

# ANNUAL REPORT 2017 - 2018

**73<sup>rd</sup>**  
*Annual Report*



## 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 & CHIEF FINANCIAL OFFICER

Shri R Balakrishnan

### AUDITORS:

M/s. Sankar & Moorthy  
Chartered Accountants  
Kannur

### 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  
secretarial.westernply@gmail.com  
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 &  
Chief Financial Officer*

## COMPOSITION OF COMMITTEES

Sr.No.	Name of the Director	Category	Chairperson/Member
<b>AUDIT COMMITTEE</b>			
1	T BALAKRISHNAN	Independent Director, Chairman & Non- Executive Director	Chairman
2	Y H MALEGAM	Independent Director	Member
3	PUSHYA SITARAMAN	Independent Director	Member
<b>NOMINATION AND REMUNERATION COMMITTEE</b>			
1	Y H MALEGAM	Independent Director	Chairman
2	PUSHYA SITARAMAN	Independent Director	Member
3	T BALAKRISHNAN	Independent Director, Chairman & Non-Executive Director	Member
<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>			
1	PUSHYA SITARAMAN	Independent Director	Chairperson
2	P K MAYAN MOHAMED	Managing Director	Member
<b>KEY MANAGERIAL PERSONNEL</b>			
1	P K MAYAN MOHAMED	Managing Director	
2	R BALAKRISHNAN	CFO & Company Secretary	

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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, 2018.

### 1. Financial Summary

(Rs. in Lakhs)

PARTICULARS	Year Ended 31 <sup>st</sup> March 2018	Year Ended 31 <sup>st</sup> March 2017
Revenue from Operations(Net)	8799.68	8110.01
Operational Expenditure	8512.87	7694.03
Operating profit before Depreciation, Interest, Tax & Exceptional and Extraordinary Item	286.81	415.98
Finance Cost	353.49	346.22
Depreciation and amortization expense	203.78	204.39
Exceptional Items- Income	93.27	261.30
Other Income	278.31	83.94
Profit Before Tax	101.12	210.61
a) Current Tax	-	55.74
b) Deferred Tax	(82.88)	19.13
Profit After Tax	184.00	135.74
Total Comprehensive Income	140.57	111.41

### 2. Company's Performance

During the year 2017-18, the company achieved revenue from operations of Rs 8799.68 Lakhs as against Rs. 8110.01 Lakhs and Profit After Tax of Rs 184 Lakhs for the year under review as against Rs 135.74Lakhs 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: Transfer to Capital Redemption Reserve Rs.190.00 Lakhs.
- b. Dividend

Due to the reduced profits after tax and in view of the projected cash requirements in the coming year, the Directors do not propose any dividend for the year 2017-18.

### 5. Public Deposit

The Company has not accepted any public 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 2017-18.

## 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, Smt Pushya Sitaraman, Shri B Jyothikumar and Shri Ranjit Kuruvilla as directors. Shri P K Mayan Mohamed is the present Managing Director. 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.

### 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 5 times during the financial year 2017-18 on 27<sup>th</sup> May 2017, 7<sup>th</sup> August, 2017, 13<sup>th</sup> September 2017, 12<sup>th</sup> December 2017 and 7<sup>th</sup> February 2018.

### 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 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 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.

## Performance evaluation of independent directors

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

### g. Directors Responsibility Statement

The Directors confirm that:

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- They have selected such accounting policies and applied them consistently and made judgements 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 profits of the Company for that period;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a going concern basis;
- They have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively

### h. Directors and Key Managerial Personnel

- a. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of the independence as prescribed both under section 149(6) of the Companies Act, 2013 and under Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. In accordance with the provisions of the Companies Act, 2013, none of the Independent Directors are liable to retire by rotation.

Shri Ranjit Kuruvilla, Non-Executive Director(DIN No: 00246757) of the Company retires by rotation at the forthcoming Annual General Meeting in accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company and being eligible, offers himself for re-appointment.

- c. Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel ("KMP") of the Company during the year were – Shri. P K Mayan Mohamed, Managing Director, Shri. R Balakrishnan, GM (Finance) & Company Secretary and Shri. Sathyakrishnan B, Chief Financial Officer. Shri. Sathyakrishnan B resigned from the post of Chief Financial Officer on 30<sup>th</sup> June 2017 and the Board appointed Shri. R Balakrishnan as Chief Financial Officer & Company Secretary.

## 10. Audit Related Matters

### a. Statutory Auditors

- a. The Auditors Report for the financial year 2017-18 does not contain any qualification, reservation or adverse remarks.
- b. Pursuant to the provisions of the Companies Act, 2013, the Company, at its AGM held on September 13, 2017, had appointed M/s Sankar & Moorthy, Chartered Accountants (Firm Registration No. 003575S), as Statutory Auditors of the Company for a period of five years till the conclusion of the 77<sup>th</sup> AGM of the Company to be held in the year 2022. As per the provisions of the Companies Act, 2013, the said appointment was subject to ratification at each subsequent AGMs of the Company every year. However, as per the Companies (Amendment) Act, 2017, the related provisions has been

omitted, effective from May 07, 2018. Hence, the item for ratification of appointment of Statutory Auditor, which otherwise would have been part of the Ordinary Business in the Notice of the AGM, has been omitted this time.

**b. 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 2017-18.

**c. 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 Company's reply to the observations made is as follows:

- i. Self-explanatory
- ii. The Company had requested several times to the promoters for dematting their shares. Some of the promoter shareholders had expired. The other promoter shareholders are in the process of dematting their shares.
- iii. Self-explanatory
- iv. 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.

## 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**.

**c. Corporate Social Responsibility Policy**

The Corporate Social Responsibility Rules, 2014 are not applicable to the Company for financial year 2017-18.

**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 behaviors 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 has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designated to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

The Audit Committee of the Board of Directors of the Company reviews the Audit Reports submitted by the internal auditors. Suggestions for improvement are considered and the Audit Committee follows up on corrective action and reviews the positive remedial actions taken, the Audit Committee also meets Statutory Auditors to ascertain, inter – alia, their views on the adequacy of internal control systems and keeps the Board of Directors informed of its major observations, periodically.

### 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 Financial Statements were prepared based on IND-AS. 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 an 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 2017-18 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 arm's 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 conversation 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/-

**T. Balakrishnan**

Chairman

Place: Kannur

Date : 13.08.2018

## ANNEXURE-1

### SECRETARIAL AUDIT REPORT

**For the Financial Year ended on 31<sup>st</sup> March 2018**

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

To

The Members

**WESTERN INDIA PLYWOODS LIMITED**

CIN: L20211KL1945PLC001708, 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 M/s. **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, 2018 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 have been listed on the National Stock Exchange of India Limited with effect from 07.04.2017 and hence the regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) are applicable from the Financial Year 2017-18 onwards.

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, 2018 according to the provisions of following Laws and Regulations

1. The Companies Act, 2013 and the rules made thereunder
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under
3. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment
4. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - i. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

We have also examined compliance with the applicable provisions of:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;
  - ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited;
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) There were few instances where Company has delayed the intimations as required under SEBI (Depositories and participants) Regulations, 1996 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Stock Exchange and there were delay in filing e-forms as required under Companies Act 2013 and rules framed there under with the Registrar of Companies.
    - ii) The entire shareholding of Promoters and Promoter Groups are not in dematerialised form.
    - iii) There was a delay in filing of Annual Return on Foreign Liabilities and Assets (FLA) for the year ended 31<sup>st</sup> March 2017 with the Reserve Bank of India. However the Company has filed the same on 22<sup>nd</sup> March 2018.
    - iv) 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.

We further report that, during the year under report,

- v) The company has transferred unclaimed dividend amount and the shares in respect of which dividend has not been paid or claimed for the seven consecutive years or more to the Investor Education and Protection Fund in compliance with the provision of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
  - vi) The Company has redeemed 1,90,000 -8% Redeemable Cumulative Preference Shares of Rs. 100 each on 30th January 2018 at 80% of the face value in compliance with the provisions of the Companies Act 2013.
  - vii) None of the directors in the Board had retired by rotation at the Annual General Meeting held on 13<sup>th</sup> September 2017 as required under section 152 (6) of the Companies Act 2013
  - viii) The Company has appointed Mr. Balakrishnan Company Secretary of the Company as the Chief Financial Officer and has filed E-form MGT 14 with the ROC in compliance with section 179 of the Companies Act 2013 and rules framed there under. However due to the technical reason, the Company could not file the E-form DIR-12 with the ROC, since Mr. Balakrishnan is acting in the capacity of Company Secretary and Chief Financial Officer.
  - ix) The Company has submitted Annual Report on 14<sup>th</sup> September 2017 in compliance with the provision of the regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. However the Compliance Certificate reflected in the National Stock Exchange shows that the Annual Report for financial year ended 31<sup>st</sup> March 2017 has not been submitted.
  - x) There were no creation or invocation or release of encumbrance of shares as envisaged under The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. However, the shares of the Managing Director of the Company which were already pledged was extended as security for availing loan by the Company.
  - xi) All the queries from the Stock Exchange and Registrar of Companies have been duly addressed and clarified by the Company.
2. 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. It is confirmed by the Management that the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively
  3. 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 Compliances under the Income Tax Act, VAT and other relevant areas under the Indirect Tax Laws.

**We further 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. We are unable to comment whether the Company has circulated the Agenda for Board and Committee Meetings within the time frame prescribed under the Secretarial Standards. All the decisions taken at the Board and Committee Meetings were properly captured and recorded in the minutes. As per the minutes of the meetings, the decisions of the Board and Committees were unanimous and no dissenting views have been recorded.
3. Based on the information provided and representation made by the Company, there are adequate 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. 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.

Place: ERNAKULAM  
Date: 08-08-2018

**SANDEEP KUMAR S**  
B.A.L , LLB , FCS , MBA  
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.
  - 5.2.3 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.
  - 5.2.4 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.
  - 5.2.5 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.
- 9.2 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 Provisio 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 1 MYR = INR 15.60	N.A
3	Share Capital	5.00	50.00	392.25	111.75
4	Reserves & Surplus	(13.51)	(20.16)	46.80	(589.26)
5	Total Assets	1.15	32.62	593.30	180.20
6	Total Liabilities	1.15	32.62	593.30	180.20
7	Investments	-	-	-	-
8	Turnover	-	-	682.37	334.59
9	Profit before Taxation	0.02	(20.05)	22.97	(104.62)
10	Provision for Taxation	-	-	(2.70)	-
11	Profit after Taxation	0.02	(20.05)	25.67	(104.62)
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 31.03.2018

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
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	The Share transfers (demat and physical) 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	55.31
2	Plywood	20211	17.17
3	Densified Wood	20213	13.60

#### 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-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	14,14,150	21,55,010	35,69,160	42.05%	13,56,355	21,53,440	35,09,795	41.35%	-1.66%
b) Central Govt			0	0.00%			0	0.00%	0.00%
c) State Govt(s)			0	0.00%			0	0.00%	0.00%
d) Bodies Corp.			0	0.00%			0	0.00%	0.00%
e) Banks / FI			0	0.00%			0	0.00%	0.00%
f) Any other			0	0.00%			0	0.00%	0.00%
<b>Sub Total (A) (1)</b>	14,14,150	21,55,010	35,69,160	42.05%	13,56,355	21,53,440	35,09,795	41.35%	-1.66%
(2) <b>Foreign</b>									
a) NRI Individuals			0	0.00%			0	0.00%	0.00%
b) Other Individuals			0	0.00%			0	0.00%	0.00%
c) Bodies Corp.			0	0.00%			0	0.00%	0.00%
d) Any other			0	0.00%			0	0.00%	0.00%
<b>Sub Total (A) (2)</b>	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>TOTAL (A)</b>	14,14,150	21,55,010	35,69,160	42.05%	13,56,355	21,53,440	35,09,795	41.35%	-1.66%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00%			0	0.00%	0.00%
b) Banks / FI			0	0.00%			0	0.00%	0.00%
c) Central Govt	4,570		4,570	0.05%	4,570		4,570	0.05%	0.00%
d) State Govt(s)			0	0.00%			0	0.00%	0.00%
e) Venture Capital Funds			0	0.00%			0	0.00%	0.00%
f) Insurance Companies	8,77,320	1,52,810	10,30,130	12.14%	8,77,320	1,52,810	10,30,130	12.14%	0.00%
g) FIs			0	0.00%			0	0.00%	0.00%
h) Foreign Venture Capital Funds			0	0.00%			0	0.00%	0.00%
i) Others (specify)			0	0.00%			0	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>8,81,890</b>	<b>1,52,810</b>	<b>10,34,700</b>	<b>12.19%</b>	<b>8,81,890</b>	<b>1,52,810</b>	<b>10,34,700</b>	<b>12.19%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	58,995	89,050	1,48,045	1.74%	80,454	88,630	1,69,084	1.99%	14.21%
ii) Overseas			0	0.00%			0	0.00%	0.00%

b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4,15,133	8,81,560	12,96,693	15.28%	4,00,009	8,05,560	12,05,569	14.20%	-7.03%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4,03,510	3,74,320	7,77,830	9.16%	4,82,723	3,16,290	7,99,013	9.41%	2.72%
c) Others (specify)		15,64,340	15,64,340	18.43%		14,05,620	14,05,620	16.56%	-10.15%
Non Resident Indians	7,975		7,975	0.09%	13,620		13,620	0.16%	70.78%
Clearing Members			0	0.00%	18,066		18,066	0.21%	0.00%
IEPF			0	0.00%	2,40,040		2,40,040	2.83%	0.00%
Hindu undivided families	84,007	4,590	88,597	1.04%	87,243	4,590	91,833	1.08%	3.65%
Trusts			0	0.00%			0	0.00%	0.00%
Foreign Bodies - D R			0	0.00%			0	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>9,69,620</b>	<b>29,13,860</b>	<b>38,83,480</b>	<b>45.76%</b>	<b>13,22,155</b>	<b>26,20,690</b>	<b>39,42,845</b>	<b>46.46%</b>	<b>1.53%</b>
<b>Total Public (B)</b>	<b>18,51,510</b>	<b>30,66,670</b>	<b>49,18,180</b>	<b>57.95%</b>	<b>22,04,045</b>	<b>27,73,500</b>	<b>49,77,545</b>	<b>58.65%</b>	<b>1.21%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			<b>0</b>	<b>0.00%</b>				<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A + B + C)</b>	<b>32,65,660</b>	<b>52,21,680</b>	<b>84,87,340</b>	<b>100.00%</b>	<b>35,60,400</b>	<b>49,26,940</b>	<b>84,87,340</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 31.03.2017			Shareholding at the end of the year 31.03.2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares Pledged / encumbered to total shares	
1	ADAIKALAVAN RAMANATHAN	8,500	0.10%		625	0.01%		-92.65%
2	AHAMED KUTTY PK	1,05,496	1.24%		1,05,496	1.24%		0.00%
3	AHAMEDKUTTY P K M	27,310	0.32%		27,310	0.32%		0.00%
4	ALEY INDIRA KURIVILLA	67,530	0.80%		67,530	0.80%		0.00%
5	AMINA K M	45,212	0.53%		45,212	0.53%		0.00%
6	AMINA P K	31,220	0.37%		31,220	0.37%		0.00%
7	ASIF MOHAMED P K	86,120	1.01%		86,120	1.01%		0.00%
8	AYISHA P K M	26,460	0.31%		26,460	0.31%		0.00%
9	AYSHA P K	52,748	0.62%		52,748	0.62%		0.00%
10	AYSHA TANYA	2,500	0.03%		2,500	0.03%		0.00%
11	DIVYA ANJALI RAMANATHAN	24,960	0.29%		24,960	0.29%		0.00%
12	FAIZAL P K	43,470	0.51%		43,470	0.51%		0.00%
13	FATHIMA MUBEENA HASHIM	630	0.01%		630	0.01%		0.00%
14	HARIS P K	3,09,140	3.64%		3,09,140	3.64%		0.00%
15	JAMEELA P K	3,03,320	3.57%		3,03,320	3.57%		0.00%

16	JEYALAKSHMI RAMANATHAN	1,10,950	1.31%		92,373	1.09%		-16.74%
17	KADEEJA P K	52,748	0.62%		52,748	0.62%		0.00%
18	KADER KUTTY P K	1,05,496	1.24%		1,05,496	1.24%		0.00%
19	KADERKUTTY P K M	27,060	0.32%		27,060	0.32%		0.00%
20	KHADEEJA P K M	26,580	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	1,06,860	1.26%		1,06,860	1.26%		0.00%
25	MAYAN MOHAMED P K	92,610	1.09%	65,650	92,610	1.09%	65,650	0.00%
26	MEHABOOB MOHAMED P K	64,820	0.76%		64,820	0.76%		0.00%
27	MOHAMED P K	3,15,740	3.72%	2,84,110	3,15,740	3.72%	2,84,110	0.00%
28	MUBEENA SHARIFF	2,500	0.03%		2,500	0.03%		0.00%
29	NASREEN P K	52,140	0.61%		52,140	0.61%		0.00%
30	NIDHYA RAJESWARI GUHAN	22,690	0.27%		0	0.00%		-100.00%
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	2,66,140	3.14%		2,66,140	3.14%		0.00%
34	R.MUTHATHA	57,500	0.68%		57,500	0.68%		0.00%
35	RAFIA P K	3,23,420	3.81%		3,23,420	3.81%		0.00%
36	RAMANATHAN RAMASWAMY	31,630	0.37%		31,630	0.37%		0.00%
37	RANJITH KURUVILLA E	2,02,910	2.39%		2,02,910	2.39%		0.00%
38	RAZIA P K	37,530	0.44%		37,530	0.44%		0.00%
39	SADIA ZULEKHA HASHIM	5,390	0.06%		5,390	0.06%		0.00%
40	SALIM P K	25,170	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	35,710	0.42%		35,710	0.42%		0.00%
43	SEETHA SUBRAMANIAN	45,040	0.53%		45,040	0.53%		0.00%
44	SHAMEEM P K	40,090	0.47%		29,997	0.35%		-25.18%
45	SHEREEN SALIM	2,500	0.03%		2,500	0.03%		0.00%
46	THEIVANAI RATHNA RAMANATHAN	26,120	0.31%		26,120	0.31%		0.00%
47	UMAIBAN	5,500	0.06%		5,500	0.06%		0.00%
48	VALLI MUTHURAMAN	57,500	0.68%		57,500	0.68%		0.00%
49	VELLACHI RAMANATHAN	51,050	0.60%		51,050	0.60%		0.00%
50	VIJAYA BHASKAR MENON	16,510	0.19%		16,510	0.19%		0.00%
51	VISALAKSHI RAMANTHAN	53,630	0.63%		53,500	0.63%		-0.24%
52	ZAIN MOHAMED MEHABOOB	2,180	0.03%		2,180	0.03%		0.00%
	<b>TOTAL</b>	<b>35,69,160</b>	<b>42.05%</b>	<b>3,49,760</b>	<b>35,09,795</b>	<b>41.35%</b>	<b>3,49,760</b>	<b>-1.66%</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>RAFIA P K</b>				
	At the beginning of the year	3,23,420	3.81%	3,23,420	3.81%
	Less: Sale during the year	3,23,420	3.81%	0	0.00%
	At the end of the year		0.00%	0	0.00%
	<b>VISALAKSHI RAMANTHAN</b>				
	At the beginning of the year	53,630	0.63%	53,630	0.63%
	Less: Sale during the year	630	0.01%	53,000	0.62%
	Add: Purchase during the year	500	0.01%	53,500	0.63%
	At the end of the year		0.00%	53,500	0.63%
	<b>SHAMEEM P K</b>				
	At the beginning of the year	40,090	0.47%	40,090	0.47%
	Less: Sale during the year	10,093	0.12%	29,997	0.35%
	At the end of the year		0.00%	29,997	0.35%
	<b>JEYALAKSHMI RAMANATHAN</b>				
	At the beginning of the year	110,950	1.31%	110,950	1.31%
	Less: Sale during the year	18,577	0.22%	92,373	1.09%
	At the end of the year		0.00%	92,373	1.09%
	<b>NIDHYA RAJESWARI GUHAN</b>				
	At the beginning of the year	22,690	0.27%	22,690	0.27%
	Less: Sale during the year	22,690	0.27%	0	0.00%
	At the end of the year		0.00%	0	0.00%
	<b>ADAIKALAVAN RAMANATHAN JOINTLY RAMANATHAN RAMASWAMY</b>				
	At the beginning of the year	8,500	0.10%	8,500	0.10%
	Less: Sale during the year	8,500	0.10%	0	0.00%
	Add: Purchase during the year	625	0.01%	625	0.01%
	At the end of the year		0.00%	625	0.01%
	<b>P K RAFIA JOINTLY P K MEHABOOB MOHAMED</b>				
	At the beginning of the year	-	0.00%	0	0.00%
	Add: Purchase during the year	40,428	0.48%	40,428	0.48%
	At the end of the year		0.00%	40,428	0.48%
	<b>P K RAFIA JOINTLY P K SAQUIB MOHAMED</b>				
	At the beginning of the year	-	0.00%	0	0.00%
	Add: Purchase during the year	40,428	0.48%	40,428	0.48%
	At the end of the year		0.00%	40,428	0.48%
	<b>P K RAFIA JOINTLY P K MAYAN MOHAMED</b>				
	At the beginning of the year	-	0.00%	0	0.00%
	Add: Purchase during the year	40,428	0.48%	40,428	0.48%
	At the end of the year		0.00%	40,428	0.48%

<b>P K RAFIA JOINTLY P K ASIF MOHAMED</b>				
At the beginning of the year	-	0.00%	0	0.00%
Add: Purchase during the year	40,428	0.48%	40,428	0.48%
At the end of the year		0.00%	40,428	0.48%
<b>P K RAFIA JOINTLY AYSHA TANYA</b>				
At the beginning of the year	-	0.00%	0	0.00%
Add: Purchase during the year	40,427	0.48%	40,427	0.48%
At the end of the year		0.00%	40,427	0.48%
<b>P K RAFIA JOINTLY P K KADER KUTTY</b>				
At the beginning of the year		0.00%	0	0.00%
Add: Purchase during the year	40,427	0.48%	40,427	0.48%
At the end of the year		0.00%	40,427	0.48%
<b>P K RAFIA JOINTLY P K AHAMED KUTTY</b>				
At the beginning of the year	-	0.00%	0	0.00%
Add: Purchase during the year	40,427	0.48%	40,427	0.48%
At the end of the year		0.00%	40,427	0.48%
<b>P K RAFIA JOINTLY MUBEENA HASHIM SHARIF</b>				
At the beginning of the year	-	0.00%	0	0.00%
Add: Purchase during the year	40,427	0.48%	40,427	0.48%
At the end of the year		0.00%	40,427	0.48%

**(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	9,16,860	10.80%	9,16,860	10.80%
2	MOHAMED NIZAR P M	1,05,000	1.24%	1,05,000	1.24%
3	NATIONAL INSURANCE COMPANY LTD	71,970	0.85%	71,970	0.85%
4	UMAYAL.R.	69,400	0.82%	69,400	0.82%
5	JITENDRA MANSUKHLAL PAREKH	66,500	0.78%	66,500	0.78%
6	JALEEL M.C.M	66,000	0.78%	66,000	0.78%
7	ABDULLA K.U	50,000	0.59%	50,000	0.59%
8	SHAMEEM ABDULLA B K	50,000	0.59%	50,000	0.59%
9	SHABIR SHARIF	45,000	0.53%	45,000	0.53%
10	IEPF	0	0.00%	2,40,040	2.83%

**(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	92,610	1.09%	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	-	0.00%	-	0.00%
5	Ranjith Kuruvilla	2,02,910	2.39%	2,02,910	2.39%
6	Jyothikumar	-	0.00%	-	0.00%
7	R Balakrishnan	-	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	30,39,10,482	14,59,922		30,53,70,404
ii) Interest accrued and due		-		-
iii) Interest accrued but not due	1,19,266	-		1,19,266
<b>Total (i+ii+iii)</b>	<b>30,40,29,748</b>	<b>14,59,922</b>	<b>-</b>	<b>30,54,89,670</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	15,00,00,000			15,00,00,000
* Reduction	15,01,81,295	5,85,971		15,07,67,266
Net Change	(1,81,295)	5,85,971	-	(7,67,266)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	30,36,87,254	8,73,951		30,45,61,205
ii) Interest accrued and due		-		-
iii) Interest accrued but not due	1,61,199	-		1,61,199
<b>Total (i+ii+iii)</b>	<b>30,38,48,453</b>	<b>8,73,951</b>	<b>-</b>	<b>30,47,22,404</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	Total Amount (Rs)
			P K MAYAN MOHAMED Managing Director	
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		37,09,000 - -	37,09,000 - -
2	Stock Option		-	-
3	Sweat Equity		-	-
4	Commission - as 1% of profit - others, specify		75,414	- 75,414 -
5	Others, Provident Fund Total (A) Ceiling as per the Act		2,96,748 40,81,162 42,00,000	2,96,748 40,81,162

**B. Remuneration to other Directors**

S No	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
		Y H MALEGAM	E RANJITH KURUVILA	T BALA- KRISHNAN	PUSHYA SITHARAMAN	
1	Independent Directors Fee for attending board/committee meetings Commission Others, please specify	35,000	10,000	80,000	65,000	1,90,000 - -
	Total (1)	35,000	10,000	80,000	65,000	1,90,000
2	Other Non-Executive Directors Fee for attending board committee meetings Commission Others, please specify					- - - -
	Total (2)	-	-	-	-	-
	Total (B) = (1 + 2)	35,000	10,000	80,000	65,000	1,90,000



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

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	Upto 30 <sup>th</sup> June 2017 1.62	8.39
			-		-
2	Stock Option				-
3	Sweat Equity				-
4	Commission - as % of profit - others, specify				- -
5	Others, please specify				-
	Total		6.77	1.62	8.39

**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)
A. COMPANY								
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. DIRECTORS								
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
C. OTHER OFFICERS IN DEFAULT								
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) For pulping, Defibrator No.1 (1600 HP) is being utilized maximum, reducing its down time and Defibrator No.2 (2000 HP) to be run only in case of emergency.
- 2) Plate washing in both Hardboard plants is avoided during peak hours.
- 3) Power factor is improved to 0.99, thereby increasing the system efficiency.

#### b. Additional investments/ proposals being implemented for reduction of Consumption of energy:

- 1) Wastage of air, water and steam to be identified and corrective actions to be taken.
- 2) Installation of Solar panels for lighting to be studied.
- 3) Regular Energy conservation committee meetings are held for monitoring and controlling in the plants.

### c. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

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

- Developed a Highly Water Resistant variety of Oil tempered hardboard ideal for Automotive and Packaging industries.
- Developed a new method of manufacturing of Oil tempered Hardboard eliminating the use of white spirit, an organic solvent along with linseed oil.
- Developed an innovative method of converting shredded blocks of demonetized currency note paper from RBI, Thiruvananthapuram into pulp to use along with wood pulp to make hardboards and softboards.
- Conducted trials to explore the potential of using non-wood lignocellulosic materials along with wood veneer for developing Flexi-ply.

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

- A new product, Water Resistant Hardboard has been added successfully to the products list of the Company.
- Eliminating the use of petroleum-based solvent from Oil tempered hardboard production process is a remarkable achievement in terms of its impact on making the product 100% environmentally friendly.
- With the use of pulp from demonetized currency paper in the manufacturing of hardboard, the company has been able to achieve considerable savings by reducing the cost of pulp production and also by minimizing the use of paraffin wax and phenol formaldehyde resin.
- Cost reduction by the use of low cost, non-wood raw materials.

### R&D HIGHLIGHTS FOR 2017-2018

1. **Specific areas in R&D carried out by the company:** Development of Wood-based panel products, Synthetic adhesives, Wood preservation 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 waste recycling.
3. **Future plan of action:**

To undertake new research projects on:

- a) Use of sawdust-derived biochar as a novel bio scavenger in phenolic and amino resins .
- b) Development of Cement composites using industrial cellulosic and lignocellulosic wastes (e.g. Paper Mill Sludge, Boiler ash and Sawdust).
- c) Development of new lightweight sandwich panels for furniture and interior applications.
- d) Study on the effects of densification of veneers from durable and nondurable timbers.
- e) Development of Bitumen and Non-bitumen-based softboard expansion fillers for the construction industry.

**Expenditure on R & D:**

a)	Capital	:	Nil
b)	Recurring (Salaries)	:	17.23 Lakhs
c)	Others	:	2.36 Lakhs
d)	Total R & D	:	19.59 Lakhs
e)	% of Total Turnover	:	0.22%

**ISO CERTIFICATION**

The Certification for ISO 9001-2015 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 2020

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

	<b>2017-18</b>	<b>2016-17</b>
Foreign Exchange Earned-FOB	1458.91	1184.46
Expenditure in Foreign Exchange		
Raw Materials	691.50	684.62
Spares	-	25.87
Commission	21.66	13.92
Other Matters	3.66	5.43

**(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.	<u>Name</u> Shri P K Mayan Mohamed	<u>Ratio to Median</u> 25.95%
(2)	Percentage increase in remuneration of each Director, Chief Financial officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial year	<u>Name</u> Shri P K Mayan Mohamed Shri R Balakrishnan (CS)	<u>% increase in the CTC</u> -2.18% 0%
(3)	Percentage increase in the median remuneration of employees in the Financial year.	(10.41%)	
(4)	Number of permanent employees on the rolls of the Company	297 in FY 2017-18 (310 in FY 2016-17)	
(5)	Explanation on the relationship between average increase in remuneration and Company performance	The average annual increase in salary of employees is dependent on DA increase and increment which has no relationship with the performance of the company.	

(6)	Comparison of the remuneration of the key managerial personnel (KMP) against the performance of the Company	<u>Particulars</u>					<u>Amount &amp; percentage</u>
		Total amount of remuneration of KMP					49.20 Lakhs
		Revenue for the Financial year 2017-18					8954.71 Lakhs
		Remuneration of KMP as % of revenue					0.55%
		Profit Before Tax for the financial year 2017-18					101.12 Lakhs
		Remuneration of KMP as a % of profit before tax					48.66%
(7)	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 5.21%					
(8)	Comparison of the each remuneration of the key managerial personnel against the performance of the company.	Name of Director	Remuneration FY 2017-18 (Rs in Lakhs)	Revenue in FY 2017-18 (Rs in Lakhs)	% to Revenue	PBT (Rs in Lakhs)	% to PBT
		P K Mayan Mohamed (MD)	40.81	8954.71	0.46%	101.12	40.36%
		R Balakrishnan (CS)	6.77	8954.71	0.08%	101.12	6.7%
		Sathyakrishnan B (CFO)	1.62	8954.71	0.02%	101.12	1.60%
(9)	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.					
(10)	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.					
(11)	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 31.03.2018.

### CORPORATE GOVERNANCE PHILOSOPHY

As an ISO 9001-2015 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.

### GOVERNANCE STRUCTURE

The Company's Governance Structure comprises a dual layer, the Board of Directors and the Committees of the Board at the apex level and the Management Team at an operational level. The Board lays down the overall Corporate Objectives and provides direction and independence to the Management Team to achieve these objectives within a given framework. This professional management process results in building a conducive environment for sustainable business operations and value creation for all stakeholders.

The Board of Directors and the committees of the Board play a fundamental role in upholding and furthering the principals of good governance which translates into ethical business practices, transparency and accountability in the Company's dealing with its stakeholders and in the utilization of resources for creating sustainable growth to the benefit of all the stakeholders. The Board within the framework of law, discharges its fiduciary duties of safeguarding the interests of the Company. The Boards composition and size is robust and enables it to deal competently with emerging business development issue and exercise independent judgment.

Committee of Directors assists the Board of Directors in discharging its duties and responsibilities. The Board has constituted the following Committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee which are mandatory Committees.

The Management Structure for the day-to-day business operations and management of the Company is in place with appropriate delegation of powers and responsibilities.

### CORPORATE GOVERNANCE PRACTICE

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.

### ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board and Committees procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision making at the Meetings. The Company Secretary is primarily responsible for assisting and advising the Board in conducting the affairs of the Company, to ensure the compliances with applicable statutory requirements, to provide guidance to Directors and to facilitate convening of Meetings. The Company Secretary interfaces between the Management and regulatory authority for governance matters.

### BOARD OF DIRECTORS

#### Composition:

The Board comprises of eminent persons with considerable professional experience in various fields. The Details of Board Composition as on 31.03.2018 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 31.03.2018		
			Board Meeting	Last AGM	Director	Committee Member	Committee Chairman
Shri T Balakrishnan Chairman	Non-Executive Independent	-	5	Yes	1	1	1
Shri Y H Malegam Director	Non-Executive Independent	3140	2	-	3	3	2
Smt Pushya Sitaraman Director	Non-Executive Independent	-	4	Yes	1	1	1
Shri Jyothi Kumar B Nominee Director	Nominee KSIDC(Lender)	-	3	-	1	-	-
Shri P K Mayan Mohamed Managing Director	Promoter, Executive	92610	5	Yes	1	1	-
Shri Ranjit Kuruvilla Director	Non- Executive Director	202910	1	-	1	-	-

\*Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies have been considered.

### 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 5 Board meetings were held, the dates being 27.05.2017, 07.08.2017, 13.09.2017, 12.12.2017 and 07.02.2018.

The last AGM was held 13.09.2017

Name of the Directors	Meetings held during the tenure of the Directors	No of Meetings Attended
T Balakrishnan	5	5
Y H Malegam	5	1
Pushya Sitaraman	5	4
Jyothi Kumar B	5	3
Ranjit Kuruvilla	5	1
P K Mayan Mohamed	5	5

### AUDIT COMMITTEE

The Company has constituted an Audit Committee as required under the Companies Act, 2013 and under the SEBI (LODR) Regulations, 2015 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, 2015.

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 nonpayment 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 five meetings during the year, on 27.05.2017, 07.08.2017, 13.09.2017, 12.12.2017 and 07.02.2018 to discuss, inter-alia, the Internal Audit and Internal Control system and limited review carried out by Statutory Auditors.

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

Sl. No.	Name of Director	Meetings held during the tenure of the Directors	No of Meetings attended
1	Shri. T Balakrishnan - Chairman	5	5
2	Shri. Y.H. Malegam	5	2
3	Smt. Pushya Sitaraman	5	4

Shri, T Balakrishnan, chaired the Annual General Meeting held on 13.09.2017 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. Smt. Pushya Sitaraman

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.

The attendances of the members at the Nomination and Remuneration Committee meeting held during the year were as follows:

Sl. No.	Name of Director	Meetings held during the tenure of the Directors	No of Meetings attended
1	Shri. Y.H. Malegam - Chairman	1	1
2	Shri. T Balakrishnan	1	1
3	Smt. Pushya Sitaraman	1	1

### Meetings of the Independent Directors

A separate meeting of Independent Directors was held during the year without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following matters were discussed in detail:

- Reviewed the performance of non-independent directors and the Board as a whole;
- Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### 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 behavior and judgement.
- \* Maintenance of confidentiality of critical issues

## DISCLOSURE OF DIRECTORS' AND OTHERS INTEREST IN TRANSACTIONS WITH THE COMPANY

None of the Director's, Key Managerial Personnel's and Senior Management, whether they, directly, indirectly or on behalf of third parties, have had any material interest in any transaction or matter directly affecting the Company pursuant to the provisions of Regulation 4(2)(f) of the Listing Regulations.

None of the Directors of the Company are related to each other.

### 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 2017-18 are given below:

(Amount in Rs.)

Name of Directors	Board Meetings	Committee Meetings	Total
Shri Y H Malegam	20,000	15,000	35,000
Shri Ranjit Kuruvilla	10,000	-	10,000
Shri T Balakrishnan	50,000	30,000	80,000
Smt Pushya Sitaraman	40,000	25,000	65,000
<b>Total</b>	<b>1,20,000</b>	<b>70,000</b>	<b>1,90,000</b>

Details of Remuneration paid or payable to the Directors during the financial year FY 2017-18 are as follows:

Name	Salary	Retirement Benefits	Perquisite	Commission	Sitting fee	Total
Shri P K Mayan Mohamed	37,09,000	2,96,748	-	75,414	-	4,081,162
Shri Y H Malegam	-	-	-	-	35,000	35,000
Shri Ranjit Kuruvilla	-	-	-	-	10,000	10,000
Shri T Balakrishnan	-	-	-	-	80,000	80,000
Smt Pushya Sitaraman	-	-	-	-	65,000	65,000

## 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 redressal 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.

#### 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 CFO & Company Secretary. Share Transfer are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all the respects.

Name and designation of compliance Officer: Shri R Balakrishnan,  
CFO & 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 31.03.2018	Nil

#### GENERAL BODY MEETINGS

##### Last three Annual General Meetings

13.09.2017	Registered Office, Mill Road, Baliapatam, Cannanore-670 010	11.30 AM
29.09.2016	Registered Office, Mill Road, Baliapatam, Cannanore-670 010	10 AM
26.09.2015	Registered Office, Mill Road, Baliapatam, Cannanore-670 010	10 AM

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

AGM	Date	Special Resolution Passed
72 <sup>nd</sup>	13.09.2017	Nil
71 <sup>st</sup>	29.09.2016	Nil
70 <sup>th</sup>	26.09.2015	·Appointment of Managing Director
		·Adoption of new set of Articles of Association.
		·Approval of Borrowing Limits

The Board has appointed CS Murali Kanniyath, Company Secretary, as a Scrutinizer to conduct the voting process in a fair manner.

#### CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

In compliance with the SEBI Regulations on prevention of Insider trading, the Company has adopted a code of conduct for its Directors and designated employees. The code lays down guidelines which included procedures to be followed and disclosures to be made while dealing with the shares of the Company.

#### 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 behaviour, 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 behaviour, 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**
- (vii) The transactions with related parties were reviewed by the Audit Committee on a quarterly basis in their meetings.
- (viii) Disclosure of commodity price risks and commodity hedging activities: NIL
- (ix) Compliance or otherwise of any requirement of Corporate Governance Report

The Company has complied with the requirements of the Corporate Governance and has made disclosures to the extent required and applicable to it, as stipulated in Listing Regulations.

## 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 Exchange where the shares of company are - NSE listed. The results are also published in the Company's official website.

**Official News Releases:-**

Official News releases and media releases are sent to the Stock Exchanges. The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by the Companies and clarified that the service of documents by the Companies can be made through Electronic Mode. Accordingly, as a contribution towards green environment, your Company also implemented the Initiative to send documents, such as Notice calling the general meeting, audited financial statements, Board report, auditors' report, etc. in electronic form on the email id's provided by the shareholders & made available by them to the company through the depositories.

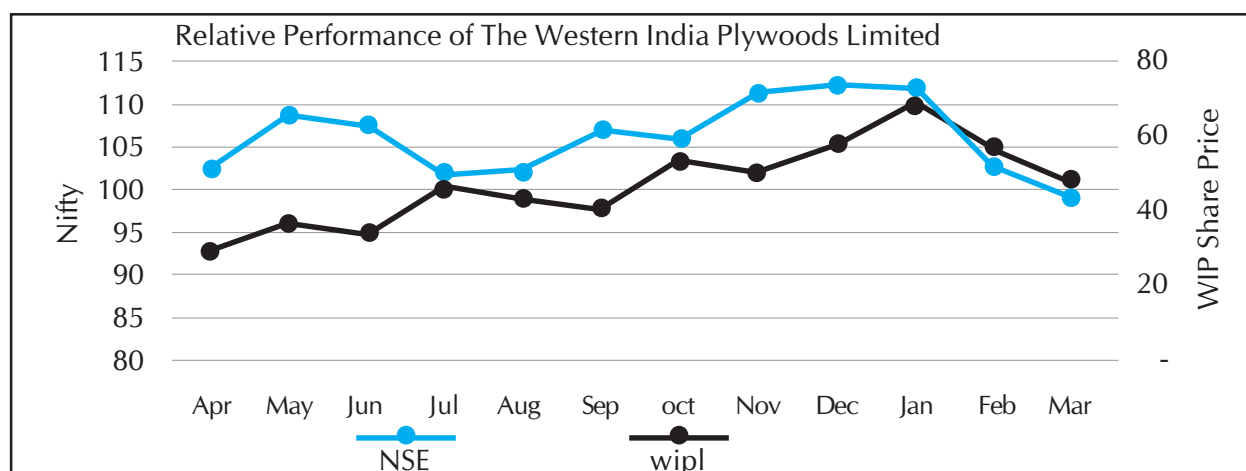
**GENERAL SHAREHOLDER INFORMATION**

i.	AGM (Date, Time and Venue)	28 <sup>th</sup> September 2018 at 3.30 pm at the Registered Office, Kannur
ii.	Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
iii.	Key Financial Reporting Dates F.Y. 2018-2019	
	Unaudited Results for the First Quarter ended June 30, 2018	On or before 15 <sup>th</sup> August, 2018
	Unaudited Results for the Second Quarter ended September 30, 2018	On or before 15 <sup>th</sup> November, 2018
	Unaudited Results for the Third Quarter ended December 31, 2018	On or before 15 <sup>th</sup> February, 2019
	Audited Results for the F.Y. 2018-2019	On or before 31 <sup>st</sup> May, 2019
iv.	Date of Book Closure	The Share Transfer Books of the Company will remain closed from 21 <sup>st</sup> September 2018 to 28 <sup>th</sup> September 2018
v.	Listing on Stock Exchanges	National Stock Exchange of India Limited (NSE), Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra-East, Mumbai-400 051
vi.	Listing Fees	Listing Fee was paid
vii.	Stock Symbol	WIPL

Market priceData: High/ Low/ Close During each month in the Financial Year 2017-18.

Month	NSE		
	High	Low	Close
Apr-17	51.55	35.05	51.55
May-17	87.00	53.45	66.10
Jun-17	74.40	54.10	62.85
Jul-17	65.50	43.25	49.85
Aug-17	53.90	44.25	51.00
Sep-17	62.35	45.50	62.00
Oct-17	65.00	51.45	59.05
Nov-17	76.50	54.00	71.50
Dec-17	80.95	66.55	73.55
Jan-18	90.00	72.00	73.00
Feb-18	75.00	52.00	52.30
Mar-18	52.55	43.25	43.75

**Relative Performance of The Western India Plywoods Limited Share Price V/S. NSE Nifty:**



### 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.

In terms of the provisions of Investor Education and Protection Fund Accounting, Audit, Transfer and Refund rules 2016/IEPF (Awareness and protection of investor rules 2001) an amount of Rs. 3,85,310 unpaid dividend for the year 2009-10 was transferred during the year to IEPF. As per IEPF rules, the shares on which dividend is unpaid/unclaimed for a continuous period of seven years are to be transferred to IEPF Authority. Accordingly 2,40,040 shares were transferred to IEPF Authority after complying the provisions.

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 31.03.2018 (Rs)
FY 2010-11	1.00	13.08.2011	20.09.2018	5,02,847
FY 2011-12	1.20	13.08.2012	20.09.2019	9,52,001
FY 2012-13	0.60	12.08.2013	19.09.2020	5,99,087
FY 2013-14	0.60	27.09.2014	04.11.2021	6,35,596
FY 2014-15	0.70	26.09.2015	03.11.2022	7,40,305
FY 2015-16	0.70	29.09.2016	06.11.2023	7,76,101

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, Senapati Bapat 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

Marathon Futurex, A Wing, 25<sup>th</sup> Floor, N.M.Joshi Marg, Lower Parel, Mumbai-400013. Ph: 23058640

**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: murali@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.

**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 2018**

Category	No. of shares	Percentage
Promoters	3,509,795	41.35
Public		
Insurance Companies	1,030,130	12.14
Other Bodies Corporate	169,084	1.99
IEPF	240,040	2.83
Clearing Members	18,066	0.21
Others	3,520,225	41.48
<b>Total</b>	<b>8,487,340</b>	<b>100.00</b>



## DISTRIBUTION OF SHAREHOLDING ACCORDING TO SIZE OF HOLDING

Share holding		Share holders		Share Amount	
Rs..	Rs..	Number	% of Total	Rs..	% of Total
10	to 5000	596	38.4516	11,74,150	1.3834
5001	to 10000	264	17.0322	21,10,850	2.4872
10001	to 20000	249	16.0645	37,71,630	4.4438
20001	to 30000	95	6.1291	23,82,300	2.8068
30001	to 40000	71	4.5806	25,26,810	2.9772
40001	to 50000	40	2.5807	18,62,070	2.1939
50001	to 100000	114	7.3548	85,58,680	10.0841
100001	and above	121	7.8065	6,24,86,910	73.6236
Total		1550	100.0000	8,48,73,400	100.0000

## 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 31-03-2018, 40.57% (34,43,446 Shares) of Equity Capital are held in dematerialized form with NSDL and 1.37% (1,16,954 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](mailto:westernply@gmail.com) / [secretarial.westernply@gmail.com](mailto:secretarial.westernply@gmail.com)

Website : [www.wipltd.in](http://www.wipltd.in)

On behalf of the Board of Directors

Place: Kannur

Date : 13.08.2018

**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 31-03-2018, all the Board members and the Senior Management Personnel have affirmed compliance with the code of conduct framed by the Company.

Place: Kochi  
Date: 26.05.2018

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 R Balakrishnan, 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, 2018 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:
  - (1) Significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) 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.

### **Declaration**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board members and Senior Management Personnel have affirmed compliance with The Western India Plywoods Limited Code of Conduct for the year ended 31st March, 2018.

Place: Kochi  
Date: 26.05.2018

**P K Mayan Mohamed**  
Managing Director

**R Balakrishnan**  
Chief Financial Officer

## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

**WESTERN INDIA PLYWOODS LIMITED**

CIN: L20211KL1945PLC001708, Mill Road, Baliapatam, Cannanore, Kerala- 670010, India

We have examined all the relevant records of M/s. Western India Plywoods Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2018. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

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 specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of Listing Regulations, to the extent applicable.

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

**SANDEEP KUMAR S**

B.A.L , LLB , FCS , MBA

CP NO: 9450 , FCS NO : 8348

Place: ERNAKULAM

Date : 08-08-2018

PARTNER

GOPIMOHAN SATHEESHAN ASSOCIATES

## MANAGEMENT DISCUSSION AND ANALYSIS

This report is prepared in compliance with the requirement of the Corporate Governance. 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, Automobiles, Transformer Manufacturers and other Industries. There is shortage of good raw material available in the Country and therefore the company has to depend on imports at a higher cost. This escalation in cost couldn't be fully absorbed in the market price and thereby there is shrinkage in the margin. The Company is trying to overcome these problems by diversification into new value added products, better marketing strategies and management methods. A new product namely low density board was introduced by diversification which has good demand both in the domestic and international markets.

### 2. Opportunities and threats

The major raw material required by the Company are softwood and waste wood for hardboard and timber for plywood. There is scarcity of these raw materials. However as the company is in commercial operation for more than seven years it could establish a good system of procurement.

The Joint Venture Company was started in Malaysia for manufacturing of Veneers for meeting a major requirement of Raw Materials.

Competition from other manufacturers and cheap imports can affect the profitability of the company. As the company is maintaining high quality for its products and the same is well accepted by the

customers both in India and abroad. The Company has established Research and Development Unit, one of the best of its kind in the wood based industry. The company is also duly equipped to develop new products to meet the requirements of the market.

The Company believes from experience that customer loyalty will prove beneficial in meeting the challenge faced by it in the long run.

### 3. Product wise performance

(Rs in Lakhs)

Sl.No	PRODUCT	2017-18	2016-17
1	Hardboard	4965.93	5085.93
2	Plywood	1541.09	1365.60
3	Densified wood	1221.34	1447.06
4	Pre-compressed Board	324.41	342.14
5	Pre-finished board	107.94	92.58
6	Furniture	168.17	208.63
7	Other sales	105.79	162.78
8	Soft Board	520.03	180.85
	<b>Total</b>	<b>8954.70</b>	<b>8885.57</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 authorized, 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 31.03.2018 was 297. Being an ISO 9001-2015 certified Company, the company conducts regular training programs 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 rapid growth in the electrical and construction industry where there is high demand for our products has helped to increase the turnover of the Company. The Company is hopeful of encashing on this opportunity.

### 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 affect 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.
- Unpaid Dividends up to and inclusive of 2009-2010 have been deposited in the Investor Education and Protection Fund as required under the relevant provisions.

On behalf of the Board of Directors

Place: Kannur  
Date : 13.08.2018

**T. Balakrishnan**  
Chairman

## INDEPENDENT AUDITOR'S REPORT

To The Members of **The Western India Plywoods Limited**

### **Report on standalone Indian Accounting Standards (Ind AS) Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **THE WESTERN INDIA PLYWOODS LIMITED** ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2018, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the standalone Ind AS Financial Statements**

Company's Board of Directors are responsible for the matters stated in section 134(5) of the companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, Financial Performance including other comprehensive income, Cash Flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including 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 of standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31<sup>st</sup> March 2018, and its Profit (including other comprehensive income), its Cash Flows and the changes in equity for the year ended on that date.



### Emphasis of matter

We draw attention to Note No 4.02 to the standalone Ind AS financial statements which states that, In view of the business plan 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 based on the independent valuer, the management is of the opinion that no diminution in the value of investment in Subsidiary company is anticipated at this stage.

Our opinion is not modified in respect of this matter.

### Other Matters

The comparative financial information of the Company for the year ended 31<sup>st</sup> March 2017 and the transition date opening balance sheet as at 1<sup>st</sup> April 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditors whose report for the year ended 31<sup>st</sup> March 2017 and 31<sup>st</sup> March 2016 dated 27<sup>th</sup> May, 2017 and 25<sup>th</sup> May, 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

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 the paragraph 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 purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rule issued there under;
  - e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act 2013;
  - 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**"; and
  - 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For **Sankar & Moorthy**  
Chartered Accountants  
FRN.003575S

**Jayaprakesh.M.C.**  
(Partner)

Membership No. 215562

Place: Cochin  
Date: 26.05.2018

**“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE INDIAN ACCOUNTING STANDARDS [IND AS] FINANCIAL STATEMENTS OF THE WESTERN INDIA PLYWOODS LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

- (i) (a) The Company has maintained 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 and on the basis of our examination of the records of the Company 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.
- (ii) We are informed that the physical verification of inventory (other than stock of timber lying in the pond) has been conducted by the management at the year end and that no material discrepancies were noticed on such verification.
- (iii) According to the information and explanations given to us and the records of the company examined by us, during the year, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the reporting requirements under clauses (iii) (a) to (c) paragraph 3 of the order are not applicable.
- (iv) 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 or given any security or guarantee for which the provisions of sections 185 and 186 of the Act are applicable and the Company has complied with the provisions of section 186 of the Act in respect of investments as applicable.
- (v) 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 section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable.
- (vi) To the best of our knowledge and according to the information and explanation 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.
- (vii) (a) As per the information and explanation 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, Employees State insurance, Income Tax, Sales Tax, Service Tax, Goods & Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and the 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, value added tax and income tax.

- (viii) 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.
- (ix) 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 term loans availed by the company have been applied for the purpose for which the loans were obtained.
- (x) 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 instance 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.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, 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.
- (xii) The Company is not a nidhi company. Accordingly, the reporting requirements under paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in Note No. 36 to the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) 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.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and 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 paragraph 3 (xvi) of the order is not applicable.

**For Sankar & Moorthy**  
Chartered Accountants  
FRN.003575S

**Jayaprakesh.M.C.**  
(Partner)  
Membership No. 215562

Place: Cochin  
Date: 26.05.2018

**“ANNEXURE B” REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE STANDALONE INDIAN ACCOUNTING STANDARDS [IND AS] FINANCIAL STATEMENTS OF THE WESTERN INDIA PLYWOODS LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

**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 system with reference to financial statements reporting of **THE WESTERN INDIA PLYWOOD LIMITED** (“the Company”) as of 31<sup>st</sup> March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 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 system with reference to financial statements 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 system with reference to financial statements 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 with reference to financial statements reporting and their operating effectiveness. Our audit of internal financial controls system with reference to financial statements 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 judgment, 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 with reference to financial statements reporting.

### Meaning of Internal Financial Controls with reference to Financial statements Reporting

A company's internal financial control system with reference to financial statement 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 controls system with reference to financial statement 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 with reference to Financial Statements reporting

Because of the inherent limitations of internal financial controls system with reference to financial statements 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 system with reference to financial statements reporting to future periods are subject to the risk that the internal financial controls system with reference to financial statements 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 systems with reference to financial statements reporting and such internal financial controls system with reference to financial statements reporting were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control with reference to financial statements 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.

For Sankar & Moorthy  
Chartered Accountants  
FRN.003575S

**Jayaprakesh.M.C.**  
(Partner)  
Membership No. 215562

Place: Cochin  
Date: 26.05.2018

## BALANCE SHEET AS AT 31.03.2018

(In Rs.)

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	3	16,54,60,600	17,39,83,673	15,13,87,306
(b) Capital work-in-progress	3	96,36,250	66,48,470	3,06,57,772
(c) Financial Assets				
(i) Investments	4	11,24,96,601	11,17,38,542	11,04,59,226
(ii) Loans	5	1,05,05,356	1,04,98,228	1,04,46,130
(iii) Others	6	18,45,862	18,45,862	-
(d) Other non-current assets	7	2,47,500	2,98,609	29,29,335
<b>(2) Current assets</b>				
(a) Inventories	8	32,81,71,486	37,55,82,717	37,18,84,182
(b) Financial Assets				
(i) Trade receivables	9	14,16,76,577	13,63,80,496	13,72,71,465
(ii) Cash and cash equivalents	10	3,74,04,829	3,27,54,813	2,94,05,538
(iii) Bank balances other than (ii) above	11	1,77,76,282	1,71,47,384	2,17,41,729
(iv) Loans	12	45,87,450	41,44,951	39,73,415
(v) Other Financial assets	13	2,51,78,813	3,19,32,937	52,33,570
(c) Current Tax Assets (Net)		24,15,482	-	-
(d) Other current assets	14	77,74,464	1,24,51,670	1,30,23,901
<b>Total Assets</b>		<b>86,51,77,552</b>	<b>91,54,08,352</b>	<b>88,84,13,569</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital	15	8,48,73,400	8,48,73,400	8,48,73,400
(b) Other Equity	16	33,29,56,451	31,88,99,799	31,49,09,155
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	17	17,09,16,654	4,99,73,442	9,47,92,770
(b) Provisions	18	30,54,806	17,02,684	18,19,973
(c) Deferred tax liabilities (Net)	19	1,38,42,000	2,21,30,000	2,18,63,000
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	20	11,18,62,042	25,42,26,789	20,08,46,685
(ii) Trade payables	21	7,16,12,813	7,17,26,940	6,16,98,049
(iii) Other financial liabilities	22	3,49,58,972	2,84,80,203	4,03,06,858
(b) Other current liabilities	23	3,97,95,067	7,21,56,312	5,54,18,762
(c) Provisions	24	13,05,347	65,99,277	35,71,631
(d) Current Tax Liabilities (Net)		-	46,39,506	83,13,286
<b>Total Equity and Liabilities</b>		<b>86,51,77,552</b>	<b>91,54,08,352</b>	<b>88,84,13,569</b>

Significant Accounting Policies- See Note No 2

The accompanying notes form an integral part of the financial statements (1 to 43)

For and on behalf of the Board of Directors

As per our report of even date attached

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

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

**R.BALAKRISHNAN** CFO&Company Secretary  
 (M.No: 7119)

For **Sankar & Moorthy**  
 Chartered Accountants  
 FRN.003575S

Place: Cochin  
 Date: 26.05.2018

**Jayaprakesh.M.C.**  
 (Partner).  
 Membership No. 215562



## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31.03.2018

(In Rs.)

Particulars	Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
I Revenue from operations	25	90,00,94,990	89,51,41,234
II Other income	26	2,78,31,109	83,94,266
<b>III Total Income ( I + II )</b>		<b>92,79,26,099</b>	<b>90,35,35,500</b>
<b>IV Expenses:</b>			
Cost of materials consumed	27	38,06,15,845	35,71,56,992
Excise Duty		2,01,27,405	8,41,40,307
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	2,37,73,969	(1,55,26,739)
Employee benefits expense	29	15,75,54,998	15,34,96,896
Finance costs	30	3,53,49,575	3,46,22,773
Depreciation and amortization expense	3	2,03,77,706	2,04,39,506
Other expenses	31	28,93,40,906	27,42,74,864
<b>Total expenses (IV)</b>		<b>92,71,40,404</b>	<b>90,86,04,599</b>
<b>V Profit / (Loss) before Exceptional Items and tax (III-IV)</b>		<b>7,85,695</b>	<b>(50,69,099)</b>
VI Exceptional Items ( Net )	32	93,26,749	2,61,30,449
<b>VII Profit / (Loss) Before tax ( V + VI )</b>		<b>1,01,12,444</b>	<b>2,10,61,350</b>
VIII Tax expense:			
(1) Current tax	33	-	55,74,000
(2) Deferred tax		(82,88,000)	19,13,019
<b>IX Profit / (Loss) for the period ( VII - VIII )</b>		<b>1,84,00,444</b>	<b>1,35,74,331</b>
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
a) Remeasurements of post employment benefit obligations		(54,81,850)	(49,78,430)
b) Changes in fair value of equity instruments		11,38,058	8,99,316
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	16,46,018
		<b>(43,43,792)</b>	<b>(24,33,096)</b>
<b>XI Total Comprehensive Income for the Year (IX+ X) (Comprising Profit/(Loss) and Other Comprehensive Income)</b>		<b>1,40,56,652</b>	<b>1,11,41,235</b>
<b>XII Earnings per equity share of Par Value of Rs. 10 /- each</b>	34		
(1) Basic		2.34	1.76
(2) Diluted		2.34	1.76

Significant Accounting Policies- See Note No 2

The accompanying notes form an integral part of the financial statements (1 to 43)

For and on behalf of the Board of Directors

As per our report of even date attached

**P.K MAYAN MOHAMED T.BALAKRISHNAN R.BALAKRISHNAN**  
Managing Director Chairman CFO&Company Secretary  
(DIN: 00026897) (DIN: 00052922) (M.No: 7119 )

For **Sankar & Moorthy**  
Chartered Accountants  
FRN.003575S

Place: Cochin  
Date: 26.05.2018

**Jayaprakesh.M.C.**  
(Partner).  
Membership No. 215562

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2018

	For the year ended 31 <sup>st</sup> March 2018 (Rs.)	For the year ended 31 <sup>st</sup> March 2017 (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit after taxation	1,84,00,444	1,35,74,331
<b>Adjustments For:</b>		
Depreciation / Amortization Expense	2,03,77,706	2,04,39,506
Tax expenses		
Current tax	-	55,74,000
Deferred Tax	(82,88,000)	19,13,017
Remeasurement of post employment benefits obligation	(54,81,850)	(49,78,430)
Loss on sale of property, plant and equipment (net)	-	57,720
Premium on redemption of preference shares	(38,00,000)	
Allowance for doubtful trade receivables (net)	3,18,001	3,35,163
Dividend Income	(1,38,27,500)	(23,750)
Interest Income	(66,28,125)	(33,73,885)
Premium on redemption of Debenture	(19,48,800)	(6,61,200)
Exceptional item - insurance claim including interest	-	(2,61,30,449)
Exceptional item - Profit on sale of land (Compulsory acquisition)	(93,26,749)	
Profit on sale of Asset	(46,238)	-
Liabilities/ Provision No longer required written back	(11,20,000)	(9,52,926)
Finance Cost	3,53,49,575	3,30,32,869
<b>Operating Profit before Working Capital Changes</b>	<b>2,39,78,464</b>	<b>3,88,05,966</b>
<b>Adjustments for</b>		
(Increase)/ Decrease in Trade and Other Receivable	31,92,981	(17,02,716)
(Increase)/ Decrease in Inventories	4,74,11,231	(36,98,535)
Increase/ (decrease) in trade and Other payables	(2,67,68,439)	2,67,66,441
Increase/ (decrease) in Provisions	(39,41,808)	29,10,357
<b>Cash generated from operations</b>	<b>4,38,72,429</b>	<b>6,30,81,513</b>
Add: Insurance claim received	-	50,93,815
<b>Cash flow after exceptional Item</b>	<b>4,38,72,429</b>	<b>6,81,75,328</b>
Less: Direct Tax Paid( Net of Refund)	70,54,988	92,47,780
<b>Net Cash From Operating Activities</b>	<b>3,68,17,441</b>	<b>5,89,27,548</b>

<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress,)	(1,48,99,679)	(1,79,34,130)
Proceeds from Sale of Compulsory acquisition of land	93,30,252	-
Proceeds from Sale of other Property, Plant and Equipment	1,00,000	11,84,593
Proceeds from redemption of debentures ( Including Premium)	41,10,000	-
Bank balances not considered as cash and cash equivalents	(6,28,898)	27,48,483
Dividend Income	1,38,27,500	23,750
Interest Received (Including Debenture Interests)	81,92,676	18,48,369
<b>Net Cash Flow From Investing Activities</b>	<b>2,00,31,851</b>	<b>(1,21,28,935)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Non current Borrowings	12,25,55,548	(3,82,26,180)
Proceeds from Current Borrowings	(12,33,64,747)	3,43,80,104
Redemption of preference shares	(1,52,00,000)	-
Dividends Paid	(23,32,170)	(65,19,930)
Tax on Dividends Paid	-	(14,41,557)
Finance Cost	(3,38,57,907)	(3,16,41,775)
<b>Net Cash Flow from Financing Activities</b>	<b>(5,21,99,276)</b>	<b>(4,34,49,338)</b>
<b>D. INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>46,50,016</b>	<b>33,49,275</b>
Cash and Cash equivalent at the beginning of the year	3,27,54,813	2,94,05,538
Cash And Cash equivalent at the end of the Year	3,74,04,829	3,27,54,813

Significant Accounting Policies- See Note No 2

The accompanying notes form an integral part of the financial statements (1 to 43)

#### Notes

- The above Cash Flow statement has been prepared under the indirect Method as set out in Ind AS 7 on, "Statement of cash Flows"
- Figures in bracket indicate Cash outflow

For and on behalf of the Board of Directors

**P.K MAYAN MOHAMED** **T.BALAKRISHNAN**  
 Managing Director Chairman  
 (DIN: 00026897) (DIN: 00052922)

**R.BALAKRISHNAN**  
 CFO & Company Secretary  
 (M.No: 7119 )

As per our report of even date attached  
 For **Sankar & Moorthy**  
 Chartered Accountants  
 FRN.003575S

**Jayaprakesh.M.C.**  
 (Partner)  
 Membership No. 215562

Place: Cochin  
 Date: 26.05.2018

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018

(a) Equity Share Capital	No of Shares	Amount in Rs
Balance as at 1 <sup>st</sup> April 2016	84,87,340	8,48,73,400
Changes in Equity share capital During the Year	-	-
Balance as at 31st March, 2017	84,87,340	8,48,73,400
Changes in Equity share capital During the Year	-	-
Balance as at 31st March, 2018	84,87,340	8,48,73,400

## (b) Other Equity

(in Rs)

Particulars	Reserves & Surplus					Item of Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Export Profit Reserve	General Reserve	Retained Earnings	Other Items of Other Comprehensive Income/(Loss)	
Balance at the beginning of April 1, 2016	15,03,230	11,30,00,000	4,41,96,050	19,24,094	80,32,000	14,34,80,084	-	31,49,09,155
Profit for the year						1,35,74,331		1,35,74,331
a) Remeasurements of post employment benefit obligations								
b) Changes in fair value of FVOCI equity instruments							(49,78,430)	(49,78,430)
c) Income tax relating to items that will not be reclassified to profit or loss							8,99,316	8,99,316
Total for the year						1,35,74,331	(33,32,412)	1,11,41,235
Exchange difference amortised								
Dividend including tax thereon						(71,50,591)		(71,50,591)
Balance at the end of March 31, 2017	15,03,230	11,30,00,000	4,41,96,050	19,24,094	80,32,000	14,99,03,824	(33,32,412)	31,88,99,799
Profit for the year						1,84,00,444		1,84,00,444
a) Remeasurements of post employment benefit obligations								
b) Changes in fair value of FVOCI equity instruments							(54,81,850)	(54,81,850)
c) Income tax relating to items that will not be reclassified to profit or loss							11,38,058	11,38,058
Total for the year						1,84,00,444	(54,81,850)	1,40,56,652
Dividend including tax thereon								
Transfer to Capital Redemption Reserve		1,90,00,000				(1,90,00,000)		
Balance at the end of March 31, 2018	15,03,230	13,20,00,000	4,41,96,050	19,24,094	80,32,000	14,93,04,268	(88,14,262)	33,29,56,451

Significant Accounting Policies- See Note No 2

The accompanying notes form an integral part of the financial statements (1 to 43)

For and on behalf of the Board of Directors

As per our report of even date attached

**P.K MAYAN MOHAMED T.BALAKRISHNAN** **R.BALAKRISHNAN**  
Managing Director Chairman  
(DIN: 00026897) (DIN: 00052922) (M.No: 7119)

For **Sankar & Moorthy**  
Chartered Accountants  
FRN.003575S

**Jayaprakash.M.C.**  
(Partner).

Membership No. 215562

Place: Cochin  
Date: 26.05.2018

## NOTES TO FINANCIAL STATEMENT

### 1. Corporate Information

The Western India Plywood Ltd ('the Company' or 'the Parent') is a limited company incorporated in India. The Company is a manufacturer of Wood based products including Hardboard, Plywood, and Compreg and has manufacturing facility at Kannur, Kerala. The Company caters to both domestic and international markets and has depots and dealer networks across India. The Registered office of the Company is located at Mill Road, Baliapatam, Kannur, Kerala-670010. The Company is listed on National Stock Exchange (NSE), Mumbai

### 2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2016 for the purpose of transition to Ind AS, unless otherwise indicated.

#### (a) Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ( Ind AS ) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013. The transition from Previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with April 1, 2016 being the transition date.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2016. In accordance with Ind AS 101 "First time adoption of Indian Accounting Standard", the Company has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 42 (First-time Adoption).

#### (b) Basis of preparation of Financial Statement

Financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements are presented in Indian Rupees, which is the functional currency of the company and the currency of the primary economic environment in which the company operates.

#### (c) Use of Estimates and Judgements :

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment, impairment of property, plant and equipment and investments, provision for employee benefits, income tax and other provisions, recoverability commitments and contingencies.

**(d) Current / Non Current Classification :**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of products and the time between the acquisition of assets for processing and there realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current- noncurrent classification of assets and liabilities.

**(e) Fair Value**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**(f) Property, plant and equipment – Tangible Assets**

**Recognition and measurement:**

Freehold land is stated at historical cost. All other items of property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.



When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### **Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

#### **Depreciation**

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

#### **Transition to Ind AS**

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

#### **(g) Impairment of Non financial assets**

At each reporting date, the company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

#### **(h) Financial Instruments**

##### **1) Recognition and Initial measurement**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are adjusted to the fair value. Transaction costs in relation to financial assets and financial liabilities which are carried at fair value through profit or loss (FVTPL), are charged to the statement of profit and loss.

##### **2) Classification and subsequent measurement of financial assets**

###### **i) Debt Instruments**

For the purpose of subsequent measurement, financial assets in the nature of debt instruments are classified as follows:

**Amortised cost** - Financial assets that are held within a business model whose objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest are subsequently measured at amortised cost less impairments, if any. Interest income calculated using effective interest rate (EIR) method and impairment loss, if any are recognised in the statement of profit and loss.

**Fair value through other comprehensive income (FVOCI)** - Financial assets that are held within a business model whose objective is achieved by both holding the asset in order to collect contractual cash flows that are solely payments of principal and interest and by selling the financial assets, are subsequently measured at fair value through other comprehensive income. Changes in fair value are recognized in the other comprehensive income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest income calculated using EIR method and impairment loss, if any are recognised in the statement of profit and loss.

**Fair value through profit or loss (FVTPL)** - A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss. Changes in fair value and income on these assets are recognised in the statement of profit and loss.

#### ii) Equity Instruments

The Company has made investment in equity instruments that are initially measured at fair value. These investment are strategic in nature and held on a long-term basis. Accordingly, the company has elected irrevocable option to measure such investments at FVOCI. The Company makes such election on an instrument-by-instrument basis. Pursuant to such irrevocable option, changes in fair value are recognised in the OCI and is subsequently not reclassified to the statement of profit and loss.

### 3) Classification and subsequent measurement of financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as follows:

**Amortised cost** - Financial liabilities are classified as financial liabilities at amortised cost by default. Interest expense calculated using EIR method is recognised in the statement of profit and loss.

**Fair value through profit or loss (FVTPL)** - Financial liabilities are classified as FVTPL if it is held for trading, or is designated as such on initial recognition. Changes in fair value and interest expense on these liabilities are recognised in the statement of profit and loss.

### 4) De recognition of financial assets and financial liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows including risks and rewards of ownership. A financial liability is derecognised when the obligation under the liability is discharged or expires.

### 5) Impairment of financial assets

Financial assets that are carried at amortised cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments on the basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For Trade receivables, the Company provides for expected credit losses based on a simplified approach as per Ind AS 109 - Financial Instruments. Under this approach, expected credit losses are computed on the basis of probability of defaults over the lifetime of the asset.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

**6) Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**(i) Investment in Subsidiaries :**

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost. For transition to Ind AS, the Company has elected to continue with the carrying value of its investment in subsidiaries recognised as at 1st April, 2016 (transition date) measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as at transition date.

**(j) Cash and cash equivalents**

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

**(k) Inventories**

Inventories are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of inventories, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost of manufactured inventories comprises of the direct cost of production and appropriate overheads. The net realisable value of bought out inventories is taken at the current replacement value.

**(l) Employee benefits**

**Short-term obligations**

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

**Defined Contribution Plan**

The company has defined contribution plan for employees comprising of Provident Fund and Employee State Insurance. The contributions paid/payable to these plans during the year are charged to the statement of Profit and Loss for the year. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

### **Defined Benefit Plans**

Payment of Gratuity to employees is covered by the Group Gratuity cum Assurance Scheme of LIC of India, which is a defined benefit scheme and the company makes contribution 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 recognized in the accounts. Service cost and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re measurements is recognized immediately through Other Comprehensive Income in the period in which they occur.

### **Other Long Term Employee Benefits**

The company has a scheme for compensated absences for employee, the liability of which is determined on independent actuarial valuation, conducted annually using the projected unit credit method. Actuarial gain and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur. Accumulated compensated absences, which are expected to be availed or en cashed within 12 months from the end of the year are treated as short term employee benefits.

## **(m) Provisions and Contingent liabilities**

### **Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation by discounting at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability.

### **Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### **Contingent Assets**

Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

## **(n) Revenue recognition**

Sales are recognized on transfer of title of the goods ( Significant risk and reward of ownership ) to the respective parties and are inclusive of Excise Duty but exclusive of Sales tax and Value Added Tax. Post June 30, 2017 excise duty has been subsumed to Goods and Service Tax (GST) and hence the same is not received by the company on its own account, rather it is tax collected on commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.

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

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

Dividend income is recognized when the right to receive payment is established, which is generally when shareholders approve the dividend. Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

**(o) 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 capitalized. Other borrowing costs are recognized as expenditure for the period in which they are incurred.

**(p) Income tax**

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

**a. Current tax**

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. The payment made in excess / (shortfall) of the Company's income tax obligation for the period are recognised in the balance sheet as current tax assets / liabilities.

**b. Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

**(q) Foreign Currency translation**

The functional and presentation currency of the Company is Indian Rupee. In preparing the financial statements of the Company, on initial recognition transactions in foreign currencies, other than the Company's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange difference arising on foreign exchange transactions settled during the year is recognised in the statement of profit and loss.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. The exchange gain/loss arising during the year is recognised in the Statement of Profit and Loss.

The non-monetary items that are measured at Historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

**(r) Leases**

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

**Assets taken on finance lease**

A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments.

**Assets taken on operating lease**

Leases other than finance leases are operating leases, and the leased assets are not recognized on the Company's balance sheet. Payments made under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

**(s) Earnings per share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

**(t) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. 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.

**(u) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



### NOTE 3 - PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN PROGRESS

Particulars	Freehold land	Leasehold land	Buildings	Plant & Equipments	Furniture & Fittings	Vehicles	Office Equipments	Computer	Total
Gross Carrying Amount [Cost or Deemed Cost]									
As at 1st April 2016	40,80,685	2,41,921	64,94,034	13,01,95,282	16,283	99,37,477	1,82,541	2,39,083	15,13,87,306
Additions/adjustment	-	-	62,55,667	3,57,35,265	-	20,68,048	97,212	1,21,993	4,42,78,185
Disposals/adjustments	-	-	-	-	-	12,42,312	-	-	12,42,312
As at 31st March 2017	40,80,685	2,41,921	1,27,49,701	16,59,30,547	16,283	1,07,63,213	2,79,753	3,61,076	19,44,23,179
Additions	1,92,000	-	-	1,02,46,664	1,22,570	8,91,395	3,29,904	4,39,344	1,22,21,877
Disposals/adjustments	3,503	2,41,921	-	-	-	1,21,820	-	-	3,67,244
As at 31st March 2018	42,69,182	-	1,27,49,701	17,61,77,211	1,38,853	1,15,32,788	6,09,657	8,00,420	20,62,77,812
Accumulated Depreciation & Impairment									
As at 1st April 2016	-	-	-	-	-	-	-	-	-
Depreciation during the year	-	-	4,54,843	1,75,62,692	-	22,66,304	51,675	1,03,992	2,04,39,506
Disposals/adjustments	-	-	-	-	-	-	-	-	-
As at 31st March 2017	-	-	4,54,843	1,75,62,692	-	22,66,304	51,675	1,03,992	2,04,39,506
Depreciation during the year	-	-	6,33,136	1,75,13,877	15,625	19,68,380	84,297	1,62,391	2,03,77,706
Disposals/adjustments	-	-	-	-	-	-	-	-	-
As at 31st March 2018	-	-	10,87,979	3,50,76,569	15,625	42,34,684	1,35,972	2,66,383	4,08,17,212
Net Carrying Amount									
At 1st April 2016	40,80,685	2,41,921	64,94,034	13,01,95,282	16,283	99,37,477	1,82,541	2,39,083	15,13,87,306
At 31st March 2017	40,80,685	2,41,921	1,22,94,858	14,83,67,855	16,283	84,96,909	2,28,078	2,57,084	17,39,83,673
At 31st March 2018	42,69,182	-	1,16,61,722	14,11,00,642	1,23,228	72,98,104	4,73,685	5,34,037	16,54,60,600

Capital Work in Progress	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>(A) Plant &amp; Machinery</b>			
Opening	66,48,470	3,06,57,772	20,49,564
Add : Addition	20,97,766	1,16,34,772	2,88,94,309
Less : Capitalised / Adjustments	63,52,630	3,56,44,074	2,86,101
Closing	<b>23,93,606</b>	<b>66,48,470</b>	<b>3,06,57,772</b>
<b>(B) Building</b>			
Opening	-	-	-
Add : Addition	72,42,644	62,55,667	-
Less : Capitalised / Adjustments	-	62,55,667	-
Closing	<b>72,42,644</b>	-	-
<b>Total (A + B)</b>	<b>96,36,250</b>	<b>66,48,470</b>	<b>3,06,57,772</b>

(i) Refer to Note No 17.01 for information on Plant and equipment pledged as security by the company.

(ii) The unamortised balance relates to the lease hold land for which the lease period has already been expired transferred to the Statement of Profit & loss.

(iii) As stated in Note No 42 on "First Time Adoption of Ind AS", the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Accordingly, the net block as on 01.04.2016 aggregating to Rs 15,13,87,306 /- comprising of carrying value of various assets as follows, is considered as the deemed cost of the respective property, plant and equipment:

Particulars	Gross Block as at 01-04-2016	Accumulated Depreciation as at 01-04-2016	Carrying value (deemed cost) as at 01-04-2016
Freehold land	40,80,685	-	40,80,685
Leasehold land	2,41,921	-	2,41,921
Buildings	2,16,25,312	1,51,31,278	64,94,034
Plant & Equipments	1,18,97,43,293	1,05,95,48,011	13,01,95,282
Furniture & Fittings	3,30,455	3,14,172	16,283
Vehicles	2,80,46,469	1,81,08,992	99,37,477
Office Equipments	16,70,343	14,87,802	1,82,541
Computer	33,41,174	31,02,091	2,39,083
<b>Total</b>	<b>1,24,90,79,652</b>	<b>1,09,76,92,346</b>	<b>15,13,87,306</b>

(iv) Additions during the year include borrowing cost of Rs Nil( FY 2016-17 - Rs 2,60,994/-, FY 2015-16 - Rs 4,69,847/-) capitalised during the year as per IND AS.

#### 4. Financial Assets- Investments (Non Current)

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>A) Investments at Cost</b>			
<b>1. Investments in Equity Instruments</b>			
<b>Unquoted</b>			
<b>In Subsidiary Companies</b>			
50,000 Equity Shares (As at 31.03.2017- 50,000, As at 31.03.2016- 50,000) of Rs. 100/- each fully paid up in Southern Veneers & Woodworks Limited	50,00,000	50,00,000	50,00,000
4,541 Equity Shares (As at 31.03.2017 -4,541, As at 31.03.2016-4541) of Rs. 100/- each fully paid up in Kohinoor Saw Mill Company Limited	4,54,100	4,54,100	4,54,100
18,11,500 Equity Shares (As at 31.03.2017- 18,11,500 As at 31.03.2016- 18,11,500) of Malaysian Ringgit 1/- each fully paid up in ERA & WIP Timber JV SDN BHD, Malaysia (Refer Note No. 4.03)	2,64,98,870	2,64,98,870	2,64,98,870
99,101 Equity Shares (As at 31.03.2017- 99,101 As at 31.03.2016- 99,101) of Rs 100/- each fully paid up in Mayabandar Doors Ltd.	2,32,25,459	2,32,25,459	2,32,25,459
	<b>5,51,78,429</b>	<b>5,51,78,429</b>	<b>5,51,78,429</b>
<b>B) Investments at fair value through other Comprehensive Income</b>			
<b>1. Investments in Equity Instruments</b>			
<b>Unquoted</b>			
6,000 Equity Shares (As at 31.03.2017- 6,000 As at 31.03.2016- 6,000) of Rs. 100/- each Fully paid up in Kuty Flush Doors and Furniture Co. (P) Ltd.	3,25,100	3,25,100	3,25,100
<b>Quoted</b>			
2500 Equity Shares (As at 31.03.2017 - 2500 As at 31.03.2016-2500) of Rs. 2/- each Fully Paid up in HDFC Bank Ltd.	47,15,250	36,06,375	26,77,875
10,000 Equity Shares (As at 31.03.2017-10,000 As at 31.03.2016-10,000) of Rs. 10/- each fully paid up in Keltron Component Complex Ltd, (Net of Impairment in value of Rs 1 Lakh (As at 31.03.2017- Rs 1 Lakh As at 31.03.2016 - Rs 1 Lakh)	-	-	-

<b>Unquoted</b> 10,000 Equity Shares (As at 31.03.2017-10,000 As at 31.03.2016-10,000) of Rs. 10/- each fully paid up in Transformers and Electricals Kerala Ltd.	2,00,822	1,71,638	2,00,822
5,000 Equity Shares (As at 31.03.2017-5,000 As at 31.03.2016-5,000) of Rs. 10/- each fully paid up in SAIL-SCL Kerala Ltd. (Net of Impairment in value of Rs 50,000/- (As at 31.03.2017- Rs 50,000/- As at 31.03.2016 - Rs 50,000/- )	-	-	-
	<b>52,41,172</b>	<b>41,03,113</b>	<b>32,03,797</b>
<b>C) Investments at Fair Value through Profit or Loss</b>			
<b>a) Investment in Redeemable Preference Shares</b>			
<b>Unquoted</b> In Subsidiary Company 3,40,000, 6% Non-Cumulative Redeemable Preference Shares (As at 31.03.2017-3,40,000 As at 31.03.2016- 3,40,000) of Rs 100/- each fully paid up in Mayabandar Doors Ltd	3,40,00,000	3,40,00,000	3,40,00,000
1,80,000 8% Cumulative Redeemable Preference Shares (As at 31.03.2017-1,80,000, As at 31.03.2016-1,80,000) of Rs 100/- each fully paid in Mayabandar Doors Ltd.	1,80,00,000	1,80,00,000	1,80,00,000
	<b>5,20,00,000</b>	<b>5,20,00,000</b>	<b>5,20,00,000</b>
<b>b) Investment in Debentures</b>			
<b>Unquoted</b> Nil Debentures ( (As at 31.03.2017- 150 Debentures As at 31.03.2016-150 Debentures ) of Rs. 10,000/- each fully paid up in Kutty Flush Doors and Furniture Co. (P) Ltd. (Net of Impairment in value of Rs Nil ((As at 31.03.2017- Rs 11.20 Lakh, As at 31.03.2016- Rs 15 Lakh)	-	3,80,000	-
	-	<b>3,80,000</b>	-
<b>c) Investment in Government Securities at amortised Cost</b>			
National Savings Certificates	77,000	77,000	77,000
	77,000	77,000	77,000
<b>TOTAL NON CURRENT INVESTMENTS</b>	<b>11,24,96,601</b>	<b>11,17,38,542</b>	<b>11,04,59,226</b>
Aggregate amount of Quoted Investments	47,15,250	36,06,375	26,77,875
Aggregate Market Value of Quoted investments	47,15,250	36,06,375	26,77,875
Aggregate amount of Unquoted Investments	10,77,81,351	10,81,32,167	10,77,81,351
Aggregate amount of Impairment in value of investments	1,50,000	1,50,000	16,50,000

**4.01.** For details of classification of financial asset and fair value hierarchy Refer Note No 37

**4.02.** In view of the business plan 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 based on the independent valuer, the management is of the opinion that no diminution in the value of investment in Subsidiary company is anticipated at this stage.

**4.03.** 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 Venture M/s ERA intermerge SDN BHD has been unable to make their agreed share of investment, as a result of which the shareholding of the company in the entity as at 31st March 2018 is 65.87% (As at 31st March, 2017 - 65.87% and As at 31st March, 2016 - 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 disclosure under IND-AS 28 are not applicable at this stage.

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>5. Financial Assets - Loans (Non-Current)</b>			
<b>a) Security Deposit</b>			
Unsecured, Considered Good	1,05,05,356	1,04,94,724	1,04,42,626
Unsecured, Considered Doubtful	9,95,890	9,53,777	7,98,921
Less: Allowance for bad & doubtful	(9,95,890)	(9,53,777)	(7,98,921)
	<b>1,05,05,356</b>	<b>1,04,94,724</b>	<b>1,04,42,626</b>
<b>b) Loans to related parties</b>			
Unsecured, Considered Good			
- Subsidiary - ERA & WIP Timber JV SDN BHD (Note No. 5.01)	0	3,504	3,504
	<b>0</b>	<b>3,504</b>	<b>3,504</b>
<b>c) Others Loans</b>			
(Advance for Inward Supply of Goods)			
Unsecured, Considered Good	-	-	-
Unsecured, Considered Doubtful	16,16,132	16,16,132	16,16,132
Less: Allowance for bad & doubtful	(16,16,132)	(16,16,132)	(16,16,132)
	-	-	-
<b>TOTAL</b>	<b>1,05,05,356</b>	<b>1,04,98,228</b>	<b>1,04,46,130</b>
<b>5.01</b> The amount represents advance towards capital contribution.			
<b>6. Financial Assets - Others (Non Current)</b>			
a) Bank Deposits( With maturity more than 12 months) (Margin Money Deposit held as security for availing letter credit and Bank Guarantee facilities)	18,45,862	18,45,862	-
<b>TOTAL</b>	<b>18,45,862</b>	<b>18,45,862</b>	<b>-</b>
<b>7. Other Non Current Assets</b>			
a) Capital Advances	-	-	23,34,753
b) Other Advances (Prepaid Expenses)	2,47,500	2,98,609	5,94,582
<b>TOTAL</b>	<b>2,47,500</b>	<b>2,98,609</b>	<b>29,29,335</b>

<b>8. Inventories</b>			
a) Raw Materials	1,72,77,157	2,06,65,891	3,00,60,082
b) Work in Progress	4,86,81,960	5,17,33,324	4,56,18,729
c) Finished Goods	21,59,27,676	26,21,79,941	25,27,67,797
d) Stores and Spares	4,62,84,693	4,10,03,561	4,34,37,574
<b>TOTAL</b>	<b>32,81,71,486</b>	<b>37,55,82,717</b>	<b>37,18,84,182</b>
Included above, goods in transit			
(i) Raw Materials	31,21,551	30,36,285	17,89,436
(ii) Finished Goods	-	11,56,328	7,97,156
<b>TOTAL</b>	<b>31,21,551</b>	<b>41,92,613</b>	<b>25,86,592</b>

**8.01** Method of valuation of inventories - See Note 2 (j) of Significant Accounting Policies.

**8.02** During the year, write down made towards slow moving and non moving inventories for Rs 2,75,17,506 /- ( For the FY 16-17 ; Rs 2,48,60,645 /- , For the FY 15-16 ; Rs 1,39,94,123 /- ). Inventory value shown above are net of write down amount. These were recognised as an expense during the year through the changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit or loss.

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>9. Financial Assets - Trade Receivables (Current)</b>			
a) Unsecured, considered Good	14,16,76,577	13,63,80,496	13,72,71,465
b) Unsecured, Considered Doubtful	1,75,11,175	1,73,43,665	1,79,16,591
	15,91,87,752	15,37,24,161	15,51,88,056
Less: Allowance for bad & doubtful debts	(1,75,11,175)	(1,73,43,665)	(1,79,16,591)
<b>TOTAL</b>	<b>14,16,76,577</b>	<b>13,63,80,496</b>	<b>13,72,71,465</b>

9.01 Includes receivables from Related Parties ( Refer Note 36 )

9.02 For explanation on the companies credit risk management process ( Refer Note 37.04 )

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>10. Financial Assets - Cash and Cash Equivalents (Current)</b>			
a) Balance with Banks			
(i) Current Accounts	3,60,89,015	3,01,48,265	2,64,43,778
(ii) EEFC Account	5,294	5,269	5,419
	<b>3,60,94,309</b>	<b>3,01,53,534</b>	<b>2,64,49,197</b>
b) Cheques on hand	3,40,663	13,31,327	23,49,581
c) Cash on hand	9,69,857	12,69,952	6,06,760
<b>TOTAL</b>	<b>3,74,04,829</b>	<b>3,27,54,813</b>	<b>2,94,05,538</b>



<b>11. Financial Assets - Bank balances other than Cash and Cash Equivalents (Current)</b>			
a) Unclaimed Dividend	44,01,159	52,83,602	47,22,394
b) Bank Deposits( With maturity more than 3 months but less than 12 months) (Above Bank Deposits are Margin Money Deposits held as security for availing Letter of Credit and Bank Guarantee facilities)	1,33,75,123	1,18,63,782	1,70,19,335
<b>TOTAL</b>	<b>1,77,76,282</b>	<b>1,71,47,384</b>	<b>2,17,41,729</b>
<b>12. Financial Assets - Loans ( Current ) Unsecured, Considered Good</b>			
a) Loans to related parties The Kohinoor Saw Mills Company Limited	-	-	16,870
b) Others Loans and advances to Employees	45,87,450	41,44,951	39,56,545
<b>TOTAL</b>	<b>45,87,450</b>	<b>41,44,951</b>	<b>39,73,415</b>
<b>13. Financial Assets - Others ( Current )</b>			
Interest on Non - Convertible Debenture Receivable	-	23,61,130	-
Interest Receivables	1,73,714	38,335	2,12,749
Balance with Central Excise, Customs, VAT etc.	37,87,716	59,50,306	43,15,521
Export Incentive Receivables			
Unsecured, considered Good	1,80,749	25,46,532	7,05,300
Unsecured, considered Doubtful	4,94,391	3,43,900	1,63,593
Less: Provision for Doubtful Receivable	(4,94,391)	(3,43,900)	(1,63,593)
	1,80,749	25,46,532	7,05,300
Insurance Claim Recievable			
Unsecured, considered Good	2,10,36,634	2,10,36,634	-
	2,10,36,634	2,10,36,634	-
<b>TOTAL</b>	<b>2,51,78,813</b>	<b>3,19,32,937</b>	<b>52,33,570</b>

**13.01** Insurance Claim Receivable recognised as income during year 2016-17 and the same is yet to be realised from the Insurance company. However based on the favorable independent legal advice, no provision is considered necessary at this stage.

<b>Paticulars</b>	<b>As at 31.03.18</b>	<b>As at 31.03.17</b>	<b>As at 01.04.16</b>
<b>14. Other Current Asset</b>			
Trade Advance	39,31,374	1,10,95,668	1,17,41,323
Prepaid Expenses	18,41,646	13,56,002	12,82,578
Gratuity (Refer Note No. 35)	20,01,444		
<b>TOTAL</b>	<b>77,74,464</b>	<b>1,24,51,670</b>	<b>1,30,23,901</b>

## Notes attached to and forming part of Financial Statements

### 15. Share Capital

Paticulars	As at 31.03.18	As at 31.03.17	As at 31.03.16
<b>Authorised:</b>			
1,00,00,000 Equity Shares (As at 31.03.2017- 1,00,00,000 As at 31.03.2016-1,00,00,000) of Rs.10/- each	10,00,00,000	10,00,00,000	10,00,00,000
15,00,000 Redeemable Preference Shares (As at 31.03.2017- 15,00,000, As at 31.03.2016-15,00,000) of Rs.100/- each	15,00,00,000	15,00,00,000	15,00,00,000
<b>TOTAL</b>	<b>25,00,00,000</b>	<b>25,00,00,000</b>	<b>25,00,00,000</b>
<b>Issued:</b>			
86,32,470 (As at 31.03.2017-86,32,470, As at 31.03.2016- 86,32,470) Equity Shares of Rs.10/- each	8,63,24,700	8,63,24,700	8,63,24,700
<b>TOTAL</b>	<b>8,63,24,700</b>	<b>8,63,24,700</b>	<b>8,63,24,700</b>
<b>Subscribed &amp; Paid Up</b>			
84,87,340 Equity Shares (As at 31.03.2017- 84,87,340, As at 31.03.2016- 84,87,340) of Rs. 10/- each fully paid up	8,48,73,400	8,48,73,400	8,48,73,400
<b>TOTAL</b>	<b>8,48,73,400</b>	<b>8,48,73,400</b>	<b>8,48,73,400</b>

#### 15.01. 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.

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.

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

Particulars	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017		31 <sup>st</sup> March, 2016	
	No. of shares	Amount (Rupees)	No. of shares	Amount (Rupees)	No. of shares	Amount (Rupees)
<b>a) Equity Shares</b>						
At the beginning of the year	84,87,340	8,48,73,400	84,87,340	8,48,73,400	84,87,340	8,48,73,400
Add: Shares Issued during the year	-	-	-	-	-	-
At the end of the year	84,87,340	8,48,73,400	84,87,340	8,48,73,400	84,87,340	8,48,73,400

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

Particulars	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017		31 <sup>st</sup> March, 2016	
	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares
<b>a) Equity Shares</b>						
Life Insurance Corporation of India	10.80%	9,16,860	10.80%	9,16,860	10.80%	9,16,860

## Notes attached to and forming part of Financial Statements

### 16. Other Equity

Particulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
Capital Reserve	15,03,230	15,03,230	15,03,230
Capital Redemption Reserve	13,20,00,000	11,30,00,000	11,30,00,000
Securities Premium Reserve	4,41,96,050	4,41,96,050	4,41,96,050
Export Profit Reserve	19,24,094	19,24,094	19,24,094
General Reserve	80,32,000	80,32,000	80,32,000
Retained Earnings	14,93,04,268	14,99,03,824	14,34,80,084
Other Comprehensive Income/(Loss) (OCI)	(40,03,191)	3,40,601	27,73,697
<b>Total</b>	<b>33,29,56,451</b>	<b>31,88,99,799</b>	<b>31,49,09,155</b>

#### 16.01. Description of nature and purpose of each reserve

- Capital Reserve** - Capital reserve was created during the earlier years.
- Capital Redemption Reserve** - This reserve was created at the time of Redemption of Preference Shares. During the FY 2017-18 Rs 1,90,00,000/- was created and Rs 11,30,00,000/- was created during earlier years.
- Security Premium Reserve** - Security premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.
- Export profit Reserve** - This reserve was created out of profit during the earlier years.
- General Reserve** - General reserve is created from time to time by way of transfer of profit from retained earnings for appropriation purpose. General reserve is created by transfer from one component of Equity to another and is not an item of Other Comprehensive Income.
- Retained Earnings** - Retained Earnings are the profits, that the company has earned till date, Less any transfer to General Reserve, dividend or other distributions paid to shareholders.
- Equity Instrument through Other Comprehensive Income (OCI)** - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other Comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off
- Remeasurement of Net Defined Benefit Plan through Other Comprehensive Income (OCI)** : This represents re-measurement gains and losses on post employment defined benefit plans recognised in other comprehensive income in accordance with Ind AS 19, "Employee Benefits"

**16.02** The Board of Directors has proposed an equity dividend of Rs Nil ( FY : 16-17 - Nil ; FY : 15-16 - Rs 0.70 ) per share for the Financial Year ended 31-03-2018.

**17. Financial Liabilities - Borrowings ( Non-current )**

Particulars	As at 31.03.18	As at 31.03.17	As at 01.04.2016
<b>Secured</b>			
a) Term Loan from Banks	72,90,507	1,60,79,398	2,51,10,181
b) Term Loan from Others	16,36,26,147	3,38,94,044	5,06,82,589
<b>Unsecured</b>			
a) 6 % Redeemable Cumulative Preference Share of Rs 100 each Fully Paid	-	-	1,90,00,000
<b>TOTAL</b>	<b>17,09,16,654</b>	<b>4,99,73,442</b>	<b>9,47,92,770</b>

Refer Note No : 20 & 22 For Current Liabilities of the above Loans

**17.01 Details of Security :**

Secured Loan	Nature of Security
<b>a) From Banks</b>	
(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 or shares of former Managing Director Late. Mr. P.K. Mohamed.
(ii) Vehicle 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) Vehicle 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>b) From Others</b>	
<b>KSIDC Loan I &amp; Loan II (Refinance Loan)</b> <b>KSIDC Loan III &amp; Loan IV (Working Capital Term Loan)</b>	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 1.05 Acres of Land 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.

## 17.02 : Repayment and other terms

Particulars	Principal Terms & Conditions	31 <sup>st</sup> March 2018		31 <sup>st</sup> March 2017		1 <sup>st</sup> April 2016	
		Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>Secured Borrowings</b>							
<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.	67,76,229	80,04,000	1,46,54,000	80,04,000	2,26,58,000	80,04,000
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.	-	6,39,852	6,39,852	7,80,374	14,20,226	7,04,646
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.	5,14,278	2,71,267	7,85,546	2,46,409	10,31,955	2,23,829
<b>Total</b>		<b>72,90,507</b>	<b>89,15,119</b>	<b>1,60,79,398</b>	<b>90,30,783</b>	<b>2,51,10,181</b>	<b>89,32,475</b>
<b>From Others</b>							
<b>KSIDC Loan I</b>	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.	-	-	-	4,04,096	1,08,82,356	1,04,09,257
<b>KSIDC Loan II</b>	Loan was taken during the year 2009 and carries interest rate of 8.5% on 31-03-18. The loan is repayable in 15 equal half yearly installments of Rs 16,17,647/- each from November, 2009.	-	16,17,390	15,64,834	32,35,294	48,00,233	32,35,294
<b>KSIDC Loan III</b>	Loan was taken during the year 2015 and carries interest rate of 9.25% on 31-03-18. 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.	1,49,16,239	1,00,00,000	3,23,29,210	75,00,000	3,50,00,000	1,00,00,000
<b>KSIDC Loan IV</b>	Loan was taken during the year 2018 and carries interest rate of 9.50% on 31-03-18. The loan is repayable in 36 quarterly varying installment after moratorium period of 12 months, repayment of installment will start from March 2019.	14,87,09,908	12,50,000	-	-	-	-
<b>Total</b>		<b>16,36,26,147</b>	<b>1,28,67,390</b>	<b>3,38,94,044</b>	<b>1,11,39,390</b>	<b>5,06,82,589</b>	<b>2,36,44,551</b>
<b>Unsecured Borrowings</b>	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 was extended upto 31st January, 2018 with cumulative dividend @ 8%. This Preference Share was Redeemed at a discount of Rs 38 Lakhs on 30-01-2018.						
<b>8 % Redeemable Cumulative Preference Share</b>							

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>18.Provisions (Non Current)</b>			
For Employee Benefits			
Leave Encashment	30,54,806	17,02,684	18,19,973
<b>TOTAL</b>	<b>30,54,806</b>	<b>17,02,684</b>	<b>18,19,973</b>
18.01 Disclosure required under Ind AS 19 "Employee Benefits", See Note No 35			
<b>19.Deferred tax Liabilities (net)</b>			
Deferred Tax liabilities on			
Property plant and equipments	2,41,78,000	3,10,44,000	3,08,26,000
Sub-total (A)	2,41,78,000	3,10,44,000	3,08,26,000
Less: Deferred tax assets on			
Unabsorbed loss	20,02,000	-	-
Provision & Others	83,34,000	89,14,000	89,63,000
Sub-total (B)	1,03,36,000	89,14,000	89,63,000
<b>Total (A-B)</b>	<b>1,38,42,000</b>	<b>2,21,30,000</b>	<b>2,18,63,000</b>

#### Movement of Deferred tax (assets) / liabilities

Particulars	Opening Balance	Recognised in Profit & Loss Acc	Other Comprehensive Income	Closing balance
	<b>For the Year Ended 31<sup>st</sup> March 2018</b>			
Deferred tax liabilities on				
Property plant and equipments	3,10,44,000	(68,66,000)	-	2,41,78,000
Less : Deferred tax assets on				
Unabsorbed loss	-	20,02,000	-	20,02,000
Provision & Other Dissallowance	89,14,000	(5,80,000)	-	83,34,000
<b>Deferred tax (assets)/liabilities (net)</b>	<b>2,21,30,000</b>	<b>(82,88,000)</b>	<b>-</b>	<b>1,38,42,000</b>
	<b>For the Year Ended 31<sup>st</sup> March 2017</b>			
Deferred tax liabilities on				
Property plant and equipments	3,08,26,000	2,18,000	-	3,10,44,000
Less : Deferred tax assets on				
Provision & Others	89,63,000	(49,000)	-	89,14,000
Remeasurement of Defined Benefit Obligations		(16,46,019)	16,46,019	-
<b>Deferred tax (assets)/liabilities (net)</b>	<b>2,18,63,000</b>	<b>19,13,019</b>	<b>(16,46,019)</b>	<b>2,21,30,000</b>



Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>20. Financial Liabilities - Borrowings (Current)</b>			
a) Loan repayable on Demand			
From Banks (Secured) (Note No. 20.01)	9,84,98,393	21,48,35,887	17,83,10,808
b) Loan from related parties (Un Secured) (Note No. 20.02)	8,73,951	14,59,922	14,45,905
c) Others			
8 % Redeemable Cumulative Preference Share of			
Rs 100 each Fully Paid (Note No. 17.02)	-	1,90,00,000	-
Buyers credit from Banks (Secured) (Note No. 20.03)	1,24,89,698	1,89,30,980	2,10,89,972
<b>TOTAL</b>	<b>11,18,62,042</b>	<b>25,42,26,789</b>	<b>20,08,46,685</b>

**20.01** 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.

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

**20.03** 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

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>21. Financial Liabilities - Trade Payables (Current)</b>			
i) Dues of Micro and small enterprises (Note No. 21.01)	-	-	-
ii) Dues to Others	7,16,12,813	7,17,26,940	6,16,98,049
<b>TOTAL</b>	<b>7,16,12,813</b>	<b>7,17,26,940</b>	<b>6,16,98,049</b>

**21.01** The Company has taken steps to identify the suppliers who qualify under the definition of Micro, Small and Medium Enterprises as defined under Micro, Small and Medium enterprises Development (MSMED) 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.

**21.02** The Trade Payable include dues to Subsidiary Companies.

Subsidiary Companies	As at 31.03.18	As at 31.03.17	As at 01.04.2016
ERA & WIP Timber JV SDN BHD	2,14,10,497	1,53,04,306	1,61,62,055
Southern Veneers and Woodworks Limited	11,89,503	29,28,865	44,05,662

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>22. Financial Liabilities - Other (Current)</b>			
a) Current Maturites of Long Term Debt (Note No. 17.01 & 17.02)	2,17,82,509	2,01,70,173	3,25,77,026
b) Interest accrued	1,61,199	1,19,266	1,00,276
c) Unpaid Dividends (Note No. 22.01)	44,01,168	52,83,602	47,22,394
d) Trade Deposits	86,14,096	29,07,162	29,07,162
<b>TOTAL</b>	<b>3,49,58,972</b>	<b>2,84,80,203</b>	<b>4,03,06,858</b>

**22.01** There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>23. Other Current Liabilities</b>			
a) Revenue received in Advance Advance received from Customers	1,06,60,021	94,07,077	1,07,92,507
b) Statutory Dues	62,38,124	64,22,175	61,51,555
c) Excise duty on Closing stock	-	2,38,25,654	2,11,89,980
d) Other payable (Including employee benefits and other operating Expense Payable)	2,28,96,922	3,25,01,406	1,72,84,720
<b>TOTAL</b>	<b>3,97,95,067</b>	<b>7,21,56,312</b>	<b>5,54,18,762</b>
<b>24. Provisions (Current)</b>			
i) For Employee Benefits Gratuity (Note No. 35)	-	60,98,482	32,76,742
Leave Encashment	5,86,749	5,00,795	2,94,889
ii) Other Provisions	7,18,598	-	-
<b>TOTAL</b>	<b>13,05,347</b>	<b>65,99,277</b>	<b>35,71,631</b>
<b>24.01 Movement in Other provisions</b>			
Balance at the beginning of the year	-	-	-
Add : Provision During the Year (Indirect Tax Related)	7,18,598	-	-
Less : Amount Utilised / Reversed During the year	-	-	-
	<b>7,18,598</b>	<b>-</b>	<b>-</b>

(Rupees)

Particulars	Year ended March 31, 2018	For the March 31, 2017
<b>25. Revenue from Operations</b>		
Sale of Products( Including Excise Duty)	89,54,70,599	88,85,57,870
Other Operating Revenue		
Export Incentives	46,13,347	61,07,829
Others	11,044	4,75,535
<b>Total</b>	<b>90,00,94,990</b>	<b>89,51,41,234</b>

#### 25.01 Sale of Products :

- Sale of goods includes Excise Duty Collected from customers Rs 2,01,27,405 (31-03-2017 Rs 8,41,40,307)
- In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act 2013, Sales for the Previous year ended 31st March 2017 and Sales up to June 2017 were reported gross of Excise Duty and Net of Value Added Tax (VAT). Consequent to the introduction of Goods and Service Tax ( GST ) with effect from July 2017, VAT, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales. This has resulted in lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes.

Particulars	Year ended March 31, 2018	For the March 31, 2017
<b>26. Other Income</b>		
Interest Income		
Bank Deposits	9,68,586	11,49,215
Others (Including Interest on Debenture)	56,59,539	22,24,670
Dividend Income		
Dividend (Quoted)	27,500	23,750
Dividend (Unquoted)	1,38,00,000	-
Other Gains		
Net Foreign Exchange Gain	4,21,932	22,306
Net Gain on Sale of Property, Plant & Equipment	46,238	-
Other Non operating Income		
Premium on redemption of Debenture	19,48,800	6,61,200
Discount on Redemption of Preference Shares	38,00,000	-
Refund of Value Added Tax	-	30,40,029
Liabilities/Provisions no longer required written back	11,20,000	12,60,492
Other Income	38,514	12,604
	<b>2,78,31,109</b>	<b>83,94,266</b>

(Rupees)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>27. Cost of Materials Consumed</b>		
Inventory at the beginning of the year	2,06,65,891	3,00,60,082
Add: Purchases	37,72,27,111	34,77,62,801
Less : Inventory in Transit	31,21,551	30,36,285
Less: Inventory at the end of the year	1,41,55,606	1,76,29,606
	<b>38,06,15,845</b>	<b>35,71,56,992</b>
<b>28. Changes in Inventories of Finished Goods and Work in Progress</b>		
<b>Inventories at the beginning of the year</b>		
Finished Goods	26,21,79,941	25,27,67,797
Work-in-progress	5,17,33,324	4,56,18,729
	31,39,13,265	29,83,86,526
Less: Excise Duty on Stock Reversal	2,55,29,660	-
<b>Inventories at the end of the year</b>		
Finished Goods	21,59,27,676	26,21,79,941
Work-in-progress	4,86,81,960	5,17,33,324
	26,46,09,636	31,39,13,265
<b>(Increase) /decrease in Inventories</b>	<b>2,37,73,969</b>	<b>(1,55,26,739)</b>
<b>29. Employee Benefit Expenses</b>		
Salaries, Wages and Bonus	13,37,83,175	13,44,68,981
Contribution to Provident and Other Funds	1,46,06,629	1,17,61,264
Workmen and Staff Welfare Expenses	49,70,207	46,11,988
Gratuity (Note No. 35)	23,37,134	23,43,310
Leave Encashment	18,57,853	3,11,353
	<b>15,75,54,998</b>	<b>15,34,96,896</b>
<b>30. Finance Costs</b>		
Interest expenses	3,07,35,352	3,22,13,038
Dividend on Redeemable Preference Shares	14,49,735	13,72,104
Other Borrowing Cost (Processing Charges)	31,64,488	10,37,631
	<b>3,53,49,575</b>	<b>3,46,22,773</b>
<b>31. Other Expenses</b>		
Consumption of stores and spares	26,60,510	31,39,741
Packing and Forwarding cost	2,24,32,344	1,92,27,297
Freight	2,38,05,870	2,67,87,890
Power & Fuel	16,09,72,709	14,99,05,128
Job Work Charges	72,55,984	27,53,760
Rent	22,61,129	20,34,560

Repairs to Machinery	2,82,53,849	2,84,01,705
Repairs to Building	22,66,278	29,65,044
Repairs to Others	19,48,805	20,49,697
Commission and Discount	98,11,549	1,00,51,018
Insurance	33,80,173	31,07,457
Rates & Taxes	41,19,184	55,22,199
Payments to Auditors (Note No. 31.01)	9,29,720	9,00,049
Provision for Doubtful Debt and Advances	3,18,001	3,35,163
Travelling expenses	77,74,499	70,26,514
Directors Sitting fees	1,90,000	1,65,000
Legal & Professional Charges	20,32,112	10,11,913
Security Charges	33,13,254	27,29,043
Bank Charges	10,67,074	7,52,506
Excise Duty on closing stock	-	10,45,794
Loss on Sale of Asset	-	57,720
Miscellaneous expenses	45,47,862	43,05,666
	<b>28,93,40,906</b>	<b>27,42,74,864</b>
<b>31.01 Payments to Auditors</b>		
a) Statutory audit fee	4,50,000	4,50,000
b) Other services		
i) Taxation matters (including tax audit)	78,000	1,52,500
ii) Others	2,85,000	2,68,000
c) Reimbursement of Expenses	1,16,720	29,549
	<b>9,29,720</b>	<b>9,00,049</b>
<b>32. Exceptional Item</b>		
Insurance claim	-	2,61,30,449
Profit on Sale of Land	93,26,749	-
	<b>93,26,749</b>	<b>2,61,30,449</b>
<b>33. Taxation</b>		
Income tax recognised in Statement of Profit and Loss		
Current tax	-	55,74,000
Deferred tax	(82,88,000)	19,13,019
	<b>(82,88,000)</b>	<b>74,87,019</b>

(Rupees)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>33.01 The income tax expenses for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax	1,01,12,444	2,10,61,350
Applicable Domestic Statutory Income Tax Rate	33.063%	33.063%
Computed Tax Expense	33,43,477	69,63,514
Tax effect on :		
Ind AS Transition Adjustment	-	(11,92,360)
Exempted income / Provision written back	(76,55,489)	(3,22,918)
Expenses disallowed & Other	19,09,654	1,25,764
Unabsorbed Loss	24,02,358	
<b>Current Tax Provision (A)</b>	<b>-</b>	<b>55,74,000</b>
Applicable deferred tax rate (subsequently enacted rate)	27.533%	33.06%
Deferred Tax on account of Tangible Assets	(68,66,000)	2,18,000
Unabsorbed loss	(20,02,000)	-
Deferred Tax on Other Items	5,80,000	16,95,019
<b>Deferred tax Provision (B)</b>	<b>(82,88,000)</b>	<b>19,13,019</b>
<b>Tax Expenses recognised in Statement of Profit and Loss (A + B)</b>	<b>(82,88,000)</b>	<b>74,87,019</b>

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>34. Earnings per equity share</b>		
<b>Earnings per share has been computed as under :</b>		
Profit for the Period (Rs)	1,84,00,444	1,35,74,331
Add : Preference Dividend	14,49,735	13,72,104
Net profit available to Equity Shareholders	1,98,50,179	1,49,46,435
Weighted Average Number of Equity Shares of Rs. 10/- each (Fully paid-up) in Numbers	84,87,340	84,87,340
<b>Earnings per share - Basic &amp; Diluted (Rs)</b>	<b>2.34</b>	<b>1.76</b>

34.01 The company does not have any potential equity shares and thus weighted average number of shares for computation of basic EPS and diluted EPS remains same.



### 35. Disclosure required under Ind AS 19 “Employee Benefits”

#### a) Defined Contribution Plans

(Rupees)

Particulars	As at 31.03.18	As at 31.03.17
Amount recognised in the Statement of Profit & Loss is as follows ( Refer Note No 29 ):		
Employers Contribution to Provident Fund	1,07,77,552	84,24,794
Employers Contribution to Employees State Insurance	38,29,077	33,36,470

#### b) Defined Benefit Plans - Gratuity : Funded Obligation

(A) ACTUARIAL ASSUMPTIONS	As at 31.03.18	As at 31.03.17
Mortality Rate	Indian Assured Lives Mortality [1994-96] Ultimate	Indian Assured Lives Mortality [1994-96] Ultimate
Discount Rate	7.50% p.a.	8.00% p.a.
Salary escalation rate *	5.00% p.a.	5.00% p.a.
Expected Return on Plan Assets	8.00% p.a.	8.00% p.a.
Expected Average Remaining Working Lives of Employees (years)	9.25	9.24

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

	As at 31.03.18	As at 31.03.17
<b>(B) RECONCILIATION OF PRESENT VALUE OF OBLIGATIONS</b>		
Present Value of Obligations at the beginning of the year	4,15,84,124	3,71,67,405
Interest Cost	31,93,165	30,53,437
Current Service Cost	19,82,819	20,01,126
Benefits paid	(1,19,71,775)	(56,04,637)
Actuarial (gain)/loss ( Experience Adjustment )	52,61,273	49,66,793
Present Value of Obligations at the end of the year	4,00,49,606	4,15,84,124
<b>(C) RECONCILIATION OF FAIR VALUE OF PLAN ASSETS</b>		
Fair Value of the Plan Assets at the beginning of the year	3,54,85,642	3,38,90,663
Expected Return on Plan Assets	28,38,851	27,11,253
Actuarial Gain/(loss) on Plan Assets	(2,20,578)	(11,637)
Contributions	1,59,18,910	45,00,000
Benefits Paid	(1,19,71,775)	(56,04,637)
Assets distributed on settlement (if applicable)	-	-
Fair Value of Plan Assets at the end of the year	4,20,51,050	3,54,85,642
<b>(D) NET LIABILITY / (ASSETS) RECOGNISED IN THE BALANCESHEET :</b>		
Present Value of Obligations as at the end of the year	4,00,49,606	4,15,84,124
Fair Value of Plan Assets as at the end of the period	4,20,51,050	3,54,85,642
Funded Status	20,01,444	(60,98,482)
Unrecognized Actuarial (gains)/losses	-	-
Net liability /(Assets) Recognized in Balance Sheet	(20,01,444)	60,98,482

	As at 31.03.18	As at 31.03.17
<b>(E) EXPENSES RECOGNIZED IN STATEMENT OF PROFIT AND LOSS FOR THE YEAR</b>		
Current Service Cost	19,82,820	20,01,126
Interest Cost	31,93,165	30,53,437
Expected Return on Plan Assets	(28,38,851)	(27,11,253)
<b>Net Charge to the Statement of Profit and Loss</b>	<b>23,37,134</b>	<b>23,43,310</b>
<b>(F) EXPENSES RECOGNIZED IN OTHER COMPREHENSIVE INCOME (OCI) FOR THE YEAR</b>		
Net actuarial (gain)/loss recognized in the period - Obligation	52,61,273	49,66,793
Net actuarial (gain)/loss recognized in the period - Plan Assets	2,20,577	11,637
<b>Net Charge to the Statement of OCI</b>	<b>54,81,850</b>	<b>49,78,430</b>

#### (G) SENSITIVITY ANALYSIS ON GRATUITY

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and may not be representative of the actual change, while holding all other assumptions constant.

PARTICULARS	March 31, 2018		March 31, 2017	
	1% increase	1% decrease	1% increase	1% decrease
<b>Impact on defined benefit obligation</b>				
On Discount rate	3,75,98,137	4,27,82,845	3,98,72,574	4,48,33,198
On Salary increase rate	4,23,67,185	3,79,31,943	4,44,02,416	4,02,26,704
On Employee turnover	6,09,08,775	1,91,90,436	1,60,96,688	50,71,559

#### c) Long Term Employee Benefits - Compensated Absences : Unfunded Obligation

<b>(A) ACTUARIAL ASSUMPTIONS</b>	As at 31.03.18	As at 31.03.17
Mortality Rate	Indian Assured Lives Mortality [1994-96] Ultimate	Indian Assured Lives Mortality [1994-96] Ultimate
Discount Rate	7.50% p.a.	8.00% p.a.
Salary escalation rate *	5.00% p.a.	5.00% p.a.
Expected Return on Plan Assets	-	-
Expected Average Remaining Working Lives of Employees (years)	9.16	9.13

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

	As at 31.03.18	As at 31.03.17
<b>(B) RECONCILIATION OF PRESENT VALUE OF OBLIGATIONS</b>		
Present Value of Obligations at the beginning of the year	22,03,479	21,14,862
Interest Cost	1,80,635	1,81,106
Current Service Cost	2,09,988	2,97,933
Benefits paid	(4,19,777)	(2,22,736)
Actuarial (gain)/loss ( Experience Adjustment )	14,67,230	(1,67,686)
Present Value of Obligations at the end of the year	36,41,555	22,03,479
<b>(C) NET LIABILITY / (ASSETS) RECOGNISED IN THE BALANCESHEET :</b>		
Present Value of Obligations as at the end of the year	36,41,555	22,03,479
Unrecognized Actuarial (gains)/losses	-	-
Net liability /(Assets) value of Unfunded Obligation Recognized in Balance Sheet	36,41,555	22,03,479
<b>(D) EXPENSES RECOGNIZED IN STATEMENT OF PROFIT AND LOSS FOR THE YEAR</b>		
Current Service Cost	2,09,988	2,97,933
Interest Cost	1,80,635	1,81,106
Net actuarial (gain)/loss recognized in the period	14,67,230	(1,67,686)
<b>Net Charge to the Statement of Profit and Loss</b>	<b>18,57,853</b>	<b>3,11,353</b>

**(E) SENSITIVITY ANALYSIS ON LONG TERM EMPLOYEE BENEFITS - COMPENSATED ABSENCES**

Significant actuarial assumptions for the determination of the compensated absence obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and may not be representative of the actual change, while holding all other assumptions constant.

PARTICULARS	March 31, 2018		March 31, 2017	
	1% increase	1% decrease	1% increase	1% decrease
<b>Impact on defined benefit obligation</b>				
On Discount rate	34,13,717	38,95,486	20,70,377	23,52,332
On Salary increase rate	38,62,491	34,39,221	23,33,091	20,85,406
On Employee turnover	55,38,198	17,44,911	33,51,124	10,55,833

All the above disclosures are based on information furnished by the independent actuary and relied upon by the auditors for the year ended 31st March, 2018.

**36 Related party disclosures, as required by Ind AS 24, “Related Party Disclosures” are given below:**

<b>Subsidiary Companies</b>	The Kohinoor Saw Mills Company Limited Southern Veneers & Wood Works Limited ERA & WIP Timber (JV) SDN BHD Mayabandar Doors Limited
<b>Key Managerial Personnel</b>	Mr. P.K. Mayan Mohamed - Managing Director
<b>Relatives of Key Managerial Personnel</b>	Mr P K Mehaboob Mohamed Estate of Late P K Mohamed
<b>Enterprise over which key management personnel or their relatives are able to exercise significant control</b>	Windmach Sports Goods (P) Ltd M/s Kushal Boards

(Figures in Rs)

Particulars	Subsidiaries		Key Management Personnel		Relatives of key Management Personnel		Enterprises		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>Purchase of Goods (Net) / Assets</b>										
ERA & WIP Timber JV SDN,BHD	5,45,66,436	5,08,96,797							5,45,66,436	5,08,96,797
Mayabandar Doors Ltd	4,55,481	5,53,100							4,55,481	5,53,100
<b>Sale of Goods (Net)/Assets</b>										
ERA & WIP Timber JV SDN,BHD	-	7,99,001							-	7,99,001
Mayabandar Doors Ltd	30,58,648	60,50,264							30,58,648	60,50,264
Windmach Sports Accessories							3,36,799	4,65,437	3,36,799	4,65,437
Kushal Boards							-	1,54,589	-	1,54,589
<b>Lease Rent Paid</b>										
Kohinoor Saw Mills Company Limited	1,68,000	1,68,000							1,68,000	1,68,000
Southern Veneers & Woodworks Limited	1,78,000	1,78,000							1,78,000	1,78,000
<b>Services Received</b>										
Southern Veneers & Woodworks Limited	-	4,57,914							-	4,57,914
P.K Mayan Mohamed			37,84,414	38,84,272					37,84,414	38,84,272
P K Mehaboob Mohamed					5,59,326	5,54,051			5,59,326	5,54,051
<b>Finance (Interest on Loan)</b>										
P.K Mayan Mohamed			14,029	15,575					14,029	15,575

(Figures in Rs)

Particulars	Subsidiaries			Key Management Personnel			Relatives of Key Management Personnel			Enterprises			Total	
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16	2016-17	2015-16
<b>Investments</b>														
Southern Vereers & Woodworks Limited	50,00,000	50,00,000	50,00,000							50,00,000	50,00,000	50,00,000		
Kohinoor Saw Mills Company Limited	4,54,100	4,54,100	4,54,100							4,54,100	4,54,100	4,54,100		
Mayabandar Doors Ltd	7,52,25,459	7,52,25,459	7,52,25,459							7,52,25,459	7,52,25,459	7,52,25,459		
ERA & WIP Timber JV SDN,BHD	2,64,98,870	2,64,98,870	2,64,98,870							2,64,98,870	2,64,98,870	2,64,98,870		
<b>Amounts Receivables</b>														
Kohinoor Saw Mills Company Limited (Towards expenses incurred)	-	-	16,870							-	-	16,870		
Kohinoor Saw Mills Company Limited (Towards lease rent deposit)	9,50,000	9,50,000	9,50,000							9,50,000	9,50,000	9,50,000		
ERA & WIP Timber JV SDN,BHD (Advance for Capital Contribution)	-	3,504	3,504							-	3,504	3,504		
ERA & WIP Timber JV SDN,BHD (Towards sale of goods)	17,583	5,03,954	35,30,411							17,583	5,03,954	35,30,411		
Mayabandar Doors Ltd (Towards sale of goods)	58,69,147	45,23,829	94,65,074							58,69,147	45,23,829	94,65,074		
Kushal Boards (Towards sale of goods)											3,34,633	3,80,044		
<b>Amounts Payable</b>														
Southern Vereers & Woodworks Limited	11,89,503	29,28,865	44,05,662							11,89,503	29,28,865	44,05,662		
ERA & WIP Timber JV SDN,BHD (Towards purchase of goods)	2,14,10,497	1,53,04,306	1,61,62,055							2,14,10,497	1,53,04,306	1,61,62,055		
P.K.Mayan Mohammed			1,58,788	1,86,834	1,72,805					1,86,834	1,72,805			
Estate of Late PK Mohammed						6,87,117	12,87,117	12,87,117		6,87,117	12,87,117			

\*As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.



### 37 Financial Instruments:

#### 37.01 Capital Management :

The Company manages its capital to ensure that the Company will be able to continue as a going concern and maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options. The funding requirement is met through equity, internal accruals, long term borrowings and short term borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents and other bank balances.

The table below summarises the capital, net debt and net debt to equity ratio of the Company

Particulars	Notes	As at 31.03.18	As at 31.03.17	As at 01.04.2016
Equity Share Capital	15	8,48,73,400	8,48,73,400	8,48,73,400
Other Equity	16	33,29,56,451	31,88,99,799	31,49,09,155
<b>Total Equity ( A )</b>		<b>41,78,29,851</b>	<b>40,37,73,199</b>	<b>39,97,82,555</b>
Non-Current Borrowings	17	17,09,16,654	4,99,73,442	9,47,92,770
Current Borrowings	20	11,18,62,042	25,42,26,789	20,08,46,685
Current Maturity of Long Term Debt	22 (a)	2,17,82,509	2,01,70,173	3,25,77,026
<b>Gross Debt ( B )</b>		<b>30,45,61,205</b>	<b>32,43,70,404</b>	<b>32,82,16,481</b>
Less : Cash and Cash Equivalents	10	3,74,04,829	3,27,54,813	2,94,05,538
Less : Other Bank Balances	11	1,77,76,282	1,71,47,384	2,17,41,729
<b>Net Debt ( C )</b>		<b>24,93,80,094</b>	<b>27,44,68,207</b>	<b>27,70,69,214</b>
<b>Total Capital ( Equity + Net Debt ) ( D )</b>		<b>66,72,09,945</b>	<b>67,82,41,406</b>	<b>67,68,51,769</b>
<b>Net Debt to Total Capital ( C / D )</b>		<b>0.37</b>	<b>0.40</b>	<b>0.41</b>

#### 37.02 Fair value of Financial Assets and Liabilities:

Carrying value and Fair value of each category of Financial assets and liabilities are as follows -

Particulars	Notes	Carrying value & Fair Value as on		
		As at 31.03.18	As at 31.03.17	As at 01.04.2016
<b>Financial assets :</b>				
<b>Measured at fair value through profit or loss</b>				
Investment in Preference Shares / Debenture	4(C)(a)&(b)	5,20,00,000	5,23,80,000	5,20,00,000
Investments Govt Securities	4(C)(c)	77,000	77,000	77,000
<b>Measured at amortised cost</b>				
Trade receivables	9	14,16,76,577	13,63,80,496	13,72,71,465
Cash and Bank balances	10 & 11	5,51,81,111	4,99,02,197	5,11,47,267
Loans	5 & 12	1,50,92,806	1,46,43,179	1,44,19,545
Other Financial Assets	6 & 13	2,70,24,675	3,37,78,799	52,33,570
<b>Measured at cost</b>				
Investment in Equity Shares of Subsidiaries	4 (A)	5,51,78,429	5,51,78,429	5,51,78,429
<b>Measured at fair value through OCI</b>				
Investment	4 (B)	52,41,172	41,03,113	32,03,797
<b>Total</b>		<b>35,14,71,770</b>	<b>34,64,43,213</b>	<b>31,85,31,073</b>

<b>Financial Liabilities:</b>				
<b>Measured at fair value through profit or loss</b>				
Borrowings - Redeemable Preference Shares	17 & 20	-	1,90,00,000	1,90,00,000
<b>Measured at amortised cost</b>				
Borrowings	17 & 20	28,27,78,696	28,52,00,231	27,66,39,455
Trade Payable	21	7,16,12,813	7,17,26,940	6,16,98,049
Other Financial Liabilities	22	3,49,58,972	2,84,80,203	4,03,06,858
<b>Total</b>		<b>38,93,50,481</b>	<b>40,44,07,374</b>	<b>39,76,44,362</b>

**Following Methods / Assumptions are used to estimate fair value.**

- 1) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their face values since the Company does not anticipate that the carrying cost would be significantly different from the values that would eventually be received or settled.
- 2) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

**37.03 Fair value Measurement hierarchy:**

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities, measured at fair value on the balance sheet date:

Particulars	Fair value hierarchy ( Level )	As at 31.03.18	As at 31.03.17	As at 01.04.2016
<b>Financial assets at fair value :</b>				
<b>Investment Measured at Fair value through OCI</b>				
Investment	Level 1	47,15,250	36,06,375	26,77,875
Investment	Level 3	5,25,922	4,96,738	5,25,922
<b>Fair value through Profit &amp; Loss</b>				
Investment	Level 3	5,20,77,000	5,24,57,000	5,20,77,000
<b>Financial liabilities at fair value :</b>				
<b>Fair value through Profit &amp; Loss</b>				
Borrowings	Level 3	-	1,90,00,000	1,90,00,000

There have been no transfers between Level 1 and Level 3 during the year. Also refer Note 37.02

**37.04 Financial risk management objectives and policies :**

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks foreign currency risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk are as follows -

**a) Liquidity risk :**

Liquidity risk represents the inability of the Company to meet its financial obligations within stipulated time. The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Particulars	Less than 1 year	1 to 5 years	Above 5 years	Total
<b>Balance 31 March 2018</b>				
Borrowings	13,36,44,551	6,34,16,654	10,75,00,000	30,45,61,205
Trade Payable	7,16,12,813	-	-	7,16,12,813
Other Financial Liabilities	3,49,58,972	-	-	3,49,58,972
<b>Total</b>	<b>24,02,16,336</b>	<b>6,34,16,654</b>	<b>10,75,00,000</b>	<b>41,11,32,990</b>
<b>Balance 31 March 2017</b>				
Borrowings	27,43,96,962	4,99,73,442	-	32,43,70,404
Trade Payable	7,17,26,940	-	-	7,17,26,940
Other Financial Liabilities	2,84,80,203	-	-	2,84,80,203
<b>Total</b>	<b>37,46,04,105</b>	<b>4,99,73,442</b>	<b>-</b>	<b>42,45,77,547</b>
<b>Balance 31 March 2016</b>				
Borrowings	23,34,23,711	9,22,92,770	25,00,000	32,82,16,481
Trade Payable	6,16,98,049	-	-	6,16,98,049
Other Financial Liabilities	4,03,06,858	-	-	4,03,06,858
<b>Total</b>	<b>33,54,28,618</b>	<b>9,22,92,770</b>	<b>25,00,000</b>	<b>43,02,21,388</b>

**b) Market risk**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in foreign currency exchange rates, interest rates and equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

**1) Foreign currency exchange rate risk**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company regularly evaluates exchange rate exposure arising from foreign currency transactions. The Company follows the established risk management policies and standard operating procedures.

**i) The Company's exposure to unhedged foreign currency risk as at 31 March 2018, 31 March 2017 and 1 April 2016 are as follows.**

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR
<b>Receivables:</b>						
USD	2,32,618	1,50,82,718	2,25,354	1,44,45,191	2,97,610	1,96,18,424
MYR	-	-	223	3,504	223	3,504
GBP	-	-	684	54,467	-	-
EURO	-	-	564	38,414	-	-
<b>Total</b>	<b>2,32,618</b>	<b>1,50,82,718</b>	<b>2,26,825</b>	<b>1,45,41,576</b>	<b>2,97,833</b>	<b>1,96,21,928</b>

<b>Payables:</b>						
USD	2,95,024	1,95,48,017	3,53,735	2,32,05,043	6,18,709	4,13,11,189
GBP	-	-	-	-	8,493	6,43,626
EURO	4,654	3,79,540	-	-	-	-
MYR	13,70,589	2,14,10,497	9,84,200	1,53,04,305	-	-
<b>Total</b>	<b>16,70,267</b>	<b>4,13,38,054</b>	<b>13,37,935</b>	<b>3,85,09,348</b>	<b>6,27,202</b>	<b>4,19,54,815</b>

**ii) Foreign Currency Sensitivity**

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant.

Particulars	Impact on Profit before tax			
	Increase 31 March 2018	Decrease 31 March 2018	Increase 31 March 2017	Decrease 31 March 2017
INR/USD	(44,653)	44,653	(87,599)	87,599
INR/MYR	(2,14,105)	2,14,105	(1,53,008)	1,53,008
INR/GBP	-	-	545	(545)
INR/EURO	(3,795)	3,795	384	(384)

**2) Interest rate risk :**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in prevailing market interest rates. The Company's exposure to the risk due to changes in interest rates relates primarily to the Company's long term borrowings and short-term borrowings with floating interest rates. The Company constantly monitors its financing strategies to achieve an optimal financing cost.

**i) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31.03.18	As at 31.03.17	As at 01.04.2016
Variable rate borrowings	30,22,61,857	30,14,58,302	30,43,89,920
Fixed rate borrowings	22,99,348	2,29,12,102	2,38,26,561
<b>TOTAL</b>	<b>30,45,61,205</b>	<b>32,43,70,404</b>	<b>32,82,16,481</b>

**ii) Sensitivity Analysis**

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year, holding all other variables constant.

Particulars	Impact on Profit before tax	
	As at 31.03.18	As at 31.03.17
Interest rate increase by 1 %	(28,35,616)	(29,77,319)
Interest rate decrease by 1 %	28,35,616	29,77,319

**3) Equity price risk :**

The Company is exposed to equity price risk arising from Equity Investments (other than Subsidiaries, which are carried at cost). The fair value of equity investments classified through other comprehensive income as at March 31, 2018, March 31, 2017 and April 1, 2016, was Rs 52,41,172/- and Rs 41,03,113/- and Rs 32,03,797/- respectively.

### **Sensitivity Analysis :**

The Sensitivity analysis has been determined based on the exposure to equity price risk at the end of the reporting period. A 10% change in equity prices of such securities held as at March 31, 2018, March 31, 2017 and April 1, 2016, would result in an impact of Rs 5,24,117 /-, Rs 4,10,311 /- and Rs 3,20,380 /- respectively on equity before considering tax impact.

### **c) Credit risk :**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The company is exposed to credit risk from its operating activities predominantly trade receivables, including deposits with banks and financial institutions, foreign exchange transactions, loans and other financial assets. For these financial instruments, company generally doesn't have collateral.

#### **a) Trade Receivables**

Customer and vendor credit risk is managed by business through the Company's established policy, procedure and control relating to credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed for all major customers at each reporting date on an individual basis. The impairment calculations are based on historical data. Trade Receivables generally having a credit period of 30 to 90 days. There is no material expected credit loss based on the past experience. However, the Company assesses the impairment of trade receivables on case to case basis and has accordingly created loss allowance.

#### **b) Other financial assets**

With regard to all the financial assets with contractual cashflows other than trade receivable, management believes these are quality assets with negligible credit risk. However, the Company assesses the impairment loss on loans, investments and other financial assets on case to case basis and has accordingly created loss allowance.

#### **c) Allowance for trade receivables, loans, investments and other financial assets**

Particulars	As at 31.03.18	As at 31.03.17	As at 01.04.2016
Balance at the beginning	2,15,27,474	2,21,45,237	2,01,62,053
Credit loss allowance recognised	3,60,114	3,35,163	19,83,184
Credit loss allowance reversed / write off	(11,20,000)	(9,52,926)	-
<b>Balance at the end</b>	<b>2,07,67,588</b>	<b>2,15,27,474</b>	<b>2,21,45,237</b>

### **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 :

Particulars	Export (Rs)		Domestic (Rs)		Total (Rs)	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Revenue - Income from Operations	15,73,76,350	13,28,94,150	74,27,18,640	76,22,47,084	90,00,94,990	89,51,41,234
Segment results	(23,16,403)	14,28,217	1,27,29,358	2,46,46,494	1,04,12,955	2,60,74,711
Unallocated Expenditure					21,08,794	18,75,274
Unallocated Income					2,78,31,109	53,54,237
Interest Expenses					3,53,49,575	3,46,22,773
Exceptional Income					93,26,749	2,61,30,449
<b>Profit after exceptional items, but before taxation</b>					<b>1,01,12,444</b>	<b>2,10,61,350</b>

**38.01** Capital employed, 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.

**38.02** The company does not generate 10 % or more of its revenue from a single customer.

**39.** The details of Provisions and Contingent Liabilities are as under. ( Disclosed in terms of Ind AS – 37 on Provisions, Contingent Liabilities & Contingent Assets )

<b>39.01. Contingent Liabilities</b>	<b>31.03.2018 (Rupees)</b>	<b>31.03.2017 (Rupees)</b>	<b>01.04.2016 (Rupees)</b>
a) Letters of credit	37,83,267	93,97,200	43,94,049
b) Bank guarantees	75,70,194	74,65,094	74,98,194
c) Bills discounted	18,26,160	16,30,251	22,62,021

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

**40** 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.

#### **41 Disclosure in respect of Operating Leases :**

The Company's significant leasing arrangements in respect of operating leases for godown, depot and other premises, which includes cancellable leases usually renewed annually by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent under Note 31 to the financial statements.

#### **42. First time adoption of Ind AS**

The Company has adopted Ind AS w.e.f 1 April 2017 with a transition date of 1 April 2016. Accordingly, financial statements for the year ended 31 March 2018 together with the comparative information for the year ended 31 March 2017 and opening Ind AS balance sheet as at 1 April 2016 have been prepared in accordance with accounting policies as set out in Note 2 - "Significant accounting policies". The Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).



This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the following -

#### **A. Exemptions availed**

The Company has availed the following optional exemptions and mandatory exemptions in the transition from previous GAAP to Ind AS.

##### **(i) Ind AS optional exemptions**

Ind AS 101 "First time Adoption of Indian Accounting Standards" permits Companies adopting Ind AS for the first time to take certain exemptions. The Company has accordingly on transition to Ind AS availed the following key exemptions:

##### **Deemed cost**

The company has elected to continue with the carrying value of its property, plant and equipment and intangible assets recognized as on April 1 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as on the transition date.

##### **Investment in Equity Shares**

The Company has opted to measure equity investments at fair value, through other comprehensive income (FVOCI) based on the facts and circumstances existing at the date of transition to Ind AS rather than at initial recognition.

##### **Investment in subsidiaries**

Ind AS 101 First-time Adoption of Indian Accounting Standards, permits a first-time adopter to elect to continue with the carrying value for investments in Subsidiaries as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure its investments in Subsidiary Enterprise in the standalone financial statements at their previous GAAP carrying value.

##### **(ii) Ind AS mandatory exceptions**

The Company has applied the following exceptions to the retrospective application of Ind AS mandatorily under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

##### **Estimates**

In accordance with Ind AS, as at the date of transition to Ind AS an entity's estimates shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP except impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition this was not required under the previous GAAP.

##### **Classification and measurement of financial assets**

Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

##### **De-recognition of financial assets and financial liabilities**

Ind AS 101 First-time Adoption of Indian Accounting Standards, requires a first-time adopter to apply the de-recognition provisions of Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS.

## B. Transition to Ind AS - Reconciliations

The following reconciliations provide the explanation and qualification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards"

### (i) Effect of Ind AS adoption on the Balance Sheet as at 31 March 2016 and 31 March 2017

#### a) Reconciliation of Balance Sheet as at 31-03-2017

Particulars	Foot Notes	Previous GAAP	Adjustments	IND AS
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment		17,39,83,673		17,39,83,673
(b) Capital work-in-progress		66,48,470		66,48,470
(c) Financial Assets				
(i) Investments	2	10,80,65,529	36,73,013	11,17,38,542
(ii) Loans		1,04,98,228	-	1,04,98,228
(iii) Others		18,45,862	-	18,45,862
(d) Deferred tax assets (net)				
(e) Other non-current assets		2,98,609		2,98,609
<b>(2) Current assets</b>				
(a) Inventories		37,55,82,717	-	37,55,82,717
(b) Financial Assets				
Investments				
(i) Investments				-
(ii) Trade receivables		13,63,80,496	-	13,63,80,496
(iii) Cash and cash equivalents		3,27,54,813	-	3,27,54,813
(iv) Bank balances other than (ii) above		1,71,47,384	-	1,71,47,384
(v) Loans		41,44,951		41,44,951
(vi) Other Financial assets		3,19,32,937		3,19,32,937
(c) Current Tax Assets (Net)				-
(d) Other current assets		1,24,51,670		1,24,51,670
<b>Total Assets</b>		<b>91,17,35,339</b>	<b>36,73,013</b>	<b>91,54,08,352</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital		8,48,73,400	-	8,48,73,400
(b) Other Equity	2, 8	31,52,26,786	36,73,013	31,88,99,799
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		4,99,73,442		4,99,73,442
(ii) Other financial liabilities				
(b) Provisions		17,02,684		17,02,684
Deferred tax liabilities (Net)		2,21,30,000		2,21,30,000

<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23,52,26,789		23,52,26,789
(ii) Trade payables	7,17,26,940	-	7,17,26,940
(iii) Other financial liabilities	4,74,80,203	-	4,74,80,203
(b) Other current liabilities	7,21,56,312	-	7,21,56,312
(c) Provisions	65,99,277		65,99,277
(d) Current Tax Liabilities (Net)	46,39,506		46,39,506
<b>Total Equity and Liabilities</b>	<b>91,17,35,339</b>	<b>36,73,013</b>	<b>91,54,08,352</b>

**b) Reconciliation of Balance Sheet as at 01-04-2016 ( Date of transition to Ind AS**

Particulars	Foot Notes	Previous GAAP	Adjustments	IND AS
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment		15,13,87,306	-	15,13,87,306
(b) Capital work-in-progress		3,06,57,772	-	3,06,57,772
(c) Financial Assets				
(i) Investments	2	10,76,85,529	27,73,697	11,04,59,226
(ii) Loans		1,04,46,130	-	1,04,46,130
(d) Deferred tax assets (net)				
(e) Other non-current assets		29,29,335	-	29,29,335
<b>(2) Current assets</b>				
(a) Inventories		37,18,84,182	-	37,18,84,182
(b) Financial Assets				
Investments				-
(i) Investments				
(ii) Trade receivables		13,72,71,465	-	13,72,71,465
(iii) Cash and cash equivalents		2,94,05,538	-	2,94,05,538
(iv) Bank balances other than (ii) above		2,17,41,729	-	2,17,41,729
(v) Loans		39,73,415	-	39,73,415
(vi) Other Financial assets		52,33,570	-	52,33,570
(c) Current Tax Assets (Net)				-
(d) Other current assets		1,30,23,901	-	1,30,23,901
<b>Total Assets</b>		<b>88,56,39,872</b>	<b>27,73,697</b>	<b>88,84,13,569</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital		8,48,73,400	-	8,48,73,400
(b) Other Equity	2,8,4,5	30,36,12,763	1,12,96,392	31,49,09,155

<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		9,47,92,770	-	9,47,92,770
(ii) Other financial liabilities				
(b) Provisions		18,19,973	-	18,19,973
Deferred tax liabilities (Net)		2,18,63,000	-	2,18,63,000
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		20,08,46,685	-	20,08,46,685
(ii) Trade payables		6,16,98,049	-	6,16,98,049
(iii) Other financial liabilities		4,03,06,858	-	4,03,06,858
(b) Other current liabilities		5,54,18,762	-	5,54,18,762
(c) Provisions	4, 5	1,20,94,326	(85,22,695)	35,71,631
(d) Current Tax Liabilities (Net)		83,13,286	-	83,13,286
<b>Total Equity and Liabilities</b>		<b>88,56,39,872</b>	<b>27,73,697</b>	<b>88,84,13,569</b>

**(ii) Effect of Ind AS adoption on the Statement of Profit and Loss for the Year ended 31 March 2017**

Particulars	Foot Notes	Previous GAAP	Adjustments	IND AS
Revenue from operations	6	81,10,00,927	8,41,40,307	89,51,41,234
Other income		83,94,266	-	83,94,266
<b>Total Income ( I + II )</b>		<b>81,93,95,193</b>	<b>8,41,40,307</b>	<b>90,35,35,500</b>
<b>Expenses:</b>				
Cost of materials consumed		35,71,56,992		35,71,56,992
Purchases of Stock-in-Trade				
Excise Duty	6	-	8,41,40,307	8,41,40,307
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		(1,55,26,739)		(1,55,26,739)
Employee benefits expense	3	15,84,75,326	(49,78,430)	15,34,96,896
Finance costs	5	3,32,50,669	13,72,104	3,46,22,773
Depreciation and amortization expense		2,04,39,506	-	2,04,39,506
Other expenses		27,42,74,864	-	27,42,74,864
<b>Total expenses (IV)</b>		<b>82,80,70,618</b>	<b>8,05,33,981</b>	<b>90,86,04,599</b>
<b>Profit/ (Loss) before Exceptional Items and tax ( III - IV )</b>		<b>(86,75,426)</b>	<b>36,06,326</b>	<b>(50,69,099)</b>
Exceptional Items ( Net )		2,61,30,449	-	2,61,30,449
<b>Profit / (Loss) Before tax ( V - VI )</b>		<b>1,74,55,023</b>	<b>36,06,327</b>	<b>2,10,61,350</b>
Tax expense:				
(1) Current tax		55,74,000	-	55,74,000
(2) Deferred tax	3	2,67,000	16,46,018	19,13,019
<b>Profit /(Loss) for the period ( VII - VIII )</b>		<b>1,16,14,023</b>	<b>19,60,308</b>	<b>1,35,74,331</b>
Other comprehensive income				

<b>A (i) Items that will not be reclassified to profit or loss</b>				
a) Remeasurements of post employment benefit obligations	3	-	(49,78,430)	(49,78,430)
b) Changes in fair value of FVOCI equity instruments	2	-	8,99,316	8,99,316
(ii) Income tax relating to items that will not be reclassified to profit or loss	3	-	16,46,018	16,46,018
				<b>(24,33,096)</b>
<b>Total Comprehensive Income for the Year ( IX + X ) (Comprising Profit / (Loss) and Other Comprehensive Income for the Year)</b>		<b>1,16,14,023</b>	<b>(4,72,788)</b>	<b>1,11,41,235</b>

\*The previous year GAAP figures have been re-classified to conform to Ind AS presentation requirements for the purpose of this note.

**(iii) Reconciliation of total equity as at April 1, 2016 and March 31, 2017**

Particulars	As at March 31, 2017	As at April 1, 2016
<b>Total Equity as per previous GAAP</b>	<b>41,91,00,186</b>	<b>40,74,86,163</b>
Adjustments:		
Reversal of Preference dividend including tax thereon	-	13,72,104
Reclassification of Preference Share Capital to Borrowings	(1,90,00,000)	(1,90,00,000)
Reversal of Equity dividend including tax thereon	-	71,50,591
Fair Value of Investment	36,73,013	27,73,697
<b>Total Equity as per Ind AS</b>	<b>40,37,73,199</b>	<b>39,97,82,555</b>

**(iv) Reconciliation of total comprehensive income for the year ended March 31, 2017**

Particulars	Year ended 31 March 2017
<b>Profit after Tax as per previous GAAP</b>	<b>1,16,14,023</b>
Adjustments:	
Less : Dividend on redeemable preference shares	(13,72,104)
Add : Remeasurements of post employment benefit obligations	49,78,430
Less : Tax Effect Adjustment	(16,46,018)
<b>Profit after Tax as reported under Ind AS</b>	<b>1,35,74,331</b>
Other Comprehensive Income (Net of Tax)	(24,33,096)
<b>Total Comprehensive income as per Ind AS</b>	<b>1,11,41,235</b>

(v) Reconciliation of Statement of Cash Flows for the year ended March 31, 2017.

Particulars	Previous GAAP	Adjustments	Adjusted Figures (Ind AS)
Net Cash Flow from Operating Activities	5,89,27,548	-	5,89,27,548
Net Cash Flow from Investing Activities	(1,48,77,418)	(27,48,483)	(1,21,28,935)
Net Cash Flow from Financing Activities	(4,34,49,338)	-	(4,34,49,338)
<b>Net Increase / (decrease) in Cash &amp; Cash equivalents</b>	<b>6,00,792</b>	<b>(27,48,483)</b>	<b>33,49,275</b>
<b>Cash &amp; Cash equivalents at the beginning of the year</b>	<b>5,11,47,267</b>	<b>2,17,41,729</b>	<b>2,94,05,538</b>
<b>Cash and Cash equivalents at the end of the Year</b>	<b>5,17,48,059</b>	<b>1,89,93,246</b>	<b>3,27,54,813</b>

Previous GAAP Figures have been reclassified / regrouped wherever necessary to confirm with the financial statements prepared under Ind AS.

### C. Foot Notes to First Time adoption of IND AS

#### 1. Property, Plant & Equipment

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all its property, plant and equipment at their previous GAAP carrying value.

#### 2. Fair valuation of investments

Under the Previous GAAP, the Company accounted for long term investments in equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as Fair Value through Other Comprehensive Income (FVTOCI). Ind AS requires FVTOCI investments to be measured at fair value.

At the date of transition to Ind AS (1<sup>st</sup> April, 2016), difference between the instruments fair value and Indian GAAP carrying amount amounting to Rs 27.74 Lakhs has been recognised as a separate component of equity, in the Equity Instrument through Other Comprehensive Income reserve with corresponding adjustment to the carrying value of investments. The amount recognised in Other Comprehensive Income for the year ended 31.03.2017 is Rs 8.99 Lakhs.

Investments in preference shares have been measured at fair value through profit or loss (FVTPL) as against cost less diminution of other than temporary nature, if any, under the Previous GAAP.

#### 3. Re-measurements of post-employment benefit obligations

In the financial statements prepared under Previous GAAP, re-measurement benefit of defined plans (gratuity), arising primarily due to change in actuarial assumptions was recognized as employee benefits expense in the Statement of Profit and Loss. Under Ind AS, such re-measurement benefits relating to defined benefit plans is recognized in Other Comprehensive Income as per the requirements of Ind AS 19 - Employee benefits. Consequently, the related tax effect of the same has also been recognised in Other Comprehensive Income.

For the year ended 31st March, 2017, re-measurement of gratuity liability resulted in a net expenses of Rs.49.78 Lakhs which has now been reclassified from employee benefits expense in the Statement of Profit and Loss and recognised separately in Other Comprehensive Income. Tax effect of the same amounting to Rs.16.46 Lakhs is also recognised separately in Other Comprehensive Income. The above changes do not affect Equity as at date of transition to Ind AS and as at 31st March, 2017.

#### **4. Proposed Equity Dividend**

Under Previous GAAP upto 1.4.2016, proposed dividend including dividend distribution tax (DDT), are recognized as liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognized as liability in the period in which it is declared by Company, usually when approved by shareholders in a general meeting or paid.

Therefore, the dividend liability (proposed dividend) including dividend distribution tax liability amounting to Rs.71.51 Lakhs upto 1.4.2016 has been derecognised in the retained earnings as on the date of transition.

Proposed dividend including dividend distribution tax liability amounting to Rs.71.51 Lakhs upto 1.4.2016 which was derecognised as on the transition date, has been recognised in retained earnings during the year ended 31st March, 2017 as declared and paid.

#### **5. Preference Share Capital & Dividend**

Under the previous GAAP, preference share capital grouped under Share Capital but under Ind AS, the same has been classified as "Borrowings" under Liabilities. Accordingly, adjustments have been made in Equity and Borrowings in Balance sheet.

Under the previous GAAP, dividends on preference shares have been adjusted from retained earnings in financial statements. Under Ind AS, such dividends are recognised as finance cost expense in Profit and Loss statement. Accordingly, adjustments have been made in retained earnings and Profit and Loss statement.

Preference dividend recognised as borrowing cost during the FY 2016-17 amounting to Rs 13,72,104 /-.

#### **6. Excise duty**

Under the Previous GAAP, revenue from sale of goods was presented net of excise duty whereas under Ind AS the revenue from sale of goods is presented inclusive of excise duty. Accordingly, the excise duty has been included in revenue and other expenses respectively. This change has resulted in an increase in total revenue and total expenses for the Year ended March 31 2017 by Rs 8,41,40,307 /- . There is no impact on the total equity and profit.

#### **7. Other comprehensive income**

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss, but shown in the statement of profit and loss as 'other comprehensive income', includes remeasurements of defined benefit plans and change in fair value of equity instruments. The concept of other comprehensive income did not exist under the previous GAAP.

#### **8. Other Equity**

Adjustments to retained earnings as at 1 April 2016 and 31 March 2017 have been adjusted consequent to the above Ind AS transition adjustments.



## 9. Deferred tax

Under the Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS 12, Income Tax, deferred taxes are recognized following the balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base.

## 10. Ind AS Presentation

In the preparation of these Ind-AS Financial Statements, Company has made several presentation differences between previous GAAP and Ind-AS. These differences have no impact on reported profit or total equity. Accordingly, some assets and liabilities have been reclassified into another line item under Ind-AS at the date of transition. Further, in these Financial Statement, some line items as described differently under Ind-AS compared to previous GAAP although the assets and liabilities included in these line items are unaffected.

**43** Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements. Figures have been rounded off to the nearest Rupee.

For and on behalf of the Board of Directors

<b>P.K MAYAN MOHAMED</b>	<b>T.BALAKRISHNAN</b>	<b>R.BALAKRISHNAN</b>
Managing Director	Chairman	CFO & Company Secretary
(DIN: 00026897)	(DIN: 00052922)	(M.No: 7119 )

Place: Cochin  
Date: 26.05.2018

As per our report of even date attached

For **Sankar & Moorthy**  
Chartered Accountants  
FRN.003575S

**Jayaprakesh.M.C.**  
(Partner).  
Membership No. 215562

## INDEPENDENT AUDITORS' REPORT

To The Members of **The Western India Plywoods Limited**  
Kannur

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS 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") which comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated statement of Cash Flows and the Consolidated statement of changes in equity 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 Ind AS Financial Statements

The Holding Company's board of directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated Financial Performance including other comprehensive income, consolidated Cash Flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with rules issued thereunder. The respective Board of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control 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 Ind AS financial statements by the Directors of the Holding company, as aforesaid.

### Auditors' Responsibility:

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including 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 there under.

We conducted our audit of Consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained by us and audit evidence obtained by other auditors in terms of their reports referred to in Other Matters paragraphs below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS 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 report of other auditors on separate financial statements and other financial information of the Subsidiaries, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs of the Group as at March 31<sup>st</sup>, 2018, their Consolidated Profit (including other comprehensive income), its Consolidated Cash Flows and the Consolidated Statements of Changes in Equity for the year ended on that date.

### Emphasis of matter

We draw attention to Note No 3.03 to the Consolidated Ind AS 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 realizable value of the assets at the Unit based on the Independent Valuer the management is of the opinion that no Impairment in value of Fixed assets of the Subsidiary Company within the meaning of Ind AS 36 - Impairment of Assets is anticipated at this stage.

### Other Matters

The Holding Company had prepared separate sets of consolidated financial statements for the year ended 31 March 2017 and 31 March 2016 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by the predecessor auditor whose reports dated 27 May 2017 and 25 May 2016 respectively expressed unmodified opinion on those consolidated financial statements. These separate sets of consolidated financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

We did not audit the financial statements/financial information of the Indian subsidiaries - M/s Southern Veneers and Woodworks Limited and M/s Mayabandar Doors Limited and The Kohinoor Saw Mill Company Ltd. and Foreign subsidiary - M/s ERA & WIP Timber JV SDN BHD, Whose financial statements reflects total assets of Rs. 807.27 Lakhs and net asset of Rs 649.83 Lakhs as at March 31<sup>st</sup> 2018, Total revenue of RS. 1033.12 Lakhs and net cash outflows amounting to Rs. 17.90 Lakhs (for the year ended on that date, as considered in the Consolidated Ind AS 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 Ind AS 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-section (3) of 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 & 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 the other auditor and 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 the other financial information of the subsidiaries, having regard to the observations stated under other matters paragraphs above, 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 purpose of our audit of the aforesaid Consolidated Ind AS financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statement have been kept by the Company so far as appears from our examination of those books;
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated statement of Cash Flows and the Consolidated statement of changes in equity dealt with by this report are in agreement with relevant books of accounts maintained for the preparation of the Consolidated Ind AS Financial Statement.
  - d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rule issued thereunder;
  - e) On the basis of written representations received from the directors of the Holding Company as on March 31st, 2018, and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies covered under the Act, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act 2013;
  - f) With respect to the adequacy of the internal financial control System with reference to financial statement reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**"; and
  - 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 Group does not have any pending litigations which would impact its financial position.
    - (II) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (III) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Company Covered under this Act.

For **Sankar & Moorthy**  
Chartered Accountants  
FRN.003575S

**Jayaprakash.M.C.**  
(Partner)  
Membership No. 215562

Place: Cochin  
Date: 26.05.2018

## **“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 (f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE CONSOLIDATED INDIAN ACCOUNTING STANDARDS [IND AS] FINANCIAL STATEMENTS OF THE WESTERN INDIA PLYWOODS LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

### **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 Ind AS financial statements of **THE WESTERN INDIA PLYWOOD LIMITED** (herein after referred to as “the Holding Company”) and its Subsidiaries ( Holding Company and its Subsidiaries together referred to as “Group” ) as at and for the year ended March 31, 2018 , we have audited the internal financial controls over financial reporting of holding company and its four subsidiaries, as on that date.

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

The respective Board of Directors of the Holding Company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 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 system with reference to financial statements 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 system with reference to financial statements 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 with reference to financial statements reporting and their operating effectiveness. Our audit of internal financial controls system with reference to financial statements reporting includes obtaining an understanding of internal financial control system with reference to financial statement 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 judgment, 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 the other auditors in terms of the reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system with reference to financial statements.

**Meaning of Internal Financial Controls with reference to Financial Statements Reporting**

A company's internal financial control system with reference to financial statements 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 controls system with reference to financial statement 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 with reference to Financial Statements Reporting**

Because of the inherent limitations of internal financial controls system with reference to financial statements 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 system with reference to financial statements reporting to future periods are subject to the risk that the internal financial controls system with reference to financial statements 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 Subsidiary Company and based on the consideration of the report of other Auditor's of the subsidiaries, the Company has in all material respects, an adequate internal financial controls systems with reference to financial statements reporting and such internal financial controls system with reference to financial statements reporting were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements 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.

**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and the Operating effectiveness of Internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, insofar as it relates to the subsidiary, is based on the corresponding reports of the auditors of such subsidiary. Our opinion is not modified in respect of this matter.

For **Sankar & Moorthy**  
Chartered Accountants  
FRN.003575S

**Jayaprakesh.M.C.**  
(Partner)  
Membership No. 215562

Place: Cochin  
Date: 26.05.2018



## CONSOLIDATED BALANCE SHEET AS AT 31.03.2018

(In Rs.)

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	3	20,63,99,284	21,47,70,373	20,10,13,104
(b) Capital work-in-progress	3	96,36,250	66,48,470	3,06,57,772
(c) Goodwill on Consolidation	39	2,80,11,446	2,80,11,446	2,80,11,446
(d) Financial Assets				
(i) Investments	4	53,18,172	45,60,113	32,80,797
(ii) Loans	5	1,13,70,654	1,14,07,029	1,23,50,497
(iii) Others	6	18,45,862	18,45,862	-
(e) Other non-current assets	7	2,47,500	2,98,609	29,29,335
<b>(2) Current assets</b>				
(a) Inventories	8	33,32,32,568	38,22,31,531	38,12,34,953
(b) Financial Assets				
(i) Trade receivables	9	14,00,65,741	14,41,72,386	14,52,56,358
(ii) Cash and cash equivalents	10	3,85,59,582	3,57,00,350	3,19,90,031
(iii) Bank balances other than (ii) above	11	1,77,76,282	1,71,47,384	2,17,41,729
(iv) Loans	12	47,20,248	42,58,301	41,02,669
(v) Other Financial assets	13	2,51,91,174	3,19,46,494	52,33,570
(c) Current Tax Assets (Net)		26,16,432	-	-
(d) Other current assets	14	1,22,35,915	1,68,76,460	1,40,49,850
<b>Total Assets</b>		<b>83,72,27,110</b>	<b>89,98,74,808</b>	<b>88,18,52,111</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital	15	8,48,73,400	8,48,73,400	8,48,73,400
(b) Other Equity	16	29,47,47,114	28,77,07,051	29,78,01,309
(c) Non Controlling Interest	16	92,54,616	81,79,119	1,14,26,432
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	17	17,09,16,654	4,99,73,442	9,47,92,770
(b) Provisions	18	47,16,671	31,29,021	30,87,837
(c) Deferred tax liabilities (Net)	19	1,38,42,000	2,21,30,000	2,18,63,000
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	20	11,36,54,967	23,75,62,689	20,87,81,837
(ii) Trade payables	21	6,63,39,745	6,86,50,337	4,36,41,329
(iii) Other financial liabilities	22	3,49,58,972	4,74,80,203	4,03,06,858
(b) Other current liabilities	23	4,23,95,167	7,82,88,172	6,27,61,727
(c) Provisions	24	15,27,804	67,95,928	37,53,275
(d) Current Tax Liabilities (Net)		-	51,05,446	87,62,337
<b>Total Equity and Liabilities</b>		<b>83,72,27,110</b>	<b>89,98,74,808</b>	<b>88,18,52,111</b>

Significant Accounting Policies- See Note No 2

The accompanying notes form an integral part of the financial statements (1 to 45)

For and on behalf of the Board of Directors

As per our report of even date attached

**P.K MAYAN MOHAMED T.BALAKRISHNAN R.BALAKRISHNAN**  
 Managing Director Chairman CFO&Company Secretary  
 (DIN: 00026897) (DIN: 00052922) (M.No: 7119 )

For **Sankar & Moorthy**  
 Chartered Accountants  
 FRN.003575S

Place: Cochin  
 Date: 26.05.2018

**Jayaprakesh.M.C.**  
 (Partner).  
 Membership No. 215562



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31.03.2018

(In Rs.)

Particulars	Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
I Revenue from operations	25	94,31,19,733	94,27,81,641
II Other income	26	3,09,08,255	1,03,17,353
<b>III Total Income ( I + II )</b>		<b>97,40,27,988</b>	<b>95,30,98,994</b>
<b>IV Expenses:</b>			
Cost of materials consumed	27	38,80,24,879	37,42,35,698
Excise Duty		2,01,27,405	8,69,85,528
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	2,45,66,673	(1,37,48,407)
Employee benefits expense	29	17,75,63,285	17,42,02,235
Finance costs	30	3,53,49,575	3,46,22,773
Depreciation and amortization expense	3	2,45,79,058	2,47,54,758
Other expenses	31	31,31,99,171	28,95,63,694
<b>Total expenses (IV)</b>		<b>98,34,10,046</b>	<b>97,06,16,279</b>
<b>V Profit/ (Loss) before Exceptional Items and tax (III - IV)</b>		<b>(93,82,058)</b>	<b>(1,75,17,285)</b>
VI Exceptional Items ( Net )	32	93,26,749	2,61,30,449
<b>VII Profit / (Loss) Before tax ( V + VI )</b>		<b>(55,309)</b>	<b>86,13,164</b>
<b>VIII Tax expense:</b>			
(1) Current tax	33	(2,68,686)	58,87,230
(2) Deferred tax	33	(82,88,000)	19,13,018
<b>IX Profit /(Loss) for the period ( VII - VIII )</b>		<b>85,01,377</b>	<b>8,12,916</b>
<b>Profit attributable to</b>			
Equity holders of the Company		88,09,341	25,06,378
Non Controlling Interest		(3,07,964)	(16,93,462)
<b>X Other comprehensive income</b>			
<b>A (i) Items that will not be reclassified to profit or loss</b>			
a) Remeasurements of post employment benefit obligations		(56,24,768)	(49,79,231)
b) Changes in fair value of FVOCI equity instruments		11,38,058	8,99,316
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	16,46,018
		<b>(44,86,710)</b>	<b>(24,33,897)</b>

<b>B (i) Items that will be reclassified to profit or loss</b>			
Exchange Difference on Translation of Foreign Operation		41,00,892	(45,52,478)
		-	-
<b>Other Comprehensive Income/Loss, net of Tax</b>		<b>(3,85,818)</b>	<b>(69,86,375)</b>
<b>Other Comprehensive Income/Loss, attributable to:</b>			
Equity holders of the Company		(17,69,279)	(54,32,524)
Non Controlling Interest		13,83,461	(15,53,851)
XI	<b>Total Comprehensive Income for the Year ( IX + X ) (Comprising Profit / (Loss) and Other Comprehensive Income for the Year)</b>	<b>81,15,559</b>	<b>(61,73,459)</b>
<b>Total Comprehensive Income/Loss attributable to :</b>			
Equity holders of the Company		70,40,062	(29,26,146)
Non Controlling Interest		10,75,497	(32,47,313)
XII	<b>Earnings per equity share of Par Value of Rs. 10/- each</b>	34	
	(1) Basic	1.17	0.26
	(2) Diluted	1.17	0.26

See accompanying notes to the financial statements.

The accompanying notes form an integral part of the financial statements (1 to 45)

For and on behalf of the Board of Directors

As per our report of even date attached

**P.K MAYAN MOHAMED T.BALAKRISHNAN R.BALAKRISHNAN**  
Managing Director Chairman CFO&Company Secretary  
(DIN: 00026897) (DIN: 00052922) (M.No: 7119 )

For **Sankar & Moorthy**  
Chartered Accountants  
FRN.0035755

Place: Cochin  
Date: 26.05.2018

**Jayaprakesh.M.C.**  
(Partner).  
Membership No. 215562

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2018

	For the year ended 31 <sup>st</sup> March 2018 (Rs.)	For the year ended 31 <sup>st</sup> March 2017 (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit after taxation</b>	<b>85,01,377</b>	<b>8,12,916</b>
Adjustments For:		
Depreciation / Amortization Expense	2,45,79,058	2,47,54,758
Tax expenses		
Current tax	(2,68,686)	58,87,230
Deferred Tax	(82,88,000)	19,13,018
Remeasurement of post employment benefits obligation	(56,24,768)	(49,79,231)
Loss on sale of property, plant and equipment (net)	-	57,720
Premium on redemption of preference shares	(38,00,000)	-
Allowance for doubtful trade receivables (net)	46,55,323	3,35,163
Dividend Income	(1,38,27,500)	(23,750)
Interest Income	(66,59,934)	(16,73,955)
Premium on redemption of Debenture	(19,48,800)	-
Exceptional item - insurance claim	-	(2,61,30,449)
Exceptional item - Profit on compulsory acquisition of land	(93,26,749)	-
Profit on sale of Asset	(1,05,053)	
Liabilities/ Provision No longer required to written back	(11,20,000)	(9,52,926)
Finance Cost	3,53,49,575	3,35,85,141
<b>Operating Profit before Working Capital Changes</b>	<b>2,21,15,843</b>	<b>3,35,85,635</b>
Adjustments for working capital changes		
(Increase)/ Decrease in Trade and other Receivables	83,46,954	(69,57,675)
(Increase)/ Decrease in Inventories	4,89,98,963	(9,96,578)
(Increase)/Decrease in trade and other Payables	(3,24,96,663)	2,89,45,613
(Increase)/Decrease in provisions	(36,80,474)	30,83,837
<b>Cash generated from operations</b>	<b>4,32,84,622</b>	<b>5,76,60,832</b>
Exceptional item - Insurance claim received	-	50,93,815
<b>Cash flow after exceptional Item</b>	<b>4,32,84,622</b>	<b>6,27,54,647</b>
Less: Direct Tax Paid	74,53,192	96,92,751
<b>Net Cash From Operating Activities</b>	<b>3,58,31,430</b>	<b>5,30,61,896</b>

<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment (Including capital work in progress)	(1,93,75,373)	(1,34,10,283)
Proceeds from compulsory acquisition of land	93,30,252	11,84,593
Proceeds from sale of other property, plant and equipment	1,80,000	
Proceeds from redemption of debentures ( including Premium)	41,10,000	-
Proceeds of Bank balances not considered as cash and cash equivalents	(6,28,898)	27,48,483
Dividend Income	1,38,27,500	23,750
Interest Received ( including debenture interest)	82,25,681	18,48,369
<b>Net Cash Flow From Investing Activities</b>	<b>1,56,69,162</b>	<b>(76,05,088)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Non current Borrowings	12,25,55,547	(2,58,19,328)
Proceeds from current borrowings	(12,39,07,722)	2,87,80,852
Redemption of preference shares	(1,52,00,000)	-
Dividends Paid	(23,32,170)	(65,19,930)
Tax on Dividends Paid	-	(14,41,557)
Finance Cost	(3,38,57,907)	(3,21,94,048)
<b>Net Cash Flow from Financing Activities</b>	<b>(5,27,42,252)</b>	<b>(3,71,94,011)</b>
<b>D. INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(12,41,660)</b>	<b>82,62,797</b>
(A + B + C)		
Cash and Cash equivalent at the beginning of the year	3,57,00,350	3,19,90,031
Add/(Less)Foreign currency translation reserve Adjustment	41,00,892	(45,52,478)
<b>Cash And Cash equivalent at the end of the Year</b>	<b>3,85,59,582</b>	<b>3,57,00,350</b>

Significant Accounting Policies- See Note No 2

The notes referred to above form an integral part of the standalone financial statements

#### Notes

- The above Cash Flow statement has been prepared under the indirect Method as set out in Ind AS 7 on "Statement of cash Flows"
- Figures in bracket indicate Cash outflow

The accompanying notes form an integral part of the financial statements (1 to 45)

For and on behalf of the Board of Directors

As per our report of even date attached

**P.K MAYAN MOHAMED T.BALAKRISHNAN R.BALAKRISHNAN**  
 Managing Director Chairman CFO&Company Secretary  
 (DIN: 00026897) (DIN: 00052922) (M.No: 7119 )

For **Sankar & Moorthy**  
 Chartered Accountants  
 FRN.003575S

Place: Cochin  
 Date: 26.05.2018

**Jayaprakesh.M.C.**  
 (Partner).  
 Membership No. 215562

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

(a) Equity Share Capital	No of Shares	Amount in Rs
Balance as at April ,2016	84,87,340	8,48,73,400
Changes in Equity sharecapital During the Year	-	-
Balance as at 31st March,2017	84,87,340	8,48,73,400
Changes in Equity sharecapital During the Year	-	-
Balance as at 31st March, 2018	84,87,340	8,48,73,400

## (b) Other Equity

(in Rs)

Particulars	Reserves & Surplus						Item of Other Comprehensive Income			Total	Non controlling interest
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Export Profit Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Other Items of Other Comprehensive Income/(Loss)	Equity Instruments through OCI		
Balance at the beginning of April 1, 2016	18,03,764	11,30,00,000	4,41,96,050	19,24,094	82,64,857	12,58,38,847	-	-	27,73,697	29,78,01,309	1,14,26,432
Profit for the year						25,06,379	(30,16,240)	-	-	(5,09,861)	(32,47,313)
a) Remeasurements of post employment benefit obligations								(49,79,140)	-	(49,79,140)	-
b) Changes in fair value of FVOCI equity instruments								-	-	-	-
c) Income tax relating to items that will not be reclassified to profit or loss								-	8,99,316	8,99,316	-
Total comprehensive income for the year						25,06,379	(30,16,240)	(33,32,122)	8,99,316	(29,43,667)	(32,47,313)
Dividend including tax thereon						(71,50,591)				(71,50,591)	
Balance at the end of March 31, 2017	18,03,764	11,30,00,000	4,41,96,050	19,24,094	82,64,857	12,11,94,635	(30,16,240)	(33,32,122)	36,73,013	28,77,07,051	81,79,119
Profit for the year						88,09,341	27,01,258	(56,08,594)	-	1,15,10,599	10,75,497
a) Remeasurements of post employment benefit obligations									11,38,058	(56,08,594)	
b) Changes in fair value of FVOCI equity instruments									-	11,38,058	
c) Income tax relating to items that will not be reclassified to profit or loss						-			-	-	
Total comprehensive income for the year						88,09,341	27,01,258	(56,08,594)	11,38,058	70,40,063	10,75,497
Dividend including tax thereon						(1,90,00,000)				-	
Transfer to Capital Redemption Reserve		1,90,00,000								-	
Balance at the end of March 31, 2018	18,03,764	13,20,00,000	4,41,96,050	19,24,094	82,64,857	11,10,03,976	(3,14,982)	(89,41,716)	48,11,071	29,47,47,114	92,54,616

Significant Accounting Policies- See Note No 2

The accompanying notes form an integral part of the financial statements (1 to 44)

For and on behalf of the Board of Directors

As per our report of even date attached

**P.K MAYAN MOHAMED T.BALAKRISHNAN** **R.BALAKRISHNAN**  
Managing Director Chairman  
(DIN: 00026897) (DIN: 00052922) (M.No: 7119 )

**For Sankar & Moorthy**  
Chartered Accountants  
FRN.0035755

**Jayaprakash.M.C.**  
(Partner).

Place: Cochin  
Date: 26.05.2018

Membership No. 215562

## NOTES TO FINANCIAL STATEMENT

### 1. Corporate Information

The Western India Plywood Ltd ('the Company' or 'the Parent') is a limited company incorporated in India. The Company is a manufacturer of Wood based products including Hardboard, Plywood, and Compreg and has manufacturing facility at Kannur, Kerala. The Company caters to both domestic and international markets and has depots and dealer networks across India. The Registered office of the Company is located at Mill Road, Baliapatam, Kannur, Kerala-670010, and having three subsidiaries in India and one subsidiary in Malaysia. The Indian Subsidiaries are The Kohinoor Saw Mills Company Limited, Southern Veneers & Wood Works Limited and Mayabandar Doors Limited, and Malaysian Subsidiary is ERA & WIP Timber JV SDN BBHD. The Company is listed on National Stock Exchange (NSE), Mumbai.

### 2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its Consolidated Financial Statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these Consolidated Financial Statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2016 for the purpose of transition to Ind AS, unless otherwise indicated. The consolidated financial statements include the consolidated Balance sheet, consolidated statement of Profit and loss, consolidated Cash flow statement and consolidated Statement of changes in equity of the company and its Subsidiaries (The company and its subsidiaries constitute "the Group").

#### (a) Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards ( Ind AS ) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013.

Up to the year ended 31st March, 2017, the Company prepared its Consolidated Financial Statements in accordance with the requirements of previous Generally Accepted Accounting Principles ("Previous GAAP"), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Group's first consolidated financial statements prepared in accordance with Ind AS and the transition from Previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with April 1, 2016 being the transition date. In accordance with Ind As 101 "First time adoption of Indian Accounting Standard", the Company has presented a reconciliation from the Previous GAAP to Ind AS. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 42 (First-time Adoption).

#### (b) Basis of preparation

Consolidated Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group and have been applied consistently over all the periods presented.

The Consolidated Financial Statements are presented in Indian Rupees, which is the functional currency of the company and the currency of the primary economic environment in which the company operates.

#### (c) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically , the Group controls an investee if and only if the Group has:

- Power over the investee (ie, existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

#### **Consolidation Procedure :**

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent company with those of its subsidiaries.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy follows for accounting of goodwill on consolidation.
- Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).
- Non-controlling interest represents the amount of equity not attributable, directly or indirectly, to the Company at the date on which investment in a subsidiary is made and its share of movements in equity since that date. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, consolidated statement of changes in equity and Consolidated Balance Sheet respectively.
- Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- If the Group loses control over a subsidiary, it:
  - Derecognises the assets (including goodwill) and liabilities of the subsidiary
  - Derecognises the carrying amount of any non-controlling interests
  - Derecognises the cumulative translation differences recorded in equity
  - Recognises the fair value of the consideration received
  - Recognises the fair value of any investment retained
  - Recognises any surplus or deficit in profit or loss
  - Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets

#### **(d) Use of Estimates and Judgements :**

In preparation of the Consolidated Financial Statements, the Group makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.



These estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment, impairment of property, plant and equipment and investments, provision for employee benefits, income tax and other provisions, recoverability commitments and contingencies.

**(e) Current / Non Current Classification :**

The Group presents assets and liabilities in the consolidated balance sheet based on current/ noncurrent classification. Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. The asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- ii. The asset is intended for sale or consumption;
- iii. The asset/liability is held primarily for the purpose of trading;
- iv. The asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. In the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

All the assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current- noncurrent classification of assets and liabilities.

**(f) Fair Value**

The management of the Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**(g) Property, plant and equipment – Tangible Assets**

**Recognition and measurement:**

Freehold land is stated at historical cost. All other items of property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

**Depreciation**

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

**Transition to Ind AS**

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

**(h) Impairment of Non financial assets**

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

## (i) Financial Instruments

### 1) Recognition and Initial measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are adjusted to the fair value. Transaction costs in relation to financial assets and financial liabilities which are carried at fair value through profit or loss (FVTPL), are charged to the statement of profit and loss.

### 2) Classification and subsequent measurement of financial assets

#### i) Debt Instruments

For the purpose of subsequent measurement, financial assets in the nature of debt instruments are classified as follows:

**Amortised cost** - Financial assets that are held within a business model whose objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest are subsequently measured at amortised cost less impairments, if any. Interest income calculated using effective interest rate (EIR) method and impairment loss, if any are recognised in the statement of profit and loss.

**Fair value through other comprehensive income (FVOCI)** - Financial assets that are held within a business model whose objective is achieved by both holding the asset in order to collect contractual cash flows that are solely payments of principal and interest and by selling the financial assets, are subsequently measured at fair value through other comprehensive income. Changes in fair value are recognized in the other comprehensive income (OCI) and on de-recognition, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest income calculated using EIR method and impairment loss, if any are recognised in the statement of profit and loss.

**Fair value through profit or loss (FVTPL)** - A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss. Changes in fair value and income on these assets are recognised in the statement of profit and loss.

#### ii) Equity Instruments

The Company has made investment in equity instruments that are initially measured at fair value. These investments are strategic in nature and held on a long-term basis. Accordingly, the company has elected irrevocable option to measure such investments at FVOCI. The Company makes such election on an instrument-by-instrument basis. Pursuant to such irrevocable option, changes in fair value are recognised in the OCI and is subsequently not reclassified to the statement of profit and loss.

### 3) Classification and subsequent measurement of financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as follows:

**Amortised cost** - Financial liabilities are classified as financial liabilities at amortised cost by default. Interest expense calculated using EIR method is recognised in the statement of profit and loss.

**Fair value through profit or loss (FVTPL)** - Financial liabilities are classified as FVTPL if it is held for trading, or is designated as such on initial recognition. Changes in fair value and interest expense on these liabilities are recognised in the statement of profit and loss.

### 4) De recognition of financial assets and financial liabilities

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows including risks and rewards of ownership. A financial liability is derecognised when the obligation under the liability is discharged or expires.

## 5) Impairment of financial assets

Financial assets that are carried at amortised cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For Trade receivables, the Group provides for expected credit losses based on a simplified approach as per Ind AS 109 – Financial Instruments. Under this approach, expected credit losses are computed on the basis of probability of defaults over the lifetime of the asset.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

## 6) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### (j) Cash and cash equivalents

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

### (k) Inventories

Inventories are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of inventories, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost of manufactured inventories comprises of the direct cost of production and appropriate overheads. The net realisable value of bought out inventories is taken at the current replacement value.

## (l) Employee benefits

### Short-term obligations

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

### Defined Contribution Plan

The Group has defined contribution plan for employees comprising of Provident Fund and Employee State Insurance. The contributions paid/payable to these plans during the year are charged to the statement of Profit and Loss for the year. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

### Defined Benefit Plans

1) Payment of Gratuity to employees is covered by the Group Gratuity cum Assurance Scheme of LIC of India, which is a defined benefit scheme and the company makes contribution 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 recognized in the accounts. Service cost and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re measurements is recognized immediately through Other Comprehensive Income in the period in which they occur.

2) In respect of Subsidiary Company M/s Mayabandar Doors Limited : 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. Service cost and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re measurements is recognized immediately through Other Comprehensive Income in the period in which they occur.

### Other Long Term Employee Benefits

The Group has a scheme for compensated absences for employee, the liability of which is determined on independent actuarial valuation, conducted annually using the projected unit credit method. Actuarial gain and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur. Accumulated compensated absences, which are expected to be availed or en cashed within 12 months from the end of the year end are treated as short term employee benefits.

### (m) Provisions and Contingent liabilities

#### Provisions

Provisions are recognised when, as a result of a past event, the Group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation by discounting at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability.

#### Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### Contingent Assets

Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

#### (n) Revenue recognition

Sales are recognized on transfer of title of the goods (Significant risk and reward of ownership ) to the respective parties and are inclusive of Excise Duty but exclusive of Sales tax and Value Added Tax. Post June 30, 2017 excise duty has been subsumed to Goods and Service Tax (GST) and hence the same is not received by the company on its own account, rather it is tax collected on commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed. Export incentives are recognized on accrual basis, (except when there are significant uncertainties) based on estimated realizable value of such settlements. Other income is recognized on accrual basis, (except when there are significant uncertainties). Dividend income is recognized when the right to receive payment is established, which is generally when shareholders approve the dividend. Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

#### (o) 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 capitalized. Other borrowing costs are recognized as expenditure for the period in which they are incurred.

#### (p) Income tax

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

##### a. Current tax

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. The payment made in excess / (shortfall) of the Group's income tax obligation for the period are recognised in the balance sheet as current tax assets / liabilities.

##### b. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

#### (q) Foreign Currency translation

Group's Financial Statements are measured using currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's consolidated financial statements are presented in Indian Rupee, which is parent Company's functional and presentation currency.

In preparing the financial statements of the Group, on initial recognition transactions in foreign currencies, other than the functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange difference arising on foreign exchange transactions settled during the year is recognised in the statement of profit and loss. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. The exchange gain/loss arising during the year is recognised in the Statement of Profit and Loss.

The financial statement of the overseas subsidiary are translated in to Indian Rupee, which is the functional currency of the company, as follows-

- Proportionate assets and liabilities at the rates of exchange ruling at the year end
- Proportional revenue items at the average rates of exchange for the period
- Exchange rate difference arising on translation of above is recognised in other comprehensive income

On disposal of foreign operation, the associated exchange differences relating to that particular foreign operation are re-classified to profit and loss, as a part of the gain or loss on disposal

#### **(r) Leases**

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

##### **Assets taken on finance lease**

A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments.

##### **Assets taken on operating lease**

Leases other than finance leases are operating leases, and the leased assets are not recognized on the Group's balance sheet. Payments made under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

#### **(s) Earnings per share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the parent company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

#### **(t) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The group 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.

#### **(u) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.



### NOTE 3 - PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN PROGRESS

Particulars	Freehold land	Leasehold land	Buildings	Plant & Equipments	Furniture & Fittings	Vehicles	Office Equipments	Computer	Total
Gross Carrying Amount [Cost / Deemed Cost]									
As at 1st April 2016	56,78,642	2,41,921	2,67,79,403	15,65,51,288	27,294	1,11,88,897	2,73,388	2,72,271	20,10,13,104
Additions/adjustment	-	-	62,55,667	3,64,64,033	-	20,68,048	1,60,912	1,21,993	4,50,70,653
Disposals/adjustments	-	-	24,53,363	26,97,997	-	14,02,108	5,159	-	65,58,627
As at 31st March 2017	56,78,642	2,41,921	3,05,81,707	19,03,17,324	27,294	1,18,54,837	4,29,141	3,94,264	23,95,25,130
Additions	1,92,000	-	23,04,116	1,27,66,363	1,22,570	10,41,982	3,42,730	4,70,954	1,72,40,715
Disposals/adjustments	3,503	2,41,921	3,22,498	3,04,202	-	1,60,442	556	-	10,33,122
As at 31st March 2018	58,67,139	-	3,25,63,325	20,27,79,485	1,49,864	1,27,36,377	7,71,315	8,65,218	25,57,32,723
Accumulated Depreciation									
As at 1 st April 2016	-	-	-	-	-	-	-	-	-
Depreciation during the year	-	-	9,03,833	2,11,36,099	1,681	25,02,344	94,734	1,16,066	2,47,54,757
Disposals/adjustments	-	-	-	-	-	-	-	-	-
As at 31st March 2017	-	-	9,03,833	2,11,36,099	1,681	25,02,344	94,734	1,16,066	2,47,54,757
Depreciation during the year	-	-	10,79,543	2,09,88,387	16,846	22,02,380	1,11,738	1,80,167	2,45,79,061
Disposals/adjustments	-	-	-	-	-	379	-	-	379
As at 31st March 2018	-	-	19,83,376	4,21,24,486	18,527	47,04,345	2,06,472	2,96,233	4,93,33,439
Net Carrying Amount									
At 1st April 2016	56,78,642	2,41,921	2,67,79,403	15,65,51,288	27,294	1,11,88,897	2,73,388	2,72,271	20,10,13,104
At 31st March 2017	56,78,642	2,41,921	2,96,77,874	16,91,81,225	25,613	93,52,493	3,34,407	2,78,198	21,47,70,372
At 31st March 2018	58,67,139	-	3,05,79,949	16,06,54,999	1,31,337	80,32,033	5,64,843	5,68,985	20,63,99,284

Capital Work in Progress	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>(A) Plant &amp; Machinery</b>			
Opening	66,48,470	3,06,57,772	35,62,614
Add : Addition	20,97,766	1,16,34,772	2,89,45,429
Less : Capitalised / Adjustments	63,52,630	3,56,44,074	18,50,271
Closing	<b>23,93,606</b>	<b>66,48,470</b>	<b>3,06,57,772</b>
<b>(B) Building</b>			
Opening	-	-	-
Add : Addition	72,42,644	62,55,667	-
Less : Capitalised / Adjustments	-	62,55,667	-
Closing	<b>72,42,644</b>	-	-
<b>Total (A + B)</b>	<b>96,36,250</b>	<b>66,48,470</b>	<b>3,06,57,772</b>

3.01. Refer to Note No 17.01 for information on Plant and equipment pledged as security by the company.

3.02. The unamortised balance relates to the lease hold land for which the lease period has already been expired transferred to the Statement of Profit & loss.

3.03. In view of the business plan 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 based on the independent valuer, the management is of the opinion that no Impairment in the value of the fixed assets of the Subsidiary Company with in the meaning of Ind AS 36 - Impairment of Assets is anticipated at this stage.

3.04. As stated in Note No 44 on "First Time Adoption of Ind AS", the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Accordingly, the net block as on 01.04.2016 aggregating to Rs. 20,10,13,104 comprising of carrying value of various assets as follows, is considered as the deemed cost of the respective property, plant and equipment:

Particulars	Gross Block as at 01-04-2016	Accumulated Depreciation as at 01-04-2016	Carrying value (deemed cost) as at 01-04-2016
Freehold land	56,78,642	-	56,78,642
Leasehold land	2,41,921	-	2,41,921
Buildings	2,99,45,428	31,66,025	2,67,79,403
Plant & Equipments	1,26,86,94,595	1,11,21,43,307	15,65,51,288
Furniture & Fittings	5,04,030	4,76,736	27,294
Vehicles	2,98,28,825	1,86,39,928	1,11,88,897
Office Equipments	18,99,159	16,25,771	2,73,388
Computer	33,65,120	30,92,849	2,72,271
<b>Total</b>	<b>1,34,01,57,720</b>	<b>1,13,91,44,616</b>	<b>20,10,13,104</b>

**3.05** Additions during the year include borrowing cost of Rs Nil( FY 2016-17 - Rs 2,60,994/-, FY 2015-16 - Rs 4,69,847/-) capitalised during the year as per IND AS.

#### 4. Financial Assets- Investments (Non Current)

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>A) Investments at fair value through other Comprehensive Income</b>			
1. Investments in Equity Instruments			
<b>Unquoted</b>			
6,000 Equity Shares (As at 31.03.2017- 6,000 As at 31.03.2016- 6,000) of Rs. 100/- each Fully paid up in Kutty Flush Doors and Furniture Co. (P) Ltd.	3,25,100	3,25,100	3,25,100
<b>Quoted</b>			
2500 Equity Shares (As at 31.03.2017 - 2500 As at 31.03.2016-2500) of Rs. 2/- each Fully Paid up in HDFC Bank Ltd.	47,15,250	36,06,375	26,77,875
10,000 Equity Shares (As at 31.03.2017-10,000 As at 31.03.2016-10,000) of Rs. 10/- each fully paid up in Keltron Component Complex Ltd, (Net of Impairment in value of Rs 1 Lakh (As at 31.03.2017- Rs 1 Lakh As at 31.03.2016 - Rs 1 Lakh)	-	-	-
<b>Unquoted</b>			
10,000 Equity Shares (As at 31.03.2017-10,000 As at 31.03.2016-10,000) of Rs. 10/- each fully paid up in Transformers and Electricals Kerala Ltd.	2,00,822	1,71,638	2,00,822
5,000 Equity Shares (As at 31.03.2017-5,000 As at 31.03.2016-5,000) of Rs. 10/- each fully paid up in SAIL-SCL Kerala Ltd.( Net of Impairment in value of Rs 50,000/- (As at 31.03.2017- Rs 50,000/- As at 31.03.2016 - Rs 50,000/- )	-	-	-
	<b>52,41,172</b>	<b>41,03,113</b>	<b>32,03,797</b>
<b>B) Investments at Fair Value through Profit or Loss</b>			
<b>a) Investment in Debentures</b>			
<b>Unquoted</b>			
Nil Debentures ( (As at 31.03.2017- 150 Debentures As at 31.03.2016-150 Debentures ) of Rs. 10,000/- each fully paid up in Kutty Flush Doors and Furniture Co. (P) Ltd. (Net of Impairment in value of Rs Nil ((As at 31.03.2017- Rs 11.20 Lakh, As at 31.03.2016- Rs 15 Lakh)	-	3,80,000	-
	-	<b>3,80,000</b>	-

<b>b) Investment in Government Securities at amortised Cost</b>			
National Savings Certificates	77,000	77,000	77,000
	77,000	77,000	77,000
<b>TOTAL NON CURRENT INVESTMENTS</b>	<b>53,18,172</b>	<b>45,60,113</b>	<b>32,80,797</b>
Aggregate amount of Quoted Investments	47,15,250	36,06,375	26,77,875
Aggregate Market Value of Quoted investments	47,15,250	36,06,375	26,77,875
Aggregate amount of Unquoted Investments	6,02,922	9,53,738	6,02,922
Aggregate amount of Impairment in value of investments	1,50,000	1,50,000	16,50,000
<b>5. Financial Assets - Loans (Non-Current)</b>			
<b>a) Security Deposit</b>			
Unsecured, Considered Good	1,13,70,654	1,14,07,029	1,23,50,497
Unsecured, Considered Doubtful	9,95,890	9,53,777	7,98,921
Less: Allowance for bad & doubtful	(9,95,890)	(9,53,777)	(7,98,921)
	<b>1,13,70,654</b>	<b>1,14,07,029</b>	<b>1,23,50,497</b>
<b>b) Others Loans</b>			
(Advance for Inward Supply of Goods)			
Unsecured, Considered Good	-	-	-
Unsecured, Considered Doubtful	16,16,132	16,16,132	16,16,132
Less: Allowance for bad & doubtful	(16,16,132)	(16,16,132)	(16,16,132)
	-	-	-
<b>TOTAL</b>	<b>1,13,70,654</b>	<b>1,14,07,029</b>	<b>1,23,50,497</b>
<b>6. Financial Assets - Others (Non Current)</b>			
a) Bank Deposits( With maturity more than 12 months)	18,45,862	18,45,862	-
(Margin Money Deposit held as security for availing letter credit and Bank Guarantee facilities)			
<b>TOTAL</b>	<b>18,45,862</b>	<b>18,45,862</b>	<b>-</b>
<b>7. Other Non Current Assets</b>			
a) Capital Advances	-	-	23,34,753
b) Other Advances (Prepaid Expenses)	2,47,500	2,98,609	5,94,582
<b>TOTAL</b>	<b>2,47,500</b>	<b>2,98,609</b>	<b>29,29,335</b>
<b>8. Inventories</b>			
a) Raw Materials	2,03,35,898	2,41,31,045	3,42,18,993
b) Work in Progress	4,87,62,560	5,23,24,433	4,65,75,739
c) Finished Goods	21,68,36,833	26,33,71,293	25,53,71,580
d) Stores and Spares	4,72,97,277	4,24,04,760	4,50,68,641
<b>TOTAL</b>	<b>33,32,32,568</b>	<b>38,22,31,531</b>	<b>38,12,34,953</b>
Included above, goods in transit			
(i) Raw Materials	31,21,551	30,36,285	17,89,436
(ii) Finished Goods	-	11,56,328	7,97,156
<b>TOTAL</b>	<b>31,21,551</b>	<b>41,92,613</b>	<b>25,86,592</b>

**8.01** Method of valuation of inventories - See Note 2 (k) of Significant Accounting Policies.

**8.02** During the year, write down made towards slow moving and non moving inventories for Rs 2,75,17,506 /- ( For the FY 16-17 ; Rs 2,48,60,645 /- , For the FY 15-16 ; Rs 1,39,94,123 /- ). Inventory value shown above are net of write down amount. These were recognised as an expense during the year through the changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit or loss.

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>9. Financial Assets - Trade Receivables (Current)</b>			
a) Unsecured, considered Good	14,00,65,741	14,41,72,386	14,52,56,358
b) Unsecured, Considered Doubtful	2,18,48,497	1,75,36,565	1,81,09,491
	16,19,14,238	16,17,08,951	16,33,65,849
Less: Allowance for bad & doubtful debts	(2,18,48,497)	(1,75,36,565)	(1,81,09,491)
<b>TOTAL</b>	<b>14,00,65,741</b>	<b>14,41,72,386</b>	<b>14,52,56,358</b>

9.01 Includes receivables from Related Parties ( Refer Note 36 )

9.02 For explanation on the companies credit risk management process ( Refer Note 37.04 )

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>10. Financial Assets - Cash and Cash Equivalents (Current)</b>			
a) Balance with Banks			
(i) Current Accounts	3,70,49,146	3,30,55,458	2,90,14,377
(ii) EEFC Account	5,294	5,269	5,419
	<b>3,70,54,440</b>	<b>3,30,60,727</b>	<b>2,90,19,796</b>
b) Cheques on hand	3,40,663	13,31,327	23,49,581
c) Cash on hand	11,64,479	13,08,296	6,20,654
<b>TOTAL</b>	<b>3,85,59,582</b>	<b>3,57,00,350</b>	<b>3,19,90,031</b>
<b>11. Financial Assets - Bank balances other than Cash and Cash Equivalents (Current)</b>			
a) Unclaimed Dividend	44,01,159	52,83,602	47,22,394
b) Bank Deposits( With maturity more than 3 months but less than 12 months)	1,33,75,123	1,18,63,782	1,70,19,335
(Above Bank Deposits are Margin Money Deposits held as security for availing Letter Credit and Bank Guarantee facilities)			
<b>TOTAL</b>	<b>1,77,76,282</b>	<b>1,71,47,384</b>	<b>2,17,41,729</b>

<b>12. Financial Assets - Loans (Current)</b>			
<b>Unsecured, Considered Good</b>			
a) Others			
Loans and advances to Employees	47,20,248	42,58,301	41,19,539
<b>TOTAL</b>	<b>47,20,248</b>	<b>42,58,301</b>	<b>41,19,539</b>
<b>13. Financial Assets - Others (Current)</b>			
Interest on Non - Convertible Debenture Receivable	-	23,61,130	-
Interest Receivables	1,86,075	51,892	2,12,749
Balance with Central Excise, Customs, VAT etc.	37,87,716	59,50,306	43,15,521
Export Incentive Receivables			
Unsecured, considered Good	1,80,749	25,46,532	7,05,300
Unsecured, considered Doubtful	4,94,391	3,43,900	1,63,593
Less: Provision for Doubtful Receivable	(4,94,391)	(3,43,900)	(1,63,593)
	1,80,749	25,46,532	7,05,300
Insurance Claim Recievable (Note No. 13.01)			
Unsecured, considered Good	2,10,36,634	2,10,36,634	-
	2,10,36,634	2,10,36,634	-
<b>TOTAL</b>	<b>2,51,91,174</b>	<b>3,19,46,494</b>	<b>52,33,570</b>

**13.01** Insurance Claim Receivable recognised as income during year 2016-17 and the same is yet to be realised from the Insurance company. However based on the favorable independent legal advice, no provision is considered necessary at this stage.

**13.02.** For details of classification of financial assets and fair value hierarchy (Refer Note No. 37)

<b>Paticulars</b>	<b>As at 31.03.18</b>	<b>As at 31.03.17</b>	<b>As at 01.04.16</b>
<b>14. Other Current Asset</b>			
Trade Advance	83,02,476	1,53,52,078	1,26,40,995
Prepaid Expenses	19,31,995	15,24,382	14,08,855
Gratuity (Refer Note No. 35)	20,01,444	-	-
<b>TOTAL</b>	<b>1,22,35,915</b>	<b>1,68,76,460</b>	<b>1,40,49,850</b>

## Notes attached to and forming part of Financial Statements

### 15. Share Capital

Paticulars	As at 31.03.18	As at 31.03.17	As at 31.03.16
<b>Authorised:</b>			
1,00,00,000 Equity Shares (As at 31.03.2017- 1,00,00,000 As at 31.03.2016-1,00,00,000) of Rs.10/- each	10,00,00,000	10,00,00,000	10,00,00,000
15,00,000 Redeemable Preference Shares (As at 31.03.2017- 15,00,000, As at 31.03.2016-15,00,000) of Rs.100/- each	15,00,00,000	15,00,00,000	15,00,00,000
<b>TOTAL</b>	<b>25,00,00,000</b>	<b>25,00,00,000</b>	<b>25,00,00,000</b>
<b>Issued:</b>			
86,32,470 (As at 31.03.2017-86,32,470, As at 31.03.2016- 86,32,470) Equity Shares of Rs.10/- each	8,63,24,700	8,63,24,700	8,63,24,700
<b>TOTAL</b>	<b>8,63,24,700</b>	<b>8,63,24,700</b>	<b>8,63,24,700</b>
<b>Subscribed &amp; Paid Up</b>			
84,87,340 Equity Shares (As at 31.03.2017- 84,87,340, As at 31.03.2016- 84,87,340) of Rs. 10/- each fully paid up	8,48,73,400	8,48,73,400	8,48,73,400
<b>TOTAL</b>	<b>8,48,73,400</b>	<b>8,48,73,400</b>	<b>8,48,73,400</b>

#### 15.01. 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.

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.

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

Particulars	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017		31 <sup>st</sup> March, 2016	
	No. of shares	Amount (Rupees)	No. of shares	Amount (Rupees)	No. of shares	Amount (Rupees)
<b>a) Equity Shares</b>						
At the beginning of the year	84,87,340	8,48,73,400	84,87,340	8,48,73,400	84,87,340	8,48,73,400
Add: Shares Issued during the year	-	-	-	-	-	-
At the end of the year	84,87,340	8,48,73,400	84,87,340	8,48,73,400	84,87,340	8,48,73,400

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

Particulars	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017		31 <sup>st</sup> March, 2016	
	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares
<b>a) Equity Shares</b>						
Life Insurance Corporation of India	10.80%	9,16,860	10.80%	9,16,860	10.80%	9,16,860



## Notes attached to and forming part of Financial Statements

### 16. Other Equity

Particulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
Capital Reserve	18,03,764	18,03,764	18,03,764
Capital Redemption Reserve	13,20,00,000	11,30,00,000	11,30,00,000
Securities Premium Reserve	4,41,96,050	4,41,96,050	4,41,96,050
Export Profit Reserve	19,24,094	19,24,094	19,24,094
General Reserve	82,64,857	82,64,857	82,64,857
Retained Earnings	11,10,03,976	12,11,94,635	12,58,38,847
Foreign Currency Translation Reserve	(3,14,982)	(30,16,240)	-
Other Comprehensive Income/(Loss) (OCI)	(41,30,645)	3,39,891	27,73,697
<b>Total</b>	<b>29,47,47,114</b>	<b>28,77,07,051</b>	<b>29,78,01,309</b>
Non Controlling Interest	92,54,616	81,79,119	1,14,26,432
<b>Total</b>	<b>30,40,01,731</b>	<b>29,58,86,170</b>	<b>30,92,27,741</b>

#### 16.01. Description of nature and purpose of each reserve

- Capital Reserve** - Capital reserve was created during the earlier years.
- Capital Redemption Reserve** - This reserve was created at the time of Redemption of Preference Shares. During the FY 2017-18 Rs 1,90,00,000 /- was created and Rs 11,30,00,000 /- was created during earlier years.
- Security Premium Reserve** - Security premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.
- Export profit Reserve** - This reserve was created out of profit during the earlier years.
- General Reserve** - General reserve is created from time to time by way of transfer of profit from retained earnings for appropriation purpose. General reserve is created by transfer from one component of Equity to another and is not an item of Other Comprehensive Income.
- Retained Earnings** - Retained Earnings are the profits, that the company has earned till date, Less any transfer to General Reserve, dividend or other distributions paid to shareholders.
- Foreign Currency Translation Reserve** - Exchange difference arising on translation of foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit & loss when the net investment is disposed off.
- Equity Instrument through Other Comprehensive Income (OCI)** - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other Comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off
- Remeasurement of Net Defined Benefit Plan through Other Comprehensive Income (OCI)** : This represents re-measurement gains and losses on post employment defined benefit plans recognised in other comprehensive income in accordance with Ind AS 19, "Employee Benefits"

**16.02** The Board of Directors has proposed an equity dividend of Rs Nil ( FY : 16-17 - Nil ; FY : 15-16 - Rs 0.70 ) per share for the Financial Year ended 31-03-2018.

**17. Financial Liabilities - Borrowings ( Non-current )**

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.2016
<b>Secured</b>			
a) Term Loan from Banks	72,90,507	1,60,79,398	2,51,10,181
b) Term Loan from Others	16,36,26,147	3,38,94,044	5,06,82,589
<b>Unsecured</b>			
a) 6 % Redeemable Cumulative Preference Share of Rs 100 each Fully Paid	-	-	1,90,00,000
<b>TOTAL</b>	<b>17,09,16,654</b>	<b>4,99,73,442</b>	<b>9,47,92,770</b>

Refer Note No : 20 & 22 For Current Liabilities of the above Loans

**17.01 Details of Security :**

Secured Loan	Nature of Security
<b>a) From Banks</b>	
(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 or shares of former Managing Director Late. Mr. P.K. Mohamed.
(ii) Vehicle 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) Vehicle 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>b) From Others</b>	
KSIDC Loan I & Loan II (Refinance Loan) KSIDC Loan III & Loan IV (Working Capital Term Loan)	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 1.05 Acres of Land 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.

## 17.02 : Repayment and other terms

Particulars	Principal Terms & Conditions	31 <sup>st</sup> March 2018		31 <sup>st</sup> March 2017		1 <sup>st</sup> April 2016	
		Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>Secured Borrowings</b>							
<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.	67,76,229	80,04,000	1,46,54,000	80,04,000	2,26,58,000	80,04,000
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.	-	6,39,852	6,39,852	7,80,374	14,20,226	7,04,646
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.	5,14,278	2,71,267	7,85,546	2,46,409	10,31,955	2,23,829
<b>Total</b>		<b>72,90,507</b>	<b>89,15,119</b>	<b>1,60,79,398</b>	<b>90,30,783</b>	<b>2,51,10,181</b>	<b>89,32,475</b>
<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.	-	-	-	4,04,096	1,08,82,356	1,04,09,257
KSIDC Loan II	Loan was taken during the year 2009 and carries interest rate of 8.5% on 31-03-18. The loan is repayable in 15 equal half yearly installments of Rs 16,17,647/- each from November, 2009.	-	16,17,390	15,64,834	32,35,294	48,00,233	32,35,294
KSIDC Loan III	Loan was taken during the year 2015 and carries interest rate of 9.25% on 31-03-18. 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.	1,49,16,239	1,00,00,000	3,23,29,210	75,00,000	3,50,00,000	1,00,00,000
KSIDC Loan IV	Loan was taken during the year 2018 and carries interest rate of 9.50% on 31-03-18. The loan is repayable in 36 quarterly varying installment after moratorium period of 12 months, repayment of installment will start from March 2019.	14,87,09,908	12,50,000	-	-	-	-
<b>Total</b>		<b>16,36,26,147</b>	<b>1,28,67,390</b>	<b>3,38,94,044</b>	<b>1,11,39,390</b>	<b>5,06,82,589</b>	<b>2,36,44,551</b>
<b>Unsecured Borrowings</b>							
<b>8 % Redeemable Cumulative Preference Share</b>	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 was extended upto 31st January, 2018 with cumulative dividend @ 8%. This Preference Share was Redeemed at a discount of Rs 38 Lakhs on 30-01-2018.	-	-	-	1,90,00,000	1,90,00,000	-

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>18.Provisions (Non Current)</b>			
For Employee Benefits			
Gratuity	16,61,865	14,26,337	12,67,864
Leave Encashment	30,54,806	17,02,684	18,19,973
<b>TOTAL</b>	<b>47,16,671</b>	<b>31,29,021</b>	<b>30,87,837</b>
18.01 Disclosure required under Ind AS 19 "Employee Benefits", See Note No 35			
<b>19.Deferred tax Liabilities (net)</b>			
Deferred Tax liabilities on			
Property plant and equipments	2,41,78,000	3,10,44,000	3,08,26,000
Sub-total (A)	2,41,78,000	3,10,44,000	3,08,26,000
Less: Deferred tax assets on			
Unabsorbed loss	20,02,000	-	-
Provision & Others	83,34,000	89,14,000	89,63,000
Sub-total (B)	1,03,36,000	89,14,000	89,63,000
<b>Total (A-B)</b>	<b>1,38,42,000</b>	<b>2,21,30,000</b>	<b>2,18,63,000</b>

**Movement of Deferred tax (assets) / liabilities**

Particulars	Opening Balance	Recognised in Profit & Loss Acc	Other Comprehensive Income	Closing balance
<b>For the Year Ended 31<sup>st</sup> March 2018</b>				
Deferred tax liabilities on				
Property plant and equipments	3,10,44,000	(68,66,000)	-	2,41,78,000
Less : Deferred tax assets on				
Unabsorbed loss	-	20,02,000	-	20,02,000
Provision & Other Dissallowance	89,14,000	(5,80,000)	-	83,34,000
<b>Deferred tax (assets)/liabilities (net)</b>	<b>2,21,30,000</b>	<b>(82,88,000)</b>	<b>-</b>	<b>1,38,42,000</b>
<b>For the Year Ended 31<sup>st</sup> March 2017</b>				
Deferred tax liabilities on				
Property plant and equipments	3,08,26,000	2,18,000	-	3,10,44,000
Less : Deferred tax assets on				
Provision & Others	89,63,000	(49,000)	-	89,14,000
Remeasurement of Defined Benefit Obligations		(16,46,018)	16,46,018	-
<b>Deferred tax (assets)/liabilities (net)</b>	<b>2,18,63,000</b>	<b>19,13,018</b>	<b>(16,46,018)</b>	<b>2,21,30,000</b>

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>20. Financial Liabilities - Borrowings (Current)</b>			
a) Loan repayable on Demand (Note No. 20.01)			
From Banks (Secured)	9,84,98,393	21,48,35,887	17,83,10,808
b) Loan from related parties (Un Secured) (Note No. 20.02)	26,66,876	37,95,822	93,81,057
c) Others			
Buyers credit from Banks (Secured) (Note No. 20.03)	1,24,89,698	1,89,30,980	2,10,89,972
<b>TOTAL</b>	<b>11,36,54,967</b>	<b>23,75,62,689</b>	<b>20,87,81,837</b>

**20.01** 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.

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

**20.03** 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

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>21. Financial Liabilities - Trade Payables (Current)</b>			
i) Dues of Micro and small enterprises (Note No. 21.01)	-	-	-
ii) Dues to Others	6,63,39,745	6,68,50,336	4,36,41,329
<b>TOTAL</b>	<b>6,63,39,745</b>	<b>6,68,50,336</b>	<b>4,36,41,329</b>

**21.01** The Company has taken steps to identify the suppliers who qualify under the definition of Micro, Small and Medium Enterprises as defined under Micro, Small and Medium enterprises Development (MSMED) 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.

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>22. Financial Liabilities - Other (Current)</b>			
a) Current Maturities of Long Term Debt (Note No. 17.01 & 17.02)	2,17,82,509	2,01,70,173	3,25,77,026
b) Interest accrued	1,61,199	1,19,266	1,00,276
c) Unpaid Dividends (Note No. 22.01)	44,01,168	52,83,602	47,22,394
d) Trade Deposits	86,14,096	29,07,162	29,07,162
e) Preference Shares	-	1,90,00,000	-
<b>TOTAL</b>	<b>3,49,58,972</b>	<b>4,74,80,203</b>	<b>4,03,06,858</b>

**22.01** There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

Paticulars	As at 31.03.18	As at 31.03.17	As at 01.04.16
<b>23. Other Current Liabilities</b>			
a) Revenue received in Advance Advance received from Customers	1,07,96,793	1,23,27,706	1,33,66,002
b) Creditors for other liabilities	-	1,43,960	-
c) Statutory Dues	63,82,564	66,89,544	63,58,894
d) Excise duty on Closing stock	-	2,38,25,654	2,11,89,980
e) Other payable (Including employee benefits and other operating Expense Payable)	2,52,15,810	3,53,01,308	2,18,46,851
<b>TOTAL</b>	<b>4,23,95,167</b>	<b>7,82,88,172</b>	<b>6,27,61,727</b>
<b>24. Provisions (Current)</b>			
i) For Employee Benefits Gratuity (Note No. 35)	2,22,457	62,95,133	34,58,386
Leave Encashment	5,86,749	5,00,795	2,94,889
ii) Other Provisions	7,18,598	-	-
<b>TOTAL</b>	<b>15,27,804</b>	<b>67,95,928</b>	<b>37,53,275</b>
<b>24.01 Movement in Other provisions</b>			
Balance at the beginning of the year	-	-	-
Add : Provision During the Year (Indirect Tax Related)	7,18,598	-	-
Less : Amount Utilised / Reversed During the year	-	-	-
	<b>7,18,598</b>	<b>-</b>	<b>-</b>

(Rupees)

Particulars	Year ended March 31, 2018	For the March 31, 2017
<b>25. Revenue from Operations</b>		
Sale of Products (Including Excise Duty)	93,84,95,342	93,61,86,019
Sale of service	-	12,258
Other Operating Revenue		
Export Incentives	46,13,347	61,07,829
Others	11,044	4,75,535
<b>Total</b>	<b>94,31,19,733</b>	<b>94,27,81,641</b>

#### 25.01 Sale of Products :

- Sale of goods includes Excise Duty Collected from customers Rs 2,01,27,405 (31-03-2017 Rs 8,69,85,528)
- In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act 2013, Sales for the Previous year ended 31st March 2017 and Sales up to June 2017 were reported gross of Excise Duty and Net of Value Added Tax (VAT). Consequent to the introduction of Goods and Service Tax ( GST ) with effect from July 2017, VAT, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales. This has resulted in lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes.

Particulars	Year ended March 31, 2018	For the March 31, 2017
<b>26. Other Income</b>		
Interest Income		
Bank Deposits	9,68,586	11,49,215
Others (Including Interest on Debenture)	56,91,348	22,61,696
Dividend Income		
Dividend (Quoted)	27,500	23,750
Dividend (Unquoted)	1,38,00,000	-
Other Gains		
Foreign Exchange Gain	22,28,463	19,06,543
Gain on Sale of Property, Plant & Equipment	1,05,053	-
Other Non operating Income		
Premium on redemption of Debenture	19,48,800	6,61,200
Discount on Redemption of Preference Shares	38,00,000	-
Refund of Value Added Tax	-	30,40,029
Liabilities/Provisions no longer required written back	22,99,991	12,62,050
Other Income	38,514	12,870
	<b>3,09,08,255</b>	<b>1,03,17,353</b>



(Rupees)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>27. Cost of Materials Consumed</b>		
Inventory at the beginning of the year	2,41,31,045	3,42,18,993
Add: Purchases	38,42,29,732	36,41,47,750
Less : Inventory in Transit	31,21,551	30,36,285
Less: Inventory at the end of the year	1,72,14,347	2,10,94,760
	<b>38,80,24,879</b>	<b>37,42,35,698</b>
<b>28. Changes in Inventories of Finished Goods and Work in Progress</b>		
<b>Inventories at the beginning of the year</b>		
Finished Goods	26,33,71,293	25,53,71,580
Work-in-progress	5,23,24,433	4,65,75,739
	31,56,95,726	30,19,47,319
Less: Excise Duty on Stock Reversal	2,55,29,660	-
<b>Inventories at the end of the year</b>		
Finished Goods	21,68,36,833	26,33,71,293
Work-in-progress	4,87,62,560	5,23,24,433
	26,55,99,393	31,56,95,726
<b>(Increase) /decrease in Inventories</b>	<b>2,45,66,673</b>	<b>(1,37,48,407)</b>
<b>29. Employee Benefit Expenses</b>		
Salaries, Wages and Bonus	15,19,72,234	15,34,47,435
Contribution to Provident and Other Funds	1,54,49,669	1,26,91,185
Workmen and Staff Welfare Expenses	56,48,219	51,57,512
Gratuity (Note No. 35)	26,01,490	25,94,750
Leave Encashment (Note No. 35)	18,91,673	3,11,353
	<b>17,75,63,285</b>	<b>17,42,02,235</b>
<b>30. Finance Costs</b>		
Interest expenses	3,07,35,352	3,22,13,038
Dividend on Redeemable Preference Shares	14,49,735	13,72,104
Other Borrowing Cost (Processing Charges)	31,64,488	10,37,631
	<b>3,53,49,575</b>	<b>3,46,22,773</b>
<b>31. Other Expenses</b>		
Consumption of stores and spares	69,49,780	66,41,315
Packing and Forwarding cost	2,25,72,720	1,93,21,480
Freight	2,38,05,870	2,67,87,890
Power & Fuel	16,49,41,691	15,41,08,532
Job Work Charges	72,55,984	27,53,760
Rent	23,52,066	25,36,984

Repairs to Machinery	2,91,78,795	2,97,00,414
Repairs to Building	30,63,049	34,79,212
Repairs to Others	21,02,987	21,55,752
Commission and Discount	98,39,999	1,01,61,421
Insurance	35,25,688	32,38,478
Rates & Taxes	46,21,478	59,87,495
Payments to Auditors	10,85,633	10,71,262
Provision for Doubtful Debt and Advances	46,55,323	3,35,163
Travelling expenses	88,69,952	78,82,009
Directors Sitting fees	1,90,000	1,65,000
Legal & Professional Charges	28,45,499	13,25,442
Security Charges	33,13,254	30,17,043
Bank Charges	10,83,304	7,63,728
Excise Duty on closing stock	-	10,45,794
Loss on Sale of Asset	-	57,720
Exchange loss on foreign currency	49,44,782	17,07,758
Miscellaneous expenses	60,01,317	53,20,042
	<b>31,31,99,171</b>	<b>28,95,63,694</b>
<b>31.01 Payments to Auditors</b>		
a) Statutory audit fee	5,85,913	6,01,213
b) Other services		
i) Taxation matters (including tax audit)	98,000	1,72,500
ii) Others	2,85,000	2,68,000
c) Reimbursement of Expenses	1,16,720	29,549
	<b>10,85,633</b>	<b>10,71,262</b>
<b>32. Exceptional Item</b>		
Insurance claim	-	2,61,30,449
Profit on Sale of Land	93,26,749	-
	<b>93,26,749</b>	<b>2,61,30,449</b>
<b>33. Taxation</b>		
Income tax recognised in Statement of Profit and Loss		
Current tax	(2,68,686)	58,87,230
Deferred tax	(82,88,000)	19,13,018
	<b>(85,56,686)</b>	<b>78,00,248</b>

(Rupees)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>33.01 The income tax expenses for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax	(55,309)	86,13,164
Applicable Tax Rate	33.063%	33.063%
Computed Tax Expense	(18,287)	28,47,770
Tax effect on :		
Ind AS Transition Adjustment	-	(11,92,360)
Exempted income / Provision written back	(76,55,489)	(3,22,918)
Expenses disallowed & Other	13,98,846	7,44,416
Unabsorbed Loss	24,02,358	
Foreign subsidiary company levied at different tax rate	(15,254)	(2,30,481)
Net loss from subsidiaries	36,19,140	40,40,803
<b>Current Tax Provision (A)</b>	<b>(2,68,686)</b>	<b>58,87,230</b>
Applicable deferred tax rate (subsequently enacted rate)	27.553%	33.063%
Deferred Tax on account of Tangible Assets	(68,66,000)	2,18,000
Unabsorbed loss	(20,02,000)	-
Deferred Tax on Other Items	5,80,000	16,95,019
<b>Deferred tax Provision (B)</b>	<b>(82,88,000)</b>	<b>19,13,019</b>
<b>Tax Expenses recognised in Statement of Profit and Loss (A + B)</b>	<b>(85,56,686)</b>	<b>78,00,249</b>
<b>34. Earnings per equity share</b>		
<b>Earnings per share has been computed as under :</b>		
Profit for the Period (Rs)	85,01,377	8,12,916
Add : Preference Dividend	14,49,735	13,72,104
Net profit available to Equity Shareholders	99,51,112	21,85,020
Weighted Average Number of Equity Shares of Rs. 10/- each (Fully paid-up) in Numbers	84,87,340	84,87,340
<b>Earnings per share - Basic &amp; Diluted (Rs)</b>	<b>1.17</b>	<b>0.26</b>

34.01 The company does not have any potential equity shares and thus weighted average number of shares for computation of basic EPS and diluted EPS remains same.

### 35. Disclosure required under Ind AS 19 “Employee Benefits”

#### a) Defined Contribution Plans

(Rupees)

Particulars	As at 31.03.18	As at 31.03.17
Amount recognised in the Statement of Profit & Loss is as follows ( Refer Note No 29 ):		
Employers Contribution to Provident Fund	1,14,26,722	92,86,047
Employers Contribution to Employees State Insurance	40,22,947	33,70,182

#### The Western India Plywoods Limited

#### b) Defined Benefit Plans - Gratuity : Funded Obligation

(A) ACTUARIAL ASSUMPTIONS	As at 31.03.18	As at 31.03.17
Mortality Rate	Indian Assured Lives Mortality [1994-96] Ultimate	Indian Assured Lives Mortality [1994-96] Ultimate
Discount Rate	7.50% p.a.	8.00% p.a.
Salary escalation rate *	5.00% p.a.	5.00% p.a.
Expected Return on Plan Assets	8.00% p.a.	8.00% p.a.
Expected Average Remaining Working Lives of Employees (years)	9.25	9.24

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

	As at 31.03.18	As at 31.03.17
<b>(B) RECONCILIATION OF PRESENT VALUE OF OBLIGATIONS</b>		
Present Value of Obligations at the beginning of the year	4,15,84,124	3,71,67,405
Interest Cost	31,93,165	30,53,437
Current Service Cost	19,82,819	20,01,126
Benefits paid	(1,19,71,775)	(56,04,637)
Actuarial (gain)/loss ( Experience Adjustment )	52,61,273	49,66,793
Present Value of Obligations at the end of the year	4,00,49,606	4,15,84,124
<b>(C) RECONCILIATION OF FAIR VALUE OF PLAN ASSETS</b>		
Fair Value of the Plan Assets at the beginning of the year	3,54,85,642	3,38,90,663
Expected Return on Plan Assets	28,38,851	27,11,253
Actuarial Gain/(loss) on Plan Assets	(2,20,578)	(11,637)
Contributions	1,59,18,910	45,00,000
Benefits Paid	(1,19,71,775)	(56,04,637)
Assets distributed on settlement (if applicable)	-	-
Fair Value of Plan Assets at the end of the year	4,20,51,050	3,54,85,642
<b>(D) NET LIABILITY / (ASSETS) RECOGNISED IN THE BALANCESHEET :</b>		
Present Value of Obligations as at the end of the year	4,00,49,606	4,15,84,124
Fair Value of Plan Assets as at the end of the period	4,20,51,050	3,54,85,642
Funded Status	20,01,444	(60,98,482)
Unrecognized Actuarial (gains)/losses	-	-
Net liability /(Assets) Recognized in Balance Sheet	(20,01,444)	60,98,482

	As at 31.03.18	As at 31.03.17
<b>(E) EXPENSES RECOGNIZED IN STATEMENT OF PROFIT AND LOSS FOR THE YEAR</b>		
Current Service Cost	19,82,820	20,01,126
Interest Cost	31,93,165	30,53,437
Expected Return on Plan Assets	(28,38,851)	(27,11,253)
<b>Net Charge to the Statement of Profit and Loss</b>	<b>23,37,134</b>	<b>23,43,310</b>
<b>(F) EXPENSES RECOGNIZED IN OTHER COMPREHENSIVE INCOME (OCI) FOR THE YEAR</b>		
Net actuarial (gain)/loss recognized in the period - Obligation	52,61,273	49,66,793
Net actuarial (gain)/loss recognized in the period - Plan Assets	2,20,577	11,637
<b>Net Charge to the Statement of OCI</b>	<b>54,81,850</b>	<b>49,78,430</b>

#### (G) SENSITIVITY ANALYSIS ON GRATUITY

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and may not be representative of the actual change, while holding all other assumptions constant.

PARTICULARS	March 31, 2018		March 31, 2017	
	1% increase	1% decrease	1% increase	1% decrease
<b>Impact on defined benefit obligation</b>				
On Discount rate	3,75,98,137	4,27,82,845	3,98,72,574	4,48,33,198
On Salary increase rate	4,23,67,185	3,79,31,943	4,44,02,416	4,02,26,704
On Employee turnover	6,09,08,775	1,91,90,436	1,60,96,688	50,71,559

#### c) Long Term Employee Benefits - Compensated Absences : Unfunded Obligation

<b>(A) ACTUARIAL ASSUMPTIONS</b>	As at 31.03.18	As at 31.03.17
Mortality Rate	Indian Assured Lives Mortality [1994-96] Ultimate	Indian Assured Lives Mortality [1994-96] Ultimate
Discount Rate	7.50% p.a.	8.00% p.a.
Salary escalation rate *	5.00% p.a.	5.00% p.a.
Expected Return on Plan Assets	-	-
Expected Average Remaining Working Lives of Employees (years)	9.16	9.13

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

	As at 31.03.18	As at 31.03.17
<b>(B) RECONCILIATION OF PRESENT VALUE OF OBLIGATIONS</b>		
Present Value of Obligations at the beginning of the year	22,03,479	21,14,862
Interest Cost	1,80,635	1,81,106
Current Service Cost	2,09,988	2,97,933
Benefits paid	(4,19,777)	(2,22,736)
Actuarial (gain)/loss ( Experience Adjustment )	14,67,230	(1,67,686)
Present Value of Obligations at the end of the year	36,41,555	22,03,479
<b>(C) NET LIABILITY / (ASSETS) RECOGNISED IN THE BALANCESHEET :</b>		
Present Value of Obligations as at the end of the year	36,41,555	22,03,479
Unrecognized Actuarial (gains)/losses	-	-
Net liability /(Assets) value of Unfunded Obligation Recognized in Balance Sheet	36,41,555	22,03,479
<b>(D) EXPENSES RECOGNIZED IN STATEMENT OF PROFIT AND LOSS FOR THE YEAR</b>		
Current Service Cost	2,09,988	2,97,933
Interest Cost	1,80,635	1,81,106
Net actuarial (gain)/loss recognized in the period	14,67,230	(1,67,686)
<b>Net Charge to the Statement of Profit and Loss</b>	<b>18,57,853</b>	<b>3,11,353</b>

**(E) SENSITIVITY ANALYSIS ON LONG TERM EMPLOYEE BENEFITS - COMPENSATED ABSENCES**

Significant actuarial assumptions for the determination of the compensated absence obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and may not be representative of the actual change, while holding all other assumptions constant.

PARTICULARS	March 31, 2018		March 31, 2017	
	1% increase	1% decrease	1% increase	1% decrease
<b>Impact on defined benefit obligation</b>				
On Discount rate	34,13,717	38,95,486	20,70,377	23,52,332
On Salary increase rate	38,62,491	34,39,221	23,33,091	20,85,406
On Employee turnover	55,38,198	17,44,911	33,51,124	10,55,833

## Mayabandar Doors Ltd.

### a) Defined Benefit Plans - Gratuity : Unfunded Obligation

(A) ACTUARIAL ASSUMPTIONS	As at 31.03.18	As at 31.03.17
Mortality Rate	Indian Assured Lives Mortality [1994-96] Ultimate	Indian Assured Lives Mortality [1994-96] Ultimate
Discount Rate	7.50% p.a.	8.00% p.a.
Salary escalation rate *	5.00% p.a.	5.00% p.a.
Expected Return on Plan Assets	-	-
Expected Average Remaining Working Lives of Employees (years)	17.18	16.05

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

	As at 31.03.18	As at 31.03.17
<b>(B) RECONCILIATION OF PRESENT VALUE OF OBLIGATIONS</b>		
Present Value of Obligations at the beginning of the year	16,22,988	14,49,508
Interest Cost	1,26,879	1,20,992
Current Service Cost	1,37,477	1,25,787
Benefits paid	(1,45,940)	(74,100)
Actuarial (gain)/loss ( Experience Adjustment )	1,42,918	801
Present Value of Obligations at the end of the year	18,84,322	16,22,988
<b>(C) RECONCILIATION OF FAIR VALUE OF PLAN ASSETS</b>		
Fair Value of the Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actuarial Gain/(loss) on Plan Assets	-	-
Contributions	-	-
Benefits Paid	-	-
Assets distributed on settlement (if applicable)	-	-
Fair Value of Plan Assets at the end of the year	-	-
<b>(D) NET LIABILITY / (ASSETS) RECOGNISED IN THE BALANCESHEET :</b>		
Present Value of Obligations as at the end of the year	18,84,322	16,22,988
Fair Value of Plan Assets as at the end of the period	-	-
Funded Status	-	-
Unrecognized Actuarial (gains)/losses	-	-
Net liability /(Assets) Recognized in Balance Sheet	18,84,322	16,22,988



	As at 31.03.18	As at 31.03.17
<b>(E) EXPENSES RECOGNIZED IN STATEMENT OF PROFIT AND LOSS FOR THE YEAR</b>		
Current Service Cost	1,37,477	1,25,787
Interest Cost	1,26,879	1,20,992
Expected Return on Plan Assets	-	-
<b>Net Charge to the Statement of Profit and Loss</b>	<b>2,64,356</b>	<b>2,46,779</b>
<b>(F) EXPENSES RECOGNIZED IN OTHER COMPREHENSIVE INCOME (OCI) FOR THE YEAR</b>		
Net actuarial (gain)/loss recognized in the period - Obligation	1,42,918	801
Net actuarial (gain)/loss recognized in the period - Plan Assets	-	-
<b>Net Charge to the Statement of OCI</b>	<b>1,42,918</b>	<b>801</b>

#### (G) SENSITIVITY ANALYSIS ON GRATUITY

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and may not be representative of the actual change, while holding all other assumptions constant.

PARTICULARS	March 31, 2018		March 31, 2017	
	1% increase	1% decrease	1% increase	1% decrease
<b>Impact on defined benefit obligation</b>				
On Discount rate	16,70,239	21,42,740	14,38,883	18,44,969
On Salary increase rate	21,26,515	16,79,688	18,32,135	14,46,222
On Employee turnover	28,65,739	9,02,904	24,68,594	7,77,681

All the above disclosures are based on information furnished by the independent actuary and relied upon by the auditors for the year ended 31st March, 2018.

#### c) Long Term Employee Benefits - Compensated Absences : Unfunded Obligation

The Company permits encashment of compensated absences accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the company for outstanding balance of leave at the balance sheet date is determined and provided.

#### 36. Related party disclosures, as required by Ind AS 24, "Related Party Disclosures" are given below:

<b>Key Managerial Personnel</b>	Mr. P.K. Mayan Mohamed - Managing Director Mr. P K Harris - Whole time Director
<b>Relatives of Key Managerial Personnel</b>	Mr P K Mehaboob Mohamed Estate of Late P K Mohamed
<b>Enterprise over which key management personnel or their relatives are able to exercise significant control</b>	Windmach Sports Goods (P) Ltd ERA Intermerge SDN BHD M/s Kushal Boards

(Figures in Rs)

Particulars	Key Management Personnel		Relatives of key Management Personnel		Enterprises		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sale of goods (Net) / Assets								
Windmach Sports Accessories					3,36,799	4,65,437	3,36,799	4,65,437
Kushal Boards					-	1,54,589	-	1,54,589
Services received								
P.K Mayan Mohamed	37,84,414	38,84,272					37,84,414	38,84,272
P.K Harris	1,89,600	1,89,600					1,89,600	1,89,600
P.K Mehaboob Mohamed			5,59,326	5,54,051			5,59,326	5,54,051
Finance (Interest on Loan)								
P.K Mayan Mohamed	14,029	15,575					14,029	15,575

(Figures in Rs)

Particulars	Key Management Personnel			Relatives of Key Management Personnel			Enterprises			Total		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
Amounts Receivables												
Kushal Boards (Towards sale of goods)							3,34,633		3,80,044	-	3,34,633	3,80,044
Amounts Payable												
P.K Mayan Mohamed	1,86,834	1,72,805	1,58,788							1,86,834	1,72,805	1,58,788
Estate of Late P.K Mohamed				6,87,117	12,87,117	12,87,117				6,87,117	12,87,117	12,87,117
ERA Intermerge SDN BHD				17,92,925	23,35,900	79,35,152			23,35,900	79,35,152		

\*As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

### 37 Financial Instruments:

#### 37.01 Capital Management :

The group manages its capital to ensure that the group will be able to continue as a going concern and maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options. The funding requirement is met through equity, internal accruals, long term borrowings and short term borrowings.

The group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the group. Net debt includes interest bearing borrowings less cash and cash equivalents and other bank balances.

The table below summarises the capital, net debt and net debt to equity ratio of the group.

Particulars	Notes	As at 31.03.18	As at 31.03.17	As at 01.04.2016
Equity Share Capital	15	8,48,73,400	8,48,73,400	8,48,73,400
Other Equity	16	29,48,22,136	28,77,81,766	29,78,01,307
<b>Total Equity ( A )</b>		<b>37,96,95,536</b>	<b>37,26,55,166</b>	<b>38,26,74,707</b>
Non-Current Borrowings	17	17,09,16,654	4,99,73,442	9,47,92,770
Current Borrowings	20	11,36,54,967	25,65,62,689	20,87,81,837
Current Maturity of Long Term Debt	22 (a)	2,17,82,509	2,01,70,173	3,25,77,026
<b>Gross Debt ( B )</b>		<b>30,63,54,130</b>	<b>32,67,06,304</b>	<b>33,61,51,633</b>
Less : Cash and Cash Equivalents	10	3,85,59,582	3,57,00,350	3,19,90,031
Less : Other Bank Balances	11	1,77,76,282	1,71,47,384	2,17,41,729
<b>Net Debt ( C )</b>		<b>25,00,18,266</b>	<b>27,38,58,570</b>	<b>28,24,19,873</b>
<b>Total Capital ( Equity + Net Debt ) ( D )</b>		<b>62,97,13,802</b>	<b>64,65,15,736</b>	<b>66,50,94,580</b>
<b>Net Debt to Total Capital ( C / D )</b>		<b>0.40</b>	<b>0.42</b>	<b>0.42</b>

#### 37.02 Fair value of Financial Assets and Liabilities:

Carrying value and Fair value of each category of Financial assets and liabilities are as follows -

Particulars	Notes	Carrying value & Fair Value as on		
		As at 31.03.18	As at 31.03.17	As at 01.04.2016
<b>Financial assets :</b>				
<b>Measured at fair value through profit or loss</b>				
Investment in Debenture	4(B) (b)	-	3,80,000	-
Investments Govt Securities	4(B) (b)	77,000	77,000	77,000
<b>Measured at amortised cost</b>				
Trade receivables	9	14,00,65,741	14,41,72,386	14,52,56,358
Cash and Bank balances	10 & 11	5,63,35,864	5,28,47,734	5,37,31,760
Loans	5 & 12	1,60,90,902	1,56,65,330	1,64,70,036
Other Financial Assets	6 & 13	2,70,37,036	3,37,92,356	52,33,570
<b>Measured at fair value through OCI</b>				
Investment	4 (A)(1)	52,41,172	41,03,113	32,03,797
<b>Total</b>		<b>24,48,47,715</b>	<b>25,10,37,919</b>	<b>22,39,72,521</b>

<b>Financial Liabilities:</b>				
<b>Measured at fair value through profit or loss</b>				
Borrowings - Redeemable Preference Shares	17 & 20	-	1,90,00,000	1,90,00,000
<b>Measured at amortised cost</b>				
Borrowings	17 & 20	28,45,71,621	28,75,36,131	28,45,74,607
Trade Payable	21	6,63,39,745	6,86,50,338	4,36,58,199
Other Financial Liabilities	22	3,49,58,972	4,74,80,203	4,03,06,858
<b>Total</b>		<b>38,58,70,338</b>	<b>42,26,66,672</b>	<b>38,75,39,664</b>

**Following Methods / Assumptions are used to estimate fair value.**

- 1) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their face values since the Company does not anticipate that the carrying cost would be significantly different from the values that would eventually be received or settled.
- 2) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

**37.03 Fair value Measurement hierarchy:**

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities, measured at fair value on the balance sheet date:

Particulars	Fair value hierarchy ( Level )	As at 31.03.18	As at 31.03.17	As at 01.04.2016
<b>Financial assets at fair value :</b>				
<b>Investment Measured at Fair value through OCI</b>				
Investment	Level 1	47,15,250	36,06,375	26,77,875
Investment	Level 3	5,25,922	4,96,738	5,25,922
<b>Fair value through Profit &amp; Loss</b>				
Investment	Level 3	77,000	4,57,000	77,000
<b>Financial liabilities at fair value:</b>				
<b>Fair value through Profit &amp; Loss</b>				
Borrowings	Level 3	-	1,90,00,000	1,90,00,000

There have been no transfers between Level 1 and Level 3 during the year. Also refer Note 37.02

**37.04 Financial risk management objectives and policies :**

The group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks foreign currency risk and credit risk. The group's senior management has the overall responsibility for establishing and governing the group's risk management framework. Group's exposure to each of the above risks, the objectives, policies and processes for measuring and managing risk are as follows -

**a) Liquidity risk :**

Liquidity risk represents the inability of the group to meet its financial obligations within stipulated time. The group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the group's financial liabilities based on contractual undiscounted payments

Particulars	Less than 1 year	1 to 5 years	Above 5 years	Total
<b>Balance 31 March 2018</b>				
Borrowings	13,54,37,476	6,34,16,654	10,75,00,000	30,63,54,130
Trade Payable	6,63,39,745	-	-	6,63,39,745
Other Financial Liabilities	3,49,58,972	-	-	3,49,58,972
<b>Total</b>	<b>23,67,36,193</b>	<b>6,34,16,654</b>	<b>10,75,00,000</b>	<b>40,76,52,847</b>
<b>Balance 31 March 2017</b>				
Borrowings	25,77,32,862	4,99,73,442	-	30,77,06,304
Trade Payable	6,86,50,338	-	-	6,86,50,338
Other Financial Liabilities	4,74,80,203	-	-	4,74,80,203
<b>Total</b>	<b>37,38,63,403</b>	<b>4,99,73,442</b>	<b>-</b>	<b>42,38,36,845</b>
<b>Balance 31 March 2016</b>				
Borrowings	20,87,81,837	9,22,92,770	25,00,000	30,35,74,607
Trade Payable	4,36,58,199	-	-	4,36,58,199
Other Financial Liabilities	5,93,06,858	-	-	5,93,06,858
<b>Total</b>	<b>31,17,46,894</b>	<b>9,22,92,770</b>	<b>25,00,000</b>	<b>40,65,39,664</b>

**b) Market risk**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in foreign currency exchange rates, interest rates and equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

**1) Foreign currency exchange rate risk**

The group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The group regularly evaluates exchange rate exposure arising from foreign currency transactions. The group follows the established risk management policies and standard operating procedures.

**i) The group's exposure to unhedged foreign currency risk as at 31 March 2018, 31 March 2017 and 1 April 2016 are as follows.**

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR
<b>Receivables:</b>						
USD	2,32,618	1,50,82,718	2,25,354	1,44,45,191	2,97,610	1,96,18,424
GBP	-	-	684	54,467	-	-
EURO	-	-	564	38,414	-	-
<b>Total</b>	<b>2,32,618</b>	<b>1,50,82,718</b>	<b>2,26,602</b>	<b>1,45,38,072</b>	<b>2,97,610</b>	<b>1,96,18,424</b>

<b>Payables:</b>						
USD	2,95,024	1,95,48,017	3,53,735	2,32,05,043	6,18,709	4,13,11,189
GBP	-	-	-	-	8,493	6,43,626
EURO	4,654	3,79,540	-	-	-	-
<b>Total</b>	<b>2,99,678</b>	<b>1,99,27,557</b>	<b>3,53,735</b>	<b>2,32,05,043</b>	<b>6,27,202</b>	<b>4,19,54,815</b>

## ii) Foreign Currency Sensitivity

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant.

Particulars	Impact on Profit before tax			
	Increase 31 March 2018	Decrease 31 March 2018	Increase 31 March 2017	Decrease 31 March 2017
INR/USD	(44,653)	44,653	(87,599)	87,599
INR/GBP	-	-	545	(545)
INR/EURO	(3,795)	3,795	384	(384)

## 2) Interest rate risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in prevailing market interest rates. The group's exposure to the risk due to changes in interest rates relates primarily to the group's long term borrowings and short-term borrowings with floating interest rates. The group constantly monitors its financing strategies to achieve an optimal financing cost.

### i) Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31.03.18	As at 31.03.17	As at 01.04.2016
Variable rate borrowings	30,40,54,782	28,47,94,202	27,97,48,046
Fixed rate borrowings	22,99,348	2,29,12,102	2,38,26,561
<b>TOTAL</b>	<b>30,63,54,130</b>	<b>30,77,06,304</b>	<b>30,35,74,607</b>

## ii) Sensitivity Analysis

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year, holding all other variables constant.

Particulars	Impact on Profit before tax	
	As at 31.03.18	As at 31.03.17
Interest rate increase by 1 %	(28,35,616)	(29,77,319)
Interest rate decrease by 1 %	28,35,616	29,77,319

## 3) Equity price risk :

The Company is exposed to equity price risk arising from Equity Investments (other than Subsidiaries, which are carried at cost). The fair value of equity investments classified through other comprehensive income as at March 31, 2018, March 31, 2017 and April 1, 2016, was Rs 52,41,172 /- and Rs 41,03,113 /- and Rs 32,03,797 /- respectively.

### Sensitivity Analysis :

The Sensitivity analysis has been determined based on the exposure to equity price risk at the end of the reporting period. A 10% change in equity prices of such securities held as at March 31, 2018, March 31, 2017 and April 1, 2016, would result in an impact of Rs 5,24,117/-, Rs 4,10,311/- and Rs 3,20,380/- respectively on equity before considering tax impact.

#### c) Credit risk :

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the group. The group is exposed to credit risk from its operating activities predominantly trade receivables, including deposits with banks and financial institutions, foreign exchange transactions, loans and other financial assets. For these financial instruments, group generally doesn't have collateral.

##### a) Trade Receivables

Customer and vendor credit risk is managed by business through the group's established policy, procedure and control relating to credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed for all major customers at each reporting date on an individual basis. The impairment calculations are based on historical data. Trade Receivables generally having a credit period of 30 to 90 days. There is no material expected credit loss based on the past experience. However, the group assesses the impairment of trade receivables on case to case basis and has accordingly created loss allowance.

##### b) Other financial assets

With regard to all the financial assets with contractual cashflows other than trade receivable, management believes these are quality assets with negligible credit risk. However, the group assesses the impairment loss on loans, investments and other financial assets on case to case basis and has accordingly created loss allowance.

#### c) Allowance for trade receivables, loans, investments and other financial assets

Particulars	As at 31.03.18	As at 31.03.17	As at 01.04.2016
Balance at the beginning	2,17,20,374	2,23,38,137	2,03,54,953
Credit loss allowance recognised	46,97,436	3,35,163	19,83,184
Credit loss allowance reversed / write off	(13,12,900)	(9,52,926)	-
<b>Balance at the end</b>	<b>2,51,04,910</b>	<b>2,17,20,374</b>	<b>2,23,38,137</b>



**38 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 31.03.2018		For the year ended 31.03.2017	
		Amount (Rs)	As % of consolidated profit or loss	Amount (Rs)	As % of consolidated profit or loss
	<b>Parent Company</b>	32,93,33,539	84.69%	31,63,52,386	83.08%
	<b>Subsidiaries:</b>				
	<b>a) Indian</b>				
	Southern Veneers & Woods Works Ltd	29,84,399	0.77%	49,89,805	1.31%
	The Kohinoor Saw Mills Co Ltd	(8,51,812)	(0.22%)	(8,54,026)	(0.22%)
	Mayabandar Doors Ltd	42,48,567	1.09%	1,48,53,308	3.90%
	<b>b) Foreign</b>				
	ERA & WIP Timber JV SDN BHD	4,39,05,821	11.29%	3,72,38,978	9.78%
	<b>Minority interest in all subsidiaries</b>	92,54,616	2.38%	81,79,119	2.15%
	<b>Total</b>	<b>38,88,75,130</b>	<b>100.00%</b>	<b>38,07,59,570</b>	<b>100.00%</b>

	Name of the entity	Share in profit or loss			
		For the year ended 31.03.2018		For the year ended 31.03.2017	
		Amount (Rs)	As % of consolidated profit or loss	Amount (Rs)	As % of consolidated profit or loss
	<b>Parent Company</b>	1,84,00,444	216.44%	1,35,74,333	1669.83%
	<b>Subsidiaries:</b>				
	<b>a) Indian</b>				
	Southern Veneers & Woods Works Ltd	(20,05,408)	-23.59%	(16,90,498)	(207.95%)
	The Kohinoor Saw Mills Co Ltd	2,011	0.02%	25,180	3.10%
	Mayabandar Doors Ltd	(92,77,897)	(109.13%)	(81,32,164)	(1000.37%)
	<b>b) Foreign</b>				
	ERA & WIP Timber JV SDN BHD	16,90,191	19.88%	(12,70,472)	(156.29%)
	<b>Minority interest in all subsidiaries</b>	(3,07,964)	(3.62%)	(16,93,462)	(208.32%)
	<b>Total</b>	<b>85,01,377</b>	<b>100.00%</b>	<b>8,12,916</b>	<b>100.00%</b>

**39 Computation of goodwill arising on consolidation of new Subsidiary Company: Mayabandar Doors Limited**

	Particulars	Amount (Rs)	As at 31 <sup>st</sup> March 2018	Amount (Rs)	As at 31 <sup>st</sup> March 2017
	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>

#### 40 Segment Information

The group 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 :

Particulars	Export (Rs)		Domestic (Rs)		Total (Rs)	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Revenue - Income from Operations	15,73,76,350	13,28,94,150	78,57,43,383	80,98,87,491	94,31,19,733	94,27,81,641
Segment results	(74,39,377)	58,81,680	97,24,358	77,11,952	22,84,981	1,35,93,632
Unallocated Expenditure					72,25,719	37,65,468
Unallocated Income					3,09,08,255	72,77,324
Interest Expenses					3,53,49,575	3,46,22,773
Exceptional Income					93,26,749	2,61,30,449
<b>Profit after exceptional items, but before taxation</b>					<b>(55,309)</b>	<b>86,13,164</b>

**40.01** Capital employed, assets and liabilities of the group 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.

**40.02** The group does not generate 10% or more of its revenue from a single customer.

**41.** The details of Provisions and Contingent Liabilities are as under. (Disclosed in terms of Ind AS – 37 on Provisions, Contingent Liabilities & Contingent Assets )

<b>41.01. Contingent Liabilities</b>	<b>31.03.2018 (Rupees)</b>	<b>31.03.2017 (Rupees)</b>	<b>01.04.2016 (Rupees)</b>
a) Letters of credit	37,83,267	93,97,200	43,94,049
b) Bank guarantees	75,70,194	74,65,094	74,98,194
c) Bills discounted	18,26,160	16,30,251	22,62,021
d) Disputed power charges in respect of subsidiary company Southern Veneers & Wood Works Ltd.	-	-	27,754
e) Disputed cenvat credit and penalty thereon under cenvat credit rules 2004 (Note: Rs. 6 lakhs is paid under protest) in respect of subsidiary company Mayabandar Doors Ltd.	-	8,34,965	8,34,965

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

**42** The group 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.

#### 43 Disclosure in respect of Operating Leases :

The group's significant leasing arrangements in respect of operating leases for godown, depot and other premises, which includes cancellable leases usually renewed annually by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent under Note 31 to the financial statements.

#### 44. First time adoption of Ind AS

The Group has adopted Ind AS w.e.f 1 April 2017 with a transition date of 1 April 2016. Accordingly, financial statements for the year ended 31 March 2018 together with the comparative information for the year ended 31<sup>st</sup> March 2017 and opening Ind AS balance sheet as at 1<sup>st</sup> April 2016 have been prepared in accordance with accounting policies as set out in Note 2 - "Significant accounting policies". In preparing Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

This note explains the principal adjustments made by the Group in restating its financial statements prepared under Previous GAAP for the following -

##### A. Exemptions availed

The Group has availed the following optional exemptions and mandatory exemptions in the transition from previous GAAP to Ind AS.

##### (i) Ind AS optional exemptions

Ind AS 101 "First time Adoption of Indian Accounting Standards" permits Group for adopting Ind AS for the first time to take certain exemptions. The Group has accordingly on transition to Ind AS availed the following key exemptions:

##### Deemed cost

The Group has elected to continue with the carrying value of its property, plant and equipment and intangible assets recognized as on April 1 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as on the transition date.

##### Investment in Equity Shares

The Group has opted to measure equity investments at fair value, through other comprehensive income (FVOCI) based on the facts and circumstances existing at the date of transition to Ind AS rather than at initial recognition.

##### (ii) Ind AS mandatory exceptions

The Group has applied the following exceptions to the retrospective application of Ind AS mandatorily under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

##### Estimates

In accordance with Ind AS, as at the date of transition to Ind AS an entity's estimates shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP except impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition this was not required under the previous GAAP.

##### Classification and measurement of financial assets

Group has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

##### De-recognition of financial assets and financial liabilities

Ind AS 101 First-time Adoption of Indian Accounting Standards, requires a first-time adopter to apply the de-recognition provisions of Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS.

21,47,70,373

## B) Transition to Ind AS Reconciliation

The following reconciliations provide the explanations and qualifications of the differences arising from the transitions from previous GAAP to Ind AS in accordance with the Ind AS 101

### (i) Effect of Ind AS adoption on the Balance Sheet as at 31 March 2016 and 31 March 2017

#### a) Reconciliation of Consolidated Balance Sheet as at 31-03-2017

Particulars	Foot Notes	Previous GAAP	Adjustments	IND AS
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment		21,47,70,373		21,47,70,373
(b) Capital work-in-progress		66,48,470		66,48,470
(c) Goodwill on consolidation		2,80,11,446		2,80,11,446
(d) Financial Assets				
(i) Investments	2	8,87,100	36,73,013	45,60,113
(ii) Loans		1,14,07,029	-	1,14,07,029
(iii) Others		18,45,862	-	18,45,862
(e) Other non-current assets		2,98,609		2,98,609
<b>(2) Current assets</b>				
(a) Inventories		38,22,31,531	-	38,22,31,531
(b) Financial Assets				
(i) Trade receivables		14,41,72,386	-	14,41,72,386
(ii) Cash and cash equivalents		3,57,00,350	-	3,57,00,350
(iii) Bank balances other than (ii) above		1,71,47,384	-	1,71,47,384
(iv) Loans		42,58,301		42,58,301
(v) Other Financial assets		3,19,46,494		3,19,46,494
(c) Other current assets		1,68,76,460		1,68,76,460
<b>Total Assets</b>		<b>89,62,01,795</b>	<b>36,73,013</b>	<b>89,98,74,808</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital		8,48,73,400	-	8,48,73,400
(b) Other Equity	8	27,97,51,885	79,55,166	28,77,07,051
(c) Non controlling interest		1,24,61,273	(42,82,153)	81,79,119
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		4,99,73,442	-	4,99,73,442
(b) Provisions		31,29,021	-	31,29,021
Deferred tax liabilities (Net)		2,21,30,000	-	2,21,30,000
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		23,75,62,689		23,75,62,689
(ii) Trade payables		6,86,50,336	-	6,86,50,336
(iii) Other financial liabilities		4,74,80,203	-	4,74,80,203
(b) Other current liabilities		7,82,88,173	-	7,82,88,173
(c) Provisions		67,95,928	-	67,95,928
(d) Current Tax Liabilities (Net)		51,05,446	-	51,05,446
<b>Total Equity and Liabilities</b>		<b>89,62,01,795</b>	<b>36,73,013</b>	<b>89,98,74,808</b>

**b) Reconciliation of Consolidated Balance Sheet as at 01-04-2016 (Date of transition to Ind AS)**

Particulars	Foot Notes	Previous GAAP	Adjustments	IND AS
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment		20,10,13,104		20,10,13,104
(b) Capital work-in-progress		3,06,57,772		3,06,57,772
(c) Goodwill on consolidation		2,80,11,446		2,80,11,446
(d) Financial Assets				
(i) Investments	2	5,07,100	27,73,697	32,80,797
(ii) Loans		1,23,50,497	-	1,23,50,497
(e) Other non-current assets		29,29,335		29,29,335
<b>(2) Current assets</b>				
(a) Inventories		38,12,34,953	-	38,12,34,953
(b) Financial Assets				
(i) Trade receivables		14,52,56,358	-	14,52,56,358
(ii) Cash and cash equivalents		3,19,90,031		3,19,90,031
(iii) Bank balances other than (ii) above		2,17,41,729		2,17,41,729
(iv) Loans		41,02,669		41,02,669
(v) Other Financial assets		52,33,570		52,33,570
(c) Other current assets		1,40,49,850		1,40,49,850
<b>Total Assets</b>		<b>87,90,78,414</b>	<b>27,73,697</b>	<b>88,18,52,111</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital		8,48,73,400	-	8,48,73,400
(b) Other Equity	8	28,39,82,161	1,38,19,148	29,78,01,309
(c) Non controlling interest		1,39,49,188	(25,22,756)	1,14,26,432
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		9,47,92,770	-	9,47,92,770
(b) Provisions		30,87,837	-	30,87,837
Deferred tax liabilities (Net)		2,18,63,000	-	2,18,63,000
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		20,87,81,837		20,87,81,837
(ii) Trade payables		4,36,41,329	-	4,36,41,329
(iii) Other financial liabilities		4,03,06,858	-	4,03,06,858
(b) Other current liabilities		6,27,61,727	-	6,27,61,727
(c) Provisions	4&5	1,22,75,970	(85,22,695)	37,53,275
(d) Current Tax Liabilities (Net)		87,62,337	-	87,62,337
<b>Total Equity and Liabilities</b>		<b>87,90,78,414</b>	<b>27,73,697</b>	<b>88,18,52,111</b>

85,57,96,113

## (ii) Effect of Ind AS adoption on the Statement of Profit and Loss for the Year ended 31 March 2017

Particulars	Foot Notes	Previous GAAP	Adjustments	IND AS
Revenue from operations	6	85,57,96,113	8,69,85,528	94,27,81,641
Other income		1,03,17,353	-	1,03,17,353
<b>Total Income ( I + II )</b>		<b>86,61,13,466</b>	<b>8,69,85,528</b>	<b>95,30,98,994</b>
<b>Expenses:</b>				
Cost of materials consumed		37,42,35,698		37,42,35,698
Purchases of Stock-in-Trade				
Excise Duty	6	-	8,69,85,528	8,69,85,528
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		(1,37,48,407)	-	(1,37,48,407)
Employee benefits expense	3	17,91,81,466	(49,79,231)	17,42,02,235
Finance costs	5	3,32,50,669	13,72,104	3,46,22,773
Depreciation and amortization expense		2,47,54,758	-	2,47,54,758
Other expenses		28,95,63,694	-	28,95,63,694
<b>Total expenses (IV)</b>		<b>88,72,37,878</b>	<b>8,33,78,401</b>	<b>97,06,16,279</b>
<b>Profit/ (Loss) before Exceptional Items and tax ( III - IV )</b>		<b>(2,11,24,412)</b>	<b>36,07,127</b>	<b>(1,75,17,285)</b>
Exceptional Items ( Net )		2,61,30,449	-	2,61,30,449
<b>Profit / (Loss) Before tax ( V - VI )</b>		<b>50,06,037</b>	<b>36,07,127</b>	<b>86,13,164</b>
Tax expense:				
(1) Current tax		58,87,230	-	58,87,230
(2) Deferred tax	9	2,67,000	16,46,018	19,13,018
<b>Profit /(Loss) for the period ( VII - VIII )</b>		<b>(11,48,193)</b>	<b>19,61,109</b>	<b>8,12,916</b>
Other comprehensive income				
<b>A (i) Items that will not be reclassified to profit or loss</b>				
a) Remeasurements of post employment benefit obligations	3	-	(49,79,231)	(49,79,231)
b) Changes in fair value of FVOCI equity instruments	2	-	8,99,316	8,99,316
(ii) Income tax relating to items that will not be reclassified to profit or loss	3	-	16,46,018	16,46,018
			<b>(24,33,897)</b>	<b>(24,33,897)</b>
<b>B (i) Items that will be reclassified to profit or loss</b>	10		<b>(45,52,478)</b>	<b>(45,52,478)</b>
Exchange differences on translation of foreign operations				
<b>Total Comprehensive Income for the Year ( IX + X ) (Comprising Profit / (Loss) and Other Comprehensive Income for the Year)</b>		<b>(11,48,193)</b>	<b>(50,25,266)</b>	<b>(61,73,459)</b>

\*The previous year GAAP figures have been re-classified to conform to Ind AS presentation requirements for the purpose of this note.

**(iii) Reconciliation of total equity as at April 1, 2016 and March 31, 2017**

Particulars	Notes	As at March 31, 2017	As at April 1, 2016
<b>Total Equity as per previous GAAP</b>		<b>37,70,86,558</b>	<b>38,28,04,749</b>
Adjustments:			
Reversal of Preference dividend including tax thereon	5	-	13,72,104
Reversal of Equity dividend including tax thereon	4	-	71,50,591
Fair Value of Investment	2	36,73,013	27,73,697
<b>Total Equity as per Ind AS</b>		<b>38,07,59,571</b>	<b>39,41,01,141</b>

**(iv) Reconciliation of total comprehensive income for the year ended March 31, 2017**

Particulars	Notes	Year ended 31 March 2017
<b>Profit after Tax as per previous GAAP</b>		<b>11,48,195</b>
Adjustments:		
Less : Dividend on redeemable preference shares	5	13,72,102
Add : Remeasurements of post employment benefit obligations	3	49,79,231
Less : Tax Effect Adjustment	3	16,46,018
<b>Profit after Tax as reported under Ind AS</b>		<b>8,12,916</b>
Other Comprehensive Income (Net of Tax)		(69,86,375)
<b>Total Comprehensive income as per Ind AS</b>		<b>(61,73,459)</b>

**(v) Reconciliation of Statement of Cash Flows for the year ended March 31, 2017.**

Particulars	Previous GAAP	Adjustments	Adjusted Figures (Ind AS)
Net Cash Flow from Operating Activities	5,30,61,895	-	5,30,61,895
Net Cash Flow from Investing Activities	(1,03,53,571)	(27,48,483)	(76,05,088)
Net Cash Flow from Financing Activities	(3,71,94,011)	-	(3,71,94,011)
<b>Net Increase / (decrease) in Cash &amp; Cash equivalents</b>	<b>55,14,313</b>	<b>(27,48,483)</b>	<b>82,62,796</b>
<b>Cash &amp; Cash equivalents at the beginning of the year</b>	<b>5,37,31,760</b>	<b>2,17,41,729</b>	<b>3,19,90,031</b>
Less: Foreign currency translation adjustment	(45,52,478)		(45,52,478)
<b>Cash and Cash equivalents at the end of the Year</b>	<b>5,46,93,595</b>	<b>1,89,93,246</b>	<b>3,57,00,349</b>

Previous GAAP Figures have been reclassified / regrouped wherever necessary to confirm with the financial statements prepared under Ind AS.



## C. Foot Notes to First Time adoption of IND AS

### 1. Property, Plant & Equipment

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Group has elected to measure all its property, plant and equipment at their previous GAAP carrying value.

### 2. Fair valuation of investments

Under the Previous GAAP, the Group accounted for long term investments in equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has designated such investments as Fair Value through Other Comprehensive Income (FVTOCI). Ind AS requires FVTOCI investments to be measured at fair value.

At the date of transition to Ind AS (1<sup>st</sup> April, 2016), difference between the instruments fair value and Indian GAAP carrying amount amounting to Rs 27.74 Lakhs has been recognised as a separate component of equity, in the Equity Instrument through Other Comprehensive Income reserve with corresponding adjustment to the carrying value of investments. The amount recognised in Other Comprehensive Income for the year ended 31.03.2017 is Rs 8.99 Lakhs.

Investments in debenture have been measured at fair value through profit or loss (FVTPL) as against cost less diminution of other than temporary nature, if any, under the Previous GAAP.

### 3. Re-measurements of post-employment benefit obligations

In the financial statements prepared under Previous GAAP, re-measurement benefit of defined plans (gratuity), arising primarily due to change in actuarial assumptions was recognized as employee benefits expense in the Statement of Profit and Loss. Under Ind AS, such re-measurement benefits relating to defined benefit plans is recognized in Other Comprehensive Income as per the requirements of Ind AS 19 - Employee benefits. Consequently, the related tax effect of the same has also been recognised in Other Comprehensive Income.

For the year ended 31st March, 2017, re-measurement of gratuity liability resulted in a net expenses of Rs.49.79 Lakhs which has now been reclassified from employee benefits expense in the Statement of Profit and Loss and recognised separately in Other Comprehensive Income. Tax effect of the same amounting to Rs.16.46 Lakhs is also recognised separately in Other Comprehensive Income. The above changes do not affect Equity as at date of transition to Ind AS and as at 31st March, 2017.

### 4. Proposed Equity Dividend

Under Previous GAAP upto 1.4.2016, proposed dividend including dividend distribution tax (DDT), are recognized as liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognized as liability in the period in which it is declared by Company, usually when approved by shareholders in a general meeting or paid.

Therefore, the dividend liability (proposed dividend) including dividend distribution tax liability amounting to Rs.71.51 Lakhs upto 1.4.2016 has been de-recognised in the retained earnings as on the date of transition.

Proposed dividend including dividend distribution tax liability amounting to Rs.71.51 Lakhs upto 1.4.2016 which was de-recognised as on the transition date, has been recognised in retained earnings during the year ended 31st March, 2017 as declared and paid.

### 5. Preference Share Capital & Dividend

Under the previous GAAP, preference share capital grouped under Share Capital but under Ind AS, the same has been classified as "Borrowings" under Liabilities. Accordingly, adjustments have been made in Equity and Borrowings in Balance sheet.

Under the previous GAAP, dividends on preference shares have been adjusted from retained earnings in financial statements. Under Ind AS, such dividends are recognised as finance cost expense in Profit and Loss statement. Accordingly, adjustments have been made in retained earnings and Profit and Loss statement. Preference dividend recognised as borrowing cost during the FY 2016-17 amounting to Rs 13.72 Lakhs.

#### **6. Excise duty**

Under the Previous GAAP, revenue from sale of goods was presented net of excise duty whereas under Ind AS the revenue from sale of goods is presented inclusive of excise duty. Accordingly, the excise duty has been included in revenue and other expenses respectively. This change has resulted in an increase in total revenue and total expenses for the Year ended March 31 2017 by Rs 8,69,85,528 /- . There is no impact on the total equity and profit.

#### **7. Other comprehensive income**

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss, but shown in the statement of profit and loss as 'other comprehensive income', includes remeasurements of defined benefit plans and change in fair value of equity instruments and exchange differences on translation of foreign operation. The concept of other comprehensive income did not exist under the previous GAAP.

#### **8. Other Equity**

Adjustments to retained earnings as at 1 April 2016 and 31 March 2017 have been adjusted consequent to the above Ind AS transition adjustments.

#### **9. Deferred tax**

Under the Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS 12, Income Tax, deferred taxes are recognized following the balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base.

#### **10. Foreign Currency Translation reserve on translation**

The financial statement of the overseas subsidiary in Foreign Currency translated to Indian Rupee, which is the functional currency of the Parent company. As per Ind AS difference arising on translation of Foreign Subsidiary in to Indian Rupee is recognised as a component of Other Comprehensive Income. Accordingly, an amount of Rs 45.52 Lakhs has been credited in Other Comprehensive Income as Items that will be reclassified to Profit and Loss during the year ended 31<sup>st</sup> March 2017.

The group has elected to reset the cumulative translation difference to zero as on 1<sup>st</sup> April 2016 by transferring the amount to retained earnings as per Ind AS 101.

#### **11. Ind AS Presentation**

In the preparation of these Ind-AS Financial Statements, Group has made several presentation differences between previous GAAP and Ind-AS. These differences have no impact on reported profit or total equity. Accordingly, some income and expenses, assets & liabilities have been reclassified into another line item under Ind-AS at the date of transition. Further, in these Financial Statement, some line items as described differently under Ind-AS compared to previous GAAP although the assets and liabilities included in these line items are unaffected.

**4 5** Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements. Figures have been rounded off to the nearest Rupee.

For and on behalf of the Board of Directors

<b>P.K MAYAN MOHAMED</b>	<b>T.BALAKRISHNAN</b>	<b>R.BALAKRISHNAN</b>
Managing Director	Chairman	CFO & Company Secretary
(DIN: 00026897)	(DIN: 00052922)	(M.No: 7119 )

As per our report of even date attached

For **Sankar & Moorthy**  
Chartered Accountants  
FRN.003575S

Place: Cochin  
Date: 26.05.2018

**Jayaprakesh.M.C.**  
(Partner).  
Membership No. 215562

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

**NOTICE OF ANNUAL GENERAL MEETING:**

**NOTICE** is hereby given that the 73<sup>rd</sup> Annual General Meeting of The Western India Plywoods Limited will be held on Friday 28<sup>th</sup> September, 2018 at 3.30 pm at the registered Office of the Company at Kannur, to transact, with or without modification(s), as may be permissible, the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt
  - a. the Audited Balance Sheet as at 31<sup>st</sup> March, 2018 and the Statement of Profit & Loss, Statement of changes in Equity for the financial year ended on that date together with Cash flow statement, report of the Board of Directors and Auditors thereon.
  - b. The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2018 together with the Auditors Report thereon.
2. To consider and appoint a Director in place of Shri E. Ranjith Kuruvilla who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS**

3. To consider and if, thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions contained in sections 196,197,203, and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendments thereto or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, approval be and is hereby accorded for the appointment of Shri. P.K. Mayan Mohamed as Managing Director for a period of three years effective from 12<sup>th</sup> December, 2017 and for the payment of remuneration as given hereunder, with liberty to the Board to alter and vary such terms and conditions including remuneration so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendments thereto as may be decided by the Board of Directors.”

**Remuneration:**

- a. Monthly salary of Rs.2.20 Lakhs
- b. Commission: One percent of Net profits as computed pursuant to Section 198 of the Companies Act, 2013 subject to the overall remuneration (including Salary & Commission), specified in Schedule V of the Act.
- c. Perquisites
  1. Company's contribution towards provident Fund, Gratuity and Superannuation Fund should not exceed the limits prescribed under Income Tax Act.
  2. House Rent: House rent allowance at 50% of the monthly salary.
  3. Medical benefits to self and family: Reimbursement of expenses actually incurred the total cost of which to the Company shall not exceed one month's salary in a year.
  4. Leave: On full pay and allowance as per Rules of the Company but not exceeding one month's leave for every eleven months service, subject to the condition that leave accumulated but not availed of will not be allowed to be encashed.

RESOLVED FURTHER that if in any financial year, the Company has no profits or is having inadequacy of profits, Shri P K Mayan Mohamed shall be paid Managerial Remuneration as specified above subject to the overall limits specified in Schedule V.

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to this resolution”.

By the order of the Board  
For The Western India Plywoods Limited

Date: 13.08.2018  
Place: Kannur

R Balakrishnan  
CFO & 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 22<sup>nd</sup> September 2018 to 28<sup>th</sup> September 2018 both days inclusive.
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 10<sup>th</sup> September, 2018.
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. 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 Limited, Chennai for the necessary help
9. 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).

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 - 180820062
- iv) Now Enter your User ID:

	for Members holding shares in Demat form	for Members holding shares in Demat 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. E.g. 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 authorized 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 25<sup>th</sup> September 2018 at 9 am and ends on 27<sup>th</sup> September 2018 at 5 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date i.e. 21<sup>st</sup> September 2018 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 21<sup>st</sup> September 2018 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 21<sup>st</sup> September 2018) 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 21<sup>st</sup> September 2018, 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: 13.08.2018

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

R.Balakrishnan  
CFO & 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 item no. 3, of the accompanying Notice dated 13.08.2018.

Shri. Mayan Mohamed was appointed as Managing Director for a period of three years commencing from 11.11.2014 and his remuneration was also fixed for a period of three years.

The Board of Directors in their meeting held on 12.12.2017 decided to reappoint Shri. P.K. Mayan Mohamed as Managing Director for further period of three years w.e.f 12.12.2017 and referred this matter to the Nomination and Remuneration Committee for recommendation of suitable remuneration payable to him.

The Committee after due consideration of the matter with reference to the provisions contained in Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules thereunder read with Schedule V had recommended the remuneration to be paid as specified in the resolution.

The Board, after careful consideration adopted the recommendations of the Nomination and Remuneration Committee and resolved to re-appoint Shri. Mayan Mohammed as Managing Director for a term of three years w.e.f 12.12.2017 and fix his remuneration as detailed above subject to the approval of Members at the Annual General Meeting.

None of the Directors other than Shri. Mayan Mohamed is interested in the above resolution. Shri. P.K. Mayan Mohamed is son of Late P.K. Mohamed, Former Managing Director. Shri. Mayan Mohamed is interested to the extent of remuneration receivable by him as Managing Director. Shri. Mayan Mohamed holds, 92610 equity shares of Rs.10/- each in the Company.



**THE INFORMATION IN RESPECT OF ITEM NO.2 & 3 IN ACCORDANCE WITH REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015 ABOUT THE DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT IN THIS ANNUAL GENERAL MEETING ARE FURNISHED HEREUNDER**

Particulars	Item No. 2	Item No. 3
Name of Director	Ranjit Kuruvilla	P K Mayan Mohamed
Date of Birth	21.02.1960	23.08.1964
Date of Appointment on the Board	07.08.2017	09.06.2001
Qualification	B. Com	B Tech (Mechanical)
Experience in specific functional areas	Industrialist. More than 29 years of experience in handling and managing various manufacturing facilities and has proven track for developing markets for products	Industrialist
List of other Public Companies in which Directorship held	Nil	a. Kohinoor Saw Mills Company Limited b. Mayabandar Doors Limited c. Southern Veneers and Woodworks Limited
Chairman/Member of the Committee of the Board of Director of the Company	Nil	<u>Member</u> a. Stakeholders Relationship Committee
Chairman/Member of the Committee of other Companies in which he is a Director	Nil	Nil
Number of Shares held in the Company (both own or held by/for other persons on a beneficial basis) as on March 31, 2018	202910	92610
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil	Nil
Number of meetings attended during the year.	1	5

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

Place : Kannur  
Date : 13.08.2018

R. Balakrishnan  
CFO & Company Secretary

**THE WESTERN INDIA PLYWOODS LTD.**  
Regd. Office: VALAPATANAM, KERALA, INDIA  
Tel: 2778151 (4Lines) Fax: 2778181-PIN 670010  
E-mail: westernply@gmail.com / secretarial.westernply@gmail.com  
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 73<sup>rd</sup> Annual General Meeting of the company, to be held on Friday, 28<sup>th</sup> September 2018 at 03.30p.m. at the Registered Office at Baliapatam ,Kannur Kerala -670010 and at any adjournment thereof in respect of such resolutions as are indicated below:

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

Resolution No	Resolutions	Optional **	
		For	Against
Ordinary Business			
1	Consider and Adopt the Audited Financial Statements, Audited Consolidated Financial Statements, Report of the Board of Directors and Auditors for the year ended 31 <sup>st</sup> March 2018		
2	Consider and appoint a Director in place of Shri E. Ranjith Kuruvilla who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
3	Consider and appoint Shri P K Mayan Mohammed as Managing 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 PRODUCTS***



**PLYWOODS**



**HARDBOARDS**



**DECORATIVE FLOORINGS**



**DENSIFIED LAMINATES**



## WIP PRODUCT RANGE

PRODUCT NAME	SPECIFICATIONS & APPLICATIONS
<b>HARDBOARD</b>	Used extensively by automobile industries, fibre 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 Plywood, manufactured from selected species of timber, water-proof quality used for boat building, concrete shuttering, furniture, partitions, panelling 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, panelling 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.