)

**R. BALAKRISHNAN**  
G.M.(Finance) & Company  
Secretary (M No 7119)

**SATHYAKRISHNAN.B**  
Chief Financial Officer

Place: Kochi  
Date: 27-05-2017

For M/s. Varma & Varma  
Chartered Accountants  
(FRN - 004532S)

**VIJAY NARAYAN GOVIND**  
Partner  
M. No: 203094

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017**

	Note No.	For the year ended 31.03.2017 (Rs.)	For the year ended 31.03.2016 (Rs.)
<b>REVENUE</b>			
I Revenue from Operations (Gross)	21	942,306,105	981,797,619
Less: Excise Duty		86,985,528	90,561,307
Revenue from Operations (Net)		<b>855,320,577</b>	<b>891,236,312</b>
II. Other Income	22	7,411,176	3,466,916
<b>III. Total Revenue</b>		<b>862,731,753</b>	<b>894,703,228</b>
<b>IV. EXPENDITURE</b>			
a. Cost of Materials Consumed	23	376,029,638	356,938,315
b. Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	24	(13,748,407)	16,057,554
c. Employee Benefits Expense	25	177,421,265	159,752,751
d. Finance costs	26	31,576,714	31,748,465
e. Depreciation	13	24,754,758	23,365,500
f. Other Expenses	27	287,822,199	268,353,830
<b>Total Expenses</b>		<b>883,856,167</b>	<b>856,216,415</b>
<b>V. Profit before Exceptional and Extraordinary items and tax (III-IV)</b>		<b>(21,124,414)</b>	<b>38,486,813</b>
VI. Exceptional Item	28	26,130,449	-
<b>VII. Profit before Extraordinary items and tax (V+VI)</b>		<b>5,006,035</b>	<b>38,486,813</b>
VIII. Extraordinary items - Loss on Fire	30	-	(4,009,790)
<b>IX. Profit before tax(VII+ VIII)</b>		<b>5,006,035</b>	<b>34,477,023</b>
X. Tax Expense:			
- Current Tax		5,887,230	12,287,615
- Deferred Tax		267,000	(2,620,550)
		<b>6,154,230</b>	<b>9,667,065</b>
<b>XI. Profit after tax for the year (IX-X)</b>		<b>(1,148,195)</b>	<b>24,809,958</b>
<b>Add: Share of (Profit)/Loss of subsidiaries for theyear transferred to Minority Interest</b>		<b>1,693,553</b>	<b>(3,858,285)</b>
		<b>545,358</b>	<b>20,951,673</b>
XII. Earnings per Equity Share (Nominal Value of Rs 10/- (Rs 10/-) (Basic & Diluted) before extraordinary item	29	<b>(0.11)</b>	<b>2.62</b>
XIII. Earnings per Equity Share (Nominal Value of Rs 10/- (Rs 10/-) (Basic & Diluted) after extraordinary item	29	<b>(0.11)</b>	<b>2.31</b>
Significant Accounting Policies and Notes on accounts		1 to 42	

For and on behalf of the Board of Directors

**P.K MAYAN MOHAMED**

Managing Director  
(DIN 00026897)

**T. BALAKRISHNAN**

Chairman  
(DIN 00052922)

**R. BALAKRISHNAN**

G.M.(Finance) & Company  
Secretary (M No 7119)

**SATHYAKRISHNAN.B**

Chief Financial Officer

Place: Kochi

Date: 27-05-2017

As per our separate report of even date attached

For **M/s. Varma & Varma**

Chartered Accountants  
(FRN - 0045325)

**VIJAY NARAYAN GOVIND**

Partner

M. No: 203094

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2017

	For the year ended 31 <sup>st</sup> March 2017 (Rs.)		For the year ended 31 <sup>st</sup> March 2016 (Rs.)	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit/(Loss) for the year after tax</b>		<b>(1,148,195)</b>		<b>24,809,958</b>
Add: Adjustments for Non-Cash items:				
Depreciation	24,754,758		23,365,500	
Provision for Taxation	5,887,230		12,287,615	
Deferred tax	267,000		(2,620,550)	
Interest Income	(1,673,955)		1,082,661)	
Dividend Income	(23,750)		(20,000)	
Interest Expense	32,213,038		32,032,303	
(Profit)/Loss on Sale of Assets	57,720		-	
Exceptional Item - Insurance claim and Interest	(26,130,449)		-	
Extraordinary Item - Loss on Machinery by Fire			1,455,067	
Provision/ creditors no longer required written back	(952,926)		-	
Provision for doubtful debts/Advances	335,163		3,451,554	
Bad debts written off			1,468,369	
		34,733,829		70,337,197
<b>Operating Profit before Working Capital Changes</b>		<b>33,585,634</b>		<b>95,147,155</b>
<b>Adjustment for changes in:</b>				
(Increase)/ Decrease Inventories	(996,578)		24,416,054	
(Increase)/ Decrease Trade Receivables & Other current assets	(2,575,554)		28,643,449	
(Increase)/ Decrease Loans and Advance	(4,382,121)		(3,698,471)	
Increase/ (Decrease) Trade Payables & Other Current liabilities	32,029,450	24,075,197	(12,914,383)	36,446,649
<b>Cash generated from Operations</b>		<b>57,660,831</b>		<b>131,593,804</b>
<b>Exceptional Item - Insurance Claim received</b>		<b>5,093,815</b>		<b>-</b>
<b>Cash flow after Exceptional item</b>		<b>62,754,646</b>		<b>131,593,804</b>
Income Tax Paid		9,692,751		14,921,556
<b>Net Cash from Operating Activities Total (A)</b>		<b>53,061,895</b>		<b>116,672,248</b>



<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale of Fixed Assets	1,184,593		-	
Purchase of Fixed Assets-including Capital Work in progress	(13,410,283)		(40,962,971)	
Capital Advances	-		1,265,247	
Interest received	1,848,369		1,161,358	
Dividend Income	23,750		20,000	
<b>Total ( B )</b>		<b>(10,353,571)</b>		<b>(38,516,366)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase/(Decrease) in Long term borrowings	(25,819,328)		(1,715,078)	
Increase/(Decrease) in Short term borrowings	28,780,852		(27,595,353)	
Interest paid	(32,194,048)		(32,396,419)	
Dividend Paid	(6,519,930)		(6,113,718)	
Corporate Dividend tax paid	(1,441,557)		(1,441,553)	
<b>Total ( C )</b>		<b>(37,194,011)</b>		<b>(69,262,121)</b>
<b>Total Cash Flow for the year ( A + B + C )</b>		<b>5,514,313</b>		<b>8,893,761</b>
Add: Opening Cash and Cash Equivalents		53,731,760		46,666,662
Add/(Less): Foreign Currency Translation Adjustments		(4,552,478)		(1,828,663)
<b>Closing Cash and Cash Equivalents</b>		<b>54,693,595</b>		<b>53,731,760</b>

Cash and cash equivalents at the end of the year includes Rs. 52,83,602/- (Rs 47,22,394/-) deposited in unclaimed Dividend Account which is earmarked for payment of dividend and cannot be used for any other purpose.

Cash and cash equivalents at the end of the year includes balances with banks in deposit accounts Rs 1,37,09,644/- (Rs 70,17,897/-) held as security for availing Letter of Credit and Bank guarantee facilities from various banks.

For and on behalf of the Board of Directors

As per our separate report of even date attached

**P.K MAYAN MOHAMED**

Managing Director  
(DIN 00026897)

**T. BALAKRISHNAN**

Chairman  
(DIN 00052922)

**R. BALAKRISHNAN**

G.M.(Finance) & Company  
Secretary (M No 7119)

**SATHYAKRISHNAN.B**

Chief Financial Officer

Place: Kochi

Date: 27-05-2017

For **M/s. Varma & Varma**

Chartered Accountants  
(FRN - 004532S)

**VIJAY NARAYAN GOVIND**

Partner

M. No: 203094

## NOTE 1

### SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

**a) Basis of Accounting**

The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply in all material respects with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, except that the financial statements of the Subsidiary Company incorporated in Malaysia are prepared in accordance with the provisions of the Malaysian Companies Act, 1965 and in compliance with the applicable accounting standards in Malaysia. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

**b) Principles of Consolidation:**

The Consolidated Financial statements of the Group relate to the holding company Western India Plywoods Limited ("the company") and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements".
- b) The difference between the carrying cost of the investment in the subsidiary companies, over the net assets at the time of acquisition of shares in the subsidiary companies entity is recognised as Goodwill/ Capital reserve as the case may be.
- c) Goodwill arising on consolidation is not amortised, but tested for impairment on a periodic basis and impairment loss if any, is recognised.
- d) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate Financial Statements except as otherwise stated elsewhere in this schedule.

**c) Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known /materialised.

**d) Revenue Recognition**

Sales are recognized on transfer of title of the goods to the respective parties and are inclusive of Excise Duty, but exclusive of Sales tax and Value Added Tax.  
Export incentives are recognized on accrual basis, (except when there are significant uncertainties) based on estimated reliable value of such settlements.  
Other income is recognized on accrual basis, (except when there are significant uncertainties)

**e) Tangible Assets (Property, Plant and Equipment)**

Property, Plant and Equipments are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost of assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress.

**f) Depreciation/ Amortisation**

In respect of Holding Company and Subsidiary companies Southern Veneers and Woodworks Limited and Mayabandar Doors Limited:

Depreciation on Tangible assets (Property, Plant and Equipment), is provided on Straight Line Method based on the useful lives prescribed in Schedule II of the Companies Act, 2013, based on a review by the management at the year end.

In respect of subsidiary company The Kohinoor Saw Mill Company Limited:

Depreciation is provided for in the books of account under written down value method in accordance with the rates prescribed under Schedule II of the Companies Act, 2013.

In respect of subsidiary company ERA & WIP TIMBER JV SDN-BHD incorporated in Malaysia:

Depreciation is provided in accordance with provisions of the Malaysian Companies Act, 1965 and in compliance with the applicable accounting standards in Malaysia

**g) Impairment of Assets**

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed, if there is a change in the estimate of recoverable amount.

**h) Foreign Currency Transactions, Forward Contracts**

Transactions in Foreign currency during the year are accounted at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities other than forward contracts, outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the year-end. The exchange gain/loss arising during the year are adjusted to the Statement of Profit and Loss.

Premium or discount arising on inception of forward exchange contracts, which are intended to hedge the foreign currency risk of existing assets or liabilities has been amortised as income /expense over the life of the contract and exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

The financial statements of the overseas Subsidiary are translated into Indian Rupees, which is the functional currency of the company, as follows:

- Proportionate assets and liabilities at the rates of exchange ruling at the year-end.
- Proportionate revenue items at the average rate for the period.

Exchange rate differences arising on translation above is transferred to Foreign Currency Translation Reserve.

**i) Investments**

Non current Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

**j) Inventories**

Inventories are valued at lower of cost or net realisable value, item wise. For this purpose, the cost of bought-out inventories comprise of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on a weighted average basis. The cost of manufactured inventories comprises of the direct cost of production plus appropriate overheads. The net realizable value of bought out inventories is taken at their current replacement value.

**k) Employee Benefits:**

**a) Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

- b) **Defined Contribution Plans**  
The Group has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year.
- c) **Defined Benefit Plans**
  - i) Payment of Gratuity to employees of the holding company is covered by the Group Gratuity cum Assurance Scheme of the LIC of India, which is a defined benefit scheme and the company makes contributions under the said scheme. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.
  - ii) In respect of subsidiary Company M/s Mayabandar Doors Limited: Gratuity benefits to employees are accounted on accrual basis based on the actuarial valuation. Actuarial Gains or losses arising under defined benefit plans are recognized immediately in the Statement of Profit and Loss as income/expense for the year in which they occur.
- d) **Long Term Employee Benefits**  
The Group has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.
- l) **Research and Development**  
Capital expenditure ( net of recoveries ) on Research & Development is capitalized as fixed assets and depreciated in accordance with the depreciation policy of the company.  
The revenue expenditure ( net of recoveries ) on Research & Development is charged to the Statement of Profit and Loss in the year in which it is incurred.
- m) **Borrowing Cost**  
Borrowing costs directly attributable to the acquisition, construction or production of fixed assets, which take substantial period of time to get ready for their intended use, are capitalized. Other borrowing costs are recognized as expenditure for the period in which they are incurred.
- n) **Income Tax**  
Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Deferred Tax assets/ liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognised if there is a virtual certainty that sufficient future taxable income will be available to realise the same. Deferred Tax Assets/Liabilities is measured, using the tax rate enacted or substantively enacted by the Balance sheet date.
- o) **Earnings Per Share**  
Basic/ diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/ dilutive potential equity shares outstanding as at the end of the year as the case may be.
- p) **Provisions, Contingent Liabilities and Contingent Assets**  
Provisions are recognised when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates.  
  
Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.  
  
Contingent assets are neither recognized nor disclosed in the accounts.

## NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**Note No 02:** The Western India Plywoods Limited has controlling interest in the following entities during the year ended 31<sup>st</sup> March, 2017:

Name of the entity	Relationship	Country of Incorporation	Group's Share of Ownership Interest
Southern Veneers and Woodworks Limited	Subsidiary	India	100% (100%)
The Kohinoor Saw Mills Company Limited	Subsidiary	India	90.82% (90.82%)
ERA & WIP Timber JV SDN BHD, Malaysia	Subsidiary	Malaysia	65.87% (65.87%)
Mayabandar Doors Limited	Subsidiary	India	88.68% (88.68%)

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
03	<b>SHARE CAPITAL</b>		
	<b>Authorised:</b>		
	1,00,00,000 (1,00,00,000) Equity Shares of Rs.10/- each	100,000,000	100,000,000
	15,00,000 ( 15,00,000 ) Redeemable Preference Shares of Rs.100/- each	150,000,000	150,000,000
	<b>TOTAL</b>	<b>250,000,000</b>	<b>250,000,000</b>
	<b>Issued Shares</b>		
	86,32,470 (86,32,470) Equity Shares of Rs.10/- each	86,324,700	86,324,700
	1,90,000 (1,90,000) 8% (6%) Redeemable Cumulative Preference Shares of Rs.100/- each	19,000,000	19,000,000
	<b>TOTAL</b>	<b>105,324,700</b>	<b>105,324,700</b>
	<b>Subscribed &amp; Paid Up</b>		
	84,87,340 (84,87,340) Equity Shares of Rs. 10/- each fully paid up	84,873,400	84,873,400
	1,90,000 (1,90,000) 8% (6%) Redeemable Cumulative Preference Shares of Rs.100/- each	19,000,000	19,000,000
		<b>103,873,400</b>	<b>103,873,400</b>

	Particulars	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
		No. of shares	Amount Rs	No. of shares	Amount Rs
03.01	<u>Reconciliation of Shares at the beginning and at the end of the financial year.</u>				
	<b>a) Equity Shares</b>				
	At the beginning of the year	8,487,340	84,873,400	8,487,340	84,873,400
	Add: Shares Issued during the year	-	-	-	-
	At the end of the year	8,487,340	84,873,400	8,487,340	84,873,400



<b>b) Preference Shares</b>				
8% (6%) Redeemable Cumulative Preference Shares of Rs.100/- each				
At the beginning of the year	190,000	19,000,000	190,000	19,000,000
Add: Issued during the year				
At the end of the year	190,000	19,000,000	190,000	19,000,000

### 3.02 Terms/ Rights Attached to Equity Shares

The Company has only one class of shares referred to as equity shares with a face value of Rs.10/ each. Each holder of an equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed/declared by the Board of Directors is subject to approval/regularisation of the shareholders' in the ensuing Annual General Meeting.

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

### 3.03 Terms of redemption of Preference Shares

Each holder of preference share is entitled to one vote per share on a resolution placed before the Company which directly affect the rights attached to the preference shareholders. All Preference Shares outstanding at the year end were redeemable on 30th January, 2017 and carried cumulative dividend @ 6% upto that date. The redemption of the said preference shares is extended upto 31st January, 2018 with cumulative dividend @ 8%.

	Particulars	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
		% of Holding	No. of shares	% of Holding	No. of shares
<b>3.4</b>	<u>Details of Shareholders holding more than 5% shares in the Company</u>				
a)	<b>Equity Shares</b>				
	Life Insurance Corporation of India	10.80%	916,860	10.80%	916,860
b)	<b>8% (6%) Redeemable Cumulative Preference Shares of Rs.100/- each</b>				
	Vigfin Holdings Private Limited	100%	190,000	100%	190,000

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>04</b>	<b>RESERVES &amp; SURPLUS</b>		
	Capital Reserve	1,803,764	1,803,764
	Capital Redemption Reserve	113,000,000	113,000,000
	Securities Premium Account	44,196,050	44,196,050
	Export Profit Reserve	1,924,094	1,924,094
	General reserve	8,264,857	8,264,857

Foreign currency translation reserve	(2,430,795)	2,121,683
Less: Transferred to minority interest	(829,630)	
	(1,601,165)	
Surplus		
Opening Balance	115,904,580	103,475,602
Add : Net Profit/(Loss) after tax as per Statement of Profit & Loss	545,358	20,951,673
<b>Amount available for Appropriations</b>	<b>116,449,938</b>	<b>124,427,275</b>
Less: Appropriations		
Proposed Dividend - Preference Shares (Refer Note no 4.01 & 4.02)	-	1,140,000
Proposed Dividend - Equity Share	-	5,941,138
Tax on Proposed Dividend	-	1,441,557
<b>Closing balance</b>	<b>116,449,938</b>	<b>115,904,580</b>
Less: Minority Interest adjusted (as per contra)	(4,282,155)	(3,246,886)
	112,167,783	112,657,694
<b>TOTAL</b>	<b>279,755,383</b>	<b>283,968,142</b>

**4.01** Preference Dividend of Rs 5.01/- (Rs 5.01/-) per share upto 30th January, 2017 and Rs 1.32/- (Rs 0.99/-) per share from 31st January, 2017 to 31st March, 2017 has been proposed @ 6% (6%) upto 30th January, 2017 and @ 8% (6%) from 31st January, 2017 to 31st March, 2017 on the face value of Cumulative Redeemable Preference Shares by the Board which is subject to approval by the shareholders in the ensuing Annual General Meeting.

**4.02** In accordance with the revised Accounting Standard - 4 'Contingencies and Events occurring after the Balance Sheet Date' (effective from 01.04.2016) proposed dividend for the year and Corporate Dividend Tax thereon has not been recognised as a distribution of profit in the current year's accounts.

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>05</b>	<b>MINORITY INTEREST</b>		
	Share Capital	14,449,500	14,449,500
	Less: Share of accumulated loss and general reserves at beginning of the year	(3,747,199)	(7,605,483)
		10,702,301	6,844,017
	Add: Profit/(Loss) for the year transferred from Statement of Profit and Loss	(1,693,553)	3,858,285
	Add: Share of Foreign currency translation reserve	(829,630)	-
		8,179,118	10,702,302
	Add: Adjusted against majority interest (as per Contra)	4,282,155	3,246,886
		<b>12,461,273</b>	<b>13,949,188</b>
<b>06</b>	<b>LONG TERM BORROWINGS</b>		
	<b>Secured Loans (See Note No 6.01 &amp; 6.02)</b>		
	Term Loan:		
	- From Banks	16,079,398	25,110,181
	- From Others	33,894,044	50,682,589
	<b>TOTAL</b>	<b>49,973,442</b>	<b>75,792,770</b>

Refer Note No.11 for current maturities of the above loans.

### 06.01 Details of Security

#### a) **From Banks**

##### (i) **Term Loan from Axis Bank Ltd**

Secured by equitable mortgage of 386.75 cents of commercial/residential land of the company and also by the personal guarantee of the Managing Director. It is further secured by way of personal guarantee of new shareholder Directors who takes over the rights/shares of former Managing Director Late. Mr. P.K. Mohamed.

##### (ii) **Term Loan from ICICI Bank Ltd**

Secured by hypothecation of the assets procured by availing the said loan and also by the personal guarantee of the Managing Director

##### (iii) **Term Loan from HDFC Bank**

Secured by hypothecation of the assets procured by availing the said loan and also by the personal guarantee of the Managing Director .

#### b) **From Others**

##### (i) **KSIDC Loan I & Loan II**

Secured on pari passu basis by mortgage of all immovable properties, present and future, and movable properties, including Machinery, Machinery spares, Tools and Accessories, present and future (save and except book debts), subject to prior charges created or to be created, except exclusive charge given to Axis bank Ltd for loan availed. The loans are also secured by way of mortgage of land of the subsidiary company M/s Kohinoor Saw Mill Company Ltd together with Buildings, Plant and Machinery and Fixed Assets and Fittings thereon and also charge on 3.10 Acres of Land, Buildings, Plant and Machinery and Fixed Assets and Fittings of Subsidiary company M/s Southern Veneers and Woodworks Ltd; and by personal guarantee of the Managing Director.

##### (ii) **KSIDC Loan III**

Working Capital Term loan, secured by an extension of existing charge on all assets , movable and immovable, of the Company and collateral securities mortgaged in favour of KSIDC against existing term loans. The loan is further secured by way of personal guarantee of the Managing Director.

### 06.2 Repayment and other terms

(Figures in Rs.)

Particulars	Terms	Non Current	Current
<b>From Banks</b>			
Axis Bank	The term loan was availed during the year 2015 and carries interest at a rate of 1.5% above the Bank's MCLR currently at 8.25%, presently applicable rate being 9.75%. The rate of interest is subject to revision from time to time at the discretion of the bank. The loan is repayable in 59 installments of Rs. 6,67,000/- and final installment at Rs. 6,47,000/- commencing from March, 2015	14,654,000 (22,658,000)	8,004,000 (8,004,000)
ICICI Bank	Loan was taken during the year 2013 and carries interest rate of 10.25%. The loan is repayable in 60 equated monthly installments of Rs 74,165/- each from February, 2014.	639,852 (1,420,226)	780,374 (704,646)

HDFC Bank	Loan was taken during the year 2015 and carries an interest rate of 9.65%. The loan is repayable in 60 equated monthly installments of Rs 27,940/- each from December, 2015.	785,546 (1,031,955)	246,409 (223,829)
<b>From Others</b>			
KSIDC Loan I	Loan was taken during the year 2006 and carries interest rate of 9%. The loan is repayable in 17 equal half yearly installments of Rs 1,08,82,352/- each from November, 2009.	- (10,882,356)	404,096 (10,409,257)
KSIDC Loan II	Loan was taken during the year 2009 and carries interest rate of 9%. The loan is repayable in 15 equal half yearly installments of Rs 16,17,647/- each from November, 2009.	1,564,834 (4,800,233)	3,235,294 (3,235,294)
KSIDC Loan III	Loan was taken during the year 2015 and carries interest rate of 10.75%. The loan is repayable in 20 equal quarterly installments of Rs 25,00,000/- each from November, 2015, with a repayment holiday for the principal for 3 quarters from 15.11.2016.	32,329,210 (35,000,000)	7,500,000 (10,000,000)
<b>Current Year</b>		<b>49,973,442</b>	<b>20,170,173</b>
<i>Previous Year</i>		<i>(75,792,770)</i>	<i>(32,577,026)</i>

<b>Note No</b>	<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2017 (Rs.)</b>	<b>As at 31<sup>st</sup> March 2016 (Rs.)</b>
<b>07</b>	<b>DEFERRED TAX LIABILITIES (NET)</b>		
	<b>A. Deferred Tax Liability</b>		
	On excess of net book value over Income tax written down value of fixed assets	31,656,163	31,457,810
	Gross Deferred Tax Liability	<b>31,656,163</b>	<b>31,457,810</b>
	<b>B. Deferred Tax Assets</b>		
	On Provisions/other disallowances	9,526,163	9,594,810
	Gross Deferred Tax Asset	<b>9,526,163</b>	<b>9,594,810</b>
	<b>Net Deferred Tax Liability</b>	<b>22,130,000</b>	<b>21,863,000</b>
<b>08</b>	<b>LONG TERM PROVISIONS</b>		
	Provision for employee benefits ( Note No. 8.01)		
	For Gratuity	1,426,337	1,267,864
	For Compensated absences	1,702,684	1,819,973
		<b>3,129,021</b>	<b>3,087,837</b>

**08.01 Disclosures required under Accounting Standard 15 - "Employee Benefits"**
**a. Defined Contribution Plans**

During the year the following amounts have been recognised in the Statement of Profit and Loss on account of defined contribution plans:

Particulars	Holding Company		Subsidiary Company	Company
	2016-17 (Rs)	2015-16 (Rs)	Mayabandar	Doors Ltd
Employers contribution to Provident Fund	8,424,794	8,080,173	830,398	572,076
Employers contribution to Employee's State Insurance	3,336,470	3,003,974	-	-

**b. Defined Benefit Plans - Gratuity: Funded Obligation**

Particulars	Holding Company		Subsidiary Company	
	Current Year	Previous Year	Mayabandar	Doors Ltd
			Current Year	Previous Year
<b>i. Actuarial Assumptions</b>				
Discount Rate (per annum)	8.00%	8.00%	8.00%	8.00%
Expected return on plan assets	8.00%	8.00%	Not Applicable	Not Applicable
Salary escalation rate*	5.00%	5.00%	5.00%	5.00%
Mortality rate	Indian Assured Lives (1994-1996) Ultimate			
*The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.				

Particulars	Holding Company		Subsidiary Company	Company
	Current Year	Previous Year	Mayabandar	Doors Ltd
<b>ii. Reconciliation of present value of obligation</b>				
Present value of obligation at the beginning of the year	37,167,405	37,481,474	1,449,508	1,215,544
Current Service Cost	2,001,126	1,621,399	125,787	121,125
Interest Cost	3,053,437	3,066,174	120,992	102,089
Actuarial (gain)/ loss	4,966,793	3,840,755	801	10,750
Benefits Paid	(5,604,637)	(8,842,397)	(74,100)	-
Present value of obligation at the end of the year	<b>41,584,124</b>	<b>37,167,405</b>	<b>1,622,988</b>	<b>1,449,508</b>
<b>iii. Reconciliation of fair value of plan assets</b>				
Fair value of plan assets at the beginning of the year	33,890,663	28,614,132	-	-
Expected return on plan assets	2,711,253	2,289,130	-	-
Actuarial (gain)/ loss	(11,637)	380,703	-	-
Contributions	4,500,000	11,449,095	-	-
Benefits paid	-	(8,842,397)	-	-
Assets distributed on settlement (if applicable)	-	-	-	-
Fair value of plan assets at the end of the year	<b>41,090,279</b>	<b>33,890,663</b>	-	-
<b>iv. Description of Plan Assets</b>				
Insurer Managed Funds (LIC of India)	41,090,279	33,890,663	-	-



v.	Net (Asset)/ Liability recognized in the Balance Sheet as at year end	2016-17 (Rs)	2015-16 (Rs)	2014-15 (Rs)	2013-14 (Rs)	2012-13 (Rs)
	Present value of obligation at the end of the year	1,622,988	37,167,405	37,481,474	42,542,663	45,367,400
	Fair value of plan assets at the end of the year	-	33,890,663	28,614,132	29,964,326	13,483,864
	Net present value of funded obligation recognized as (asset)/ liability in the Balance Sheet	1,622,988	3,276,742	8,867,342	12,578,337	31,883,536

**Subsidiary Company - Mayabandar Doors Limited**

	Particulars	2016-17	2015-16 (Rs)	2014-15 (Rs)	2013-14 (Rs)
	Present Value of Obligation at the end of the Year	1,622,988	1,449,508	1,215,544	1,030,598
	Fair value of plan assets at the end of the Year	-	-	-	-
	Net Present Value of funded obligation recognised as (asset)/liability in the Balance Sheet	1,622,988	1,449,508	1,215,544	1,030,598

Particulars	Holding Company		Subsidiary Company	
	Current Year	Previous Year	Mayabandar	Doors Ltd
vi. Expenses recognized in the Statement of Profit and Loss				
Current Service Cost	2,001,126	1,621,399	125,787	121,125
Interest Cost	3,053,437	3,066,174	120,992	102,089
Actuarial (gain)/ loss recognized in the period	4,978,430	3,460,052	801	10,750
Past Service Cost (if applicable)	-	-	-	-
Expected return on plan assets	(2,711,253)	(2,289,130)	-	-
Total expenses recognized in the Statement of Profit and Loss for the year	7,321,740	5,858,495	247,580	233,964

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

**c. Long Term Employee Benefits**
**Compensated absences (Vesting and Non Vesting): Unfunded Obligation**

i.	Actuarial Assumptions	Current Year	Previous Year
	Discount Rate (per annum)	8.00%	8.00%
	Salary escalation rate*	5.00%	5.00%
	Mortality rate	Indian Assured Lives Mortality (1994-1996) Ultimate	Indian Assured Lives Mortality (1994-1996) Ultimate

\*The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii.	Reconciliation of present value of obligation	Current Year (Rs)	Previous Year (Rs)
	Present value of obligation at the beginning of the year	2,114,862	2,036,846
	Current Service Cost	297,933	393,975
	Interest Cost	181,106	178,706
	Actuarial (gain)/ loss	(167,686)	(274,308)
	Benefits Paid	(222,736)	(220,357)
	Present value of obligation at the end of the year	2,203,479	2,114,862
iii.	<b>Net (Asset)/ Liability recognized in the Balance Sheet as at year end</b>		
	Present value of obligation at the end of the year	2,203,479	2,114,862
	Fair value of plan assets at the end of the year	-	-
	Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet	2,203,479	2,114,862
iv.	<b>Expenses recognized in the Statement of Profit and Loss</b>		
	Current Service Cost	297,933	393,975
	Interest Cost	181,106	178,706
	Actuarial (gain)/ loss recognized in the period	(167,686)	(274,308)
	Past Service Cost (if applicable)		
	Total expenses recognized in the Statement of Profit and Loss for the year	311,353	298,373
	The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.		

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>09</b>	<b>SHORT TERM BORROWINGS</b>		
	Loans repayable on demand		
	- Working capital loans from Banks (Secured) (Note 9.01)	214,835,887	178,310,808
	Loan from related parties (Unsecured)		
	- From Directors (Note 09.02)	172,805	6,304,525
	- From Others - Estate of Late Mr P K Mohamed (Note 9.02)	1,287,117	1,287,117
	- From Others - ERA Intermerge SDN BHD (Note 9.02)	2,339,404	1,792,919
	Others		
	- Buyers credit from Banks (Secured) (Note 9.03)	18,930,980	21,089,972
		<b>237,566,193</b>	<b>208,785,341</b>

**9.01** Working Capital loans availed from banks are repayable on demand and are secured by hypothecation of Raw Materials, Work In Process, Finished Goods, Receivables and other current assets of the Company. The above loans are also secured by pari passu second charge over the entire fixed assets of the company and the personal guarantee of the Managing Director.

**9.02** Loan from the Directors and Others are repayable on demand.

**9.03** Buyers credit from Dena Bank has been availed under the existing limits of Letter of Credit sanctioned by the bank and are secured by goods procured under the said facility. The above loans are also secured by pari passu second charge over the entire fixed assets of the company and the personal guarantee of the Managing Director. Buyers Credit from banks are repayable within a period of 180 days from the date of said loan.

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>10</b>	<b>TRADE PAYABLES</b>		
	i) Total outstanding dues of Micro enterprises and small enterprises	-	-
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	104,251,980	64,531,618
		<b>104,251,980</b>	<b>64,531,618</b>

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>11</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Current Maturities of Long Term Debts (Note No. 6.02)	20,170,173	32,577,026
	Unpaid Dividend (Note No. 11.01)	5,283,602	4,722,394
	Interest Accrued but not due on Borrowings	119,266	100,276
	Other Payables -		
	- Statutory Dues	5,717,059	5,406,360
	- Advance from customers	12,327,706	12,369,470
	- Trade Deposits	2,907,162	2,907,162
	- Excise Duty on closing stock	23,825,654	21,189,980
	- Other current liabilities	809,106	2,081,611
		<b>71,159,728</b>	<b>81,354,279</b>

**11.01** Does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2017 (Rs.)
<b>12</b>	<b>SHORT TERM PROVISIONS</b>		
	Provision for Employee Benefits ( Note 8.01)		
	For Gratuity	6,295,133	3,458,386
	For Compensated Absences	500,795	294,889
		<b>6,795,928</b>	<b>3,753,275</b>
	Other Provisions		
	For Income Tax	5,106,626	8,912,147
	For Corporate Dividend (Note 4.01 & 4.02)	-	7,081,138
	For Corporate Dividend Tax (Note 4.01 & 4.02)	-	1,441,557
		<b>11,902,554</b>	<b>21,188,117</b>

**NOTE 13 - FIXED ASSETS**  
**TANGIBLE ASSETS (PROPERTY, PLANT AND EQUIPMENT)**

[Amount in Rupees]

Particulars	GROSS BLOCK - AT COST			DEPRECIATION			NET BLOCK	
	As at 01.04.2016	Additions During the year	Adjustments/ Deductions during the year	As at 31.03.2017	As at 01.04.2016	For the year	As at 31.03.2017	As at 31.03.2016
Free Hold Land	5,678,642 (5,678,642)	-	-	5,678,642 (5,678,642)	-	-	5,678,642 (5,678,642)	5,678,642 (5,678,642)
Lease Hold Land	241,921 (241,921)	-	-	241,921 (241,921)	-	-	241,921 (241,921)	241,921 (241,921)
Buildings	29,945,428 (28,128,987)	6,255,667 (1,816,441)	2,453,363 -	33,747,732 (29,945,428)	20,529,755 (19,425,338)	523,560 (1,104,417)	21,053,315 (20,529,755)	9,415,673 (8,703,649)
Plant & Equipment	1,268,694,595 (1,263,612,847)	36,389,946 (8,653,123)	2,623,280 (3,571,375)	1,302,461,261 (1,268,694,595)	1,094,705,924 (1,077,404,834)	21,516,373 (19,703,499)	1,116,222,297 (1,094,705,924)	173,988,671 (186,208,013)
Vehicles	29,828,825 (26,961,224)	2,068,048 (2,867,601)	2,527,198 -	29,369,675 (29,828,825)	18,635,965 (16,380,936)	2,502,344 (2,255,029)	20,013,219 (18,635,965)	11,192,860 (10,580,288)
Office Equipments	1,899,159 (1,821,659)	160,912 (77,500)	5,159 -	2,054,912 (1,899,159)	1,665,215 (1,545,574)	87,401 (119,641)	1,752,616 (1,665,215)	302,296 (233,944)
Furniture & Fittings	504,030 (503,754)	- (276)	- -	504,030 (504,030)	484,358 (469,244)	9,014 (15,114)	493,372 (484,358)	10,658 (19,672)
Computer	3,365,120 (3,198,349)	121,993 (166,771)	630 -	3,486,483 (3,365,120)	3,123,399 (2,957,624)	116,066 (165,775)	3,239,465 (3,123,399)	247,018 (241,721)
<b>Current Year</b>	<b>1,340,157,720</b>	<b>44,996,566</b>	<b>7,609,630</b>	<b>1,377,544,656</b>	<b>1,139,144,616</b>	<b>24,754,758</b>	<b>1,162,774,284</b>	<b>201,013,104</b>
<b>Previous Year</b>	<b>(1,330,147,383)</b>	<b>(13,581,712)</b>	<b>(3,571,375)</b>	<b>(1,340,157,720)</b>	<b>(1,118,183,550)</b>	<b>(23,363,475)</b>	<b>(1,139,144,616)</b>	<b>(211,963,833)</b>
<b>Intangible Assets</b>								
License Fee	40,500 (40,500)	- -	- -	40,500 (40,500)	40,500 (38,475)	- (2,025)	40,500 (40,500)	- (2,025)
<b>Current Year</b>	<b>40,500</b>	<b>-</b>	<b>-</b>	<b>40,500</b>	<b>40,500</b>	<b>-</b>	<b>40,500</b>	<b>-</b>
<b>Previous Year</b>	<b>(40,500)</b>	<b>-</b>	<b>-</b>	<b>(40,500)</b>	<b>(38,475)</b>	<b>(2,025)</b>	<b>(40,500)</b>	<b>(2,025)</b>
<b>Capital Work in Progress</b>								
Plant & Equipment- Software (refer note 13.01)	26,019,774 (674,564)	6,842,351 (25,631,311)	32,862,125 (286,101)	- (26,019,774)	- -	- -	- (26,019,774)	26,019,774 (647,564)
Other Plant & Equipment	4,637,998 (2,888,050)	4,792,421 (3,314,118)	2,781,949 (1,564,170)	6,648,470 (4,637,998)	- -	- -	6,648,470 (4,637,998)	4,637,998 (2,906,050)
<b>Current Year</b>	<b>30,657,772</b>	<b>11,634,772</b>	<b>35,644,074</b>	<b>6,648,470</b>	<b>-</b>	<b>-</b>	<b>6,648,470</b>	<b>30,657,772</b>
<b>Previous Year</b>	<b>(3,562,614)</b>	<b>(28,945,429)</b>	<b>(1,850,271)</b>	<b>(30,657,772)</b>	<b>-</b>	<b>-</b>	<b>(30,657,772)</b>	<b>(3,553,614)</b>

**Note 13.01**  
Additions during the year include borrowing cost of Rs 2,60,994 (Rs 4,69,847) capitalised during the year as per Accounting Standard 16 on "Borrowing Costs".

**Note 13.02**  
In view of the business plans of the subsidiary company W's Mayabandar Doors Limited, which is expected to bring in positive cash flows in the near future and the estimated realisable value of the assets at the Unit, the management of the respective company is of the opinion that, there is no impairment in the value of the fixed assets of the company within the meaning of the Accounting Standard-28 on Impairment of Assets, as notified by the Companies (Accounting Standards) Rules, 2006.

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>14</b>	<b>NON CURRENT INVESTMENT</b>		
<b>1)</b>	<b><u>Investment in equity instruments (at cost) - Long Term</u></b>		
	<b>Unquoted (Trade):</b> 6,000 (6,000) Equity Shares of Rs. 100/- each in Kutty Flush Doors and Furniture Co. (P) Ltd.	325,100	325,100
	<b>Quoted (Non- Trade):</b> 2500 (2500) Equity Shares of Rs. 2/- (Rs.2/-) each in HDFC Bank Ltd.	5,000	5,000
	<b>Listed but quote not available</b> 10,000 (10,000) Equity Shares of Rs. 10/- each in Keltron Component Complex Ltd Less : Provision for dimunition in value of investments	100,000 (100,000)	100,000 (100,000)
		-	-
	<b>Unquoted (Non Trade):</b> 10,000 (10,000) Equity Shares of Rs. 10/- each in Transformers and Electricals Kerala Ltd. 5,000 (5,000) Equity Shares of Rs. 10/- each in SAIL-SCL Kerala Ltd. (formerly known as Steel Complex Limited) Less : Provision for dimunition in value of investments	100,000 50,000 (50,000)	100,000 50,000 (50,000)
		100,000	100,000
<b>2)</b>	<b><u>Investment in Debentures</u></b>		
	<b>Unquoted - (Trade):</b> 150 ( 150) Debentures of Rs. 10,000/- each in Kutty Flush Doors and Furniture Co. (P) Ltd. Less : Provision for dimunition in value of investments	1,500,000 (1,120,000)	1,500,000 (1,500,000)
		380,000	-
<b>3)</b>	<b><u>Investment in Government and Trust Securities</u></b> National Savings Certificates	77,000	77,000
	<b>TOTAL INVESTMENTS</b>	<b>887,100</b>	<b>507,100</b>
	Aggregate amount of Quoted Investments	5,000	5,000
	Aggregate Market Value of Quoted investments	3,606,375	2,677,875
	Aggregate amount of Unquoted Investments	882,100	502,100
	Provision for Diminution in value of investments	1,270,000	1,650,000



Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>15</b>	<b>LONG TERM LOANS AND ADVANCES</b>		
	(Unsecured, considered good)		
	Capital Advances	-	2,334,753
	Security deposit	10,807,029	11,750,497
	Advances		
	- Building Tax	161,486	430,034
	- Excise duty paid under protest	600,000	600,000
	(Unsecured, considered doubtful)		
	Security Deposits	953,777	798,921
	Less: Provision for doubtful security deposits	(953,777)	(798,921)
		-	-
	Other loans and advances		
	Advances recoverable in cash or in kind or value to be received	1,616,132	1,616,132
	Less: Provision for doubtful advances	(1,616,132)	(1,616,132)
		-	-
	<b>TOTAL</b>	<b>11,568,515</b>	<b>15,115,284</b>
<b>16.</b>	<b>INVENTORIES</b>		
	Raw Materials	24,131,045	34,218,993
	(including stock in transit Rs.30,36,285/- (Rs. 17,89,436/-) )		
	Work-in-progress (Veneer and Sawnd Timber)	52,324,433	46,575,739
	Finished Goods (Refer Note 16.01)	263,371,293	255,371,580
	(including stock in transit Rs 11,56,328 /- (Rs 7,97,156/-) )		
	Stores and Spares	42,404,760	45,068,641
		<b>382,231,531</b>	<b>381,234,953</b>

**16.01** Method of valuation of inventories - See Note 1(j) of Significant Accounting Policies.

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>17.</b>	<b>TRADE RECEIVABLES</b>		
	Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, Considered Good	20,059,510	35,950,185
	Considered Doubtful	17,536,565	18,109,491
	Less: Provision for doubtful debts	(17,536,565)	(18,109,491)
		20,059,510	35,950,185
	Other Debts		
	Unsecured, Considered Good	124,112,877	109,486,173
		<b>144,172,387</b>	<b>145,436,358</b>

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>18</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash on hand	1,308,295	620,654
	Cheques on hand	1,331,327	2,349,581
	Balance with Banks		
	- in Current Accounts (See Note 18.01)	38,344,329	33,742,190
	- in Deposit Accounts (See Note 18.02)	13,709,644	17,019,335
		<b>54,693,595</b>	<b>53,731,760</b>

**18.01** Balance with banks in Current Account include amount deposited in Unclaimed Dividend Account of Rs 52,83,602/- (Rs 47,22,394/-) which is earmarked for payment of dividend and cannot be used for any other purpose.

**18.02** Balances with banks in deposit accounts Rs 1,37,09,644/- (Rs 70,17,897/-) which represents Margin money deposits held as security for availing Letter of Credit and Bank guarantee facilities from various banks.

**18.03** The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are as provided in the Table below:

Particulars	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	3,912,500	484,891	4,397,391
(+) Permitted Receipts	-	9,764,526	9,764,526
(-) Permitted Payments	39,000	7,361,992	7,400,992
(-) Amount Deposited in Banks	3,873,500	1,855,510	5,729,010
Closing Cash in Hand as on 30.12.2016	-	1,031,915	1,031,915

Note No	Particulars	As at 31 <sup>st</sup> March 2017 (Rs.)	As at 31 <sup>st</sup> March 2016 (Rs.)
<b>19</b>	<b>SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)</b>		
	Advance recoverable in cash or kind	16,146,793	13,321,676
	Advance to Employees	4,278,301	4,130,669
	Advance to Suppliers	860,347	-
	Balance with Central Excise, Customs etc.	5,872,656	4,266,472
		<b>27,158,097</b>	<b>21,718,817</b>
<b>20.</b>	<b>Other Current Assets</b>		
	Interest Receivable	38,335	212,749
	Insurance Claim Recievable	21,036,634	-
	Interest on Non-Convertible Debenture Receivable	2,361,130	-
	Value Added Tax refund receivable	78,830	49,050
	Drawback Claim/ Duty Scrips receivable		
	- Unsecured, Considered Good	2,546,532	705,299
	- Unsecured, Considered Doubtful	343,900	163,593
	Less: Provision for Doubtful Claims	(343,900)	(163,593)
		<b>2,546,532</b>	<b>705,299</b>
		<b>26,061,461</b>	<b>967,098</b>

Note No	Particulars	For the year ended 31.03.2017 (Rs)	For the year ended 31.03.2016 (Rs)
<b>21</b>	<b>REVENUE FROM OPERATIONS</b>		
	<b>SALE OF PRODUCTS</b>		
	Plywood	136,560,122	143,592,773
	Hardboard	508,593,073	549,936,581
	SoftBoard	18,084,600	-
	Pre Compressed Board	34,214,356	29,393,477
	Compreg	144,706,176	153,288,174
	Pre Finished Board	9,258,590	12,416,983
	Furniture	20,862,944	22,810,598
	Veneer	17,956,537	25,089,698
	Flush Doors & Panel Doors	39,844,031	31,578,285
	Other Miscellaneous Sales	6,117,848	10,935,570
		<b>936,198,277</b>	<b>979,042,139</b>
	<b>OTHER OPERATING REVENUE</b>		
	Export Incentives	6,107,828	2,755,480
		<b>6,107,828</b>	<b>2,755,480</b>
	Revenue from Operations (Gross)	<b>942,306,105</b>	<b>981,797,619</b>
	Less: Excise Duty	86,985,528	90,561,307
	<b>Revenue from Operations (Net)</b>	<b>855,320,577</b>	<b>891,236,312</b>
<b>22.</b>	<b>Other Income</b>		
	Job Work Charges	475,535	26,619
	Refund of Value Added Tax	3,040,029	-
	Dividend Income	23,750	20,000
	Net gain on foreign currency translation	198,785	2,167,721
	Excise Duty on Closing Stock	-	1,148,117
	Miscellaneous Income	19,043	57,801
	Liabilities/Provisions no longer required written back	1,262,050	46,658
	Interest Income	30,854	-
	Interest/ Premium on redemption of Debenture (See Note 22.01)	2,361,130	-
		<b>7,411,176</b>	<b>3,466,916</b>
<b>22.01</b>	Represents interest/ premium on redemption of debentures fallen due recognised to the extent actually realised subsequent to the balance sheet date.		
<b>23.</b>	<b>Cost of Materials Consumed</b>		
	Inventory at the beginning of the year	34,218,993	37,068,714
	Add: Purchases	365,941,690	354,732,948
	Less: Loss due to Fire	-	644,354
	Less : Inventory in Transit	3,036,285	1,789,436
	Less: Inventory at the end of the year	21,094,760	32,429,557
		<b>376,029,638</b>	<b>356,938,315</b>

<b>Note No</b>	<b>Particulars</b>	<b>For the year ended 31.03.2017 (Rs)</b>	<b>For the year ended 31.03.2016 (Rs)</b>
<b>23.01</b>	<b>Details of raw materials consumed</b>		
	Timber	25,363,252	73,686,454
	Firewood	151,708,427	155,742,396
	Veneer	139,676,202	72,043,935
	Others	59,281,757	55,465,530
		<b>376,029,638</b>	<b>356,938,315</b>
<b>24.</b>	<b>Changes in Inventories of Finished Goods and Work in Progress</b>		
	Inventory at the beginning of the year		
	Finished Goods	255,371,580	274,532,516
	Work-in-progress	46,575,739	43,472,357
		<b>301,947,319</b>	<b>318,004,873</b>
	Inventory at the end of the year		
	Finished Goods	263,371,293	255,371,580
	Work-in-progress	52,324,433	46,575,739
		<b>315,695,726</b>	<b>301,947,319</b>
	<b>(Increase) /decrease in Inventory</b>	<b>(13,748,407)</b>	<b>16,057,554</b>
<b>25.</b>	<b>Employee Benefit Expenses</b>		
	Salaries, Wages and Bonus	151,959,056	137,453,903
	Contribution to Provident and Other Funds	12,656,229	11,800,402
	Workmen and Staff Welfare Expenses	4,920,646	4,098,690
	Gratuity	7,573,981	6,101,383
	Leave Encashment	311,353	298,373
		<b>177,421,265</b>	<b>159,752,751</b>
<b>26.</b>	<b>Finance Costs</b>		
	Interest expenses	32,213,038	32,032,303
	Less: Interest received	(1,673,955)	(1,082,661)
	Net	30,539,083	30,949,642
	Other Borrowing Cost	1,037,631	798,823
		<b>31,576,714</b>	<b>31,748,465</b>
<b>27.</b>	<b>Other Expenses</b>		
	Consumptions of stores and spares	6,641,315	3,533,660
	Packing and Forwarding cost	19,227,297	18,155,419
	Freight	26,882,073	27,575,159
	Power & Fuel	154,108,532	146,705,339
	Job Work Charges	2,753,760	1,558,448
	Rent	2,013,760	1,961,295
	Manufacturing expenses	1,488,379	751,371
	Repairs to Machinery	29,090,345	24,693,814
	Repairs to Building	3,104,299	1,267,691
	Repairs to Others	2,180,752	1,561,523

	Commission and Discount	10,161,421	9,725,747
	Insurance	3,200,046	2,851,292
	Rates & Taxes	5,874,053	5,157,330
	Payments to Auditors (Note 27.01)	1,071,262	1,213,370
	Bad debts/ Irrecoverable deposits and advances	-	1,468,369
	Less Provision made	-	(1,468,369)
	Provision for irrecoverable debts/advances	335,163	3,451,554
	Travelling expenses	7,488,395	6,742,753
	Directors Sitting fees	165,000	195,000
	Legal & Professional Charges	1,218,685	1,282,759
	Security Charges	3,017,043	2,708,637
	Bank Charges	756,395	411,205
	Excise Duty on closing stock	1,045,794	-
	Loss on Sale of Assets	57,720	-
	Miscellaneous expenses	5,940,710	6,850,464
		<b>287,822,199</b>	<b>268,353,830</b>
<b>27.01</b>	<b>Payments to Auditors</b>		
	a) Statutory audit fee	601,213	673,314
	b) Other services		
	i) Taxation matters (including tax audit)	172,500	176,000
	ii) Others	268,000	275,000
	c) Reimbursement of Expenses	29,549	89,056
		<b>1,071,262</b>	<b>1,213,370</b>
<b>28.</b>	<b>Exceptional Item</b>		
	Insurance claim (See Note 28.01)	26,130,449	-
		<b>26,130,449</b>	<b>-</b>

**28.01** Represents insurance claims for earlier years (including interest Rs 1,10,97,344/-) recognised as income during the year on the basis of actual receipts/favourable judicial orders during the year/subsequent to the Balance Sheet date.

<b>Note No</b>	<b>Particulars</b>	<b>For the year ended 31.03.2017 (Rs)</b>	<b>For the year ended 31.03.2016 (Rs)</b>
<b>29.</b>	<b>Earnings per equity share</b>		
	Profit after taxation (Rs)	545,358	20,951,673
	Less: Dividend on preference shares & Tax thereon	1,447,288	1,372,082
	Net profit available to equity shareholders after Extra ordinary item	(901,930)	19,579,591
	Add: Extra ordinary Item (Net of Tax)	-	2,684,033
	Net profit available to equity shareholders before Extra ordinary item	(901,930)	22,263,624
	Weighted Average Number of Equity Shares of Rs. 10/- each (fully paid-up)	8,487,340	8,487,340
	<b>Earnings per share - Basic &amp; Diluted (Rs) before Extraordinary item</b>	<b>(0.11)</b>	<b>2.62</b>
	<b>Earnings per share - Basic &amp; Diluted (Rs) after Extraordinary item</b>	<b>(0.11)</b>	<b>2.31</b>

30. Loss by fire represents loss of machinery / stock / spares due to fire in the factory premises during the previous year. No credit was taken in the previous year in respect of claims lodged with the insurance company which were pending. During the year, Company has received an amount of Rs 42,74,938/- in respect of claim lodged with the insurance company included under the head "Insurance Claim" disclosed under "Exceptional Item"
- 31 In respect of the difference in accounting policies followed by the holding company and its subsidiaries in respect of method of depreciation, the management is of the opinion that the effect on the consolidated financial statements is not material.
- 32 In respect of M/s Kohinoor Saw Mill Company Limited , the company's accumulated losses have exceeded the paid up capital by Rs 8,54,026/-(Rs. 8,81,751/-) and the total liabilities exceeds the total assets by Rs 8,54,026/-(Rs. 8,81,751/-). Further the company's current liabilities at the year end have exceeded its current assets by Rs 9,48,462/- (Rs 9,47,935/-). However, the management is of the opinion that in view of the operational and financial support of the holding company, the company will be able to continue as a going concern.
- 33 The company had entered into an agreement with M/s Era Intermerge SDN BHD in an earlier year for setting up a Joint Venture entity (ERA & WIP Timber JV SDN BHD) in Malaysia as per which the company would have 45% share in ownership and voting in the JV. Pending completion of certain formalities in Malaysia, the Joint Venturer M/s ERA Intermerge SDN BHD has been unable to make their agreed share of investment, as a result of which the share holding of the company in the entity as at 31st March 2017 is 65.87% (65.87%). Accordingly the entity, ERA& WIP Timber JV SDN BHD has been treated as a subsidiary in the books of account of the company and disclosures under Accounting Standard (AS)- 27 Financial Reporting of Interests in Joint Ventures are not applicable at this stage.
- 34 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

	Name of the entity	Net Assets			
		For the year ended 31.03.2017		For the year ended 31.03.2016	
		Amount (Rs)	As % of consolidated profit or loss	Amount (Rs)	As % of consolidated profit or loss
	<b>Parent Company</b>	327,400,717	82.66%	328,731,453	81.82%
	<b>Subsidiaries:</b>				
	<b>a) Indian</b>				
	Southern Veneers & Woods Works Ltd	4,989,805	1.26%	6,680,303	1.66%
	The Kohinoor Saw Mills Co Ltd	(854,026)	-0.22%	(881,751)	-0.22%
	Mayabandar Doors Ltd	14,853,308	3.75%	24,023,995	5.98%
	<b>b) Foreign</b>				
	ERA & WIP Timber JV SDN BHD	37,238,978	9.40%	29,287,542	7.29%
	Minority interest in all subsidiaries	12,461,273	3.15%	13,949,188	3.47%
	<b>Total</b>	<b>396,090,056</b>	<b>100.00%</b>	<b>401,790,730</b>	<b>100.00%</b>



	Name of the entity	Share in profit or loss			
		For the year ended 31.03.2017		For the year ended 31.03.2016	
		Amount (Rs)	As % of consolidated profit or loss	Amount (Rs)	As % of consolidated profit or loss
	<b>Parent Company</b>	11,614,022	2129.61%	18,063,746	86.22%
	<b>Subsidiaries:</b>				
	<b>a) Indian</b>				
	Southern Veneers & Woods Works Ltd	(1,690,498)	-309.98%	114,050	0.54%
	The Kohinoor Saw Mills Co Ltd	27,725	5.08%	28,298	0.14%
	Mayabandar Doors Ltd	(9,170,688)	-1681.59%	(7,021,267)	-33.51%
	<b>b) Foreign</b>				
	ERA & WIP Timber JV SDN BHD	(1,928,757)	-353.67%	13,625,131	65.03%
	Minority interest in all subsidiaries	1,693,553	310.54%	(3,858,285)	-18.42%
	<b>Total</b>	<b>545,358</b>	<b>100.00%</b>	<b>20,951,673</b>	<b>100.00%</b>

### 3.5 Computation of goodwill arising on consolidation of new Subsidiary Company: Mayabandar Doors Limited

Particulars	Amount (Rs)	As at 31 <sup>st</sup> March 2017	Amount (Rs)	As at 31 <sup>st</sup> March 2016
Consideration Paid		23,225,459		23,225,459
Nominal value of share capital held by Western India Plywoods Limited in Mayabandar Doors Limited	9,910,100		9,910,100	
Share of Western India Plywoods Limited's in the accumulated losses as on the date of acquisition	(14,696,087)	(4,785,987)	(14,696,087)	(4,785,987)
<b>Goodwill on consolidation</b>		<b>28,011,446</b>		<b>28,011,446</b>

36. In respect of the Holding Company, the Company has an internal control system in place, including in relation to internal controls over financial reporting, which is commensurate with the nature and size of its operations. These internal controls are reviewed/tested by the management/internal auditors on an ongoing basis and there are no material weaknesses/deficiencies. Further strengthening of the internal control system/improvements thereof are being assessed/carried out by the management on a continuing basis.

### 37 Disclosure of transactions with related parties as required by Accounting Standard – 18 on related party disclosures as prescribed by Companies (Accounting standards) Rules, 2006.

<b>Key Managerial Personnel</b>	Mr. P.K. Mayan Mohamed- Managing Director
<b>Relatives of Key Managerial Personnel</b>	Mrs P K Mariam Mohamed, Mr P K Mehaboob Mohamed, Mr P K Saquib Mohamed, Mr P K Asif Mohamed Mrs Liza Mayan, Estate of Late P K Mohamed, P K Haris
<b>Enterprise over which key management personnel or their relatives are able to exercise significant control</b>	Windmach Sports Goods (P) Ltd Classic Sports Goods (P) Ltd Western Fibre and Allied Products (P) Ltd Western Food & Beverages Citius Builders and Developers LLP M/s Kushal Boards

*(Figures in Rupees)*

Particulars	Key Management Personnel	Relatives of Key Management Personnel	*Enterprises	Total
<b>Sale of Goods/Assets :</b>				
Windmach Sports Accessories (P) Limited			465,437 (330,486)	465,437 (330,486)
Kushal Boards			154,589 (1,062,831)	154,589 (1,062,831)
<b>Services Received :</b>				
P K Mayan Mohamed	3,884,272 (4,010,631)			3,884,272 (4,010,631)
P K Haris	189,600 (160,851)			189,600 (160,851)
Others		554,051 (541,216)		554,051 (541,216)
<b>Finance(Interest on Loan / Fixed Deposit/Payables) :</b>				
P K Mayan Mohamed	15,575 (13,002)			15,575 (13,002)
<b>Balance as on 31.03.2017</b>				
<b>Amounts Receivables</b>				
Kushal Boards (Towards sale of goods)			334,633 (380,044)	334,633 (380,044)
<b>Amounts Payable :</b>				
P K Mayan Mohamed	172,805 (158,788)			172,805 (158,788)
Estate of Late P K Mohamed		1,287,117 (1,287,117)		1,287,117 (1,287,117)

### 3.8 Segment Information

The company is engaged in the business of manufacture and sale of wood based products which form broadly part of one product group and hence constitute a single business segment. However, based on geographical factors, reportable geographic segments have been identified as export sales and domestic sales. The segment wise information pertaining to the reportable geographical segments as above is as follows:

	Export (Rs)	Domestic (Rs)	Total (Rs)
Segment Revenue - Income from Operations	124,351,371 (141,718,034)	724,861,378 (746,762,798)	849,212,749 (888,480,832)
Segment results	578,481 (5,219,129)	7,945,074 (65,033,391)	8,523,555 (70,252,520)
Unallocated Expenditure			1,966,867 (1,614,898)

Unallocated Income			3,895,612
			(1,597,656)
Interest Expenses			31,576,714
			(31,748,465)
Exceptional Item - Insurance Claim and Interest			26,130,449
			-
Extraordinary Expense- Loss by fire			-
			(4,009,790)
Profit after extraordinary items ,but before taxation			<b>5,006,035</b>
			<b>(34,477,023)</b>

Capital employed as also assets and liabilities of the Company are not capable of being stated separately segment-wise since all the assets and liabilities are held under composite undertaking for both the geographic segments.

- 3 9** The details of Provisions and Contingent Liabilities are as under. (Disclosed in terms of Accounting Standard – 29 on Provisions, Contingent Liabilities & Contingent Assets notified by the Companies (Accounting Standards) Rules, 2006.

<b>39.01</b>	<b>Contingent Liabilities</b>	<b>31.03.2017 (Rs)</b>	<b>31.03.2016 (Rs)</b>
	a) Letters of credit	9,397,200	4,394,049
	b) Bank guarantees	7,465,094	7,498,194
	c) Bills discounted	1,630,251	2,262,021
	d) Disputed Power Charges in respect of the Subsidiary Company - Southern Veneers and Woodworks Limited	-	27,754
	e) Disputed CENVAT credit and Penalty thereon under CENVAT Credit Rules, 2004 (Note: Rs 6,00,000 is paid under protest) in respect of the Subsidiary Company - Mayabandar Doors Limited	834,965	834,965

- 4 0** Estimated amount of contract remaining to be executed on capital account and not provided for is Nil (Nil).
- 4 1** In the opinion of the Directors, Loans and Advances and Other Current Assets have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.
- 4 2** The figures in brackets, unless otherwise stated represents figures for the previous year. Figures of the previous year have been regrouped/recast where ever necessary to suit the classification/disclosure of the current year. Figures have been rounded off to the nearest Rupee.

For and on behalf of the Board of Directors

**P.K MAYAN MOHAMED**  
Managing Director  
(DIN 00026897)

**R. BALAKRISHNAN**  
G.M.(Finance) & Company  
Secretary (M No 7119)

Place: Kochi  
Date: 27-05-2017

**T. BALAKRISHNAN**  
Chairman  
(DIN 00052922)

**SATHYAKRISHNAN.B**  
Chief Financial Officer

As per our separate report of even date attached

For **M/s. Varma & Varma**  
Chartered Accountants  
(FRN - 004532S)

**VIJAY NARAYAN GOVIND**  
Partner  
M. No: 203094

TEN YEARS' FINANCIAL SUMMARY												(Rs. in 000s)
Year ended March 31	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17		
1. Sales	816052	926767	897289	948672	1009738	963916	1017592	1008951	935093	894666		
2. Other Income	7702	4222	7756	3431	2398	6625	1777	3910	3039	7196		
3. Cost of Materials	251779	320097	341661	386493	395155	368501	414105	393444	373781	341630		
4. Power and Fuel	123158	133004	115101	130056	136569	129677	145939	144788	142695	149905		
5. Salaries Wages & Bonus	96440	113672	88046	113946	110474	148342	132630	145851	139292	158475		
6. Excise Duty	61850	49297	58142	78583	83302	96959	94668	89464	88640	84140		
7. Finance Cost	57698	46399	45703	33764	32942	36694	35287	38985	31748	31576		
8. Other Expenses	137662	138943	137165	121764	136887	117781	135561	132168	115341	98241		
9. Depreciation	46599	46730	46540	46850	48212	48776	48610	19248	19316	20440		
10. Tax expenses	22732	28032	35255	9937	8942	9085	-5611	16032	9255	5841		
11. Profit /(Loss) after Tax	25836	54815	37432	30710	59653	14726	18180	32881	18064	11614		
12. Dividend												
a) Preference	-	31635		2060	1387	1260	1245	1140	1140	1202		
b) Equity	-	-	9897	8487	10185	5092	5092	5941	5941	-		
c) Percentage	-	-	10	10	12	6	6	7	7	-		
13. Net Block	415081	373589	339423	304926	265741	221562	185850	167350	151387	180632		
14. Investments	5632	10219	10219	11619	22830	46055	80510	89686	107686	108066		
15. Net Current Assets	429318	431195	494921	522195	405900	479734	464378	475299	436033	437732		
TOTAL ASSETS	850031	815003	844563	838740	694471	747351	730738	732335	695106	726430		
16. Share Capital	223200	223200	115873	115873	105874	105873	103873	103873	103873	103873		
17. Reserves and Surplus	121790	139594	187415	205867	252070	259364	270129	295162	303613	315227		
18. Long Term Borrowings	234704	209774	265560	211725	122616	104309	70929	73669	64910	49973		
19. Short Term Borrowings	253338	200292	211942	249361	165401	245298	259003	235368	200847	235227		
20. Deferred Tax Liability	16999	42143	63773	55914	48510	32507	26804	24263	21863	22130		
TOTAL LIABILITIES	850031	815003	844563	838740	694471	747351	730738	732335	695106	726430		
21. Tax,Duties paid to Government	101728	93040	121923	122578	134352	167787	157775	182504	171136	167159		

**THE WESTERN INDIA PLYWOODS LTD.**

Regd. Office: VALAPATANAM, KERALA, INDIA. Tel: 2778151 (4Lines)  
Fax: 2778181-PIN 670010. E-mail: westernply@gmail.com / mail@wipltd.in  
Website: www.wipltd.in, CIN-L20211KL1945PLC001708

**NOTICE OF ANNUAL GENERAL MEETING:**

**NOTICE** is hereby given that the 72<sup>nd</sup> Annual General Meeting of The Western India Plywoods Limited will be held at 11.30 AM on Wednesday, 13<sup>th</sup> September, 2017 at the registered Office of the Company at Kannur, Kerala to transact, with or without modification(s), as may be permissible, the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Profit & Loss for the financial year ended on that date together with Cash flow statements, consolidated accounts, the Directors' Report and Auditors' Report thereon
2. To appoint M/s Sankar and Moorthy Chartered Accountants as Statutory Auditors and fix the remuneration and for that purpose to pass with or without modification as ordinary resolution the following:

'RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 (including any statutory modifications or re-enactment thereof for the time being in force) M/s Sankar and Moorthy, Chartered Accountants, Kannur, (FRN 003575S) be and are hereby appointed as Statutory Auditors of the Company from the conclusion of 72<sup>nd</sup> Annual General Meeting till the conclusion of 77<sup>th</sup> meeting subject to ratification of the appointment at every Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors and the Audit Committee thereof, be and are hereby authorised to decide and finalise the terms and conditions of appointment including remuneration of the Statutory Auditors.

3. To declare dividend on Cumulative Preference shares.

**Special Business**

4. Appointment of Shri E. Ranjith Kuruvilla as Director.

To appoint Shri E. Ranjith Kuruvilla as Director and for that purpose to pass the following resolution as ordinary resolution.

RESOLVED THAT, Mr E. Ranjith Kuruvilla be and hereby is appointed as director of the Company, whose term of office as an additional director of the Company expires at this annual general meeting in respect of whom the company has received a notice under Section 160 of the Companies Act, 2013, from a member proposing the candidate of Mr E. Ranjith Kuruvilla whose period of office will be liable to retire by rotation.

By the Order of the Board  
For The Western India Plywoods Ltd

Place: Kannur  
Date: 08.08.2017

**R.Balakrishnan**  
GM(Finance) & Company Secretary

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.

2. A blank form of proxy is enclosed and if intended to be used, should be lodged with the Company at the Registered Office at least FORTY-EIGHT HOURS before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions/ authority as applicable. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. The Register of Members and Transfer Books of the Company will be closed from 5<sup>th</sup> September 2017 to 13<sup>th</sup> September 2017 both days inclusive. If the preference dividend as recommended by the Board of Directors is approved at the meeting, payment of such dividend shall be made on or after 18<sup>th</sup> September, but within the statutory time limit of 30 days.
4. Members holding shares in physical form are requested to advise any change of address immediately to Cameo Corporate Services "Subramanian Building" No.1, Club House Road, Chennai – 600 002 Tel: 044-28460390 Telefax: 044-28460129 E-mail: murali@cameoindia.com , the Registrar and Transfer Agents of the Company, on or before 1<sup>st</sup> September, 2017.
5. Members who wish to seek/desire any further information/clarification on the annual accounts are requested to send their queries at least 48 hours in advance of the date of the meeting to the registered office, by quoting the folio no. / client ID.
6. To support the 'Green Initiative', the members who have not registered their e-mail ids are requested to register the same with Depositories.
7. Members who have opted for receipt of physical copy of Annual Report are requested to bring their copies of Annual Report at the time of the meeting.
8. Member who desires to attend the Annual General Meeting of the Company are requested to bring the attendance slip duly filled and hand over the same at the registration counter at the venue of the Annual General Meeting.
9. **The Equity shares of the Company has been listed with National Stock Exchange w.e.f 07.04.2017. As you are aware only dematted shares can be transacted through NSE. Therefore it is in your own interest to demat your physical shares at the earliest. You may contact our share transfer agents namely Cameo Corporate Services Ltd ,Chennai for the necessary help.**
10. **E.Voting**  
The business as set out in the notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules 2014, Secretarial Standard 2 on General meetings and Reg.44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (remote e-voting) will be provided by Central Depository Services (India) Limited (CDSL).
11. **Voting through Electronic means:**  
Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Rule 21 of the Companies (Management and Administration) Rules, 2014 the Company shall provide members facility to exercise their right to vote at the 72<sup>nd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited, (CDSL):

**The instructions for members for voting electronically (remote e-voting) are as under:**

**In case of members receiving e-mail:**

- i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii) Click on "Shareholders" tab to cast your votes.



- iii) Now, select the Electronic Voting Sequence Number - "EVSN" of "The Western India Plywoods Ltd" from the drop down menu and click on "SUBMIT". **EVSN No: 170808028**

- iv) Now Enter your User ID:

for Members holding shares in Demat form	for Members holding shares in Physical form
User ID for NSDL: 8 Character DP ID followed by 8 Digits Client ID for CDSL: 16 digits beneficiary ID	Folio Number registered with the Company

Then enter the Captcha Code as displayed and Click and Login

- v) If you are holding shares in Demat Form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below:
- vi) Now, fill up the following details in the appropriate boxes:

for Members holding shares in Demat form	for Members holding shares in Physical form
Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both Demat shareholders as well as physical shareholders) PAN*	
Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. DOB#	
Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Dividend Bank Details#	

- \* Members who have not updated their PAN with the Company/RTA/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name of the CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. (Sl. No. mentioned in your address label can be used as Sequence No. for this purpose)
- # Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details filed. To avoid this problem of filling a default number in future, members are strongly advised to update their PAN details and dividend bank details immediately with the Depository Participants / RTA - Cameo Corporate Services Limited / Company.
- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & \*). Kindly note that this password is to be also used by the Demat holders for voting for Resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) Click on the relevant EVSN on which you choose to vote.
- x) On the voting page, you will see Resolution description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xii) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.

- xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xv) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorize to vote on their behalf in PDF format in the system for the scrutinizer to verify the vote. Further, they are requested to send the scanned copy of the Board Resolution/Authorization to the email id of scrutinizer and RTA ([murali@cameoindia.com](mailto:murali@cameoindia.com)) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xvi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.Voting@cdslindia.com](mailto:helpdesk.Voting@cdslindia.com) or contact Phone No. 022-22723333
- xvii) If Demat account holder has forgotten the password then enter the User ID and image verification code and click on Forgot Password & enter the details as prompted by the system.

In case of members receiving the **physical copy of Notice of AGM** [for members whose e-mail IDs are not registered with the company / depository participant(s) or requesting physical copy]:

**Please follow all steps from sl. no. (i) to sl. no. (xvi) above, to cast vote.**

#### **Voting at AGM:**

- i) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- ii) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

#### **General**

- a) The remote e-voting period commences on 10<sup>th</sup> September, 2017 at 9.00 a.m. and ends on 12<sup>th</sup> September, 2017 at 5.00 p.m. During these period shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date i.e. 4<sup>th</sup> September, 2017 may cast their vote electronically. The remote e-voting module shall be blocked by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b) Any person, who acquires shares of the Company and becomes member of the Company after despatch of the notice and holding shares on the cut-off date i.e. 4<sup>th</sup> September, 2017 may obtain the login ID and password by sending an email to [investor@cameoindia.com](mailto:investor@cameoindia.com) or [secretarial.westernply@gmail.com](mailto:secretarial.westernply@gmail.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) by mentioning their Folio No./DP ID and Client ID. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
- c) A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date (i.e. 4<sup>th</sup> September, 2017) only shall be entitled to vote.
- d) The voting rights of a shareholder shall be in proportion to his shares in the paid up equity share capital of the Company as on the cut-off date of i.e. 4<sup>th</sup> September, 2017. Shri Murali Kanniyath, Practicing Company Secretary, Kannur( CP NO 7543) has been appointed as Scrutinizer to scrutinize the e-voting process (electronically or otherwise) in a fair and transparent manner.
- f) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting, and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days after the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- g) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.wipltd.in](http://www.wipltd.in) and website of CDSL <http://www.evotingindia.com> and also forward the same to The National Stock Exchange of India Limited, Mumbai simultaneously, where the Company's shares are listed.

Place: Kannur  
Date: 08.08.2017

By the Order of the Board  
For The Western India Plywoods Ltd

**R.Balakrishnan**  
GM(Finance) & Company Secretary

**EXPLANATORY STATEMENT**  
**Pursuant to Section 102 of the Companies Act, 2013**

As required by Section 102 of the Companies Act, 2013 (hereinafter referred as "the Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item nos.4, of the accompanying Notice dated 08.08.2017

**Item No 4**

Shri E. Ranjith Kuruvilla, one of the promoters was appointed as director on 25.01.2007 and continued to be re-appointed as director retiring by rotation. Due to health reasons he resigned from the Board on 11.02.2017. The Board of Directors in their meeting held on 07.08.2017 appointed him as additional director as his health had improved. The Company has also received notice from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Shri E. Ranjith Kuruvilla as director whose period of office will be liable to retire by rotation.

None of the directors and Key Managerial Personnel other than Shri Ranjith Kuruvilla is interested in the above resolution. Shri Ranjith Kuruvilla holds 2,02,910 equity shares of Rs 10/- each in the Company.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE FORTH COMING ANNUAL GENERAL MEETING IN ACCORDANCE WITH REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015**

Name of the Director	<b>Ranjith Kuruvilla</b>
Age	57
Date of Appointment on the Board	07.08.2017
Experience	Industrialist. More than 28 years of experience in handling and managing various manufacturing facilities and has proven track for developing markets for products.
Directorship held in other Companies	1. Mardec R.K Latex Pvt. Ltd 2. R.K. Investments & Holdings (India) Pvt. Ltd. 3. Anamallais Resorts Pvt. Ltd. 4. Anamallais Timber Trust Pvt.Ltd. 5. TRC Construction India Ltd. 6. Rejuvenated Rubber Compound Pvt Ltd 7. Shuzi Technologies Private Limited
Membership/ Chairmanships of committees	Nil
Shares held in WIP	202910

By the Order of the Board  
For The Western India Plywoods Ltd

Place: Kannur  
Date: 08.08.2017

**R.Balakrishnan**  
GM(Finance) & Company Secretary



**THE WESTERN INDIA PLYWOODS LIMITED**

Regd. Office: BALIAPATAM, KANNUR, KERALA, INDIA

Tel: 2778151 (4 Lines), Fax: 2778181, PIN: 670010

E-mail: westernply@gmail.com / mail@wipltd.in

Website: www.wipltd.in, CIN-L20211KL1945PLC001708

**FORM NO MGT 11**

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014

CIN : L20211KL1945PLC001708

Name of the company : THE WESTERN INDIA PLYWOODS LIMITED

Registered office : MILL ROAD, BALIAPATAM, KANNUR, KERALA

Name of the member(s) : .....

Registered address : .....  
.....  
.....

E-mail Id : .....

Folio No/Client Id : ..... DP ID : .....

I/We, being the member (s) of .....shares of the above named company, hereby appoint

1. Name .....  
Address.....  
Email-id ..... Signature.....or failing him/her
2. Name .....  
Address.....  
Email-id ..... Signature.....or failing him/her
3. Name .....  
Address.....  
Email-id ..... Signature.....or failing him/her

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 72<sup>nd</sup> Annual General Meeting of the company, to be held on Wednesday, 13<sup>th</sup> September 2017 at 11.30 a.m. at the Registered Office at Baliapatam, Kannur Kerala-670010 and at any adjournment thereof in respect of such resolutions as are indicted below:

\*\*I wish my above Proxy to vote in the manner as indicated in the box below

Resolution	Resolutions	Optional **	
No		For	Against
Ordinary Business			
1	Consider and Adopt the Audited Financial Statements, Audited Consolidated Financial Statements Report of the Board of Directors and Auditors		
2	Appointment of Statutory Auditors		
3.	Declaration of Preference Dividend		
4.	Appointment of Shri Ranjith Kuruvilla as Director		

Signed this.....day of .....20.....

*Affix Re. 1  
Revenue  
stamp*

Signature of  
First proxy holder

Signature of  
Second proxy holder

Signature of  
Third proxy holder

Signature of  
Share holder

#### Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting
2. A Proxy need not be a member of the Company.
3. \*\* This is only optional. Please put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the ' For ' or ' Against ' Column Blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. In the case of Joint holders, the signature of any one holder will be sufficient, but name of all the joint holders should be stated.

#### ROUTE MAP TO AGM VENUE

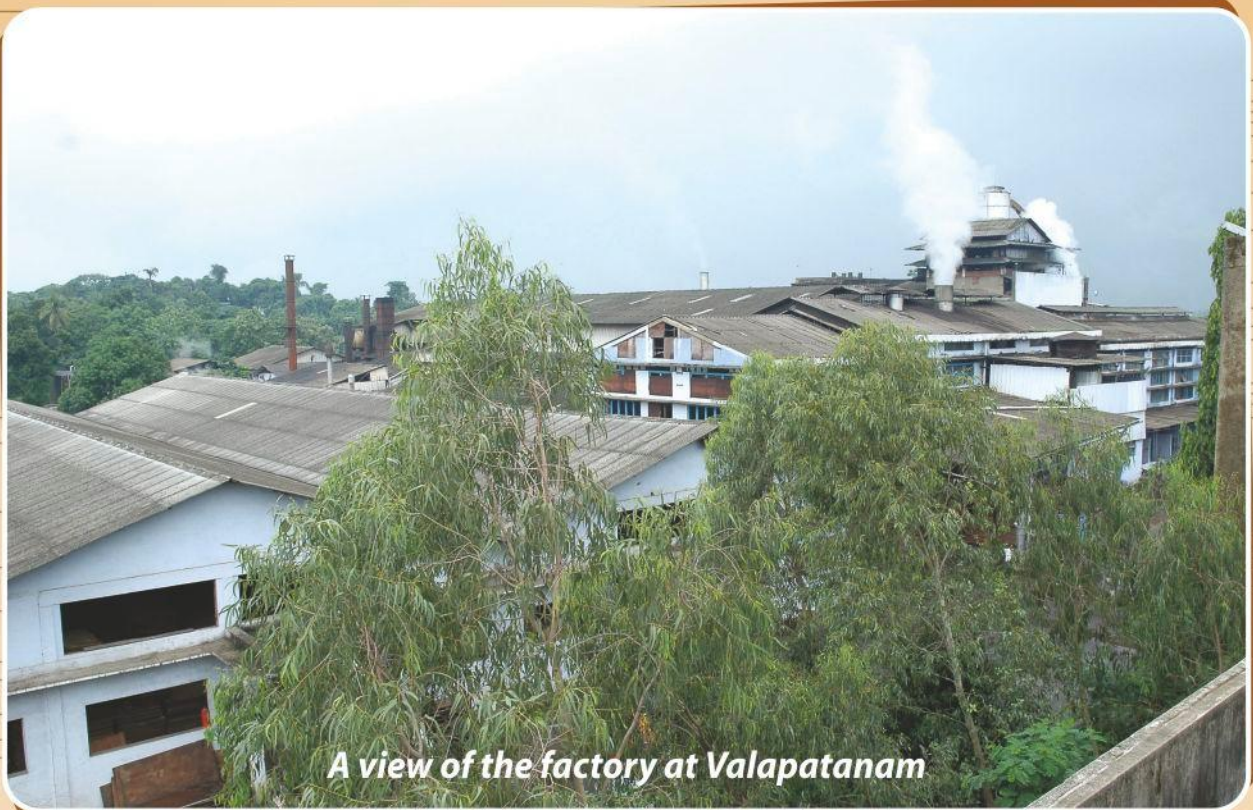




## WIP PRODUCT RANGE

PRODUCT NAME	SPECIFICATIONS & APPLICATIONS
<b>HARDBOARD</b>	Used extensively by automobile industries, fiber drum manufacturers, shoe manufacturers, photo frame backing, clock manufacturers, school writing Pads and also for partitions.
<b>WESTINDPLY</b>	Decorative and commercial BWR and BWP grade Plywoods, manufactured from selected species of timber, water-proof quality used for boat building, concrete shuttering, furniture, partitions, paneling etc.
<b>WIPCHEK</b>	Densified compressed floor board, with both chequered and plain surfaces, for automobiles, railway coaches, concrete shuttering & boat building & Chemical industries.
<b>COMPREG SLATS</b>	Used for railway coaches, paneling and as building material
<b>WIPLAM</b>	Densified wood used in the manufacture of Insulation components for Transformers & switchgears.
<b>WIPLAC</b>	Pre-finished plywood & hardboard, used in the manufacture of panel coiling and furniture.
<b>ULTRAKLIK</b>	Engineered wood flooring
<b>FURNITURE</b>	All types of furniture including moulded and knock down furniture
<b>WIPWOOD</b>	Densified wood used in the manufacture of Textile & Jute Mill accessories
<b>WIPROC</b>	Densified wood used in the manufacture of High precision jig forming tools in aeronautical industry & neutron shields in reactors
<b>WIPBEAR</b>	Densified wood used in the manufacture of Bearings and gears
<b>WIPCHEM</b>	Densified wood used in the manufacture of Filter plates used in Dye & Chemical industry & oil extraction mills
<b>WIPCOM</b>	Densified wood used in the manufacture of Electrical insulation components like studs, nuts, cleats & other segments
<b>WIPRESS</b>	Rigid board made from imported virgin softwood sulphate pulp having high purity with excellent electrical & mechanical properties, for use in the Transformer industry
<b>DAP</b>	Plastic moulded material used in the manufacture of Components for high tech industry
<b>DENSIFIED MOULDED SEATS</b>	Used for railway coaches, auditoriums & restaurants
<b>INSULATION BOARDS</b>	Low density insulation soft boards





*A view of the factory at Valapatnam*

## **A Boon For Builders...**



WIP's Shuttering Plywood for concrete shuttering work specifications.  
A real blessing for construction industry.

Plastic/Resin coated or film overlays to resist high temperature conditions.