



**DHABRIYA  
GROUP**

## **DHABRIYA POLYWOOD LIMITED**

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/2019-20/25

Date: 02.09.2019

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

**Sub: - Submission of Annual report for the Financial Year 2018-19**

In terms of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the Annual Report for the Financial Year 2018-19.

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**





27<sup>th</sup> ANNUAL  
REPORT

2018-19

**DHABRIYA POLYWOOD LIMITED**

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

**DAY & DATE:** Saturday, September 28, 2019

**VENUE:** SP-2032, Ramchandrapura Industrial Area,  
Sitapura Extension, Jaipur – 302022 (Raj.)

## 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

### NOMINATION & REMUNERATION COMPENSATION COMMITTEE

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

### STAKEHOLDER/ INVESTOR GRIEVANCE COMMITTEE

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

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Sharad Kankaria, Chairman  
Mr. Digvijay Dhabriya, Member  
Mr. Mahendra Karnawat, Member

### OTHER KEY MANAGERIAL PERSONNEL

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

### COMPANY BANKERS

HDFC Bank  
ICICI Bank

### COMPANY AUDITORS

M/s Narendra Sharma & Co., Statutory  
Auditors  
308, Jaipur Tower, M.I. Road, Jaipur -  
302001

M/s R Rawat & Associates, Internal Auditors  
B-104, Agrasen Apartments, Sec-2,  
Vidhya Dhar Nagar, Jaipur - 302039

M/s M Sancheti & Associates, Secretarial  
Auditors  
C-54 A/3, Lal Kothi Marg, Ciwar Area,  
Bapu Nagar, Jaipur - 302015

### COMPANY WEBSITE

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

### 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: [lawoo@bigshareonline.com](mailto:lawoo@bigshareonline.com)

### 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

## DIRECTOR DETAIL



### Mr. Digvijay Dhabriya (Chairman & Managing Director)

Mr. Digvijay Dhabriya is the Chairman & Managing Director of our company. He holds a Bachelor degree in Engineering (Mechanical) from MBM Engineering College, Jodhpur and holds a Post Graduate diploma in Plastic Engineering from Central Institute of Plastic Engineering & Testing (CIPET), Chennai and carry rich experience 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. He 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 and under his dynamic leadership and vast experience, we are able to deliver constant value to our Company's projects and expansion strategy. He is an ardent follower and player of the Royal Game "POLO". He has done innumerable contributions for the upliftment of the poor and disabled.



### Mrs. Anita Dhabriya Director

Mrs. Anita Dhabriya is the Whole Time Director of our company. She holds a Bachelor Degree in Commerce from Ajmer University and actively engaged in the administrative and operational affairs of the company and responsible for business development of the company. She has working and administrative exposure of about 20 years in the manufacturing sector.



### Mr. Mahendra Karnawat Director

Mr. Mahendra Karnawat is the Whole Time Director of our company. He holds a Master's degree in Commerce from MDS University, Ajmer. He has worked for six years in sales field for Raj Spinning & weaving Mills Pvt. Ltd and has also worked for three years as quality control officer and marketing manager at TPL Suiting Pvt. Ltd. He has overall experience of over 25 Years in the field of Sales, Marketing and production. He takes care of procurement, production & logistics of our Company and provides strategic inputs to the administration for better materials, new designs and development of our products. He also heads the marketing affairs related to Extruded PVC profile products.



### Mr. Shreyansh Dhabriya Director

Mr. Shreyansh Dhabriya is the Whole Time Director of our company. He has done B. Tech (Mechanical) from VIT University, Vellore. He possesses excellent communication skills and actively engaged in establishing sustainable and profitable relationship with teams and customers, dealers and distributors across the country in order to maximize Company's profitability and efficiency. 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.



## DIRECTOR DETAIL



**Mr. Sharad Kankaria**  
Non-Executive Independent Director

Mr. Sharad Kankaria is the Non-Executive & Independent Director of our company. He holds a Bachelor Degree in commerce from University of Rajasthan, Jaipur. He is having about 30 Years of experience in the field of Manufacturing Sector.



**Mr. Padam Kumar Jain**  
Non-Executive Independent Director

Mr. Padam Kumar Jain is the Non-Executive & Independent Director of our company. He holds a Bachelor Degree in Commerce and is a Practicing Chartered Accountant and having expertise in the field of Audit and Taxation.



**Mr. Anil Upadhyay**  
Non-Executive Independent Director

Mr. Anil Upadhyay is the Non-Executive & Independent Director of our company. He holds a Diploma Degree in Electrical Engineering and having about 41 years of experiences in the industrial field.



**Mr. Shiv Shanker**  
Non-Executive Independent Director

Mr. Shiv Shanker is the Non-Executive & Independent Director of our company. He holds Master's Degree in Technology in Transportation Engineering. He is having about 10 years' experience in the field of Civil Construction, Project Management Consultancy & Building Designing.

## KEY MANAGERIAL PERSON



**Mr. Hitesh Agrawal**  
Chief Financial Officer

Mr. Hitesh Agrawal is the Finance & Accounts Head and Chief Financial Officer of our company. He holds a Bachelor's degree in Commerce from University of Rajasthan and Fellow Member of Institute of Chartered Accountants of India (ICAI). He has over 20 years of experience in his functional area and associated with us since May 2001. He takes care of all accounts, banking, taxation and financial activities of our Company. His primary responsibility for managing the company's finances, including financial planning, management of financial risks, record keeping, and financial recording. He is providing day to day leadership and management guidance which mirror the adopted corporate mission and core values. He ensures that company has the proper operational controls, administrative and reporting procedures to meet operational and financial targets. He collaborates with the management team to develop and implement plans for the operational infrastructure of systems, processes, and personnel designed to accommodate the rapid growth objectives of the company.

**Mr. Sparsh Jain**  
Company Secretary & Compliance Officer

Mr. Sparsh Jain is Company Secretary and Compliance officer of our Company. He is an Associate member of Institute of Company Secretaries of India. He holds a Bachelor's & Master's degree in Commerce from University of Rajasthan. He oversees all the Secretarial matters including Companies Act, Stock Exchange & SEBI Compliances etc. He is also dealing and liaising with various govt. departments like Ministry of Corporate affairs, Stock Exchange. He is providing strategic guidance and assistance in Secretarial matters to the Board. He acts as the key link between the Company's Board of Directors and shareholders and possesses significant experience.



## CHAIRMAN MESSAGE

Dear Shareholders,

It gives me immense pleasure to share with you an update on the performance of the Company for the financial year 2018-19.

There is no doubt that the business environment has been challenging in the last financial year. Let me share with you the operating environment and the headwinds the Company faced in a highly competitive market. The year started off on a positive note. The first half of FY 2018-19 was in fact good. However, there were sudden and strong headwinds in the second half.

During the year under review, your company has achieved total revenue on standalone basis stands at ₹ 7374.28 Lakhs (previous year ₹ 7813.21 Lakhs), operational revenue of the Company is reduced by 5.62% over the previous year on account of general slowdown in the economy. Profit Before Tax and Total comprehensive income for the period after tax stands as ₹ 415.30 Lakhs and ₹ 296.92 Lakhs as against ₹ 599.66 Lakhs & ₹ 421.91 Lakhs in the previous year. On Consolidated Level, total revenue of the Company is ₹ 12077.21 Lakhs against ₹ 13215.67 Lakhs in the previous year. Profit Before Tax and Total comprehensive income for the period after tax stands to ₹ 784.34 Lakhs and ₹ 566.24 Lakhs against ₹ 985.82 Lakhs & ₹ 706.23 Lakhs in the previous year.

The uncertainty in the overall business environment has continued in the current financial year as well. The conclusion of the general elections by re-electing the same government should hopefully provide political stability. There have been certain path-breaking policies such as GST, RERA and ambitious programmes such as affordable housing that hold significant promise for

healthy growth of the building products industry over the medium term. Going forward, I am confident of your Company's abilities and competence to scout for opportunities amidst this volatility and drive the business forward with focus and determination.

The company is clear on its focus to be a One Point Solution for our customers for all their Building Interior & Furnishing requirements. To that end, it is constantly increasing product offerings and creating depth in the existing product categories to create an engaging shopping experience for customers. I would like to thank all the employees led by its management team, for their outstanding performance, 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, banks, financial institutions and other regulatory authorities.

Best Regards

Digvijay Dhabriya  
Chairman

## DHABRIYA POLYWOOD LIMITED

**Regd. Office** : B-9 D (1), Malviya Industrial Area, Jaipur - 302 017 Rajasthan, India

**Tel No.** : 0141-4057171, Fax No. 0141-2750814

**E-mail** : [cs@polywood.org](mailto:cs@polywood.org), Website: [www.polywood.org](http://www.polywood.org)

**CIN** : L29305RJ1992PLC007003

### NOTICE

Notice is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of Dhabriya Polywood Limited will be held on Saturday, 28<sup>th</sup> Day of September 2019 at 11.00 A.M. at SP-2032(A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur - 302022 (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, 2019 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, 2019 and the report of the Auditors thereon
2. To appoint a Director in place of Mrs. Anita Dhabriya (DIN: 00359317), who retires by rotation and being eligible, offer herself 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, Mrs. Anita Dhabriya (DIN: 00359317), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

#### 3. Appointment of Statutory Auditor

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**

**“RESOLVED THAT** pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) M/s Tambi Ashok & Associates, Chartered Accountants,

(Firms Registration No. 005301C), be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of five years, from the conclusion of the 27<sup>th</sup> Annual General Meeting to be held in the year 2019 till the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2024 on such remuneration as may be fixed by the Board of Directors in consultation with the Auditors.”

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

#### Special Business

#### 4. Re-appointment of Mr. Digvijay Dhabriya as the Chairman & Managing Director of the Company for a period of five (5) years

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, as amended from time to time and its rules made thereunder read with Schedule V of the Companies Act 2013, (including any statutory modification(s) or reenactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Digvijay Dhabriya (DIN: 00519946) be and is hereby re-appointed as the Chairman & Managing Director of the Company for a period of five (5) years with effect from 1<sup>st</sup> September 2019 to 31<sup>st</sup> August, 2024 on the terms and conditions of appointment and remuneration as contained in the agreement, material terms of which are set out hereunder and which have been approved by the Board of Directors of the Company, subject to the approval of members of the Company on the



recommendation of the Nomination & Remuneration Committee.

**“RESOLVED FURTHER THAT** pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI[LODR]”), consent of the Members be and is hereby accorded for continuance of payment of remuneration to Executive Director of the Company Mr. Digvijay Dhabriya, Chairman and Managing Director (DIN: 00519946), who are also Promoters of the Company, notwithstanding that maybe in excess of 5 per cent of the net profits of the Company as calculated under section 198 of the Act, in any financial year during his tenure of appointment.”

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, Mr. Digvijay Dhabriya as the Chairman & Managing Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the prescribed ceiling limit under Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** all other existing terms and condition of appointment and remuneration shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company”.

**5. Re-appointment of Mr. Mahendra Karnawat as the Whole-Time Director of the Company for a period of five (5) years**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, as amended from time to time and its

rules made thereunder read with Schedule V of the Companies Act 2013, (including any statutory modification(s) or reenactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Mahendra Karnawat (DIN: 00519876) be and is hereby re-appointed as the Whole-Time Director of the Company for a period of five (5) years with effect from 1<sup>st</sup> September 2019 to 31<sup>st</sup> August, 2024 on the terms and conditions of appointment and remuneration as contained in the agreement, material terms of which are set out hereunder and which have been approved by the Board of Directors of the Company, subject to the approval of members of the Company on the recommendation of the Nomination & Remuneration Committee.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, Mr. Mahendra Karnawat as the Whole-Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the prescribed ceiling limit under Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** all other existing terms and condition of appointment and remuneration shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company”.

**6. Re-appointment of Mrs. Anita Dhabriya as the Whole-Time Director of the Company for a period of five (5) years**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other

applicable provisions of the Companies Act, 2013, as amended from time to time and its rules made thereunder read with Schedule V of the Companies Act 2013, (including any statutory modification(s) or reenactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Anita Dhabriya (DIN: 00359317) be and is hereby re-appointed as the Whole-Time Director of the Company for a period of five (5) years with effect from 1<sup>st</sup> September 2019 to 31<sup>st</sup> August, 2024 on the terms and conditions of appointment and remuneration as contained in the agreement, material terms of which are set out hereunder and which have been approved by the Board of Directors of the Company, subject to the approval of members of the Company on the recommendation of the Nomination & Remuneration Committee.

**“RESOLVED FURTHER THAT** pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI[LODR]”), consent of the Members be and is hereby accorded for continuance of payment of remuneration to Executive Director of the Company Mrs. Anita Dhabriya, Whole-Time Director (DIN: 00359317), who are also Promoters of the Company, notwithstanding that maybe in excess of 5 per cent of the net profits of the Company as calculated under section 198 of the Act, in any financial year during her tenure of appointment.”

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, Mrs. Anita Dhabriya as the Whole-Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the prescribed ceiling limit under Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** all other existing terms and condition of appointment and remuneration shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining

necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company”.

#### 7. Re-appointment of Mr. Shreyansh Dhabriya as the Whole-Time Director of the Company for a period of five (5) years

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, as amended from time to time and its rules made thereunder read with Schedule V of the Companies Act 2013, (including any statutory modification(s) or reenactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shreyansh Dhabriya (DIN: 06940427) be and is hereby re-appointed as the Whole-Time Director of the Company for a period of five (5) years with effect from 1<sup>st</sup> September 2019 to 31<sup>st</sup> August, 2024 on the terms and conditions of appointment and remuneration as contained in the agreement, material terms of which are set out hereunder and which have been approved by the Board of Directors of the Company, subject to the approval of members of the Company on the recommendation of the Nomination & Remuneration Committee.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, Mr. Shreyansh Dhabriya as the Whole-Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the prescribed ceiling limit under Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** all other existing terms and condition of appointment and remuneration shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby

authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company”.

**8. Re-appointment of Mr. Sharad Kankaria as an Independent Director of the Company for a period of five (5) years**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or reenactment thereof for the time being in force), the relevant provisions of SEBI (LODR) Regulations, 2015, Mr. Sharad Kankaria (DIN 06961462), whose present term as an Independent Director ends at the 31<sup>st</sup> August 2019, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI/ MCA or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors of the Company, the consent of the members be and is hereby accorded to re-appoint/continue the Directorship of Mr. Sharad Kankaria (DIN: 06961462), who is being re-appointed as an Independent Director of the Company, for a second term of five consecutive years to hold the office from 01<sup>st</sup> September 2019 to 31<sup>st</sup> August 2024.

**RESOLVED FURTHER THAT** the Board of Directors, the Chief Financial Officer or the Company Secretary be and are hereby severally authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**9. Re-appointment of Mr. Anil Upadhyay as an Independent Director of the Company for a period of five (5) years**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or reenactment thereof for the time being in force), the relevant provisions of SEBI (LODR) Regulations, 2015, Mr. Anil Upadhyay (DIN 06962089), whose present term as an Independent Director ends at the 31<sup>st</sup> August 2019, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI/ MCA or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors of the Company, the consent of the members be and is hereby accorded to re-appoint/continue the Directorship of Mr. Anil Upadhyay (DIN: 06962089), who is being re-appointed as an Independent Director of the Company, for a second term of five consecutive years to hold the office from 01<sup>st</sup> September 2019 to 31<sup>st</sup> August 2024.

**RESOLVED FURTHER THAT** the Board of Directors, the Chief Financial Officer or the Company Secretary be and are hereby severally authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**10. Re-appointment of Mr. Padam Kumar Jain as an Independent Director of the Company for a period of five (5) years**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149,152 read with Schedule IV and

all other applicable provisions of the Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or reenactment thereof for the time being in force), the relevant provisions of SEBI (LODR) Regulations, 2015, Mr. Padam Kumar Jain (DIN 06962097), whose present term as an Independent Director ends at the 31<sup>st</sup> August 2019, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI/ MCA or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors of the Company, the consent of the members be and is hereby accorded to re-appoint/continue the Directorship of Mr. Padam Kumar Jain (DIN: 06962097), who is being re-appointed as an Independent Director of the Company, for a second term of five consecutive years to hold the office from 01<sup>st</sup> September 2019 to 31<sup>st</sup> August 2024.

**RESOLVED FURTHER THAT** the Board of Directors, the Chief Financial Officer or the Company Secretary be and are hereby severally authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

#### 11. Re-appointment of Mr. Shiv Shanker as an Independent Director of the Company for a period of five (5) years

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

**“RESOLVED THAT** pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory

modifications(s) or reenactment thereof for the time being in force), the relevant provisions of SEBI (LODR) Regulations, 2015, Mr. Shiv Shanker (DIN 06962101), whose present term as an Independent Director ends at the 31<sup>st</sup> August 2019, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI/ MCA or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors of the Company, the consent of the members be and is hereby accorded to re-appoint/continue the Directorship of Mr. Shiv Shanker (DIN: 06962101), who is being re-appointed as an Independent Director of the Company, for a second term of five consecutive years to hold the office from 01<sup>st</sup> September 2019 to 31<sup>st</sup> August 2024.

**RESOLVED FURTHER THAT** the Board of Directors, the Chief Financial Officer or the Company Secretary be and are hereby severally authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

By Order of the  
Board  
For Dhabriya Polywood Limited

Sd/-  
**Sparsh Jain**  
Jaipur, August 14, 2019 Company Secretary

**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. 3 to 11 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 Monday, September 23, 2019 to Saturday, September 28, 2019 (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.
7. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Bigshare Services Pvt. Ltd ("Bigshare") to provide efficient and better services.
8. 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 Bigshare.
9. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated 8<sup>th</sup> June 2018 the shareholders holding shares in physical form, in their own interest, are hereby requested to take necessary steps to dematerialize their shares as soon as possible to avoid any inconvenience in future for transferring those shares.
10. 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.
11. Additional Information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of the directors seeking appointment/re-appointment at the AGM, is furnished as annexure to the Notice.
12. 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.
13. 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.

14. Electronic copy of the Annual Report for FY 2018-19 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 2018-19 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).
15. Electronic copy of the Notice of the 27<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 27<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.
16. Members may also note that the Notice of 27<sup>th</sup> AGM and Annual Report 2018-19 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).
17. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Saturday, September 21, 2019. 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 27<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 as amended from time to time and the provisions of 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 27<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 27<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 Wednesday, September 25, 2019 at 09.00 a.m. and ends on Friday, September 27, 2019 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 Saturday, September 21, 2019 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. A member can opt only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- XIII. Click on the EVSN for the relevant <Dhabriya Polywood Limited>on which you choose to vote.

- XIV. 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.

- XV. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- XVI. 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.

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

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

XIX. 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.

**XX. 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.**

XXI. 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.

XXII. 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).

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.



**EXPLANATORY STATEMENT****(Pursuant to Section 102 of the Companies Act, 2013)****ITEM No. 3**

In terms of Section 139 (2) of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the present Statutory Auditors of the Company, M/s. Narendra Sharma & Associates, Chartered Accountants, Jaipur (Firms Registration No. 004983C), will hold office until the conclusion of the ensuing Annual General Meeting and are not eligible for reappointment. The Company is required to appoint another Auditor for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 32<sup>nd</sup> Annual General Meeting. The Board of Directors at its meeting held on 14<sup>th</sup> August 2019 after considering the recommendations of the Audit Committee had recommended the appointment of M/s. Tambi Ashok & Associates, Chartered Accountants (Firm Registration No. 005301C) as the Statutory auditors of the company for the approval of the members.

The Audit Committee recommended M/s Tambi Ashok & Associates, Chartered Accountants (Firm Registration No. 005301C) as the Statutory Auditors of the Company for approval of the members. The Audit and Risk Management Committee recommended M/s Tambi Ashok & Associates, Chartered Accountants, Jaipur based on its standing for 28 years.

The proposed Auditors shall hold office for a period of five consecutive years from the conclusion of the 27<sup>th</sup> Annual General Meeting till the conclusion of 32<sup>nd</sup> Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors.

M/s. Tambi Ashok & Associates, Chartered Accountants have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as the Statutory auditors in terms of the Act, and the Rules made thereunder. Pursuant to Section 139 of the Act, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. Tambi Ashok & Associates, Chartered Accountants, as the Statutory Auditors of the Company.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

**ITEM No. 4**

Mr. Digvijay Dhabriya (DIN: 00519946) was appointed as Chairman & Managing Director for a period of five years effective from 01<sup>st</sup> September 2014. His first term therefore comes to an end on 31<sup>st</sup> August 2019. Mr. Digvijay Dhabriya was reappointed as Chairman & Managing Director for a further period of 5 (five) years from 01<sup>st</sup> September 2019 up-to 31<sup>st</sup> August 2024. The Nomination and Remuneration Committee has reviewed this matter and recommended the reappointment to the Board of Directors. Therefore, the Board of Directors have approved the same at its meeting held on 14<sup>th</sup> August 2019.

Further the Nomination and Remuneration Committee has also recommended continuance of payment of annual remuneration exceeding the limit of 5% of net profits of the Company where there are more than one such Executive Directors till the expiry of their respective terms of such Executive Directors as required under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but however that such remuneration will be as per applicable provisions of the Companies Act, 2013 including Schedule V under the Companies Act, 2013 and the Rules made thereunder. The remuneration to be paid/payable to Mr. Digvijay Dhabriya, Chairman & Managing Director as stated in the Explanatory Statement together with remuneration paid / payable to other Executive Directors will exceed the limit of 5% of net profits of the Company during their tenure as per Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but such remuneration will be within the limits specified under the Companies Act, 2013 and the rules thereunder. Mr. Digvijay Dhabriya, Chairman & Managing Director, is the member of promoter group.

Considering the valuable contribution, commitment, guidance and services being rendered by Mr. Digvijay Dhabriya for the sustained growth of the Company, it is proposed to seek members' approval for the re-appointment and continuance of

payment of remuneration of Mr. Digvijay Dhabriya as Chairman & Managing Director of the Company.

Mr. Digvijay Dhabriya satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as a Chairman & Managing Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

Details of Mr. Digvijay Dhabriya have been provided in the "Annexure-II" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Mr. Digvijay Dhabriya, Mrs. Anita Dhabriya and Mr. Shreyansh Dhabriya are interested in the resolution. The relatives of Mr. Digvijay Dhabriya may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Director/Key Managerial Personnel of the Company/their relatives are, interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

#### ITEM No. 5

Mr. Mahendra Karnawat (DIN: 00519876) was appointed as Whole-Time Director for a period of five years effective from 01<sup>st</sup> September 2014. His first term therefore comes to an end on 31<sup>st</sup> August 2019. Mr. Mahendra Karnawat was reappointed as Whole-Time Director for a further period of 5 (five) years from 01<sup>st</sup> September 2019 up-to 31<sup>st</sup> August 2024. The Nomination and Remuneration Committee has reviewed this matter and recommended the reappointment to the Board of

Directors. Therefore, the Board of Directors have approved the same at its meeting held on 14<sup>th</sup> August 2019.

Considering the valuable contribution, commitment, guidance and services being rendered by Mr. Mahendra Karnawat for the sustained growth of the Company, it is proposed to seek members' approval for the re-appointment of Mr. Mahendra Karnawat as Whole-Time Director of the Company.

Mr. Mahendra Karnawat satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as a Whole-Time Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

Details of Mr. Mahendra Karnawat have been provided in the "Annexure-II" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Except Mr. Mahendra Karnawat none of the Directors are interested in the resolution. The relatives of Mr. Mahendra Karnawat may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Director/Key Managerial Personnel of the Company/their relatives are, interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

#### ITEM No. 6

Mrs. Anita Dhabriya (DIN: 00359317) was appointed as Whole-Time Director for a period of

five years effective from 01<sup>st</sup> September 2014. His first term therefore comes to an end on 31<sup>st</sup> August 2019. Mrs. Anita Dhabriya was reappointed as Whole-Time Director for a further period of 5 (five) years from 01<sup>st</sup> September 2019 up-to 31<sup>st</sup> August 2024. The Nomination and Remuneration Committee has reviewed this matter and recommended the reappointment to the Board of Directors. Therefore, the Board of Directors have approved the same at its meeting held on 14<sup>th</sup> August 2019.

Further the Nomination and Remuneration Committee has also recommended continuance of payment of annual remuneration exceeding the limit of 5% of net profits of the Company where there are more than one such Executive Directors till the expiry of their respective terms of such Executive Directors as required under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but however that such remuneration will be as per applicable provisions of the Companies Act, 2013 including Schedule V under the Companies Act, 2013 and the Rules made thereunder. The remuneration to be paid/payable to Mrs. Anita Dhabriya, Whole-Time Director as stated in the Explanatory Statement together with remuneration paid / payable to other Executive Directors will exceed the limit of 5% of net profits of the Company during their tenure as per Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but such remuneration will be within the limits specified under the Companies Act, 2013 and the rules thereunder. Mrs. Anita Dhabriya, Whole-Time Director, is the member of promoter group.

Considering the valuable contribution, commitment, guidance and services being rendered by Mrs. Anita Dhabriya for the sustained growth of the Company, it is proposed to seek members' approval for the re-appointment of Mrs. Anita Dhabriya as Whole-Time Director of the Company.

Mrs. Anita Dhabriya satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as a Whole-Time Director and he has not been debarred from holding the office of director or continuing as a director of

company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

Details of Mrs. Anita Dhabriya have been provided in the "Annexure-II" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Mrs. Anita Dhabriya, Mr. Digvijay Dhabriya and Mr. Shreyansh Dhabriya are interested in the resolution. The relatives of Mrs. Anita Dhabriya may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Director/Key Managerial Personnel of the Company/their relatives are, interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

#### **ITEM No. 7**

Mr. Shreyansh Dhabriya (DIN: 06940427) was appointed as Whole-Time Director for a period of five years effective from 01<sup>st</sup> September 2014. His first term therefore comes to an end on 31<sup>st</sup> August 2019. Mr. Shreyansh Dhabriya was reappointed as Whole-Time Director for a further period of 5 (five) years from 01<sup>st</sup> September 2019 up-to 31<sup>st</sup> August 2024. The Nomination and Remuneration Committee has reviewed this matter and recommended the reappointment to the Board of Directors. Therefore, the Board of Directors have approved the same at its meeting held on 14<sup>th</sup> August 2019.

Considering the valuable contribution, commitment, guidance and services being rendered by Mr. Shreyansh Dhabriya for the sustained growth of the Company, it is proposed to seek members' approval for the re-appointment of Mr. Shreyansh Dhabriya as Whole-Time Director of the Company.

Mr. Shreyansh Dhabriya satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section

(3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as a Whole-Time Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

Details of Mr. Shreyansh Dhabriya have been provided in the "Annexure-II" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Mr. Shreyansh Dhabriya, Mr. Digvijay Dhabriya and Mrs. Anita Dhabriya are interested in the resolution. The relatives of Mr. Shreyansh Dhabriya may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Director/Key Managerial Personnel of the Company/their relatives are, interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

#### **ITEM No. 8 to 11**

As per the provisions of Sections 149, 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Mr. Sharad Kankaria, Mr. Anil Upadhyay, Mr. Padam Kumar Jain and Mr. Shiv Shanker as Independent Directors at the EGM of the Company held on 01<sup>st</sup> September 2014 for a term of 5 years and their term ends at the 31<sup>st</sup> August 2019.

As the above-named Independent Directors shall be completing their first term of appointment and they are eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Special Resolution. All the above-named Independent Directors have consented to their re-appointment and confirmed that they are not disqualified from being appointed as an

Independent Director in terms of Section 164 of the Act. The Company has also received the declarations from the said Directors stating that they meet all the criteria of Independence, as prescribed under Section 149(6) of the Act and under Regulation 16 (b) of SEBI (LODR) Regulations, 2015 and they are not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad.

Based on the performance evaluation of the Independent Directors, the Nomination & Remuneration Committee and the Board of Directors of the Company at their Meeting held on 14<sup>th</sup> August 2019 have recommended the re-appointment of the afore said persons as an Independent Director for a second term of five consecutive years effective from 01<sup>st</sup> September 2019 to 31<sup>st</sup> August 2024. During their tenure of appointment, they shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. In the opinion of the Board, they fulfil the conditions for re-appointment as Independent Directors and they are independent of the Management.

Brief resume of above Independent Directors, nature of their expertise in specific function areas and names of companies in which they hold directorship and memberships/ chairmanships of the Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (LODR) Regulations, 2015, are provided in the Annexure to this Notice, which is forming part of the Annual Report.

A copy of the draft letter for re-appointment of the Independent Directors setting out the terms and conditions of their reappointment is available for inspection by the Members at the Registered Office of the Company between 11 A.M. to 1 P.M. on all days except Saturdays, Sundays and Public Holidays, till the conclusion of the ensuing General Meeting.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Directors are in anyway deemed to be concerned or interested, financially or otherwise, in the Resolutions as set out in Item Nos. 7, 8 and 9 of the Notice.

The Board recommends the Special Resolutions as set out in Item Nos. 8, 9, 10 and 11 of the Notice for approval of the Member.



**ANNEXURE-I**

**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	2018-19	2017-18	2016-17
Paid up Capital	1082.42	1082.42	1058.02
Reserve & Surplus	2700.90	2403.98	1696.42
Gross Revenue	7374.28	8013.57	8082.32
Profit before tax	415.30	599.66	569.35
Tax expenses	124.29	197.83	195.99
Profit after tax	296.92	421.91	373.36

**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 53, 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 28 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 ₹ 84.00 Lakhs as annual remuneration for the financial year 2018-19.

**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**

There are no changes in the existing remuneration.

**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 7192238 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 49, has done Bachelor of Commerce from Ajmer University and carry rich experience of over 20 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 2018-19.

**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**

There are no changes in the existing remuneration

**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 50, has done Master of Commerce from MDS University, Ajmer and carry rich experience of over 25 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 2018-19.

**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

There are no changes in the existing remuneration

#### 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 27, 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 ₹ 24.00 Lakhs as annual remuneration for the financial year 2018-19.

#### 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

There are no changes in the existing remuneration

#### 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 52246 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 2018-19. 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.

By Order of the Board  
For Dhabriya Polywood Limited

Sd/-

**Sparsh Jain**

Jaipur, August 14, 2019

Company Secretary

**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



## ANNEXURE - II

**DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE 27<sup>th</sup> ANNUAL GENERAL MEETING**

[In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)]

<b>NAME OF DIRECTOR</b>	DIGVIJAY DHABRIYA DIN: 00519946	MAHENDRA KARNAWAT DIN: 00519876
<b>Item No.</b>	4	5
<b>Date of Birth</b>	25.08.1965	06.07.1969
<b>Age</b>	53	50
<b>Nationality</b>	Indian	
<b>Qualification</b>	He holds a bachelor's degree in engineering (Mechanical) from MBM Engineering College, Jodhpur and holds a Post Graduate diploma in Plastic Engineering from Central Institute of Plastic Engineering & Testing (CIPET), Chennai	He holds a master's degree in Commerce from MDS University, Ajmer
<b>Experience</b>	Mr. Dhabriya has over two and half decades of invaluable experience in the line of the business of the Company	He has worked for six years in sales field for Raj Spinning & weaving Mills Pvt. Ltd and has also worked for three years as quality control officer and marketing manager at TPL Suiting Pvt. Ltd. He has overall experience of over 25 Years in the field of Sales, Marketing and production.
<b>Terms &amp; Conditions for Appointment/reappointment</b>	As stated in the resolution set out in item number 4 of the Notice.	As stated in the resolution set out in item number 5 of the Notice.
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 4 of the Notice	As stated in the resolution set out in item number 5 of the Notice
<b>Last Remuneration Drawn</b>	₹ 84,00,000/-	₹ 14,40,000/-
<b>Date of first appointment on the Board</b>	20.10.1992	22.05.2000
<b>No. of shares held in the Company</b>	7192238 equity shares	46250 equity shares
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	Mr. Digvijay Dhabriya, is the spouse of Mrs. Anita Dhabriya and Mr. Shreyansh Dhabriya is the son of Mr. Digvijay Dhabriya	NIL
<b>No. of Board Meetings attended/ held during Financial Year (2018-19)</b>	8 out of 8	6 out of 8
<b>Directorships held in other companies</b>	Dynasty Modular Furnitures Pvt. Ltd. Polywood India Limited	NIL
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Corporate Social Responsibility Committee - Member Stakeholder Grievance Committee - Member	Corporate Social Responsibility Committee - Member
<b>Committee position held in other listed companies</b>	NIL	NIL

<b>NAME OF DIRECTOR</b>	ANITA DHABRIYA DIN: 00359317	SHREYANSH DHABRIYA DIN: 06940427
<b>Item No.</b>	6	7
<b>Date of Birth</b>	14.08.1970	26.06.1992
<b>Age</b>	49	27
<b>Nationality</b>	Indian	
<b>Qualification</b>	She holds a bachelor's degree in commerce from Ajmer University	He has done B. Tech (Mechanical) from VIT University, Vellore
<b>Experience</b>	She has working and administrative exposure of about 20 years in the manufacturing sector	His overall experience is 5 years in the manufacturing sector
<b>Terms &amp; Conditions for Appointment/reappointment</b>	As stated in the resolution set out in item number 6 of the Notice.	As stated in the resolution set out in item number 7 of the Notice.
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 6 of the Notice	As stated in the resolution set out in item number 7 of the Notice
<b>Last Remuneration Drawn</b>	₹ 18,60,000/-	₹ 24,00,000/-
<b>Date of first appointment on the Board</b>	22.01.1997	15.07.2014
<b>No. of shares held in the Company</b>	470226 equity shares	52246 equity shares
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	Mrs. Anita Dhabriya, Whole-Time Director is the spouse and Mr. Digvijay Dhabriya and mother of Mr. Shreyansh Dhabriya.	Mr. Shreyansh Dhabriya is the son of Mr. Digvijay Dhabriya & Mrs. Anita Dhabriya
<b>No. of Board Meetings attended/ held during Financial Year (2018-19)</b>	6 out of 8	8 out of 8
<b>Directorships held in other companies</b>	Polywood India Limited Polywood Profiles Pvt. Ltd. Polywood Green Buildings Systems Pvt. Ltd.	Polywood Profiles Pvt. Ltd.
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	NIL	Audit Committee - Member
<b>Committee position held in other listed companies</b>	NIL	NIL

<b>NAME OF DIRECTOR</b>	SHARAD KANKARIA DIN: 06961462	ANIL UPADHYAY DIN: 06962089
<b>Item No.</b>	8	9
<b>Date of Birth</b>	21.07.1961	30.06.1950
<b>Age</b>	58	69
<b>Nationality</b>	Indian	Indian
<b>Qualification</b>	He holds a bachelor's degree in commerce from University of Rajasthan, Jaipur	He holds a Diploma Degree in Electrical Engineering.
<b>Experience</b>	He is having about 30 Years of experience in the field of Manufacturing Sector	He is having about 41 years of experiences in the industrial field
<b>Terms &amp; Conditions for Appointment/reappointment</b>	As stated in the resolution set out in item number 8 of the Notice.	As stated in the resolution set out in item number 9 of the Notice.
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 8 of the Notice	As stated in the resolution set out in item number 9 of the Notice
<b>Last Remuneration Drawn</b>	NA	NA
<b>Date of first appointment on the Board</b>	30.08.2014	30.08.2014
<b>No. of shares held in the Company</b>	NIL	NIL
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	NIL	NIL
<b>No. of Board Meetings attended/ held during Financial Year (2018-19)</b>	5 out of 8	7 out of 8
<b>Directorships held in other companies</b>	Polywood Green Building Systems Pvt. Ltd.	NIL
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Remuneration & nomination Committee – Chairman Corporate Social Responsibility Committee - Chairman Audit Committee – Member Stakeholder Grievance Committee – Member	Stakeholder Grievance Committee – Chairman Remuneration & nomination Committee – Member
<b>Committee position held in other listed companies</b>	NIL	NIL

<b>NAME OF DIRECTOR</b>	PADAM KUMAR JAIN DIN: 06962097	SHIV SHANKER DIN: 06962101
<b>Item No.</b>	10	11
<b>Date of Birth</b>	18.07.1971	01.05.1979
<b>Age</b>	48	40
<b>Nationality</b>	Indian	Indian
<b>Qualification</b>	He holds a bachelor's degree in commerce and is a Practicing Chartered Accountant.	He holds master's degree in Technology in Transportation Engineering.
<b>Experience</b>	He is having expertise in the field of Audit and Taxation.	He is having about 10 years' experience in the field of Civil Construction, Project Management Consultancy & Building Designing.
<b>Terms &amp; Conditions for Appointment/reappointment</b>	As stated in the resolution set out in item number 10 of the Notice.	As stated in the resolution set out in item number 11 of the Notice.
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 10 of the Notice	As stated in the resolution set out in item number 11 of the Notice
<b>Last Remuneration Drawn</b>	NA	NA
<b>Date of first appointment on the Board</b>	30.08.2014	30.08.2014
<b>No. of shares held in the Company</b>	NIL	NIL
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	NIL	NIL
<b>No. of Board Meetings attended/ held during Financial Year (2018-19)</b>	4 out of 8	7 out of 8
<b>Directorships held in other companies</b>	NIL	Prashi Smart Solutions Pvt. Ltd.
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Audit Committee – Chairman Remuneration & nomination Committee – Member	NIL
<b>Committee position held in other listed companies</b>	NIL	NIL



## 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 footprints. 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 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. 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

Global economic activity continued to soften at the start of 2019, with trade and manufacturing showing signs of marked weakness. Heightened policy uncertainty, including a recent re-escalation of trade tensions between major economies, has been accompanied by a deceleration in global investment and a decline in confidence. Activity in major advanced economies—particularly in the Euro Area—as well as in some large emerging market and developing economies (EMDEs) has been weaker than previously expected. Recent high frequency indicators suggest this period of weakness may be receding; however, global activity remains subdued.

Amid low global inflation and a deterioration of the growth outlook, the prospect that the U.S. Federal Reserve and other major central banks will tighten monetary policy in the near term has faded, leading to an easing in global financing conditions and a recovery of capital flows to EMDEs. However,

weakening external demand has weighed on export growth across EMDE regions. Although demand for industrial commodities has generally softened, prices have partially recovered because of tightening supply conditions. EMDE growth momentum continues to be generally subdued, as slowing global trade and persistent policy uncertainty in key economies are only partially offset by recent improvements in external financing conditions.

Global growth in 2019 has been downgraded to 2.6 percent—0.3 percentage point below previous projections—reflecting the broad-based weakness observed during the first half of the year, including a further deceleration in investment amid rising trade tensions. In particular, global trade growth in 2019 has been revised down a full percentage point, to 2.6 percent—slightly below the pace observed during the 2015-16 trade slowdown, and the weakest since the global financial crisis.

As recent softness abates, global growth is projected to edge up to 2.7 percent in 2020 and to 2.8 percent in 2021. Slowing activity in advanced economies and China is expected to be accompanied by a modest cyclical recovery in major commodity exporters and in a number of EMDEs affected by recent pressure related to varying degrees of financial market stress or idiosyncratic headwinds such as sanctions.

EMDE growth is projected to pick up from a four-year low of 4 percent in 2019—0.3 percentage point below previous projections—to 4.6 percent in 2020-21. This recovery is predicated on the waning impact of earlier financial pressure currently weighing on activity in some large EMDEs, and on more benign global financing conditions than previously expected. It also assumes no further escalation in trade restrictions between major economies and stability in commodity prices. Despite this projected recovery, per capita growth in a large number of EMDEs will remain insufficient to narrow income gaps with advanced economies—including in Sub-Saharan Africa, a region with a high concentration of poverty.

Recent data for advanced economies point to decelerating activity, especially in the Euro Area. Investment has lost momentum and trade growth has declined markedly. Private consumption has so far been resilient, however, supported by ongoing job creation and higher real wages. In response to subdued inflation and decelerating activity,

monetary policy has become more accommodative. Export growth has slowed further, with an especially acute deceleration in goods going to the European Union and the East Asia and Pacific region. By raising costs on a variety of goods, recent tariff increases have so far modestly weighed on U.S. real incomes (Fajgelbaum et al. 2019; Amiti et al. 2019). In light of muted inflation, heightened risks from the external environment, and unresolved policy issues, the Federal Reserve has signaled a more gradual pace of tightening.

U.S. growth is expected to slow to 2.5 percent in 2019 and further decelerate to 1.7 percent in 2020 and 1.6 percent in 2021, as the effects of recent fiscal stimulus wane. These projections are unchanged from the previous forecast due to offsetting factors. On the one hand, recent tariff increases and associated retaliatory actions are expected to weigh on activity. On the other, growth is being supported by more accommodative monetary policy than previously assumed and by sustained increases in productivity growth and labor force participation. A continuation of these positive structural trends could result in higher medium- and long-term growth than currently predicted. In contrast, further increases in trade restrictions or policy uncertainty could hinder activity.

(source: World bank report)

### India

The Indian economy started the fiscal year 2018-19 with a healthy 8.2 percent growth in the first quarter on the back of domestic resilience. Growth eased to 7.3 percent in the subsequent quarter due to rising global volatility, largely from financial volatility, normalized monetary policy in advanced economies, externalities from trade disputes, and investment rerouting. Further, the Indian rupee suffered because of the crude price shock, and conditions exacerbated as recovery in some advanced economies caused faster investment outflows. Notwithstanding unforeseen global events or local political surprises, growth for India is estimated to remain upward of 7 percent for the year ahead. These projections could be attributed to the sustained rise in consumption and a gradual revival in investments, especially with a greater focus on infrastructure development.

### 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.

A wide variety of plastics raw materials are produced to meet the material needs of different sectors of the economy. These polymeric materials are broadly categorized as commodity, engineering and specialty plastics. Commodity plastics are the major products that account for bulk of the plastics and in turn for petrochemical industry. Commodity plastics comprise of Polyethylene (PE), Polypropylene (PP), Polyvinyl Chloride (PVC) and Polystyrene. While engineering and specialty plastics are plastics that exhibit superior mechanical and thermal properties in a wide range of conditions over and above more commonly used commodity plastics and are used for specific purpose. These include styrene derivatives (PS/EPS & SAN/ABS), polycarbonate, poly methyl methacrylate, polycarbonates, poly oxy methylene (POM) plastics etc.

The Indian plastics industry produces and exports a wide range of raw materials, plastic-moulded extruded goods, polyester films, 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.

The Indian plastics industry offers excellent potential in terms of capacity, infrastructure and skilled manpower. 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 operates single segment business viz. manufacturing & retailing of PVC & uPVC products. During financial year 2018-19, your company's total revenue registered at ₹ 7374.28 Lakhs as against ₹ 7813.21 Lakhs during the

previous financial year. The operating profit before tax stood at ₹ 415.30 Lakhs as against ₹ 599.66 in the Previous Year. Total Comprehensive Income for the year after tax stood at ₹ 296.92 Lakhs compared to ₹ 421.91 Lakhs reported in the Previous Year.

### 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 & Threats

OPPORTUNITIES	THREATS
Development of company activities in management, marketing, quality, research and branding	Government bans
Low availability of quality wood & there costly manufacturing labour and high maintenance cost increases the demand of our products.	Volatile raw material pricing
Changing consumer behavior	Increased Competition from Local & Big Players
Increasing awareness to protect the environment & green building revolution	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 375 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-Seventh Annual Report on the business and operation of the Company together with the audited financial statements for the year ended March 31, 2019.

### 1. Financial Performance of the Company

(₹ In Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
Revenue from operations	7374.28	7813.21	12077.21	13215.67
EBIDTA	1040.82	1243.94	1634.30	1848.42
Finance Cost	371.03	363.00	495.53	482.77
Depreciation	254.49	281.28	354.43	379.83
Profit before Tax	415.30	599.66	784.34	985.82
Provision for Tax	124.29	197.83	227.88	299.67
Other Comprehensive Income	5.91	20.08	9.77	20.08
Total Comprehensive Income after Tax	296.92	421.91	566.24	706.23
EPS (₹)	2.69	3.71	5.14	6.33

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

The Annual Report also includes the Consolidated Financial Statements of the Company, which includes the result of the Company's subsidiaries; viz. Polywood Profiles Pvt. Ltd., Dynasty Modular Furnitures Pvt. Ltd. and Polywood Green Building Systems Pvt. Ltd.

At standalone level, your Company operates single segment business viz. uPVC Doors, Windows, PVC Profiles and D-Stona sheets and mouldings. Operational revenue of the Company is reduced by 5.62% over the previous year on account of general slowdown in the economy. The revenue from operations stood at ₹ 7374.28 Lakhs compared with ₹ 7813.21 Lakhs in the Previous Year. The operating profit before tax stood at ₹ 415.30 Lakhs as against ₹ 599.66 in the Previous Year. Total Comprehensive Income for the year after tax stood at ₹ 296.92 Lakhs compared to ₹ 421.91 Lakhs reported in the Previous Year.

The Consolidated Revenue from operations for financial year 2018-19 was at ₹ 12077.21 Lakhs as against ₹ 13215.67 Lakhs in the Previous Year, registering a decline of 8.61%. The Consolidated operating profit before tax stood at ₹ 784.34 Lakhs as against ₹ 985.82 in the Previous Year. Total Comprehensive Income for the year after tax stood at ₹ 566.24 Lakhs compared to ₹ 706.23 Lakhs reported in the Previous Year.

### 3. Dividend and Reserves

Your Company has earned adequate profit during the financial year 2018-19. The directors have decided to plough back the profit into the business, therefore no dividend is recommended for the financial year ended March 31, 2019. 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, 2019 stood at ₹ 1250.00 Lakhs and 1082.42 Lakhs respectively. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2019, none of the directors of the Company hold instruments convertible into Equity Shares of the Company.

### 5. Board of Directors

The current term of Executive Directors viz. Mr. Digvijay Dhabriya, Chairman & Managing Director, Mr. Mahendra Karnawat, Whole-time Director, Mrs. Anita Dhabriya, Whole-time Director and Mr. Shreyansh Dhabriya, Whole-time Director would be expiring on 31<sup>st</sup> August 2019, accordingly, on the recommendation of the Nomination & Remuneration Committee, the Board has, subject to the approval of the shareholders in the ensuing Annual General Meeting, approved the reappointment of the aforesaid Executive Directors for a further



period of five years i.e. with effect from 1<sup>st</sup> September 2019 to 31<sup>st</sup> August 2024.

The first term of Mr. Sharad Kankaria, Mr. Anil Upadhyay, Mr. Padam Kumar Jain and Mr. Shiv Shanker Nonexecutive Independent Directors of the Company would be expiring on 31<sup>st</sup> August 2019. Accordingly, on the recommendation of the Nomination & Remuneration Committee, the Board of Directors in its meeting held on 14<sup>th</sup> August 2019 has approved to seek the approval of shareholders of the Company, in the ensuing Annual General Meeting, for the re-appointment of aforesaid Nonexecutive Independent Directors for second term of five years with effect from 01<sup>st</sup> September 2019 to 31<sup>st</sup> August 2024.

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, Mrs. Anita Dhabriya, Whole Time Director will retire by rotation at the ensuing Annual General Meeting and, being eligible, offer herself for re-appointment. The Board recommends their re-appointment for the consideration of Members of the Company at the ensuing 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 2018-19 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

SL. NO.	NAME OF PERSON	DESIGNATION
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 & Compliance Officer

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
4. Corporate Social Responsibility 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

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2019 has been prepared in

accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgements 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 and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2019. The notes to the Financial Statements adequately cover the standalone and consolidated Audited Statements and form an integral part of this report.

## 12. Performance of Subsidiary Company

Your Company is having three subsidiaries

### a. Polywood Profiles Private Limited:

The Gross Revenue of the Company for financial year 2018-19 stood at ₹ 2588.47 Lakhs compared with ₹ 2349.53 Lakhs in Previous Year. Total Comprehensive Income After Tax for the year stood at ₹ 191.37 Lakhs as against ₹ 140.10 Lakhs reported in the previous year.

### b. Dynasty Modular Furnitures Private Limited:

The Gross Revenue of the Company for financial year 2018-19 stood at ₹ 1858.13 Lakhs compared with ₹ 1681.88 Lakhs in previous year. Total Comprehensive Income After Tax for the year stood at ₹ 40.42 Lakhs as against ₹ 35.53 Lakhs reported in the previous year.

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

The Gross Revenue of the Company for financial year 2018-19 stood at ₹ 893.06 Lakhs compared with ₹ 2496.98 Lakhs in Previous Year. Total Comprehensive Income After Tax for the year stood at ₹ 37.53 Lakhs as against ₹ 108.69 Lakhs reported in the previous year.

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 2018-19, your company has won following awards:

- BEST EMPLOYER BRANDS AWARDS" IN RAJASTHAN, 2018 IN THE "13TH EMPLOYER BRANDING AWARDS" – JUNE 2018.
- TOP HR LEADER" IN RAJASTHAN, 2018 IN THE "13TH EMPLOYER BRANDING AWARDS" – JUNE 2018
- CERTIFICATE OF EXCELLENCE" AWARDS IN THE "BEST EMPLOYER 2017 AWARDS" COMPETITION – JAN 19.

## 14. Consolidated Financial Statements

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 a statement containing salient features of the financial statements of subsidiaries is given in form AOC-1 and forms an integral part of this report.

## 15. Auditors

### (a) Statutory Auditor

The Statutory Auditors of the Company M/s. Narendra Sharma & Co., Chartered Accountants, (Firm Registration No: 004983C) have audited the Financial Statements of the Company for the financial year 2018-19. 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. The current term of present Statutory Auditors will be ending on conclusion of Annual General Meeting (AGM) of the Company to be held on 2019.

Therefore, M/s Tambi Ashok & Associates, Chartered Accountants, (Firm Registration No: 005301C), were appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 32<sup>nd</sup> Annual General Meeting to be held during calendar year 2024. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for reappointment as Statutory Auditors of the Company.

Accordingly consent of the members is being sought for their appointment as the statutory auditors of the Company.

**(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 2017-18.

**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. Reporting of frauds**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and /or Board under section 143(12) of the Companies Act, 2013 and Rules framed thereunder.

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

**19. 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 minimum in view of different borrowings from banks / FIs at both fixed and floating rate of interest.

**(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 from Chinese products. 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.

**20. 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'** and is also available on the Company's website viz. [www.polywood.org](http://www.polywood.org).

**21. 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 Management does not perceive any material changes occurred subsequent to the close of the financial year as on March 31, 2019 before the date of report dated August 14, 2019 affecting financial position of the Company in any substantial manner.

**22. 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.

**23. 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.

**24. 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.

**25. 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 43 of significant accounting policies and notes forming part of the financial statements in accordance with "Ind AS". 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.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz. [www.polywood.org](http://www.polywood.org). 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.

**26. Listing with Stock Exchanges**

The Equity shares of the Company are listed on the Bombay Stock Exchange.



## 27. 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 and forms an integral part of this report.

## 28. 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 26 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 workplace of any women employee.

The Company has been employing about 11 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 2018-19 your company has not received any complaint of harassment and hence no complaint is outstanding as on March 31, 2019 for redressal.

## 29. Corporate Social Responsibility (CSR)

The Company has a Corporate Social Responsibility (CSR) Policy in place and the same can be accessed at [www.polywood.org](http://www.polywood.org). The details about committee composition and terms of reference of committee are given in Corporate Governance Report and forms integral part of this report. A 'CSR Report' on activities undertaken by the Company and amount spent on them is attached as

**ANNEXURE 'F'** to this report. The justification for the shortfall amount spent on CSR activities has been provided in Annual Report on CSR.

## 30. Director's Responsibility Statement

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013:

- (i) that in the preparation of the annual accounts, the applicable Indian 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.

## 31. 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).

## 32. Management Discussion and Analysis Report

The Management Discussion and Analysis Report as required 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.

### 33. Human Resources and Industrial Relations

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff.

The Company is committed to nurturing, enhancing and retaining its top talent through superior learning and organizational development. This is a part of our Corporate HR function and is a critical pillar to support the organization's growth and its sustainability in the long run.

### 34. Statutory Information and other Disclosures

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(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure 'D'** and forms an integral part of this report. A statement comprising the names of Top 10 employees in terms of remuneration drawn and every persons employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure 'G'** and forms an integral part of this report. The above annexure is not being sent along-with this Annual Report to the members of the company in line with the provision of section 136 of the Companies Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered office of the Company. The aforesaid annexure is also available for inspection by the members at the registered office of the Company, 21 days before and up to

the date of the ensuring Annual General Meeting during the business hours on working days.

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 2017-18.

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### 35. 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.

### 36. 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, 2019

**ANNEXURE 'A'**
**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on March 31, 2019

[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 Company	99	2(87)
2.	Polywood Profiles Pvt. Ltd. S F NO 51/1 Thulipalayam Road Theethipalayam Village, Thondamuthur Coimbatore TN-641010	U36101TZ2006PTC012875	Subsidiary Company	100	2(87)
3.	Dynasty Modular Furnitures Pvt. Ltd. F-13, Malviya Industrial Area, Jaipur – 302017	U27108RJ1995PTC009339	Subsidiary Company	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 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1. Indian									
a. Individual/HUF	8033795	0	8033795	74.22	8033795	0	8033795	74.22	0.00
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>8033795</b>	<b>0</b>	<b>8033795</b>	<b>74.22</b>	<b>8033795</b>	<b>0</b>	<b>8033795</b>	<b>74.22</b>	<b>0.00</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>0.00</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>8033795</b>	<b>0</b>	<b>8033795</b>	<b>74.22</b>	<b>8033795</b>	<b>0</b>	<b>8033795</b>	<b>74.22</b>	<b>0.00</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	0	0	0	0.00	0
<b>Sub-total (B) (1):</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>

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions									
a. Bodies Corp.									
i. Indian	161768	0	161768	1.49	17791	0	17791	0.16	(1.33)
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	670007	0	670007	6.19	680582	0	680582	6.29	0.10
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	1926938	0	1926938	17.80	1926922	0	1926922	17.80	0.00
c. Others (Specify)									
i. NRIs	300	0	300	0.00	2300	0	2300	0.02	0.02
ii. NRIs (Repat)	7125	0	7125	0.07	300	0	300	0.00	(0.07)
iii. NRIs (Non-Repat)	7876	0	7876	0.07	1531	0	1531	0.01	(0.06)
iv. Clearing Members	16436	0	16436	0.15	161024	0	161024	1.49	1.34
<b>Sub-total (B) (2):</b>	<b>2790450</b>	<b>0</b>	<b>2790450</b>	<b>25.78</b>	<b>2790450</b>	<b>0</b>	<b>2790450</b>	<b>25.78</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>2790450</b>	<b>0</b>	<b>2790450</b>	<b>25.78</b>	<b>2790450</b>	<b>0</b>	<b>2790450</b>	<b>25.78</b>	<b>0.00</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>10824245</b>	<b>0</b>	<b>10824245</b>	<b>100.00</b>	<b>10824245</b>	<b>0</b>	<b>10824245</b>	<b>100.00</b>	<b>0.00</b>



**ii) SHAREHOLDING OF PROMOTERS**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			% 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	7192238	66.45	0.00	7192238	66.45	0.00	0.00
2.	Anita Dhabriya	470226	4.34	0.00	470226	4.34	0.00	0.00
3.	Digvijay Dhabriya HUF	330331	3.05	0.00	330331	3.05	0.00	0.00
4.	Sandhya Hiran	32500	0.30	0.00	32500	0.30	0.00	0.00
5.	Usha Jain	8500	0.08	0.00	8500	0.08	0.00	0.00

**iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>DIGVIJAY DHABRIYA</b>				
	At the beginning of the year (01.04.2018)	7192238	66.45	7192238	66.45
	At the end of the year (31.03.2019)	7192238	66.45	7192238	66.45
2.	<b>ANITA DHABRIYA</b>				
	At the beginning of the year (01.04.2018)	470226	4.34	470226	4.34
	At the end of the year (31.03.2019)	470226	4.34	470226	4.34
3.	<b>DIGVIJAY DHABRIYA HUF</b>				
	At the beginning of the year (01.04.2018)	330331	3.05	330331	3.05
	At the end of the year (31.03.2019)	330331	3.05	330331	3.05
4.	<b>SANDHYA HIRAN</b>				
	At the beginning of the year (01.04.2018)	32500	0.32	32500	0.32
	At the end of the year (31.03.2019)	32500	0.30	32500	0.30
5.	<b>USHA JAIN</b>				
	At the beginning of the year (01.04.2018)	8500	0.08	8500	0.08
	At the end of the year (31.03.2019)	8500	0.08	8500	0.08

**iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS** (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS) AS ON 31.03.2019

Sl. No.	Shareholder's name	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>MUKUL AGRAWAL</b>				
	At the beginning of the year (01.04.2018)	1002500	9.26	1002500	9.26
	At the end of the year (31.03.2019)	1002500	9.26	1002500	9.26
2.	<b>MAVERICK SHARE BROKERS PRIVATE LIMITED - CLIENT BENEFICIARY A/C</b>				
	At the beginning of the year (01.04.2018)	46000	0.43	46000	0.43
	Market Sold on 13.04.2018	(400)	(0.00)	45600	0.42
	Market Sold on 04.05.2018	(341)	(0.00)	45259	0.42
	Market Sold on 11.05.2018	(159)	(0.00)	45100	0.42
	Market Buy on 25.05.2018	59150	0.55	104250	0.96
	Market Sold on 08.06.2018	(358)	(0.00)	103892	0.96
	Market Sold on 15.06.2018	(2260)	(0.02)	101632	0.94
	Market Sold on 22.06.2018	(612)	(0.01)	101020	0.93
	Market Buy on 29.06.2018	150	0.00	101170	0.93
	Market Sold on 30.06.2018	(200)	(0.00)	100970	0.93
	Market Sold on 06.07.2018	(900)	(0.01)	100070	0.92
	Market Sold on 13.07.2018	(5501)	(0.05)	94,569	0.87
	Market Buy on 20.07.2018	400	0.00	94,969	0.88
	Market Buy on 03.08.2018	1005	0.01	95,974	0.89
	Market Sold on 10.08.2018	(5331)	(0.05)	90,643	0.84
	Market Sold on 17.08.2018	(10)	(0.00)	90,633	0.84
	Market Sold on 07.09.2018	(4500)	(0.04)	86,133	0.80
	Market Buy on 05.10.2018	72812	0.67	158,945	1.47
	Market Sold on 26.10.2018	(20)	(0.00)	158,925	1.47
	Market Sold on 02.11.2018	(2310)	(0.02)	156,615	1.45
	Market Sold on 09.11.2018	(2500)	(0.02)	154,115	1.42
	Market Sold on 08.02.2019	(100)	(0.00)	154,015	1.42
	At the end of the year (31.03.2019)	154,015	1.42	154,015	1.42
3.	<b>MUKUL MAHAVIR AGRAWAL</b>				
	At the beginning of the year (01.04.2018)	131453	1.21	131453	1.21
	Market Buy on 18.01.2019	100	0.00	131553	1.22
	At the end of the year (31.03.2019)	131553	1.22	131553	1.22
4.	<b>ASHWINI HIRAN</b>				
	At the beginning of the year (01.04.2018)	107750	1.00	107750	1.00
	At the end of the year (31.03.2019)	107750	1.00	107750	1.00
5.	<b>PRATEEK JAIN</b>				
	At the beginning of the year (01.04.2018)	100000	0.92	100000	0.92
	Market Sold on 21.12.2018	(25000)	(0.23)	75000	0.69
	At the end of the year (31.03.2019)	75000	0.69	75000	0.69

Sl. No.	Shareholder's name	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	<b>ATUL KUMAR JAIN</b>				
	At the beginning of the year (01.04.2018)	67450	0.62	67450	0.62
	At the end of the year (31.03.2019)	67450	0.62	67450	0.62
7.	<b>SANJEEV POKHRANA</b>				
	At the beginning of the year (01.04.2018)	37541	0.35	37541	0.35
	Market Buy on 15.02.2019	5294	0.05	42,835	0.40
	Market Buy on 22.03.2019	807	0.01	43,642	0.40
	Market Buy on 29.03.2019	367	0.00	44,009	0.41
	Market Buy on 30.03.2019	320	0.00	44,329	0.41
	At the end of the year (31.03.2019)	44329	0.41	44329	0.41
8.	<b>RAJEEV MANILAL SANGOI</b>				
	At the beginning of the year (01.04.2018)	5000	0.05	5000	0.05
	Market Buy on 30.11.2018	40	0.00	5040	0.05
	Market Buy on 15.02.2019	15099	0.14	20139	0.19
	Market Buy on 22.02.2019	8719	0.08	28858	0.27
	At the end of the year (31.03.2019)	28858	0.27	28858	0.27
9.	<b>SAURABH BAKLIWAL</b>				
	At the beginning of the year (01.04.2018)	28590	0.26	28590	0.26
	At the end of the year (31.03.2019)	28590	0.26	28590	0.26
10.	<b>VINOD KUMAR LODHA</b>				
	At the beginning of the year (01.04.2018)	28081	0.26	28081	0.26
	At the end of the year (31.03.2019)	28081	0.26	28081	0.26

**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 01.04.2018)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>DIGVIJAY DHABRIYA</b>				
	At the beginning of the year (01.04.2018)	7192238	66.45	7192238	66.45
	At the end of the year (31.03.2019)	7192238	66.45	7192238	66.45
2.	<b>ANITA DHABRIYA</b>				
	At the beginning of the year (01.04.2018)	470226	4.34	470226	4.34
	At the end of the year (31.03.2019)	470226	4.34	470226	4.34
3.	<b>MAHENDRA KARNAWAT</b>				
	At the beginning of the year (01.04.2018)	46250	0.43	46250	0.43
	At the end of the year (31.03.2019)	46250	0.43	46250	0.43
4.	<b>SHREYANSH DHABRIYA</b>				
	At the beginning of the year (01.04.2018)	32074	0.30	32074	0.30
	Market Buy on 14.12.2018	8588	0.08	40662	0.38
	Market Buy on 08.02.2019	2610	0.02	43272	0.40
	Market Buy on 29.03.2019	8974	0.08	52246	0.48
	At the end of the year (31.03.2019)	52246	0.48	52246	0.48

Note: Except these stated above there are no other directors & KMPs hold any Shares of the Company during the financial year 2018-19.

**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	287033368	70799516	-	357832884
ii. Interest due but not paid	-	389556	-	389556
iii. Interest accrued but not due	1780639	227833	-	2008472
<b>Total (i+ii+iii)</b>	<b>288814007</b>	<b>71416905</b>	<b>-</b>	<b>360230912</b>
Change in Indebtedness during the financial year				
❖ Addition	125276724	67863789	-	193140513
❖ Reduction	130001292	66593759	-	196595051
<b>Net Change</b>	<b>(4724568)</b>	<b>1270030</b>	<b>-</b>	<b>(3454538)</b>
Indebtedness at the end of the financial year				
i. Principal Amount	281906369	71523599	-	353429968
ii. Interest due but not paid	-	1163336	-	1163336
iii. Interest accrued but not due	2183071	-	-	2183071
<b>Total (i + ii + iii)</b>	<b>284089440</b>	<b>72686935</b>	<b>-</b>	<b>356776375</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	8400000	1860000	1440000	2400000	14100000
	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>8400000</b>	<b>1860000</b>	<b>1440000</b>	<b>2400000</b>	<b>14100000</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	14000	11000	9000	7000	41000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>14000</b>	<b>11000</b>	<b>9000</b>	<b>7000</b>	<b>41000</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					
	<b>Total (B) = (1) +(2)</b>	<b>14000</b>	<b>11000</b>	<b>9000</b>	<b>7000</b>	<b>41000</b>



## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CS	CFO	
		Sparsh Jain	Hitesh Agrawal	
1.	Gross Salary			
	a. Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	420000	2380000	2800000
	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</b>	<b>420000</b>	<b>2380000</b>	<b>2800000</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)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For &amp; on behalf of the Board

Sd/-

**Digvijay Dhabriya**

Chairman &amp; Managing Director

DIN: 00519946

Jaipur, August 14, 2019

## ANNEXURE 'B'

### SECRETARIAL AUDIT REPORT

For the Financial Year Ended on March 31, 2019

(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.)

We 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 our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31 2019, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 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; (Not applicable to the Company during Audit Period)
  - (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)

We 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 2018-19 the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We 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 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 Collaborations.

For **M Sancheti & Associates**  
Company Secretaries

Place: Jaipur  
Date: 14.08.2019

**CS Manish Sancheti**  
(Proprietor)  
M. No. FCS 7972  
C. P. No. 8997  
UIN: I2010RJ724700  
UDIN: F007972A000003550

*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. Wherever 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.
6. 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 M Sancheti & Associates**  
Company Secretaries

**CS Manish Sancheti**  
(Proprietor)  
M. No. FCS 7972  
C. P. No. 8997  
UIN: I2010RJ724700

Place: Jaipur  
Date: 14.08.2019

**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, 2019 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	2018-19	2017-18
Earnings in foreign Exchange	46.30	NIL
Outgo in foreign Exchange	1274.75	1539.78

For & on behalf of the Board

Sd/-

**Digvijay Dhabriya**

Chairman & Managing Director

DIN: 00519946

**Jaipur, August 14, 2019**



## 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 2018-19, the percentage increase in remuneration of Executive Directors, Chief Financial Officer and Company Secretary during the financial year 2018-19.

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	36.84	17.98%
2.	Anita Dhabriya – WTD	8.16	0.00%
3.	Mahendra Karnawat – WTD	6.32	0.00%
4.	Shreyansh Dhabriya – WTD	10.53	50.00%
5.	Hitesh Agrawal – CFO	N.A.	27.96%
6.	Sparsh Jain – CS	N.A.	0.00%

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 ₹ 2,28,000/-

2. The percentage increase in the median remuneration of Employees for the financial year was 0.00%.
3. The Company has 384 permanent Employees on the rolls of Company as on March 31, 2019.
4. Average percentage increase made in the salaries of employee's other than the managerial personnel in the financial year was (3.08) %, whereas there was 17.30% 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

Sd/-

**Digvijay Dhabriya**

Chairman & Managing Director

DIN: 00519946

**Jaipur, August 14, 2019**

**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	337.41	906.08
2.	Polywood Profiles Pvt. Ltd.	01.04.2016	N.A.	N.A.	4.65	569.46	1049.28
3.	Dynasty Modular Furnitures Pvt. Ltd.	01.04.2017	N.A.	N.A.	75.61	325.30	1390.68
Total Liabilities	Investments	Turnover	Profit before tax	Provision for tax	Total Comprehensive Income after tax	Proposed Dividend	% of Shareholding
906.08	0.00	893.06	50.74	14.03	37.53	0.00	99.00
1049.28	0.00	2588.47	266.96	77.08	191.37	0.00	100.00
1390.68	0.00	1858.13	51.35	12.46	40.42	0.00	100.00

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

For &amp; on behalf of the Board

Sd/-

**Digvijay Dhabriya**

Chairman &amp; Managing Director

DIN: 00519946

Jaipur, August 14, 2019

## ANNEXURE 'F'

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES 2018-19 [Pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

**1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is <http://polywood.org/pdfs/Corporate-Social-Responsibility-Policy.pdf>.

As per CSR Policy of the Company, the Company may engage in any of the activities related to Health, Education, Environment, Sports and Others. The Company may also collaborate with other companies for undertaking projects or programs or CSR activities in accordance with the provisions, amendments and rules specified in the Act. In addition, it may build CSR capacities of their own personnel as well as their implementing agencies through institutions while complying with respective provisions and amendments, if any, under Companies Act, 2013. The CSR initiatives of the Company shall focus the areas surrounding its plants, locations or where the Company has its offices.

**2. The Composition of CSR Committee:**

S. NO.	NAME OF THE DIRECTOR	CATEGORY	POSITION
1.	Mr. Sharad Kankaria	Non-Executive Independent Director	Chairperson
2.	Mr. Digvijay Dhabriya	Chairman & Managing Director	Member
3.	Mr. Mahendra Karnawat	Whole-Time Director	Member

**3. Average net profit of the Company for the last three financial years: 555.60 Lakhs**

**4. Prescribed CSR Expenditure (two percent of the amount as in item no 3 above): 11.11 Lakhs**

**5. Details of CSR spent during the financial year:**

- Total amount to be spent for the financial year: 11.11 Lakhs
- Amount unspent: 11.11 Lakhs
- Manner in which the amount spent during the financial is detailed below:

**6. Justification for shortfall:** The Company is very much keen to spend amount towards Corporate Social Responsibility. Since the Company does not get suitable projects for spending on CSR during the current financial year, the company was unable to spend the required amount towards CSR.

**7. It is hereby confirmed that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and policy of the Company.**

**Digvijay Dhabriya**

Chairman & Managing Director  
DIN: 00519946

**Sharad Kankaria**

Chairperson of CSR Committee  
DIN: 06961462

Place: Jaipur

Date: August 14, 2019

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "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.

The Company is going to provide a better world to live by saving natural resources like trees by providing eco-friendly & economical products.

### 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, Shareholders/Investors Grievance Committee and Corporate Social Responsibility (CSR) 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, 2019, 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 Board has identified the following skill set with reference to its Business and Industry which are available with the Board:

Name of the Director	Skill/Expertise/Competence
Digvijay Dhabriya	Qualification: Bachelor's degree in engineering (Mechanical) from MBM Engineering College, Jodhpur and Post Graduate diploma in Plastic Engineering from Central Institute of Plastic Engineering & Testing (CIPET), Chennai. Mr. Digvijay Dhabriya is Promoter of the Company. He had rich experience 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.
Anita Dhabriya	Qualification: Bachelor's degree in Commerce from Ajmer university. She is actively engaged in the administrative and operational affairs of the company and responsible for business development of the company.
Mahendra Karnawat	Qualification: Master's degree in Commerce from MDS university, Ajmer. He takes care of procurement, production & logistics of our Company and provides strategic inputs to the administration for better materials, new designs and development of our products. He also heads the marketing affairs related to Extruded PVC profile products.
Shreyansh Dhabriya	Qualification: B. Tech (Mechanical) from VIT University, Vellore. He possesses excellent communication skills and actively engaged in establishing sustainable and profitable relationship with teams and customers, dealers and distributors across the country in order to maximize Company's profitability and efficiency.
Sharad Kankaria	Qualification: Bachelor's degree in Commerce from Ajmer university. He is having about 30 Years of experience in the field of Manufacturing Sector.
Anil Upadhyay	Qualification: Diploma Degree in Electrical Engineering. He is having about 41 years of experiences in the industrial field.
Padam Kumar Jain	Qualification: Bachelor's degree in Commerce. He is a Practicing Chartered Accountant and having expertise in the field of Audit and Taxation.
Shiv Shanker	Qualification: Master's Degree in Technology in Transportation Engineering He is having about 10 years' experience in the field of Civil Construction, Project Management Consultancy & Building Designing.

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than ten Committees excluding private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 or act as Chairperson of more than five committees across all listed entities in which he/she is a director (considering only Audit & Stakeholder Relationship Committee). Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. 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	List of Directorship held in other Listed Companies	Director ship in other Indian public ltd. Co.	No. of outside board committees in which chairman /member	
					Chairman	Member
Digvijay Dhabriya DIN: 00519946	28.06.2003	Promoter Chairman & Managing Director	NIL	1	-	-
Anita Dhabriya DIN: 00359317	15.07.2014	Promoter Whole-time Director	NIL	1	-	-
Mahendra Karnawat DIN: 00519876	22.05.2000	Whole time Director	NIL	-	-	-



Name	Date of Appointment	Category of Director	List of Directorship held in other Listed Companies	Director ship in other Indian public ltd. Co.	No. of outside board committees in which chairman / member	
					Chairman	Member
Shreyansh Dhabriya DIN: 06940427	15.07.2014	Whole time Director	NIL	-	-	-
Sharad Kankaria DIN: 06961462	30.08.2014	Independent Director	NIL	-	-	-
Anil Upadhyay DIN: 06962089	30.08.2014	Independent Director	NIL	-	-	-
Padam Kumar Jain DIN: 06962097	30.08.2014	Independent Director	NIL	-	-	-
Shiv Shanker DIN: 06962101	30.08.2014	Independent Director	NIL	-	-	-

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 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.
6. Maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and rules made thereunder.

### Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfills the conditions of independence specified in section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the Listing Regulations.

### Limit of Independent Directorship

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven Listed Companies. Further the Managing Director of the Company does not serve as an Independent Director in any listed entity.

### Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the company and its subsidiaries. The notice of Board Meeting is given well in advance to all the Directors. In case of business exigencies, the Board's approval is taken

through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting. 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.

Minimum four prescheduled Board meetings are held every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs, if any, of the Company. During the financial year ended March 31, 2019, Eight Board Meetings were held on May 29, 2018, August 14, 2018, September 19, 2018, November 14, 2018, November 27, 2018, January 07, 2019, February 12, 2019 and February 14, 2019. The maximum interval between any two consecutive meetings was less than one hundred and twenty days, as stipulated under section 173(1) of the Companies act and Regulation 17(2) of the Listing Regulations and the Secretarial Standard issued by the Institute of Company Secretaries of India.

### 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 29.09.2018
1.	Digvijay Dhabriya	8 of 8	Present
2.	Anita Dhabriya	6 of 8	Present
3.	Mahendra Karnawat	6 of 8	Present
4.	Shreyansh Dhabriya	8 of 8	Present
5.	Sharad Kankaria	5 of 8	Present
6.	Anil Upadhyay	7 of 8	Leave Sought
7.	Padam Kumar Jain	4 of 8	Present
8.	Shiv Shanker	7 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.

### Roles, Responsibilities and Duties of the Board

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

### The Chairman and Managing Director

His primary role is to provide leadership to the Board in achieving goals of the Company. He is

responsible for transforming the Company into a world-class organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

### Non-Executive Directors (including Independent Directors)

play a critical role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter-alia, includes:

- Impart balance to the Board by providing independent judgement.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

### FAMILIARISATION PROGRAMME FOR DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained. The Chairman and Managing Director also has a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries/associates businesses and operations, industry and regulatory updates, strategy, finance,

risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website, viz. [www.polywood.org](http://www.polywood.org)

## 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. A declaration signed by the Chairman and Managing Director of the Company to this effect is placed at the end of this report. 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. [www.polywood.org](http://www.polywood.org)

### 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 Company has adopted a 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' ('the Code') in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (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 PIT Regulations.

The Company has also formulated 'The Code of Practices and Procedures for fair disclosures of Unpublished Price Sensitive Information (UPSI)'.

This code is displayed on the Company's website viz. [www.polywood.org](http://www.polywood.org)

## 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 Company has four Board level Committees:

1. Audit Committee
2. Nomination and Remuneration/Compensation Committee
3. Shareholder's/Investor Grievance Committee
4. Corporate Social Responsibility Committee

### 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 composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and having accounting and related Administrative and Financial Management Expertise. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function. The Audit Committee is headed by Mr. Padam Kumar Jain and has Mr. Sharad Kankaria and Mr. Shreyansh Dhabriya as its Members. 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 2018-19. The Committee met on May 29, 2018, August 14, 2018, November 14, 2018 and February 14, 2019 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 February 14, 2019. 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	1 of 1

#ID – Independent Director

## REMUNERATION POLICY

### 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, 2019:

(a) Non-Executive Independent Directors

NAME OF DIRECTOR	SITTING FEES
Mr. Sharad Kankaria	14,000/-
Mr. Anil Upadhyay	11,000/-
Mr. Padam Kumar Jain	9,000/-
Mr. Shiv Shanker	7,000/-

(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 form September 01, 2014 to August 31, 2019	For a period of 5 years form September 01, 2014 to August 31, 2019	For a period of 5 years form September 01, 2014 to August 31, 2019	For a period of 5 years form September 01, 2014 to August 31, 2019
Salary	₹ 84,00,000/-	₹ 18,60,000/-	₹ 14,40,000/-	₹ 24,00,000/-
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

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations, after taking into consideration the 'Guidance Note on Board Evaluation' dated January 5, 2017 issued by SEBI.

Further, the Independent Directors, at their exclusive meeting held on March 30, 2019 reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations, on the broad parameters laid down under the Company's Nomination and Remuneration Policy.

### 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.

The Secretarial Department of the Company and the Registrar of Transfer Agent, Bigshare Services Pvt. Ltd. attend to all grievances of the shareholders received directly or through SEBI, Stock Exchange, Ministry of Corporate Affairs, Registrar of Companies etc. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

#### Meetings and Attendance

The Shareholder's/Investors Grievance Committee met four times during the year on May 29, 2018, August 14, 2018, November 14, 2018 and February 14, 2019. 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	3 of 4
3)	Digvijay Dhabriya CMD	Member	4 of 4

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

#### Details of Shareholders' Complaints Received, Solved and Pending as on March 31, 2019

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, 2019.

#### 4. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee comprises Mr. Sharad Kankaria, Independent Director as the Chairman & Mr. Digvijay Dhabriya and Mr. Mahendra Karnawat as members of the Committee. The Composition of CSR Committee is in accordance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has formulated CSR Policy, which is uploaded on the website of the Company viz. [www.polywood.org](http://www.polywood.org).

#### Term of Reference

The role of Corporate Social Responsibility Committee is as follows:

- ✓ To review the existing CSR Policy, which shall indicate the activities to be undertaken by the Company as specified in the Schedule VII.
- ✓ To provide guidance on various CSR activities to be undertaken by the Company and to monitor process.

#### Meetings and Attendance

The Corporate Social Responsibility Committee met once during the year on February 14, 2019. 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 Corporate Social Responsibility Committee members:

SL. NO.	NAME OF THE DIRECTORS	POSITION	NO. OF MEETINGS ATTENDED
1)	Sharad Kankaria ID	Chairman	1 of 1
2)	Digvijay Dhabriya CMD	Member	1 of 1
3)	Mahendra Karnawat WTD	Member	1 of 1

#ID – Independent Director, CMD – Chairman & Managing Director, WTD – Whole Time Director

#### 5. Independent Directors' Meeting

During the year under review, the Independent Directors met on March 30, 2019, *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.

#### SUBSIDIARY COMPANIES

The Company monitors performance of its Subsidiary Companies, *inter-alia* by following means:

- ✓ The Audit Committee reviews financial statements of the subsidiary companies, along with investment made by them, on a quarterly basis.
- ✓ The Board of Directors reviews the Board Meeting minutes and statements of all significant transactions and arrangements, if any, of the subsidiary companies.

The Board of Directors of the Company has formulated a policy for determining Material Subsidiaries which is in the line with the Listing

Regulations as amended. The said policy is available on the website of the Company viz. [www.polywood.org](http://www.polywood.org).

Polywood Green Building Systems Pvt. Ltd., Polywood Profiles Pvt. Ltd. and Dynasty Modular Furnitures Pvt. Ltd. are the material subsidiaries as per the thresholds laid down under the Listing Regulations and requirements relating to composition of Board of Directors of Unlisted Material Subsidiary is complied with.

Company does not have any Listed Subsidiary.

#### AFFIRMATIONS AND DISCLOSURES:

##### 1. Compliance with Governance Framework

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

##### 2. Related Party Transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the 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 significant accounting policies and notes forming part of the financial statements in accordance with "Ind AS". 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.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. [www.polywood.org](http://www.polywood.org)

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

#### 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. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000 141 dated November 15, 2018.

#### 9. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). – Not Applicable.

#### 10. A certificate from a Company Secretary in practice that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The certificate of Company Secretary in practice is annexed herewith as a part of the report.

#### 11. Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.: - Not Applicable

#### 12. Total fees of all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors are given in Note 35 to the Standalone Financial Statements and Note 35 to the Consolidated Financial Statements.

#### 13. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2019 is given in the Director's Report.

#### DETAILS OF NON-MANDATORY (DISCRETIONARY) REQUIREMENTS

Non-mandatory (discretionary) requirements under Regulation 27 of the Listing Regulations

The status of compliance with the non-mandators requirements of the Listing Regulations is provided below:



▪ **The board**

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

▪ **Shareholders rights**

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchange and updated on the website of the Company.

▪ **Modified opinion(s) in Audit Report**

There are no modified opinions in audit report.

▪ **Reporting of Internal Auditor**

In accordance with the provisions of section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly Internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

**THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)**

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1.	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation	Yes
		17(7)	Minimum information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
2.	Audit Committee	18(1)	Composition of Audit Committee & Presence of the chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of Committee and Review of information by the Committee	
3.	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	
4.	Stakeholder Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	
5.	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee	N.A.
		21(4)	Role of the Committee	N.A.
6.	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employees	Yes
7.	Related Party Transaction	23(1), (5), (6), (7) & (8)	Policy for Related Party Transaction	Yes

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
		23(2) & (3)	Approval including omnibus approval of Audit Committee for all Related Party Transaction and review of transaction by the Committee	Yes
		23(4)	Approval for Material Related Party Transaction	N.A.
8.	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	Yes
		24(2), (3), (4), (5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
9.	Obligations with respect to Independent Directors	25(1) & (2)	Maximum Directorship and tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarization of Independent Directors	Yes
10.	Obligations with respect to Directors and Senior Management	26(1) & (2)	Memberships and Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of shareholding by Non-executive Directors	Yes
		26(5)	Disclosure by Senior Management about potential conflicts of interest	
11.	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12.	Disclosure on Website of the Company	46(2)(b)	Terms and condition of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism/ Whistle Blower Policy	Yes
		46(2)(f)	Criteria of making payments to Non-executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarisation programmes imparted to Independent Directors	Yes

## 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
2015-16	October 15, 2016 11:00 A.M	SP-2032 (A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur-302020	No Special Resolution was passed.
2016-17	September 26, 2017 11:00 A.M	SP-2032 (A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur-302020	<ul style="list-style-type: none"> <li>➤ Revision in Remuneration of Managing Director and all Whole-Time Directors.</li> <li>➤ Determination of fees to be charged for service of document in a particular mode.</li> </ul>
2017-18	September 29, 2018 11:00 A.M	SP-2032 (A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur-302020	<ul style="list-style-type: none"> <li>➤ Enhancement of Borrowing Powers</li> <li>➤ Creation of Charge on Company's Properties</li> </ul>

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

### Annual General Meeting for the financial year 2018-19

<b>DAY AND DATE</b>	Saturday, September 28, 2019
<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, 2018 to March 31, 2019
<b>BOOK CLOSURE DATE</b>	September 23, 2019 to September 28, 2019 (both days inclusive)
<b>LAST DATE OF RECEIPT OF PROXY FORMS</b>	Thursday, September 26, 2019 before 11:00 A.M

### Tentative Calendar for Financial Year ending March 31, 2020

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending March 31, 2020 are as follows:

Sl. No.	Particular of Quarter	Tentative Dates
1.	First Quarter Results	In or before the second week of August 2019
2.	Second Quarter & Half Yearly Results	In or before the second week of November, 2019
3.	Third Quarter & Nine-months Results	In or before the second week of February, 2020
4.	Fourth Quarter & Annual Results	In or before the fourth week of May, 2020

### Dividend

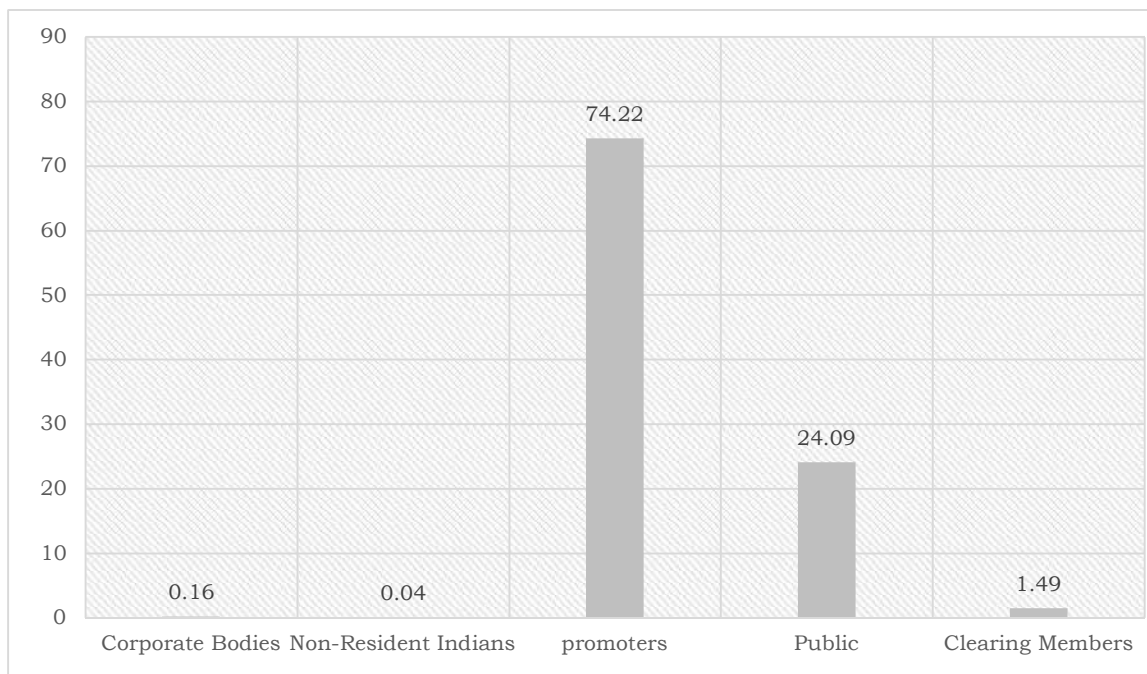
The Board of Directors of the Company does not recommend dividend for the financial year 2018-19.

**Distribution of Shareholding as on March 31, 2019**

Holding	Shareholders		Shares	
	Number	%	Number	%
1 – 500	624	71.15	84575	0.78
501 – 1000	55	6.27	44392	0.41
1001 – 2000	49	5.59	69660	0.64
2001 - 3000	50	5.70	123203	1.14
3001 - 4000	14	1.60	48037	0.44
4001 - 5000	15	1.71	73034	0.68
5001 – 10000	37	4.22	277166	2.56
10001 and above	33	3.76	10104178	93.35
<b>Grand Total</b>	<b>877</b>	<b>100.00</b>	<b>10824245</b>	<b>100.00</b>

**Categories of Shareholders as on March 31, 2019**

Sl. No.	Particulars	No. of Shares	% of holding
<b>A.</b>	<b>Promoter Holding</b>		
	1. Individual	8033795	74.22
	2. Bodies Corporate	-	-
	<b>Sub Total (A)(1)</b>	<b>8033795</b>	<b>74.22</b>
<b>B.</b>	<b>Public Shareholding</b>		
	1. Institutions	-	-
	<b>Sub Total (B)(1)</b>	<b>-</b>	<b>-</b>
	2. Non-Institutions		
	a. Bodies Corporate	17791	0.16
	b. Individuals		
	I. Individual Shareholders holding nominal share capital up-to ₹ 1 lakh	680582	6.29
	II. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	1926922	17.80
	c. NRIs	4131	0.04
	d. Clearing Members	161024	1.49
	<b>Sub Total (B)(2)</b>	<b>2790450</b>	<b>25.78</b>
	<b>Total (B)(1) + (B)(2)</b>	<b>2790450</b>	<b>25.78</b>
	<b>Grand Total (A)+(B)</b>	<b>10824245</b>	<b>100.00</b>



#### Equity Evolution during the financial year 2018-19

As at March 31, 2019 the paid-up Equity Share Capital of the Company was ₹ 10,82,42,450/- consisting of 1,08,24,245 Equity Shares of ₹ 10/- each. The Company has not issued any shares during the financial year.

#### Consolidation of Folios and Avoidance of Multiple Mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

#### 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).

#### Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

#### Bifurcation of Shares held in physical and demat form as on March 31, 2019

Particulars	No. of Shares	%
Physical Segment	-	-
Demat Segment		
A. NSDL	1518797	14.03
B. CDSL	9305448	85.97
<b>Total (A)+(B)</b>	<b>10824245</b>	<b>100.00</b>
<b>Grand Total</b>	<b>10824245</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, 2019

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

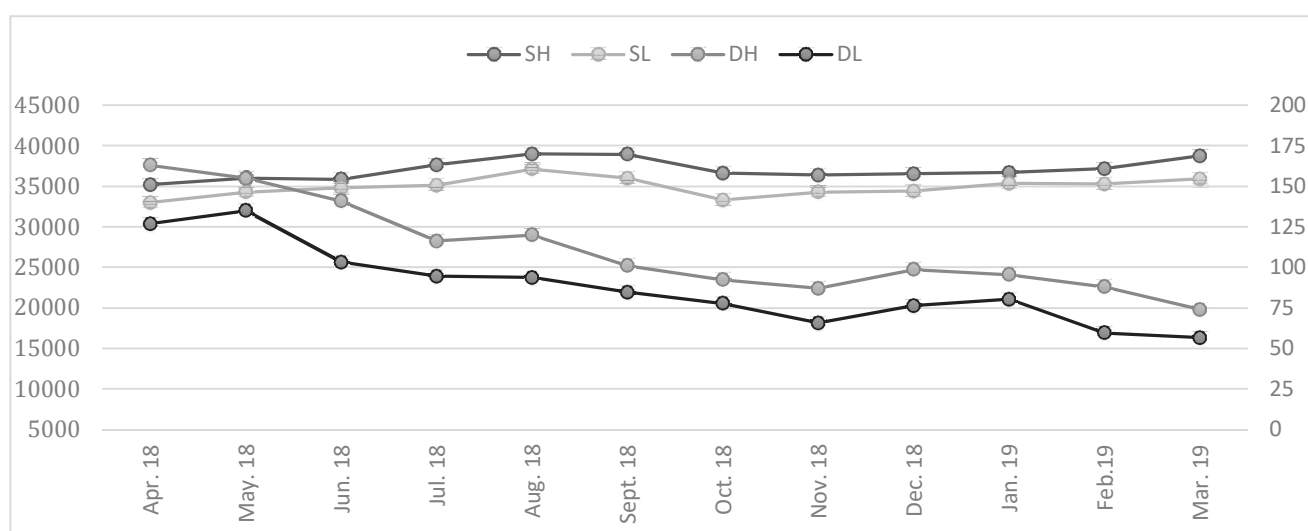
The Annual Listing Fees for the financial year 2019-20 has been paid to the Stock Exchange.

### 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, 2019 are as under:

Month	BSE		
	High (₹)	Low (₹)	Volume (Nos.)
April 2018	163.00	127.00	38,048
May 2018	155.00	135.00	37,654
June 2018	141.00	103.20	29,831
July 2018	116.15	94.50	41,267
August 2018	120.00	93.70	66,255
September 2018	101.00	84.75	17,141
October 2018	92.40	77.80	10,686
November 2018	87.00	65.65	13,893
December 2018	98.75	76.30	42,939
January 2019	95.50	80.30	3,787
February 2019	88.00	59.65	41,237
March 2019	74.00	56.70	36,005
<b>Closing Share Price as on March 31, 2019 (In ₹)</b>			<b>71.25</b>
<b>Market Capitalization as on March 31, 2019 (₹ In Lakhs)</b>			<b>7712.27</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 quarterly/half yearly results are announced within Forty-Five days of the close of the quarter. 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 are published in a national English newspaper and in local language (Hindi) newspaper, within forty-eight hours of approval thereof 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 quarterly 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, quarterly results and other relevant information of interest to the investors/public.
6. SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

### Share transfer system

As all the shares of the Company 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.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification no. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories.

### 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.

### Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the Bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Members bank account through ECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be used to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. Presently, company does not declare dividend.

### 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
Compliance Officer and 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:

1. We have reviewed Financial Statements and the Cash Flow Statement for the Financial Year ended March 31, 2019 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.
2. 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.
3. 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.

4. 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/- **Digvijay Dhabriya**  
**Hitesh Agrawal** Chairman & Managing Director  
 Chief Financial Officer DIN: 00519946

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

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Dhabriya Polywood Limited Code of Business conduct and Ethics for the year ended March 31, 2019.

For Dhabriya Polywood Limited

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

Jaipur, August 14, 2019

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

**DHABRIYA POLYWOOD LIMITED**

B-9D (1), MALVIYA INDUSTRIAL AREA

JAIPUR, RAJASTHAN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **DHABRIYA POLYWOOD LIMITED** having **CIN L29305RJ1992PLC007003** and having **registered office at B-9D (1), Malviya Industrial Area, Jaipur, Rajasthan** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	ANITA DHABRIYA	00359317	15.07.2014
2	ANIL UPADHYAY	06962089	30.08.2014
3	DIGVIJAY DHABRIYA	00519946	28.06.2003
4	MAHENDRA KARNAWAT	00519876	22.05.2000
5	PADAM KUMAR JAIN	06962097	30.08.2014
6	SHARAD KANKARIA	06961462	30.08.2014
7	SHREYANSH DHABRIYA	06940427	15.07.2014
8	SHIV SHANKER	06962101	30.08.2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M Sancheti & Associates**

Company Secretaries

Place: Jaipur

Date: 14.08.2019

**CS Manish Sancheti**

(Proprietor)

M. No. FCS 7972

C. P. No. 8997

UIN: I2010RJ724700

UDIN: F007972A000003561

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

### Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. This report contains details of compliance of conditions of Corporate Governance by Dhabriya Polywood Limited ('the Company') for the year ended March 31, 2019 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

### Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

### Auditors' Responsibility

3. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2019.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics

issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

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

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

### Restriction on use

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

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

Jaipur, August 14, 2019



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Dhabriya Polywood Limited**

### **Report on the consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS 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, 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity 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 Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the consolidated state of affairs of the Group as at March 31, 2019, their consolidated profit including other comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the standards on auditing as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report. We are independent of the Group in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report:

#### **A. Revenue Recognition**

##### **Key Audit Matter Description**

The Group's revenue is principally derived from sale of products of PVC-uPVC Profile Sections, Doors, Windows, Modular Furniture Products and others. Revenue from sale of goods is recognized when the control of the goods has passed, which is usually on dispatch/delivery of the goods.

We identified revenue recognition as a key audit matter because the Group and its external stakeholders focus on revenue as a key performance indicator.

##### **Response to Key Audit Matter**

We have planned & performed the following procedures:

- Assessed the appropriateness of the revenue recognition accounting policies by comparing them with applicable accounting standards.
- Evaluated the process followed by the management for revenue recognition including understanding and testing of key controls related to recognition of revenue in correct period.
- Performed substantive testing on samples selected using statistical sampling of revenue transactions, recorded during the year by testing the underlying documents to determine whether revenue has been recognized correctly and timely.

#### **B. Inventory Existence and Valuation**

##### **Key Audit Matter Description**

There are complexities and manual process involved in determining inventory quantities on hand and valuation of the same due to the

Group's presence across different locations within the country, diverse & numerous inventory products and work in progress at different stages of the processes at various manufacturing units. Accordingly, inventory quantities and valuation is identified as a key audit Matter.

#### **Response to Key Audit Matter**

We have planned & performed the following procedures:

- Attended inventory counts, which we selected based on financial significance and risk, observed management's inventory count procedures to assess the effectiveness, selected a sample of inventory products and compared the quantities counted to the quantities recorded and ensured inventory adjustments, if any, are recorded in the books of accounts.
- Assessed whether the management's internal controls relating to inventory's valuation are appropriately designed and implemented.
- Discussed with the management on the management's process of identifying the stages of completion and valuing work in progress stock at the time of book closure process.
- Verification of the correctness of valuation made by the management on a sample basis, with regard to the cost and net realizable value of inventory.

#### **Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report 2018-19 of the Company but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a

material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian accounting standards) Rules 2015, as amended from time to time. This responsibility also includes 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, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group responsible for assessing the ability to Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibility for the audit of Consolidated Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to

issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiaries, which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the Ind AS financial statements of one of the subsidiary whose financial statements reflect total assets of Rs. 1049.28 Lacs as at March 31, 2019, total revenues of Rs. 2588.47 Lacs, total net profit (including other comprehensive income) after tax of Rs. 191.37 Lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it related to the amounts and disclosures included in respect of these subsidiary, and our report in terms of section 143(3) of the Act, in so far as it relates to aforesaid subsidiary, is based solely on the reports of the other auditors. Our opinion on the consolidated Ind AS financial statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors and financial information certified by the management.

### 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 Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.

- (e) On the basis of the written representations received from the Directors of the Holding Company as on 31<sup>st</sup> March, 2019, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies in India is disqualified as on 31<sup>st</sup> March, 2019 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 with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, we give our separate Report in "Annexure".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the holding Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated Ind AS financial statements discloses the impact of pending litigations on its consolidated financial position of the Group;
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

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

**(YOGESH GAUTAM)**  
**Partner**

**Jaipur, 30<sup>th</sup> May 2019 Membership No. 072676**



## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to under "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Dhabriya Polywood Limited on the consolidated Ind AS financial statements for the year ended March 31, 2019)

### Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of **DHABRIYA POLYWOOD LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and in 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 with reference to the financial statements of Holding Company and its subsidiary companies, which are companies incorporated in India, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 audit evidence obtained by the other auditors of the subsidiary company 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 with reference to financial statements.

### Meaning of Internal Financial Controls with reference to Financial Statements

A Group's internal financial controls with reference to financial statements 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 Group's internal financial controls with reference to financial statements 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 Group; (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 Group are being made only in accordance with authorizations of Management and Directors of the respective company in the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the



Group's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 below, the Holding Company and its subsidiary Companies which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to financial

statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

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

**(YOGESH GAUTAM)**  
**Partner**

**Jaipur, 30<sup>th</sup> May 2019 Membership No. 072676**

<b>DHABRIYA POLYWOOD LIMITED</b> <b>CONSOLIDATED BALANCE SHEET</b> <b>AS AT 31<sup>st</sup> MARCH 2019</b>			
Particulars	Note	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>A. ASSETS</b>			
<b>I. Non-current Assets</b>			
a) Property, Plant and Equipment	4	413940629	416328770
b) Capital work-in progress	4	1258062	0
c) Investment Property	5	22993637	8008591
d) Financial Assets			
i) Investments	6	18500	18500
ii) Loans	7	5467899	5025002
iii) Others		0	0
e) Other non-current assets	8	0	12578739
<b>Total Non-Current Assets</b>		<b>443678727</b>	<b>441959602</b>
<b>II. Current Assets</b>			
a) Inventories	9	331352625	311429736
b) Financial Assets			
i) Trade Receivables	10	264682899	251201098
ii) Cash and cash equivalents	11	30910946	19399586
iii) Bank balances other than (iii) above		0	0
iv) Loans	12	7228839	8122779
v) Others	13	26125558	9621783
c) Other Current Assets	14	42214320	27237572
<b>Total Current Assets</b>		<b>702515186</b>	<b>627012554</b>
<b>Total Assets</b>		<b>1146193913</b>	<b>1068972156</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>I. EQUITY</b>			
a) Equity Share Capital	15	108242450	108242450
b) Other Equity	16	353483020	296895442
Equity Attributable to Owners		461725470	405137892
Non-Controlling Interest		348213	311513
<b>Total Equity</b>		<b>462073683</b>	<b>405449405</b>
<b>II. LIABILITIES</b>			
<b>1) Non-current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	17	195756068	169506579
ii) Other Financial Liabilities	18	2591631	2789076
b) Provisions	19	15019698	14462036
c) Deferred tax liabilities (net)	20	9327882	8238619
d) Other non-current liabilities		0	0
<b>Total Non-Current Liabilities</b>		<b>222695279</b>	<b>194996310</b>
<b>2) Current Liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	21	245036918	245537821
ii) Trade Payables	22		
Dues to Micro and Small Enterprises		20302511	0
Dues to Creditors other than Micro and Small Enterprises		88375824	96942321
iii) Other Financial Liabilities	23	52287358	74989073
(b) Other Current Liabilities	24	26060180	13152209
(c) Provisions	25	26466643	23364158
(d) Current tax liabilities (Net)	26	2895517	14540859
<b>Total Current Liabilities</b>		<b>461424951</b>	<b>468526441</b>
<b>Total Equity and Liabilities</b>		<b>1146193913</b>	<b>1068972156</b>
See accompanying notes forming part of the Financial statements	1 to 45		
<b>For DHABRIYA POLYWOOD LIMITED</b> As per our Report of even date <b>For NARENDRA SHARMA &amp; Co.</b> Chartered Accountants Firm Regn. No. 004983C Sd/- <b>(CA YOGESH GAUTAM)</b> Partner M. No. 072676 Jaipur, 30 <sup>th</sup> May 2019			
Sd/- <b>DIGVIJAY DHABRIYA</b> Director (DIN: 00519946) Sd/- <b>Hitesh Agrawal</b> Chief Financial Officer			
Sd/- <b>SHREYANSH DHABRIYA</b> Director (DIN: 06940427) Sd/- <b>Sparsh Jain</b> Company Secretary			

<b>DHABRIYA POLYWOOD LIMITED</b>			
<b>CONSOLIDATED STATEMENT OF PROFIT AND LOSS</b>			
<b>FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2019</b>			
<b>Particulars</b>	<b>Note</b>	<b>For the year ended 31<sup>st</sup> March, 2019</b>	<b>For the year ended 31<sup>st</sup> March, 2018</b>
<b>Revenue</b>			
<b>I. Revenue from operations</b>	27	1207721410	1344583104
<b>II. Other Income</b>	28	4310787	2801485
<b>III. Total Income (I+II)</b>		<b>1212032197</b>	<b>1347384588</b>
<b>IV. Expenses</b>			
(a) Cost of materials Consumed	29	691572030	707415094
(b) Purchase of Traded Goods	30	10735068	19459697
(c) Change in Inventories of Finished Goods, WIP and Stock-in-trade	31	(29265504)	(2380680)
(d) Excise duty on Sales		0	23015842
(e) Employee Benefits Expense	32	213769558	212552712
(f) Finance Cost	33	49553348	48277393
(g) Depreciation and Amortization Expense	34	35443257	37982506
(h) Other Expenses	35	161790143	202479702
<b>Total Expenses (IV)</b>		<b>1133597900</b>	<b>1248802267</b>
<b>V. Profit Before Tax (III-IV)</b>		<b>78434297</b>	<b>98582321</b>
<b>VI. Tax Expense/ (credit):</b>			
- Current Tax		21285000	30136000
- Deferred Tax		720537	(827776)
- Short/ (Excess) provision for taxes of earlier years		782053	659092
<b>Total Tax</b>		<b>22787590</b>	<b>29967316</b>
<b>VII. Profit for the period (V-VI)</b>		<b>55646707</b>	<b>68615005</b>
Net Profit after tax for the year attributed to:			
- Owners of the Company		55610007	68506312
- Non-controlling interest		36700	108693
<b>VIII. Other Comprehensive Income (OCI)</b>			
Item that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit liabilities		1346297	2999607
- Income tax relating to items that will not be reclassified to profit or loss		(368726)	(991760)
<b>Other Comprehensive Income for the period After Tax</b>		<b>977571</b>	<b>2007847</b>
<b>IX. Total Comprehensive Income for the period After Tax (VII + VIII)</b>		<b>56624278</b>	<b>70622852</b>
Total Comprehensive Income for the year attributed to:			
- Owners of the Company		56587578	70514159
- Non-controlling interest		36700	108693
<b>X. Earnings per Equity Share (of ₹ 10/- each)</b>			
(a) Basic & Diluted	36	<b>5.14</b>	<b>6.33</b>
<i>See accompanying notes forming part of the financial statements</i>	1to45		
<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  <b>Jaipur, 30<sup>th</sup> May 2019</b></p>			
<p><b>For DHABRIYA POLYWOOD LIMITED</b></p> <p>Sd/-  <b>DIGVIJAY DHABRIYA</b>  <b>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>			

DHABRIYA POLYWOOD LIMITED			
CONSOLIDATED CASH FLOW STATEMENT			
FOR THE YEAR ENDED ON 31 <sup>st</sup> MARCH, 2019			
Particulars	For the year ended 31 <sup>st</sup> March, 2019		For the year ended 31 <sup>st</sup> March, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax as per Profit & Loss Statement		78434297	98582321
<b>Adjusted for:</b>			
Depreciation and amortization expenses	35443257		37982506
Profit on Sale of Fixed assets	(8962)		0
Finance Costs	49553348		48277393
Interest Income	(1485524)		(1218560)
		83502119	85041339
Operating Profit before working capital changes		161936416	183623660
<b>Adjustment for:</b>			
(Increase) / Decrease in Trade Receivables	(13481801)		7191588
(Increase) / Decrease in Inventories	(19922889)		(33308198)
(Increase) / Decrease in Other Assets	(18450742)		(7707049)
(Decrease) / Increase in Trade Payables	11736014		(567400)
(Decrease) / Increase in Provisions	3660147		313548
(Decrease) / Increase in Other Liabilities	(23945952)		(29890799)
		(60405223)	(63968310)
Cash generated from/ (used in) operations		101531193	119655350
Direct Taxes Paid		(19171536)	(16254233)
<b>Net cash generated from/ (used in) operating activities – (A)</b>		82359657	103401118
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for Property, plant and equipment and Capital work in progress and Investment properties	(51771573)		(46752707)
Sale of fixed assets	2482312		0
Interest income	1485524		1218560
<b>Net cash (used in) Investing Activities – (B)</b>		(47803737)	(45534147)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Non-Current borrowings	111007679		43722365
Repayment of Non-Current borrowings	(83997987)		(102917697)
Net Increase/(decrease) in Current borrowings	(500903)		43048426
Interest paid	(49553348)		(48277393)
<b>Net cash (used in)/ from financing activities – (C)</b>		(23044560)	(64424299)
<b>Net Increase/ (decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		11511360	(6557329)
<b>Cash and cash equivalents at the beginning of the year</b>		19399586	25956915
<b>Cash and cash equivalents at the end of the year</b>		<b>30910946</b>	<b>19399586</b>
<b>1. Cash and cash equivalents at the end of the year comprises:</b>			
Cash on hand		2477487	1107392
Balances with Banks			
(i) In current accounts		5708415	3535610
(i) In fixed deposit accounts		22725044	14756584
<b>Total</b>		<b>30910946</b>	<b>19399586</b>
As per our Report of even date			
<b>For NARENDRA SHARMA &amp; Co.</b>			
<b>Chartered Accountants</b>			
<b>Firm Regn. No. 004983C</b>			
Sd/-	Sd/-		Sd/-
<b>(CA YOGESH GAUTAM)</b>	<b>DIGVIJAY DHABRIYA</b>		<b>SHREYANSH DHABRIYA</b>
<b>Partner</b>	<b>Director</b>		<b>Director</b>
M. No. 072676	(DIN: 00519946)		(DIN: 06940427)
	Sd/-		Sd/-
	<b>HITESH AGRAWAL</b>		<b>SPARSH JAIN</b>
	<b>Chief Financial Officer</b>		<b>Company Secretary</b>
<b>Jaipur, 30<sup>th</sup> May, 2019</b>			

DHABRIYA POLYWOOD LIMITED					
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY					
For the year ended on 31 <sup>st</sup> MARCH 2019					
A. Equity Share Capital					
Particulars					Amount
Balance as at 01 <sup>st</sup> April, 2017					105801500
Changes in equity share capital during the year					2440950
Balance as at 31 <sup>st</sup> March, 2018					108242450
Changes in equity share capital during the year					0
Balance as at 31 <sup>st</sup> March, 2019					108242450
B. Other Equity					
Particulars	Other Equity		Equity Attributable to Owners	Non- Controlling Interest	Total Equity
	Reserve and Surplus				
	General Reserve	Retained Earnings Account			
Balance as at 01st April, 2017	197100460	868369	197968829	202820	198171649
1. Profit for the year	0	68506312	68506312	108693	68615005
2. Other comprehensive income for the year, net of income tax	0	2007847	2007847	0	2007847
Total Comprehensive Income for the year	0	70514159	70514159	108693	70622852
3. Transfer to / (from) Retained earnings	71382528	(71382528)	0	0	0
4. Transfer to net surplus of new subsidiary	31572311	0	31572311	0	31572311
5. Gratuity Expenses Provision	(4310748)	0	(4310748)	0	(4310748)
6. Deferred tax on Gratuity not provided for earlier	1150891	0	1150891	0	1150891
Balance as at 31st March, 2018	296895442	0	296895442	311513	297206955
1. Profit for the year	0	55610007	55610007	36700	55646707
2. Other comprehensive income for the year, net of income tax	0	977571	977571	0	977571
Total Comprehensive Income for the year	0	56587578	56587578	36700	56624278
3. Transfer to / (from) Retained earnings	56587578	(56587578)	0	0	0
Balance as at 31st March, 2019	353483020	0	353483020	348213	353831233
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, 30 <sup>th</sup> May 2019			For DHABRIYA POLYWOOD LIMITED  Sd/- DIGVIJAY DHABRIYA Director (DIN: 00519946)  Sd/- HITESH AGRAWAL Chief Financial Officer		
			Sd/- SHREYANSH DHABRIYA Director (DIN: 06940427)  Sd/- SPARSH JAIN Company Secretary		



**Notes forming part of consolidated financial statements**  
for the year ended March 31, 2019

**1. CORPORATE INFORMATION**

The Consolidated financial statements comprise financial statements of “Dhabriya Polywood Limited” (the Holding Company) and its subsidiaries collectively referred to as “the Group”, for the year ended 31<sup>st</sup> March 2019.

The principal activities of the Group consists of manufacturing & supply of Extruded PVC Profile Sections, Dstona Sheets & Moldings for various furnishing & furniture applications (i.e. Doors, Partitions, Ceiling, Paneling, fencing, prefabs, interior & furnishing etc.), uPVC Windows & Door Systems and manufacturing of Modular furniture items. All the product range of Group is developed & produced on Save Tress concept without using natural wood. Further details about the business operations of the Group are provided in Note 41 – Segment Reporting.

**2. STATEMENT OF COMPLIANCE**

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as applicable.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PREPERATION AND PRESENTATION**

The consolidated financial statements have been prepared on accrual basis under the historical cost convention or fair values as per the requirements of Ind AS prescribed under section 133 of the Companies Act, 2013. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. However, when the Group determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value,

maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

The Consolidated Financial Statements of the Group have been prepared to comply with the Indian Accounting Standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013. The Consolidated Financial Statements comprises of Dhabriya Polywood Limited and all its subsidiaries, being the entities that it controls. Controls are assessed in accordance with the requirement of Ind AS 110 - Consolidated Financial Statements.

**B. PRINCIPLES OF CONSOLIDATION**

- (a) The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cashflows, after fully eliminating intra-group balances and intra-group transactions.

- (b) Profits or losses resulting from intra-group transactions that are recognized in assets, such as inventory and Property, Plant and Equipment, are eliminated in full.
- (c) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- (d) The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.
- (e) Non-Controlling Interest's share of 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.
- (f) Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.

### C. REVENUE RECOGNITION

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

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

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

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

### D. PROPERTY, PLANT AND EQUIPMENT

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

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

### Depreciation methods, estimated useful lives and residual value

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

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

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

#### **E. INVESTMENT PROPERTY**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Investment properties are depreciated using the written down value method over their estimated useful life.

#### **F. IMPAIRMENT OF ASSETS**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's

cash-generating units to which the individual assets are allocated.

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

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

The functional currency of the Group is Indian rupee. Transactions denominated in foreign currencies are normally recorded on initial recognition at the exchange rate prevailing at the time of transaction. Monetary items (i.e. liabilities and assets etc.) 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 of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous consolidated financial statements are recognized as income/expense 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. CASH AND CASH EQUIVALENTS**

For the purpose of presentation in the cash flow statement, cash and cash equivalents

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

#### **I. TRADE RECEIVABLES**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

#### **J. INVENTORIES**

Raw materials, Packing Materials, stores, spares & consumables, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials, packing materials comprises cost of purchases, non-refundable purchase taxes and any directly attributable expenses related to inventories. Cost of raw materials, packing materials, stores, spares & consumables is determined on a first in first out method. Cost of work-in-progress and finished goods comprises materials and appropriate proportion of all variable and fixed overhead expenditures, which is allocated on a systematic basis. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts, if any. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **K. TRADE AND OTHER PAYABLES**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value and

subsequently measured at amortised cost using the effective interest method.

#### **L. BORROWING**

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

#### **M. BORROWING COST**

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

#### **N. EMPLOYEE BENEFITS**

##### **Short Term Employee Benefits**

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

##### **Post-Employment Benefits**

##### **Defined Contribution Plans**

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

monthly contributions towards Provident Fund (PF) and Employee State Insurance (ESI) to the eligible employees. The Group's contribution is recognized as employee benefit expenses in Profit and Loss during the period in which the employee renders the related service.

#### **Defined Benefit Plans**

The Group provides for gratuity, a defined benefit retirement plan to the employees whoever has completed five years of service with the Group 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. Group 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.

#### **O. USE OF ESTIMATES AND JUDGEMENT**

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

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

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

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's

advice etc. and same is reviewed at each financial year end.

##### **(ii) Taxation:**

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Group determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations, if any. Any difference is recognised on closure of assessment or in the period in which they are agreed.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

#### **P. FINANCIAL INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

#### **FINANCIAL ASSETS**

##### **Initial recognition and measurement:**

On initial recognition, a financial asset is recognized at fair value. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss (FVTPL) or fair value through other



comprehensive income (FVOCI) depending on the classification of the financial assets. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

#### **Derecognition**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the contractual rights to receive the cash flows from the asset.

#### **Impairment of financial assets**

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

### **FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS**

#### **Classification as equity**

Equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

#### **Financial liabilities**

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial

liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Derecognition of financial liabilities**

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **Offsetting**

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

### **Q. INCOME TAXES**

Current Income tax assets and liabilities are measured at the amount expected to be

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

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss i.e. in other comprehensive income.

#### **R. PROVISIONS AND CONTINGENCIES**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, for which it is probable that a cash outflow may be required, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present

obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received, and the amount of the receivable can be measured reliably.

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

#### **S. EARNING PER SHARE**

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

#### **T. OPERATING CYCLE**

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

**4. PROPERTY, PLANT & EQUIPMENT AND CAPITAL WORK -IN-PROGRESS**As at 31<sup>st</sup> March 2019 and 31<sup>st</sup> March 2018

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Balance as at 01 April, 2018	Additions / Adjustments	Disposals / discard of assets	As at 31 March, 2019	Balance as at 01 April, 2018	Depreciation for the year	Eliminated on Disposals / discard of assets	As at 31 March, 2019	As at 31 March, 2019	As at 31 March, 2018
Leasehold Land	152046922	0	0	152046922	0	0	0	0	152046922	152046922
Building	102186557.5	7868566	0	110055123	7401767	3754852	0	11156619	98898504	94784790
Plant & Equipment	213290546.6	24729251	2466450	235553348	56449017	27662971	0	84111988	151441360	156841530
Dies & Mould	72701	0	0	72701	27064	8381	0	35445	37256	45637
Furniture & Fixtures	3776483	615904	0	4392387	1247824	688564	0	1936388	2455999	2528659
Vehicles	10908016	87577	537522	10458071	5411959	1570645	519784	6462820	3995251	5496057
Office Equipment's	241329	39248	0	280577	94491	49770	0	144261	136316	146838
Computers	1355686	1437532	6900	2786317.62	702973	611137	0	1314110	1472208	652713
Misc. Fixed Assets	5229409	377393	0	5606802	1443786	706203	0	2149989	3456813	3785623
<b>Total</b>	<b>489107650</b>	<b>35155471</b>	<b>3010872</b>	<b>521252249</b>	<b>72778881</b>	<b>35052523</b>	<b>519784</b>	<b>107311620</b>	<b>413940629</b>	<b>416328770</b>
<b>Capital Work-in-progress</b>	<b>0</b>	<b>1258062</b>	<b>0</b>	<b>1258062</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1258062</b>	<b>0</b>

Property, plant and equipment have been pledged as security against certain borrowings of the Company as at March 31, 2018. Refer note 17 & 21.

**5. INVESTMENT PROPERTY**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>Gross Carrying Amount</b>		
Balance as the beginning of period	8248680	2377980
Add: Additions / Adjustments	15375780	5870700
Less: Disposals / discard of assets	0	0
<b>Total at the end of period</b>	<b>23624460</b>	<b>8248680</b>
<b>Accumulated Depreciation</b>		
Balance as the beginning of period	240089	115815
Add: Depreciation Charged for the Year	390734	124274
Less: Eliminated on Disposals / discard of assets	0	0
<b>Total at the end of period</b>	<b>630823</b>	<b>240089</b>
<b>Net Carrying Amount</b>	<b>22993637</b>	<b>8008591</b>

## 6. INVESTMENT – NON-CURRENT

Particulars	As At 31 <sup>st</sup> March, 2019		As At 31 <sup>st</sup> March, 2018	
	No. of Units	Amount	No. of Units	Amount
<b>A. Investment in Equity Instruments</b>				
(Unquoted, fully paid-up shares in Subsidiary Companies, valued at cost)	0	0	0	0
<b>B. Other Equity Instruments</b>				
(Unquoted, fully paid-up shares, valued at cost)				
- Polywood India Ltd - non-listed Company	1000	10000	1000	10000
<b>C. Investment in Government Securities</b>				
(Unquoted, valued at amortized cost)				
- National Saving Certificates	-	8500	-	8500
<b>Total</b>	<b>1000</b>	<b>18500</b>	<b>1000</b>	<b>18500</b>

## 7. LOANS – NON-CURRENT (Unsecured, Considered Good)

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Security Deposits	5467899	5025002
<b>Total</b>	<b>5467899</b>	<b>5025002</b>

## 8. OTHER NON-CURRENT ASSETS

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Capital Advances - for Immovable Property	0	12578739
<b>Total</b>	<b>0</b>	<b>12578739</b>

## 9. INVENTORIES

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
At Lower of cost or net realization value:		
Raw Materials	185793503	195847970
Packing Material	2116850	1404997
Stock in Progress and semi-finished goods	24486080	19940312
Finished Goods - Manufactured	101206189	79068501
Finished Goods - Traded	12304003	9859456
Consumables Items, Stores and Spare Parts	5446000	5308500
<b>Total</b>	<b>331352625</b>	<b>311429736</b>

## 10. TRADE RECEIVABLES

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Unsecured, considered good:		
Trade Receivables	264682899	251201098
<b>Total</b>	<b>264682899</b>	<b>251201098</b>
*Trade Receivables are expected to release at least the amount at which they are stated, if realized in the ordinary course of business.		

**11. CASH AND CASH EQUIVALENTS**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Cash and Cash Equivalents:		
a) Cash on hand	2477487	1107392
b) Balances with banks		
i. In current accounts	5708415	3535610
ii. In fixed deposit accounts	22725044	14756584
<b>Total</b>	<b>30910946</b>	<b>19399586</b>

**12. LOANS - CURRENT (UNSECURED, CONSIDERED GOOD)**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Security & Other Deposits	7228839	8122779
<b>Total</b>	<b>7228839</b>	<b>8122779</b>

**13. OTHER CURRENT FINANCIAL ASSETS**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Balance with Government Authorities	23101986	4940027
Other Advances recoverable in cash	3023572	4681756
<b>Total</b>	<b>26125558</b>	<b>9621783</b>

**14. OTHER CURRENT ASSETS**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Advances to Suppliers	25025276	17659806
Prepaid Expenses	9186585	4666153
Other Advances recoverable for value to be received	8002459	4911613
<b>Total</b>	<b>42214320</b>	<b>27237572</b>

**15. EQUITY SHARE CAPITAL**

Particulars	As At 31 <sup>st</sup> March, 2019		As At 31 <sup>st</sup> March, 2018	
	No. of Shares	Amount in ₹	No. 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	10824245	108242450	10824245	108242450
<b>(c) Subscribed and fully paid-up</b>				
Equity Shares of ₹ 10/- each	10824245	108242450	10824245	108242450
<b>(d) Reconciliation of shares outstanding at the beginning &amp; at the end of the reporting period</b>				
At the beginning of the period	10824245	108242450	10580150	105801500
Add: Shares Issued	0	0	244095	2440950
Outstanding at the end of the period	<b>10824245</b>	<b>108242450</b>	<b>10824245</b>	<b>108242450</b>

(e) Details of shareholders holding more than 5% equity shares in the Company:	AS AT 31 <sup>ST</sup> MARCH, 2019		AS AT 31 <sup>ST</sup> MARCH, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Mr. Digvijay Dhabriya	7192238	66.45%	7192238	66.45%
Mr. Mukul Agarwal	1002500	9.26%	1002500	9.26%
(f) Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates	NIL	NIL	NIL	NIL
(g) Terms/rights attached to equity shares	The Company has only one class of shares referred to as equity shares having a par value of ₹ 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.				

#### 16. OTHER EQUITY

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>(A) General Reserves</b>		
Balance at the Beginning of the Year	296895442	197100460
Add: Transfer from Retained Earnings	56587578	71382528
Add: Transfer of Net surplus of new Subsidiary	0	31572311
Less: Gratuity Expenses provision	0	(4310748)
Add: Deferred Tax on Gratuity not provided for earlier	0	1150891
<b>Closing balance</b>	<b>353483020</b>	<b>296895442</b>
<b>(B) Securities Premium Account</b>		
Balance at the Beginning of the Year	0	0
Add: Premium Received on Issue of Shares during the year	0	0
Less: Bonus Issued	0	0
<b>Closing balance</b>	<b>0</b>	<b>0</b>
<b>(C) Retained Earnings Account</b>		
Balance at the Beginning of the Year	0	868369
Add: Profit for the year	55610007	68506312
Add: Other Comprehensive Income for the Year, net of income tax	977571	2007847
	56587578	71382528
Less: Transfer to General Reserve	(56587578)	(71382528)
<b>Closing balance</b>	<b>0</b>	<b>0</b>
<b>Equity attributable to Owners</b>	<b>353483020</b>	<b>296895442</b>
<b>Non-Controlling Interest</b>	<b>348213</b>	<b>311513</b>
<b>Total Equity</b>	<b>353831233</b>	<b>297206955</b>



**17. BORROWINGS – NON-CURRENT**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>SECURED - At Amortized Cost</b>		
Term Loan from Banks*	131605813	114229557
Less: Current maturities of term loans	(30186679)	(27818889)
	101419134	86410668
Vehicle Loans**	502007	2611600
Less: Current maturities of vehicle loans	(502007)	(2109595)
	0	502005
<b>UNSECURED - At Amortized Cost</b>		
From Directors	38079727	30112582
From Corporates	56257208	52481323
	94336935	82593905
<b>Total</b>	<b>195756068</b>	<b>169506579</b>
<p>*Term Loan from HDFC Bank Ltd. (earlier from HDFC Bank Ltd., ICICI Bank Ltd.) are secured against equitable mortgage / hypothecation on all the immovable and movable properties of the respective 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:</p> <p>i) HDFC Term Loan (Loan Against Property) of Rs. 150.00 Lakhs taken during the year 2014-15 is repayable in 60 monthly instalments commencing from March 2015 and last instalment due in January 2020.</p> <p>ii) SIDBI Term Loan of Rs. 1000 Lakhs availed in the October 2015 is repayable in 90 monthly instalments commencing from April 2016 and last instalment due in September 2023.</p> <p>iii) SIDBI Term Loan of Rs. 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.</p> <p>iv) SIDBI Term Loan of Rs. 100 Lakhs availed in the Month of February 2019 is repayable in 54 monthly instalments commencing from August 2019 and last instalment due in March 2024.</p> <p>v) SIDBI Term Loan of Rs. 250.00 Lakhs taken during the year 2015-16 is repayable in 90 monthly instalments commencing from August 2016 and last instalment due in January 2024.</p> <p>vi) SIDBI Term Loan of Rs. 100.00 Lakhs taken during the year 2018-19 is repayable in 90 monthly instalments commencing from April 2019 and last instalment due in September 2026.</p> <p>vii) SIDBI Term Loan of Rs. 250.00 Lakhs taken during the year 2018-19 is repayable in 54 monthly instalments commencing from April 2019 and last instalment due in September 2023.</p> <p>** Car Loans Taken from banks/financial institutions are secured by way of individual hypothecation of the Vehicle purchased from the amount of loan.</p>		

**18. OTHER FINANCIAL LIABILITIES – NON-CURRENT**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Trade/ security deposits received	2591631	2789076
<b>Total</b>	<b>2591631</b>	<b>2789076</b>

**19. PROVISIONS – NON-CURRENT**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Provision for Employee Benefits:		
Gratuity Provision	15019698	14462036
<b>Total</b>	<b>15019698</b>	<b>14462036</b>

## 20. DEFERRED TAX LIABILITIES (NET)

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>Tax effect of items constituting deferred tax liability:</b>		
Property, Plant & Equipments	13683965	12398526
	13683965	12398526
<b>Tax effect of items constituting deferred tax assets:</b>		
Provision for gratuity	(4356083)	(4159908)
	(4356083)	(4159908)
<b>Net Deferred Tax Liability</b>	<b>9327882</b>	<b>8238619</b>

## 21. BORROWINGS - CURRENT

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>SECURED - At Amortized Cost</b>		
<b>Working Capital Loans from Banks*</b>		
Cash Credit / Overdraft Facility	223782512	224913397
Buyer's Credit Facility	21254406	20624424
<b>Total</b>	<b>245036918</b>	<b>245537821</b>
* Cash Credit/Overdraft/WCDL Limits & Buyers' Credit Facility from HDFC Bank Ltd. and ICICI Bank Ltd. (earlier from HDFC Bank Ltd. and ICICI Bank Limited) are secured against equitable mortgage/hypothecation on all the immovable and movable properties of the respective Companies, inventory and book debts, both present and future.		

## 22. TRADE PAYABLES

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>Trade payables*</b>		
Total outstanding dues of Micro, small and medium enterprises	20302511	0
Others	88375824	96942321
<b>Total</b>	<b>108678335</b>	<b>96942321</b>

## 23. OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Current maturities of Term Loans*	30186679	27818889
Current maturities of Vehicle Loans*	502007	2109595
Statutory Remittances	11557979	31067177
Other Payables	10040694	13993412
<b>Total</b>	<b>52287358</b>	<b>74989073</b>
*Refer notes in Note 15 Borrowings - Non-Current for details of security.		

## 24. OTHER CURRENT LIABILITIES

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Credit Balances of Receivables	26060180	13152209
<b>Total</b>	<b>26060180</b>	<b>13152209</b>

**25. PROVISIONS - CURRENT**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Provision for Expenses	25613765	22594417
Provision for Employee Benefits - Gratuity	852878	769741
<b>Total</b>	<b>26466643</b>	<b>23364158</b>

**26. INCOME TAXES****a) Income Tax Expenses**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Current Tax:</b>		
- Current Tax	21285000	30136000
- Tax pertaining to earlier years	782053	659092
<b>Deferred Tax</b>	720537	(827776)
<b>Total</b>	<b>22787590</b>	<b>29967316</b>

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

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Profit before tax	78434297	98582321
Enacted tax rate in India including surcharge/cess, if any	27.583%	33.063%
Expected income tax expenses at statutory tax rate	21634628	32594273
<b>Tax Impact on account of</b>		
Depreciation under income tax act	(943738)	(775138)
Expenses allowed only on payment basis	250531	(121273)
Expenses not deductible in determining taxable profits	10726	30335
Others	332853	(1592197)
Tax expenses pertaining to current year	21285000	30136000
Effective Income Tax Rate	27.137%	30.569%

**b) CURRENT TAX LIABILITY (NET)**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Provision for Income Tax	21285000	30136000
Less: Advance Tax and TDS	18389483	15595141
Net Provision for Income Tax	2895517	14540859
<b>Total</b>	<b>2895517</b>	<b>14540859</b>

## 27. REVENUE FROM OPERATIONS

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Sale of Products (A)</b>		
Sale of Products	1185803553	1299470318
	1185803553	1299470318
Less: Discounts on Sales (Cash/Trade)	3416650	2755095
Less: Sales Return	0	(120401)
Add: Excise Duty	0	23015842
	<b>1182386903</b>	<b>1319610664</b>
<b>Sale of Services (B)</b>		
Installation and Fixing Income	25334507	24972440
<b>Total (A+B)</b>	<b>1207721410</b>	<b>1344583104</b>

## 28. OTHER INCOME

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Interest Income	1485524	1218560
Foreign Exchange Gains (Net)	2181333	1582925
Profit on sales of Machinery	8962	0
Income from Rent	634968	0
<b>Total</b>	<b>4310787</b>	<b>2801485</b>

## 29. COST OF MATERIAL CONSUMED

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Inventory at the beginning of the year	197252967	166325450
Add: Purchases during the year	682229416	738342612
	879482383	904668062
Less: Inventory at the end of the year	187910353	197252967
<b>Total</b>	<b>691572030</b>	<b>707415094</b>

## 30. PURCHASE OF STOCK IN TRADE

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Purchase of Trading Goods	10735068	19459697
<b>Total</b>	<b>10735068</b>	<b>19459697</b>

## 31. CHANGES IN INVENTORIES OF FINISHED GOODS, W.I.P. & STOCK IN TRADE

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Inventories at the end of the year:</b>		
Finished Goods - Manufactured	101206189	79068500
Finished Goods - Trading	12304003	9859456
Stores & spare Parts	5446000	5308500
Stock in Process and Semi-Finished goods	24486080	19940312
<b>TOTAL</b>	<b>143442272</b>	<b>114176768</b>

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b><u>Inventories at the beginning of the year including of new subsidiaries:</u></b>		
Finished Goods - Manufactured	79068501	77646718
Finished Goods - Trading	9859456	12778302
Stores & spare Parts	5308500	3470099
Stock in Process and Semi-Finished goods	19940312	17900971
<b>TOTAL</b>	<b>114176768</b>	<b>111796089</b>
<b>Net (increase) / decrease</b>	<b>(29265504)</b>	<b>(2380680)</b>

**32. EMPLOYEES BENEFIT EXPENSE**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Salary, Wages and Bonus to Employees	184285548	185105341
Contributions to Provident Fund	2409306	2747573
Gratuity	3426566	3114659
Remuneration to Directors	20880000	18125000
Staff Welfare Expenses	2768138	3460139
<b>Total</b>	<b>213769558</b>	<b>212552712</b>

**33. FINANCE COST**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Interest expense	46412389	45732834
Bank Charges & other financial charges	3140960	2544559
<b>Total</b>	<b>49553348</b>	<b>48277393</b>

**34. DEPRECIATION AND AMORTIZATION EXPENSE**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Depreciation on Property, Plant and Equipment	35052523	37858232
Depreciation on Investment Property	390734	124274
<b>Total</b>	<b>35443257</b>	<b>37982506</b>

**35. OTHER EXPENSES**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Manufacturing Expenses</b>		
Power & Fuel	42983065	41944877
Repair & Maintenance of Plant & Machinery	15024839	15553695
Electric Repair and Maintenance	631648	626635
Glass Hardware & Fittings	1796861	1954422
Installation & Fixing charges	21199930	32038485
Excise Duty Expenses	0	9255739
Factory/Godown Rent	2709623	2683081
Carriage inward	11178572	11497642
Factory Expenses	3586928	2919013

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Water Charges	539562	576221
Work Contract Execution Expenses	106592	9178141
Expenses for Import of Raw Material	9406544	9670272
	<b>109164165</b>	<b>137898224</b>
<b>Office &amp; Administrative Expenses</b>		
Auditor Fees	190000	189500
Insurance expenses	1412895	1452299
Legal & Professional expenses	1284234	1684415
Office /Branch and Misc. Expenses	1028793	1091152
Postage & Telegram Expenses	458320	504887
Printing & Stationary	909953	1699294
News Paper & Periodicals	13584	24392
Subscription and Membership fee	231190	190105
Registration and filling fee	517022	1538332
Office & Godown Rents	1760440	0
Rent Rate and Tax	7648883	7924940
Sitting Fee to Independent Directors	41000	40000
Repair & Maintenance Computer	438440	903131
Repair & Maintenance building	27425	402091
Vehicle running & Maintenance	1535599	1963773
Telephone, Cellular & Internet expenses	1498453	2168479
ISO Certification charges	40000	65000
Conveyance Expenses	4716064	3400668
Donation	38554	167520
Corporate Social Responsibility Expenses	0	11886
	<b>23790850</b>	<b>25421864</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Sales Promotion Expenses	4903765	11676578
Travelling Expenses	8268443	11279500
Carriage Outward	12713194	11723030
Expenses for Export	83784	0
Tender Expenses	30306	168354
Exhibition Expenses	1250	1202256
Commission on Sales	952710	839314
Discount Allowed	1881677	2270581
	<b>28835129</b>	<b>39159614</b>
<b>Total</b>	<b>161790143</b>	<b>202479702</b>

### 36. EARNING PER SHARE

Particulars	2018-19	2017-18
(a) Net Profit after Tax as per Statement of Profit & Loss	55646707	68615005
(b) Net Profit available to Equity Shareholders	55610007	68506312
(c) Number of equity shares at year end	10824245	10824245
(d) Weighted Average No. of Equity Shares	10824245	10824245
(e) Basic / Diluted Earnings per Share (b)/(d)	5.14	6.33
(f) Face value per equity share	10.00	10.00



**37. EMPLOYEE BENEFITS****a) Contribution to Provident Fund and Employees State Insurance**

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

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Employer's contribution to provident fund (includes pension fund)	2409306	2747573
Employer's contribution to Employees State Insurance	1799795	1458232

**b) Gratuity**

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

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>1. Amounts Recognized in Statement of Profit and Loss</b>		
a. Current Service Cost	2570860	1573761
b. Interest on Defined Benefit Obligation	1180463	874806
c. Past Service Cost	0	666092
Total amount included in "Employee Benefit Expense" (Note 32)	3751323	3114659
<b>2. Amounts Recognized in other comprehensive income (OCI)</b>		
a. Net cumulative unrecognized actuarial Losses/ (Gains) opening	0	0
b. Net Actuarial Losses/ (Gains) Recognized in Year	(1346297)	(2999607)
Unrecognized actuarial Losses/ (Gains) for the year	(1346297)	(2999607)
<b>3. Amount Recognized in Balance Sheet</b>		
a. Present Value of Unfunded Obligations	15872576	15231777
Net Liability	15872576	15231777
b. Net Liability is bifurcated as follows:		
Current	852878	769741
Non-Current	15019698	14462036
Net Liability	15872576	15231777
<b>4. Reconciliation of present value of defined benefit obligations</b>		
a. Present value of obligation as at the beginning of the period	15231777	11287822
b. Current Service Cost	2570860	1573761
c. Interest Cost	1180463	874806
d. Actuarial Losses/ (Gain)	(1346297)	(2999607)
e. Past Service Cost	0	4976840
f. Benefits Paid	(1764227)	(481845)
g. Present value of obligation as at the end of the period	15872576	15231777
<b>5. Actuarial Assumptions of the defined benefit obligations</b>		
a. Discount Rate (p.a.)	7.75%	7.27%
b. Salary Escalation Rate (p.a.)	6.00%	6.00%

**38. CIF VALUE OF IMPORTS**

Particulars	2018-19	2017-18
(a) Raw Materials	136368299	160577659
(b) Traded Goods	4821597	3940516
(c) Components and Spare Parts	205216	1287265
(d) Capital Goods	12194445	10127462
<b>Total</b>	<b>153589557</b>	<b>175932902</b>

### 39. EXPENDITURES IN FOREIGN CURRENCY

Particulars	2018-19	2017-18
(a) Others (Travelling Expenses)	698300	231800
<b>Total</b>	<b>698300</b>	<b>231800</b>

### 40. IMPORTED AND INDIGENOUS MATERIAL CONSUMED

Particulars	2018-19	2017-18
(a) Total value of imported raw materials, spare parts and components consumed during the financial year	125398570	157798734
(b) Total value of all indigenous raw materials, spare parts and components similarly consumed	581198299	565170056
(c) Total value of imported and indigenous raw material, spare parts and components consumed during the financial year	706596869	722968790
(d) Imported raw material, spare parts and components consumed in %	17.75%	21.83%
(e) Indigenous raw material, spare parts and components consumed in %	82.25%	78.17%

### 41. SEGMENT REPORTING

#### Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. The group has two operating and reporting segments viz:

- A. Plastic Product
- B. Modular Furniture

#### Segment revenue and results:

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

#### Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and Equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities.

#### Inter Segment transfer:

Inter Segment revenues are recognized at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

#### Primary Segment Information:

Particulars	2018-19	2017-18
<b>Segment Revenue</b>		
- Plastic Products	1025066292	1181303934
- Modular Furniture	185813180	168187575
<b>Gross Turnover (Turnover and Inter Segment Transfers)</b>	<b>1210879472</b>	<b>1349491509</b>
Less: Inter Segment Transfers	3158062	4908405
<b>Revenue from Operations</b>	<b>1207721410</b>	<b>1344583104</b>
<b>Segment Results</b>		
- Plastic Products	115023863	135119259
- Modular Furniture	11478258	10301429
<b>Total Segment Profit before Interest &amp; Tax</b>	<b>126502122</b>	<b>145420688</b>
- Finance Cost	(49553348)	(48277393)

Particulars	2018-19	2017-18
- Interest Income	1485524	1439027
<b>Profit before tax</b>	<b>78434297</b>	<b>98582322</b>
<b>Segment Assets</b>		
- Plastic Products	1007125645	945805685
- Modular Furniture	139068268	123166471
<b>Total</b>	<b>1146193913</b>	<b>1068972156</b>
<b>Segment Liabilities</b>		
- Plastic Products	1007125645	945805685
- Modular Furniture	139068268	123166471
<b>Total</b>	<b>1146193913</b>	<b>1068972156</b>

**42. CONTINGENT LIABILITIES**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
(a) Performance Bank Guarantees given to third parties for contractual obligations	64207922	37880150

**43. RELATED PARTY DISCLOSURES**

<b>A) RELATED PARTIES AND THEIR RELATIONSHIP</b>				
<b>I. Key Management Personnel</b>				
✓ Mr. Digvijay Dhabriya, Chairman & Managing Director				
✓ Mr. Mahendra Karnawat, Director				
✓ Mr. Shreyansh Dhabriya, Director				
✓ Mrs. Anita Dhabriya, Director				
✓ Mr. Hitesh Agrawal, Chief Financial Officer				
✓ Mr. Sparsh Jain, Company Secretary & Compliance Officer				
✓ Mr. Atul Jain, Director				
✓ Mr. Sourabh Mathur, Director				
<b>II. Enterprises over which Key Managerial Personnel's are able to exercise significant influence/control:</b>				
✓ Polywood India Ltd.				
<b>b) Transactions with related parties for the year ended 31st March, 2018</b>				
Particulars	Enterprises over which KMP exercise significant influence / control		Key Management Personnel and their relatives	
	2018-19	2017-18	2018-19	2017-18
Remuneration to Key Management Personnel's	0	0	23775000	18125000
Salary & Allowances to Employees	0	0	8009800	7749933
Interest Payment	34048	30000	469240	260889
Directors Sitting Fees	0	0	41000	40000
Rent Expenses	0	0	120000	120000
Sales of Goods	0	0	0	0
Purchase of Goods	0	0	0	0
<u>Balance as at 31<sup>st</sup> March</u>				
Long Term Borrowings	200000	227000	37429727	30112582
Provisions – Current	0	0	1809186	1679476
Other financial assets - Current	0	0	0	181531
Other financial liabilities - Current	0	0	95325	37000

#### 44. FINANCIAL INSTRUMENTS

##### a. Capital Risk Management

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

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

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Group has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and March 31, 2018.

The Group monitors its capital using gearing ratio which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents.

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Long term borrowings	195756068	169506579
Current maturities of long-term debt	30688686	29928484
Short term borrowings	245036918	245537821
Less: Cash and cash equivalents	(30910946)	(19399586)
Less: Bank Balances other than Cash and cash equivalents	0	0
<b>Net Debt</b>	<b>440570726</b>	<b>425573298</b>
<b>Total Equity</b>	<b>462073683</b>	<b>405449405</b>
<b>Gearing Ratio</b>	<b>0.95</b>	<b>1.05</b>

##### b. Categories of financial instruments

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at amortized cost</b>				
Loans	12696738	12696738	13147781	13147781
Other Financial Assets	26125558	26125558	9621783	9621783
Trade Receivables	264682899	264682899	251201098	251201098
Cash and Cash equivalents	30910946	30910946	19399586	19399586
Non-current Investment	18500	18500	18500	18500
<b>Total Financial Assets at amortized cost (A)</b>	<b>334434640</b>	<b>334434640</b>	<b>293388747</b>	<b>293388747</b>
<b>Measured at Fair Value through other comprehensive income (B)</b>	0	0	0	0
<b>Measured at fair value through profit and loss (C)</b>	0	0	0	0
<b>Total Financial Assets (A+B+C)</b>	<b>334434640</b>	<b>334434640</b>	<b>293388747</b>	<b>293388747</b>

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Liabilities</b>				
<b>Measured at amortized cost</b>				
Long Term Borrowings	195756068	195756068	169506579	169506579
Current Maturities of Long-Term Borrowings	30688686	30688686	29928484	29928484
Short Term Borrowings	245036918	245036918	245537821	245537821
Trade Payables	108678335	108678335	96942321	96942321
Other Financial Liabilities	24190303	24190303	47849665	47849665
<b>Total Financial Liabilities carried at amortized cost</b>	<b>604350311</b>	<b>604350311</b>	<b>589764870</b>	<b>589764870</b>

**c. Financial Risk Management objects and policies**

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

**Market Risk**

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

**Interest Rate Risk**

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

**Foreign Currency Risk**

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

**Credit Risk**

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

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

### Liquidity Risk

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

Particulars	Less Than 1 year	1 to 5 years	More than 5 years	Total
<b>As at March 31, 2019</b>				
Borrowings	245036918	192416068	3340000	440792986
Trade and Other payables	108678335	0	0	108678335
Other Financial Liabilities	54878989	0	0	54878989
<b>Total</b>	<b>408594242</b>	<b>192416068</b>	<b>3340000</b>	<b>604350311</b>
<b>As at March 31, 2018</b>				
Borrowings	245537821	159906579	9600000	415044400
Trade and Other payables	96942321	0	0	96942321
Other Financial Liabilities	77778149	0	0	77778149
<b>Total</b>	<b>420258291</b>	<b>159906579</b>	<b>9600000</b>	<b>589764870</b>

### 45. OTHER NOTES

- ✓ Group 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, 30<sup>th</sup> May 2019

### For DHABRIYA POLYWOOD LIMITED

Sd/-  
**DIGVIJAY DHABRIYA**  
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 Standalone Ind AS Financial Statements**

We have audited the accompanying standalone financial statements of **DHABRIYA POLYWOOD LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as Ind AS financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("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, 2019 and its profit and other comprehensive income, changes in equity and cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the standards on auditing as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial

statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report:

#### **A. Revenue Recognition**

##### **Key Audit Matter Description**

The Company's revenue is principally derived from sale of products of PVC-uPVC Profile Sections, Doors, Windows and others. Revenue from sale of goods is recognized when the control of the goods has passed, which is usually on dispatch/delivery of the goods.

We identified revenue recognition as a key audit matter because the Company and its external stakeholders focus on revenue as a key performance indicator.

##### **Response to Key Audit Matter**

We have planned & performed the following procedures:

- Assessed the appropriateness of the revenue recognition accounting policies by comparing them with applicable accounting standards.
- Evaluated the process followed by the management for revenue recognition including understanding and testing of key controls related to recognition of revenue in correct period.
- Performed substantive testing on samples selected using statistical sampling of revenue transactions, recorded during the year by testing the underlying documents to determine whether revenue has been recognized correctly and timely.

#### **B. Inventory Existence and Valuation**

##### **Key Audit Matter Description**

There are complexities and manual process involved in determining inventory quantities on hand and valuation of the same due to the Company's presence across different locations within the country, diverse & numerous inventory products and work in progress at different stages of the processes at various manufacturing units. Accordingly, inventory quantities and valuation is identified as a key audit Matter.

##### **Response to Key Audit Matter**

We have planned & performed the following procedures:

- Attended inventory counts, which we selected based on financial significance and risk, observed management's inventory count procedures to assess the effectiveness, selected a sample of inventory products and compared the quantities counted to the quantities recorded and ensured inventory adjustments, if any, are recorded in the books of accounts.
- Assessed whether the management's internal controls relating to inventory's valuation are appropriately designed and implemented.
- Discussed with the management on the management's process of identifying the stages of completion and valuing work in progress stock at the time of book closure process.
- Verification of the correctness of valuation made by the management on a sample basis, with regard to the cost and net realizable value of inventory.

#### **Information Other than the Ind AS Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report 2018-19 of the Company but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian accounting standards) Rules 2015, as amended from time to time. 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 judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the audit of Standalone Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.
- (e) On the basis of the written representations received from the Directors of the Company as on 31<sup>st</sup> March 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, we give our separate Report in **"Annexure B"**.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in

accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts hence, the question of any material foreseeable losses does not arise;
- iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**(YOGESH GAUTAM)**  
**Partner**  
**Jaipur, 30<sup>th</sup> May 2019 Membership No. 072676**

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

(Referred to in Paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date to the members of **DHABRIYA POLYWOOD LIMITED** on the standalone Financial Statements for the year ended on 31<sup>st</sup> March 2019, we report that:

- (i) In respect of its Property, plant and equipment:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, plant and equipment) on the basis of available information.
  - b. As explained to us, all the fixed assets (Property, plant and equipment) have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such physical verification.
  - c. According to 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 all the immovable properties of land (freehold and/or leasehold), are held in the name of the Company as at the Balance Sheet date.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act,

2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanation given to us in respect of statutory dues:
  - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it to the appropriate authorities.
  - b. There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they became payable.
  - c. There were no dues pending to be deposited on account of any dispute in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Service Tax, Excise Duty, Cess, Value Added Tax, Goods and Service Tax etc.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment



of loans or borrowings to banks and financial institutions. Company has not taken any loan or borrowing from Government and has not issued any debentures.

- (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, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of further public offer (including debt instruments) during the year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (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.
- (xvi) 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)**

**(YOGESH GAUTAM)**  
**Partner**

**Jaipur, 30<sup>th</sup> May 2019 Membership No. 072676**



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

(Referred to in Paragraph 2(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, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal 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, 2019, based on the criteria for internal financial control over financial reporting

established by the Company considering the essential components of internal control stated in the Guidance Note.

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

**(YOGESH GAUTAM)**  
**Partner**  
**Jaipur, 30<sup>th</sup> May 2019 Membership No. 072676**

<b>DHABRIYA POLYWOOD LIMITED</b>			
<b>BALANCE SHEET</b>			
<b>AS AT 31<sup>st</sup> MARCH 2019</b>			
<b>Particulars</b>	<b>Note</b>	<b>As at 31<sup>st</sup> March 2019</b>	<b>As at 31<sup>st</sup> March 2018</b>
<b>A. ASSETS</b>			
<b>I. Non-current Assets</b>			
a) Property, Plant and Equipment	4	343342276	340792153
b) Capital work-in progress	4	5000	0
c) Investment Property	5	22993637	8008591
d) Financial Assets			
i) Investments	6	48015565	48015565
ii) Loans	7	2551710	2235639
iii) Others		0	0
e) Other non-current assets	8	0	12578739
<b>Total Non-Current Assets</b>		<b>416908188</b>	<b>411630687</b>
<b>II. Current Assets</b>			
a) Inventories	9	211590412	198888003
b) Financial Assets			
i) Trade Receivables	10	176400622	196930953
ii) Cash and cash equivalents	11	19451426	14916568
iii) Bank balances other than (iii) above		0	0
iv) Loans	12	3313444	2812297
v) Others	13	22866746	4467809
c) Other Current Assets	14	34619483	21045547
<b>Total Current Assets</b>		<b>468242133</b>	<b>439061175</b>
<b>Total Assets</b>		<b>885150321</b>	<b>850691862</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>I. EQUITY</b>			
a) Equity Share Capital	15	108242450	108242450
b) Other Equity	16	270089890	240397837
<b>Total Equity</b>		<b>378332340</b>	<b>348640287</b>
<b>II. LIABILITIES</b>			
<b>1) Non-current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	17	132840504	139125269
ii) Other Financial Liabilities	18	2362555	2635000
b) Provisions	19	10458346	10347533
c) Deferred tax liabilities (net)	20	6987749	5813603
d) Other non-current liabilities		0	0
<b>Total Non-Current Liabilities</b>		<b>152649154</b>	<b>157921405</b>
<b>2) Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	21	206413864	198116017
ii) Trade Payables	22		
Dues to Micro and Small Enterprises		16565149	0
Dues to Creditors other than Micro and Small Enterprises		68484526	63064955
iii) Other Financial Liabilities	23	31549127	50985169
b) Other Current Liabilities	24	14662978	6071999
c) Provisions	25	16493183	14288144
d) Current tax liabilities (Net)	26	0	11603886
<b>Total Current Liabilities</b>		<b>354168827</b>	<b>344130170</b>
<b>Total Equity and Liabilities</b>		<b>885150321</b>	<b>850691862</b>
<i>See accompanying notes forming part of the Financial statements</i>		<i>1 to 46</i>	
<b>For DHABRIYA POLYWOOD LIMITED</b>			
As per our Report of even date <b>For NARENDRA SHARMA &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Regn. No. 004983C</b>		Sd/- <b>DIGVIJAY DHABRIYA</b> <b>Director</b> (DIN: 00519946)	Sd/- <b>SHREYANSH DHABRIYA</b> <b>Director</b> (DIN: 06940427)
Sd/- <b>(CA YOGESH GAUTAM)</b> <b>Partner</b> M. No. 072676		Sd/- <b>Hitesh Agrawal</b> <b>Chief Financial Officer</b>	Sd/- <b>Sparsh Jain</b> <b>Company Secretary</b>
<b>Jaipur, 30<sup>th</sup> May, 2019</b>			

DHABRIYA POLYWOOD LIMITED			
STATEMENT OF PROFIT AND LOSS			
FOR THE YEAR ENDED ON 31 <sup>st</sup> MARCH, 2019			
Particulars	Note	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Revenue</b>			
I. Revenue from operations	27	737428108	801357767
II. Other Income	28	3448489	2146705
<b>III. Total Revenue (I+II)</b>		<b>740876597</b>	<b>803504471</b>
<b>IV. Expenses</b>			
(a) Cost of materials Consumed	29	396707804	425495399
(b) Purchase of Traded Goods	30	19638842	7236771
(c) Change in Inventories of Finished Goods, WIP and Stock-in-trade	31	(18826803)	(19034485)
(d) Excise duty on Sales		0	20037057
(e) Employee Benefits Expense	32	137630158	132924009
(f) Finance Cost	33	37123233	36299859
(g) Depreciation and Amortization Expense	34	25449309	28127831
(h) Other Expenses	35	101644035	112451590
<b>Total Expenses (IV)</b>		<b>699346578</b>	<b>743538031</b>
<b>V. Profit Before Tax (III-IV)</b>		<b>41530019</b>	<b>59966441</b>
<b>VI. Tax Expense/ (credit):</b>			
- Current Tax	26	11000000	20000000
- Deferred Tax		946187	(932374)
- Short/ (Excess) provision for taxes of earlier years		483227	715832
<b>Total Tax</b>		<b>12429414</b>	<b>19783458</b>
<b>VII. Profit for the period (V-VI)</b>		<b>29100605</b>	<b>40182983</b>
<b>VIII. Other Comprehensive Income (OCI)</b>			
Item that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit liabilities		819407	2999607
- Income tax relating to items that will not be reclassified to profit or loss		(227959)	(991760)
<b>Other Comprehensive Income for the period After Tax</b>		<b>591448</b>	<b>2007847</b>
<b>IX. Total Comprehensive Income for the period After Tax (VII + VIII)</b>		<b>29692053</b>	<b>42190830</b>
<b>X. Earnings per Equity Share (of ₹ 10/- each)</b>			
(a) Basic & Diluted	36	2.69	3.71
See accompanying notes forming part of the financial statements	1to46		
<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>    Sd/-  <b>(CA YOGESH GAUTAM)</b>  <b>Partner</b>  M. No. 072676    <b>Jaipur, 30<sup>th</sup> May 2019</b></p>			
<p><b>For DHABRIYA POLYWOOD LIMITED</b>    Sd/-  <b>DIGVIJAY DHABRIYA</b>  <b>Director</b>  (DIN: 00519946)    Sd/-  <b>HITESH AGRAWAL</b>  <b>Chief Financial Officer</b></p>			
<p>Sd/-  <b>SHREYANSH DHABRIYA</b>  <b>Director</b>  (DIN: 06940427)    Sd/-  <b>SPARSH JAIN</b>  <b>Company Secretary</b></p>			

<b>DHABRIYA POLYWOOD LIMITED</b>			
<b>CASH FLOW STATEMENT</b>			
<b>FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2019</b>			
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2019</b>		<b>For the year ended 31<sup>st</sup> March, 2018</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax as per Profit & Loss Statement		41530019	59966441
<b>Adjusted for:</b>			
Depreciation and amortization expenses	25449309		28127831
Finance Costs	37103233		36299859
Interest Income	(991088)		(871882)
		61561454	63555808
Operating Profit before working capital changes		103091473	123522249
<b>Adjustment for:</b>			
(Increase) / Decrease in Trade Receivables	20530331		10094762
(Increase) / Decrease in Inventories	(12702409)		(45468783)
(Increase) / Decrease in Other Assets	(20211353)		(1499739)
(Decrease) / Increase in Trade Payables	21984720		575409
(Decrease) / Increase in Provisions	2315852		(1136033)
(Decrease) / Increase in Other Liabilities	(16434368)		(11890279)
		(4517226)	(49324662)
Cash generated from/ (used in) operations		98574247	74197587
Direct Taxes Paid		(11483227)	(9111946)
<b>Net cash generated from/ (used in) operating activities – (A)</b>		<b>87091020</b>	<b>65085641</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for Property, plant and equipment and Capital work in progress and Investment properties	(42989478)		(27500980)
Interest income	991088		871882
<b>Net cash (used in) Investing Activities – (B)</b>		<b>(41998390)</b>	<b>(26629098)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Non-Current borrowings	59847843		36222365
Repayment of Non-Current borrowings	(71600229)		(76867748)
Net Increase/(decrease) in Current borrowings	8297847		33750934
Interest paid	(37103233)		(36299859)
<b>Net cash (used in)/ from financing activities – (C)</b>		<b>(40557772)</b>	<b>(43194308)</b>
<b>Net Increase/ (decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		4534858	(4737764)
<b>Cash and cash equivalents at the beginning of the year</b>		14916568	19654332
<b>Cash and cash equivalents at the end of the year</b>		<b>19451426</b>	<b>14916568</b>
<b>1. Cash and cash equivalents at the end of the year comprises:</b>			
Cash on hand		223304	536305
Balances with Banks			
(j) In current accounts		4463972	3217154
(ii) In fixed deposit accounts		14764150	11163109
<b>Total</b>		<b>19451426</b>	<b>14916568</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, 30<sup>th</sup> May, 2019</b></p>			
<p><b>For DHABRIYA POLYWOOD LIMITED</b></p> <p>Sd/-  <b>DIGVIJAY DHABRIYA</b>  <b>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>			

DHABRIYA POLYWOOD LIMITED				
STATEMENT OF CHANGES IN EQUITY				
For the year ended on 31 <sup>st</sup> MARCH 2019				
A. Equity Share Capital				
Particulars				Amount
Balance as at 01 <sup>st</sup> April, 2017				105801500
Changes in equity share capital during the year				2440950
Balance as at 31 <sup>st</sup> March, 2018				108242450
Changes in equity share capital during the year				0
Balance as at 31 <sup>st</sup> March, 2019				108242450
B. Other Equity				
Particulars	Other Equity			Amount
	Reserve and Surplus			
	General Reserve	Share Premium Account	Retained Earnings Account	
Balance as at 01 <sup>st</sup> April, 2017	155573523	13206000	868369	169647892
1. Profit for the year	0	0	40182983	40182983
2. Other comprehensive income for the year, net of income tax	0	0	2007847	2007847
Total Comprehensive Income for the year	0	0	42190830	42190830
3. Premium received on issue of Shares	0	28559115	0	28559115
4. Transfer to / (from) Retained earnings	42190830	0	(42190830)	0
Balance as at 31 <sup>st</sup> March, 2018	197764353	41765115	868369	240397837
1. Profit for the year	0	0	29100605	29100605
2. Other comprehensive income for the year, net of income tax	0	0	591448	591448
Total Comprehensive Income for the year	0	0	29692053	29692053
3. Premium received on issue of Shares	0	0	0	0
4. Transfer to / (from) Retained earnings	30560422	0	(30560422)	0
Balance as at 31 <sup>st</sup> March, 2019	228324775	41765115	0	270089890
As per our Report of even date		For DHABRIYA POLYWOOD LIMITED		
For NARENDRA SHARMA & Co.				
Chartered Accountants				
Firm Regn. No. 004983C				
		Sd/-	Sd/-	
		DIGVIJAY DHABRIYA	SHREYANSH DHABRIYA	
		Director	Director	
		(DIN: 00519946)	(DIN: 06940427)	
Sd/-				
(CA YOGESH GAUTAM)				
Partner				
M. No. 072676				
		Sd/-	Sd/-	
		HITESH AGRAWAL	SPARSH JAIN	
		Chief Financial Officer	Company Secretary	
Jaipur, 30 <sup>th</sup> May 2019				



**Notes forming part of Financial Statements**  
for the year ended March 31, 2019

**1. GENERAL INFORMATION**

Dhabriya Polywood Limited ('The Company') is a Public Limited Company domiciled and incorporated under the provisions of the erstwhile Companies Act, 1956 in India in 1992. The Company's equity shares are listed at the Bombay Stock Exchange (BSE). 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 manufacturers & suppliers of Extruded PVC Profile Sections, Dstona Sheets & Moldings for various furnishing & furniture applications (i.e. Doors, Partitions, Ceiling, Paneling, fencing, prefabs, 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. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as applicable.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PREPERATION AND PRESENTATION**

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

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

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

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

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

**B. REVENUE RECOGNITION**

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

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no

continuing management involvement with the goods nor it exercises effective control over the goods and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales arrangements.

**Income from Services:** Revenue from sale of services are recognized when services are rendered, and related costs are incurred. Income from services is also net of Goods and Service Tax (GST).

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

#### C. PROPERTY, PLANT AND EQUIPMENT

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

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

#### Depreciation methods, estimated useful lives and residual value

Depreciation on Property, plant and equipment is provided to the extent of depreciable amount on the Written Down Value (WDV) Method on the basis of useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation on additions and deletion during the year has been provided on pro rata basis with reference to the date of addition and deletion. The residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

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

#### D. INVESTMENT PROPERTY

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Investment properties are depreciated using the written down value method over their estimated useful life.

#### E. IMPAIRMENT OF ASSETS

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized in the Statement of Profit and Loss wherever the carrying amount of an asset exceeds its estimated

recoverable amount. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss. Provision for impairment will be reviewed periodically and amended depending on changes in circumstances.

#### **F. FOREIGN CURRENCY TRANSACTIONS**

The functional currency of the Company is Indian rupee. Transactions denominated in foreign currencies are normally recorded on initial recognition at the exchange rate prevailing at the time of transaction. Monetary items (i.e. liabilities and assets etc.) 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 of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognized as income / expense 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.

#### **G. CASH AND CASH EQUIVALENTS**

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

#### **H. TRADE RECEIVABLES**

Trade receivables are amounts due from customers for goods sold or services

performed in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

#### **I. INVENTORIES**

Raw materials, Packing Materials, stores, spares & consumables, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials, packing materials comprises cost of purchases, non-refundable purchase taxes and any directly attributable expenses related to inventories. Cost of raw materials, packing materials, stores, spares & consumables is determined on a first in first out method. Cost of work-in-progress and finished goods comprises materials and appropriate proportion of all variable and fixed overhead expenditures, which is allocated on a systematic basis.

Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts, if any. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **J. INVESTMENT IN SUBSIDIARIES**

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost. On the date of transition to Ind AS, the Company has considered the carrying value of investment in subsidiaries as per previous GAAP to be the deemed cost as per Ind AS 101.

The Company reviews its carrying value of long-term investments in equity shares of subsidiaries carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

#### K. TRADE AND OTHER PAYABLES

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

#### L. BORROWING

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

#### M. BORROWING COST

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

#### N. EMPLOYEE BENEFITS

##### Short Term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to

be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### Post-Employment Benefits

##### Defined Contribution Plans

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

##### Defined Benefit Plans

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

#### O. USE OF ESTIMATES AND JUDGEMENT

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

the revision affects both current and future periods.

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

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

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

**(ii) Taxation:**

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations, if any. Any difference is recognised on closure of assessment or in the period in which they are agreed.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

**(iii) Impairment of investments:**

The Company reviews its carrying value of long-term investments in equity shares of subsidiaries and other companies carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**P. FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

**FINANCIAL ASSETS**

**Initial recognition and measurement:**

On initial recognition, a financial asset is recognized at fair value. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) depending on the classification of the financial assets. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

**Derecognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the contractual rights to receive the cash flows from the asset.

**Investment in Subsidiaries:**

The Company's investment in equity instruments of Subsidiaries are accounted for at cost as per Ind AS 27, including adjustment for fair value of obligations, if any, in relation to such subsidiaries.

**Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be



measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

## **FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS**

### **Classification as equity**

Equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### **Financial liabilities**

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss. Interest

expense are included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **Derecognition of financial liabilities**

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### **Offsetting**

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

## **Q. INCOME TAXES**

Current Income Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss i.e. in other comprehensive income or equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation



and establishes provisions where appropriate.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss i.e. in other comprehensive income.

#### **R. PROVISIONS AND CONTINGENCIES**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, for which it is probable that a cash outflow may be required, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected

to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursements will be received, and the amount of the receivable can be measured reliably.

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

#### **S. EARNING PER SHARE**

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

#### **T. OPERATING CYCLE**

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

#### 4. PROPERTY, PLANT & EQUIPMENT AND CAPITAL WORK -IN-PROGRESS

As at 31<sup>st</sup> March 2019 and 31<sup>st</sup> March 2018

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Balance as at 01 April, 2018	Additions / Adjustments	Disposals / discard of assets	As at 31 March, 2019	Balance as at 01 April, 2018	Depreciation for the year	Eliminated on Disposals / discard of assets	As at 31 March, 2019	As at 31 March, 2019	As at 31 March, 2018
Leasehold Land	142121914	0	0	142121914	0	0	0	0	142121914	142121914
Building	92472078	7868566	0	100340644	5912068	2957978	0	8870046	91470598	86560010
Plant & Equipment	142347110	19048480	0	161395590	40405960	19261294	0	59667254	101728336	101941150
Furniture & Fixtures	2607385	137000	0	2744385	728535	485465	0	1214000	1530385	1878850
Vehicles	10330919	0	537522	9793397	5231597	1505478	519784	6217291	3576106	5099322
Office Equipment's	213832	19901	0	233733	86552	37368	0	123920	109813	127280
Computers	899041.5	198796	0	1097837.5	455863	287749	0	743612	354225.5	443178.5
Misc. Fixed Assets	3671832	353693	0	4025525	1051384	523243	0	1574627	2450898	2620448
<b>Total</b>	<b>394664112</b>	<b>27626436</b>	<b>537522</b>	<b>421753026</b>	<b>53871959</b>	<b>25058575</b>	<b>519784</b>	<b>78410750</b>	<b>343342276</b>	<b>340792153</b>
<b>Capital Work-in-progress</b>	<b>0</b>	<b>5000</b>	<b>0</b>	<b>5000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5000</b>	<b>0</b>

Property, plant and equipment have been pledged as security against certain borrowings of the Company as at March 31, 2018. Refer note 17 & 21.

#### 5. INVESTMENT PROPERTY

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>Gross Carrying Amount</b>		
Balance as the beginning of period	8248680	2377980
Add: Additions / Adjustments	15375780	5870700
Less: Disposals / discard of assets	0	0
<b>Total at the end of period</b>	<b>23624460</b>	<b>8248680</b>
<b>Accumulated Depreciation</b>		
Balance as the beginning of period	240089	115815
Add: Depreciation Charged for the Year	390734	124274
Less: Eliminated on Disposals / discard of assets	0	0
<b>Total at the end of period</b>	<b>630823</b>	<b>240089</b>
<b>Net Carrying Amount</b>	<b>22993637</b>	<b>8008591</b>

**6. INVESTMENT – NON-CURRENT**

Particulars	As At 31 <sup>st</sup> March, 2019		As At 31 <sup>st</sup> March, 2018	
	No. of Units	Amount	No. of Units	Amount
<b>A. Investment in Equity Instruments</b>				
(Unquoted, fully paid-up shares in Subsidiary Companies, valued at cost)				
- Polywood Green Building Systems Pvt. Ltd	49500	495000	49500	495000
- Polywood Profiles Pvt. Ltd	46500	16507500	46500	16507500
- Dynasty Modular Furnitures Pvt. Ltd	756100	31000065	756100	31000065
<b>B. Other Equity Instruments</b>				
(Unquoted, fully paid-up shares, valued at cost)				
- Polywood India Ltd - non-listed Company	1000	10000	1000	10000
<b>C. Investment in Government Securities</b>				
(Unquoted, valued at amortized cost)				
- National Saving Certificates	-	3000	-	3000
<b>Total</b>				<b>48015565</b>

**7. LOANS – NON-CURRENT (Unsecured, Considered Good)**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Security Deposits	2551710	2235639
<b>Total</b>	<b>2551710</b>	<b>2235639</b>

**8. OTHER NON-CURRENT ASSETS**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Capital Advances - for Immovable Property	0	12578739
<b>Total</b>	<b>0</b>	<b>12578739</b>

**9. INVENTORIES**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
At Lower of cost or net realization value:		
Raw Materials	120652799	127797506
Packing Material	1740906	720592
Stock in Progress and semi-finished goods	19738846	14241599
Finished Goods - Manufactured	62540476	46185138
Finished Goods - Traded	4072885	7073168
Consumables Items, Stores and Spare Parts	2844500	2870000
<b>Total</b>	<b>211590412</b>	<b>198888003</b>

**10. TRADE RECEIVABLES**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Unsecured, considered good:		
Trade Receivables	176400622	196930953
<b>Total</b>	<b>176400622</b>	<b>196930953</b>
* Trade Receivables are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business.		

#### 11. CASH AND CASH EQUIVALENTS

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Cash and Cash Equivalents:		
a) Cash on hand	223304	536305
b) Balances with banks		
i. In current accounts	4463972	3217154
ii. In fixed deposit accounts	14764150	11163109
<b>Total</b>	<b>19451426</b>	<b>14916568</b>

#### 12. LOANS - CURRENT (UNSECURED, CONSIDERED GOOD)

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Security & Other Deposits	3313444	2812297
<b>Total</b>	<b>3313444</b>	<b>2812297</b>

#### 13. OTHER CURRENT FINANCIAL ASSETS

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Balance with Government Authorities	21065547	2471555
Other Advances recoverable in cash	1801199	1996253
<b>Total</b>	<b>22866746</b>	<b>4467808</b>

#### 14. OTHER CURRENT ASSETS

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Advances to Suppliers	22994313	13963390
Prepaid Expenses	3961462	2529853
Other Advances recoverable for value to be received	7663708	4552303
<b>Total</b>	<b>34619483</b>	<b>21045547</b>

#### 15. EQUITY SHARE CAPITAL

Particulars	As At 31 <sup>st</sup> March, 2019		As At 31 <sup>st</sup> March, 2018	
	No. of Shares	Amount in ₹	No. 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	10824245	108242450	10824245	108242450
<b>(c) Subscribed and fully paid-up</b>				
Equity Shares of ₹ 10/- each	10824245	108242450	10824245	108242450
<b>(d) Reconciliation of shares outstanding at the beginning &amp; at the end of the reporting period</b>				
At the beginning of the period	10824245	108242450	10580150	105801500
Add: Shares Issued	0	0	244095	2440950
Outstanding at the end of the period	<b>10824245</b>	<b>108242450</b>	<b>10824245</b>	<b>108242450</b>

(e) Details of shareholders holding more than 5% equity shares in the Company:	AS AT 31 <sup>ST</sup> MARCH, 2019		AS AT 31 <sup>ST</sup> MARCH, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Mr. Digvijay Dhabriya	7192238	66.45%	7192238	66.45%
Mr. Mukul Agarwal	1002500	9.26%	1002500	9.26%
(f) Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates	NIL	NIL	NIL	NIL
(g) Terms/rights attached to equity shares	The Company has only one class of shares referred to as equity shares having a par value of ₹ 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.				

#### 16. OTHER EQUITY

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>(A) General Reserves</b>		
Balance at the Beginning of the Year	197764353	155573523
Add: Transfer from Retained Earnings	30560422	42190830
<b>Closing balance</b>	<b>228324775</b>	<b>197764353</b>
<b>(B) Securities Premium Account</b>		
Balance at the Beginning of the Year	41765115	13206000
Add: Premium Received on Issue of Shares during the year	0	28559115
<b>Closing balance</b>	<b>41765115</b>	<b>41765115</b>
<b>(C) Retained Earnings Account</b>		
Balance at the Beginning of the Year	868369	868369
Add: Profit for the year	29100605	40182983
Add: Other Comprehensive Income for the Year, net of income tax	591448	2007847
	30560422	43059199
Less: Transfer to General Reserve	(30560422)	(42190830)
<b>Closing balance</b>	<b>0</b>	<b>868369</b>
<b>Total</b>	<b>270089890</b>	<b>240397837</b>

#### 17. BORROWINGS – NON-CURRENT

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>SECURED - At Amortized Cost</b>		
Term Loan from Banks*	77173569	88168298
Less: Current maturities of term loans	(17020000)	(20961939)
	60153569	67206359
Vehicle Loans**	502007	2529692
Less: Current maturities of vehicle loans	(502007)	(2027687)
	0	502005
<b>UNSECURED - At Amortized Cost</b>		
From Directors	37429727	30112582
From Corporates	35257208	41304323
	72686935	71416905
<b>Total</b>	<b>132840504</b>	<b>139125269</b>

\*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) SIDBI Term Loan of Rs. 1000 Lakhs availed in the October 2015 is repayable in 90 monthly instalments commencing from April 2016 and last instalment due in September 2023.
- (ii) SIDBI Term Loan of Rs. 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.
- (iii) SIDBI Term Loan of Rs. 100 Lakhs availed in the Month of February 2019 is repayable in 54 monthly instalments commencing from August 2019 and last instalment due in January 2024.

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

## 18. OTHER FINANCIAL LIABILITIES – NON-CURRENT

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Trade/ security deposits received	2362555	2635000
<b>Total</b>	<b>2362555</b>	<b>2635000</b>

## 19. PROVISIONS – NON-CURRENT

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Provision for Employee Benefits:		
Gratuity Provision	10458346	10347533
<b>Total</b>	<b>10458346</b>	<b>10347533</b>

## 20. DEFERRED TAX LIABILITIES (NET)

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>Tax effect of items constituting deferred tax liability:</b>		
Property, Plant & Equipments	10048552	8822619
	10048552	8822619
<b>Tax effect of items constituting deferred tax assets:</b>		
Provision for gratuity	(3060803)	(3009017)
	(3060803)	(3009017)
<b>Net Deferred Tax Liability</b>	<b>6987749</b>	<b>5813603</b>

## 21. BORROWINGS - CURRENT

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>SECURED - At Amortized Cost</b>		
<b>Working Capital Loans from Banks*</b>		
Cash Credit / Overdraft Facility	187250787	183111193
Buyer's Credit Facility	19163077	15004824
<b>Total</b>	<b>206413864</b>	<b>198116017</b>

\* Cash Credit Limits / Overdraft Facility & Buyers' Credit Facility from HDFC Bank Ltd. and ICICI 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.

## 22. TRADE PAYABLES

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
<b>Trade payables*</b>		
Dues to Micro, small and medium enterprises	16565149	0
Others	68484526	63064955
<b>Total</b>	<b>85049675</b>	<b>63064955</b>



**23. OTHER FINANCIAL LIABILITIES - CURRENT**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Current maturities of Term Loans*	17020000	20961939
Current maturities of Vehicle Loans*	502007	2027687
Statutory Remittances	8723998	21083892
Other Payables	5303122	6911651
<b>Total</b>	<b>31549127</b>	<b>50985169</b>
*Refer notes in Note 17 Borrowings - Non-Current for details of security.		

**24. OTHER CURRENT LIABILITIES**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Credit Balances of Receivables	14662978	6071999
<b>Total</b>	<b>14662978</b>	<b>6071999</b>

**25. PROVISIONS - CURRENT**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Provision for Expenses	15949363	13714648
Provision for Employee Benefits - Gratuity	543820	573496
<b>Total</b>	<b>16493183</b>	<b>14288144</b>

**26. INCOME TAXES****a) Income Tax Expenses**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Current Tax:</b>		
- Current Tax	11000000	20000000
- Tax pertaining to earlier years	483227	715832
<b>Deferred Tax</b>	946187	(932374)
<b>Total</b>	<b>12429414</b>	<b>19783458</b>

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

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Profit before tax	41530019	59966441
Enacted tax rate in India	27.820%	33.063%
Expected income tax expenses at statutory tax rate	11553651	19826704
<b>Tax Impact on account of</b>		
Depreciation under income tax act	(1032964)	(775138)
Expenses allowed only on payment basis	250531	(121273)
Expenses not deductible in determining taxable profits	10726	30335
Others	218056	1039371
Tax expenses pertaining to current year	11000000	20000000
Effective Income Tax Rate	26.487%	33.352%

**b) CURRENT TAX LIABILITY (NET)**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Provision for Income Tax	11000000	20000000
Less: Advance Tax and TDS	11000000	8396114
Net Provision for Income Tax	0	11603886
<b>Total</b>	<b>0</b>	<b>11603886</b>

**27. REVENUE FROM OPERATIONS**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Sale of Products (A)</b>		
Sale of Products	721564356	765857881
Less: Discounts on Sales (Cash/Trade)	3416650	2755095
Add: Excise Duty	0	20037057
	<b>718147706</b>	<b>783139843</b>
<b>Sale of Services (B)</b>		
Installation and Fixing Income	19280402	18217924
<b>Total (A+B)</b>	<b>737428108</b>	<b>801357767</b>

**28. OTHER INCOME**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Interest Income	991088	871882
Foreign Exchange Gains (Net)	1822433	1274823
Income from Rent	634968	0
<b>Total</b>	<b>3448489</b>	<b>2146705</b>

**29. COST OF MATERIAL CONSUMED**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Inventory at the beginning of the year	128518098	102083801
Add: Purchases during the year	390583410	451929696
	519101508	554013497
Less: Inventory at the end of the year	122393705	128518098
<b>Total</b>	<b>396707804</b>	<b>425495399</b>

**30. PURCHASE OF STOCK IN TRADE**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Purchase of Trading Goods	19638842	7236771
<b>Total</b>	<b>19638842</b>	<b>7236771</b>

**31. CHANGES IN INVENTORIES OF FINISHED GOODS, W.I.P. & STOCK IN TRADEOST OF MATERIAL CONSUMED**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b><u>Inventories at the end of the year:</u></b>		
Finished Goods - Manufactured	62540476	46185137
Finished Goods - Trading	4072885	7073168
Stores & spare Parts	2844500	2870000
Stock in Process and Semi-Finished goods	19738846	14241599
<b>TOTAL</b>	<b>89196707</b>	<b>70369904</b>
<b><u>Inventories at the beginning of the year:</u></b>		
Finished Goods - Manufactured	46185137	26450408
Finished Goods - Trading	7073168	10122687
Stores & spare Parts	2870000	1406500
Stock in Process and Semi-Finished goods	14241599	13355824
<b>TOTAL</b>	<b>70369904</b>	<b>51335419</b>
<b>Net (increase) / decrease</b>	<b>(18826803)</b>	<b>(19034485)</b>

**32. EMPLOYEES BENEFIT EXPENSE**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Salary, Wages and Bonus to Employees	118238433	114061979
Contributions to Provident Fund	1657717	1625526
Gratuity	2353524	3114659
Remuneration to Directors	14100000	12020000
Staff Welfare Expenses	1280484	2101845
<b>Total</b>	<b>137630158</b>	<b>132924009</b>

**33. FINANCE COST**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Interest expense	35469579	34969169
Bank Charges & other financial charges	1633654	1330689
<b>Total</b>	<b>37103233</b>	<b>36299859</b>

**34. DEPRECIATION AND AMORTIZATION EXPENSE**

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Depreciation on Property, Plant and Equipment	25058575	28003557
Depreciation on Investment Property	390734	124274
<b>Total</b>	<b>25449309</b>	<b>28127831</b>

### 35. OTHER EXPENSES

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Manufacturing Expenses</b>		
Power & Fuel	24223308	23971227
Repair & Maintenance of Plant & Machinery	4021252	5268363
Electric Repair and Maintenance	429588	160164
Glass Hardware & Fittings	1724156	1874504
Installation & Fixing charges	13174992	11311086
Excise Duty Expenses	0	1015250
Factory/Godown Rent	2709623	2537800
Carriage inward	7039984	7080219
Factory Expenses	1808302	2075846
Water Charges	368930	400494
Work Contract Execution Expenses	0	1114273
Expenses for Import of Raw Material	8474633	8782087
	63974768	65591313
<b>Office &amp; Administrative Expenses</b>		
Auditor Fees	100000	100000
Insurance expenses	989128	981488
Legal & Professional expenses	819041	1487075
Office /Branch and Misc. Expenses	723087	576107
Postage & Telegram Expenses	249061	251464
Printing & Stationary	586854	1311239
News Paper & Periodicals	13584	24392
Subscription and Membership fee	201190	146605
Registration and filling fee	464896	1414282
Rent Rate and Tax	6354833	5416386
Sitting Fee to Independent Directors	41000	40000
Repair & Maintenance Computer	348449	609487
Repair & Maintenance building	270	180445
Vehicle running & Maintenance	1110282	1443897
Telephone, Cellular & Internet expenses	1131858	1487548
Conveyance Expenses	2441193	1462526
Donation	38554	167520
Corporate Social Responsibility Expenses	0	11886
	<b>15613280</b>	<b>17112348</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Sales Promotion Expenses	4279047	10096952
Travelling Expenses	6170269	8033802
Carriage Outward	9497620	9411693
Expenses for Export	83784	0
Tender Expenses	18500	72750
Commission on Sales	574070	554955
Discount Allowed	1432696	1577778
	<b>22055987</b>	<b>29747929</b>
<b>Total</b>	<b>101644035</b>	<b>112451590</b>

**36. EARNING PER SHARE**

Particulars	2018-19	2017-18
(a) Net Profit after Tax as per Statement of Profit & Loss	29100605	40182983
(b) Net Profit available to Equity Shareholders	29100605	40182983
(c) Number of equity shares at year end	10824245	10824245
(d) Weighted Average No. of Equity Shares	10824245	10824245
(e) Basic / Diluted Earnings per Share (b)/(d)	2.69	3.71
(f) Face value per equity share	10.00	10.00

**37. EMPLOYEE BENEFITS****c) Contribution to Provident Fund and Employees State Insurance**

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

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Employer's contribution to provident fund (includes pension fund)	1657717	1625526
Employer's contribution to Employees State Insurance	1250219	696070

**d) Gratuity**

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

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>1. Amounts Recognized in Statement of Profit and Loss</b>		
a. Current Service Cost	1507144	1573761
b. Interest on Defined Benefit Obligation	846380	874806
c. Past Service Cost	0	666092
Total amount included in "Employee Benefit Expense" (Note 32)	2353524	3114659
<b>2. Amounts Recognized in other comprehensive income (OCI)</b>		
a. Net cumulative unrecognized actuarial Losses/ (Gains) opening	0	0
b. Net Actuarial Losses/ (Gains) Recognized in Year	(819407)	(2999607)
Unrecognized actuarial Losses/ (Gains) for the year	(819407)	(2999607)
<b>3. Amount Recognized in Balance Sheet</b>		
a. Present Value of Unfunded Obligations	11002166	10921029
Net Liability	11002166	10921029
b. Net Liability is bifurcated as follows:		
Current	543820	573496
Non-Current	10458346	10347533
Net Liability	11002166	10921029
<b>4. Reconciliation of present value of defined benefit obligations</b>		
i. Present value of obligation as at the beginning of the period	10921029	11287822
ii. Current Service Cost	1507144	1573761
iii. Interest Cost	846380	874806
iv. Actuarial Losses/ (Gain)	(819407)	(2999607)
v. Past Service Cost	0	666092
vi. Benefits Paid	(1452980)	(481845)
vii. Present value of obligation as at the end of the period	11002166	10921029
<b>5. Actuarial Assumptions of the defined benefit obligations</b>		
a. Discount Rate (p.a.)	7.75%	7.75%
b. Salary Escalation Rate (p.a.)	6.00%	6.00%

### 38. CIF VALUE OF IMPORTS

Particulars	2018-19	2017-18
(a) Raw Materials	109555633	138391290
(b) Traded Goods	4821597	3940516
(c) Components and Spare Parts	205216	1287265
(d) Capital Goods	12194445	10127462
<b>Total</b>	<b>126776891</b>	<b>153746533</b>

### 39. EXPENDITURES IN FOREIGN CURRENCY

Particulars	2018-19	2017-18
(a) Others (Travelling Expenses)	698300	231800
<b>Total</b>	<b>698300</b>	<b>231800</b>

### 40. EXPENDITURES IN FOREIGN CURRENCY

Particulars	2018-19	2017-18
(a) Total value of imported raw materials, spare parts and components consumed during the financial year	102713201	137140879
(b) Total value of all indigenous raw materials, spare parts and components similarly consumed	298015855	293622883
(c) Total value of imported and indigenous raw material, spare parts and components consumed during the financial year	400729056	430763762
(d) Imported raw material, spare parts and components consumed in %	25.63%	31.84%
(e) Indigenous raw material, spare parts and components consumed in %	74.37%	68.16%

### 41. DETAILS OF DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

Based on and to the extent of information available with the Company under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Principal amount due to suppliers as at the end of the year	16565149	0
Interest accrued and due to suppliers on the above amount as at the end of the year	0	0
The amount of Interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year ended March 31, 2019	0	0
The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0	0
The amount of Interest accrued and remaining unpaid at the end of each accounting year	0	0
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	0	0
<b>Total</b>	<b>16565149</b>	<b>0</b>
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected and received by the Management for the respective year. This has been relied upon by the auditors.		

### 42. SEGMENT REPORTING

In accordance with para 4 of Ind AS 108 - Operating Segments, the company presents segment informations only in the Consolidated Financial Statements.



**43. CONTINGENT LIABILITIES**

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
(a) Performance Bank Guarantees given to third parties for contractual obligations	22279861	14853846
(b) Performance Bank Guarantees given to third parties for contractual obligations on behalf of Subsidiary Company	23915818	23026304

**44. RELATED PARTY DISCLOSURES**

<b>A) RELATED PARTIES AND THEIR RELATIONSHIP</b>						
<b>I. Subsidiary Company</b>						
✓ Polywood Green Building Systems Pvt. Ltd.						
✓ Polywood Profiles Pvt. Ltd.						
✓ Dynasty Modular Furnitures Pvt. Ltd.						
<b>II. Key Management Personnel</b>						
✓ Mr. Digvijay Dhabriya, Chairman & Managing Director						
✓ Mr. Mahendra Karnawat, Director						
✓ Mr. Shreyansh Dhabriya, Director						
✓ Mrs. Anita Dhabriya, Director						
✓ Mr. Hitesh Agrawal, Chief Financial Officer						
✓ Mr. Sparsh Jain, Company Secretary & Compliance Officer						
<b>III. Enterprises over which Key Managerial Personnel's are able to exercise significant influence/control:</b>						
✓ Polywood India Ltd.						
<b>b) Transactions with related parties for the year ended 31<sup>st</sup> March, 2019</b>						
Particulars	Subsidiary Company		Enterprises over which KMP exercise significant influence / control		Key Management Personnel and their relatives	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Remuneration to Key Management Personnel's	0	0	0	0	14100000	12020000
Salary to Employees	0	0	0	0	2800000	2304583
Interest Payment	0	0	0	0	53548	75024
Sales of Goods	65250460	136903580	0	0	0	0
Sitting Fees	0	0	0	0	41000	40000
Other Income	120000	0	0	0	0	0
Purchase of Goods	26215823	16046231	0	0	0	0
Purchase of Property, Plant & Equipments	770639	205658	0	0	0	0
Other Expenses	212190	13441	0	0	0	0
<u>Balance as at 31<sup>st</sup> March</u>						
Long Term Borrowings	0	0	0	0	37429727	30112582
Provisions – Current	0	0	0	0	981580	568490
Trade Receivables	9083541	46177506	0	0	0	0
Trade Payables	10326312	0	0	0	0	0
Other Financial Liabilities- Current	0	0	0	0	41000	17000

#### 45. FINANCIAL INSTRUMENTS

##### a. Capital Risk Management

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

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

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and March 31, 2018.

The Company monitors its capital using gearing ratio which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents.

Particulars	As At 31 <sup>st</sup> March, 2019	As At 31 <sup>st</sup> March, 2018
Long term borrowings	132840504	139125269
Current maturities of long-term debt	17522007	22989626
Short term borrowings	206413864	198116017
Less: Cash and cash equivalents	(19451426)	(14916568)
Less: Bank Balances other than Cash and cash equivalents	0	0
<b>Net Debt</b>	<b>337324948</b>	<b>345314345</b>
<b>Total Equity</b>	<b>378332340</b>	<b>348640287</b>
<b>Gearing Ratio</b>	<b>0.89</b>	<b>0.99</b>

##### b. Categories of financial instruments

PARTICULARS	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE
<b>Financial Assets</b>				
<b>Measured at amortized cost</b>				
Loans	5865154	5865154	5047936	5047936
Other Financial Assets	22866746	22866746	4467809	4467809
Trade Receivables	176400622	176400622	196930953	196930953
Cash and Cash equivalents	19451426	19451426	14916568	14916568
Non-current Investment	48015565	48015565	48015565	48015565
<b>Total Financial Assets at amortized cost (A)</b>	<b>272599513</b>	<b>272599513</b>	<b>269378830</b>	<b>269378830</b>
<b>Measured at Fair Value through other comprehensive income (B)</b>	0	0	0	0
<b>Measured at fair value through profit and loss (C)</b>	0	0	0	0
<b>Total Financial Assets (A+B+C)</b>	<b>272599513</b>	<b>272599513</b>	<b>269378830</b>	<b>269378830</b>

PARTICULARS	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE
<b>Financial Liabilities</b>				
<b>Measured at amortized cost</b>				
Long Term Borrowings	132840504	132840504	139125269	139125269
Current Maturities of Long-Term Borrowings	17522007	17522007	22989626	22989626
Short Term Borrowings	206413864	206413864	198116017	198116017
Trade Payables	85049675	85049675	63064955	63064955
Other Financial Liabilities	16389675	16389675	30630543	30630543
<b>Total Financial Liabilities carried at amortized cost</b>	<b>458215725</b>	<b>458215725</b>	<b>453926411</b>	<b>453926411</b>

### c. Financial Risk Management objects and policies

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

#### Market Risk

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

#### Interest Rate Risk

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

#### Foreign Currency Risk

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

#### Credit Risk

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

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

### Liquidity Risk

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

Particulars	Less Than 1 year	1 to 5 years	More than 5 years	Total
<b>As at March 31, 2019</b>				
Borrowings	206413864	132840504	0	339254367
Trade and Other payables	85049675	0	0	85049675
Other Financial Liabilities	33911682	0	0	33911682
<b>Total</b>	<b>325375222</b>	<b>132840504</b>	<b>0</b>	<b>458215725</b>
<b>As at March 31, 2018</b>				
Borrowings	198116017	132365269	6760000	337241286
Trade and Other payables	63064955	0	0	63064955
Other Financial Liabilities	53620169	0	0	53620169
<b>Total</b>	<b>314801141</b>	<b>132365269</b>	<b>6760000</b>	<b>453926411</b>

### 46. 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, 30<sup>th</sup> May 2019

### For DHABRIYA POLYWOOD LIMITED

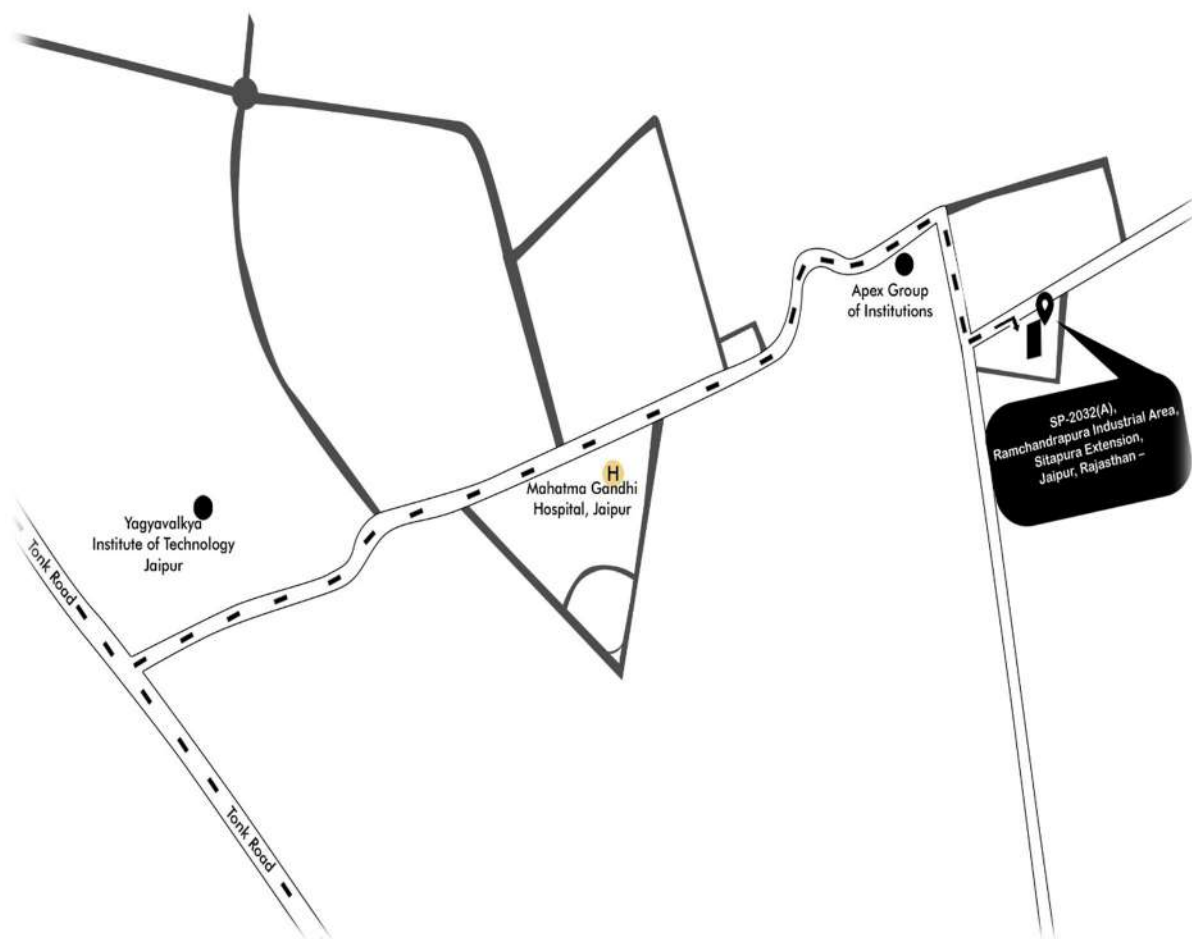
Sd/-  
**DIGVIJAY DHABRIYA**  
Director  
(DIN: 00519946)

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

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

Sd/-  
**SPARSH JAIN**  
Company Secretary

## ROUTE MAP OF AGM VENUE



**27<sup>th</sup> ANNUAL GENERAL MEETING**

**DHABRIYA POLYWOOD LIMITED**

**AGM VENUE:** SP-2032(A), Ramchandrapura Industrial Area,  
Sitapura Extension, Jaipur – 302022 (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

NAME OF THE MEMBER(S):		
Registered Address:		
E-mail Id:	Folio No /Client ID:	DP ID:

I/We, being the member(s) of \_\_\_\_\_ shares of the above-named company hereby appoint:

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 27<sup>th</sup> Annual General Meeting of the company, to be held on the Saturday, 28<sup>th</sup> Day of September 2019, at 11.00 a.m. at SP-2032(A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur – 302022 (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, 2019 and Reports of Directors and Auditors thereon b. Consolidated Audited Financial Statement for the financial year ended March 31, 2019 and Reports of Auditors thereon		
2.	Re-appointment of Mrs. Anita Dhabriya, who retires by rotation		
3.	Appointment of Statutory Auditor		
	<b>Special Business</b>		
4.	Re-appointment of Mr. Digvijay Dhabriya as the Chairman & Managing Director of the Company for a period of five (5) years		
5.	Re-appointment of Mr. Mahendra Karnawat as the Whole-Time Director of the Company for a period of five (5) years		
6.	Re-appointment of Mrs. Anita Dhabriya as the Whole-Time Director of the Company for a period of five (5) years		
7.	Re-appointment of Mr. Shreyansh Dhabriya as the Whole-Time Director of the Company for a period of five (5) years		
8.	Re-appointment of Mr. Sharad Kankaria as the Independent Director of the Company for a period of five (5) years		
9.	Re-appointment of Mr. Anil Upadhyay as the Independent Director of the Company for a period of five (5) years		
10.	Re-appointment of Mr. Padam Kumar Jain as the Independent Director of the Company for a period of five (5) years		
11.	Re-appointment of Mr. Shiv Shanker as the Independent Director of the Company for a period of five (5) years		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

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

### 27<sup>th</sup> Annual General Meeting – Saturday, September 28, 2019

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 27<sup>th</sup> Annual General Meeting of the Company held on Saturday, September 28, 2019, at 11.00 A.M. at SP-2032(A), Ramchandrapura Industrial Area, Sitapura Extension, Jaipur- 302022

\_\_\_\_\_  
 (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
Wednesday, September 25, 2019, 09.00 A.M	Friday, September 27, 2018, 05.00 P.M

Please read the instructions on e-voting as mentioned in the notice of 27<sup>th</sup> Annual General Meeting



## MEMORABLE EVENTS



**SHRI DIGVIJAY DHABRIYA JI** receiving "CERTIFICATE OF EXCELLENCE" on behalf of **DHABRIYA POLYWOOD LTD, JAIPUR** in the "Best Employer 2017" Awards presented by **SHRI PARSADI LAL JI**, Cabinet Minister, Govt. of Rajasthan.



1. RECEIVED "BEST EMPLOYER BRANDS AWARDS" IN RAJASTHAN, 2018 IN THE "13<sup>TH</sup> EMPLOYER BRANDING AWARDS" – 27<sup>TH</sup> JUNE 2018.



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



[www.dstona.com](http://www.dstona.com)



[www.dynastyfurnitures.com](http://www.dynastyfurnitures.com)

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## 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)