



# DHABRIYA POLYWOOD LIMITED

(Formerly known as Dhabriya Agglomerates Ltd.)

Regd. Office : B-9D(1), Malviya Industrial Area, JAIPUR-302 017 (Raj.) INDIA

Phone : +91-141-4057171, 4040101-105 | Fax : +91-141-2750814

E-mail : info@polywood.org | Website : www.polywood.org

CIN : L29305RJ1992PLC007003

Ref: BSE/2017-18/27

Date: 10.10.2017

To,  
The General Manager  
Department of Corporate Service  
BSE Limited, P.J. Towers, Dalal Street,  
Fort, Mumbai – 400 001

**Scrip Code – 538715**

Dear Sir/ Madam

**Subject – Submission of Annual Report for the Financial Year 2016-17 of Dhabriya Polywood Limited.**

In reference with the captioned subject, we are submitting herewith the Annual Report of the Company for the Financial Year 2016-17, in terms of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly disseminate the information on the official website of the exchange for the information of all members of the exchange and investors.

Thanking you,

**FOR DHABRIYA POLYWOOD LIMITED**

*Sparsh Jain*  
**Sparsh Jain**  
**Company Secretary & Compliance Officer**  
**M. No. A36383**





**ANNUAL  
REPORT**

**2016-17**

**DHABRIYA POLYWOOD LIMITED**

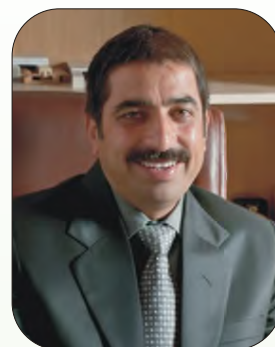
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## 25<sup>th</sup> ANNUAL GENERAL MEETING

**DAY & DATE :** Tuesday & September 26, 2017  
**VENUE :** SP-2032(A), Ramchandrapura Industrial Area,  
 Sitapura Extension, Jaipur – 302020 (Raj.)

## CHAIRMAN MESSAGE



Dear Shareholders,

I am delighted to present the 25<sup>th</sup> Annual Report of your company for the year ended March 31, 2017. Although it was yet another difficult year for the global economy, characterized by low growth and geopolitical uncertainties, your Company has performed quite well during this year. The global and local macroeconomic environment saw significant events in FY17. Events such as BREXIT and President Trump's election created an impact on global economic activity. In India the demonetization of ₹ 1,000 and ₹ 500 denomination currency notes, was a key initiative by the Government. The overall market showed signs of recovery in the latter half of the year but faced a temporary slowdown in November due to demonetization.

However, GDP growth in India was robust at 7.1%, supported by strong consumption growth and government spending. The introduction of GST is a significant reform measure and will overtime help India in simplifying tax structure and compliance, aligning it with practices in developed countries.

In this challenging business environment, Dhabriya Polywood Limited along with its subsidiary delivered another year of consistent, competitive, profitable and responsible growth.

In the year under review, your company has delivered robust operational and financial performance, resulting in gross revenue of the company increased by 17.45% to ₹ 8082.32 Lakhs (previous year ₹ 6881.44 Lakhs). The Net Profit Before Tax and Net Profit After Tax increased by 14.37% and 14.72% to ₹ 569.35 Lakhs and ₹ 373.36 Lakhs respectively (previous year ₹ 497.79 Lakhs & ₹ 325.44 Lakhs.)

During the year 2016-17, Company has allotted 330150 equity shares against acquisition of 100% equity of Polywood Profiles P Ltd, making it wholly owned subsidiary of the Company. This Company is located at Coimbatore, Tamilnadu & is engaged in manufacturing of Extruded PVC Profiles and having very good market share for its products in southern belt of India. On Consolidated Level, your Company has achieved its highest ever turnover. During the financial year 2016-17 gross revenue increased by 40.00% to ₹ 10470.65 Lakhs (previous year ₹ 7478.08 Lakhs).

Also, your Company has achieved its highest ever net profit before tax & after tax to ₹ 752.57 Lakhs and ₹ 495.51 Lakhs (previous year ₹ 550.23 Lakhs & ₹ 361.17 Lakhs) with a growth of 36.77% and 37.19% respectively.

During the year Company has fully implemented its facility for manufacturing of Dstona Sheets & Moldings and now focusing on the marketing & promotion of these products, which has shown a very good response from the market.

The Government of India (Ministry of Chemical & Fertilizers) has recognized our efforts of making ecofriendly products by bestowing upon us the "National Award for Innovation in Polymer Waste Management and Recycling Technology and Green Polymeric Materials and products". The award was given by the Honorable Cabinet Minister, Govt. of India Shri Ananth Kumar (Parliamentary Affairs/ Chemical & Fertilizers Department).

I would like to thank all my colleagues across the country for their unflinching dedication, commitment and contribution to strengthening the Company. We are looking forward to continuing on our mission of generating sustainable value for our stakeholders. I would like to express my gratitude to all our stakeholders for their continuing faith in the Company. It is your trust and commitment that enables our progress and encourages us to strive for excellence.

I would like to place on record my sincere appreciation to the Board of Directors for their valuable guidance and support. I and my colleagues on Board place on record our appreciation for support and guidance received from the Government, Stock Exchange, financial institutions and other regulatory authorities.

Best Regards

**Digvijay Dhabriya**  
Chairman

## CORPORATE INFORMATION

### THE BOARD:

Mr. Digvijay Dhabriya  
Mrs. Anita Dhabriya  
Mr. Mahendra Karnawat  
Mr. Shreyansh Dhabriya  
Mr. Sharad Kankaria  
Mr. Anil Upadhyay  
Mr. Padam Kumar Jain  
Mr. Shiv Shanker

Chairman & Managing Director  
Whole-Time Director  
Whole-Time Director  
Whole-Time Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

### AUDIT COMMITTEE

Mr. Padam Kumar Jain, Chairman  
Mr. Sharad Kankaria, Member  
Mr. Shreyansh Dhabriya, Member

### COMPANY AUDITORS

M/s Narendra Sharma & Co., Statutory Auditors  
M/s R Rawat & Associates, Internal Auditors  
M/s M Sancheti & Associates, Secretarial Auditors

### NOMINATION & REMUNERATION COMPENSATION COMMITTEE

Mr. Sharad Kankaria, Chairman  
Mr. Anil Upadhyay, Member  
Mr. Padam Kumar Jain, Member

### COMPANY WEBSITE

[www.polywood.org](http://www.polywood.org)

### STAKEHOLDER/ INVESTOR GRIEVANCE COMMITTEE

Mr. Anil Upadhyay, Chairman  
Mr. Sharad Kankaria, Member  
Mr. Digvijay Dhabriya, Member

### REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai – 400059  
Tel: +022 62638200; Fax: +022 62638299  
Email id: - [babu@bigshareonline.com](mailto:babu@bigshareonline.com)

### OTHER KEY MANAGERIAL PERSONNEL

Mr. Hitesh Agrawal, Chief Financial Officer  
Mr. Sparsh Jain, Company Secretary

### REGISTERED OFFICE

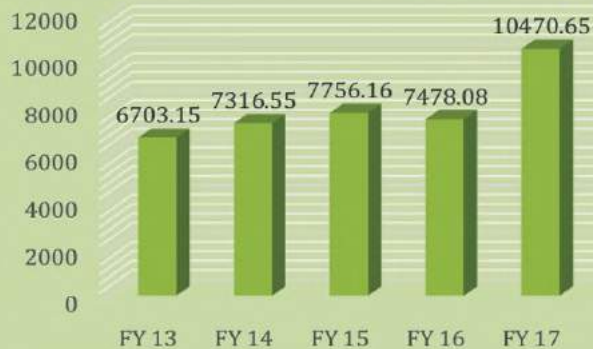
B-9D(1), Malviya Industrial Area,  
Jaipur – 302017 (Raj.)  
Email: [cs@polywood.org](mailto:cs@polywood.org)  
Contact No. 141 4057171  
Fax: 141 2750814

### COMPANY BANKERS

HDFC Bank  
ICICI Bank

## FINANCIAL HIGHLIGHTS (CONSOLIDATED)

REVENUE (₹ in Lakhs)



■ Revenue

EBIDTA (₹ in Lakhs)



■ EBIDTA

Profit Before Tax & Profit After Tax  
(₹ in Lakhs)



■ PBT ■ PAT

Reserve & Surplus (₹ in Lakhs)



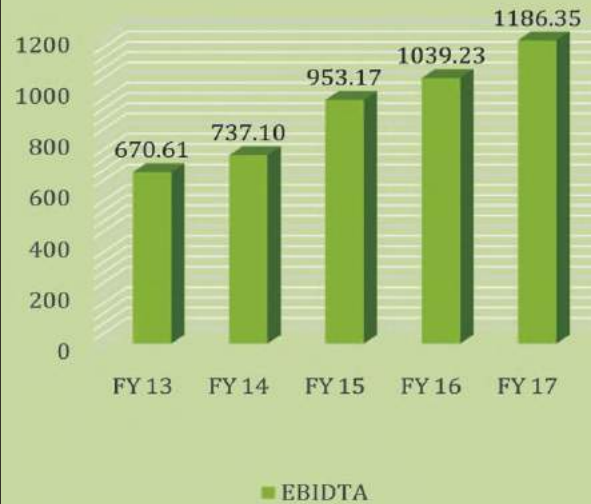
■ R & S

## FINANCIAL HIGHLIGHTS (STANDALONE)

REVENUE (₹ in Lakhs)



EBIDTA (₹ in Lakhs)



Profit Before Tax & Profit After Tax  
(₹ in Lakhs)



Reserve & Surplus (₹ in Lakhs)



## NOTICE

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of the members of Dhabriya Polywood Limited will be held on Tuesday, 26<sup>th</sup> Day of September 2017 at 11.00 a.m. at SP-2032(A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur - 302020 (Raj.) to transact the following businesses:

### Ordinary Business

1. To consider and adopt:
  - (a) the audited financial statements of the Company for the financial year ended March 31, 2017 and the reports of the Directors and Auditors thereon; and
  - (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2017 and the report of the Auditors thereon

2. To appoint a Director in place of Mr. Mahendra Karnawat (DIN: 00519876), who retires by rotation and being eligible, offer himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Mahendra Karnawat (DIN: 00519876), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To ratify the appointment of the statutory auditors of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of audit committee of the Board of Directors and pursuant to the resolution passed at the Twenty Second Annual General Meeting, for the appointment of M/s. Narendra Sharma & Co., Chartered Accountants (Firm Registration No. 004983C) as the statutory auditors of the Company to hold office until the conclusion of the Twenty Seventh Annual General Meeting, be and is hereby ratified for the financial year ending March 31, 2018, at such remuneration as may be determined by the Board of Directors of the Company."

### Special Business

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

**"RESOLVED THAT** further to the Special Resolution passed by the Shareholders of the Company at Extra-Ordinary General Meeting held on 01<sup>st</sup> September, 2014, read with resolution no. 8 of 23<sup>rd</sup> Annual General Meeting held on 26<sup>th</sup> September 2015 according their consent for appointment (including remuneration) of Mr. Digvijay Dhabriya (DIN:00519946) as Chairman & Managing Director of the Company for five years with effect from 01<sup>st</sup> September, 2014, and in accordance with the provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed, the approval of the Company be and is hereby accorded to revise the maximum basic salary payable to Mr. Digvijay Dhabriya as Chairperson & Managing Director of the Company as set out in the Explanatory Statement annexed to the Notice, with effect from April 01, 2017 for the remaining period of his tenure ending on August 31, 2019.

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above resolution the Board of Directors and/or the Remuneration Committee/the Company Secretary is/are authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard."

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

**"RESOLVED THAT** further to the Special Resolution passed by the Shareholders of the Company at Extra-Ordinary General Meeting held on 01<sup>st</sup> September, 2014, read with resolution no. 9 of 23<sup>rd</sup> Annual General Meeting held on 26<sup>th</sup> September 2015 according their consent for appointment (including remuneration) of Mrs. Anita Dhabriya (DIN:00359317) as Whole-Time Director of the Company for five years with effect from 01<sup>st</sup> September, 2014, and in accordance with the provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed, the approval of the Company be and is hereby accorded to revise the maximum basic salary payable to Mrs. Anita Dhabriya as Whole-Time Director of the Company as set out in the Explanatory Statement annexed to the Notice, with effect from April 01, 2017 for the remaining period of his tenure ending on August 31, 2019.

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above resolution the Board of Directors and/or the Remuneration Committee/the Company Secretary is/are authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard."

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

**"RESOLVED THAT** further to the Special Resolution passed by the Shareholders of the Company at Extra-Ordinary General Meeting held on 01<sup>st</sup> September, 2014, read with resolution no. 10 of 23<sup>rd</sup> Annual General Meeting held on 26<sup>th</sup> September 2015 according their consent for appointment (including remuneration) of Mr. Mahendra Karnawat (DIN:00519876) as Whole-Time Director of the Company for five years with effect from 01<sup>st</sup> September, 2014, and in accordance with the provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed, the approval of the Company be and is hereby accorded to revise the maximum basic salary payable to Mr. Mahendra Karnawat as Whole-Time Director of the Company as set out in the Explanatory Statement annexed to the Notice, with effect from April 01, 2017 for the remaining period of his tenure ending on August 31, 2019.

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above resolution the Board of Directors and/or the Remuneration Committee/the Company Secretary is/are authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard."

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

**"RESOLVED THAT** further to the Special Resolution passed by the Shareholders of the Company at Extra-Ordinary General Meeting held on 01<sup>st</sup> September, 2014, read with resolution no. 11 of 23<sup>rd</sup> Annual General Meeting held on 26<sup>th</sup> September 2015 according their consent for appointment (including remuneration) of Mr. Shreyansh Dhabriya (DIN:06940427) as Whole-Time Director of the Company for five years with effect from 01<sup>st</sup> September, 2014, and in accordance with the provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed, the approval of the Company be and is hereby accorded to revise the maximum basic salary payable to Mr. Shreyansh Dhabriya as Whole-Time Director of the Company as set out in the Explanatory Statement annexed to the Notice, with effect from April 01, 2017 for the remaining period of his tenure ending on August 31, 2019.

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above resolution the Board of Directors and/or the Remuneration Committee/the Company Secretary is/are authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard."

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

**"RESOLVED THAT** pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him/her by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him/her, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

By Order of the Board  
For Dhabriya Polywood Limited

Sd/-  
**Sparsh Jain**  
Company Secretary

Jaipur, August 14, 2017

**Registered Office:**

B-9D(1), Malviya Industrial Area,

Jaipur- 302017 (Raj.)

CIN: L29305RJ1992PLC007003

Website: [www.polywood.org](http://www.polywood.org)

E-mail: [cs@polywood.org](mailto:cs@polywood.org); Tel. No. 0141-4057171

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
3. The Explanatory Statement setting out material facts, pursuant to section 102 of the Companies Act, 2013, in respect of the special businesses under item nos. 4 to 8 of the accompanying Notice is annexed hereto.
4. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are

requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 20, 2017 to Tuesday, September 26, 2017 (both days inclusive).
6. All documents referred to in the Notice will be available for inspection at the Company's Registered office during normal business hours on all working days up to the date of the AGM. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
7. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
8. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/ transmission/ transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
9. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
10. Additional Information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM, is furnished as annexure to the Notice.
11. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company/Depository participants for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for identification.
12. Members desiring any information relating to the accounts/reports are requested to write to the Company

well in advance so as to enable the management to keep the information ready.

13. Electronic copy of the Annual Report for FY 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for FY 2016-17 are being sent in the permitted mode. Members are requested to support Green initiative by registering/updating their e-mail addresses with the Depository participant (in case of shares in dematerialized form) or with Bigshare Services Private Limited (in case of Shares held in physical form).
14. Electronic copy of the Notice of the 25<sup>th</sup> AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 25<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
15. Members may also note that the Notice of 25<sup>th</sup> AGM and Annual Report 2016-17 will also be available on the Company's website [www.polywood.org](http://www.polywood.org) for their download and also on the website of Central Depository Services (India) Ltd viz. [www.evotingindia.com](http://www.evotingindia.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id: [cs@polywood.org](mailto:cs@polywood.org).
16. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Bigshare Services Private Limited.)

17. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Tuesday, September 19, 2017. Please note that members can opt for only one mode of voting i.e., either by voting at the meeting or e-voting. If Members opt for e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting may also attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again.

18. A route map showing directions to reach the venue of the 25<sup>th</sup> AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings".

19. The Company has made arrangements for casting votes by its Equity Shareholders by remote e-voting process in accordance with Rule 20 of the Companies (Management and Administration) Rules, 2014. The Company has made arrangements with Central Depository Services (India) Limited ('CDSL') for facilitating remote e-voting process.

**20. Voting Through Electronic Means:**

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 25<sup>th</sup> AGM. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 25<sup>th</sup> AGM. The members attending the AGM, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Mr. Manish Sancheti, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The instruction to members for voting electronically are as under:

- I. The voting period begins on Saturday, September 23, 2017 at 09.00 a.m. and ends on Monday, September 25, 2017 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, September 19, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- III. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- IV. Click on Shareholders.
- V. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- VI. Next enter the Image Verification as displayed and Click on Login.
- VII. 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.

VIII. If you are a first-time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>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 in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)</li> </ul>

- IX. After entering these details appropriately, click on "SUBMIT" tab.
- X. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. 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.
- XI. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XII. Click on the EVSN for the relevant <Dhabriya Polywood Limited> on which you choose to vote.
- XIII. 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.
- XIV. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XV. 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.

XVI. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

XVII. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

XVIII. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**XIX. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

XX. Note for Non-Individual Shareholders and Custodians:

- ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

❖ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

❖ The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

XXI. 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.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

XXII. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.polywood.org](http://www.polywood.org) and on website of CDSL e-Voting [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.

#### Additional Information on Directors recommended for appointment/re-appointment

Name of Director	Mr. Mahendra Karnawat
DIN No.	00519876
Date of Birth & Age	06/07/1969 (48 years)
Date of first appointment on the Board	May 22, 2000
Qualification	Bachelor of Commerce
Experience and Expertise	25 years of experience in the field of sales, marketing and production
Number of Meetings of the Board attended during the year	7 out of 8
List of Directorship/ Membership/Chairmanship of Committees of other Board	NIL
Shareholding in the Company	46250
Relationship with other Directors	NIL

## EXPLANATORY STATEMENT

### (Pursuant to Section 102 of the Companies Act, 2013)

#### ITEM NO. 4

The term of office of Five (5) years of Mr. Digvijay Dhabriya as Chairman & Managing Director will be ending on August 31, 2019. The shareholders of the Company had also accorded their approval for payment of remuneration to him up-to August 31, 2017 through their Extra-Ordinary General Meeting on September 01, 2014.

**Remuneration:** In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of managerial personnel, the Company has no profits or its profits are inadequate, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following: -

- (i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- (ii) There is no default in repayment of any of its debts or interest payable thereon.
- (iii) A special resolution has been passed at a general meeting of the Company.

The Company has no inadequate profits in the previous year 2016-17 and for the period ended 30<sup>th</sup> June 2017 in current financial year 2017-18. However, out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

The Ministry of Corporate Affairs vide its Notification dated 12<sup>th</sup> September 2016 brought changes in the provisions under Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by increasing the limits of yearly remuneration basis effective capital as under:

- ❖ The companies having effective capital of above 5 crores but less than 100 crores can pay remuneration up-to ₹ 84 Lakhs per annum.
- ❖ This limit, specified above, shall be doubled if the special resolution is passed in the matter.

Keeping in view of the above, it is proposed to revise the maximum monthly basic salary from ₹ 5,40,000/- (Rupees Five Lakhs Forty Thousand) to ₹ 9,00,000/- (Rupees Nine Lakhs) to Mr. Digvijay Dhabriya, Managing Director of the Company with effect from April 01, 2017 for the remaining

period of his tenure ending on August 31, 2019, in terms of Companies Act, 2013.

Particulars of details of Mr. Digvijay Dhabriya, Chairman & Managing Director, pursuant to the information as required under Schedule V of the Companies Act, 2013 including Secretarial Standard - 2 and SEBI (LODR) Regulations, 2015, as applicable, are stated in *Annexure* [Point I, II(A), III and IV] to the Notice.

Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on August 14, 2017 approved the remuneration as stated in Item No. 4 of the Notice. Further, the Board of Directors recommends the resolution stated in the said item for the approval of members of the Company by way of Special Resolution.

Except Mr. Digvijay Dhabriya, Mrs. Anita Dhabriya & Mr. Shreyansh Dhabriya and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

#### ITEM NO. 5

The term of office of Five (5) years of Mrs. Anita Dhabriya as Whole-Time Director will be ending on August 31, 2019. The shareholders of the Company had also accorded their approval for payment of remuneration to him up-to August 31, 2017 through their Extra-Ordinary General Meeting on September 01, 2014.

**Remuneration:** In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of managerial personnel, the Company has no profits or its profits are inadequate, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following: -

- (i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- (ii) There is no default in repayment of any of its debts or interest payable thereon.
- (iii) A special resolution has been passed at a general meeting of the Company.

The Company has no inadequate profits in the previous year 2016-17 and for the period ended 30<sup>th</sup> June 2017 in current financial year 2017-18. However, out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

The Ministry of Corporate Affairs vide its Notification dated 12<sup>th</sup> September 2016 brought changes in the provisions under Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by increasing the limits of yearly remuneration basis effective capital as under:

- ❖ The companies having effective capital of above 5 crores but less than 100 crores can pay remuneration up-to ₹ 84 Lakhs per annum.
- ❖ This limit, specified above, shall be doubled if the special resolution is passed in the matter.

Keeping in view of the above, it is proposed to revise the maximum monthly basic salary from ₹ 1,55,000/- (Rupees One Lakhs Fifty-Five Thousand) to ₹ 3,00,000/- (Rupees Three Lakhs) to Mrs. Anita Dhabriya, Whole-Time Director of the Company with effect from April 01, 2017 for the remaining period of his tenure ending on August 31, 2019, in terms of Companies Act, 2013.

Particulars of details of Mrs. Anita Dhabriya, Whole-Time Director, pursuant to the information as required under Schedule V of the Companies Act, 2013 including Secretarial Standard - 2 and SEBI (LODR) Regulations, 2015, as applicable, are stated in *Annexure* [Point I, II(A), III and IV] to the Notice.

Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on August 14, 2017 approved the remuneration as stated in Item No. 5 of the Notice. Further, the Board of Directors recommends the resolution stated in the said item for the approval of members of the Company by way of Special Resolution.

Except Mr. Digvijay Dhabriya, Mrs. Anita Dhabriya & Mr. Shreyansh Dhabriya and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

#### ITEM NO. 6

The term of office of Five (5) years of Mr. Mahendra Karnawat as Whole-Time Director will be ending on August 31, 2019. The shareholders of the Company had also accorded their approval for payment of remuneration to him up-to August

31, 2017 through their Extra-Ordinary General Meeting on September 01, 2014.

**Remuneration:** In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of managerial personnel, the Company has no profits or its profits are inadequate, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following: -

- (i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- (ii) There is no default in repayment of any of its debts or interest payable thereon.
- (iii) A special resolution has been passed at a general meeting of the Company.

The Company has no inadequate profits in the previous year 2016-17 and for the period ended 30<sup>th</sup> June 2017 in current financial year 2017-18. However, out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

The Ministry of Corporate Affairs vide its Notification dated 12<sup>th</sup> September 2016 brought changes in the provisions under Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by increasing the limits of yearly remuneration basis effective capital as under:

- ❖ The companies having effective capital of above 5 crores but less than 100 crores can pay remuneration up-to ₹ 84 Lakhs per annum.
- ❖ This limit, specified above, shall be doubled if the special resolution is passed in the matter.

Keeping in view of the above, it is proposed to revise the maximum monthly basic salary from ₹ 1,20,000/- (Rupees One Lakhs Twenty Thousand) to ₹ 1,70,000/- (Rupees One Lakhs Seventy Thousand) to Mr. Mahendra Karnawat, Whole-Time Director of the Company with effect from April 01, 2017 for the remaining period of his tenure ending on August 31, 2019, in terms of Companies Act, 2013.

Particulars of details of Mr. Mahendra Karnawat, Whole-Time Director, pursuant to the information as required under Schedule V of the Companies Act, 2013 including Secretarial Standard - 2 and SEBI (LODR) Regulations, 2015, as

applicable, are stated in *Annexure* [Point I, II(A), III and IV] to the Notice.

Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on August 14, 2017 approved the remuneration as stated in Item No. 6 of the Notice. Further, the Board of Directors recommends the resolution stated in the said item for the approval of members of the Company by way of Special Resolution.

Except Mr. Mahendra Karnawat and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

#### **ITEM NO. 7**

The term of office of Five (5) years of Mr. Shreyansh Dhabriya as Whole-Time Director will be ending on August 31, 2019. The shareholders of the Company had also accorded their approval for payment of remuneration to him up-to August 31, 2017 through their Extra-Ordinary General Meeting on September 01, 2014.

**Remuneration:** In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of managerial personnel, the Company has no profits or its profits are inadequate, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following: -

- (i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- (ii) There is no default in repayment of any of its debts or interest payable thereon.
- (iii) A special resolution has been passed at a general meeting of the Company.

The Company has no inadequate profits in the previous year 2016-17 and for the period ended 30<sup>th</sup> June 2017 in current financial year 2017-18. However, out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

The Ministry of Corporate Affairs vide its Notification dated 12<sup>th</sup> September 2016 brought changes in the provisions under Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by

increasing the limits of yearly remuneration basis effective capital as under:

- ❖ The companies having effective capital of above 5 crores but less than 100 crores can pay remuneration up-to ₹ 84 Lakhs per annum.
- ❖ This limit, specified above, shall be doubled if the special resolution is passed in the matter.

Keeping in view of the above, it is proposed to revise the maximum monthly basic salary from ₹ 1,00,000/- (Rupees One Lakhs) to ₹ 2,00,000/- (Rupees Two Lakhs) to Mr. Shreyansh Dhabriya, Whole-Time Director of the Company with effect from April 01, 2017 for the remaining period of his tenure ending on August 31, 2019, in terms of Companies Act, 2013.

Particulars of details of Mr. Shreyansh Dhabriya, Whole-Time Director, pursuant to the information as required under Schedule V of the Companies Act, 2013 including Secretarial Standard - 2 and SEBI (LODR) Regulations, 2015, as applicable, are stated in *Annexure* [Point I, II(A), III and IV] to the Notice.

Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on August 14, 2017 approved the remuneration as stated in Item No. 7 of the Notice. Further, the Board of Directors recommends the resolution stated in the said item for the approval of members of the Company by way of Special Resolution.

Except Mr. Digvijay Dhabriya, Mrs. Anita Dhabriya & Mr. Shreyansh Dhabriya and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

#### **ANNEXURE TO THE NOTICE**

#### **STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 [INCLUDING SECRETARIAL STANDARD - 2 AND SEBI (LODR) REGULATIONS, 2015, AS APPLICABLE] IN RESPECTS OF ITEM NO. 4 TO 7 OF THE NOTICE**

##### **I. GENERAL INFORMATION**

**1. Nature of industry:** Manufacturers & Suppliers of Extruded uPVC/PVC Profiles, Sheets, Moldings & uPVC Windows & Doors etc.

**2. Date or Expected Date of Commencement of Commercial Production:**

The Company started its commercial production in the year 1995.

**3. In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable

**4. Financial Performance based on given indicators:**

(₹ in Lakhs)

Particulars	2016-17	2015-16	2014-15
Paid up Capital	1058.02	1025.00	820.00
Reserve & Surplus	1696.42	1191.07	1070.71
Gross Revenue	8082.32	6881.44	7264.83
Profit before tax	569.35	497.79	430.19
Tax expenses	195.99	172.34	151.69
Profit after tax	373.36	325.44	278.50

**5. Foreign investments or collaborations, if any**

The Company has not entered any foreign collaboration and no direct capital investment has been made in the company in the last three financial years.

**II. Information about the Appointee**

**A. Mr. Digvijay Dhabriya**

**1. Background Details**

Mr. Digvijay Dhabriya, aged 52, is one of the founding members of Dhabriya Polywood Limited. He is guiding force behind the success of the Company. He has done Bachelor of Engineering (Mechanical) from MBM Engineering College, Jodhpur and Post Graduate in Plastic Engineering from Central Institute of Plastic Engineering & Testing (CIPET), Chennai and carry rich experience of over 27 years in the various business activities ranging from manufacturing, fabrication, trading, distribution of Plastic products including PVC Profiles and UPVC windows and doors and in the same line of business.

**2. Past Remuneration**

Mr. Digvijay Dhabriya was paid ₹ 64.80 Lakhs as annual remuneration for the financial year 2016-17.

**3. Recognition or Awards**

He has been awarded Udyog Patra for self-made industrialist in the year 2010 by the Institute of Trade and Industrial Development, New Delhi, Samaj Ratna Award from Rajasthan Jan Manch in the year 2004 and prestigious

award through MSME Minister Shri Kalraj Mishra for Udyamita Gaurav Samman for Utkrast Utpadakta Evam Rojgaar Srajan on the grand occasion of Laghu Udyog Bharti National Convention 2014.

**4. Job Profile and Suitability**

Mr. Digvijay Dhabriya devotes his full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to superintendence, control and supervision of the Board. Mr. Dhabriya has over two and half decades of invaluable experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance. He is also member of your company's Shareholders/Investor Grievance Committee.

**5. Remuneration Proposed**

The remuneration proposed to be paid to Mr. Digvijay Dhabriya is provided in Item No. 4 of the Notice.

**6. Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person**

The Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Digvijay Dhabriya before recommending the remuneration as proposed hereinabove.

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Besides the remuneration proposed, Mr. Digvijay Dhabriya also holds 7181238 equity shares of the company. Mr. Digvijay Dhabriya, Managing Director and being relative may be deemed to be interested in the resolution relating to the remuneration of Mrs. Anita Dhabriya and Mr. Shreyansh Dhabriya.

**B. Mrs. Anita Dhabriya**

**1. Background Details**

Mrs. Anita Dhabriya, aged 47, has done Bachelor of Commerce from Ajmer University and carry rich experience of over 17 years in

the administrative work. She actively engaged in the administrative and operational affairs of the company and responsible for business development of the company

**2. Past Remuneration**

Mrs. Anita Dhabriya was paid ₹ 18.60 Lakhs as annual remuneration for the financial year 2016-17.

**3. Recognition or Awards**

NIL

**4. Job Profile and Suitability**

Mrs. Anita Dhabriya is the Whole-Time Director of the Company. She is actively involved in the administrative work of the Company and has played a vital part in bringing efficiency to the organization. Her experience provides us to achieve new heights and build reputed image of company in competitive market.

**5. Remuneration Proposed**

The remuneration proposed to be paid to Mrs. Anita Dhabriya is provided in Item No. 5 of the Notice.

**6. Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person**

The Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mrs. Anita Dhabriya before recommending the remuneration as proposed hereinabove.

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Besides the remuneration proposed, Mrs. Anita Dhabriya also holds 470226 equity shares of the company. Mrs. Anita Dhabriya, Whole-Time Director and being relative may be deemed to be interested in the resolution relating to the remuneration of Mr. Digvijay Dhabriya and Mr. Shreyansh Dhabriya.

**C. Mr. Mahendra Karnawat**

**1. Background Details**

Mr. Mahendra Karnawat, aged 48, has done Master of Commerce from MDS University,

Ajmer and carry rich experience of over 23 years in the field of sales, marketing and production. He takes care of overall production process of the company and provides strategic inputs to the administration for better materials, new design and development of the products conveying complex product development concepts in a simple and compelling manner.

**2. Past Remuneration**

Mr. Mahendra Karnawat was paid ₹ 14.40 Lakhs as annual remuneration for the financial year 2016-17.

**3. Recognition or Awards**

NIL

**4. Job Profile and Suitability**

Mr. Mahendra Karnawat is a Whole-Time Director of the Company. He is coordinating & utilizing effective manpower and resources to the maximum to meet production goals and helps in planning for meeting deadlines for output of production and the quality of the product.

**5. Remuneration Proposed**

The remuneration proposed to be paid to Mr. Mahendra Karnawat is provided in Item No. 6 of the Notice.

**6. Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person**

The Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Mahendra Karnawat before recommending the remuneration as proposed hereinabove.

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Except the remuneration as stated above, Mr. Mahendra Karnawat holds 46250 equity shares in the Company, he has no other direct or indirect pecuniary relationship with the Company.

**D. Mr. Shreyansh Dhabriya****1. Background Details**

Mr. Shreyansh Dhabriya, aged 23, is an Engineer from the VIT University, Vellore. He possesses excellent communication skills and actively engaged in establishing sustainable and profitable relationship with teams and customer, dealers and distributors across the country in order to maximize company's profitability and efficiency.

**2. Past Remuneration**

Mr. Shreyansh Dhabriya was paid ₹ 12.00 Lakhs as annual remuneration for the financial year 2016-17.

**3. Recognition or Awards**

He has been awarded by Certificate of Appreciation for being a part of organizing team of "India Emerge Youth Summit 2012" at national Level Conference.

**4. Job Profile and Suitability**

Mr. Shreyansh Dhabriya is a Whole-Time Director of the Company. He is actively involved in new product development and implementation of new processes for improvement of productivity at various levels

**5. Remuneration Proposed**

The remuneration proposed to be paid to Mr. Shreyansh Dhabriya is provided in Item No. 7 of the Notice.

**6. Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person**

The Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Shreyansh Dhabriya before recommending the remuneration as proposed hereinabove.

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Besides the remuneration proposed, Mr. Shreyansh Dhabriya also holds 24074 equity shares of the company. Mr. Shreyansh Dhabriya, Whole-Time Director and being relative may be deemed to be interested in the resolution relating to the remuneration of Mrs. Anita Dhabriya and Mr. Digvijay Dhabriya.

**III. Other Information****1. Reason of loss or inadequate profits:**

The Company does not envisage any loss or inadequate profits. However, hike in the interest rate, rising running cost and challenging business environment may affect the profitability of the Company in future. The Company proposes to obtain approval of Members as an abundant caution in case the standalone profits are insufficient to pay the managerial remuneration as above.

**2. Steps taken or proposed to be taken for improvement:**

The Company is always looking forward to taking all such steps and measures including expansion, diversification, innovations which are in the best interest of the company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.

**3. Expected increase in productivity and profits in measurable terms:**

The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

**IV. Disclosures**

The information, as required, is provided under Corporate Governance Section of the Annual Report 2016-17. The remuneration package proposed to be given to each managerial personnel is as per the details given in the resolution. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel.

**ITEM NO. 8**

As per the provisions of sections 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its annual general meeting.

Accordingly, the Board of Directors recommend the resolution for your approval by a special resolution.

None of the Directors and Key Managerial Personnel (including relatives of directors or key managerial personnel) of the Company is concerned or interested, financially or otherwise, in this resolution.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Corporate Overview

Late Prof. S.S. Dhabriya who was an environmentalist and a remote sensing expert had contributed a lot towards saving nature. His motto of life was to save trees. He has been the inspiration for all of us to work towards the betterment of the human race by saving natural resources. His values have been the motto of our lives and we have reached so far following his foot prints. Dhabriya Polywood Limited was incorporated under the erstwhile Companies Act, 1956 in the year 1992.

Your Company started its operations in the year 1995 with production of U/R-PVC (Unplasticized/Rigid Poly Vinyl Chloride) Profiles under the brand name "Polywood". Over the years, we have gradually expanded our product base to include the PVC (Poly Vinyl Chloride) Section with various designs to suit the complete fabrication requirement of Doors, Windows, Partitions, False Ceilings, Wall Paneling, Pelmet, Kitchen Cabinets & other interior applications. In the last 23 years, "Polywood" has been an undeniable part of the "Save Trees" campaign by bringing in the minds of people the use of PVC Profiles which, was only confined to European Countries earlier. The Company has also taken the credit of launching for the first time in India some exquisite products like PVC Folding Doors, PVC Designer Doors, PVC Fencing, Wood Plastic Composite Panels.

### Economy Overview

#### Global

It was a challenging year for the global economy. Stagnant global trade, subdued investments and policy uncertainties were the key challenges. Emerging markets and developing economies (EMDEs), on the other hand, witnessed a steady improvement and are expected to pick-up growth in 2017. This indicates a positive change in favour of commodity exporters and domestic demand of commodity importers. However, the weak investment scenario and low productivity have been weighing down medium-term prospects for growth across many EMDEs. On the positive side, fiscal stimulus and other growth-enhancing policies in key economies - specially the US - can pose a stronger-than-expected activity. The global growth, estimated at 3.1 percent in 2016, is projected to increase to 3.5 percent in 2017 and further to 3.6 percent in 2018.

EMDE regions with substantial number of commodity-importing economies - East Asia and the Pacific and South Asia - are expected to experience good growth. With bottoming, out in Brazil and Russia, growth in Latin America, the Caribbean, Europe and Central Asia is expected to accelerate in 2017. The regions of the Middle East and North Africa are expected to pick up a modest growth rate owing to

oil prices recovery. Sub-Saharan African region was also expected to show some rebound. However, the improvement has been weaker than anticipated. This could be attributed to difficulty faced by commodity exporters in adjusting to the low prices.

The global trade growth was exceptionally weak in 2016 at around 2%; recent data suggest some improvement (particularly in Asia). However, this year, the trade growth is likely to remain below pre-crisis rates. This partly reflects a slowdown or reversal of the global value chains expansion. Equity prices for large internationally-exposed firms have under-performed as compared to smaller and domestically-focused firms in many countries. Higher energy prices are resulting in headline inflation in most rising countries. This was following the OPEC agreement in November 2016 to cut oil production. However, underlying inflation in advanced economies is still subdued and will pick up only slowly once the expansion gains traction. Support for a more robust wage growth across the income distribution will also have its effect on the same. Inflation is already easing in a number of emerging market economies. This is owing to the fading effect of past exchange rate depreciations and the monetary policy actions. But again, commodity importers are exposed to rising commodity prices.

Higher commodity prices have provided much relief to the commodity exporters and in lifting the global headline inflation. The financial markets are buoyant due to expansionary fiscal policies in China and deregulation in USA. Thus, the growth prospects in the near term are positive. However, structural problems, such as low productivity growth and high-income equality continue to persist. Inward looking policies in certain domains threaten free trade, movement of human capital, and global integration. Any change in the pace of interest rate hikes in USA would also impact the global economies.

The trend of slowdown in global growth continued during the year. The below par performance of global economy was reflected in a continued growth deceleration in most emerging and developing economies, driven by low commodity prices, weaker capital inflows and subdued global trade.

#### India

During the current financial year 2016-17, the Indian Economy has continued to consolidate the gains achieved in restoring macro-economic stability. Despite the continuing global sluggishness and recent pick-up in petroleum prices, the economic growth has continued to be robust and inflation has remained more or less stable in the current year, while

fiscal deficit and current account deficit as percentage of GDP have improved.

The growth in GDP has, however, slowed down to 7.1 percent in 2016-17 due to transitional issues. The slowdown was evident in the last quarter with GDP growth decelerating to 6.10%. Almost all sectors with the exception of agriculture showed deceleration. While the manufacturing sector output in the fourth quarter slowed to 5.30% vs. 12.70% in the same period of last year, the construction sector slipped into a negative territory. Agriculture sector posted a jump in growth as it expanded by 4.90% during 2016-17, compared with a dismal growth of 0.7% in the previous year.

India retained its position as the third largest start-up destination in the world. With over a total of 4,750 technology start-ups, about 1,400 new start-ups were founded in 2016 (NASSCOM Report). The Indian labour force is anticipated to touch 160-170 million by 2020. This projection is based on rate of population growth, increased labour force participation and higher education enrolment, among other factors (source: a study by ASSOCHAM and Thought Arbitrage Research Institute). India's foreign exchange reserves stood at US\$ 366.781 billion as on March 17, 2017 as compared to US\$ 360 billion on March 2016 (source: RBI).

#### A Historic Move

November 8, 2016, witnessed the Government taking a historic measure for the betterment of the economy. The two highest denomination notes, ₹ 500 and ₹ 1000, were "demonetized" with immediate effect. These notes ceased to be legal tender. The aim of this action was fourfold: curbing corruption; counterfeiting the usage of high denomination notes for malpractices and activities; controlling the accumulation of black money generated by undeclared income. This step has been a radical and unprecedented, with short-term costs and long-term benefits. The liquidity squeeze was found less severe than suggested by the headlines. It has been easing since end December 2016. Few follow-up actions like fast and demand driven remonetisation, further tax reforms, bringing land and real estate into the GST and reduced tax rates and stamp duties will allow growth to look up in 2017-18.

#### Goods and Services Tax (GST)

The Government's success in passing key structural reforms is helping boost growth prospects. But here too, effective implementation is the key. The Goods and Services Tax (GST) must ideally replace a myriad of consumption and sales taxes. By reducing tax cascading, the GST will boost competitiveness, investment and economic activity in the medium term. The Government aims to implement the GST from April 2017. This can be seen as an ambitious expectation, given the number of key parameters that are still

to be agreed upon, the complex legislative process involved and the required IT infrastructure yet to be developed. However, the projections assume that this objective will be met.

#### Capital Markets

The Indian capital market recorded a strong growth with Sensex up by 17% for the financial year 2017 as compared to growth of 1.95% in 2015-16. The Indian capital markets is anticipated to continue their positive momentum on expectations of a good monsoon and the impending GST implementation. The US president elections and policy announcements by the RBI also impacted market sentiments. October 2016 witnessed a volatile stock market owing to a number of reasons. Increasing prospects of an interest rate hike by the US Fed in December 2016 and consequent portfolio outflows and mixed corporate results for Q2 together contributed to a volatile market. After the RBI announced a 25-bps cut in the repo rate in October 2016, the market gained modestly. During November 2016, the BSE Sensex plunged by 4.6 percent due to several factors: uncertainty over the impact of demonetization on economic growth and corporate earnings, portfolio equity outflows triggered by the risk-off market reactions to the US presidential election results. Demonetization had a greater impact on cash sensitive sectors such as FMCG, consumer durables, auto and realty vis-a-vis the overall Sensex. The downward bias persisted during December 2016 on sustained selling by foreign institutional investors, subdued auto sales data for November 2016, persisting concerns about Q3 earnings and the interest rate increase by the US Fed but with unexpected hawkish guidance.

#### Indian Plastic Industry

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90 per cent of which are small and medium-sized enterprises.

India is one of the most promising exporters of plastics among developing countries. The plastics industry produces and exports a wide range of raw materials, plastic-moulded extruded goods, polyester films, laminates, moulded/soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others.

Demand from original equipment manufacturers (OEMs) has led to producers focusing more on delivering products customized in line with end-user needs. Moreover, the Indian plastics industry has started manufacturing specific items to meet customer requirements. Design, style, and pattern are set based on the requirements of customers in export markets.

The Indian plastics industry offers excellent potential in terms of capacity, infrastructure and cheap labour availability. It is supported by a large number of polymer producers, and plastic process machinery and mould manufacturers in the country. Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on imports. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene and PVC, are manufactured domestically.

## **BUSINESS PERFORMANCE**

### **Highlights**

Your Company is in the business of manufacturing & retailing of PVC & uPVC products. During financial year 2016-17, your company's total sales registered a growth of 17.45%. Total Sales being ₹ 8082.32 Lakhs in 2016-17 as against ₹ 6881.44 Lakhs during the previous financial year 2015-16. Irrespective of Revenue, your company's net profit margin has been increased by 14.72% against the previous year. The increase in Profit is mainly due to prices of raw materials are coming down sharply in the global market. Most of the raw materials prices have cooled off in the current fiscal, which would result in an improvement in profit margins.

### **Market Presence**

Your Company's market presence covers all the major cities of India. Your Company is having three manufacturing facilities (i.e. two at Jaipur, Rajasthan and one at Coimbatore, Tamilnadu), through which whole India is being catered. Company is having strong market hold throughout the India except couple of states for which also Company has made detailed marketing plans to strengthen its presence there also in the next one to two years.

### **Opportunities and Threats**

<b>Opportunities</b>	<b>Threats</b>
Development of company activities in management, marketing, quality, research and branding	Government bans
Increase in domestic market of products	Fluctuating raw material prices

<b>Opportunities</b>	<b>Threats</b>
Changing consumer behavior	Competition
Increasing awareness to protect the environment	Shortfall of skilled labor

### **Outlook**

The Global economic climate continues to be volatile and uncertain in this year. Despite this an improvement in the macro-economic fundamentals is expected to ramp up demand by improving the overall consumer sentiment. Your Company will continue to exhibit in the trade fairs regularly. Your Company will be added new products to the portfolio with better price competitiveness in the market. Although, the Company has a good product pipeline and has also been investing in various distribution channels to service the demand all across country.

### **Internal Control System and their Adequacy**

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. The Audit Committee gives valuable suggestions from time to time for improvement of the company's business processes, systems and internal controls. All efforts are being made to make the internal control systems more effective.

### **Human Resources/Industrial Relations**

Your Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. Your Company continues to maintain positive work environment and constructive relationship with its employees with a continuing focus on productivity and efficiency. Your Company is focused on building a high-performance culture with a growth mindset. Developing and strengthening capabilities for all employees has remained an ongoing priority.

Your Company has over 450 employees spread across 3 manufacturing units and multiple branch locations. Our vision is to deliver world class service at optimal cost by making every employee a fully engaged and aligned team member. Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and your Company is committed to maintain good relations with the employees.

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Twenty-Fifth Annual Report on the business and operation of the Company together with the audited financial statements for the year ended March 31, 2017.

### 1. Financial Performance of the Company

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Gross Revenue	8082.32	6881.44	10470.65	7478.08
Net Revenue	7291.36	6218.97	9794.63	6919.55
EBIDTA	1186.35	1039.23	1489.71	1099.23
Finance Cost	358.39	305.30	418.64	310.75
Depreciation	258.61	236.14	318.50	238.26
Net Profit before Tax	569.35	497.79	752.57	550.23
Provision for Tax	195.99	172.34	256.46	188.70
Net Profit after Tax	373.36	325.44	495.51	361.17
EPS (₹)	3.53	3.18	4.68	3.52

### 2. Brief description of the Company's working during the year/State of Company's affair

Your Company reported a top-line growth of 17.45% over the previous year. At standalone level, the gross revenue from operations stood at ₹ 8082.32 Lakhs compared with ₹ 6881.44 Lakhs in the Previous Year. The operating profit before tax stood at ₹ 569.35 Lakhs as against ₹ 497.79 in the Previous Year. The Net Profit for the year stood at ₹ 373.36 Lakhs compared to ₹ 325.44 Lakhs reported in the Previous Year.

The Consolidated Gross Revenue from operations for financial year 2016-17 was at ₹ 10470.65 Lakhs as against ₹ 7478.08 Lakhs in the Previous Year, registering a growth of 40.00%. The Consolidated operating profit before tax stood at ₹ 752.57 Lakhs as against ₹ 550.23 in the Previous Year. The Net Profit for the year stood at ₹ 495.51 Lakhs compared to ₹ 361.17 Lakhs reported in the Previous Year.

### 3. Dividend and Reserves

Your Company has earned adequate profit during the financial year 2016-17. The directors have decided to plough back the profit into the business, therefore no dividend is recommended for the financial year ended March 31, 2017. The Board proposes to transfer balance of profit to the General Reserve.

### 4. Share Capital

The authorized and paid up share capital of the company as at March 31, 2017 stood at ₹ 1250 Lakhs and 1058.02 Lakhs respectively. Your Company has allotted 3,30,150 fully paid-up equity shares on preferential basis at a face

value of ₹ 10/- each in April 2016 to the promoters and other public of the company and consequently the number of shares increased from 1,02,50,000 to 1,05,80,150.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2017, none of the directors of the Company hold instruments convertible into Equity Shares of the Company.

### 5. Board of Directors

In accordance with the provisions of section 149, 152 and other applicable provisions of the Companies Act, 2013, one third of the such of Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Mahendra Karnawat, Whole Time Director will retire by rotation at the ensuring Annual General Meeting and, being eligible, offer himself for re-appointment. The Board recommends their re-appointment for the consideration of Members of the Company at the ensuring Annual General Meeting. A brief resume of the Director proposed to be re-appointed, is furnished in the notice of the AGM.

During the year under review, there is no change in the Board of Directors of the Company.

### 6. Number of Meetings of the Board

The details of the number of Meetings of the Board held during the financial year 2016-17 forms part of the

Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## 7. Key Managerial Personnel

The following are the Key Managerial Personnel of the Company:

Sl. No.	Name of Person	Designation
1.	Mr. Digvijay Dhabriya	Chairman & Managing Director
2.	Mrs. Anita Dhabriya	Whole Time Director
3.	Mr. Mahendra Karnawat	Whole Time Director
4.	Mr. Shreyansh Dhabriya	Whole Time Director
5.	Mr. Hitesh Agrawal	Chief Financial Officer
6.	Mr. Sparsh Jain	Company Secretary

During the year under review, there is no change in the KMP's of the Company.

## 8. Committees of the Board

The Board of Directors have the following committees:

1. Audit Committee
2. Nomination and Remuneration/ Compensation Committee
3. Stakeholder's/ Investors Grievance Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

## 9. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Compensation and Shareholder's/ Investor's Grievance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## 10. Declaration by an Independent Director(s) and re-appointment, if any

All Independent Directors have given declarations that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 11. Finance & Accounts

Your Company prepares its Financial Statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The Financial Statements have been prepared on historical cost basis. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner. The form and substance of transactions are reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2017.

## 12. Performance of Subsidiary Company

Your Company is having two subsidiaries

### a. Polywood Green Building Systems Private Limited:

The Gross Revenue of the Company for financial year 2016-17 stood at ₹ 3324.87 Lakhs compared with ₹ 1532.12 Lakhs in Previous Year. The Profit After Tax for the year stood at ₹ 60.25 Lakhs as against ₹ 36.09 Lakhs reported in the previous year.

### b. Polywood Profiles Pvt. Ltd.:

The Gross Revenue of the Company for financial year 2016-17 stood at ₹ 2060.99 Lakhs. The Profit After Tax for the year stood at ₹ 62.50 Lakhs.

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries is given as ANNEXURE 'E'.

## 13. Awards and Recognitions

During financial year 2016-17, your company has won three awards including

- a. Best Employer Award 2015 by the Employers Association of Rajasthan, Jaipur in November 2016.
- b. Runner Up of 7<sup>th</sup> National Award for Innovation in Polymer Waste Management & Recycling Technology and Green Polymeric Materials & Products by Honorable Cabinet Minister, Govt. of India Shri Ananth Kumar (Parliamentary Affairs/Chemical & fertilizers dept.) at Vigyan Bhawan, New Delhi.
- c. First Prize for the most innovative product by the Centre for Development of Stones and FICCI.

## 14. Consolidated Accounts

The consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting Standards viz. AS-21, AS-23 and AS- 27 issued by the Institute of Chartered Accountants of India. The Audited

Consolidated Financial Statements together with Auditors' Report thereon forms part of the Annual Report.

The consolidated turnover increased by 40.00% to ₹ 10470.65 Lakhs as compared to ₹ 7478.08 Lakhs in the previous year. However, net profit after tax and after minority interest has grown by 37.20% to ₹ 495.51 Lakhs as compared to ₹ 361.17 Lakhs in the previous year.

## 15. Auditors

### (a) Statutory Auditor

The Statutory Auditors of the Company M/s. Narendra Sharma & Co., Chartered Accountants, (Firm Registration Number: 004983C) have audited the Financial Statements of the Company. The Statutory Auditors who were appointed by the members of the Company at the 22<sup>nd</sup> Annual General Meeting of the Company held on August 14, 2014 needs ratification by the members of the Company for the financial year 2017-18.

The Company has received consent letter from M/s Narendra Sharma & Co., Chartered Accountants, to the effect that their ratification of appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act 2013.

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

### (b) Secretarial Auditor

In terms of Section 204 of Companies Act, 2013 and rules made there under, the Company has appointed M/s M Sancheti & Associates, a firm of Company Secretaries in Practice (C.P. No. 8997) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report submitted by them in the prescribed form MR-3 is enclosed as ANNEXURE 'B' and forms part of this report. No adverse comment has been made in the said report by the Practicing Company Secretary. The report is self-explanatory and do not call for any further comments.

### (c) Cost Auditor

As per the requirement of the Central Government and pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time,

your company hereby confirms that the provisions of this section is not applicable, hence your company needs not required to appoint cost auditor for the financial year 2016-17.

## 16. Internal Audit and Controls

Your Company has appointed M/s R Rawat & Associates as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

## 17. Vigil Mechanism/Whistle Blower Policy

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://www.polywood.org/Dhabriya.pdf>

## 18. Risk Management

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. The risk management framework is reviewed periodically by the Board and the Audit Committee. Your Company has identified the following risks:

### (a) Commodity Price Risk

Risk of price fluctuation on basic raw materials as well as finished goods used in the process of manufacturing. Your Company commands excellent business relationship with both suppliers and buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value-added products helps in lowering the impact of price fluctuation in finished goods.

### (b) Interest Rate Risk

Any increase in interest rate can affect the finance cost. Your Company Dependency on debt is very minimum and we have surplus funds with Banks to settle the entire debt in case the need arises.

**(c) Human Resource Risk**

Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company. By continuously benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. By putting in place production incentives on time bound basis and evaluating the performance at each stage of work. Also, recruitment is across almost all states of India which helps to mitigate this risk and we do not anticipate any major issue for the coming years.

**(d) Competition Risk**

Your Company is always exposed to competition Risk particularly China. The increase in competition can create pressure on margins, market share etc. However, by continuous efforts to enhance the brand image of the Company by focusing on R&D, quality, cost, timely delivery, best customer service and by introducing new product range commensurate with demands your Company plans to mitigate the risks so involved.

**(e) Compliance Risk**

Any default can attract penal provisions. Your Company regularly monitoring and review of changes in regulatory framework. However, by monitoring of compliance through legal compliance Management tools.

**(f) Industrial Safety, Employee Health and Safety Risk**

The Plastic industry is labor intensive and are exposed to accidents, health and injury risk due to machinery breakdown, etc. By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee.

**19. Extract of Annual Return**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT 9 as a part of this Annual Report as ANNEXURE 'A'.

**20. 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**

The Stock Exchange (BSE Ltd.) has granted the approval to migrate the Company from BSE – SME Platform to BSE – Main Board on April 25, 2017 and w.e.f April 27, 2017, the Equity Shares of the Company are dealing on the Mainboard Platform.

The Company has allotted 2,44,095 Equity Shares of ₹ 10/- each to Promoters against their shareholding in M/s Dynasty Modular Furnitures Pvt. Ltd. with the ultimate purpose of converting it as the WOS (Wholly Owned Subsidiary) of the Company.

Apart from above Management does not perceive any material changes occurred subsequent to the close of the financial year as on March 31, 2017 before the date of report dated August 14, 2017 affecting financial position of the Company in any substantial manner.

**21. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There are no significant and material orders passed by the Regulators/courts that would impact the going concern status of the Company and its future operations.

**22. Acceptance of Deposits**

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

**23. Particulars of loans, guarantees or investments**

Details of Loan, Guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to Financial Statements, wherever applicable.

**24. Particulars of contracts or arrangements with related parties**

All transactions entered with the Related Parties during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of section 188 of the Companies Act, 2013 and rules made there under. Thus, disclosure in form AOC- 2 in terms of section 134 of the Companies Act, 2013 is not required.

Related party transactions have been disclosed under the Note 35 of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18". A statement in summary

form of transactions with related parties in the ordinary course of business and on arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis or fair value.

## **25. Listing with Stock Exchanges**

The Equity shares of the Company were listed on the Bombay Stock Exchange – SME Platform (BSE) which has migrated to the Main Board of BSE Limited effective from April 27, 2017 therefore currently the Equity Shares of the Company are listed on BSE Ltd. – Main Board.

## **26. Corporate Governance**

As per Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this report.

(The Members hereby noted that according to the SEBI (LODR) Regulations, 2015 the company, being a SME Listed Company of BSE Ltd is exempted from the compliance of corporate governance requirements as provided under regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V.)

## **27. Environment and Safety**

The Company is conscious of the importance of environmentally clean and safe operations. The Company Policy requires conduct of operations in such a manner, so as to ensure of all concerned, compliances, environmental regulations and preservation of natural resources. In the last 24 years, "Polywood" has been an undeniable part of the "Save Trees" campaign by bringing in the minds of people the use of PVC Profiles which, was only confined to European Countries earlier.

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating

to sexual harassment at work place of any women employee.

The Company has been employing about 12 women employees in various cadres within the factory premises. Your Company has set up Internal Complaints Committee for implementation of said policy. Complaints received, if any are regularly monitored by women line supervisors who directly report to the Chairman & Managing Director. During the financial year 2016-17 your company has not received any complaint of harassment and hence no complaint is outstanding as on March 31, 2017 for redressal.

## **28. Corporate Social Responsibility**

The Board of Directors of your company hereby confirms that the provisions of section 135(1) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to our company for the financial year 2016-17.

## **29. Director's Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

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

applicable laws and that such systems were adequate and operating effectively.

### **30. Transfer of Amounts to Investor Education and Protection Fund**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

### **31. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report as required under regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in the separate section forming part of this Annual Report.

### **32. Statutory Information**

As per section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the information on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed in ANNEXURE 'C' an integral part of this report.

In terms of provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 none of the employees drawing remuneration in excess of the limits set out in the said rules are provided hereunder. Further, the disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed in ANNEXURE 'D' an integral part of this report.

The Business Responsibility Reporting as required under Regulation 34(2) of the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 is not applicable to your company for the financial year 2016-17.

### **33. Cautionary Statement**

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments in India and other factors such as litigation and labor negotiations.

### **34. Appreciation and Acknowledgments**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation your company has been receiving from its Suppliers, Retailers, Dealers & Distributors and other associated with the Company. The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Government & Regulatory Authorities and Stock Exchange for their continued support.

For & on behalf of the Board

Sd/-

**Digvijay Dhabriya**

Chairman & Managing Director

DIN: 00519946

Jaipur August 14, 2017

**ANNEXURE 'A'**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

1.	CIN	L29305RJ1992PLC007003
2.	Registration Date	October 20, 1992
3.	Name of the Company	DHABRIYA POLYWOOD LIMITED
4.	Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office and contact details	B-9D (1), Malviya Industrial Area, Jaipur-302017 (Raj.) Tel No: 0141-4057171 Fax: 0141-2750814 E-mail: <a href="mailto:cs@polywood.org">cs@polywood.org</a> Website: <a href="http://www.polywood.org">www.polywood.org</a>
6.	Whether listed Company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PVT. LTD. 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059 Tel: - 022 - 62638200; Fax: - 022 - 62638299 E-mail: <a href="mailto:babu@bigshareonline.com">babu@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

**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)

Sl. No.	Name and Description of main Products /services	NIC Code of the Product / service	% to total turnover of the Company
1.	uPVC Windows & Doors and Extruded PVC Profiles.	22209	100

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1.	Polywood Green Building Systems Pvt. Ltd A-41-42, Jai Jawan Colony, JLN Marg, Malviya Nagar, Jaipur-302017	U45201RJ2012PTC038574	SUBSIDIARY	99	2(87)
2.	Polywood Profiles Pvt. Ltd. S F NO 51/1 Thulipalayam Road Theethipalayam Village, Thondamuthur Coimbatore TN-641010	U36101TZ2006PTC012875	SUBSIDIARY	100	2(87)

**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 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
1. Indian									
a. Individual/HUF	7346000	0	7346000	71.67	7778700	0	7778700	73.52	1.85
b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c. State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f. Any Other.	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):</b>	<b>7346000</b>	<b>0</b>	<b>7346000</b>	<b>71.67</b>	<b>7778700</b>	<b>0</b>	<b>7778700</b>	<b>73.52</b>	<b>1.85</b>
2. Foreign									
a. NRIs-Individual	0	0	0	0.00	0	0	0	0.00	0.00
b. Other-Individual	0	0	0	0.00	0	0	0	0.00	0.00
c. Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e. Any Other.	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>7346000</b>	<b>0</b>	<b>7346000</b>	<b>71.67</b>	<b>7778700</b>	<b>0</b>	<b>7778700</b>	<b>73.52</b>	<b>1.85</b>
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d. State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g. FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h. Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i. Others (Foreign Portfolio Investors)	0	0	0	0.00	27500	0	27500	0.26	0.26
<b>Sub-total (B) (1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>27500</b>	<b>0</b>	<b>27500</b>	<b>0.26</b>	<b>0.26</b>

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
2. Non-Institutions									
a. Bodies Corp.									
i. Indian	680000	0	680000	6.63	254300	0	254300	2.40	(4.23)
ii. Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b. Individuals									
i. Individual shareholders holding nominal share capital up to ₹ 1 Lakh	365000	0	365000	3.56	300700	0	300700	2.84	(0.72)
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	1844000	0	1844000	17.99	2151394	0	2151394	20.33	2.34
c. Others (Specify)									
i. NRIs	10000	0	10000	0.10	5000	0	5000	0.05	(0.05)
ii. Clearing Members	5000	0	5000	0.05	62556	0	62556	0.60	0.55
<b>Sub-total (B) (2):</b>	<b>2904000</b>	<b>0</b>	<b>2904000</b>	<b>28.33</b>	<b>2773950</b>	<b>0</b>	<b>2773950</b>	<b>26.22</b>	<b>(2.11)</b>
<b>Total Public Shareholding (B)=(B)(1) +(B)(2)</b>	<b>2904000</b>	<b>0</b>	<b>2904000</b>	<b>28.33</b>	<b>2801450</b>	<b>0</b>	<b>2801450</b>	<b>26.48</b>	<b>(1.85)</b>
C. Shares held by custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>10250000</b>	<b>0</b>	<b>10250000</b>	<b>100.00</b>	<b>10580150</b>	<b>0</b>	<b>10580150</b>	<b>100.00</b>	<b>0.00</b>

Note: - The Total number of Shares has increased due to issuance of Equity Shares on Preferential Basis on April 01, 2016.

**ii) Shareholding of Promoters**

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2016)			Shareholding at the end of the year (As on 31.03.2017)			% 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.	Digvijay Dhabriya	6800750	66.35	0.00	6970750	65.89	0.00	(0.46)
2.	Anita Dhabriya	195000	1.90	0.00	457700	4.33	0.00	2.43
3.	Digvijay Dhabriya HUF	309250	3.02	0.00	309250	2.92	0.00	(0.1)
4.	Sandhya Hiran	32500	0.32	0.00	32500	0.31	0.00	(0.01)
5.	Usha Jain	8500	0.08	0.00	8500	0.08	0.00	0.00

Note: - The Total number of Shares has increased due to issuance of Equity Shares on Preferential Basis on April 01, 2016

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

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Digvijay Dhabriya</b>				
	At the beginning of the year (as on 01.04.2016)	6800750	66.35	6800750	66.35
	Buy on 30.09.2016	40000	-	6840750	-
	Buy on 11.01.2017	130000	-	6970750	-
	At the end of the year (as on 31.03.2017)	6970750	65.89	6970750	65.89
<b>2.</b>	<b>Anita Dhabriya</b>				
	At the beginning of the year (as on 01.04.2016)	195000	1.90	195000	1.90
	Preferential Allotment on 01.04.2016	262700	-	262700	-
	At the end of the year (as on 31.03.2017)	457700	4.33	457700	4.33
<b>3.</b>	<b>Digvijay Dhabriya HUF</b>				
	At the beginning of the year (as on 01.04.2016)	309250	3.02	309250	3.02
	At the end of the year (as on 31.03.2017)	309250	2.92	309250	2.92
<b>4.</b>	<b>Sandhya Hiran</b>				
	At the beginning of the year (as on 01.04.2016)	32500	0.32	32500	0.32
	At the end of the year (as on 31.03.2017)	32500	0.31	32500	0.31
<b>5.</b>	<b>Usha Jain</b>				
	At the beginning of the year (as on 01.04.2016)	8500	0.08	8500	0.08
	At the end of the year (as on 31.03.2017)	8500	0.08	8500	0.08

Note: - The Total number of Shares has increased due to issuance of Equity Shares on Preferential Basis on April 01, 2016

**iv) Shareholding Pattern of top ten Shareholders** (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31.03.2017

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Mukul Agrawal</b>				
	At the beginning of the year (as on 01.04.2016)	0	0.00	0	0.00
	Buy on 23.09.2016	1002500	9.48	1002500	9.48
	At the end of the year (as on 31.03.2017)	1002500	9.48	1002500	9.48
<b>2.</b>	<b>Mukul Agrawal</b>				
	At the beginning of the year (as on 01.04.2016)	0	0.00	0	0.00
	Buy on 23.09.2016	200000	1.90	200000	1.90
	Sold on 13.01.2017	(5000)	(0.05)	195000	1.85
	Sold on 10.02.2017	(5000)	(0.05)	190000	1.80
	At the end of the year (as on 31.03.2017)	190000	1.80	190000	1.80
<b>3.</b>	<b>Ashwini Hiran</b>				
	At the beginning of the year (as on 01.04.2016)	107750	1.05	107750	1.05
	At the end of the year (as on 31.03.2017)	107750	1.02	107750	1.02
<b>4.</b>	<b>Prateek Jain</b>				
	At the beginning of the year (as on 01.04.2016)	285000	2.78	285000	2.78
	Sold on 23.09.2016	(50000)	-	235000	-
	Sold on 21.10.2016	(5000)	-	230000	-
	Sold on 13.01.2017	(130000)	-	100000	-
	At the end of the year (as on 31.03.2017)	100000	0.95	100000	0.95
<b>5.</b>	<b>Maverick Share Brokers Limited</b>				
	At the beginning of the year (as on 01.04.2016)	-	-	-	-
	Buy on 23.09.2016	215000	2.03	215000	2.03
	Sold on 30.09.2016	(10000)	(0.09)	205000	1.94
	Buy on 07.10.2016	7500	0.07	212500	2.01
	Sold on 14.10.2016	(2500)	(0.02)	210000	1.99
	Sold on 21.10.2016	(5000)	(0.05)	205000	1.94
	Buy on 04.11.2016	5000	0.05	210000	1.99
	Sold on 23.12.2016	(27500)	(0.26)	182500	1.73
	Buy on 30.12.2016	2500	0.02	185000	1.75
	Buy on 24.03.2017	2500	0.02	187500	1.77
	Sold on 31.03.2017	(88200)	(0.83)	99300	0.94
	At the end of the year (as on 31.03.2017)	99300	0.94	99300	0.94

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>6.</b>	<b>Mahalaxmi Brokerage (India) Pvt. Ltd</b>				
	At the beginning of the year (as on 01.04.2016)	-	-	-	-
	Buy on 31.03.2017	85000	0.80	85000	0.80
	At the end of the year (as on 31.03.2017)	85000	0.80	85000	0.80
<b>7.</b>	<b>Atul Kumar Jain</b>				
	At the beginning of the year (as on 01.04.2016)	-	-	-	-
	Preferential Allotment on 01.04.2016 (13.05.2016)	67450	0.64	67450	0.64
	At the end of the year (as on 31.03.2017)	67450	0.64	67450	0.64
<b>8.</b>	<b>Sunil Batwara</b>				
	At the beginning of the year (as on 01.04.2016)	65000	0.63	65000	0.63
	Sold on 23.09.2016	(7500)	-	57500	-
	Sold on 30.09.2016	(10000)	-	47500	-
	Sold on 07.10.2016	(2500)	-	45000	-
	Sold on 10.02.2017	(5000)	-	40000	-
	Sold on 31.03.2017	(2500)	-	37500	-
	At the end of the year (as on 31.03.2017)	37500	0.35	37500	0.35
<b>9.</b>	<b>Sanjeev Pokhrana</b>				
	At the beginning of the year (as on 01.04.2016)	30000	0.29	30000	0.29
	Sold on 23.09.2016	(5000)	-	25000	-
	Buy on 30.12.2016	12491	-	37491	-
	At the end of the year (as on 31.03.2017)	37491	0.35	37491	0.35
<b>10.</b>	<b>Praveen Jain</b>				
	At the beginning of the year (as on 01.04.2016)	50000	0.49	50000	0.49
	Sold on 21.10.2016	(2500)	-	47500	-
	Sold on 30.12.2016	(5000)	-	42500	-
	Sold on 10.02.2017	(7500)	-	35000	-
	Sold on 17.02.2017	(5000)	-	30000	-
	At the end of the year (as on 31.03.2017)	30000	0.28	30000	0.28

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

Sl. No.	Shareholding of each directors and each KMP	Shareholding at the beginning of the year (As on 01.04.2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Digvijay Dhabriya</b>				
	At the beginning of the year (as on 01.04.2016)	6800750	66.35	6800750	66.35
	Buy on 30.09.2016	40000	-	6930750	-
	Buy on 11.01.2017	130000	-	6970750	-
	At the end of the year (as on 31.03.2017)	6970750	65.89	6970750	65.89
<b>2.</b>	<b>Anita Dhabriya</b>				
	At the beginning of the year (as on 01.04.2016)	195000	1.90	195000	1.90
	Preferential Allotment on 01.04.2016	262700	-	457700	-
	At the end of the year (as on 31.03.2017)	457700	4.33	457700	4.33
<b>3.</b>	<b>Mahendra Karnawat</b>				
	At the beginning of the year (as on 01.04.2016)	46250	0.45	46250	0.45
	At the end of the year (as on 31.03.2017)	46250	0.44	46250	0.44
<b>4.</b>	<b>Shreyansh Dhabriya</b>				
	At the beginning of the year (as on 01.04.2016)	0	0.00	0	0.00
	Buy on 30.09.2016	20000	0.19	20000	0.19
	At the end of the year (as on 31.03.2017)	20000	0.19	20000	0.19

Note: Except these stated above there are no other directors & KMPs hold any Shares of the Company during the financial year 2016-17.

**vi) INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	285741886	48461657	-	334203543
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	2133964	133431	-	2267395
<b>Total (i+ii+iii)</b>	<b>287875850</b>	<b>48595088</b>	<b>-</b>	<b>336470938</b>
Change in Indebtedness during the financial year				
❖ Addition	217866219	83475800	-	301342019
❖ Reduction	210171731	60515867	-	270687598
Net Change	<b>7694488</b>	<b>22959933</b>	<b>-</b>	<b>30654421</b>
Indebtedness at the end of the financial year				
i. Principal Amount	293561866	71476880	-	365038746
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	2008472	78141	-	2086613
<b>Total (i + ii + iii)</b>	<b>295570338</b>	<b>71555021</b>	<b>-</b>	<b>367125359</b>

**vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Digvijay Dhabriya	Anita Dhabriya	Mahendra Karnawat	Shreyansh Dhabriya	
1.	Gross Salary					
	a. Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	6480000	1860000	1440000	1200000	10980000
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	c. Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- As % of profit	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>6480000</b>	<b>1860000</b>	<b>1440000</b>	<b>1200000</b>	<b>10980000</b>
Ceiling as per the Act		Managerial Remuneration is paid as per Schedule V of the Companies Act, 2013 and ceiling is based on effective capital of the Company.				

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Director				Total Amount
		Sharad Kankaria	Anil Upadhyay	Padam Kumar Jain	Shiv Shanker	
1.	Independent Directors					
	Fee for attending Board/Committee Meeting	10000	10000	7000	8000	35000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>10000</b>	<b>10000</b>	<b>7000</b>	<b>8000</b>	<b>35000</b>
2.	Other Non-Executive Directors fee for attending Board/ Committee Meeting	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Total managerial remuneration	10000	10000	7000	8000	35000
	<b>Total (B) = (1) + (2)</b>	<b>10000</b>	<b>10000</b>	<b>7000</b>	<b>8000</b>	<b>35000</b>

## C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CS	CFO	
		<b>Sparsh Jain</b>	<b>Hitesh Agrawal</b>	
<b>1.</b>	Gross Salary			
	a. Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	331771	1860000	2191771
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	c. Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
<b>2.</b>	Stock Option	-	-	-
<b>3.</b>	Sweat Equity	-	-	-
<b>4.</b>	Commission			
	- As % of profit	-	-	-
<b>5.</b>	Others, please specify	-	-	-
	<b>Total</b>	<b>331771</b>	<b>1860000</b>	<b>2191771</b>

## viii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For &amp; on behalf of the Board

Sd/-  
**Digvijay Dhabriya**  
Chairman & Managing Director  
DIN: 00519946

Jaipur, August 14, 2017

**ANNEXURE 'B'**
**SECRETARIAL AUDIT REPORT**
**For the Financial Year Ended on March 31, 2017**
**(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)**

To,  
The Members,  
DHABRIYA POLYWOOD LIMITED  
B-9D (1), MALVIYA INDUSTRIAL AREA  
JAIPUR - 302017 (RAJ.)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DHABRIYA POLYWOOD LIMITED (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable to the Company during Audit Period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during Audit Period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during Audit Period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during Audit Period)

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange
- iii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iv. Labour Laws to the extent of Employees' State Insurance Act, 1948, Employees' Provident Fund and Miscellaneous Provisions Act, 1952, the Payment of Gratuity Act, 1972, Rajasthan Shops and Commercial Establishments Acts, 1958, The Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013, The Maternity Benefits Act, 1961, The Child Labour (Prohibition And Regulation) Act, 1986, Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards; and Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards.

During the financial year 2016-17 the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that

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.

Adequate Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that 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.

I further report that during the audit period, there were instances of:

1. The Company has allotted 3,30,150 Equity Shares of ₹ 10/- each to Promoters & other public against their shareholding in M/s Polywood Profiles Pvt. Ltd. with the ultimate purpose of converting it as the WOS (Wholly owned Subsidiary) of the Company.

2. Shareholders approval by way of Postal Ballot for Migration the Company from BSE – SME Platform to BSE – Main Board on November 2016.
3. Shareholders approval by way of Special Resolution passed in Extra-Ordinary General Meeting dated 18<sup>th</sup> March 2017 for Issue of Equity Shares on Preferential basis.

I further report that during the audit period, there were no instances of:

1. Issue of Right Shares/ Debentures/ Sweat Equity.
2. Redemption/ buy-back of securities.
3. Merger/ Amalgamation/ Reconstruction etc.
4. Foreign Technical Collaboration.

For **Manish Sancheti & Associates**  
Company Secretaries

Sd/-  
**Manish Sancheti**  
Proprietor  
M. No. FCS 7972  
COP 8997

**Jaipur, May 12, 2017**

*Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.*

### **'ANNEXURE A'**

To,  
The Members,  
DHABRIYA POLYWOOD LIMITED  
B-9D (1), Malviya Industrial Area  
Jaipur – 302017, (Raj.)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Manish Sancheti & Associates**  
Company Secretaries

Sd/-  
**Manish Sancheti**  
Proprietor  
M. No. FCS 7972  
COP 8997

**Jaipur, May 12, 2017**

**ANNEXURE 'C'**
**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The information under section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2016 is given below and forms part of the Director's Report.

**(A) Conservation of Energy**
**(i) The steps taken or impact on conservation of energy**

In line with the Company's commitment towards conservation of energy, Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved. Company continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. Some of the measures taken by the company in this direction are as under:

- a. Replacement of old utility equipment's with new energy efficient equipment's.
- b. Effective preventive maintenance helped in increasing energy efficiency of equipment.

**(ii) The steps taken by the Company for utilizing alternate source of energy**  
**N.A.**
**(iii) The capital investment on energy conservation equipment's - NIL**
**(B) Technology Absorption**
**(i) The efforts made towards technology absorption**

The Company continues to perform R&D activities to improve quality of products and to reduce production cost to serve its customer better.

- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution
  - a. Development of new products
  - b. Reduction of production cost
  - c. Product and process improvement

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)  
**N.A.**

- (iv) The expenditure incurred in Research and Development  
**NIL**

**(C) Foreign exchange earnings and Outgo (₹ In Lakhs)**

Particulars	2016-17	2015-16
Earnings in foreign Exchange	9.63	NIL
Outgo in foreign Exchange	1940.14	1192.02

For & on behalf of the Board

Sd/-  
**Digvijay Dhabriya**  
 Chairman & Managing Director  
 DIN: 00519946

Jaipur, August 14, 2017

**ANNEXURE 'D'****Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2016-17, the percentage increase in remuneration of Executive Directors, Chief Financial Officer and Company Secretary during the financial year 2016-17.

Sl. No.	Name of Director/ KMP	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in remuneration
1.	Digvijay Dhabriya – CMD	32.72	0.00%
2.	Anita Dhabriya – WTD	9.39	0.00%
3.	Mahendra Karnawat – WTD	7.27	0.00%
4.	Shreyansh Dhabriya – WTD	6.06	0.00%
5.	Hitesh Agrawal – CFO	N.A.	0.00%
6.	Sparsh Jain - CS	N.A.	24.24%

Note:

- (a) The Non-Executive Directors of the Company are entitled for sitting fees and commission as per statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Directors is therefore not considered for the above purpose.
- (b) The median remuneration of employees of the company was ₹ 1,98,000/-
2. The percentage increase in the median remuneration of Employees for the financial year was 6.45%.
3. The Company has 473 permanent Employees on the rolls of Company as on March 31, 2017.
4. Average percentage increase made in the salaries of employee's other than the managerial personnel in the financial year was 14.61 %, whereas there was no increase in the managerial remuneration. The average increases every year is an outcome of the Company's market competitiveness and business performance.

5. The key parameters for any variable component of remuneration:

Variable compensation is an integral part of our total remuneration package for all employees including Managing Directors/ Whole-time Directors. Variable Pay is directly linked to business performance. At the start of the year, the Management sets business and financial targets for the Company. These are drawn from the organizational strategic plan and are then reviewed for consistency and stretch.

6. It is hereby affirmed that the remuneration paid during the year is as per the remuneration policy of the Company.

For & on behalf of the Board

**Digvijay Dhabriya**  
Chairman & Managing Director  
DIN: 00519946

Jaipur, August 14, 2017

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**ANNEXURE 'E'**
**Form AOC-1**
**(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

Statement containing salient features of the Financial Statement of subsidiary/associates companies/joint ventures

**Part "A": Subsidiaries**
**(₹ In Lakhs)**

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of Foreign subsidiary	Share Capital	Reserve & Surplus	Total Assets
1.	Polywood Green Building Systems Pvt. Ltd.	Since Inception 18.04.2012	N.A.	N.A.	5.00	197.82	1329.60
2.	Polywood Profiles Pvt. Ltd.	01.04.2016	N.A.	N.A.	4.65	247.79	931.91

Total Liabilities	Investments	Turnover	Profit before tax	Provision for tax	Profit after tax	Proposed Dividend	% of Shareholding
1329.60	0.00	3324.87	86.49	26.24	60.25	0.00	99.00
931.91	0.00	2060.99	96.73	34.23	62.50	0.00	100.00

**Part "B": Associates & Joint Ventures: Not Applicable**

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2017, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").

### COMPANY'S PHILOSOPHY

Transparency and Accountability are the two basic tenets of Corporate Governance. We, Dhabriya Polywood Ltd. ("the Company") ensures transparency which ensures strong and balanced economic development. The Company also ensures that the interests of all shareholders (majority as well as minority shareholders) are safeguarded. We ensure that all shareholders fully exercise their rights and that the Company fully recognizes their rights. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectation.

The Company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government, stakeholders and also the general public at large. For this purpose, the Company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations. We are committed to good corporate governance and its adherence to the best practices of true spirits at all times.

The Company's governance framework is based on the following Principles:

- ❖ Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- ❖ Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- ❖ Timely disclosure of material operational and financial information to the stakeholders;

- ❖ Systems and processes in place for internal control; and
- ❖ Proper business conduct by the Board, senior management and Employees.

A report on compliance of corporate governance as prescribed by the Securities and Exchange Board of India in chapter IV read with Schedule V of the Listing Regulation is given below: -

### GOVERNANCE STRUCTURE

The Corporate Governance structure at Dhabriya Polywood Limited is as follows:

#### 1. Board of Directors:

The Board is entrusted with the ultimate responsibility of the management, general affairs, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

#### 2. Committees of the Board:

The Board has constituted the following Committees Viz. Audit Committee, Nomination and Remuneration/Compensation Committee and Shareholders/Investors Grievance Committee. Each of the said Committee has been mandated to operate within a given framework.

### THE BOARD OF DIRECTORS

#### Composition of the Board and category of Directors

The Board has a good mix of Executive and Non-Executive Directors including Independent Directors. As on March 31, 2017, the Board consists of Eight Directors comprising four are Independent & Non- Executive Directors, one Woman Director and the Chairman and Managing Director is the promoter and executive Director. The composition of the Board represents an optimal mix of professionalism, knowledge and experience in their respective fields.

The details of each member of the Board along with the number of Directorship(s)/Committee Membership(s) and date of joining the Board are provided herein below: -

Name	Date of Appointment	Category of Director	No. of Shares held in the company (as on 31.03.17)	Directorship in other Indian Public Ltd. Co.	No. of outside Board Committees in which Chairman /Member	
					Chairman	Member
Digvijay Dhabriya DIN: 00519946	28.06.2003	Chairman & Managing Director	6970750	1	-	-
Anita Dhabriya DIN: 00359317	15.07.2014	Whole time Director	457700	1	-	-
Mahendra Karnawat DIN: 00519876	22.05.2000	Whole time Director	46250	-	-	-
Shreyansh Dhabriya DIN: 06940427	15.07.2014	Whole time Director	20000	-	-	-
Sharad Kankaria DIN: 06961462	30.08.2014	Independent Director	-	-	-	-
Anil Upadhyay DIN: 06962089	30.08.2014	Independent Director	-	-	-	-
Padam Kumar Jain DIN: 06962097	30.08.2014	Independent Director	-	-	-	-
Shiv Shanker DIN: 06962101	30.08.2014	Independent Director	-	-	-	-

Notes: -

1. Mr. Digvijay Dhabriya, Mrs. Anita Dhabriya and Mr. Shreyansh Dhabriya are related to each other.
2. Details of Director(s) retiring or being re-appointed are given in the notice to Annual General Meeting.
3. Brief profile of the Board Members is given in the website of the Company ([www.polywood.org](http://www.polywood.org))
4. Directorship exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
5. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies other than Dhabriya Polywood Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.

### Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the company. The notice of Board Meeting is given well in advance to all the Directors. The agenda of the Board Meetings is set by the Company Secretary in consultation with the Chairman & Managing Director of the Company. The agenda for the Board Meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the financial year ended March 31, 2017, Eight Board Meetings were held on April 01, 2016, May 30, 2016, June 08, 2016, September 03, 2016, September 16, 2016, October 28, 2016, November 14, 2016, and February 21, 2017. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

### Attendance of Directors at the Board Meetings and the last Annual General Meeting (AGM)

Sl. No.	Name of Director	No. of Board Meetings Attended	Attendance of the last AGM held on 15.10.2016
1.	Digvijay Dhabriya	7 of 8	Present
2.	Anita Dhabriya	8 of 8	Present
3.	Mahendra Karnawat	7 of 8	Present
4.	Shreyansh Dhabriya	7 of 8	Present
5.	Sharad Kankaria	3 of 8	Present
6.	Anil Upadhyay	6 of 8	Present
7.	Padam Kumar Jain	3 of 8	Leave Sought
8.	Shiv Shanker	8 of 8	Leave Sought

### Information Given to the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulation to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

### Post Meeting Mechanism

The important decision taken at the Board/Board Committee meetings are communicated to the concerned departments/divisions.

### Board Support

The Company Secretary Attends Board/Board Committee meetings and advises on Compliances with applicable laws and governance.

### Independent Directors

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulation.

### Limit on the number of Directorship

In compliance with the Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven Listed Companies or in case he is serving as a Whole-time Director in any Listed Companies, does not hold such position in more than three Listed Companies.

### Maximum Tenure of Independent Directors

In accordance with Section 149(11) of the Companies Act, 2013 the Current tenure of Independent Directors of the Company is for a term of 5 consecutive years from the date of Extra-Ordinary General Meeting (EGM) held on September 1, 2014 up-to the conclusion of AGM to be held in the calendar year 2019.

### Independent Directors' Meeting

During the year under review, the Independent Directors met on March 31, 2017, inter alia, to discuss:

- ❖ Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- ❖ Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- ❖ Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

### GOVERNANCE CODES

#### Code of Business Conduct & Ethics

The Company has adopted code of Business Conduct & Ethics ('the Code') which is applicable to the Board of Directors and Senior Management Team (One Level below the Board) of the Company. The Board of Directors and the members of Senior Management team are required to affirm semi-annual

compliance of this code. The code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The code is displayed on the website of the Company viz. <http://www.polywood.org/COC.pdf>

### **Conflict of Interest**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other Companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The members of the Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

### **Insider Trading Code**

The SEBI has notified the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 ("the PIT Regulations") on 15<sup>th</sup> January 2015 effective from 15<sup>th</sup> May 2015 which has repealed the SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Company has adopted a code of conduct to regulate, monitor and report trading by insiders ('the Code') in accordance with the requirements of the PIT Regulations.

The Code is applicable to the Promoters and Promoters Group, all Directors and such designated employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said regulations.

In compliance with the aforesaid PIT Regulations, the Company has also formulated the Code of Practices and Procedures for fair disclosures of Unpublished Price Sensitive Information. This code is displayed on the Company's website viz. <http://polywood.org/wp-content/uploads/2016/06/Insider-Trading-1.pdf>

### **COMMITTEES OF THE BOARD**

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board currently has the following Committees:

### **1. AUDIT COMMITTEE**

#### **Composition**

Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the company's internal controls and financial reporting process. The Audit Committee is headed by Mr. Padam Kumar Jain and has Mr. Sharad Kankaria and Mr. Shreyansh Dhabriya as its Members. All the members of the Audit Committee are financially literate and having accounting and related Administrative and Financial Management Expertise. The Independent Auditors, Internal Auditors and the Secretarial Auditors of the Company are invited to the Audit Committee meetings. Mr. Sparsh Jain Company Secretary acts as the Secretary to the Audit Committee.

#### **Term of Reference**

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- ❖ Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ❖ Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- ❖ Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- ❖ Approving initial or any subsequent modification of transactions of the company with related parties;
- ❖ Scrutinizing inter-corporate loans and investments
- ❖ Valuation of undertakings or assets of the company, wherever it is necessary;
- ❖ Monitoring the end use of funds raised through public offers and related matters
- ❖ Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to;
- ❖ matters required to be included in the Director's Responsibility Statement to be included in the

Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013;

- ❖ changes, if any, in accounting policies and practices along with reasons for the same;
- ❖ major accounting entries involving estimates based on the exercise of judgment by management;
- ❖ significant adjustments made in the financial statements arising out of audit findings;
- ❖ compliance with listing and other legal requirements relating to financial statements;
- ❖ disclosure of any related party transactions; and
- ❖ qualifications in the audit report.
- ❖ Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- ❖ Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- ❖ Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- ❖ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- ❖ Discussing with the internal auditors any significant findings and follow up there on;
- ❖ 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;

- ❖ Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- ❖ Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
- ❖ Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
- ❖ Approving the appointment of the Chief Financial Officer (i.e. the whole-time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
- ❖ Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Further, the Audit Committee shall mandatorily review the following:

- ❖ management discussion and analysis of financial condition and results of operations;
- ❖ statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- ❖ management letters / letters of internal control weaknesses issued by the statutory auditors;
- ❖ internal audit reports relating to internal control weaknesses; and
- ❖ the appointment, removal and terms of remuneration of the chief internal auditor.

#### **Meetings and Attendance**

The Audit Committee met 4 (four) times during the financial year 2016-17. The Committee met on May 30, 2016, September 02, 2016, November 14, 2016 and February 20, 2017 to deliberate on various matters. The maximum gap between two Audit Committee Meetings was not more than 120 days. The necessary quorum was present for all meetings.

The table below provides the attendance of the Audit Committee members:

Sl. No.	Name of the Directors	Position	No. of Meetings Attended
1.	Padam Kumar Jain ID	Chairman	4 of 4
2.	Sharad Kankaria ID	Member	4 of 4
3.	Shreyansh Dhabriya WTD	Member	4 of 4

#ID – Independent Director, WTD – Whole-Time Director

### Internal Controls

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

## 2. NOMINATION AND REMUNERATION/COMPENSATION COMMITTEE

### Composition

The Nomination and Remuneration/ Compensation Committee comprises Mr. Sharad Kankaria as the Chairman & Mr. Anil Upadhyay and Mr. Padam Kumar Jain as members of the Committee. In terms of Section 178(1) of the Companies Act, 2013 and Regulation 19 of Listing Regulations, the Nomination and Remuneration Committee should comprise of at least three Directors; all of whom should be Non-Executive Directors. At least half of the Committee members should be Independent with an Independent Director acting as the Chairman of the Committee.

### Term of Reference

The role of Nomination and Remuneration/ Compensation Committee is as follows:

- ❖ Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- ❖ Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.

- ❖ Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights.
- ❖ Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- ❖ Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- ❖ Decide the amount of Commission payable to the Whole Time Directors.
- ❖ Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- ❖ To formulate and administer the Employee Stock Option Scheme.

### Meetings and Attendance

The Nomination and Remuneration/ Compensation Committee met once during the year on September 16, 2016. The necessary quorum was present for the Meeting. The Chairman of the Committee was present at the last Annual General Meeting of the Company.

The Table below provides the Attendance of the Nomination and Remuneration/Compensation Committee members:

Sl. No.	Name of the Directors	Position	No. of Meetings Attended
1)	Sharad Kankaria ID	Chairman	1 of 1
2)	Anil Upadhyay ID	Member	1 of 1
3)	Padam Kumar Jain ID	Member	0 of 1

#ID – Independent Director

## REMUNERATION

### Remuneration to Non-Executive Directors

The Non-Executive Independent Directors are eligible for sitting fees and commission not exceeding the limits prescribed under the Companies Act, 2013. The

remuneration paid to Non-Executive Directors is decided by the board of directors' subject to the overall approval of the members of the company. The Non-Executive Directors are paid remuneration by way of sitting fees. The Company pays sitting fees for each Board meeting and all other committee meetings attended by the Directors except to Executive Directors. The Non-Executive Independent Directors do not have any material relationship or transaction with the company.

#### Remuneration to Executive Directors

All decisions relating to the appointment and remuneration of the Executive Directors were taken by the Board of Directors of the Company and in accordance with the Share holders' approval wherever necessary. The Executive Director gets a monthly salary, perquisites and performance pay as per the policies of the Company. In the event of the Managing Director desiring to leave the service of the Company, he shall give to the Company six months' notice. The Company may, at its sole discretion, relieve the Managing Director of his duties any time by giving six months' notice. Salary, as recommended by the Nomination and Remuneration Compensation Committee and approved by the Board and the Shareholders of the Company.

The term of appointment of Executive Directors for a period of 5 years from September 1, 2014 to August 31, 2019. In the event of inadequacy of profits during the tenure the remuneration shall be allowed in compliance of the provisions of schedule V and in the event of continuation of inadequacy of profits for a continuous period of 3 years, the same shall be subject to review by shareholders.

Remuneration of the Managerial Persons are within the limits approved by the Board and Shareholders. The remuneration is directed towards rewarding performance, based on review of achievements. Presently the Company does not have a Scheme for grant of Stock Options or performance linked incentives for its Directors.

#### Remuneration to Key Managerial Personnel, Senior Management and other Staff:

The Remuneration to KMP, Senior Management and other staff will be determined by the Committee and recommended to the Board for approval. KMP, Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013 and the rules made there under for the time being in force.

Key principle of the Remuneration for Key Managerial Personnel, Senior Management and other employees, the following set of principles act as guiding factors:

- ❖ Aligning key executive and Board Remuneration with the longer-term interests of the Company and its Shareholders
- ❖ Minimize complexity and ensure transparency
- ❖ Link to long term strategy as well as annual business performance of the Company
- ❖ Reflective of line expertise, market competitiveness so as to attract the best talent.

Details of Remuneration paid to Directors for the year ended March 31, 2017:

(a) Non-Executive Independent Directors

Name of Director	Sitting Fees
Mr. Sharad Kankaria	10000
Mr. Anil Upadhyay	10000
Mr. Padam Kumar Jain	7000
Mr. Shiv Shanker	8000

**(b) Executive Directors**

Particulars	Mr. Digvijay Dhabriya	Mrs. Anita Dhabriya	Mr. Mahendra Karnawat	Mr. Shreyansh Dhabriya
Term of appointment	For a period of 5 years from September 01, 2014 to August 31, 2019	For a period of 5 years from September 01, 2014 to August 31, 2019	For a period of 5 years from September 01, 2014 to August 31, 2019	For a period of 5 years from September 01, 2014 to August 31, 2019
Salary	₹ 64,80,000/-	₹ 18,60,000/-	₹ 14,40,000/-	₹ 12,00,000/-
Allowances	NIL	NIL	NIL	NIL
Commission	NIL	NIL	NIL	NIL
Variable Pay	NIL	NIL	NIL	NIL
Minimum Remuneration	The remuneration paid to Mr. Digvijay Dhabriya, is in line with Section II of Part II of Schedule V of Companies Act, 2013.	The remuneration paid to Mrs. Anita Dhabriya, is in line with Section II of Part II of Schedule V of Companies Act, 2013.	The remuneration paid to Mr. Mahendra Karnawat, is in line with Section II of Part II of Schedule V of Companies Act, 2013.	The remuneration paid to Mr. Shreyansh Dhabriya, is in line with Section II of Part II of Schedule V of Companies Act, 2013.
Notice Period & Severance Fees	Six months' notice or six months' salary in lieu thereof	Three months' notice or three months' salary in lieu thereof.	Three months' notice or three months' salary in lieu thereof.	Three months' notice or three months' salary in lieu thereof.

**Performance Evaluation**

In terms of the requirement of the Companies Act, 2013 and Listing Regulations, the Board carried out the annual performance evaluation of the Board as a whole, Board Committees and the Directors.

During the year, in terms of the requirements of the Companies Act, 2013 and Listing Regulations, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Directors. The exercise was led by the Independent Director of the Company. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience, performance of specific duties and obligations, governance issues etc.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the Evaluation, the Board and Committees have agreed on an action to further improve the effectiveness and functioning of the Board and Committees. The Chairman of respective Board Committees also shared the results of evaluation with the respective Committee Members.

**3. SHAREHOLDER'S/ INVESTORS GRIEVANCE COMMITTEE**
**Composition**

The Shareholder's/Investors Grievance Committee comprises Mr. Anil Upadhyay, Independent Director as the Chairman & Mr. Sharad Kankaria and Mr. Digvijay Dhabriya as members of the Committee.

**Term of Reference**

The Committee looks into the matters of Shareholders/Investors grievance along with other matters listed below:

- ❖ Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- ❖ Issue of duplicate certificates and new certificates on split/ consolidation/ renewal, etc.; and
- ❖ Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
- ❖ non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of

interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.

- ❖ Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- ❖ Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 1992 as amended from time to time.
- ❖ Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
- ❖ Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

#### Meetings and Attendance

The Shareholder's/Investors Grievance Committee met four times during the year on May 31, 2016, September 02, 2016, November 15, 2016 and February 20, 2017. The necessary quorum was present for the Meeting. The Chairman of the Committee was present at the last Annual General Meeting of the Company.

The Table below provides the Attendance of the Shareholder's/Investors Grievance Committee members:

Sl. No.	Name of the Directors	Position	No. of Meetings Attended
1)	Anil Upadhyay ID	Chairman	3 of 4
2)	Sharad Kankaria ID	Member	2 of 4
3)	Digvijay Dhabriya CMD	Member	4 of 4

#ID – Independent Director, WTD – Chairman & Managing Director

#### Details of Shareholders' Complaints Received, Solved and Pending as on March 31, 2017

The Company expresses satisfaction with the Company's performance in dealing with investor grievance. The Company has not received any complaints during the

year. Hence there were no complaints outstanding as on March 31, 2017.

#### AFFIRMATIONS AND DISCLOSURES:

##### 1. Compliance with Governance Framework

The Company is in compliance with all mandatory requirements of Listing Regulation.

##### 2. Related Party Transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Listing Regulation during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of section 188 of the Companies Act, 2013.

Related party transactions have been disclosed under the Note no. 35 of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18". A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis or fair value basis.

##### 3. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during last year.

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchange as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory Authority for non-compliance of any matter related to the capital markets during the last three years.

##### 4. Vigil Mechanism/Whistle Blower Policy

Pursuant to section 177(9) and (10) of Companies Act, 2013 and Regulation 22 of the Listing Regulation, the Company has formulated Vigil Mechanism/Whistle Blower Policy for Directors and Employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct.

The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. <http://www.polywood.org/Dhabriya.pdf>

#### 5. Disclosure of Accounting Treatment

In the preparation of the Financial Statement, the Company has followed the Accounting Standards referred to in section 133 of the Companies Act, 2013. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

#### 6. Risk Management

Business risk evaluation and management is ongoing process within the Company. The Assessment is periodically examined by the Board.

#### 7. Non-mandatory requirements

Adoption of Non-mandatory requirements of Listing Regulation is being reviewed by the Board from time-to-time.

#### 8. Commodity price risks/Foreign Exchange Risk and Commodity hedging activities

The Raw material of the Company is imported regularly, as per purchase guidelines of the company. The Company's performance may get impacted in case of substantial change in prices of raw material or foreign exchange rate fluctuations. The Company does not undertake commodity hedging activities.

### SHAREHOLDER INFORMATION

#### General Body Meeting

Details of Last Annual General Meetings and the summary of Special Resolutions passed therein as under:

Financial Year	Date and Time	Venue	Details of Special Resolution Passed
2013-14	August 14, 2014 11.00 A.M	Registered Office of the Company	<ul style="list-style-type: none"> <li>❖ Convert the Company from Private Ltd to Public Ltd.</li> <li>❖ Adoption of new set of Articles u/s 14 of the Companies Act, 2013.</li> <li>❖ Borrowing limits of the Company u/s 180(1) (c) of the Companies Act, 2013.</li> <li>❖ To approve and adopt of new set of MOA and alteration of object clause of MOA.</li> <li>❖ To issue and allotment of Bonus Share.</li> </ul>
2014-15	September 26, 2015 11.00 A.M	SP-2032 (A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur-302020	<ul style="list-style-type: none"> <li>❖ Approval of Polywood Employee Stock Option Scheme 2015</li> <li>❖ Approval of Polywood Employee Stock Option Scheme 2015 for Subsidiary Company</li> <li>❖ To issue and allotment of Bonus Share</li> <li>❖ Revision in Remuneration of Managing Director and all Whole-Time Directors</li> </ul>
2015-16	October 15, 2016 11:00 A.M	SP-2032 (A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur-302020	No Special Resolution was passed.

No special resolution is proposed to be conducted through Postal Ballot in the ensuring Annual General Meeting.

### Postal Ballot

During the year, the Company approached the Shareholders once through postal ballot in November 2016. A snapshot of the voting results of the above-mentioned postal ballot is as follows:

**Date of Postal Ballot Notice:** November 14, 2016  
**Date of Declaration of Result:** December 22, 2016

**Voting Period:** November 21, 2016 to December 20, 2016  
**Date of Approval:** December 22, 2016

Sr. No.	Particulars	Migration from SME Platform of BSE Ltd. to the Main Board of BSE Ltd.	
		No. of Postal Ballot forms/votes (including e-voting)	No. of Equity Shares (votes)
1.	Total postal ballot forms/votes (including e-voting) received	20	8201650
2.	Less: Invalid postal ballot forms /votes (including e-voting) received	1	7500
3.	Net valid postal ballot forms/votes (including e-voting) received	19	8194150
4.	Valid votes (including e-voting) cast in favour of the resolution and its %	19	8194150 (100.00%)
5.	Valid votes cast (including e-voting) cast against the resolution and its %	NIL	NIL

The Company successfully completed the process of obtaining approval of its shareholders for special resolution on the items detailed above through a postal ballot

Manish Sancheti of M Sancheti & Associates, Company Secretaries, was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

### Procedure for Postal Ballot

In compliance with section 108 and 110 and other applicable provisions of the Companies Act, 2013, read with related rules, the Company provides electronic voting (e-voting) facility to all its members. The Company engages the services of CDSL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or through e-voting.

The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members/list of beneficiaries as on a cut-off date. The postal ballot notice is sent to all members. The company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the act and applicable rules.

The voting rights of the members are reckoned on the paid-up value of the shares registered in the names of the members as on cut-off date. Members desiring to exercise their votes by physical ballot forms are requested to return the forms, duly

completed and signed, to the scrutinizer on or before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before 05:00 P.M on the last date of e-voting.

The scrutinizer submits his report to the chairman, after the completion of scrutiny, and the consolidated results of the voting by the postal ballot are then announced by the Chairman / authorized officer. The results are also displayed on the Company website viz. [www.polywood.org](http://www.polywood.org), besides being communicated to the stock exchange, depository and registrar and transfer agent. The last date for the receipt of duly completed Postal Ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

### Extra-Ordinary General Meeting

During the year, Your Company held one Extra-Ordinary General Meeting on March 18, 2017 to seek approval for Issue of Equity Shares on Preferential basis. As required a Special Resolution was passed with requisite majority.

**Annual General Meeting for the financial year 2016-17**

<b>DAY AND DATE</b>	Tuesday, September 26, 2017
<b>TIME</b>	11.00 A.M
<b>VENUE (Manufacturing Unit of the Company)</b>	SP-2032, (A) Ramchandrapura Industrial Area, Sitapura Extension, Jaipur - 302020
<b>FINANCIAL YEAR</b>	April 1, 2016 to March 31, 2017
<b>BOOK CLOSURE DATE</b>	September 20, 2017 to September 26, 2017 (both days inclusive)
<b>LAST DATE OF RECEIPT OF PROXY FORMS</b>	Sunday, September 24, 2017 before 11:00 A.M

**Tentative Calendar for Financial Year ending March 31, 2018**

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending March 31, 2018 are as follows:

Sl. No.	Particular of Quarter	Tentative Dates
1.	First Quarter Results	In or before the second week of August 2017
2.	Second Quarter & Half Yearly Results	In or before the second week of November, 2017
3.	Third Quarter & Nine-months Results	In or before the second week of February, 2018
4.	Fourth Quarter & Annual Results	In or before the fourth week of May, 2018

**Dividend**

The Board of Directors of the Company does not recommend dividend for the financial year 2016-17.

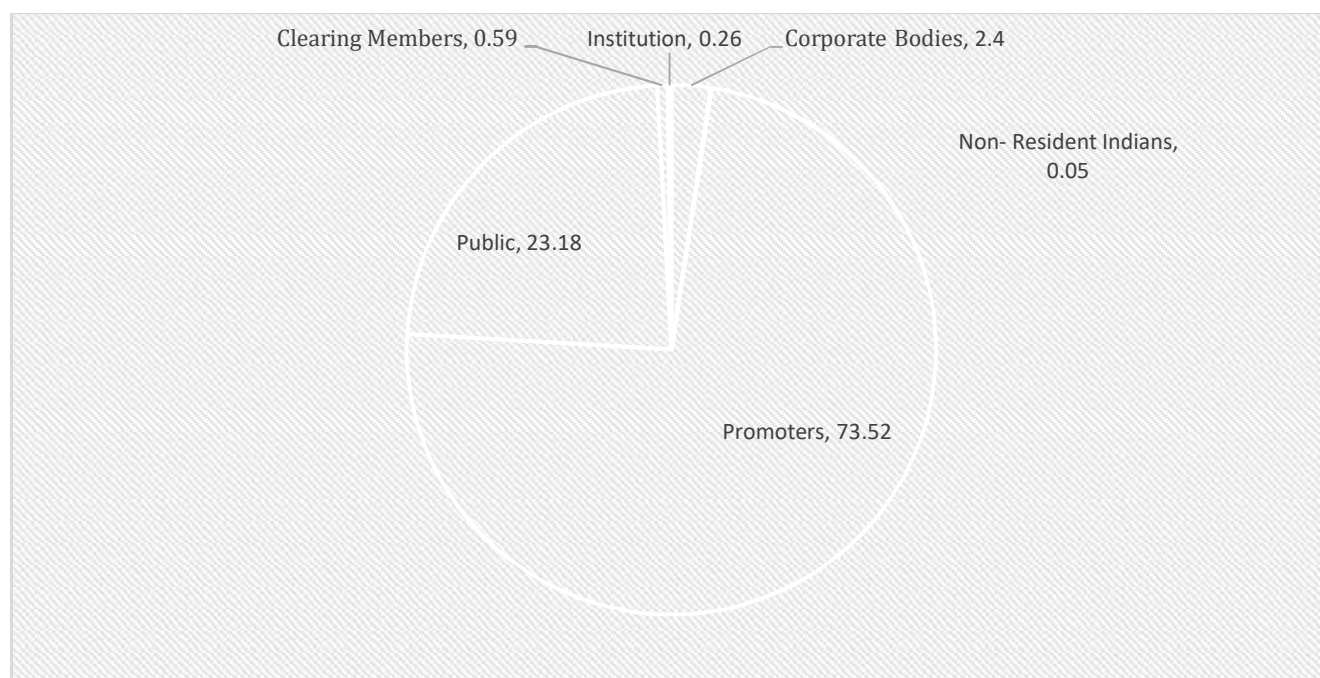
**Distribution of Shareholding as on March 31, 2017**

Holding	Shareholders		Shares	
	Number	%	Number	%
1 - 500	2	1.31	75	0.00071
501 - 1000	1	0.66	700	0.00662
1001 - 2000	0	0.00	0	0.00
2001 - 3000	53	34.87	132500	1.25235
3001 - 4000	0	0.00	0	0.00
4001 - 5000	29	19.08	145000	1.37049
5001 - 10000	29	19.08	260981	2.46670
10001 and above	38	25.00	10040894	94.90313
<b>Grand Total</b>	<b>152</b>	<b>100.00</b>	<b>10580150</b>	<b>100.00</b>

**Categories of Shareholders as on March 31, 2017**

Sl. No.	Particulars	No. of Shares	% of holding
<b>A.</b>	<b>Promoter Holding</b>		
	1. Individual	7778700	73.52
	2. Bodies Corporate	-	-
	<b>Sub Total (A)(1)</b>	<b>7778700</b>	<b>73.52</b>
<b>B.</b>	<b>Public Shareholding</b>		
	1. Institutions	27500	0.26
	<b>Sub Total (B)(1)</b>	<b>27500</b>	<b>0.26</b>
	2. Non-Institutions		
	a. Bodies Corporate	254300	2.40
	b. Individuals		
	I. Individual Shareholders holding nominal share capital up-to ₹ 1 lakh	300700	2.84

Sl. No.	Particulars	No. of Shares	% of holding
	II. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	2151394	20.33
	c. NRIs	5000	0.05
	d. Clearing Members	62556	0.60
	<b>Sub Total (B)(2)</b>	<b>2773950</b>	<b>26.22</b>
	<b>Total (B)(1) + (B)(2)</b>	<b>2801450</b>	<b>26.48</b>
	<b>Grand Total (A)+(B)</b>	<b>10580150</b>	<b>100.00</b>



#### Equity Evolution during the financial year 2016-17

As at March 31, 2016 the paid-up Equity Share Capital of the Company was ₹ 10,25,00,000/- consisting of 1,02,50,000 Equity Shares of ₹ 10/- each. The table below gives details of equity evolution during the financial year 2016-17.

Date	Particulars	No. of equity Shares Issued of ₹ 10/- each	Cumulative Shares
April 01, 2016	Preferential Allotment	3,30,150	1,05,80,150

#### Reconciliation of Share Audit Report

As stipulated by SEBI, a qualified Chartered Accountant carries out to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's Shares are Listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of total number of shares in Dematerialized form (held with CDSL and NSDL).

#### Bifurcation of Shares held in physical and demat form as on March 31, 2017

Particulars	No. of Shares	%
Physical Segment	-	-
Demat Segment		
A. NSDL	1622500	15.34
B. CDSL	8957650	84.66
<b>Total (A)+(B)</b>	<b>10580150</b>	<b>100.00</b>
<b>Grand Total</b>	<b>10580150</b>	<b>100.00</b>

There are no outstanding GDRs/ADRs/Warrants/Convertible Instruments of the Company.

**Details of Shares Listed on Stock Exchange as on March 31, 2017**

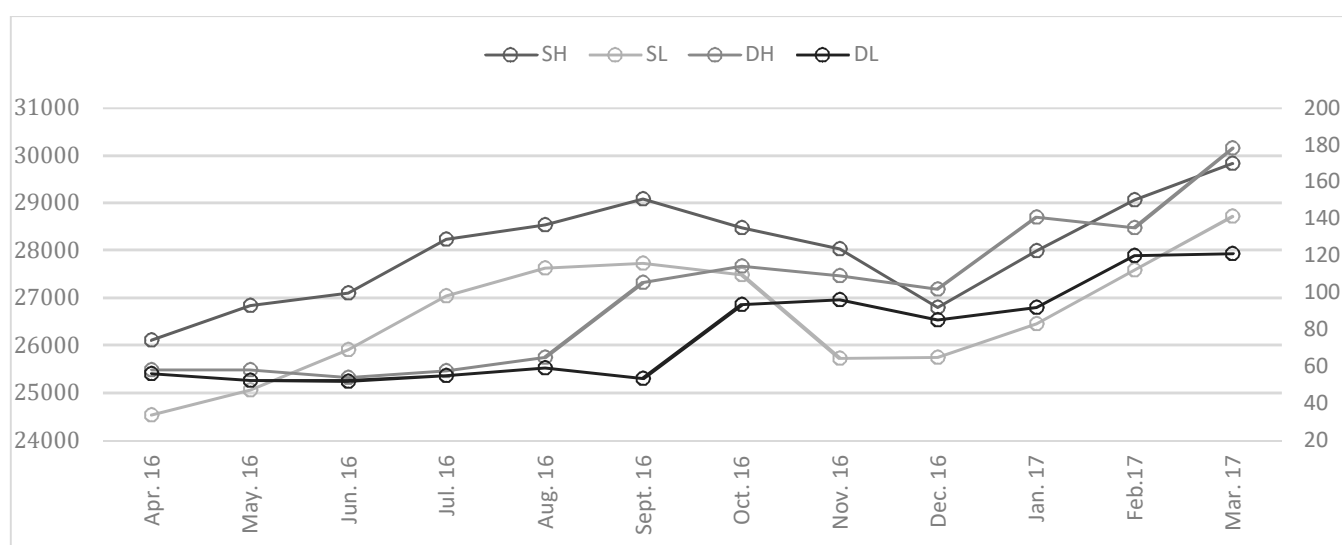
Name and Address of Stock Exchange	Stock Code
BSE Limited Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	538715

The Annual Listing Fees for the financial year 2016-17 has been paid to the Stock Exchange.

**Share Price Data**

The monthly high and low prices and volumes of shares of the Company at BSE Limited (BSE) for the year ended March 31, 2017 are as under:

Month	BSE		
	High (₹)	Low (₹)	Volume (Nos.)
April 2016	58.00	56.00	25000
May 2016	58.00	52.25	532500
June 2016	54.00	52.00	5000
July 2016	57.50	55.00	25000
August 2016	65.00	59.00	70000
September 2016	105.60	53.25	2660000
October 2016	114.00	93.50	97500
November 2016	109.00	96.00	70000
December 2016	102.00	85.00	47500
January 2017	140.80	92.00	300000
February 2017	135.00	120.00	82500
March 2017	178.20	121.00	220000
<b>Closing Share Price as on March 31, 2017 (In ₹)</b>			<b>170.30</b>
<b>Market Capitalization as on March 31, 2017 (₹ In Lakhs)</b>			<b>18017.99</b>

**Stock Performance vis-a-vis index**


**Means of Communication to Shareholders**

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, thoughts, ideas and plans to all stakeholders which promotes management-shareholder relations. The Company regularly interacts with shareholders through multiple channel of communication such as results announcement, annual report, media releases, Company's website.

1. The Unaudited half yearly results are announced within Forty-Five days of the close of the half year. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulation.
2. The approved financial results are forthwith sent to the stock exchange and displayed on the Company's website- [www.polywood.org](http://www.polywood.org).
3. Managerial Discussion and Analysis forms part of the Annual Report, which is sent to the Shareholders of the Company.
4. The half yearly results, Shareholding pattern, quarterly/half yearly/yearly compliances and all other corporate communication to the stock exchange viz. BSE Limited of India are filed electronically. The Company

has complied with filing submissions through BSE's BSE Listing Centre.

5. A Separate dedicated section under "Investor" on the Company's website gives relevant information of interest to the investors/public like shareholding pattern, half yearly results, etc.

**Share transfer system**

As all the shares are held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the system and a certificate to that effect is issued.

**Nomination**

Nomination facility in respect of shares held in electronic form is available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form can be obtained from the Company's Registrar and Transfer Agent.

**Service of Document through Electronic mode**

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Transfer Agent, Big Share Services Pvt. Ltd.

**Address for Correspondence:**

Compliance Officer	Bigshare Services Pvt. Ltd.	Correspondence with the Company
Mr. Sparsh Jain	Unit: Dhabriya Polywood Limited	Dhabriya Polywood Limited
Company Secretary	1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059	B-9 D(1), Malviya Industrial Area, Jaipur - 302017
Phone: 141 - 4057171	Phone: 022 - 62638200	Phone: 141 - 4057171
E-mail: <a href="mailto:cs@polywood.org">cs@polywood.org</a>	Fax: 022 - 62638299	Fax: 141 - 2750814
	E-mail: <a href="mailto:babu@bigshareonline.com">babu@bigshareonline.com</a>	E-mail: <a href="mailto:info@polywood.org">info@polywood.org</a>

**Plant Locations:**

The Company's manufacturing plants are located at three places as under:

1. B-9D (1), Malviya Industrial Area, Jaipur - 302017 (Raj.)
2. SP-2032 (A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur - 302020 (Raj.)
3. 239-A, Perur Road, Kumarapalayam, Coimbatore - 641026 (Tamilnadu)

## MD/CFO CERTIFICATION TO THE BOARD

To,  
The Board of Directors  
**Dhabriya Polywood Limited**

We the undersigned, in our respective capacity as Managing Director and Chief Financial Officer of Dhabriya Polywood Limited ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed Financial Statements and the Cash Flow Statement for the Financial Year ended March 31, 2017 and that to the best of our knowledge and belief, we state that:
  - (i) These statements do not contain any materially untrue statements or omit any material fact or contain any statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are 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 hereby declare that all the members of the Board of Directors and Executive Committee have confirmed

compliance with the Code of Conduct as adopted by the Company.

- d) 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 of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e) We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
  - (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

For Dhabriya Polywood Limited

Sd/-  
**Hitesh Agrawal**  
Chief Financial Officer

Sd/-  
**Digvijay Dhabriya**  
Chairman & Managing Director  
DIN: 00519946

Jaipur, May 12, 2017

### Declaration by the Managing Director to Compliance with the Code of Business Conduct and Ethics

I hereby confirm that, all the Directors and Senior Management Personnel have affirmed compliance with Dhabriya Polywood Limited Code of Business conduct and Ethics for the year ended March 31, 2017.

For Dhabriya Polywood Limited

Sd/-  
**Digvijay Dhabriya**  
Chairman & Managing Director  
DIN: 00519946

Jaipur, May 12, 2017

## AUDITOR'S CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

To the Members of  
**Dhabriya Polywood Limited**

We have examined the compliance of conditions of Corporate Governance by Dhabriya Polywood Limited for the year ended March 31, 2017 as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

said Company with the Stock Exchanges. (The Members hereby noted that according to the SEBI (LODR) Regulations, 2015 the company (being a SME Listed Company of BSE Ltd) is exempted from the compliance of corporate governance requirements as provided under regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V.)

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

For **Narendra Sharma & Co.**  
Chartered Accountants  
Firm Reg. No. 004983C

Sd/-  
**CA Yogesh Gautam**  
Partner  
Membership No. 072676

Jaipur, May 12, 2017

### **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**Dhabriya Polywood Limited**

#### **REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of **DHABRIYA POLYWOOD LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matter stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under Section 133 of the Act, read with relevant rules thereunder as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **AUDITOR'S RESPONSIBILITY**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone 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 financial statements are free from material misstatements.

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

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

#### **OPINION**

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

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereunder as applicable.

- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements– Refer Note 34 to the financial statements;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

- iv. The Company has provided requisite disclosure in the Notes to the Financial Statements as to holdings and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and relying on the management representation, we report that the disclosures are in accordance with books of accounts maintained by the Company and as produced to us by the management.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act and on the basis of such checks of the books & records of the Company as we considered appropriate and according to the information & explanations given to us, we give in “**Annexure B**” a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Sd/-  
**(YOGESH GAUTAM)**  
Partner  
Membership No. 072676

Jaipur, May 12, 2017

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

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

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

We have audited the internal financial controls over financial reporting of **DHABRIYA POLYWOOD LIMITED** (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the “Guidance Note on Audit of Internal Financial Controls Over Financial Reporting” (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and

errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's Responsibility**

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

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-  
**(YOGESH GAUTAM)**  
Partner  
Membership No. 072676

Jaipur, May 12, 2017

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in Paragraph 2 of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of **DHABRIYA POLYWOOD LIMITED** on the Financial Statements for the year ended on 31<sup>st</sup> March 2017, we report that:

- (i) In respect of its fixed assets:
- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - As per the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds and lease agreements provided to us, we report that, the title deeds, comprising the immovable properties of land (freehold and leasehold) and buildings, are held in the name of the Company.

- As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence reporting under (iii)(a), (iii)(b) and (iii)(c) is not applicable.
- In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. Therefore, the provisions of Clause (v) of paragraph 3 of the Order is not applicable to the Company.
- To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013.

(vii) According to the information and explanation given to us in respect of statutory dues:

- According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2017 for a period of more than six months from the date of becoming payable.
- There were no dues pending to be deposited on account of any dispute in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Service Tax, Excise Duty, Cess, Value Added Tax except:

Name of the Statute	Nature of Dues	Period to which amount related (FY)	Forum where dispute is pending	Amount Involved* (in Rs.)	Amount Paid under Protest (in Rs.)	Amount Unpaid (in Rs.)
Income Tax Act, 1961	Income Tax	2011-12	CIT Appeal - II, Jaipur	4,74,150/=	Nil	4,74,150/=

The following matter has been decided in favour of the Company although the department has preferred appeal at higher levels:

Name of the Statute	Nature of Dues	Period to which amount related (FY)	Forum where dispute is pending	Amount Involved* (in Rs.)
Rajasthan VAT Act, 2003	Demand for Penalty	2010-11	Rajasthan Tax Board, Ajmer	35,03,676/=
Rajasthan VAT Act, 2003	Demand for Penalty	2011-12	Rajasthan Tax Board, Ajmer	1,17,80,600/=

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and government. Company has not issued any debentures, hence nothing is due to the debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer/ further public offer (including debt instruments) during the year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where

applicable, and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) During the year the Company has made preferential allotment of 330150 fully paid-up equity shares on non-cash basis during the year under review and Company has complied with the requirement of Section 42 of Companies Act, 2013.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or Directors of its subsidiary companies or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.
- (xvi) In our opinion and according to information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Sd/-  
**(YOGESH GAUTAM)**  
Partner  
Membership No. 072676

Jaipur, May 12, 2017

<b>DHABRIYA POLYWOOD LIMITED</b>			
<b>BALANCE SHEET</b>			
<b>AS AT 31<sup>st</sup> MARCH 2017</b>			
<b>Particulars</b>	<b>Note</b>	<b>As at 31<sup>st</sup> March 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>
		<b>(₹)</b>	<b>(₹)</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's fund</b>			
(a) Share Capital	3	105801500	102500000
(b) Reserves and Surplus	4	169641707	119106892
		<b>275443207</b>	<b>221606892</b>
<b>Non-current Liabilities</b>			
(a) Long-term Borrowings	5	164398725	164019709
(b) Deferred Tax Liabilities (Net)	6	5754217	2425595
(c) Other Long-term Liabilities	7	2030000	1705000
(d) Long Term Provisions	8	10580220	9003735
		<b>182763162</b>	<b>177154039</b>
<b>Current Liabilities</b>			
(a) Short-term Borrowings	9	164365084	133915492
(b) Trade Payables	10	62489546	27333513
(c) Other Current Liabilities	11	77884695	78922090
(d) Short-term Provisions	12	25230775	23432443
		<b>329970100</b>	<b>263603538</b>
<b>TOTAL</b>		<b>788176469</b>	<b>662364469</b>
<b><u>ASSETS</u></b>			
<b>Non-current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	13	346488304	313651059
(ii) Capital Work-in-progress	13	677127	60000
(b) Non-current Investments	14	31972219	15464719
(c) Long-term Loans and Advances	15	4899056	5658919
(d) Other Non-Current Assets		0	0
		<b>384036706</b>	<b>334834697</b>
<b>Current Assets</b>			
(a) Inventories	16	153419220	121832072
(b) Trade Receivables	17	207025715	168029257
(c) Cash and Bank Balances	18	19654332	13846214
(d) Short-term Loans and Advances	19	21690943	23085101
(e) Other Current Assets	20	2349553	737128
		<b>404139763</b>	<b>327529772</b>
<b>TOTAL</b>		<b>788176469</b>	<b>662364469</b>
See accompanying notes forming part of the financial statements		1 - 37	
As per our Report of even date <b>For NARENDRA SHARMA &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Regn. No. 004983C</b>		<b>For DHABRIYA POLYWOOD LIMITED</b>	
Sd/- <b>(CA YOGESH GAUTAM)</b> <b>Partner</b> M. No. 072676		Sd/- <b>DIGVIJAY DHABRIYA</b> <b>Managing Director</b> (DIN: 00519946)	Sd/- <b>SHREYANSH DHABRIYA</b> <b>Director</b> (DIN: 06940427)
Jaipur, 12 <sup>th</sup> May, 2017		Sd/- <b>HITESH AGRAWAL</b> <b>Chief Financial Officer</b>	Sd/- <b>SPARSH JAIN</b> <b>Company Secretary</b>

<b>DHABRIYA POLYWOOD LIMITED</b>			
<b>STATEMENT OF PROFIT AND LOSS</b>			
<b>FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2017</b>			
Particulars	Note	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
		(₹)	(₹)
<b>Income</b>			
Revenue from operations	21	808231953	688143802
Less: Excise Duty		79096354	66246835
Net Revenue from Operations		729135599	621896967
Other Income	22	2989706	3959847
<b>Total Revenue</b>		<b>732125305</b>	<b>625856814</b>
<b>Expenses</b>			
(a) Cost of materials Consumed	23	400318372	327854910
(b) Purchase of Traded Goods	24	13563722	10771747
(c) Change in Inventories of Finished Goods, WIP and Stock-in-trade	25	(6996059)	(1294147)
(d) Employee Benefits Expense	26	108274626	97092401
(e) Finance Cost	27	35839159	30530171
(f) Depreciation and Amortization Expense	13	25860837	23613869
(g) Other Expenses	28	98329407	87509357
<b>Total Expenses</b>		<b>675190064</b>	<b>576078308</b>
<b>Profit Before Tax</b>		<b>56935241</b>	<b>49778506</b>
<b>Tax Expense:</b>			
(a) Current Tax		16000000	17500000
(b) Previous Year Tax		270239	245212
(c) Deferred Tax	6	3328622	(510824)
		<b>19598861</b>	<b>17234388</b>
<b>Profit for the year</b>		<b>37336380</b>	<b>32544118</b>
Earnings per Equity Share of face value ₹ 10/- each	29		
(a) Basic		3.53	3.18
(b) Diluted		3.53	3.18
<i>See accompanying notes forming part of the financial statements</i>		1 – 37	

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

Sd/-  
**(CA YOGESH GAUTAM)**  
**Partner**  
M. No. 072676  
**Jaipur, 12<sup>th</sup> May, 2017**

**For DHABRIYA POLYWOOD LIMITED**

Sd/-  
**DIGVIJAY DHABRIYA**  
**Managing Director**  
(DIN: 00519946)

Sd/-  
**HITESH AGRAWAL**  
**Chief Financial Officer**

Sd/-  
**SHREYANSH DHABRIYA**  
**Director**  
(DIN: 06940427)

Sd/-  
**SPARSH JAIN**  
**Company Secretary**

<b>DHABRIYA POLYWOOD LIMITED</b>			
<b>CASH FLOW STATEMENT</b>			
<b>FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2017</b>			
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2017</b>		<b>For the year ended 31<sup>st</sup> March, 2016</b>
	<b>(₹)</b>		<b>(₹)</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax as per Profit & Loss Statement		56935241	49778506
<b>Adjusted for:</b>			
Profit on sale of fixed assets	0		(529350)
Profit on Sale of Non-Current Investments	0		(2123005)
Interest Income	(1227550)		(1282885)
Depreciation	25860837		23613869
Interest & Finance Charges	35839159		30530171
		60472447	50208800
Operating Profit before working capital changes		117407687	99987306
<b>Adjustment for:</b>			
Trade receivables	(38996458)		(1553907)
Inventories	(31587148)		7061063
Short term loans and advances	1394158		765687
Other current assets	(1612425)		139440
Long term loans & advances	759863		(16295)
Trade payables	35156033		(25897347)
Long terms provisions	1576485		1876037
Short term provisions	(8240953)		(10181790)
Other current liabilities	(863211)		(16831692)
Other long-term liabilities	325000		58120
		(42088655)	(44580684)
Cash generated from/ (used in) operations		75319032	55406622
Direct Taxes Paid		(6230953)	(6855629)
<b>Net cash generated from/ (used in) operating activities - (A)</b>		69088079	48550993
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets	(59322773)		(105636801)
Purchase of Non-Current Investment	0		6350490
Sale of fixed assets	0		961000
Interest received	1227550		1282885
<b>Net cash (used in) Investing Activities - (B)</b>		(58095223)	(97042426)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Long Term Borrowings	39239880		110345000
Repayment of Long Term Borrowings	(39035049)		(36136845)
Proceeds from Issue of Share Capital	0		0
Net Increase/ (decrease) in working capital borrowings	30449591		(191092)
Interest Paid	(35839159)		(30530171)
Proceeds from share premium	0		0
<b>Net cash (used in)/ from financing activities - (C)</b>		(5184737)	43486892
<b>Net Increase/ (decrease) in Cash &amp; Cash Equivalents</b>		5808119	(5004541)
<b>Cash and cash equivalents at the beginning of the year</b>		13846214	18850756
<b>Cash and cash equivalents at the end of the year</b>		<b>19654332</b>	<b>13846214</b>

<b>DHABRIYA POLYWOOD LIMITED</b>			
<b>CASH FLOW STATEMENT</b>			
<b>FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2017</b>			
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2017</b>		<b>For the year ended 31<sup>st</sup> March, 2016</b>
	<b>(₹)</b>		<b>(₹)</b>
<b>1. Cash and cash equivalents at the end of the year comprises:</b>			
Cash on hand		270653	1780923
Balances with Banks			
(i) In current accounts		7823091	692714
(iii) In fixed deposit accounts		11560588	11372577
<b>Total</b>		<b>19654332</b>	<b>13846214</b>
<p>As per our Report of even date  <b>For NARENDRA SHARMA &amp; Co.</b>  <b>Chartered Accountants</b>  <b>Firm Regn. No. 004983C</b></p> <p>Sd/-  <b>(CA YOGESH GAUTAM)</b>  <b>Partner</b>  M. No. 072676</p> <p><b>Jaipur, 12<sup>th</sup> May, 2017</b></p>			
<p><b>For DHABRIYA POLYWOOD LIMITED</b></p> <p>Sd/-  <b>DIGVIJAY DHABRIYA</b>  <b>Managing Director</b>  (DIN: 00519946)</p> <p>Sd/-  <b>HITESH AGRAWAL</b>  <b>Chief Financial Officer</b></p> <p>Sd/-  <b>SHREYANSH DHABRIYA</b>  <b>Director</b>  (DIN: 06940427)</p> <p>Sd/-  <b>SPARSH JAIN</b>  <b>Company Secretary</b></p>			

**Notes forming part of Financial Statements**  
for the year ended March 31, 2017

**1. CORPORATE INFORMATION**

Company namely Dhabriya Polywood Limited is a listed entity incorporated in India in 1992 under the provisions of the erstwhile Companies Act, 1956. It is headquartered in Jaipur in Rajasthan and having its manufacturing units at two places in Rajasthan at Jaipur and one place in Tamilnadu at Coimbatore. Apart from that Company has its marketing network spread throughout India to cover all major markets. The Company is one of the leading manufacturer & suppliers of Extruded PVC Profile Sections, Sheets & Moldings for various indoor furniture applications (Doors, Partitions, Ceiling, Paneling, interior & furnishing etc.) and uPVC Windows/Door Systems. All the product range of Company is developed & produced on Save Tress concept without using natural wood.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention unless otherwise stated hereafter. The Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**B. USE OF ESTIMATES**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles, that requires the Management to make estimates and assumptions considered in reported amount of assets and liabilities (including contingent liabilities) and the income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the

estimates are recognized in the periods in which the results are known / materialize.

**C. FIXED ASSETS**

Fixed Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation (related to Land and Building in the financial year 1999-2000), less accumulated depreciation and impairment loss, if any.

The cost of Fixed Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**D. INVENTORIES**

Items of inventories are measured at lower of cost or net realizable value. Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition. Costs of Raw Materials, Packing Materials, Stores & spares and trading products are determined on FIFO basis. Work-in-progress and finished goods include appropriate proportion of overheads and where applicable, excise duty.

**E. EMPLOYEE BENEFITS**

**Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

**Post-Employment Benefits**  
**Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The

Company makes specified monthly contributions towards Provident Fund (PF) and Employee State Insurance (ESI) to the eligible employees. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

#### **Defined Benefit Plans**

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

#### **F. REVENUE RECOGNITION**

Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably. Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Revenue from operations includes sale of goods, excise duty and adjusted for discounts, if any. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

#### **G. FOREIGN CURRENCY TRANSACTIONS**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the day of the transaction. Monetary liabilities and assets denominated in foreign currency at the year-end are translated at the functional currency closing rate of exchange at the reporting date. Any income or expenses on account of exchange difference either on settlement or on translation is recognized

in the statement of profit and loss except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

#### **H. INVESTMENTS**

Long-term Investments made by the Company are stated at cost and provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

#### **I. BORROWING COSTS**

Borrowing Costs directly attributable to the acquisition, construction and production of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

#### **J. IMPAIRMENT OF ASSETS**

An asset is considered as impaired in accordance with AS-28 in Impairment of Assets when at balance sheet date there are indications of impairment and the carrying amount of asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of assets' net selling price and value in use). The carrying amount is reduced to the recoverable amount and reduction is recognized as an impairment loss in the Statement of Profit & Loss. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

#### **K. INCOME TAXES**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflects the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is

virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

**L. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the provisions requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions are reviewed regularly and revised to take account of changing

facts and circumstances. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are not recognized in the financial statements since this may result in the recognition of the income that may never realized.

**M. EARNING PER SHARE**

The earning considered in ascertaining the Company's earning per share comprises the net profit/losses for the period attributable to equity shareholders. The number of equity shares used in computing earning per share is the weighted average number of shares outstanding during the year.

**N. OTHERS**

Other accounting policies are consistent with the normally accepted accounting practices.

**3. SHARE CAPITAL**

Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
(a) <b>Authorised</b>				
Equity Shares of ₹ 10/- each	12500000	125000000	12500000	125000000
(b) <b>Issued</b>				
Equity Shares of ₹ 10/- each	10580150	105801500	10250000	102500000
(c) <b>Subscribed and fully Paid-up</b>				
Equity Shares of ₹ 10/- each	10580150	105801500	10250000	102500000
(d) <b>Reconciliation of Shares outstanding at the beginning &amp; at the end of the reporting period</b>				
At the beginning of the period	10250000	102500000	8200000	82000000
Add: Shares Issued	330150	3301500	0	0
Add: Bonus Shares Issued	0	0	2050000	20500000
Less: Shares bought back	0	0	0	0
Outstanding at the end of the period	<b>10580150</b>	<b>10580150</b>	<b>10250000</b>	<b>102500000</b>
(e) <b>Details of Shareholders holding more than 5% Equity Shares in the Company:</b>	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	Number of Shares	% holding in that class of shares	Number of Shares	% holding in that class of shares
1. Shri Digvijay Dhabriya	6970750	65.89	6800750	66.35
2. Hem Securities Limited	15000	0.14	470000	4.59
3. Mukul Agarwal	1002500	9.48	0	0.00
(f) <b>Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates</b>	NIL	NIL	NIL	NIL
(g) <b>Terms/rights attached to Equity Shares</b>	The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity share is entitled to one vote per share and Dividend as and when declared by Company. There are no rights, preferences and restrictions attached to any share.			
(h) There is no share reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.				
(i) During the Year Company has issued 3,30,150 number of face value of ₹ 10/- each at a premium of ₹ 40/- per share on non-cash basis i.e. against acquisition of 100% Equity Shares of Polywood Profiles Pvt. Ltd., for making it wholly owned subsidiary of the Company.				

**4. RESERVES AND SURPLUS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
(A) <b>General Reserve</b>		
Opening balance	118238523	95194405
Add: Transfer surplus of Profit and Loss	37336380	32544118
Less: Bonus Issued	0	(9500000)
<b>Closing Balance</b>	<b>155574903</b>	<b>118238523</b>
(B) <b>Revaluation Reserve</b>		
Opening Balance	868369	876669
Less: Adjustment on account of depreciation on revalued assets	7564	8300

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Closing Balance</b>	<b>860805</b>	<b>868369</b>
<b>(C) Share Premium Account</b>		
Opening Balance	0	11000000
Add: Premium Received on Issue of Shares during the year	13206000	0
Less: Bonus Issued	0	(11000000)
<b>Closing Balance</b>	<b>13206000</b>	<b>0</b>
<b>(D) Surplus in Statement of Profit and Loss</b>		
Opening Balance	0	0
Profit for the year	37336380	32544118
	37336380	32544118
Less: Transfer to General reserve	(37336380)	(32544118)
<b>Closing Balance</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>169641707</b>	<b>119106892</b>

**5. LONG TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>SECURED LOAN</b>		
Term Loan from Banks*	126431821	151934289
Less: Installments due within 12 months	(36117768)	(37327534)
	90314053	114606755
Vehicle Loans**	4773436	2026069
Less: Installments due within 12 months	(2243785)	(1208203)
	2529651	817866
<b>UNSECURED LOAN</b>		
From Directors	60355021	48595088
From Corporates	11200000	0
	71555021	48595088
<b>Total</b>	<b>164398725</b>	<b>164019709</b>

\* Term Loan from ICICI Bank Ltd. & SIDBI (earlier from HDFC Bank Ltd., SIDBI & Kotak Mahindra Bank Ltd.) are secured against equitable mortgage / hypothecation on all the immovable and movable properties of the Companies, both present and future and Term Loan from SIDBI is secured by the guarantees/security extended by promoter-directors of the Company. There is no default as on the Balance Sheet date in repayment of loans and interest. Total repayment period of the term loans are:

- (j) ICICI Bank Term Loan of ₹ 433.76 Lakhs availed in July 2016 on takeover of outstanding loan of Kotak Mahindra Bank is repayable in 26 monthly instalments commencing from August 2016 and last instalment due in September 2018.
- (ii) SIDBI Term Loan of ₹ 1000 Lakhs availed in the October 2015 is repayable in 90 monthly instalments commencing from April 2016 and last instalment due in September 2023.
- (jj) SIDBI Term Loan of ₹ 100 Lakhs availed in the Month of March 2017 is repayable in 54 monthly instalments commencing from October 2017 and last instalment due in March 2022.

\*\* Car Loans Taken from banks/financial institutions are secured by way of individual hypothecation of the Vehicle purchased from the amount of loan

**6. DEFERRED TAX ASSETS/LIABILITIES**

As required under Accounting standard (AS) 22, 'Accounting for taxes on income' issued by the Institute of Chartered Accountants of India, the details of deferred tax assets / liabilities for the year ended up to 31st March 2017 charged to Statement of Profit & Loss are as under:

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Deferred Tax Liability</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	9486310	5589484
Gross Deferred Tax Liability	9486310	5589484
<b>Deferred Tax Assets</b>		
Deferred Tax on Gratuity not provided for in earlier years	3083870	2327067
Impact of Expenditure charged (Gratuity) to Statement of Profit and Loss in the current year but allowed for tax purpose on payment basis (net)	648223	836822
Gross Deferred Tax Assets	3732093	3163889
<b>Net Deferred Tax Liability</b>	<b>5754217</b>	<b>2425595</b>

**7. OTHER LONG-TERM LIABILITIES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Trade/Security deposits received	2030000	1705000
<b>Total</b>	<b>2030000</b>	<b>1705000</b>

**8. LONG-TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Provision for Employee Benefits:		
Gratuity Provision	10580220	9003735
<b>Total</b>	<b>10580220</b>	<b>9003735</b>

**9. SHORT-TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Loans Repayable on demand from Banks:</b>		
Cash Credit Facility*	148586384	110019481
Buyer's Credit Facility*	15778700	23896011
<b>Total</b>	<b>164365084</b>	<b>133915492</b>

\* Cash Credit Limits & Buyers' Credit Facility from HDFC Bank Ltd. and ICICI Bank Ltd. (earlier from HDFC Bank Ltd. & Kotak Mahindra Bank Ltd.) are secured against equitable mortgage / hypothecation on all the immovable and movable properties of the Companies, inventory and book debts, both present and future.

**10. TRADE PAYABLES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Trade payables*</b>		
Micro, small and medium enterprises	0	0

Others	62489546	27333513
<b>Total</b>	<b>62489546</b>	<b>27333513</b>
* The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures in relation to amounts unpaid as at the year-end together with interest paid/payable under this Act have not been given.		

**11. OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Current maturities of Term Loans*	36117768	37327534
Current maturities of Vehicle Loans*	2243785	1208203
Advance from customers	14214503	18937920
Statutory Dues	15149985	14200608
Other Payables	10158654	7247825
<b>Total</b>	<b>77884695</b>	<b>78922090</b>
* Refer notes in note 5 Long-Term Borrowings for details of Security		

**12. SHORT TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Provision for Income Tax	16000000	17500000
Less: Advance Tax and TDS	5960714	6610417
Net Provision for Income Tax	10039286	10889583
Provision for Expenses	14483888	11977321
Gratuity Provision	707602	565539
<b>Total</b>	<b>25230775</b>	<b>23432443</b>

**14. NON-CURRENT INVESTMENTS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Investments (At Cost):</b>		
Other non-current investments (NSC*)	3000	3000
Equity Shares in Subsidiary Non-Listed Company	17002500	495000
Equity Shares in Other Non-Listed Company	10000	10000
Investments in immovable Properties (Residential Flats)	2377980	2377980
Advance for Immovable Property (Commercial Office Premises)	12578739	12578739
<b>Total</b>	<b>31972219</b>	<b>15464719</b>
* Pledged in favour of State Commercial Tax Department for VAT/CST Registrations.		

**15. LONG-TERM LOANS AND ADVANCES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
(Unsecured, Considered Goods)		
Security Deposits	4899056	5658919
<b>Total</b>	<b>4899056</b>	<b>5658919</b>

**13. FIXED ASSETS**
Tangible Assets:

Sr. No.	Name of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As at 01.04.2016	During the Year		As at 31.03.2017	As at 31.03.2016	For the year	Deduction / Adjustment	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
			Addition	Deduction/ Adjustment							
1.	Lease Hold Land	141213753	908161	0	142121914	0	0	0	0	142121914	141213753
2.	Building	103456125	800000	0	104256125	16882461	2988067	0	19870528	84385597	86573664
3.	Plant & Machinery	166746991	48757710	0	215504701	88238527	19098148	0	107336675	108168026	78508464
4.	Misc. Fixed Assets	4437540	497424	0	4934964	2424498	429505	0	2854004	2080960	2013042
5.	Computers	2890531	81668	0	2972199	2475111	229412	0	2704523	267676	415420
6.	Office Equipment's	1175960	0	0	1175960	1051187	70830	0	1122017	53943	124773
7.	Furniture & Fixtures	1656535	1864224	0	3520759	1299389	146791	0	1446180	2074579	357146
8.	Vehicles	16339034	5796459	0	22135493	11905698	2902242	0	14807941	7327552	4433336
9.	Cycles/Two-Wheeler	71056	0	0	71056	59595	3406	0	63001	8055	11461
	TOTAL	437987525	58705646	0	496693171	124336466	25868402	0	150204868	346488303	313651059
	Capital W.I.P./In Transit	60000	677127	60000	677127	0	0	0	0	677127	60000
	Grand Total	438047525	59382773	60000	497370298	124336466	25868402	0	150204868	347165430	313711059
	Previous year Total	334719644	105636801	2308920	438047525	102591568	23622169	1877270	124336466	313711059	232128076

Note: Depreciation on Building includes an amount of ₹ 7564/= (previous year ₹ 8300/=) towards depreciation on value of Building increased on a/c of Revaluation, which has been charged to Revaluation Reserve A/c instead of Statement of Profit & Loss.

**16. INVENTORIES\***

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Raw Materials	101009265	76777910
Packing Material	1074537	714803
Stock in Progress and Semi Finished Goods	13355824	7256841
Finished Goods – Manufactured	26450408	27346488
Finished Goods – Traded	10122686	8628030
Consumables Items, Stores and Spare parts	1406500	1108000
<b>Total</b>	<b>153419220</b>	<b>121832072</b>
* Refer Note 2 clause E for accounting policy on valuation of inventories		

**17. TRADE RECEIVABLES\***

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, Considered Good	47472077	57823025
Other trade Receivables		
Unsecured, Considered Good	159553638	110206232
<b>Total</b>	<b>207025715</b>	<b>168029257</b>
* Trade Receivables are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business.		
**Trade Receivables outstanding for a period exceeding six months includes ₹ 24502879/= (Previous Year ₹ 25933837/=) related to the retention/security deposit amounts.		

**18. CASH AND BANK BALANCES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Cash and Cash Equivalents		
(a) Cash on hand	270653	1780923
(b) Balances with Banks		
1. In current accounts	7823091	692714
2. In fixed deposit accounts	11560588	11372577
<b>Total</b>	<b>19654332</b>	<b>13846214</b>

**19. SHORT-TERM LOANS AND ADVANCES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Advances Recoverable in cash or kind or for value to be received (Unsecured, Considered Good)	3202370	2258151
Advance to Suppliers	13386961	18076117
Balance with Government Authorities	5101612	2750833
<b>Total</b>	<b>21690943</b>	<b>23085101</b>

**20. OTHER CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Prepaid Expenses	2349553	737128
<b>Total</b>	<b>2349553</b>	<b>737128</b>

**21. REVENUE FROM OPERATIONS**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b><u>Sale of Products (A)</u></b>		
Manufactured Goods	693396831	594672951
Traded Goods	19823403	7816873
	713220234	602489824
Less: Sales Return	0	154629
Less: Discount on Sales (Cash/Trade)	303233	207664
Add: Excise Duty	79096354	66246835
	<b>792013355</b>	<b>668374366</b>
<b><u>Sale of Services (B)</u></b>		
Installation and Fixing Income	16218599	19769436
<b>Total (A+B)</b>	<b>808231953</b>	<b>688143802</b>

**22. OTHER INCOME**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Interest Income	1227550	1282885
Foreign Exchange Gains (Net)	1762156	24606
Profit on Sales of Investment – Residential Flat	0	2123005
Profit on Sales of Depreciable Fixed Assets	0	529350
<b>Total</b>	<b>2989706</b>	<b>3959846</b>

**23. COST OF MATERIAL CONSUMED**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Inventory at the beginning of the year	77492713	85847923
Add: Purchases during the year	424909460	319499700
	502402173	405347623
Less: Inventory at the end of the year	102083801	77492713
<b>Total</b>	<b>400318372</b>	<b>327854910</b>

**24. PURCHASE OF TRADED GOODS**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Purchase of Trading Goods	13563722	10771747
<b>Total</b>	<b>13563722</b>	<b>10771747</b>

**25. CHANGES IN INVENTORIES OF FINISHED GOODS, WIP & STOCK-IN-TRADE**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<u>Inventories at the end of the year:</u>		
Finished Goods – Manufactured	26450408	27346488
Finished Goods – Trading	10122686	8628030
Stores & Spare Parts	1406500	1108000
Stock in Process and Semi Finished Goods	13355824	7256841
<b>Total</b>	<b>51335418</b>	<b>44339359</b>
<u>Inventories at the beginning of the year:</u>		
Finished Goods – Manufactured	27346489	34958238
Finished Goods – Trading	8628030	1457587
Stores & Spare Parts	1108000	562700
Stock in Process and Semi Finished Goods	7256841	6066687
<b>Total</b>	<b>44339359</b>	<b>43045212</b>
<b>Net (increase)/decrease</b>	<b>(6996059)</b>	<b>(1294147)</b>

**26. EMPLOYEE BENEFIT EXPENSES**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Salary, Wages and Bonus to Employees	89991599	78189838
Contributions to Provident Fund	1591090	1760644
Gratuity	1960568	2530993
Remuneration to Directors	10980000	10980000
Staff Welfare Expenses	3751369	3630926
<b>Total</b>	<b>108274626</b>	<b>97092401</b>

**27. FINANCE COST**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Interest Expense	33840202	28982493
Bank Charges	1998957	1547678
<b>Total</b>	<b>35839159</b>	<b>30530171</b>

**28. OTHER EXPENSES**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Manufacturing Expenses</b>		
Power & Fuel	20330030	19086532
Repair & Maintenance of Plant & Machinery	3737744	3742791
Electric Repair and Maintenance	293280	198979
Glass Hardware & Fittings	2342297	2424779
Installation & Fixing Charges	9329873	8954867
Excise Duty Expenses	4368417	4109641
Factory/Godown Rent	1808400	1817220
Carriage Inward	7308181	4745891
Factory Expenses	1650551	1425237
Water Charges	304621	352051
Work Contract Execution Expenses	1797766	3572843
Expenses for Import of Raw Material	10931874	9514419
	<b>64203034</b>	<b>59945250</b>
<b>Office &amp; Administrative Expenses</b>		
Auditor Fees	100000	100000
Insurance Expenses	696655	698956
Legal and Professional Expenses	1040551	1290112
Office/Branch and Misc. Expenses	433930	430089
Postage & Telegram Expenses	242078	211872
Printing & Stationery	499242	449536
News Paper & Periodicals	24576	16461
Subscription and Membership Fee	196900	278624
Registration and Filing Fee	370471	541214
Rent Rate and Tax	2654589	912547
Sitting fee to Independent Directors	35000	29000
Repair & Maintenance Computer	389744	783601
Repair & Maintenance Building	24792	161394
Vehicle Running & Maintenance	1132472	1074508
Telephone Cellular & Internet Expenses	1281005	1189636
Conveyance Expenses	1418676	959835
CSR Expenses	0	15000
Donation	130500	128001
	<b>10671180</b>	<b>9270386</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Sales Promotion Expenses	9036995	7011766
Travelling Expenses	6834504	4715473
Carriage Outward	6650188	4806161
Tender Expenses	4000	1500
Commission on Sales	559493	246942
Discount Allowed	370013	1511879
	<b>23455193</b>	<b>18293721</b>
<b>Total</b>	<b>98329407</b>	<b>87509357</b>

**29. EARNING PER SHARE**

Particulars	2016-17	2015-16
(a) Net Profit after Tax as per Statement of Profit & Loss	37336380	32544118
(b) Net Profit available to Equity Shareholders	37336380	32544118
(c) Number of Equity Shares at year end	10580150	10250000
(d) Weighted Average No. of Equity Shares	10580150	10250000
(e) Basic/ Diluted Earnings Per Share (b)/(d)	3.53	3.18
(f) Face value per Equity Share	10.00	10.00

**30. GRATUITY**

The following table summarizes the components of expense recognized in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet.

Particulars	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
<b>1. Expense Recognized in statement of Profit and Loss</b>		
a. Current Service Cost	1311162	1191398
b. Interest on defined Benefit Obligation	752145	580058
c. Net Actuarial Losses/(Gains) recognized in Year	(102739)	759537
d. Past Service Cost	0	0
Total Amount included in "Employee Benefit Expense" (Note 26)	1960568	2530993
<b>2. Amount Recognized in Balance Sheet</b>		
a. Present Value of Unfunded Obligations	11287822	9569274
Net Liability	11287822	9569274
b. Net Liability is bifurcated as follows:		
Current	707602	565539
Non-Current	10580220	9003735
Net Liability	11287822	9569274
<b>3. Change in Defined Benefit Obligation</b>		
a. Opening Defined Benefit Obligation	9569274	7287166
b. Current Service Cost	1311162	1191398
c. Interest Cost	752145	580058
d. Actuarial Losses/(Gain)	(102739)	759537
e. Past Service Cost	0	0
f. Benefits Paid	(242020)	(248885)
g. Closing Defined Benefit Obligation	11287822	9569274
h. Contributions by Employer	242020	248885
i. Benefits Paid	(242020)	(248885)
<b>4. Financial Assumptions at the Valuation Date:</b>		
a. Discount Rate (p.a.)	7.27%	7.96%
b. Expected Rate of Return on Assets (p.a.)	-	-
c. Salary Escalation Rate (p.a.)	6.00%	6.00%

**31. VALUE OF IMPORTS ON CIF BASIS**

Particulars	2016-17	2015-16
a. Raw Materials	133980945	105429876
b. Traded Goods	11897473	8712786
c. Components and Spare Parts	61378	104020
d. Capital Goods	47293242	4548784
<b>Total</b>	<b>193233038</b>	<b>118795466</b>

**32. EXPENDITURE IN FOREIGN CURRENCY**

Particulars	2016-17	2015-16
a. Others (Travelling Expenses)	780667	406975
<b>Total</b>	<b>780667</b>	<b>406975</b>

**33. IMPORTED AND INDIGENOUS MATERIAL CONSUMED**

Particulars	2016-17	2015-16
a. Total value of imported raw materials, spare parts and components consumed during the financial year	132351046	110794449
b. Total value of all indigenous raw materials, spare parts and components similarly consumed	271705070	220196820
c. Total value of imported and indigenous raw material, spare parts and components consumed during the financial year	404056116	330991269
d. Imported raw material, spare parts and components consumed in %	32.76%	33.47%
e. Indigenous raw material, spare parts and components consumed in %	67.24%	66.53%

**34. CONTINGENT LIABILITIES**

Particulars	2016-17	2015-16
a. Performance Bank Guarantees given to third parties for contractual obligations	16600568	7164706
b. Performance Bank Guarantees given to third parties for contractual obligations on behalf of Subsidiary Company	19110334	13510255
c. The Dy. Commissioner of Income Tax, Jaipur has raised a gross demand of ₹ 4,74,150/= while completing the assessment for the Assessment Year 2012-13 u/s 143(3) of the Income Tax Act. The Company has filed an appeal before the CIT(Appeals), Jaipur against the order.		
d. The Commercial Tax Officer, Anti Evasion, Rajasthan 3, Jaipur had raised a demand of ₹ 35,03,676/= and ₹ 1,17,80,600/= while completing the assessment for the Year 2010-11 and 2011-12 respectively. The company had gone on appeal and orders from the Dy. Commissioner (Appeal-I), Jaipur were delivered in favour of Company. The Department has filed appeals before the Rajasthan Tax Board, Ajmer against the orders of Dy. Commissioner (Appeals - I), Jaipur.		

**35. RELATED PARTY DISCLOSURES**

a) Related Parties and their relationship						
I. Subsidiary Company						
❖ Polywood Green Building Systems Pvt. Ltd.						
❖ Polywood Profiles Pvt. Ltd.						
II. Key Management Personnel						
❖ Mr. Digvijay Dhabriya, Director						
❖ Mr. Mahendra Karnawat, Director						
❖ Mr. Shreyansh Dhabriya, Director						
❖ Mrs. Anita Dhabriya, Director						
III. Enterprises over which Key Managerial Personnel's are able to exercise significant influence/control:						
❖ Dynasty Modular Furnitures Pvt. Ltd.						
❖ Polywood India Ltd.						
b) Transactions with related parties for the year ended 31st March, 2017						
Particulars	Subsidiary Company		Enterprises over which KMP exercise significant influence / control		Key Management Personnel and their relatives	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Remuneration to Directors	0	0	0	0	10980000	10980000
Salary to Employees	0	0	0	0	1320000	0
Interest Payment	0	0	0	0	222147	268498
Sales of Goods	265857478	95731978	4744291	11073281	0	0
Purchase of Goods	348137	0	10230871	2425813	0	0
Balance as at 31 <sup>st</sup> March						
Long Term Borrowings	0	0	0	0	60355021	48595088
Trade Receivables	75844435	26834268	0	0	0	0

**36. DETAILS OF SPECIFIED BANK NOTES (SBN) HELD AND TRANSACTED DURING THE PERIOD 08/11/2016 TO 30/12/2016 AS UNDER:**

Particulars	SBN	Other	Total
Closing cash in hand as on 08/11/2016	1481000	1235685	2716685
(+) Permitted receipts	0	1454621	1454621
(+) Amounts withdrawn from Banks	0	936000	936000
(-) Permitted payments	0	(3297693)	(3297693)
(-) Amounts deposited in Banks	(1481000)	0	(1481000)
Closing cash in hand as on 30/12/2016	<b>0</b>	<b>328613</b>	<b>328613</b>

**37. OTHER NOTES**

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

As per our Report of even date

**For NARENDRA SHARMA & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 004983C**

Sd/-  
**(CA YOGESH GAUTAM)**  
**Partner**  
M. No. 072676

Jaipur, 12<sup>th</sup> May, 2017**For DHABRIYA POLYWOOD LIMITED**

Sd/-  
**DIGVIJAY DHABRIYA**  
**Managing Director**  
(DIN: 00519946)

Sd/-  
**HITESH AGRAWAL**  
**Chief Financial Officer**

Sd/-  
**SHREYANSH DHABRIYA**  
**Director**  
(DIN: 06940427)

Sd/-  
**SPARSH JAIN**  
**Company Secretary**

### **INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
Dhabriya Polywood Limited**

#### **REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

We have audited the accompanying consolidated financial statements of **DHABRIYA POLYWOOD LIMITED** (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### **MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding Company's Board of Directors is responsible for the matters stated in the Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with relevant 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 provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

#### **AUDITOR'S RESPONSIBILITY**

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

While conducting the Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the consolidated 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 financial statements are free from material misstatements.

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

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

#### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors, referred to in Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at

March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

#### OTHER MATTERS

We did not audit the financial statements of one of the subsidiary, whose financial statements reflect total assets of ₹ 931.92 lakhs as at March 31, 2017, total revenues of ₹ 1848.97 lakhs and net cash flows amounting to ₹ 1.32 lakhs for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion is based solely on the reports of the other auditors.

Our opinion 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.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the Directors of the Holding Company as on 31<sup>st</sup> March 2017, taken on record by the Board of Directors of the Holding Company and the reports of the other auditors, none of the directors of the Group Companies is disqualified as on 31<sup>st</sup> March 2017 from being appointed as a Director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**” which is based on the auditor’s reports of the Holding Company and subsidiary Companies incorporated in India.
- (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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
  - iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company and its subsidiary companies.

The Holding Company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8<sup>th</sup> November 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Holding Company and the respective group entities, as produced to us and based on the consideration of report of other auditors, referred to in the Other Matters paragraph above. Refer Note No. 36 to the consolidated financial statements.

For **Narendra Sharma & Co.**  
**Chartered Accountants**  
 (Firm Regn No. 004983C)

Sd/-  
**Yogesh Gautam**  
**Partner**  
**Membership No. 072676**

**Jaipur, 12<sup>th</sup> May, 2017**

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

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

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of **DHABRIYA POLYWOOD LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), as of that date

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

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

**Auditor’s Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the

consideration of reports of the other auditors, as referred to in the Other Matters, the Holding Company and its subsidiary Companies which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note.

**Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to

standalone financial statements of one subsidiary which is company incorporated in India, is based on the corresponding report of the auditors of such company.

For **Narendra Sharma & Co.**  
**Chartered Accountants**  
(Firm Regn No. 004983C)

Sd/-  
**Yogesh Gautam**  
**Partner**  
**Membership No. 072676**

**Jaipur, 12<sup>th</sup> May, 2017**

<b>DHABRIYA POLYWOOD LIMITED</b> <b>CONSOLIDATED BALANCE SHEET</b> <b>AS AT 31<sup>st</sup> MARCH, 2017</b>			
Particulars	Note	As at 31 <sup>st</sup> March, 2017 (₹)	As at 31 <sup>st</sup> March, 2016 (₹)
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's fund</b>			
(a) Share Capital	3	105801500	102500000
(b) Reserves and Surplus	4	197962642	132726706
		<b>303764142</b>	<b>235226706</b>
<b>Minority Interest</b>		202820	<b>142573</b>
<b>Non-current Liabilities</b>			
(a) Long-term Borrowings	5	190212447	164019709
(b) Deferred Tax Liabilities (Net)	6	8470894	2335905
(c) Other Long-term Liabilities	7	2580000	1705000
(d) Long Term Provisions	8	10580220	9003735
		<b>211843561</b>	<b>177064349</b>
<b>Current Liabilities</b>			
(a) Short-term Borrowings	9	183505131	133915492
(b) Trade Payables	10	84267548	29654437
(c) Other Current Liabilities	11	103510905	112041181
(d) Short-term Provisions	12	30262933	23627507
		<b>401546517</b>	<b>299238617</b>
<b>TOTAL</b>		<b>917357040</b>	<b>711672245</b>
<b><u>ASSETS</u></b>			
<b>Non-current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	13	385403001	314250374
(ii) Capital work-in-progress	13	677127	60000
(b) Non-current Investments	14	14972219	14969719
(c) Long-term Loans and Advances	15	7857602	6404444
(d) Other Non-Current Assets		0	0
		<b>408909949</b>	<b>335684537</b>
<b>Current Assets</b>			
(a) Inventories	16	222375483	137574642
(b) Trade Receivables	17	234266700	195943834
(c) Cash and Bank Balances	18	24692521	17971652
(d) Short-term Loans and Advances	19	24078979	23651515
(e) Other Current Assets	20	3033408	846065
		<b>508447090</b>	<b>375987708</b>
<b>TOTAL</b>		<b>917357040</b>	<b>711672245</b>
See accompanying notes forming part of the financial statements As per our Report of even date For <b>NARENDRA SHARMA &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Regn. No. 004983C</b>  Sd/- <b>(CA YOGESH GAUTAM)</b> <b>Partner</b> M. No. 072676 Jaipur, 12 <sup>th</sup> May, 2017		1 – 37  <b>For DHABRIYA POLYWOOD LIMITED</b>  Sd/- <b>DIGVIJAY DHABRIYA</b> <b>Managing Director</b> (DIN: 00519946)  Sd/- <b>HITESH AGRAWAL</b> <b>Chief Financial Officer</b>	
		Sd/- <b>SHREYANSH DHABRIYA</b> <b>Director</b> (DIN: 06940427)  Sd/- <b>SPARSH JAIN</b> <b>Company Secretary</b>	

<b>DHABRIYA POLYWOOD LIMITED</b>			
<b>CONSOLIDATED STATEMENT OF PROFIT AND LOSS</b>			
<b>FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2017</b>			
<b>Particulars</b>	<b>Note</b>	<b>For the year ended</b>	<b>For the year ended</b>
		<b>31<sup>st</sup> March, 2017</b>	<b>31<sup>st</sup> March, 2016</b>
		<b>(₹)</b>	<b>(₹)</b>
<b>Income</b>			
Revenue from operations	21	1047064933	747808056
Less: Excise Duty		67602352	55853327
Net Revenue from Operations		979462581	691954729
Other Income	22	3289586	4024459
<b>Total Revenue</b>		<b>982752167</b>	<b>695979189</b>
<b>Expenses</b>			
(a) Cost of materials Consumed	23	512646973	327854910
(b) Purchase of Traded Goods	24	25102978	29081649
(c) Change in Inventories of Finished Goods, WIP and Stock-in-trade	25	(28015632)	2535139
(d) Employee Benefits Expense	26	136726078	110117102
(e) Finance Cost	27	41863553	31074510
(f) Depreciation and Amortization Expense	13	31850445	23826168
(g) Other Expenses	28	187320810	116466942
<b>Total Expenses</b>		<b>907495205</b>	<b>640956420</b>
<b>Profit Before Tax</b>		<b>75256961</b>	<b>55022769</b>
<b>Tax Expense:</b>			
(a) Current Tax		21375000	19160000
(b) Previous Year Tax		398474	253951
(c) Deferred Tax	6	3872149	(544746)
		<b>25645623</b>	<b>18869205</b>
Profit (before adjustment for Minority Interest)		49611338	36153564
Less: Share of Profit transferred to Minority Interest		60247	36094
<b>Profit (After adjustment for Minority Interest)</b>		<b>49551091</b>	<b>36117469</b>
<b>Earnings per Equity Share of face value ₹ 10/- each</b>	29		
(a) Basic		4.68	3.52
(b) Diluted		4.68	3.52
<i>See accompanying notes forming part of the financial statements</i>		1 – 37	
As per our Report of even date For <b>NARENDRA SHARMA &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Regn. No. 004983C</b>  Sd/- <b>(CA YOGESH GAUTAM)</b> <b>Partner</b> M. No. 072676  <b>Jaipur, 12<sup>th</sup> May, 2017</b>		<b>For DHABRIYA POLYWOOD LIMITED</b>  Sd/- <b>DIGVIJAY DHABRIYA</b> <b>Managing Director</b> (DIN: 00519946)  <b>HITESH AGRAWAL</b> <b>Chief Financial Officer</b>	
		Sd/- <b>SHREYANSH DHABRIYA</b> <b>Director</b> (DIN: 06940427)  <b>SPARSH JAIN</b> <b>Company Secretary</b>	

DHABRIYA POLYWOOD LIMITED				
CONSOLIDATED CASH FLOW STATEMENT				
FOR THE YEAR ENDED ON 31 <sup>st</sup> MARCH, 2017				
Particulars	For the year ended 31 <sup>st</sup> March, 2017		For the year ended 31 <sup>st</sup> March, 2016	
	(₹)		(₹)	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax as per Profit & Loss Statement		75256961		55022769
<b>Adjusted for:</b>				
Profit on sale of fixed assets	(9337)		(529350)	
Profit on Sale of Non - Current Investment	0		(2123005)	
Interest Income	(1506480)		(1347498)	
Preliminary Expenses W/o	2603		0	
Depreciation	31850445		23826168	
Interest & Finance Charges	41863553		31074510	
		72200785		50900825
<b>Operating Profit before working capital changes</b>		147457746		105923594
<b>Adjustment for:</b>				
Trade receivables	(19493907)		(15494823)	
Inventories	(56563932)		10890349	
Short term loans and advances	1736477		1017325	
Other current assets	(2082292)		109915	
Long term loans & advances	90700		(295)	
Trade payables	36342579		(26184050)	
Long terms provisions	1576485		1876037	
Short term provisions	(7913808)		(10249834)	
Other current liabilities	(17975734)		(9951807)	
Other long-term liabilities	375000		58120	
		(63908433)		(47929063)
Cash generated from/ (used in) operations		83549313		57994531
Direct Taxes Paid		(9374506)		(8329304)
<b>Net cash generated from/ (used in) operating activities – (A)</b>		74174807		49665227
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets	(71134005)		(105651873)	
Purchase of Non-Current Investment	0		6350490	
Sale of fixed assets	80000		961000	
Interest received	1506480		1347498	
<b>Net cash (used in) Investing Activities – (B)</b>		(69547525)		(96992885)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Long Term Borrowings (NET)	49239880		110345000	
Repayment of Long Term Borrowings	(43754858)		(36136847)	
Net Increase/ (decrease) in working capital borrowings	37763248		(191092)	
Interest Paid	(41863553)		(31074510)	
<b>Net cash (used in)/ from financing activities – (C)</b>		1384717		42942551
Net Increase/ (decrease) in Cash & Cash Equivalents (A+B+C)		6011999		(4385107)
Cash and cash equivalents at the beginning of the year		18680522		22356759
<b>Cash and cash equivalents at the end of the year</b>		<b>24692521</b>		<b>17971652</b>

1. <u>Cash and cash equivalents at the end of the year comprises:</u>				
Cash on hand		1612206		2570444
Balances with Banks				
(i) In current accounts		8963366		3588948
(ii) In fixed deposit accounts		14116950		11812260
<b>Total</b>		<b>24692521</b>		<b>17971652</b>
<div><div><div>For <b>NARENDRA SHARMA &amp; Co</b> <b>Chartered Accountants</b> <b>Firm Regn. No. 004983C</b>  <b>(CA YOGESH GAUTAM)</b> <b>Partner</b> M. No. 072676  <b>Jaipur, 12<sup>th</sup> May, 2017</b></div><div><b>For DHABRIYA POLYWOOD LIMITED</b>  Sd/- <b>DIGVIJAY DHABRIYA</b> <b>Managing Director</b> (DIN: 00519946)  Sd/- <b>HITESH AGRAWAL</b> <b>Chief Financial Officer</b></div><div>Sd/- <b>SHREYANSH DHABRIYA</b> <b>Director</b> (DIN: 06940427)  Sd/- <b>SPARSH JAIN</b> <b>Company Secretary</b></div></div></div>				

**Notes forming part of Consolidated Financial Statements**  
for the year ended March 31, 2017

# **1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Group have been prepared on the historical cost basis and to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

## **PRINCIPLES OF CONSOLIDATION**

The Consolidated Financial Statements relates to DHABRIYA POLYWOOD LIMITED ('The Company') and its Subsidiary Companies. The consolidated financial statements have been prepared on the following basis:

- (a) The Financial Statements of the Company and its Subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, Liabilities, Income & Expenses after fully eliminating intra -group balances and intra-group transactions in accordance with Accounting Standard (AS) -21 - "Consolidated Financial Statements"

- (b) Minority Interest's share of net profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

- (c) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

- (d) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.

## **2. OTHER SIGNIFICANT ACCOUNTING POLICIES**

These are set out under "significant Accounting Policies" as given in the respective Company's separate Financial Statements.

**3. SHARE CAPITAL**

Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
<b>(a) Authorised</b>				
Equity Shares of ₹ 10/- each	12500000	125000000	12500000	125000000
<b>(b) Issued</b>				
Equity Shares of ₹ 10/- each	10580150	105801500	10250000	102500000
<b>(c) Subscribed and fully Paid-up</b>				
Equity Shares of ₹ 10/- each	10580150	105801500	10250000	102500000
<b>(d) Reconciliation of Shares outstanding at the beginning &amp; at the end of the reporting period</b>				
At the beginning of the period	10250000	102500000	8200000	82000000
Add: Shares Issued	3330150	3301500	0	0
Add: Bonus Shares Issued	0	0	2050000	20500000
Less: Shares bought back	0	0	0	0
Outstanding at the end of the period	<b>10580150</b>	<b>105801500</b>	<b>10250000</b>	<b>102500000</b>
<b>(e) Details of Shareholders holding more than 5% Equity Shares in the Company:</b>	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	Number of Shares	% holding in that class of shares	Number of Shares	% holding in that class of shares
1. Shri Digvijay Dhabriya	6970750	65.89%	6800750	66.35%
2. Hem Securities Limited	15000	0.14%	470000	4.59%
3. Mukul Agarwal	1002500	9.48%	0	0.00%
<b>(f) Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates</b>	NIL	NIL	NIL	NIL
<b>(g) Terms/rights attached to Equity Shares</b>	The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity share is entitled to one vote per share and dividend as and when declared by Company. There are no rights, preferences and restrictions attached to any share.			
<b>(h)</b>	There is no share reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.			
<b>(i)</b>	During the year Company has issued 330150 number of equity shares of face value ₹ 10/- each at a premium of ₹ 40/- per share on non-cash basis i.e. against acquisition of 100% equity shares of Polywood Profiles P Ltd., making it wholly owned subsidiary of the Company.			

**4. RESERVES AND SURPLUS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>(A) General Reserve</b>		
Opening balance	131858337	105240868
Add: Transfer surplus of Profit and Loss	49551091	36117469
Add: Transfer of Net surplus of new Subsidiary	15692410	0
Less: Bonus Issued	0	(9500000)
<b>Closing Balance</b>	<b>197101838</b>	<b>131858337</b>
<b>(B) Revaluation Reserve</b>		
Opening Balance	868369	876669
Less: Adjustment on account of depreciation on revalued assets	7564	8300
<b>Closing Balance</b>	<b>860805</b>	<b>868369</b>
<b>(C) Share Premium Account</b>		
Opening Balance	0	11000000
Add: Premium Received on Issue of Shares during the year	0	0
Less: Bonus Issued	0	11000000
<b>Closing Balance</b>	<b>0</b>	<b>0</b>
<b>(D) Surplus in Statement of Profit and Loss</b>		
Opening Balance	0	0
Add: Profit for the year	49551091	36117469
	49551091	36117469
Less: Transfer to General reserve	(49551091)	(36117469)
<b>Closing Balance</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>197962642</b>	<b>132726706</b>

**5. LONG TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>SECURED LOAN</b>		
Term Loan from Banks*	126431821	151934289
Less: Installments due within 12 months	(36117768)	(37327534)
	90314053	114606755
Vehicle Loans**	4955286	2026069
Less: Installments due within 12 months	(2343727)	(1208203)
	2611559	817866
<b>UNSECURED LOAN</b>		
From Directors	64086835	48595088
From Corporates	33200000	0
	97286835	48595088
<b>Total</b>	<b>190212447</b>	<b>164019709</b>

\* Term Loan from ICICI Bank Ltd. & SIDBI (earlier from HDFC Bank Ltd., SIDBI & Kotak Mahindra Bank Ltd.) are secured against equitable mortgage / hypothecation on all the immovable and movable properties of the Companies, both present and future and Term Loan from SIDBI is secured by the guarantees/security extended by promoter-directors of the Company. There is no default as on the Balance Sheet date in repayment of loans and interest. Total repayment period of the term loans are:

- (i) ICICI Bank Term Loan of ₹ 433.76 Lakhs availed in July 2016 on takeover of outstanding loan of Kotak Mahindra Bank is repayable in 26 monthly instalments commencing from August 2016 and last instalment due in September 2018.
- (ii) SIDBI Term Loan of ₹ 1000 Lakhs availed in the October 2015 is repayable in 90 monthly instalments commencing from April 2016 and last instalment due in September 2023.
- (iii) SIDBI Term Loan of ₹ 100 Lakhs availed in the Month of March 2017 is repayable in 54 monthly instalments commencing from October 2017 and last instalment due in March 2022.

\*\* Car Loans Taken from banks/financial institutions are secured by way of individual hypothecation of the Vehicle purchased from the amount of loan

#### 6. **DEFERRED TAX ASSETS/LIABILITIES**

As required under Accounting standard (AS) 22, 'Accounting for taxes on income' issued by the Institute of Chartered Accountants of India, the details of deferred tax assets / liabilities for the year ended upto 31st March 2016 charged to Statement of Profit & Loss are as under:

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Deferred Tax Liability</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	12202987	5499794
Gross Deferred Tax Liability	12202987	5499794
<b>Deferred Tax Assets</b>		
Deferred Tax on Gratuity not provided for in earlier years	3083870	2327067
Impact of Expenditure charged (Gratuity) to Statement of Profit and Loss in the current year but allowed for tax purpose on payment basis (net)	648223	836822
Gross Deferred Tax Assets	3732093	3163889
<b>Net Deferred Tax Liability</b>	<b>8470894</b>	<b>2335905</b>

#### 7. **OTHER LONG-TERM LIABILITIES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Trade/Security deposits received	2580000	1705000
<b>Total</b>	<b>2580000</b>	<b>1705000</b>

#### 8. **LONG-TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Provision for Employee Benefits:		
Gratuity Provision	10580220	9003735
<b>Total</b>	<b>10580220</b>	<b>9003735</b>

#### 9. **SHORT-TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Loans Repayable on demand from Banks:</b>		
Cash Credit Facility*	167726431	110019481
Buyer's Credit Facility*	15778700	23896011
<b>Total</b>	<b>183505131</b>	<b>133915492</b>

\* Cash Credit Limits & Buyers' Credit Facility from Banks (HDFC Bank Ltd.& Kotak Mahindra Bank Ltd.) are secured against equitable mortgage / hypothecation on all the immovable and movable properties of the Companies, inventory and book debts, both present and future.

**10. TRADE PAYABLES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Trade payables*</b>		
Micro, small and medium enterprises	0	0
Others	84267548	29654437
<b>Total</b>	<b>84267548</b>	<b>29654437</b>

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

**11. OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Current maturities of Term Loans*	36117768	37327534
Current maturities of Vehicle Loans*	2343727	1208203
Advance from customers	24478750	47314495
Statutory Dues	25366810	17096638
Other Payables	15203851	9094312
<b>Total</b>	<b>103510905</b>	<b>112041181</b>

\* Refer notes in note 5 Long-Term Borrowings for details of Security

**12. SHORT TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Provision for Income Tax	21375000	19160000
Less: Advance Tax and TDS	8976032	8075353
Net Provision for Income Tax	12398968	11084647
Provision for Expenses	17156363	11977321
Gratuity Provision	707606	565539
<b>Total</b>	<b>30262933</b>	<b>23627507</b>

**14. NON-CURRENT INVESTMENTS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Investments (At Cost):</b>		
Other non-current investments (NSC/ Deposit Receipts**)	5500	3000
Equity Shares in Other Non-Listed Company	10000	10000
Investments in immovable Properties (Residential Flats)	2377980	2377980
Advance for Immovable Property (Commercial Office Premises)	12578739	12578739
<b>Total</b>	<b>14972219</b>	<b>14969719</b>

\* Pledged in favour of State Commercial Tax Department for VAT/CST Registrations.

**15. LONG-TERM LOANS AND ADVANCES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
(Unsecured, Considered Goods)		
Security Deposits	7857602	6404444
<b>Total</b>	<b>7857602</b>	<b>6404444</b>

**16. INVENTORIES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Raw Materials	112134043	76777910
Packing Material	1074537	714803
Stock in Progress and Semi Finished Goods	17900971	7256841
Finished Goods – Manufactured	77646718	27346488
Finished Goods – Traded	11247920	24370600
Consumables Items, Stores and Spare parts	2371294	1108000
<b>Total</b>	<b>222375483</b>	<b>137574642</b>

**17. TRADE RECEIVABLES\***

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, Considered Good	72775795	74679005
Other trade Receivables		
Unsecured, Considered Good	161490905	121264829
<b>Total</b>	<b>234266700</b>	<b>195943834</b>

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

\*\*Trade Receivables outstanding for a period exceeding six months includes ₹ 41859762/= (Previous Year ₹ 40062647/=) related to the retention/security deposit amounts.

**18. CASH AND BANK BALANCES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Cash and Cash Equivalents		
(a) Cash on hand	1612206	2570444
(b) Balances with Banks		
1. In current accounts	8963366	3588948
2. In fixed deposit accounts	14116950	11812260
<b>Total</b>	<b>24692521</b>	<b>17971652</b>

**13. FIXED ASSETS**
Tangible Assets:

Sr. No.	Name of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As at 01.04.2016	During the Year		As at 31.03.2017	As at 31.03.2016	For the year	Deduction / Adjustment	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
			Addition	Deduction/ Adjustment							
1.	Lease Hold Land	141421303	908161	0	142329464	0	0	0	0	142329464	141421303
2.	Building	110641816	1101550	0	11743366	20390786	3276888	0	23667674	88075692	90251030
3.	Plant & Machinery	221732427	59723874	81340	281374961	115066996	24432047	10676	139488367	141886594	106665431
4.	Misc. Fixed Assets	4437540	497424	0	4934964	2424498	429505	0	2854004	2080960	2013042
5.	Computers	3091856	156068	0	3247924	2629908	272448	0	2902356	345568	461948
6.	Office Equipment's	1175960	0	0	1175960	1051187	70830	0	1122017	53943	124773
7.	Furniture & Fixtures	3122402	2265565	0	5387967	2097352	428608	0	2525960	2862007	1025050
8.	Vehicles	17234710	5864235	0	23098945	12393951	2944277	0	15338229	7760716	4840759
9.	Cycles/Two-Wheeler	71056	0	0	71056	59595	3406	0	63001	8055	11461
	TOTAL	502929070	70516877	81340	573364607	156114273	31858010	10676	187961607	385403000	346814797
	Capital W.I.P./In Transit	60000	677127	60000	677127	0	0	0	0	677127	60000
	Grand Total	502989070	71194004	141340	574041734	156114273	31858010	10676	187961607	386080127	346874797
	Previous year Total	389502203	115795787	2308920	502989070	129453894	28592714	1877270	156114273	346874797	260048309

Note: Depreciation on Building includes an amount of ₹ 7564/= (previous year ₹ 8300/=) towards depreciation on value of Building increased on a/c of Revaluation, which has been charged to Revaluation Reserve A/c instead of Statement of Profit & Loss.

**19. SHORT-TERM LOANS AND ADVANCES**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Advances Recoverable in cash or kind or for value to be received (Unsecured, Considered Good)	4041114	2528861
Advance to Suppliers	13679115	18076117
Balance with Government Authorities	6358750	3040537
Preliminary Expenses (to the extent not written off)	0	6000
<b>Total</b>	<b>24078979</b>	<b>23651515</b>

**20. OTHER CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Prepaid Expenses	3033408	846065
<b>Total</b>	<b>3033408</b>	<b>846065</b>

**21. REVENUE FROM OPERATIONS**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b><u>Sale of Products (A)</u></b>		
Manufactured Goods	930283046	588091171
Traded Goods	21498609	75835838
	951781655	663927009
Less: Sales Return	0	154629
Less: Discount on Sales (Cash/Trade)	303233	207664
Add: Excise Duty	67602352	55853327
	<b>1019080774</b>	<b>719418043</b>
<b><u>Sale of Services (B)</u></b>		
Installation and Fixing Income	27984160	28390013
<b>Total</b>	<b>1047064933</b>	<b>747808056</b>

**22. OTHER INCOME**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Interest Income	1506480	1347498
Foreign Exchange Gains (Net)	1773769	24606
Profit on Sales of Investment - Residential Flat	0	529350
Profit on Sales of Depreciable Fixed Asstes	9337	2123005
<b>Total</b>	<b>3289585</b>	<b>4024459</b>

**23. COST OF MATERIAL CONSUMED**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Inventory at the beginning of the year	85366925	85847923
Add: Purchases during the year	541195272	319499700
	626562197	405347624
Less: Inventory at the end of the year	113915224	77492713
<b>Total</b>	<b>512646973</b>	<b>327854910</b>

**24. PURCHASE OF TRADED GOODS**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Purchase of Trading Goods	25102978	29081649
<b>Total</b>	<b>25102978</b>	<b>29081649</b>

**25. CHANGES IN INVENTORIES OF FINISHED GOODS, WIP & STOCK-IN-TRADE**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b><u>Inventories at the end of the year:</u></b>		
Finished Goods – Manufactured	77646718	27346488
Finished Goods – Trading	11247920	24370599
Stores & Spare Parts	1664649	1108000
Stock in Process and Semi Finished Goods	17900971	7256841
<b>Total</b>	<b>108460258</b>	<b>60081928</b>
<b><u>Inventories at the beginning of the year:</u></b>		
Finished Goods – Manufactured	52892158	34958238
Finished Goods – Trading	18787136	21029442
Stores & Spare Parts	1108000	562700
Stock in Process and Semi Finished Goods	7657332	6066687
<b>Total</b>	<b>80444626</b>	<b>62617067</b>
<b>Net (increase)/decrease</b>	<b>(28015632)</b>	<b>2535139</b>

**26. EMPLOYEE BENEFIT EXPENSES**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Salary, Wages and Bonus to Employees	116597810	91158676
Contributions to Provident Fund	2174929	1776622
Gratuity	1960568	2530993
Remuneration to Directors	10980000	10980000
Staff Welfare Expenses	5012771	3670811
<b>Total</b>	<b>136726078</b>	<b>110117102</b>

**27. FINANCE COST**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Interest Expense	39112363	29021664
Bank Charges	2751190	2052847
<b>Total</b>	<b>41863553</b>	<b>31074510</b>

**28. OTHER EXPENSES**

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Manufacturing Expenses</b>		
Power & Fuel	34709320	19153161
Repair & Maintenance of Plant & Machinery	6991516	3742791
Electric Repair and Maintenance	403737	198979
Glass Hardware & Fittings	2433166	2586439
Installation & Fixing Charges	18948928	15177319
Excise Duty Expenses	38113693	14503149
Factory/Godown Rent	4577672	2345616
Carriage Inward	11363927	5881906
Factory Expenses	2090660	1425237
Water Charges	304621	352051
Work Contract Execution Expenses	14759877	9185428
Expenses for Import of Raw Material	10931874	9514419
	145628991	84066495
<b>Office &amp; Administrative Expenses</b>		
Auditor Fees	164500	130000
Insurance Expenses	1053343	871512
Legal and Professional Expenses	1156632	1422861
Office/Branch and Misc. Expenses	793217	668131
Postage & Telegram Expenses	307290	225461
Printing & Stationery	618086	467349
News Paper & Periodicals	24576	16461
Subscription and Membership Fee	196900	278624
Registration and Filing Fee	435587	544710
Rent Rate and Tax	3059850	2743188
Sitting fee to Independent Directors	35000	29000
Repair & Maintenance Computer	443998	783601
Repair & Maintenance Building	65993	161394
Vehicle Running & Maintenance	1442608	1190980
Telephone, Cellular & Internet Expenses	1812248	1456319
Conveyance Expenses	2646561	2058746
CSR Expenses	0	15000
Donation	130500	128001
	14386888	13191338
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Sales Promotion Expenses	9317907	7027044
Travelling Expenses	8087372	5532200

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
	(₹)	(₹)
Carriage Outward	8395455	4873966
Tender Expenses	4000	1500
Commission on Sales	1073676	256520
Discount Allowed	426520	1511879
	27304931	19203109
Total	<b>187320810</b>	<b>116460942</b>

## 29. EARNING PER SHARE

Particulars	2016-17	2015-16
(a) Net Profit after Tax as per Statement of Profit & Loss	49551091	36117469
(b) Net Profit available to Equity Shareholders	49551091	36117469
(c) Number of Equity Shares at year end	10580150	10250000
(d) Weighted Average No. of Equity Shares	10580150	10250000
(e) Basic/ Diluted Earnings Per Share (b)/(d)	4.68	3.52
(f) Face value per Equity Share	10.00	10.00

## 30. GRATUITY

The following table summarizes the components of expense recognized in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet.

Particulars	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
<b>1. Expense Recognized in statement of Profit and Loss</b>		
a. Current Service Cost	1311162	1191398
b. Interest on defined Benefit Obligation	752145	580058
c. Net Actuarial Losses/(Gains) recognized in Year	(102739)	759537
d. Past Service Cost	0	0
Total Amount included in "Employee Benefit Expense" (Note 26)	1960568	2530993
<b>2. Amount Recognized in Balance Sheet</b>		
a. Present Value of Unfunded Obligations	11287822	9569274
Net Liability	11287822	9569274
b. Net Liability is bifurcated as follows:		
Current	707602	565539
Non-Current	10580220	9003735
Net Liability	11287822	9569274
<b>3. Change in Defined Benefit Obligation</b>		
a. Opening Defined Benefit Obligation	9569274	7287166
b. Current Service Cost	1311162	1191398
c. Interest Cost	752145	580058
d. Actuarial Losses/(Gain)	(102739)	759537
e. Past Service Cost	0	0
f. Benefits Paid	(242020)	(248885)
g. Closing Defined Benefit Obligation	11287822	9569274
h. Contributions by Employer	242020	248885
i. Benefits Paid	(242020)	(248885)
<b>4. Financial Assumptions at the Valuation Date:</b>		
a. Discount Rate (p.a.)	7.27%	7.96%
b. Expected Rate of Return on Assets (p.a.)	-	-
c. Salary Escalation Rate (p.a.)	6.00%	6.00%

**31. VALUE OF IMPORTS ON CIF BASIS**

Particulars	2016-17	2015-16
a. Raw Materials	133980945	105429876
b. Traded Goods	11897473	8712786
c. Components and Spare Parts	61378	104020
d. Capital Goods	47293242	4548784
<b>Total</b>	<b>193233038</b>	<b>118795466</b>

**32. EXPENDITURE IN FOREIGN CURRENCY**

Particulars	2016-17	2015-16
a. Others (Travelling Expenses)	780667	406975
<b>Total</b>	<b>780667</b>	<b>406975</b>

**33. IMPORTED AND INDIGENOUS MATERIAL CONSUMED**

Particulars	2016-17	2015-16
a. Total value of imported raw materials, spare parts and components consumed during the financial year	132351046	110794449
b. Total value of all indigenous raw materials, spare parts and components similarly consumed	387287443	220196820
c. Total value of imported and indigenous raw material, spare parts and components consumed during the financial year	519638489	330991269
d. Imported raw material, spare parts and components consumed in %	25.47%	33.47%
e. Indigenous raw material, spare parts and components consumed in %	74.53%	66.53%

**34. CONTINGENT LIABILITIES**

Particulars	2016-17	2015-16
a. Performance Bank Guarantees given to third parties for contractual obligations	35061401	20674961
b. The Dy. Commissioner of Income Tax, Jaipur has raised a gross demand of ₹ 4,74,150/= while completing the assessment for the Assessment Year 2012-13 u/s 143(3) of the Income Tax Act. The Company has filed an appeal before the CIT(Appeals), Jaipur against the order.		
c. The Commercial Tax Officer, Anti Evasion, Rajasthan 3, Jaipur had raised a demand of ₹ 35,03,676/= and ₹ 1,17,80,600/= while completing the assessment for the Year 2010-11 and 2011-12 respectively. The company had gone on appeal and orders from the Dy. Commissioner (Appeal-I), Jaipur were delivered in favour of Company. The Department has filed appeals before the Rajasthan Tax Board, Ajmer against the orders of Dy. Commissioner (Appeals - I), Jaipur.		

**35. RELATED PARTY DISCLOSURES**

a) Related Parties and their relationship
<b>I. Subsidiary Company</b>
❖ Polywood Green Building Systems Pvt. Ltd.
❖ Polywood Profiles Pvt. Ltd.
<b>II. Key Management Personnel</b>
❖ Mr. Digvijay Dhabriya, Director
❖ Mr. Mahendra Karnawat, Director
❖ Mr. Shreyansh Dhabriya, Director
❖ Mrs. Anita Dhabriya, Director
❖ Mr. Atul Jain, Director
❖ Mr. Sourabh Mathur, Director
<b>III. Enterprises over which Key Managerial Personnel's are able to exercise significant influence/control:</b>
❖ Dynasty Modular Furnitures Pvt. Ltd.
❖ Polywood India Ltd.
b) Transactions with related parties for the year ended 31st March 2017

Particulars	Enterprises over which KMP exercise significant influence / control		Key Management Personnel and their relatives	
	2016-17	2015-16	2016-17	2015-16
Remuneration to Directors	0	0	10980000	10980000
Salary to Employees	0	0	2520000	1100000
Interest Payment	701178	0	825741	268498
Sales of Goods	4744291	11128281	0	0
Purchase of Goods	14918083	19876099	0	0
Balance as at 31 <sup>st</sup> March				
Long Term Borrowings	0	0	64086835	48595088
Trade Receivables	2350630	0	0	0
Trade Payable	0	0	0	0

**36. DETAILS OF SPECIFIED BANK NOTES (SBN) HELD AND TRANSACTED DURING THE PERIOD 08/11/2016 TO 30/12/2016 AS UNDER:**

Particulars	SBN	Other	Total
Closing cash in hand as on 08/11/2016	2943000	1447253	4390253
(+) Permitted receipts	0	2542596	2542596
(+) Amounts withdrawn from Banks	0	1466000	1466000
(-) Permitted payments	0	(4546844)	(4546844)
(-) Amounts deposited in Banks	(2943000)	(30180)	(2973180)
Closing cash in hand as on 30/12/2016	<b>0</b>	<b>878825</b>	<b>878825</b>

**37. OTHER NOTES**

a) Company does not have any long-term contract including derivative contract for which there are any material foreseeable losses.
b) There are no amounts which are required to be transferred to the Investor Education and Protection Fund.
c) Figures for the year ended on 31 <sup>st</sup> March 2017 includes the figures of one new subsidiary company which has become wholly owned subsidiary of the Company w.e.f. 01.04.2016.
d) Previous year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary.

**As per our Report of even date**

For **NARENDRA SHARMA & Co.**  
Chartered Accountants  
Firm Regn. No. 004983C

Sd/-  
**(CA YOGESH GAUTAM)**  
Partner  
M. No. 072676

Jaipur, 12<sup>th</sup> May, 2017

For **DHABRIYA POLYWOOD LIMITED**

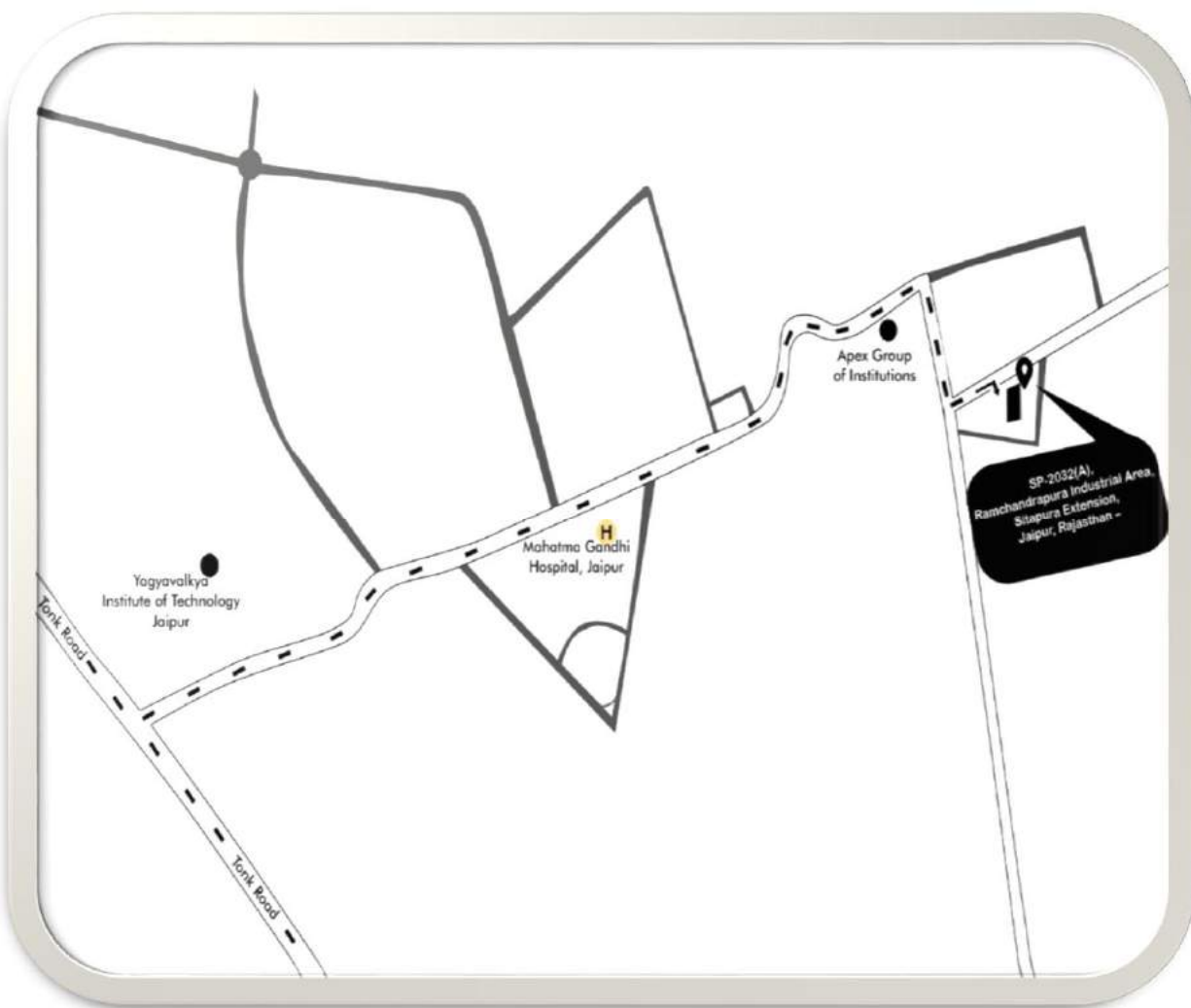
Sd/-  
**DIGVIJAY DHABRIYA**  
Managing Director  
(DIN: 00519946)

Sd/-  
**HITESH AGRAWAL**  
Chief Financial Officer

Sd/-  
**SHREYANSH DHABRIYA**  
Director  
(DIN: 06940427)

Sd/-  
**SPARSH JAIN**  
Company Secretary

**ROUTE MAP OF AGM VENUE**



**25<sup>th</sup> ANNUAL GENERAL MEETING**

**DHABRIYA POLYWOOD LIMITED**

**AGM VENUE:** SP-2032(A), Ramchandrapura Industrial Area,  
Sitapura Extension, Jaipur – 302020 (Raj.)

**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 : L29305RJ1992PLC007003  
 Name of the Company : Dhabriya Polywood Limited  
 Registered Office : B-9D(1), Malviya Industrial Area, Jaipur

<b>Name of the Member(s):</b>		
<b>Registered Address:</b>		
<b>E-mail Id:</b>	<b>Folio No /Client ID:</b>	<b>DP ID:</b>

I/We, being the member(s) of \_\_\_\_\_ shares of the above-named company hereby appoint:

Name:	E-mail Id:
Address:	
Signature, or failing him	

Name:	E-mail Id:
Address:	
Signature, or failing him	

Name:	E-mail Id:
Address:	
Signature, or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the company, to be held on the Tuesday, 26<sup>th</sup> Day of August 2017, at 11.00 a.m. at SP-2032(A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur – 302020 (Rajasthan) and/or at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(S)	Vote	
		For	Against
	<b>Ordinary Business</b>		
1.	Consider and adopt a. Audited Financial Statement for the financial year ended March 31, 2017 and Reports of Directors and Auditors thereon b. Consolidated Audited Financial Statement for the financial year ended March 31, 2017 and Reports of Auditors thereon		
2.	Re-appointment of Mr. Mahendra Karnawat, who retires by rotation		
3.	Ratification of the appointment of M/s Narendra Sharma & Co., Chartered Accountants as Statutory Auditors and to fix their remuneration.		
	<b>Special Business</b>		
4.	Payment of remuneration to Mr. Digvijay Dhabriya		
5.	Payment of remuneration to Mrs. Anita Dhabriya		
6.	Payment of remuneration to Mr. Mahendra Karnawat		
7.	Payment of remuneration to Mr. Shreyansh Dhabriya		
8.	Determination of fees to be charged for service of document in a particular mode.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of Shareholder

Signature of Proxy holder

Affix  
Revenue  
stamp  
here

Notes:

- Please put a 'X' in the Box in the appropriate column against the respective resolutions. 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.
- This form of Proxy must be deposited at the Registered Office of the Company at B-9D(1), Malviya Industrial Area, Jaipur (Raj) – 302017, not less than 48 hours before the commencement of the Meeting.


**DHABRIYA POLYWOOD LIMITED**

(Formerly known as Dhabriya Agglomerates Ltd.)

Regd. Office : B-9D(1), Malviya Industrial Area, JAIPUR-302 017 (Raj.) INDIA

Phone : +91-141-4057171, 4040101-105 | Fax : +91-141-2750814

E-mail : info@polywood.org | Website : www.polywood.org

**CIN : L29305RJ1992PLC007003**
**ATTENDANCE SLIP**
**25<sup>th</sup> Annual General Meeting – Tuesday, September 26, 2017**

 Full name of the members attending \_\_\_\_\_  
 (In block capitals)

Ledger Folio No. /DP ID No. \_\_\_\_\_

Client ID No. \_\_\_\_\_

 Name of Proxy holder \_\_\_\_\_  
 (To be filled in, if the proxy attends instead of the member)

I certify that I am a member /proxy for the members of the Company

 I hereby record my presence at the 25<sup>th</sup> Annual General Meeting of the Company held on Tuesday, September 26, 2017, at 11.00 A.M. at SP-2032(A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur- 302020

 \_\_\_\_\_  
 (Name of Member/Proxy)

 \_\_\_\_\_  
 (Member's /Proxy's Signature)

*Note: Please fill up this attendance slip and handed it over at the entrance of the meeting venue. Members are requested to bring their copies of the Annual Report to the AGM.*
**E-Voting Particulars**

EVSN (Electronic Voting Sequence Number)	PAN

The e-voting facility will be available during the following period:

Commencement of E-voting	End of E-voting
Saturday, September 23, 2017, 09.00 A.M	Monday, September 25, 2017, 05.00 P.M

 Please read the instructions on e-voting as mentioned in the notice of 25<sup>th</sup> Annual General Meeting.


## MEMORABLE EVENTS

### National Award for Innovation In Polymer Waste Management

“Use of marble mining waste for manufacturing of Engineered marble mouldings and Sheets”

Honorable Cabinet Minister, Govt. of India **Shri Ananth Kumar** (Parliamentary Affairs/Chemical & Fertilizers Dept.) presented this Award to **Shri Digvijay Dhabriya** on 1<sup>st</sup> March 2017 at Vigyan Bhawan, New Delhi for his valuable contribution towards Innovation in Polymer Waste Management & Recycling Technology and Green Polymeric Materials & Products.

The Award was received by our Business Head **Mr. Sourabh Mathur**.



**Best Employer Award 2015 by The Employers Association Of Rajasthan, Jaipur In November 2016**



**Mr. Shreyansh Dhabriya receiving the Award for the most Innovative Product by the Center for Development of Stone and FICCI.**



**D-STONA**  
SIGNATURE WALLS



**DHABRIYA POLYWOOD LIMITED**

Regd. Off:

B-9D(1), Malviya Industrial Area, Jaipur, Rajasthan – 302017(Raj) Tel: 0141-4057171 (30 Lines), 4040101-05

Email: [cs@polywood.org](mailto:cs@polywood.org); [info@polywood.org](mailto:info@polywood.org); Website: [www.polywood.org](http://www.polywood.org)